

# Building Strategic Partnerships for Development: Dominican Republic - New York State



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# Building Strategic Partnerships for Development: Dominican Republic - New York State

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# Prologue

Is it possible to establish some sort of connection between the national development of a country and its population residing abroad? What can be done in the Dominican Republic to promote policies that are mutually beneficial for the population residing abroad and for those located within its own boundaries?

At the dawn of the 21<sup>st</sup> century, the answers to these questions serve to foster new ideas, values, and principles relating to the concept of development in a world characterized by migratory flows and interdependence.

Considering the fact that the Dominican Republic has over a million of its nationals abroad, that is, approximately 10 percent of its population, most of them concentrated in the United States, and particularly in New York, it seemed appropriate to address these concerns on how to better link this population abroad with the nation's hopes for development and progress.

That is precisely the intent of this book, to convey the message that proper conditions must be established in order to take advantage, as a community, of the potential wealth of our diaspora.

The New York-Dominican Republic Strategic Alliance Project was conceived as an initiative sponsored by the Global Foundation for Democracy and Development, and relied on the enthusiastic support of the CUNY Dominican Studies Institute at City College, the Earth Institute at Columbia University, and other academic institutions, non-governmental organizations (NGOs), business associations, and community leaders.

The goal was to analyze, discuss, and formulate a series of proposals to strengthen relations between Dominican Republic and New York, and to facilitate the overall development of our community. The result has been a compilation of research papers conducted by the participating constituencies of the New York community.

The implementation of this project is based on the assumption that all effective development of a modern society rests on its ability to integrate and incorporate all individuals and social sectors capable of fostering the necessary actions and mobilizing resources to achieve economic growth and social welfare.

Since the research began, almost two years ago, we have worked continuously to create the basis for a permanent dialogue between our people living in the Dominican Republic and New York, and to promote a constant flow of exchanges in the educational, scientific, cultural, and business areas, as well as professional services.

The working groups and initial research focused on the following areas: Migration and Labor Force; Health; Education; Cultural Development; Economic Development; Remittances; Science and Technology; Sports; Civic Participation and Leadership Development.

In general, the studies produced on the impact of the diaspora on the economic relations with the country of origin are few, and most of the literature refers to remittances. We believe that the research presented in this book will open the door to a permanent and constant production of research that will enrich the foundations established in this project.

The first section of each paper offers a diagnosis of the reality of the Dominican community. The second section includes a series of recommendations for public policies and exchange projects.

Migration, particularly to the United States, constitutes a natural gateway for thousands of Dominicans in a society like ours, where so many matters are still pending. Nonetheless, it serves as an important asset to increase the diverse relations required to achieve full development in the contemporary world.

Given the previously described situation, we must become familiar with all migration laws in the United States that affect us, in order to determine how to respond effectively.

What can be done to ensure that the repatriation process of Dominicans from the United States complies with the necessary respect for human rights standards, while guaranteeing the needs for national security of both countries?

The following pages reflect the criteria established by the working group involved in the analysis of these issues.

Of unquestionable importance as well is the need to determine whether our community has real access to quality healthcare services, both in New York and the Dominican Republic.

We already know that we face serious common health problems, e.g. combating HIV/AIDS, a virus with devastating effects. Under this context, studies and exchanges acquire special relevance in fostering the improvement of our knowledge of these diseases that trespass all geographical boundaries and, at the same time, are so devastating to our society as a whole.

One might also ask: Do we know what are our students' needs in the US? How are our young emigrants integrated into the educational system of the United States? Which study areas offer the best opportunities for their incorporation into the work force?

We must determine whether our young generations are fully aware of their unique cultural background, or whether, as a result of the inevitable globalization of ideas and social integration, a different culture is emerging that could be classified as Dominican-American in this particular case.

The group assembled for the research on commerce and investment issues has indicated that even though the Dominican and Latino population represent an important ethnic market, the level of business transactions between New York and the Dominican Republic is weak, despite its immense potential.

Within that context, the group also presents a comprehensive analysis on ethnic/transnational entrepreneurs and successful initiatives of other diasporas, as well as on management of investment availability and innovative ideas to foster economic exchange between both locations.

As a result of what are known today as transnational communities, Dominicans are expected to fully participate in the political scenarios of both the Dominican Republic and the United States. Therefore, we must know and apply our civic rights as a means to gain respect as a community and to create awareness among our nationals that, in a democratic system, influence and the ability to make decisions is obtained through exercising the right to vote.

The Dominican diaspora is a dynamic and talented one. It is comprised of young bilingual undergraduates from renowned colleges, and professionals from top companies and institutions, as well as hardworking men and women committed to dignifying their homes.

We are, undoubtedly, dealing with a human capital of great potential, and the challenge is to identify the most original and creative formula for its use and integration in favor of community development projects and in the individual growth of each member of the community.

Fostering relations between New York and the Dominican Republic can be mutually beneficial for residents on both sides.

For New Yorkers, the Dominican Republic represents a place in which one can take advantage of the promising opportunities of a constantly developing country, in terms of business promotion, investments, and capital flow. And, at the same time, it is an ideal place for tourism, music, sports, and the arts.

On the other hand, for Dominicans residing in the native home, New York represents a dream and a vision. The dream and the vision of accelerating, through the transfer of knowledge and technology, the transformation process of a society that, despite its potential to improve the quality of life of its citizens, has been deprived of the opportunity to fully enjoy the benefits of modern civilization.

The link between the Dominican Republic and its people residing in New York represents a golden opportunity to take an enormous step forward in the construction of a new nation that not only guarantees food, shelter, and education for its children, but also participates in the new universal culture that is emerging in the larger cities of the world, such as the city of the skyscrapers, so reflected in the poetry of the immortal Walt Whitman.

I hope the text the reader now holds in his/her hands becomes the guiding light that illuminates the conscience of our people, wherever they are, so that they understand that there is only one homeland, regardless of boundaries.

**Leonel Fernández**  
President  
Fundación Global Democracia y Desarrollo  
Global Foundation for Democracy and Development, Inc.

# Editors' Note

This book is the product of a two-year series of lengthy conversations and research concerning Dominicans in New York and the Dominican Republic. The editors wish to acknowledge a number of people who facilitated the production of this book. Each one of these dedicated people put long hours of work, while enthusiastically moving the project forward. Among our collaborators is the team of experts from Fundación Global Democracia y Desarrollo (FUNGLODE) composed by Frederic Emam Zade, Director for Economic Development; Dr. Alberto Fiallo, Director of the Center for Health; José Rafael Lantigua, Director of the Center for Cultural Studies and his assistant Alexander Santana; Eddy Martínez, Director of the Center for Science and Technology; Ligia Amada Melo, Director of the Center for Education; Carlos Dore Cabral, Director of Research; and Domingo Távarez, Director of the Center for Information and Communication Technologies (ICTs). They spent many hours meeting with the delegations from New York, elucidating issues, comparing experiences, and developing sound strategies to solve problems facing Dominicans in the native land as well as in New York. Their experiences, the vivid discussions, and the exchange of ideas proved to be a valuable asset for the composition of the present volume. Our deepest gratitude goes to our collaborators in New York, Mr. Sully Saneaux and Ms. Michelle Abreu. They worked ardously without coming to a halt amongst the pressures of completing the translations on time in order for the authors to have their final say before the book went to press. To Anthony Stevens-Acevedo and Lincoln Restler, both from the CUNY-Dominican Studies Institute, we owe many thanks. They patiently read and edited different versions of the manuscripts and provided valuable commentaries and editorial suggestions, which, undoubtedly, improved the readability of the text. Our gratitude also goes to the support staff and colleagues at FUNGLODE/GFDD and CUNY-DSI. Many thanks to Fernando Mosquea and Bernardo Batista, our design and layout and cover design persons, respectively. They worked ardously overnight to guarantee a quality and timely service. We are also in debt to the authors in this volume; they endured our tyranny to convert their ideas into written word under "piecework" conditions. Without their support and their trust in us, it is likely that this project would have never seen the light. Finally, the best we can say may not be sufficient to express our gratitude to the President of the Dominican Republic, Dr. Leonel Fernández, for entrusting us with such an important task and for helping us bring it into fruition. President Fernández was the engine behind the project, and his incredible amount of energy was a big boost in getting us going when exhaustion caught up with us. His vision and sense of hope for the future of the Dominican people, regardless of where they live, helped us remain focused with our eyes on the prize. We hope the efforts and ideas expressed in this book serve to strengthen the socioeconomic and political links between the Dominican Community in New York and the Dominican Republic. Needless to say that all errs the reader may find in this book are the sole responsibility of the editors.

María Elizabeth Rodríguez  
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## **Building Strategic Partnerships for Development: Dominican Republic-New York State**

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# CHAPTER I

## MIGRATION AND LABOR FORCE

# **Strategic Alliance Dominican Republic – New York**

## **MIGRATION AND LABOR FORCE**

### **Dominicans in the United States: A Socioeconomic Profile of the Labor Force**

Ramona Hernández, Coordinator  
Francisco L. Rivera-Batiz

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# I. Executive Summary

This research report presents the first detailed study of the socioeconomic status of the Dominican labor force in the United States. Using information recently provided by the 2000 U.S. Census of Population, the study concludes that:

(1) The Dominican population in the United States rose from 520,121 in 1990 to 1,041,910 in 2000, making it the fourth-largest Hispanic/Latino group in the United States, after Mexicans, Puerto Ricans, and Cubans. It is estimated that, at current population growth rates, the Dominican population will overtake the Cuban population before the year 2010, making it the third largest Hispanic/Latino population in the country.

(2) The major source of Dominican growth continues to be immigration. Between 1990 and 2000, close to 300,000 Dominicans migrated to the United States on a net basis.

(3) Besides substantial immigration, the Dominican population born in the United States rose sharply in the 1990s. There were 394,914 Dominicans born in the U.S. residing in the country in 2000. This constitutes one out of every three Dominicans.

(4) The largest concentration of Dominicans continues to be located in the state of New York, but there has been a significant spread to other states in the last decade. The state of New York was host to 617,901 Dominicans in 2000; followed by New Jersey, with 136,529; Florida, with 98,410; Massachusetts, with 69,502; Rhode Island, with 24,588; Pennsylvania, with 13,667; and Connecticut, with 12,830. There were also budding Dominican communities in almost every region of the country, from Alaska to Hawaii.

(5) New York City continues to dominate the location of Dominicans in the United States. The Dominican population of New York rose from 332,713 to 554,638 between 1990 and 2000. Dominicans are currently the second largest Hispanic/Latino population of New York, following Puerto Ricans. But the Puerto Rican population in the City declined substantially in the last decade. If current population growth trends continue, Dominicans will overtake Puerto Ricans as the largest Hispanic/Latino population of the City within the next ten years.

(6) The greatest concentration of Dominicans in New York continues to be in Manhattan, where one out of every three Dominicans in the City resided in 2000. But just as the population has spread throughout the country, Dominican New Yorkers have also spread throughout the City. The Dominican population in the Bronx is now almost as large as that in Manhattan, with 32.7 percent of all Dominicans. There has also been substantial growth in Queens, Brooklyn and Staten Island.

(7) The expanding Dominican population outside New York City has reduced the proportion of Dominicans in the City from 73.4 percent in 1980 to 65.1 percent in 1990 and 53.2 percent in 2000. Following New York City, there are major Dominican populations in the City of Lawrence (Massachusetts), where 22,111 Dominicans reside; the City of Paterson (New Jersey), with 19,977 Dominicans; Providence (Rhode Island), with 19,915 Dominicans; and Boston (Massachusetts), with 19,061 Dominicans. The cities of Jersey City, Passaic, Perth Amboy and Union City in New Jersey also have substantial Dominican populations, as do the City of Yonkers in New York, and Miami in Florida. Many other cities all over the country have smaller, but rapidly growing Dominican populations.

(8) The mean annual per capita household income of the Dominican population in the United States was \$11,065 in the year 1999. This was about half the per capita income of the average household in the country that year. It was also significantly lower than the per capita income of the Black/African American population and even slightly lower than the income of the average Latino household.

(9) There is substantial variability in the socioeconomic status of Dominicans in various parts of the United States. Among the most populous states, Dominicans in Florida had the highest per capita household income, equal to \$12,886 in the year 1999. By contrast, Dominicans in Rhode Island had the lowest average per capita income, equal to \$8,560 in the year 1999.

(10) In New York City, the average per capita income of Dominicans was below the average for the United States. The poverty rate of 32 percent among Dominican New Yorkers was the highest of the major racial and ethnic groups in New York. The overall poverty rate in New York in 1999 was 19.1 percent, while it was 29.7 percent for the overall Hispanic/Latino population.

(11) A high proportion of Dominican families in poverty consist of female-headed families, with no spouse present. In 2000, as much as 38.2 percent of Dominicans in New York lived in this type of family, compared to 22.1 percent for the overall City. Close to half of Dominican female-headed families in New York City were poor, more than twice the poverty rate for other households.

(12) Despite the low relative socioeconomic status of Dominicans in New York City, their income displayed significant growth in the 1990s, rising by close to 16 percent in the decade (adjusted for inflation). The overall increase of per capita income in the City in the decade was 9.2 percent, but both the Black/African American population and the overall Hispanic/Latino population in the City had lower income growth rates. The White population in the City displayed a growth of over 20 percent in per capita income.

(13) The labor force participation rate of Dominicans is lower than that for the rest of the population. In 2000, it was approximately 64 percent for men and 53.1 percent for women. The figures for the overall U.S. workforce are 72.7 percent and 58.5 percent, for men and women, respectively.

(14) The unemployment rate of Dominican women and men in 2000 greatly exceeded that of the overall labor force in the United States. In 2000, Dominican men had an unemployment rate of 7.8 percent, compared to an overall unemployment rate of 3.9 percent for men in the country. Among

women, the Dominican unemployment rate was 10.7 percent in 2000, compared to 4.1 percent in the country overall.

(15) Despite the comparatively high unemployment rates of Dominicans, these rates declined sharply between 1990 and 2000. In New York City, for instance, the male and female unemployment rates among Dominicans were 15.7 percent and 18.4 percent, respectively, in 1990. These dropped to 8.9 percent and 13.1 percent by 2000.

(16) The comparatively high unemployment rates of Dominicans in New York City are connected to a painful long-term switch in the employment of the Dominican labor force from manufacturing to other sectors. In 1980, close to half of the Dominican workforce was employed in manufacturing. This declined to 25.7 percent in 1990 and to 12.4 percent in 2000.

(17) The Dominican labor force is very young and mostly unskilled. Only 17.3 percent of Dominicans in the United States have managerial, professional and technical occupations, about half the proportion for the overall United States. As a result, the average earnings of Dominican men and women are substantially lower than those of other workers in the nation.

(18) The overall educational attainment of Dominicans in the United States is among the lowest in the country. In 2000, 49 percent of Dominicans 25 years of age or older had not completed high school and only 10.6 percent had completed college. By contrast, less than 20 percent of the American population had not completed high school in 2000, and 24.4 percent had finished college.

This research presents a mixed picture of the Dominican population of the United States. On the one hand, Dominicans have among the lowest per capita income in the country, comparatively low labor force participation rates, high unemployment rates, and low earnings. On the other hand, Dominican income and employment indicators did improve significantly in the 1990s, and the Dominican second generation appears to be accumulating vast amounts of human capital, increasing its educational attainment very rapidly. Therefore, despite facing considerable challenges in its remarkable growth during the last twenty years, the prospects for the future look bright for Dominicans in the U.S.

## II. Introduction

The number of Dominicans in the United States doubled in the 1990s, from slightly over half a million in 1990 to over one million in 2000. By comparison, the overall population of the United States increased by only 12.3 percent between 1990 and 2000. Dominicans now constitute the fourth largest Hispanic/Latino group in the United States, following Mexicans, Puerto Ricans and Cubans. By the end of the decade, the number of Dominicans is expected to surpass Cubans, thus becoming the third largest Hispanic/Latino population in the United States.

In spite of the growing numbers and visibility of Dominicans in the United States, relatively little systematic information is available about their current socioeconomic status. There exist detailed studies including information on the Dominican community in the U.S. up to the early 1990s [see Hendricks (1974), Ugalde, Bean and Cárdenas (1979), Gurak (1982), Grasmuck and Pessar (1991), and Torres-Saillant and Hernández (1998)]. There are also recent ethnographic studies sampling segments of the Dominican population, particularly the Washington Heights community [Waldinger (1986), Pessar (1987), Portes and Guarnizo (1991), and Duany (1994)]. There are, finally, comprehensive surveys of Dominican New Yorkers [see Hernández and Rivera-Batiz (1997), and Hernández, Rivera-Batiz and Agodini (1995)]. But there is no recent profile of the overall Dominican population in the United States, particularly looking at its situation in 2000.

Providing a comprehensive study of the socioeconomic status of the overall Dominican population of the United States at the beginning of a new millennium is essential. Firstly, existing accounts of the situation of Dominicans often focus exclusively on New York. In the past, this has been a natural outcome of the overwhelming concentration of Dominicans in the City. In 1980, for example, three out of four Dominicans in the U.S. resided in New York. But this has changed. By the year 2000, the Dominican population in New York accounted for about half of Dominicans in the United States.

The increased complexity of the Dominican experience in the United States is not only geographical, but also generational. In the past, studies of Dominicans focused almost exclusively on analyzing immigrants. This reflected the predominance of those born in the Dominican Republic within the community. But this has also changed. A rapidly-growing second generation is becoming a major force. In 2000, one out of every three Dominicans in the United States was born in the U.S.

What do these changes imply about the situation of the Dominican population in the United States? Do Dominicans in New York differ from Dominicans settling in other parts of the country, such as Florida or New Jersey? Is the growing second generation performing better in the labor market than their parents did? This research report presents data on the socioeconomic status of the Dominican population using recently released data from the 2000 U.S. Census of Population. In particular, we use the 1 percent and 5 percent Public Use Microdata Samples (PUMS). These data are supplemented with information provided by earlier Censuses, in providing a survey of the demographics, labor market outcomes, poverty and household economic status of Dominicans as we enter the new millennium.

### III. Counting the Dominican Population

How are Dominicans in the U.S. counted? Who is considered to be Dominican? As with other ethnic groups, the number of Dominicans in the U.S. is an estimate, based on the instruments used to collect demographic information in the nation.

This study measures the number of Dominicans in the U.S. based on the information provided by the U.S. Census of Population. Each decade, the Census enumerates the population of the United States and its various racial and ethnic groups. Table 1 shows the official Census count of the Dominican population of the United States for the period of 1980 to 2000. According to official figures, the Dominican population rose from 170,817 in 1980 to 511,297 in 1990 and to 799,768 in 2000.

**Table 1**

<b>Dominican Population Residing in the U.S., 1980-2000</b>	
<b>Year</b>	<b>Official Census Population Count</b>
1980	170,817
1990	511,297
2000	799,768

*Source:* U.S. Census of Population, 1980 Summary Tape File 4, 1990 Summary Tape File 3, 2000 Summary Tape File 4.

Although these figures reflect substantial growth, there are strong reasons to suspect that the official Census enumeration for 2000 represents a severe undercount of the Dominican population residing in the U.S. at that time. The reason for this undercount is associated with changes introduced in the 2000 Census questionnaire used to identify the Dominican population.

Since 1970, the U.S. Census has included a separate question intended to allow individuals to self-identify as Hispanic or Latino. As part of this question, persons can select among several choices. In 1970, the choices were: Mexican, Puerto Rican, Central or South American, and Other Spanish Origin or Descent; and in 1980, the groups were: Mexican, Puerto Rican, Cuban and Other Spanish/Hispanic. Note that these categories do not allow persons to identify themselves explicitly as Dominican, but only as "Other Spanish/Hispanic." The 1990 Census improved on this by including not only the Mexican/Puerto Rican/Cuban/Other Hispanic categories but also allowing persons to write-in the Hispanic group they form part of, if they had chosen the "Other Hispanic" category. To illustrate this, the questionnaire included several examples of Hispanic groups people could write into their forms: Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, and Spaniard. This, of course, helped people to understand that they could explicitly write-in "Dominican" as their Hispanic group in the Census questionnaire, a vast improvement over previous Census in measuring the Dominican population in the United States. In 2000, the Census included the traditional categories of Mexican/Puerto Rican/Cuban/Other Hispanic, and also allowed persons to write-in their specific Hispanic group. Unfortunately, in contrast to the 1990 Census, no examples of specific Hispanic groups appeared in the questionnaire. As a result, and in contrast to the 1990 Census, although anyone could write-in "Dominican" as their "Other Hispanic" group, there were no instructions telling them they were allowed to write-in "Dominican" or any other specific group, for that matter. In reality, many people who marked the "Other Hispanic/Latino" category did not write-in any specific Hispanic identity and the Census did not include them as part of the Dominican population of the United States.

The result of these changes in the Census questionnaire is a serious undercount of Dominicans in the United States. A number of experts have noted this issue and have adjusted the official Census figures by estimating the number of Dominicans who categorized themselves as "Other Hispanic" but did not specify their specific identity [see Logan (2002)]. In this study, we follow this strategy, in order to produce a more reliable estimate of the Dominican population of the United States in 2000. More specifically, we follow closely the methodology used by Cresce and Ramirez (2003).

To identify the Dominican population of the United States, we included the following groups:

(1) Persons who self-identified, writing-in "Dominican" in the Census questionnaire.

(2) Persons who self-identified as "Other Hispanic" and did not write-in any specific Hispanic category, but:

§ declared their place of birth to be the Dominican Republic, or

§ declared their first or second ancestry to be Dominican.

The data sets used to implement these adjustments were the 2000 U.S. Census of Population and Housing Public Use Microdata Samples, released by the U.S. Department of Commerce in August and September 2003.

Table 2 shows the official and revised estimates of the Dominican population of the United States. We estimate that, in April 2000, a total of 1,041,910 Dominicans resided in the United States. This means that the official Census figures present an undercount of 242,142 Dominicans in the year 2000.

It should be emphasized that this adjusted population figure is still based on the number of persons who did complete Census questionnaires. An additional undercount may be the result of the fact that the Census generally fails to identify significant portions of the minority populations residing in large metropolitan areas. It is estimated that the 1990 Census failed to count as much as 5 percent of the Hispanic population in the country. A variety of efforts were indeed made by the 2000 Census takers to reduce this undercount. As a result, it is estimated that the 2000 Census missed 0.7 percent of the Hispanic population.

There is also the fact that some undocumented immigrants stay away from Census takers and may not be officially counted by the Census. Among the Dominican population, however, this may not constitute a major issue. The estimates of the U.S. Immigration and Naturalization Service are that in 2000 there were 91,000 undocumented Dominican migrants residing in the United States, compared to 46,000 in 1990. Since a substantial fraction of undocumented immigrants are indeed counted by the Census, it is not clear that a serious Dominican undercount exists based on immigration status.

**Table 2**

<b>Dominican Population Residing in the U.S., 1980-2000</b>	
<b>Dominican Population of the United States, 2000</b>	
Official Census Count (A)	799,768
Revised Estimate (B)	1,041,910
Difference (B - A)	242,142

*Source:* Official count: 2000 Summary Tape File 4;

Revised estimate: Author's tabulations, based on 2000 PUMS.

#### IV. Growth and Distribution of Dominicans in the U.S.

Based on our estimates, the Dominican population residing in the United States doubled between 1990 and 2000, from close to half a million to slightly over a million people. This rapid growth has made Dominicans the fourth largest Hispanic/Latino population of the United States.

As Table 3 depicts, Dominicans now follow Mexicans, Puerto Ricans and Cubans as the fourth largest Hispanic group in the nation. In fact, if current population growth rates continue, by the end of the present decade, Dominicans will easily overtake Cubans, becoming the third largest Hispanic/Latino group in the United States.

**Table 3**

<b>The Largest Hispanic/Latino Populations in the U.S., 2000</b>	
	<b>Population</b>
Mexican	20,900,102
Puerto Rican	3,403,510
Cuban	1,249,820
Dominican	1,041,910
Salvadorean	997,862
Colombian	655,090

*Source:* Official count for Mexicans, Puerto Rican and Cuban; authors' tabulations for Dominicans, Salvadorians and Colombians.

The major source of the rapid Dominican population growth in the United States in recent years remains immigration. As Table 4 shows, there were 1,041,910 Dominicans residing in the U.S. in 2000. Of these, 695,996 were born outside of the United States, including 297,190 immigrants who entered the country between 1990 to 2000.

But Table 4 also makes clear that the Dominican population born in the United States is also rising sharply. In the year 2000, there were 345,914 Dominicans who were born in the United States. This represents one out of every three Dominicans. In fact, close to half of the Dominican population growth in the 1990s is due to the natural increase of U.S.-born Dominicans.

**Table 4**

<b>Dominican Immigrants Residing in the U.S., 2000</b>		
	<b>2000 Number</b>	<b>% of Total</b>
Total Dominicans	1,041,910	100.0%
Born in the United States	345,914	33.2%
Immigrants	695,996	66.8%
Arrived 1990 to 2000	297,190	--
Arrived 1980 to 1989	225,502	--
Arrived Before 1980	173,304	--

*Source:* 2000 U.S. Census of Population, 5% PUMS, authors' tabulations.

The rise of U.S.-born Dominicans is a new pattern that we anticipate will continue in the coming decade. The growth of a substantial second –and third– generation is clearly one of the priorities in the agenda of both academic researchers and policy-makers. Later sections will provide a demographic profile of U.S.-born Dominicans and –given their young mean age– their educational prospects.

The largest concentration of Dominicans continues to be located in the state of New York, but the Census data shows a significant spread into other states. Table 5 presents the states with the largest Dominican population in 2000. Close to 60 percent of all Dominicans resided in New York State that year, down from approximately 70 percent in 1990. Following New York is New Jersey, which accounts for close to 13 percent of the Dominican population. Significant populations also exist in Florida and Massachusetts, followed by Rhode Island, Pennsylvania, Connecticut, and a multitude of other states –from Texas to Maryland-- with budding Dominican communities.

**Table 5**

<b>Geographical Distribution of Dominicans by State, 1990-2000</b>				
	<b>1990 Number</b>	<b>% of Total</b>	<b>2000 Number</b>	<b>% of Total</b>
Total	511,297	100.0%	1,041,910	100.0%
New York	357,868	69.9	617,901	59.3
New Jersey	52,807	10.4	136,529	13.1
Florida	34,268	6.7	98,410	9.4
Massachusetts	30,177	5.9	69,502	6.7
Rhode Island	9,374	1.8	24,588	2.4
Pennsylvania	3,687	0.7	13,667	1.3
Connecticut	3,946	0.8	12,830	1.2
Other States	19,170	3.8	68,483	6.6

*Source:* 1990 and 2000 U.S. Census of Population, PUMS, authors' tabulations.

The growing geographical dispersal of Dominicans is also displayed by their rising presence in a number of major cities across the country. Table 6 shows the top cities of Dominican concentration in 2000.

New York City continues to be the top location, with 554,638 Dominicans residing in the Big Apple. This is followed by the City of Lawrence in Massachusetts, which houses 22,111 Dominicans, the City of Paterson in New Jersey, where 19,977 Dominicans reside, Providence City, with approximately the same population, and Boston, with 19,061. Other cities with major concentrations include Jersey City, Perth Amboy and Union City in New Jersey, Yonkers City in New York, and Miami City in Florida.

**Table 6**

<b>Top Cities of Dominican Concentration, 2000</b>		
	<b>1990 Pop.</b>	<b>2000 Pop.</b>
New York City, NY	332,713	554,638
Lawrence City, MA	11,095	22,111
Paterson City, NJ	8,750	19,977
Providence City, RI	8,138	19,915
Boston City, MA	8,102	19,061
Jersey City, NJ	5,779	12,598
Passaic City, NJ	6,422	12,481
Perth Amboy City, NJ	5,272	11,431
Yonkers City, NY	3,788	10,223
Union City, NJ	5,390	10,205
Miami City, FL	5,786	9,473

*Source:* 1990 Census (STF4) and 2000 Census, authors' tabulations

The City of New York accounts for the greatest population of Dominicans in the U.S. But, as Table 7 shows, while the Dominican population in New York City has been growing quickly, the population residing outside New York has been rising faster. The percentage of all Dominicans in the U.S. located in New York City declined from 73.4 percent in 1980 to 53.2 percent in 2000.

The number of Dominicans in New York City rose by 221,925 between 1990 and 2000. In absolute value, this was the largest population gain of any single, major ethnic and racial group in New York during the nineties. The Mexican population had a much higher population growth rate, close to 200 percent, but they had a much smaller population base, rising from 61,722 in 1990 to 186,872 in 2000, which amounts to an increase of 125,150 persons, just over half of the population increase of Dominicans.

**Table 7**

<b>The Dominican Population in the U.S. and New York City</b>			
	<b>United States Number</b>	<b>New York City Number</b>	<b>New York City as % of U.S.</b>
1980	170,817	125,380	73.4%
1990	511,297	332,713	65.1%
2000	1,041,910	554,638	53.2%

*Source:* See Tables 1 and 2.

Table 8 shows the population distribution of the various major racial and ethnic groups in New York. With over half-a million people, Dominicans are currently the second largest Hispanic/Latino

population in New York City, following Puerto Ricans. However, since the Puerto Rican population has been declining in recent years, while the Dominican population continues to climb rapidly, the estimates are that –at current growth rates– Dominicans will become the largest Hispanic/Latino group in New York City within the next ten years.

**Table 8**

<b>The Population of New York City, 1990-2000</b>		
	<b>Number in 1990</b>	<b>Number in 2000</b>
Dominicans	332,713	554,638
New York City Overall	7,322,564	8,008,278
Non-Hispanic White	3,163,125	2,801,267
Non-Hispanic Black	1,847,049	1,962,154
Non-Hispanic Asian	489,851	783,058
Hispanic/Latino	1,783,511	2,160,554
Puerto Ricans	896,763	789,172
Mexican	61,722	186,872

*Source:* Table 2 and New York City Department of City Planning, *NYC2000: Results from the 2000 Census, Asian and Hispanic Subgroups*, Spring 2002.

Table 9 decomposes Dominican New Yorkers according to borough of residence. Although Manhattan continues to be the area of greatest concentration of Dominicans, with 33.5 percent of the New York City population residing there, the nineties saw a major spreading of Dominicans into other parts of the City. The Bronx, in particular, grew sharply as an area of Dominican settlement and now rivals Manhattan as the borough of New York with most Dominicans. In 2000, the Bronx was host to 181,400 Dominicans, compared to 185,808 in Manhattan. Within Manhattan, the overwhelming focus of location is the Washington Heights/Inwood area. In the Bronx, there are large settlements in Morris Heights, Highbridge, University Heights, Morris Heights, the Concourse, Fordham, Bedford Park and Marble Hill.

**Table 9**

<b>The Dominican Population of New York City, By Borough</b>				
<b>City Borough</b>	<b>Number</b>	<b>% of Total in 1990</b>	<b>Number</b>	<b>% of Total in 2000</b>
Manhattan	136,696	41.1%	185,808	33.5%
The Bronx	87,261	26.2	181,450	32.7
Queens	52,309	15.7	95,267	17.2
Brooklyn	55,301	16.6	89,567	16.1
Staten Island	1,146	0.4	2,545	0.5
<b>Total</b>	<b>332,713</b>	<b>100.0</b>	<b>554,638</b>	<b>100.0</b>

*Source:* NYC Dept. of City Planning, Socioeconomic Profiles, City of New York, March 1993; and NYC Dept. of City Planning, *NYC2000: Results from the 2000 Census, Asian and Hispanic Subgroups*, Spring 2002. The 2000 numbers are adjusted for the Census undercount.

These concentrations in Manhattan and the Bronx are followed by a number of communities in Queens, another borough of high Dominican growth in the 1990s, and Brooklyn. The largest concentration in Queens is located in Corona, while in Brooklyn, the significant areas are Williamsburg, Bushwick, Sunset Park and Cypress Hills.

## V. The Socioeconomic Status of Dominicans

What is the current socioeconomic status of the Dominican population in the United States? How does it compare with that of other groups in the country?

Most experts utilize mean household income in comparing the average standard of living of various groups in the population. But in inter-group comparisons, one should consider the fact that the number of people residing in a household may vary across groups. Because of this variability, two households with identical income may have widely different standards of living. If one household has ten persons living in it while the other has only three, the standard of living is much higher in the latter. In order to adjust for differences in household size, economists usually divide household income by the number of persons in the household to compute per capita household income. This adjustment is important because there is great variability in the average number of persons per household across the various groups considered. In 2000, the average household size among Dominicans in the United States was 3.6, but for the overall United States it was lower, equal to 2.6.

Table 10 presents the differences in annual household income per capita prevailing in the United States in 1999. Note that the income differentials between the population of Dominican ethnicity and the rest of the population are substantial. In 1999, Dominicans had an annual household income per capita of \$11,065, which was about half of the per capita income of the average household in the country. The gap is slightly lower when compared to the overall Latino/Hispanic population, whose mean per capita income in 2000 was \$12,483.

The socioeconomic status of Dominicans varies dramatically by geography. Table 11 presents the average annual household income per capita of Dominicans in the states with the largest Dominican communities. As can be seen, Florida displays the highest income, with \$12,886, and Rhode Island the lowest, with \$8,560. This represents tremendous inequality: the average income of Dominicans in Florida is 50 percent higher than that of Dominicans in Rhode Island.

**Table 10**

<b>Per capita Income in the U.S., By Race/Ethnicity</b>	
	<b>Mean Annual Household Income Per capita, 1999</b>
Dominican Population	\$11,065
United States Average	22,086
Non-Hispanic White Population	25,187
Non-Hispanic Black Population	14,516
Non-Hispanic Asian Population	22,260
Hispanic/Latino Population	12,483

*Source:* 2000 Census, 5% PUMS, authors' tabulations.

**Table 11**

<b>The Per capita Income of Dominicans in the U.S., By State</b>	
	<b>Mean Annual Household Income Per capita, 1999</b>
Dominican Population in U.S.	\$11,065
Florida	12,886
New Jersey	11,980
New York	10,173
Massachusetts	10,147
Rhode Island	8,560

*Source:* 2000 Census, 5% PUMS, authors' tabulations.

Table 11 shows that Dominicans in New York State have a per capita income that is somewhat below the average for the United States. Since the great majority of Dominicans in New York State are located in New York City, this indicator applies to them as well.

**Table 12**

<b>Socioeconomic Status of Dominicans in New York City, 2000</b>		
	<b>Mean Annual Household Income Per capita, 1999</b>	<b>Poverty Rate (%)</b>
Dominican New Yorkers, overall	\$10,032	32.0%
New York City Average	24,010	19.1
Non-Hispanic White Population	37,391	9.7
Non-Hispanic Black Population	15,367	23.6
Non-Hispanic Asian Population	19,533	18.2
Hispanic/Latino Population	12,500	29.7

*Source:* 2000 Census, 5% PUMS.

Table 12 shows the annual income per capita of the major racial and ethnic groups in New York City. The mean per capita income of Dominicans in 1999 was \$10,032, which is the lowest per capita income among all the major racial and ethnic groups in New York City. Compared to the average for New York City, Dominican per capita income was less than half. Even among Hispanics/Latinos, the per capita income of Dominicans was 25 percent lower than the average for Hispanics/Latinos in New York.

The comparatively low income of Dominican New Yorkers is reflected in high poverty rates. Poverty status is determined by comparing the income of the family where the person lives with an income threshold measuring the amount of financial resources that a family needs in order to purchase a basic, minimum food budget. This threshold varies with the number of persons in the family, number of children, and age of family members. For instance, the average income threshold for a family

consisting of two adults with one child is \$13,410 for 1999, but for a family of two adults and three children, the threshold rises to \$19,882. The poverty rate is the percentage of persons living in families with income below the poverty income threshold.

Table 12 shows that Dominicans have the highest poverty rates of the groups presented. About one out of every three Dominicans in New York City lived in households with income under the poverty line. The overall poverty rate in the City was 19.1 percent and among Hispanics/Latinos in general it was close to 30 percent.

Although the socioeconomic status of Dominican New Yorkers in 2000 was lower compared to others in the City, the situation back in 1990 was substantially worse. Indeed, Dominicans displayed a significant increase in income in the 1990s.

Table 13 displays the changes in the socioeconomic status of New Yorkers in the 1990s, showing the average per capita household income in 1989 and 1999. The 1989 figures have been adjusted for inflation (converted into their 1999 dollar equivalent), so that they can be compared to the 1999 data.

Table 13 shows that Dominicans had a 16 percent increase in income in the 1990s, compared to a 9.2 percent increase for the New York City population overall. Still, Dominican income gains pale in comparison to those of the non-Hispanic White population, whose income per capita increased by over 20 percent in the 1990s. By 1999, the White population of New York City had per capita income that was almost four times that of Dominicans.

**Table 13**

<b>Changes in Socioeconomic Status, New York City, 2000</b>			
	<b>Per capita Household Income, 1989</b>	<b>Per capita Household Income, 1999</b>	<b>% Change 1989-1999</b>
Dominicans	\$8,659	\$10,032	15.9%
New York City	21,991	24,010	9.2%
Non-Hisp. White	31,026	37,391	20.5%
Non-Hisp. Black	14,573	15,367	5.4%
Non-Hisp. Asian	18,189	19,533	7.4%
Hispanic/Latino	11,515	12,500	8.6%

*Source:* 1990 and 2000 U.S. Census, 5% PUMS. The data for 1989 has been adjusted for inflation and converted into 1989 dollars.

The income growth of Dominican New Yorkers in the nineties was accompanied by a drop in poverty rates. The poverty rate of Dominicans in New York declined from 36.3 percent in 1989 to 32 percent in 1999. By contrast, the poverty rate in the City of New York increased from 16.9 percent in 1989 to 19.1 percent in 1999.

Despite the progress in the 1990s, the low income and high poverty rates still facing many Dominicans, in New York City and elsewhere, represents a serious challenge.

In New York City, the economy has gone through severe cycles of boom and bust over the last three decades. These cycles have affected minority populations much more acutely than other groups. For instance, beginning in late 1989 and lasting until 1993, New York City *lost* hundreds of thousands of jobs to a recession that by many accounts was the worst since the Great Depression of the 1930s. After

1993, the City's economic pace remained slow compared to the rest of the nation, with unemployment still hovering above the 10 percent level as late as 1997. Only at the end of the decade was the nation's economic acceleration fully transmitted into sharply lower unemployment rates. By the early 2000s, unemployment had declined below 5 percent in the City, only to rise sharply again in response to the September 11th aftermath and the economy's recession. It is for this reason that the long-run impact of the economic progress of the 1990s discussed earlier is yet to be determined.

## VI. Demographic Factors and Socioeconomic Status

What explains the lower socioeconomic status of Dominicans compared to the average New Yorker? In our analysis below, two sets of forces are presented. Firstly, demographic factors, such as age, family structure and immigration, are analyzed. Secondly, labor market forces are discussed, including labor force participation, unemployment and earnings. This analysis leads to a discussion of the role of educational attainment in explaining differences in economic outcomes. We then examine in detail current educational indicators among Dominicans, and specify the prospects facing the second generation of Dominicans in the U.S.

One possible set of explanations for the high poverty rates among Dominicans is demographic. The age structure of a population, for instance, makes a significant difference in terms of income: except for the very old, as individuals' age, they generally have greater income. As a result, if the average age of a population is less than that of other groups, its average income may be lower and poverty rates higher.

Table 14 shows the age distribution of the U.S. and New York City populations, by race and ethnicity. The overall Dominican population in the U.S. has a median age of about 30 years, as do New York City Dominicans. This is substantially lower than the average age in the United States, equal to 35.4 years, as well as in New York City, where the median age is 34.4 years. The young age of Dominicans partly explains their lower income since, as noted above, labor market rewards are positively correlated with age, seniority and on-the-job experience.

**Table 14**

<b>The Median Age of Dominicans in the United States, 2000</b>		
	United States	New York City
Dominican Population	29.6	29.9
Total Population	35.4	34.4
Non-Hispanic White Population	38.6	40.6
Non-Hispanic Black Population	29.9	32.6
Non-Hispanic Asian Population	33.1	34.0
Hispanic/Latino Population	26.0	29.4

*Source:* 2000 Census, 5% PUMS.

A second set of forces explaining the comparatively high poverty levels among Dominicans is related to gender and marital status. Because of the drastically lower income received by women in the labor market, families headed by separated or divorced women, as well as single women with children, tend to have lower income and higher poverty than married couple families.

The proportion of persons living in such families is substantially higher among Dominicans. Table 15 presents the proportion of persons living in families headed by women, with no spouse present, for the major racial and ethnic groups in the United States. Among Dominicans in the United States, 32.5 percent live in female-headed families. The proportion is higher for Dominican New Yorkers, 38.2 percent of whom live in this type of household. These figures are substantially higher than those for the overall population, although they remain lower than those for Black/African Americans.

**Table 15**

<b>Female-Headed Families in the U.S. and New York City, 2000</b>		
	Expressed as a % of all families	
	<b>United States</b>	<b>New York City</b>
Dominican Population	32.5%	38.2%
Total Population	13.3%	22.1%
Non-Hispanic White Population	9.6	9.1
Non-Hispanic Black Population	35.6	40.0
Non-Hispanic Asian Population	8.9	8.1
Hispanic/Latino Population	17.1	32.0

*Source:* 2000 Census, 5% PUMS.

A high proportion of the Dominican population under poverty consists of female-headed families. Consider the case of New York City. Table 16 decomposes poverty rates for families headed by women, with no spouse present, and for other households, which are largely married couple families. The poverty rate among Dominican female-headed families in New York in 2000 was 46.2 percent, more than twice the poverty rate facing other households. This gap exists not only for Dominicans, but also for most other groups in the population, particularly those with lower average income levels.

Another major demographic force among Dominican New Yorkers is the large fraction of recent immigrants in the population. This is significant because there exist substantial income differences between recent immigrants and the rest of the population. Largely, this is the result of the difficulties encountered by labor market newcomers, as they enter and adjust to the American economy and society. Consider, for instance, the income of Dominican immigrants who entered the U.S. between 1995 and 2000. The annual per capita household income of these migrants in 1999 was \$9,377. By comparison, the per capita income of immigrants who moved to the U.S. before 1990 was equal to \$12,556 in the year 1999, close to one-third higher. These figures imply that the gap between the income of Dominicans and other groups presented earlier may be partly related to the much larger proportion of recent immigrants among Dominicans compared to other groups.

**Table 16**

<b>Poverty and Female-Headed Families, New York City, 2000</b>		
Proportion of persons living under poverty line		
	<b>Female- Headed Families</b>	<b>Other Households</b>
Dominican Population	46.2%	22.8%
Total Population	34.9%	14.3%
Non-Hispanic White Population	15.4	9.1
Non-Hispanic Black Population	33.7	16.1
Non-Hispanic Asian Population	19.0	18.1
Hispanic/Latino Population	46.6	21.2

*Source:* 2000 Census, 5% PUMS.

At the same time, the data show that Dominican immigrants exhibit substantially lower income than other immigrants. This suggests that other economic forces are compounding demographic factors in influencing the social and economic status of Dominicans. The next section examines the basic labor market changes in the Dominican population occurring between 1990 and 2000. We study labor force participation rates, unemployment, industry and occupational distributions.

## **VII. The Labor Market Situation of the Dominican Population**

The lower income and higher poverty rates facing the Dominican population in 2000, compared to other racial and ethnic groups in the United States, can be explained in large part by the labor market challenges encountered by Dominicans. The key labor market outcomes to analyze include: (1) labor force participation, (2) employment or unemployment rate of those persons who are in the labor force, and (3) earnings received by those who are employed. We examine how these variables changed between 1990 and 2000, both for Dominicans as well as for the overall population of the United States.

### **a. Labor Force Participation and Unemployment**

Table 17 presents U.S. labor force participation rates in 2000, decomposed by race/ethnicity and gender. For both men and women, the labor force participation rate among Dominicans lies below that of the overall population of the United States.

**Table 17**

<b>Labor Force Participation Rates in the United States, 2000</b>		
Persons 16 years of age or older		
<b>Population</b>	<b>Labor Force Participation Rate (%)</b>	
<b>Group</b>	<b>Male</b>	<b>Female</b>
Dominican Population	64.0%	53.1%
United States overall	72.7	58.5
Non-Hispanic White	73.8	58.8
Non-Hispanic Black	65.8	60.7
Non-Hispanic Asian	71.8	57.5
Hispanic/Latino	71.4	53.5

*Source:* 2000 Census, 5% PUMS.

The proportion of Dominican men participating in the labor force (employed or unemployed) was approximately 64 percent, quite below the overall participation rate in the nation of 72.7 percent. Among Dominican women, 53.1 percent were participating in the labor market in 2000, compared to 58.5 percent among non-Hispanic White women.

Dominican labor force participation rates are lower in New York City than in the rest of the nation. This may partly explain the comparatively lower income of Dominican New Yorkers. Table 18 presents the labor force participation rates of Dominicans and other racial and ethnic groups in New York City in 2000. The labor force participation rate among Dominican men in New York was 60.9 percent in the year 2000, while that of women was 49.1 percent, both significantly below the corresponding figures for U.S. Dominicans. But as can be seen from Table 18, labor force participation is lower in New York for every group in the City, not just Dominicans.

**Table 18**

<b>Labor Force Participation Rates in New York City, 2000</b>		
Persons 16 years of age or older		
<b>Population</b>	<b>Labor Force Participation Rate (%)</b>	
<b>Group</b>	<b>Male</b>	<b>Female</b>
Dominican Population	60.9%	49.1%
United States overall	66.9	53.5
Non-Hispanic White	69.3	54.5
Non-Hispanic Black	62.8	57.2
Non-Hispanic Asian	70.3	53.7
Hispanic/Latino	64.2	48.3

*Source:* 2000 Census, 5% PUMS.

Compounding the comparatively lower labor force participation rates of Dominicans, compared to the rest of the population, the trend has been for participation rates for men to decline over time. In New York City, for example, the labor force participation rate of Dominican men declined from 75.6 percent in 1980 to 73.1 percent in 1990 and, as Table 18 shows, to 60.9 percent in 2000. For Dominican women, labor force participation rates in New York have remained relatively stable over time, rising slightly from 47.3 percent in 1980 to 49.1 percent in 1990 and remaining at the latter level in 2000.

The drop in labor force participation rates among Dominican men is shared by other groups in the City and has coincided with a period of sustained, high unemployment lasting from the late 1980s and into the mid 1990s. The sustained, stressful labor market conditions during this time period led many workers suffering from long-term unemployment to drop out of the labor force. As a result, labor force participation declined for all major groups in the City, including Dominicans.

Table 19 displays the proportion of the labor force that was unemployed in 2000, for various ethnic/racial groups in the United States. The data are decomposed by gender. As the data show, the unemployment rate of Dominicans was about twice the overall U.S. unemployment rate of 4 percent. However, there is a distinct gender gap, with unemployment among women much higher than among men. For Dominican men, the unemployment rate in 2000 was 7.8 percent, compared to 10.7 percent among women.

The unemployment situation was worse in New York City, where—as we mentioned earlier—labor market conditions were more sluggish to recover from the severe recession in the early 1990s. Table 20 show unemployment rates in New York City, both in 2000 and one decade earlier, in 1990.

The unemployment rate among male Dominican New Yorkers was approximately 9 percent in 2000, and among women it was 13.1 percent. Both of these rates are several percentage points higher than the Dominican unemployment rates in the rest of the country. This situation, as Table 20 presents, held for all major racial and ethnic groups in the City.

Table 19

<b>Unemployment Rates in the United States, 2000</b>		
Persons 16 years of age or older in the labor force		
<b>Population</b>	<b>Unemployment Rate (%)</b>	
<b>Group</b>	<b>Male</b>	<b>Female</b>
Dominican Population	7.8%	10.7%
United States overall	3.9	4.1
Non-Hispanic White	2.8	3.0
Non-Hispanic Black	8.1	7.6
Non-Hispanic Asian	3.2	3.7
Hispanic/Latino	5.4	7.6

Source: 2000 Census, 5% PUMS.

Despite the comparatively high unemployment rates faced by all workers in New York City in the year 2000, compared to the rest of the nation, the situation in 2000 was substantially better than in 1990. In 1990, New York was in the midst of a recession, while in 2000 the City was in the tail end of a period of economic boom.

Table 20

<b>Unemployment Rates in New York City, 1990 and 2000</b>				
Persons 16 years of age or older				
<b>Population Group</b>	<b>Unemployment Rate (%)</b>			
	<b>Male</b>	<b>Female</b>	<b>1990</b>	<b>2000</b>
Dominican	15.7	8.9	18.4	13.1
New York City	8.7	5.5	8.1	6.5
Non-Hispanic White	5.5	3.2	4.9	3.4
Non-Hispanic Black	14.3	9.4	10.9	8.6
Hispanic	12.4	7.5	13.6	10.9

*Source:* 1990 and 2000 Census of Population, 5% PUMS.

Table 20 presents the changes in unemployment rates in New York City between 1990 and 2000. It shows that unemployment rates in the City had declined from over 8 percent in 1990 to about 6 percent in 2000. These lower unemployment rates cut across both gender and race/ethnicity. However, the relative gaps between men and women and among the various racial and ethnic groups remained unchanged. Women had significantly higher unemployment rates than men in New York in 2000, and minority populations also had sharply higher unemployment rates when compared to White Americans.

The drop in unemployment between 1990 and 2000 contributed to the rise in income noted earlier. But the continuing high unemployment rates faced by Dominicans compared to other New Yorkers, particularly in New York City, constitute one of the most significant barriers to economic progress for this population, as well for as other ethnic and racial minorities.

What explains the substantially higher unemployment rates of Dominican workers? Table 21 shows how some of the determinants of unemployment affected Dominicans in the U.S. labor market. Higher unemployment rates are significantly linked to educational attainment (the lower the educational attainment, the higher the likelihood of unemployment), English language proficiency (the lower the proficiency, the greater the likelihood of unemployment), recency of migration (the more recent the migrant, the higher the likelihood of unemployment), and the age of the person (the younger the worker, the higher the unemployment).

As Table 21 shows, the unemployment rate prevailing among Dominicans with less than a high school education was 12.1 percent, compared to a 7.9 percent unemployment rate among those who had completed high school and had some college education, and 4.1 percent for college graduates. Similarly, for Dominicans aged 16 to 19 years of age, 24.3 percent were unemployed, compared to a 10.5 percent

unemployment rate among persons aged 20 to 29, and 7.2 percent among Dominicans aged 30 to 39. Among immigrants, those who migrated between 1995 and 2000 had an unemployment rate of 12.1 percent, but those who had arrived before 1990 had an unemployment rate of 8.5 percent.

Table 21

<b>The Determinants of Unemployment, 2000</b>	
Dominicans in the labor force (United States)	
<b>Category</b>	<b>Unemployment Rate</b>
<b>Educational Attainment</b>	
Less than High School	12.1%
High School	8.6
Some College	7.9
College or More	4.1
<b>Migrant Status</b>	
Between 1995 and 2000	12.1%
Between 1990 and 1994	10.2
Before 1990	8.5
<b>Age</b>	
16-19	24.3%
20-29	10.5
30-39	7.2
40-49	7.5
<b>Speaks English Language</b>	
Very well	9.1%
Not well	9.7
Not at all	10.9

Source: U.S. Department of Commerce, 2000 Census of Population and Housing, 5% PUMS.

The variables just discussed –which involve worker characteristics– explain part of the employment challenge facing Dominicans in the labor force. But additional forces need to be introduced to examine the higher unemployment rates prevailing in New York City.

There is a second phenomenon that has also impacted the Dominican population more than others, particularly in New York City. During the 1990s, the number of manufacturing jobs in New York City declined sharply, as the economy continued its restructuring from manufacturing to services. Between 1989 and 1995, for instance, manufacturing employment declined by close to 90,000 jobs on a net basis. This led to a collapse of industrial-type employment opportunities. As a consequence, groups with a high proportion of manufacturing employment in their labor force were disproportionately affected by

this restructuring. What is the role of manufacturing employment among the Dominican population?

Table 22 presents the industrial composition of the labor force in New York City in 2000, compared to the Dominican labor force. The data reflect the sector of employment of persons in the labor force in 2000. For persons employed, this is their actual employment at the time of interview in 2000. For unemployed persons, it represents the industry of their last job.

The Dominican population had a significant over-representation of persons employed in manufacturing in 2000. A total of 12.4 percent of the Dominican labor force was employed in manufacturing in 1990. This compares to only 6.6 percent among the overall New York City population. But what is more significant is that this proportion declined sharply in the 1990s.

Table 23 shows the changes in the share of manufacturing in the industry of the New York City labor force, as well as the Dominican workforce. In 1980, manufacturing accounted for 18 percent of employment in New York. This dropped to 12.1 percent in 1990 and 6.6 percent in 2000. But manufacturing has been a sector of great importance for Dominican employment. In 1980, as much as 48.6 percent (almost half) of the Dominican labor force was employed in manufacturing. This declined to 25.7 percent in 1990 and to 12.4 percent in 2000. The collapse of manufacturing as an industry in New York left tens of thousands of Dominican workers temporarily unemployed in the 1980s and 1990s, and has been a source of continuing economic distress in the City, particularly among Dominican women.

**Table 22**

<b>The Industrial Distribution of Employment in New York City 2000</b>		
Persons in the labor force		
<b>Category</b>	<b>Proportion of New York City Labor Force</b>	<b>Proportion of Dominican Labor Force</b>
Agriculture, Forestry and Mining	0.1%	0.1%
Construction	4.3	3.8
Manufacturing	6.6	12.4
Transport, Utilities and Communications	8.3	8.6
Trade	12.1	19.0
Finance, Insurance Real Estate	11.4	7.0
Service Sector	52.7	46.9
Public Administration	4.5	2.2

*Source:* U.S. Department of Commerce, 2000 *Census of Population and Housing, 5% PUMS.*

**Table 23**

<b>The Decline of Manufacturing in New York City</b>			
<b>Persons in the labor force</b>			
Share of Labor Force	1980	1990	2000
Proportion of NYC Labor Force	18.0%	12.1%	6.6%
Proportion of Dominican Labor Force	48.6	25.7	12.4

*Source: U.S. Department of Commerce, 2000 U.S. Census of Population, 5% PUMS.*

## b. Occupation and Earnings

Labor force and employment rates are essential in determining the access of workers into the labor market. But once a job is obtained, income –and socioeconomic status– is directly connected to the type of occupation one is employed at. And compared to the rest of the population, the Dominican labor force has a greater share of unskilled, blue-collar occupations.

Table 24 shows the occupational distribution of the labor force in New York City in 1997, decomposed by the major racial and ethnic groups examined in this paper. As can be seen, 17.3 percent of the Dominican labor force was in managerial, professional and technical occupations compared to almost twice, 33.6 percent, for the overall United States labor force. At the same time, the proportion of the Dominican labor force employed as production, transportation and materials moving occupations was 23.7 percent in 2000, much higher than the average for the United States, which was 14.8 percent.

**Table 24**

<b>Occupational Distribution of the Labor Force</b>		
Persons in the Labor Force		
<b>Occupation</b>	<b>United States</b>	<b>Dominican</b>
Managerial/Professional/Technical	33.6%	17.3%
Sales and Office Support	26.7	26.0
Service Workers	14.8	25.1
Farming, Forestry and Fishing	0.7	0.3
Construction, Extraction and Maintenance	9.4	7.6
Production, Transportation And Materials Moving	14.8	23.7

*Source: U.S. Department of Commerce, 2000 U.S. Census of Population, 5% PUMS.*

The less-skilled occupations obtained by Dominican workers explain to a large extent their low relative earnings. This is clearly seen in the case of New York City. Table 25 presents the annual median earnings of Dominicans in 2000, compared with those of other groups of workers in the City. As can be seen, the average annual earnings of Dominican were the lowest of all the groups examined in Table 25.

For Dominican men, annual earnings in 1999 were on average equal to \$18,589, substantially below those of the overall New York City male worker population, whose median earnings were \$29,155 in 1999. Among Dominican women, the annual earnings of \$12,923 in 1999 were about half those for women overall, whose earnings were \$24,469.

Table 25

<b>The Annual Earnings of Workers in New York City, 1999</b>		
Employed persons 16 years of age or older		
<b>Population Group</b>	<b>Median Annual Earnings</b>	
	<b>Male</b>	<b>Female</b>
Dominican	\$18,589	\$12,923
New York City	29,155	24,469
Non-Hispanic White	41,717	31,488
Non-Hispanic Black	26,220	24,882
Hispanic	20,938	16,300

*Source:* 2000 Census, Summary File 4.

The wide gap in earnings between Dominican workers and the average worker in New York City helps explain the socioeconomic disparity noted earlier. Combined with the higher unemployment rates of Dominicans, these two forces explain to a large extent the comparatively high poverty of Dominicans in New York.

As with unemployment rates, there are a variety of forces influencing earnings, including age (experience), immigrant status, English proficiency, disability status, etc. But key among these variables are age and educational attainment.

The age structure of a population makes a significant difference in terms of salaries: except for the very old, as workers age, their labor market experience is rewarded with increased earnings. As a result, if the average age of a group is lower, as in the case of Dominicans, its average income may also be lower.

Table 26 presents the overall link between age and earnings in New York City. As shown in this table, the annual wage and salary of full-time workers rise sharply with age. For the labor force aged 16 to 19 years of age, annual earnings in 1999 were equal to \$19,576. This rises to \$27,476 for workers aged 20 to 24. For the age group 25 to 34, earnings increase to \$50,694, and so on for older age groups. Only when workers reach the 55 to 64 years of age bracket does their income decline, compared to younger cohorts.

**Table 26**

<b>Age and the Earnings of Workers in New York City, 1999</b>	
Annual Earnings of Full-Time, Year-Round Workers	
16 years of age or older	
<b>Age</b>	<b>Average Annual Earnings</b>
Group	(1999)
16 to 19	\$19,576
20 to 24	27,476
25 to 34	50,694
35 to 44	61,653
45 to 54	62,545
55 to 64	61,998

*Source:* 2000 Census, 1% PUMS, authors' tabulations.

The Dominican population is relatively young. As a result, it has a much higher share of young workers. This partly explains the lower Dominican earnings in Table 25.

But the most critical variable explaining earnings is educational attainment. There is strong positive correlation between earnings and schooling. Higher educational attainment raises worker productivity and leads to increased wages. Education is also used by employers as a screening device, with less-educated workers out-ranked by more-educated workers in the rationing of entry-level jobs and higher-paying promotions. This is illustrated by Table 27, which shows the annual wage and salary income of full-time, year-round workers in New York City in 1999. The average earnings of workers with no high school diploma vary in the range of \$20,000- \$30,000. But those with a high school diploma had average annual earnings of \$36,161. For workers with a college degree the annual earnings rise to \$70,564.

**Table 27**

<b>The Economic returns to Education in New York City, 1999</b>	
Annual Earnings of Full-Time, Year-Round Workers	
16 years of age or older	
<b>Educational Attainment</b>	<b>Average Annual Earnings (1999)</b>
Elementary/Middle School	\$25,306
Some High School	29,871
High School Diploma or Equivalent	36,161
Some College	45,261
College Degree	70,564
More than College	100,754

*Source:* 2000 Census, 1% PUMS, authors' tabulations.

### VIII. The Educational Attainment of Dominicans in New York City

Table 28 presents the educational outcomes of the Dominican population in the United States in 2000, compared to the overall population of the country. Note that the Dominican population had the highest proportion of persons who had not completed high school. A total of 49.0 percent of the Dominican population in the U.S. with 25 years of age or older had not completed high school in 2000.

Table 28

<b>The Educational Status of the U.S. Population, 2000</b>				
Persons 25 years of age or older				
<b>Population Group</b>	Percentage of the Population with:			
	<b>Less than High School</b>	<b>High School</b>	<b>Some College</b>	<b>College Or More</b>
Dominican	49.0%	20.5%	19.9%	10.6%
United States	19.6	28.6	27.4	24.4
Non-Hisp. White	14.5	30.0	28.5	27.0
Non-Hisp. Black	27.4	29.7	28.4	14.5
Non-Hisp. Asian	18.9	16.3	21.4	43.4
Hispanic	47.5	22.1	19.9	10.5

Source: 2000 Census. Summary Tape File 4.

Table 28 shows the comparatively low level of schooling of the overall Dominican population. Table 29 decomposes the population into those born in the United States and those born outside the country. This table shows very clearly that although the immigrant Dominican community has low relative levels of schooling, this is not the case with U.S.-born Dominicans.

In fact, Dominicans born in the United States have made remarkable educational progress. The figures in Tables 28 and 29 indicate that U.S.-born Dominicans have a high school completion rate that slightly exceeds the average for the United States. In 2000, only 19.4 percent of U.S.-born Dominicans 25 years of age or older had not completed high school, while the corresponding figure for the overall United States is 19.6 percent.

Table 29

<b>The Educational Status of the Dominican Population, 2000</b>				
Persons 25 years of age or older				
<b>Population Group</b>	Percentage of U.S. Dominicans with:			
	<b>Less than High School</b>	<b>High School</b>	<b>Some College</b>	<b>College Or More</b>
Overall Dominican Population	49.0%	20.5%	19.9%	10.6%
Immigrant Dominicans	51.7	20.5	18.3	9.5
Born in the United States	19.4	21.0	37.7	21.9

Source: 2000 Census, 5% PUMS.

Table 30 compares the educational attainment of the Hispanic/Latino second and older generations, decomposed into the major ethnic groups in that population. Only U.S.-born Cubans, whose parental

socioeconomic status widely exceeded that of immigrant Dominicans, have greater schooling than U.S.-born Dominicans. For instance, the proportion of U.S.-born Dominicans with a college degree is equal to 21.9 percent, compared to 13.3 percent for U.S.-born Mexicans, 12.1 percent for U.S.-born Puerto Ricans, and 36.2 percent for Cubans.

**Table 30**

<b>The Educational Status of Hispanics/Latinos Born in the U.S.</b>				
Persons 25 years of age or older, 2000				
<b>Population Group</b>	<b>Percentage of U.S.-Born Hispanics with:</b>			
	<b>Less than High School</b>	<b>High School</b>	<b>Some College</b>	<b>College Or More</b>
Latinos overall	31.4	27.6	27.7	13.2
Dominican	19.4	21.0	37.7	21.9
Cuban	14.6	18.3	30.9	36.2
Mexican	31.2	28.4	28.1	13.3
Puerto Rican	36.6	26.3	25.0	12.1

*Source:* 2000 Census, 5% PUMS.

This national pattern also applies to New York City. Table 31 presents the educational attainment of Dominicans in New York City, decomposed for U.S.-born persons and immigrants. The table shows that U.S.-born Dominicans have substantially greater schooling than immigrant Dominicans. It also shows a dramatic picture of educational progress. Both immigrants and U.S.-born Dominicans display improved educational indicators. But the progress among U.S.-born Dominicans is impressive. In 1980, the proportion of U.S.-born Dominicans with 25 years of age or older who had attained college education (with or without completing it) was 31.7 percent. By 1990, the percentage had increased to 42.8 percent. And by 2000, the proportion was equal to 55.1 percent.

**Table 31**

<b>The Educational Status of Dominican New Yorkers</b>				
Persons 25 Years of Age or Older, 1980-2000				
<b>Population Group</b>	<b>Percentage of U.S.-Born Hispanics with:</b>			
	<b>Less than High School</b>	<b>High School</b>	<b>Some College</b>	<b>College Or More</b>
All, 1980	72.0	16.5	7.7	3.8
U.S.-born	35.0	33.3	15.0	16.7
Immigrants	72.7	16.2	7.6	3.5
All, 1990	61.5	18.0	14.4	6.1
U.S.-born	33.9	23.3	28.5	14.3
Immigrants	62.4	17.8	14.0	5.8
All, 2000	52.8	19.1	19.0	9.1
U.S.-born	23.7	21.3	35.4	19.7
Immigrants	55.6	18.9	17.4	8.1

*Source:* 2000 Census, 5% PUMS.

## IX. Conclusion

This report has provided the first comprehensive analysis of the demographic and socioeconomic status of Dominicans in the United States, the fourth largest Hispanic/Latino population in the nation.

The Dominican population in the United States rose from 520,121 in 1990 to 1,041,910 in 2000. At current population growth rates, the Dominican population will overtake the Cuban population before the year 2010, making Dominicans the third largest Hispanic/Latino population in the country, following Mexicans and Puerto Ricans.

The major source of Dominican growth has been immigration. But the Dominican population born in the United States rose sharply in the 1990s. There were 394,914 Dominicans born in the U.S. residing in the country in 2000. This constitutes one out of every three Dominicans.

The largest concentration of Dominicans continues to be located in the state of New York, but there has been a significant spread to other states in the last decade. The state of New York was host to 617,901 Dominicans in 2000, followed by New Jersey (with 136,529), Florida (98,410), Massachusetts (69,502), Rhode Island (24,588), Pennsylvania (13,667), and Connecticut (12,830). There were also budding Dominican communities in almost every region of the country, from Alaska to Hawaii.

New York City continues to dominate the location of Dominicans in the United States. The Dominican population of New York rose from 332,713 to 554,638 between 1990 and 2000. Dominicans are currently the second largest Hispanic/Latino population of New York, following Puerto Ricans. But the Puerto Rican population in the City declined substantially in the last decade. If current population growth trends continue, Dominicans will overtake Puerto Ricans as the largest Hispanic/Latino population of the City within the next ten years.

The expanding Dominican population outside New York City has reduced the proportion of Dominicans in the City from 73.4 percent in 1980 to 65.1 percent in 1990 and 53.2 percent in 2000. Following New York City, there are major Dominican populations in the City of Lawrence (Massachusetts), the City of Paterson (New Jersey), Providence (Rhode Island), and Boston (Massachusetts). The cities of Jersey City, Passaic, Perth Amboy and Union City in New Jersey also have substantial Dominican populations, as do the City of Yonkers in New York, and Miami in Florida. Many other cities all over the country have smaller, but rapidly growing Dominican populations.

The mean annual per capita household income of the Dominican population in the United States was \$11,065 in the year 1999. This was about half the per capita income of the average household in the country that year. It was also significantly lower than the per capita income of the Black/African American population and even slightly lower than the income of the average Hispanic/Latino household. But there is substantial variability in the socioeconomic status of Dominicans in various parts of the United States. Among the most populous states, Dominicans in Florida had the highest per capita household income, equal to \$12,886 in the year 1999. By contrast, Dominicans in Rhode Island had the lowest average per capita income, equal to \$8,560 in the year 1999.

In New York City, the average per capita income of Dominicans was below the average for the United States. The poverty rate of 32 percent among Dominican New Yorkers was the highest of the major racial and ethnic groups in New York. The overall poverty rate in New York in 1999 was 19.1 percent, while it was 29.7 percent for the overall Hispanic/Latino population.

A high proportion of Dominican families in poverty consist of female-headed families, with no spouse present. In 2000, as much as 38.2 percent of Dominicans in New York lived in this type of family, compared to 22.1 percent for the overall City population. Close to half of Dominican female-headed families in New York City were poor, more than twice the poverty rate for other households.

Despite the low relative socioeconomic status of Dominicans in New York City, their income displayed significant growth in the 1990s, rising by close to 16 percent in the decade (adjusted for inflation). The overall increase of per capita income in the City in the decade was 9.2 percent, but both the Black/African American population and the overall Hispanic/Latino population in the City had lower income growth rates. The White population in the City displayed a growth of over 20 percent in per capita income.

The labor force participation rate of Dominicans is lower than that for the rest of the population. In 2000, it was approximately 64 percent for men and 53.1 percent for women. The figures for the overall U.S. workforce are 72.7 percent and 58.5 percent, for men and women, respectively. The unemployment rate of Dominican women and men in 2000 greatly exceeded that of the overall labor force in the United States. In 2000, Dominican men had an unemployment rate of 7.8 percent, compared to an overall unemployment rate of 3.9 percent for men in the country. Among women, the Dominican unemployment rate was 10.7 percent in 2000, compared to 4.1 percent in the country overall.

Despite the comparatively high unemployment rates of Dominicans, these rates declined sharply between 1990 and 2000. In New York City, for instance, the male and female unemployment rates among Dominicans were 15.7 percent and 18.4 percent, respectively, in 1990. These dropped to 8.9 percent and 13.1 percent by 2000.

The Dominican labor force is very young and mostly unskilled. Only 17.3 percent of Dominicans in the United States have managerial, professional and technical occupations, about half the proportion for the overall United States. As a result, the average earnings of Dominican men and women are substantially lower than those of other workers in the nation.

The overall educational attainment of Dominicans in the United States is among the lowest in the country. In 2000, 49 percent of Dominicans 25 years of age or older had not completed high school and only 10.6 percent had completed college. By contrast, less than 20 percent of the American population had not completed high school in 2000, and 24.4 percent had finished college.

But the educational situation of Dominicans varies enormously when decomposed by immigrant status. Although the educational attainment of Dominican immigrants is very low, the situation for U.S.-born Dominicans is sharply different. The Dominican second generation in the United States has educational indicators that suggest a remarkable acquisition of human capital over the last 20 years. This differs from the overall situation of U.S.-born Hispanics/Latinos, whose educational indicators are substantially worse than those for Dominicans.

This report has presented information gathered by the last decennial U.S. Census of Population. Although released over the last few months, the data was collected in the year 2000. There have been significant changes since that time. The New York City economy continued to grow rapidly until mid-2001, causing a further reduction of the unemployment rate prevailing in early 2000, which hovered above 6 percent. On May 2001, the city had achieved a 4.9 percent unemployment rate, the lowest rate since 1988. Since then, however, unemployment has steadily climbed. Both the economy-wide recession and the after-effects of September 11<sup>th</sup> led to a collapse of the earlier boom. Just in the months of October and November 2001, New York City lost close to one hundred thousand jobs. By early 2003, the unemployment rate had climbed to around 9 percent.

There are no comprehensive data available yet to determine the impact of these events on the Dominican population. Judging by the effects of the last recession in the early 1990s, however, the impact of the current economic slump will be magnified among those with low skills. Indeed, the brunt of the short-term adjustments made by many service, transportation and commerce sectors in New York after September 11th were borne by relatively unskilled laborers. A study released in November 2001

showed that the top 7 occupations affected by the recession after September 11th included: waiters and waitresses, cleaning and maintenance workers, retail sales persons, food preparation workers, cashiers, housekeeping workers, and fast food servers [as reported by Eaton and Wyatt (2001)]. This was followed by smaller losses in more-skilled occupations, such as general managers, top executives, sales supervisors and service supervisors. Given the labor market niche of Dominicans in New York, which targets low-skilled jobs in the service industry, manufacturing, and transportation sectors, one can predict that the impact of the economic slowdown over the last two years has been serious. Still, even though the short-term economic situation does not appear promising, it is clear that once the reconstruction of the World Trade Center site begins and the recovery of the American economy from its current sluggish conditions occur, employment and income prospects can reverse their current trends.

More important perhaps is the picture obtained from the broad strides made by the Dominican second generation in the educational arena. The accumulation of human capital displayed by U.S.-born Dominicans is bound to bring a long-term economic bonanza to this population. Given the challenges that these youngsters have faced and their families, one can only be optimistic on the resiliency of Dominicans in seeking the sometimes elusive American dream.

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# **Strategic Alliance Dominican Republic – New York**

## **MIGRATION AND LABOR FORCE**

### **Economic Exile: New York Dominicans and Immigration**

Mónica Santana  
Raquel Batista  
Lilliam Pérez  
Julissa Reynoso

"One can safely predict that, if things remain the same back in the Dominican Republic and people continue to feel the need to leave, Dominicans will continue to come, whether wanted or not, as long as they think, justifiably or not, that they can change their condition by traveling, legally or illegally, to the United States."

Ramona Hernández  
*The Mobility of Workers Under Advanced Capitalism:  
Dominican Migration to the United States*  
Columbia University Press, 2003

# I. Labor Environment: The Flow of Immigration and Tendencies of the Global Economy

The history of immigration is the history of humanity. In different times and for different reasons, people have moved from their places of origin. History records great migration movements from Europe, Africa and Asia to the American continent during the last century. Extensive periods of migration flows throughout time have never constituted a threat to receiving or sending societies, but rather have a direct influence in the economic, political and cultural progress of nations. Moreover, there is a strong correlation between arrivals of "new immigrants" and economic prosperity and richer cultural legacies in the host country.

Towards the end of the XX century, transnational corporations have greatly influenced important changes in the modern worldwide economy through the globalization of markets and the rise of free trade. Indisputably, these new rules and regulations have directly contributed to the already precarious conditions of the jobs and lives of the poor in developing countries.<sup>1</sup> Budget cuts in social programs, as a precondition for new loans or renegotiating of the external debt, have generated the mobilization of millions of humans who were left with little choice but to migrate in search of better opportunities.

The New World Order also has produced a new social subject: the international worker. In this stage of the expansion of the neoliberal economic model, migration flows are related to increasing levels of poverty for diverse social sectors, which include professional, skilled and unskilled workers. Between 1970 and 2000, considered as the boom of such model, it is estimated that immigration grew 100% worldwide. In the case of the United States, migration has risen approximately 200% during the same period, which reflects the incredible global transformation caused by the implementation of neo-liberal policies. According to Professor Augusto Zamora, "the rates show the magnitude of this immigration phenomenon. There are 23% Mexicans, 15% Salvadorians, and 11% Dominicans living in the United States."<sup>2</sup> It is important to note that these rates are reflective of the effects of the neoliberal policies on these Latin American countries.

The U.S. and other developed countries are directly responsible for these migration flows<sup>3</sup> to the extent that the economies of developing countries have been ruined by the impositions of economic policies and asymmetrical exchanges. As a result, developing country governments were forced to pay high interest rates for onerous debts acquired through loans that international financial institutions irresponsibly authorized, i.e. without establishing the control mechanisms or necessary fiscal management needed to guarantee the proper use of the loans. They are also responsible when they impede democratically elected governments to rule with economic sovereignty. Through political and economic pressures and the threat of closing credit lines, the United States coerces poorer countries to sign draconian agreements that impose protectionist measures in the U.S. internal market while demanding the liberalization of the global markets.

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1-Michel Chossudovsky, *The Globalisation of Poverty: Impacts of IMF and World Bank Reforms*, Malaysia, Third World Network.

2-Augusto Zamora, an article published in the digital information agency or Agencia de Información Fray Tito para América Latina-ADITAL. [www.adital.org.br](http://www.adital.org.br)

3-United Nations Development Program (UNDP). Human Development Report 1997, New York.

## II. Precarious Work Conditions: Impact on the Quality of Life

The demand of the labor market to fill positions that U.S. citizens do not want to occupy is another reason for the increased migration. The immigrant workforce is considered cheap labor. Even with a high unemployment rate among the native population, as a result of the economic recession, both the formal and informal economy need immigrant workers to maintain profit levels, preserve prices of household items at reasonable costs, and offer necessary services.

Similarly, immigrant workers are paying Social Security that supports those who are currently retired and those who will retire in the near future. However, there is no guarantee that today's immigrant workers will have Social Security benefits available to them when they reach retirement age. It is estimated that in approximately 10 years, when the U.S. baby-boomer population reaches retirement age, 40 million workers will retire. These changes in the U.S. population are dramatic and require amendments in labor and immigration laws that anti-immigrant sectors try to impede.

On the one hand, xenophobic groups blame immigrants for the socioeconomic and political problems of the U.S. On the other hand, employers, corporations and the federal government search to find ways to have a low-cost workforce in the service industry and the informal economy. The pressures from these xenophobic groups help explain the incoherence between the demand for low-cost labor and the rejection of immigrants. Unfortunately, neither the congress nor the government show interest in finding a sustainable solution to the dilemma of regularizing undocumented persons and the lack of labor demand in the workforce. By taking concrete action in favor of regularizing, the government would be complying with international agreements that call for the protection and guarantee of human and economic rights of its entire workforce. Nonetheless, these realities affect a great number of immigrant workers, who continue in poor labor conditions, with little or no negotiating power to bargain better work conditions. Hence, workers have no leverage to negotiate safer conditions, and are obligated to work between 12-14 hours a day for six days a week, and are paid minimum wages without vacations, have no medical insurance and are not paid for overtime, which is required by law. More than 60% of workers who suffer some type of accident are immigrants.<sup>4</sup> In New York State around 40% of those persons, including documented, and undocumented are Dominicans.

## III. The Statistics and the Legal Framework: The Dominican Community in Numbers

According to the 2000 U.S. Census, there are 1,041,910 Dominicans in the United States.<sup>5</sup> Likewise, the Census has registered 695,996 Dominican with resident status, which includes naturalized immigrants.<sup>6</sup> It is important to note that we do not have scientific or reliable data that would allow for an assessment of the exact number of undocumented persons in the United States. Nonetheless, based on immigration reports and local information on economic activities among others, it has been estimated that there are between 150,000 and 200,000 undocumented Dominicans in the United States.

In December 2003, the Census reported that the largest foreign-born population in 2000 of any U.S. city was found in New York City.<sup>7</sup> Additionally, according to the 2000 Census 37% of all non-citizens

4-For more information visit <http://www.osha.gov/>

5-Ramona Hernández y Francisco Rivera Batíz. *Dominicans in the United States: A Socioeconomic Profile, 2000*. New York: The CUNY-Dominican Studies Institute, 2003

6-Ibid.

7-Ibid.

in New York State are Latino. Dominicans, the largest Latino non-citizen group in New York City, constitute 27% of the City's Latino non-citizen population. Furthermore, 54% of all Dominican non-citizens in the United States reside in New York City with major concentrations living in the Washington Heights, Inwood, and Hamilton Heights neighborhoods in Manhattan, as well as the western section of the Bronx. As an indicator of the high influx of Dominicans into New York City, the United States Citizenship and Immigration Services (USCIS), previously known as Immigration and Naturalization Services (INS), reported in 2001 that 46% of the total Dominicans admitted intended to reside in New York City.

### **a. Admitted Immigrants**

The Dominican Republic is among the top 20 countries with the highest percentage of admitted immigrants. Between 2000-2002, 61,453 Dominicans have been admitted into the U.S.<sup>8</sup> Of the 22,604 admitted in 2002, 48% entered through family-based sponsorship program. Approximately 67% had recently arrived. Relatives that are U.S. citizens petitioned were 11,418 (50.5%); and the approximate breakdown of this group was 60% spouses, 25% children, and 15% parents. In 2002, 7,425 (32.8%) adjusted their status to permanent resident.

### **b. Nonimmigrants (Tourists Visas)**

In 2002, 186,800 Dominicans were admitted as nonimmigrants into the U.S. 67.8% entered as temporary visitors for pleasure, while 20% came in as temporary visitors for business. The top three ports of entry for nonimmigrants were Miami (69,933), New York (41,434) and Newark (12,235). 71% of all nonimmigrants admitted were between the ages of 25-64.

### **c. Naturalization**

The top four states where Dominicans have naturalized are New York, New Jersey, Massachusetts and Florida. USCIS reports that in 2001, 10% (8,387) of all naturalized citizens in New York State were Dominicans. Since 1993, there have been 175,025 Dominicans that have become U.S. citizens. Between 2000 and 2002 there have been more than 55,777 naturalized Dominicans in the U.S.

### **d. Undocumented Immigrants**

An indeterminate number of Dominicans are undocumented. Although these numbers may seem high, it has been estimated that approximately 150,000 to 200,000 undocumented Dominicans live in the United States. These figures are based upon information put forward by the United States Citizenship and Immigration Services, which has access to statistics such as the number of Dominicans who have entered with a visa and have not left. Obviously, this is not the only source; the estimates also consider people who cross the Mexican/U.S. border, or other countries and territories such as Puerto Rico, as well as individuals that enter with "borrowed" documents of family members etc. What is of utmost importance is not the numbers, but rather that Dominicans who live without documents become visible to the Dominican and U.S. authorities.

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8-Admitted immigrant is defined as a person who entered the U.S. under permanent resident status.

We consider that undocumented immigrants deserve just as much attention as documented ones, since their contributions are equally significant both in the United States and in the Dominican Republic. Moreover, it should be considered as heroic, the fact that they most likely live in worse conditions and make greater sacrifices, such as family separation of more than fifteen years. We need to join efforts so as to secure the legal status of Dominicans and guarantee free movement without the fear of facing an order of deportation.

## IV. An Overview of Recent U.S. Immigration Legislation

### a. Immigration Reform of 1986

The 1986 Immigration Reform and Control Act (IRCA)<sup>9</sup> was approved with the goal of containing the number of undocumented immigrants entering the United States. These reforms introduced important changes related to the workplace between employers and immigrant workers. Through work permit authorization, employers are allowed to ask the immigration status of future employees. Moreover, employers are sanctioned if they hire immigrants without work permits. Likewise, human and economic resources were increased to the agency in charge of enforcing the law, and an amnesty was granted to undocumented persons. In addition, between May 4, 1987 and May 5, 1988 amnesty was given to those who had continuously lived in the U.S. since January 1, 1982. This created little relief to those individuals who had been undocumented in the United States and met a strict set of guidelines.

### b. New Immigration Law Reforms in 1996

In 1996, Congress enacted two laws: the Antiterrorism and Effective Death Penalty Act (AEDPA),<sup>10</sup> and the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA)<sup>11</sup> - that drastically changed the consequences of criminal convictions for lawful permanent residents. Although lawful permanent residents had long been subject to deportation for criminal convictions, the 1996 laws have made such deportations mandatory in many more cases. Furthermore, the new laws provide that permanent residents convicted of a wide array of crimes are automatically placed in detention following the completion of any criminal sentence.

The new immigration laws have increased the likelihood that a permanent resident will face mandatory deportation for any criminal conviction. In addition, changes in criminal justice policies, Immigration and Naturalization Service (INS) enforcement policies, and the new mandatory detention system rendered the new laws far more unforgiving in practice than is apparent from their texts. As a result, the new deportation policies greatly increased the risk that a conviction for a crime will result not only in criminal punishment, but also in exile and family separation.

Since the enactment of the 1996 Immigration Laws, there has been a steady increase of Dominicans who are detained without legal representation and deported back to the Dominican Republic. Immigration reports that since 1996 over 20,000 Dominicans have been deported. Between 2000 and 2002 over 10,500 Dominicans were deported for criminal and non-criminal acts. The Dominican Republic is among the countries with the highest percentage of detainees in US prisons. In 2002, 3% of all persons detained were

9-Public Law No. 99-603, 100 Stat. 3359 (Nov. 6, 1986).

10-Public Law No. 104-132, 110 Stat. 279.

11Public Law No. 104-208, 110 Stat. 3009 (Sept. 30, 1996).

12-Alison Siskin, *Immigration-Related Detention: Current Legislative Issue*, Congressional Research Service Report for Congress, Library of Congress, April 28, 2004, page 12.

of Dominicans citizens.<sup>12</sup> This results in thousands of families without their parents and parents without their children, which has had and continues to have a major economic impact on these families.

Prior to 1996, the deportation laws relating to long-term legal permanent residents convicted of crimes had operated as a two-step process. The first step was to determine whether a person was deportable. The second step was to determine whether the person should be deported, which was based on all the facts and particular circumstances of the case. This second step offered an opportunity to consider such issues, as whether the person had shown rehabilitation, whether deportation would hurt family members, and whether the person had strong ties to his or her country of origin. The new deportation laws have greatly increased the number of permanent residents who are deportable under the first step, while virtually eliminating the second step - the individualized assessment of the appropriateness of deportation. As a result, it is now much more likely that a lawful permanent resident, with only one conviction, could be deported and denied re-entrance based on a legal pardon.

But added to these legal changes regarding the right to remain in the United States are several practical changes in the situation of legal permanent residents charged with committing crimes. First, these immigrants, like other defendants, face a criminal justice system that is meting out higher penalties and doing so in ways that disproportionately affect certain communities. Second, most non-citizens with any criminal record, even those eligible for relief from deportation, are now subject to mandatory detention. The result is that they must pursue their legal claims from detention facilities that may be thousands of miles away from their homes and families. Third, legal permanent residents face an immigration enforcement system that has greatly increased its resources and that is subject to reduced judicial review. All these changes have dramatically reshaped the rights of individuals waiting to be deported.

### **c. The Patriot Act**

The USA Patriot Act (USAPA)<sup>13</sup> expands the substantive grounds on which non-citizens can be excluded or deported for reasons of terrorism (section 411) and establishes a new mechanism for certifying and detaining non-citizens pending removal (section 412). The new criteria cover not just individuals who plot or undertake acts of terrorism, but also individuals who are remotely affiliated, regardless of when, with proscribed organizations. The Act affords the Attorney General the ability to certify and detain any non-citizen under section 236A if the Attorney General has "reasonable grounds to believe" that the non-citizen has engaged in any activity that "endangers the national security of the United States."

The USA Patriot Act immigration enforcement measures include: (1) expansion of terrorism-related inadmissibility and removal grounds; (2) mandatory detention with limited judicial review for foreign nationals certified as terrorists; (3) a mandate for a threefold increase in Border Patrol and immigration inspections personnel in each state along the northern border, and the allocation of \$50 million for northern border security technology; and (4) a mandate for the expeditious implementation of an entry-exit control system and foreign student tracking. The bill also allows for increased information sharing, both between the immigration servicing agencies and U.S. law enforcement authorities, and, in limited instances, with foreign governments.

Key elements of the Border Security legislation include (1) at least one thousand new INS inspections and investigations officials over the next five years (this is in addition to the threefold increase in Northern Border inspections and Border Patrol officials called for in the USA Patriot Act); (2) provisions

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13-The full title is *Uniting and Strengthening America by Providing Appropriate Tools Requiring to Intercept and Obstruct Terrorism Act of 2001* (USAPA), Pub. L. No. 107-56

reiterating and clarifying the directive in the USA Patriot Act for INS to implement an entry-exit system as soon as possible; (3) provisions reiterating and clarifying new foreign student and exchange visitor tracking; and (4) requirements for the use of machine-readable, tamper resistant documents.

## V. Social Services Environment and Day-to-Day Life: Access to Government and Non-Profit Services

The number of Dominican immigrant families in New York State and in the United States continues to grow rapidly, but Dominican communities continue to be widely underserved and discriminated. Navigating various government and social services is extremely difficult especially for the recently arrived, and services are not available to all members of the immigrant family. It is essential for each person to understand his or her own immigration status before accessing any government or social service.

### a. U. S. Government Services to Immigrants:

#### (1) Health:

*Medicaid*, Child Health Plus "A", Child Health "B", Family Health Plus are free health care programs available to all documented immigrants.

*PCAP (Prenatal Care Assistance Program)* is a free health care program for pregnant women with or without documentation.

*Emergency Medicaid* is available to all who have "an emergency medical condition" and that includes undocumented immigrants.

*ADAP (Aids Drug Assistance Program)* provides medications for persons with HIV. All immigrants, including undocumented persons, can participate.

Immigrant families do not have adequate access to information and education about local health services. Topics that need further studying and discussion include available services, how to access services, eligibility requirements, and how receiving health services affect immigration status.

#### (2)Food:

*Food Stamps* are available to documented immigrants who are under 18, or have a disability, or have been a legal permanent resident for 5 years, or are at least 60 years old, or are domestic violence survivors, or green card holders who can be credited by the social security administration with "40 quarters of work history," may be eligible.

#### *WIC*:

Provides vouchers for food, nutrition counseling, and referrals to health and social service organizations to women who are pregnant, breastfeeding, or in the postpartum period available to those with or without documents, babies, and children up to age 5. All women with above mentioned criteria can apply.

#### (3)Public Assistance (or Welfare):

Only documented immigrants are eligible, which provides food and housing and small amount of cash. The reform in the 1996 Law limited this program to five years throughout life.

**(4) Supplemental Security Income (SSI):**

This is a federal program and provides supplemental cash assistance for persons who are elderly, blind or disabled. Immigrants are eligible for SSI include "lawfully residing" immigrants who were receiving SSI on or before August 22, 1996; Legal Permanent Residents who were lawfully residing in the US on August 22, 1996 and are now blind or disabled; and persons with the first seven years of their status as a refugee, asylee, and Cuban-Haitian entrant.

**(5) Housing:**

Public Housing Authority (NYCHA) offers low-income government owned apartments.

*Section 8* is a government program that provides government rental subsidies for private apartments. Families with at least one family member who is a citizen or legal resident are eligible for these forms of housing, and families with members with and without documents, these latter paying more.

*Homeless Services and Shelters:* The City of New York provides these services to all homeless persons regardless of immigration status.

*Domestic Violence Services and Shelters:* All immigrant survivors of domestic violence, including those who are undocumented, are eligible for these shelters and services.

## b. Labor Environment

The perception of the anti-immigrant movement and government authorities is that immigrants are a burden on the federal, state and local government, and at times are classified as predators by the most racist groups. In light of this, it is important to bring to the negotiation table the real causes for the migration of Dominicans and highlight the contributions that the Dominican diaspora makes to the US and world economy. Said negotiations can have a positive result if the Dominican authorities take into account the importance of obtaining a fair and just treatment for their nationals abroad, which contribute significantly to the economy of both countries.

## Recommendations

In working together to establish an agenda that integrates the vision set forth here and that of the Dominican Government with the aim of discussing them and including them in our conversations and future trade agreements the following issues should be considered:

- (1) Advocate for the legalization as a means of reparations for the injuries to immigrants and their families, which have had to migrate in search of job opportunities and a life with dignity, at conferences, conventions both regional and global where the Dominican government participates;
- (2) Procure alliances with other countries of the region to present joint demands and objectives;
- (3) Encourage creatively think of ways to use money transfers for the financing of new business initiatives; and
- (4) Support the reduction of money transfers through a system that involves the Central Bank and instills confidence in social capital building investments.

## c. Legal, Policy and Advocacy Environment

Reforming the U.S. immigration laws is fundamental and central to any solution. At the very least,

the Dominican Government should provide legal resources to individuals who face deportation proceedings. Unless individuals are provided with a forum to present their cases to remain in the United States, it will be difficult to control U.S. governmental efforts to maximize the yield of non-citizens criminals deported. The United States Supreme Court has reiterated many times over that every defendant has the right to representation.

Congress has begun to consider reforms to mandatory deportation. A common feature of the bills pending in Congress is an effort to distinguish criminal records that should allow for a consideration of factors that weigh against deportation from criminal records that should serve as grounds for mandatory deportation. Although these bills would alleviate some of the hardships imposed by the 1996 laws, they err in assuming that the government should take a step, as serious as deportation, based solely on the label of the crime or the sentence imposed. The unreliability and inequality that exists in the U.S. judicial system has been well documented. This should be acknowledged and considered when decisions as dire as deportations are at hand.

## **Recommendations**

<b>Current Services:</b>	<b>Recommendations:</b>
Dominican Passport	Work on the institutionalization of the services of the consulate office.
Travel Letter / <i>Carta de Ruta</i>	In particular, the person who is appointed to be the General Consul should remain in the position for a minimum of two years and should have a working knowledge and respect of the needs of the community.
Consular Invoices	A Website with all pertinent information
Immigration services	Local Community Office in Upper Manhattan
Tourist cards	Dominican "Cedulas" ID processing
	Consular Certification
	Access to the consular offices for information
	Legal support and counseling, in particular for those in deportation proceedings
	Request USCIS to report Dominican detainees to the local Consulate.

- (1) Given the impact of deportation on the families both in the United States and in the Dominican Republic and the repercussions on our community, we propose that the Dominican government ask the United States for a moratorium on deportations;
- (2) The Dominican government should seriously consider proposing to the United States the conduct of a joint study with the aim to determine the most just and humane manner to rehabilitate and integrate persons into Dominican and U.S. society; and
- (3) The Dominican government should propose to the United States government a re-evaluation and revision of the crimes, in particular non-violent crimes, which makes a person deportable, especially those who have served their time and have become rehabilitated during their time in prison with the goal of offering them another opportunity.

The Dominican Consulates, particularly in New York, should offer more immigration related services such as the following:

#### **d. Social Services**

The Dominican population in New York City is now greater than the 554,638<sup>14</sup> persons listed in 2000 Census. There are more than 185,808 in Manhattan alone. Although the Dominican Community has significant numbers, this is not reflective of the current composition of political power. Obviously, we have an important place at the state level, thus serving as incentive for native politicians to speak Spanish and visit neighborhoods; nonetheless, we still do not have the representation or the acknowledgement that the community deserves. Besides being a hard-working community and great contributor at the state and local economy, the quality of life, work conditions and the economic capacity of our community continues to be precarious and below other Latin American communities.

#### **Recommendations:**

Dominican representatives at the local, state and federal government need to work in conjunction with community leaders to bring together a coalition in order to demand the following:

- (1) A greater and improved political representation including at the local, state and federal levels;
- (2) A more equitable distribution of economic resources for community development;
- (3) A better quality of life through improved government and social services;
- (4) Affordable single-room housing, family housing and traditional housing, e.g. for immigrant victims of domestic violence;
- (5) Mental health services to under-served immigrant groups, esp. immigrant children and single adults;
- (6) Greater informational literature in Spanish on access to food programs for targeted immigrant groups;
- (7) More daycare centers and low cost educational programs for children of immigrant families;
- (8) Programs aimed at improving the living standards of low-income immigrants, including livable wage programs and health benefit packages;
- (9) More small business counseling, training workshops, translated materials, small business loans, and knowledge of resources;

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14-Hernández and Rivera Batiz 2004.

- (10) Create a public forum where the community can develop its own capacity to organize and negotiate, participate and advocate at the local, state and national levels, as an avenue to gain acknowledgement and respect from politicians and other communities; and
- (11) The need to establish a Pilot Program to coordinate Immigrant Services such as orientation and employment training, professional adaptation courses, citizenship and immigration legal services, civic participation and information and translation services of the labor laws.

# CHAPTER II

## HEALTH

# **Strategic Alliance Dominican Republic – New York HEALTH**

## **Strategic Alliance for Health and Development: A Health Perspective from the Dominican Society and its Diaspora**

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# I. Introduction

## a. Precedents in the Dominican Republic

The Fundación Global Democracia y Desarrollo (FUNGLODE) and the Global Foundation for Democracy and Development (GFDD) have established as part of their framework a thematic area on Public Health and Social Security for Health, as private, non-profit organizations dedicated to formulating strategic and conjuncture related innovative proposals on relevant issues of national interest, enhancing the quality of the national debate, and devising public policies crucial to the Dominican Republic's good governance and socioeconomic development.

Through activities in this thematic area, FUNGLODE and GFDD promote the validity of public policies that could strengthen democracy and endorse sustainable development in Dominican Republic within the Public Health environment. In order to create a democratic, governable, modern, and developed country, both under an economic and social perspective, with the ability to benefit from all opportunities and to defend itself from the dangers posed by globalization, as well as strong institutional mechanisms to distribute the national resources in a manner that permanently confronts poverty and constantly enhances the population's health levels.

Hence, FUNGLODE and GFDD are assessing vital aspects of Public Health and formulating proposals to promote economic and social development in Dominican Republic, based on knowledge of the most recent and advanced experiences developed by Humanity and rigorous research and analysis at a national and international level promoted for these purposes by organizing activities focusing on publications, conferences, seminars, workshops, and other events.

The aforementioned activities imply formulating concrete and viable action plans for the implementation of public policies and the articulation of strategic alliances to reinforce them in order to respond to the Health problems affecting the Dominican population and its Diaspora, applying participative and multidisciplinary approaches.

Consequently, FUNGLODE and GFDD concentrate on areas of interest in the public policies setting to strengthen: (a) the development of the institutionalism and the separation of functions in the National Health System, in its structural branches on Public Health and Social Security for Health; (b) the assessment of the economic and social development impact on Health; (c) Science and Technology advances in the Health field; (d) research on satisfaction levels of the users of the health services and the role of the mass media in its dissemination; (e) follow-up of the impact of globalization and regional integration on the population's Health and the performance of its sanitary institutions; (f) active participation of public and private parties of Dominican Republic in the organic and virtual networks on knowledge and better practices and in the regional and world mechanisms of Public Health; as well as (g) the health of the Environment.

Therefore, FUNGLODE and GFDD are focused on developing numerous and diverse activities in the Public Health field with specific objectives on developing studies, analysis, diagnoses and research, promoting

Scientific and Technological advances, formulating projects, encouraging strategic alliances, implementing public opinion surveys and enhancing the perception levels of the citizens, as well as formulating recommendations on legal regulations that will act as a shielding framework for sanitary public policies.

### **b. Precedents in the State of New York**

Following intense personal contacts and during the process of a series of meetings and workshops held in the year 2003, a group of Dominican professionals in the Health Sciences field and Public Health officials residing in the State of New York, decided to launch a Health Committee that formulated the conceptual focuses and handled the corresponding negotiation with FUNGLODE and GFDD in order to establish a Strategic Alliance for Health (SAH) subscribed by Dominican Republic and the State of New York. From the beginning, this group was joined by other members of North American nationality, including Puerto Ricans, which supported the committee's original purposes.

The goals of the Health Committee of the State of New York were defined during the said process to establish a technical cooperation network between Health professionals in Dominican Republic and in the State of New York, in order:

- To contribute to the assessment and identification of health problems affecting the Dominican population residing in the Dominican Republic island and the State of New York;
- To coordinate actions and efforts promoting public policy planning and technical, scientific, academic, programmatic and financial activities that focus on searching for solutions for previously identified sanitary and social security problems;
- To propose and/or support the implementation of definite solutions, disseminating the pertinent current experiences in both countries;
- To develop a virtual network on knowledge, technical and corporate expertise of Health professionals residing in Dominican Republic and New York, in order to generate, share and disseminate the necessary information and initiatives to enhance the Health conditions of the Dominican population in both places and to develop a Dominican National Health System;
- To create and support human resources development processes in the administration and health services management fields; clinical and health services research; as well as the use and application of modern biomedical, computer science, and communication technologies;
- To identify common interest areas and cooperation potential among Public Health administrations and the Health Sector scientific and corporate communities in both locations, focusing on attending people through ambulatory services, the Primary Attention Strategy, preventive services for immigrants; internship exchange programs; and partnerships between health centers in the USA and Dominican Republic; and
- To coordinate and support activities and efforts focused on strategic operation planning for the emerging health problems, presenting the successful experiences developed in both countries. In this context, the members of the committee placed special emphasis on all new transmissible diseases; HIV/AIDS and other STIs; unwanted teenage pregnancies; Hepatitis C, Tuberculosis (TB); domestic and communal violence.

The Health Committee decided to hold an event in Dominican Republic on the month of November of the same year in order to define the conceptual reference framework and the institutional organic structure of the Strategic Alliance for Health of the Dominican Republic and the State of New York.

### c. The Starting Point: *The Health and Development Seminar*

In this context, a *Seminar-Workshop on "Health and Development. A Perspective of the Health Situation in Dominican Society and its Diaspora"*, was held on November 19-21, 2003 in the city of Santo Domingo in Dominican Republic, at the headquarters of and sponsored by the Fundación Global Democracia y Desarrollo (FUNGLODE).

The Health situation of Dominican nationals was analyzed during the given event, both in Dominican Republic and in the State of New York, as well as the social responses and the model for sanitary reform used to address the present health service and social security problems of the country. Furthermore, actual interventions, generally accepted as effective and promissory, were identified at both locations, and discussions were held on the difficulties that sanitary reforms face in other countries, especially in Puerto Rico, including an initial definition of the strategic approach under which the strategic alliance would operate in the near future.

At the said event the main concerns that prevailed were the following:

- (1) Both communities are subject to the social protection of two social security systems with an important exclusion phenomenon that affects immigrants and that, not only does it not share data management or epidemiological aspects, nor does it contemplate sharing expenses and procedures.
- (2) At present, access, of the scientific and technical community in Dominican Republic, to state of the art technology available in the extraterritorial community of NYS, is practically impossible and no plans have been issued to promote or regulate it.
- (3) Those paying for Social Security for Healthcare in NYS have dependents in Dominican Republic that are not properly protected and many Dominican employees in NYS each year await the opportunity to be assisted in Dominican Republic, making them direct users and/or beneficiaries of the subsidized Dominican social security regimen in Healthcare although they have insurance coverage in the United States.
- (4) Retirement in our country for Dominican workers in Dominican Republic and in the United States, despite the financial benefits of the social security, will represent penuries and progressive impoverishment if the implementation of a national health plan for the elderly is constantly postponed.
- (5) The voids in the Dominican National Health System are one of the main reasons of the legal and illegal emigration to the United States.
- (6) Both social security systems in healthcare are ill prepared to rapidly address the problem of the emerging diseases and the increase in poverty levels, representing an aggravated situation for Dominican Republic since a relevant number of its working force lives in the United States and depends, in a significant manner, on the remittances that this group transfers to their country of origin.
- (7) The voids in the Dominican Social Security System (SDSS, acronym in Spanish) and the National Health System (SNS, acronym in Spanish) generate relevant weaknesses and threats, since the Dominican Republic will require an optimally qualified work force to maintain its competitiveness in an increasingly globalize developing environment (free zones, services and tourism) and more demanding society, as well as healthier environments.
- (8) More than half of the "Hispanic" population over 65 years old residing in the United States does not assume the prevention of a number of diseases, such as influenza or HIV infections, while the healthcare services in that nation generate and maintain access barriers to health protection for the Dominican community.

- (i) In the USA, there are important voids in the implementation and development of means for culturally and linguistically appropriate services, which are negatively affecting the warmth and quality of the healthcare services rendered to Dominican users. Hence, immediate actions must be implemented in order to address the aforementioned voids.

## II. Framework

### a. Motives

The reasons to create a Strategic Alliance for Health of the Dominican Republic and the State of New York are based on the existing concerns among civic leaders, scientists, and technical and trade union professionals, as well as public officials, of Dominican nationality and/or origin, both in Dominican Republic and the State of New York, on the fact that the Health conditions of the given population in both places, registers significant low levels compared to an important part of the rest of the Latin American continent and the North American population. Plus, there is evidence that the trend focuses on its deterioration in the following years.

Hence, the social participants involved in this initiative pondered the importance of a coordinated action on both sides of the Atlantic and the significance of the existing migratory current from the island to the North American territory and its economic and cultural impact on the social situation of Dominican Republic, as well as the constant geographic mobility present in both populations on both sites.

Similarly, these participants motivated by the development of an initiative that will positively impact on the health situation of the Dominicans on both sides of the Atlantic, also pondered the potential synergy present in the ethnic roots and common cultural codes of both populations, which give great cultural, social and economic meaning to the actions that will be defined and executed. Both populations are constant and the problems emerging from their survival needs are similar and related, even when their insertions in the labor markets in both territories have marked differences due to dissimilar characteristics in the economic structures and existing living conditions in the island and the North American metropolis. The lives of these populations, on both sides of the Atlantic, is intimately tied from a cultural (economic, social, and political) and biological perspective.

These motivations lead to the gradual development of the concept of an Alliance as a result of numerous meetings, on both sides of the Atlantic, to identify *what* issues could be shared, *how* to share them and *why* share them, concluding that needs and diverse and concurrent social and economic problems can be shared, specially in terms of hygiene and health, in an environment of solidarity and through the use of common communication codes, as well as the dissemination and coordination of all actions. This reaffirmation of realities, exposed and discussed in plenty of past occasions, led to the conclusion that a constant and permanent encounter was needed in order to systemize and institutionalize the cooperation and solidarity in searching and implementing solutions to the identified problems: Hence, identifying a common interest and purpose.

Therefore, the initial meetings and activities of the first promoters in the development of the Alliance, were oriented to initiating a process leading to sharing ideas, data and information that could promote a better understanding and interpretation of the objective reality and subsequently, sharing operation proposals to positively modify situations and realities observed in both locations.

Hence, the need to share a situation analysis on the health of the Dominican population and its trends at both sides of the Atlantic, logically, directing its interest in the healthcare systems focused on

people and social security, since the common action was motivated by a concern on human health on both sides, including the social and institutional responses to collective health problems, as well as identifying the corresponding solutions.

## **b. Principles<sup>1</sup>**

The Alliance regulates its operations based on the following basic principles:

### **1. Civic Universality**

Health is a social right beyond any other consideration; everyone should be able to count on having their needs for assistance covered, no matter where they reside nor what they do or believe, as well as access to an ample and comprehensive primary care within efficient sanitary services. The governmental administrations and the Civil Society organizations are compelled to guarantee the satisfaction of human health needs and to cooperate with them.

### **2. Protecting the users of the services and developing their self-management and co-management skills**

The need to promote and preserve the citizens' Health must be considered as the main orientation for all national health systems, as well as the need to recover the health of those patients using the services. The users, no matter their origin and place of residence, represent the core of the services; hence, managing mechanisms must be present to encourage their participation, and that of their organizations and communities, in order to guarantee the necessary respect to their priorities and the satisfaction of their needs.

### **3. Pluralism and Universalization**

The services rendered by the public and private sanitary suppliers, no matter their geographic and politic-administrative positions, can and must be, jointly, to enhance the health of all people at their different places of residence.

### **4. Democracy and Universalization**

The sanitary systems represent one of the larger segments of the social systems (societies and cultures) at a national, regional, and world level, therefore, the goals of the societies are better achieved when solid, humane, and global public policies are in place, and when the countries' sanitary systems contribute by cooperating and interacting on behalf of everyone.

### **5. Professionalism**

Sanitary assistance constitutes a sole responsibility that must be confirmed by different degrees, agreements ("oaths"), and accreditation formats. The freedom in the professional exercise must be based on correct scientific practices, culturally and socially sound and ethically impeccable responding

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1-Based on the *General Health Law* (42.01), the letters on Policies for the Health Sector Reform of the Dominican Government (1996-2000 and 2000-2004), and the document entitled "Una Reforma para Estar en Salud" edited by SESPAS, PROSISA, ONFED and the European Community.

to the expectations and needs of the patients and of society. The constant training of the professionals involved and the necessary cooperation among governmental, academic and organizational administrations of the civil society are, therefore, basic in updating, fostering, universalizing the best practices and culturally and ethically assuming the application of their know how.

## **6. Demands and Accountability**

Transparency in public management and developing the capacity to demand and render responsibility for the implemented actions and the results obtained, are indispensable conditions for the proper functioning and governance of the Healthcare Sector at a national, regional, and global level.

## **7. Universalizing the Fight Against Poverty**

Human society is rapidly globalizing in its reproduction, generation of wealth, and governance models, yet poverty is constantly increasing and it is still the main obstacle for sustained economic growth, for the development of human potential in all societies, and for the development of Democracy and governance without exclusions. Therefore, all actions focused on the Health sector of the governmental, sanitary systems, national and international organizations of the Civil Society administrations, must favor a contribution to eradicate poverty and mitigate its consequences and impacts, jointly cooperating to foster and focalize their actions on where they are most needed, and in so, favoring more human development.

### **c. Dominicans on the Island**

#### **1. The Context**

The Dominican Republic, which extends for 48,442 Km<sub>\_</sub>, is located on the eastern half of the island of Hispaniola. According to the data of the National Office of Statistics<sup>2</sup>, the country contains a population of 8,562,541 inhabitants of who 4,265,215 (49.81%) are men and 4,297,329 (50.19%) are women, as well as with a population over 18 years of age of 5,145,755 (60.10%) and a total of 2,445,315 homes. The official language is Spanish and the national currency is the Dominican Peso.

60% of the population is concentrated in the main cities, a population density of 169 inhabitants per Km<sub>\_</sub>. This has generated a direct impact on the social composition of the country and on the deepening of the contrasts derived from unequal income distribution, migration and marginality.

The conditions of poverty, according to a report by the United Nations Development Program (UNDP), for the year 2002, places the country in 94th place among the 177 countries studied in the world-wide scope, and 26th among the countries of Latin America and the Caribbean.

According to statistics of the National Office of Planning (ONAPLAN), of the 31 provinces in the country the five with the greatest percentage of poor households are Elías Piñas, Bahoruco, El Seibo, Monte Plata and Samaná, whereas the National District, the province of Santo Domingo, Santiago and San Pedro de Macorís are those with the smallest index of poverty.

In terms of education, the relationship between poverty and education continues to be marked by and denounces great inequalities. For the year 1996 the country's Gini coefficient for income was 0.47,

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<sup>2</sup>-ONE: VIII National Population and Housing Census, 2002

whereas the Gini coefficient for education was 0.374.<sup>3</sup> This data indicates that education is concentrated in those levels of the society with greater levels of income.

The percentage of illiteracy in the Dominican population is 12.7% with a distribution according to sex of 12.2% for women and 13.1% for men in the population of 10 years and older. The illiteracy rate in the countryside is double that in the urban areas; 9.5% for the latter and 18.6% for the former.

According to information from the United Nations Development Program (UNDP), the Dominican Republic has a Human Development Index of 0.738, which is made up of a life expectancy of 66.7 years; a literacy rate in adults of the 84.4 percent and a GDP per inhabitant of 6,640 U.S. dollars.

Recently the Dominican economy has received strong pressures that will affect the performance of the new National Health System and Dominican System of Social Security. Due to the presence of external and internal shocks (socialization of banking crisis), the Dominican economy has registered a deceleration of the rate of growth from the second trimester of 2002, arriving at a negative rate of -3.0% in the second trimester of 2003<sup>4</sup>.

The rate of unemployment registered a slight increase of 16.4% in April 2003, but it is foreseeable that it will increase more throughout the year as a result of the Central Bank's forecast of a fall in GDP of -3% for the entire year, and that an inverse relation exists between economic growth and unemployment.

The inflation has been accelerated, in the month of August the accumulated level was 24.6% and for the end of the year the Central Bank estimates 35%. The exchange rate has depreciated 70% in the last 12 months.

The total nominal public expenditure increased 12.2% in the period from January-August of 2003 with relation to 2002. However, if inflation is discounted, growth turns negative at -12.4%. Real capital expenditure diminished at -56% and current real expenditure at -12.8% between January-August of 2002 and 2003. As well as the Financial Applications (amortization of debt), which has increased at 75% with respect to the previous period. This behavior reflects a deterioration of public expenditure that not only corrects itself towards the lower end because of the inflationary effect, but that in addition recomposes itself at the cost of current expenditure and capital<sup>5</sup>.

For 2003, the IMF has established an expenditure goal of RD\$84.6 billion that is within the budget and for 2004 the goal established is RD\$103 billion, which is less than the level of expenditure for 2003 plus the anticipated inflation.

The gross international reserves have diminished at -24% and the net at -45% between January and August of 2003. The monetary emission expanded 60% for the same period.

In summary, in 2003 a severe internal shock was caused by the crisis of the financial sector that generated a loss in the order of 14-17% of GDP. This new situation has caused serious threats to the Law of Social Security and the Reformation of the Health Sector due to the absence of resources on the part of the government, an increase in unemployment, inflation, depreciation of the exchange rate, a diminution and deterioration of real public expenditure, an increase in the national debt, a diminution of the gross international reserves and an agreement with the IMF.<sup>6</sup>

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3-Medina Giopp, A.: "Escenarios para la educación en la República Dominicana." In: Escenarios para una política de población y desarrollo, 2000-2015. Santo Domingo: CONAPOFA/UNFPA, 2002, pg. 24.

4-Information from the Central bank and the Secretariat of State of Finances of the Dominican Republic.

5-UNDP, Office of Human Development: "Notas de Coyuntura, No.1". Santo Domingo, September 2003

6-Ibid.

## 2. The Health Situation

In the last decade, the country has experienced significant advances in some basic indicators of health, such as infant and childhood mortality, as well as mortality and morbidity by preventable diseases, chronic infant malnourishment, mortality by intestinal infections, and fecundity and life expectancy at birth.

In effect, the infant and childhood mortality rates in the country are 31 and 7 for every 1,000 live births, respectively, although the goal of the Americas has yet to be reached, which establishes that in the countries of the region the infant mortality rate must be below 30 for every 1,000 live births.

To a great extent, the reductions of the infant and childhood mortality rates are due to an improvement of preventive services, access to information and the conditions of life in important segments of the population.

As for preventable diseases, the majority is below 1 case for every 100,000 inhabitants. With the exception of tetanus in other ages, the diminution in the last five years in the incidence of poliomyelitis and the measles in the population stands out (there have been zero cases of either one since 2001)<sup>7</sup>.

On the other hand, although the prevalence of chronic malnourishment in minors under 5 years of age has been reduced from 11 to 9%, differences still persist depending on the level of educational attainment of the mother and the zone of residence. Of these cases, only 2% present severe chronic malnourishment.

According to SESPAS, another striking indicator in relation to malnourishment is the significant reduction of the stature/age deficit in students (population of 6 to 9 years) from 19% in 1993 to 8% in 2002. Nevertheless, in certain provinces like Elías Piña and La Vega percentages superior to 12% still prevail<sup>8</sup>.

Deaths by intestinal infections went from 22 to 13% in the period 1986-1999, representing a significant reduction of 41%, especially in the population of minors of 1 year.

The number of offspring per woman has diminished from 6.7 children in the period 1964-1966 to 2.7 for the period 2000-2005.

For the period 2000-2005, life expectancy for men is 67.83 years, and for women it is of 72.43 years. It is projected that for the years 2010-2015 life expectancy for sexes will be 72.56 years.

The gross mortality rate has diminished from 7.76 per thousand in the period 1980-1985 to 5.77 per thousand for 2000-2005, and in 2010-2015 will arrive at 5.80 per thousand, according to median hypothesis parameters for the calculation of the projections.

With respect to maternal mortality, the country still displays an elevated number of deaths with respect to the goals of the Americas, although 99% of the childbirths are taken care of by healthcare providers and 97% of these are institutional. This indicates that deficiencies still persist in the organization and quality of maternal-prenatal attention. The problem of maternal mortality persists despite the diminution of fertility and women having reached greater labor participation, access to education, and access to contraceptive methods.

Between the main groups of causes of general death, that present a tendency towards increasing, are included circulatory diseases, standing out among these, heart ischaemias, cerebral-vascular and arterial hypertension; deaths by external causes (accidents, homicides, suicides and other causes); and, those caused by tumors.

Diseases of the circulatory system are important factors for death from 40 years of age in both sexes. With respect to tumors, the greater rate of death occurs in the masculine sex.

In the distribution of deaths by provinces during 1999, due to these groups of causes, we have the greatest magnitude of deaths in all the provinces of the country due to cardiovascular diseases.

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7-SESPAS: *Análisis de la Situación de Salud (ASIS)*, 2004.

8-Ibid.

Infectious diseases are the fourth cause of death in the country; among these AIDS is the first, followed by tuberculosis and then diarrhea. It is fitting to emphasize that the causes that contribute most to premature mortality (AVPP) are those tied to external causes (mainly traffic accidents) and transmissible diseases (especially AIDS).

According to SESPAS<sup>9</sup>, among the diseases that remain likely problems of morbidity or public health in the country are:

- Cardiovascular diseases
- Accidents and violence
- Diabetes
- Gynecological tumors jointly with breast cancer.
- Tuberculosis. This last one mainly affects the adult population over the age of 15 years. In geographic terms this disease appears throughout the entire country.
- Acute respiratory infections. These constitute the main cause of ambulatory consultation. Its prevalence in children under 5 years has increased.
- Malaria. The most affected group is the economically active population, especially in the areas of agricultural production and construction.
- Dengue and the hemorrhagic Dengue, which have progressively become a serious endemic problem in the Americas, affecting the underage population in great proportions.
- Whooping Cough, Diphtheria, and non-neonatal Tetanus. Although they diminished in the last two decades, immunization has yet to reach the optimal levels established for the region and continue to present a serious health problem for the country.
- Meningitis by *Haemophilus influenzae type B* (Hib). Reaching the necessary immunization levels continues to be a great challenge.
- Acquired Immunodeficiency Syndrome (AIDS) and the HIV infection.
- Acute diarrheic disease (ADD) continues being a significant public health problem, mainly in children under five years of age.
- Rabies.
- Moderate malnutrition. In the case of non-transmissible diseases, moderate malnutrition is among one of the gravest problems, especially in the countryside and among the children of mothers with no level of education.

As far as facilities capacity, in the public health sector there are a total of 1,075 health establishments in the entire national territory. Of these, 1037 establishments belong to SESPAS, offering a total of 12,057 beds, for a global rate of approximately 1 bed per 720 inhabitants. The Dominican Institute for Social Security (DISS) consists of 33 establishments, of these, 7 centers contain beds; and finally the Armed Forces (FF.AA.) has a total of 5 establishments, of which 2 have beds.

The processing of information regarding facilities, endowments and productivity of private suppliers of health services of attention to people are not systematized or updated.

In terms of human resources in health, for every 10,000 inhabitants there are 8.1 doctors, 1.0 dentist, 1.1 Lab technicians, 0.4 pharmacists, 1.3 nurses, 11.5 auxiliary in infirmary, 0.06 veterinarians, 0.3 administrators, 1.1 health supervisors-promoters, 15.4 administrative personnel, 2.7 technicians<sup>10</sup>. In each province and municipality of the country, there exist health establishments with human resources whose distribution does not coincide with the health and disease profiles of the population or with the totality of the same<sup>11</sup>.

9.-Ibid.

10-System of Geographic Information for Health of the Dominican Republic. PROSISA/UE-SESPAS, 2003.

11-SESPAS: Human Resources Census, 2002.

The use of health services by the population follows the following pattern: the hospitals of the SESPAS were frequented the most at 52.9%, followed by private clinics at 35.3%, the hospitals of the IDSS at 3.3%, the military hospitals at 2.5% and the centers of patronages (not-for-profit non-governmental organizations) and churches at 1.8%<sup>12</sup>.

### **3. The Demography and Health Survey (ENDESA 2002)<sup>13</sup>**

Almost two decades after their initiation in the Dominican Republic, the Demography and Health Surveys constitute one of the most consistent efforts to generate socio-demographic and health information in the country. Thus serving as an obligatory frame of reference for the design of policy and programs developed by both the public and private sectors, in order to address the new challenges entailed in improving the quality of life of the population.

The Demography and Health Survey of 2002 (ENDESA 2002), is one of the most complete investigations at the worldwide level within the program Measure DHS+, based on the number of subjects included. In addition, it is a pioneer in Latin America in increasing information on the seroprevalence of HIV. It is fundamentally characterized for investigating the main indicators of the reproductive health, nutrition of the children, mortality in the first years of life, maternal mortality, violence against women, HIV/AIDS, morbidity, utilization of services and health expenses in each household.

The results of this survey demonstrate that 28 percent of Dominican homes are headed by women, in greater proportion in the urban zone at 31 percent, against 22 percent in rural zones.

The data demonstrates that in the homes around the country, 51 percent of children between the ages of 10 and 14 live with a single parent and 18 percent does not live with any of the two. In addition, measuring by location of residence, in the total of children under 15 years of age, the problem of parents and children not living together is worse in the urban zone which has 47 percent, in contrast to the rural zones with 40 percent. The proportion of children who do not live with any of their relatives is greater in the countryside, with 15 percent, as opposed to the urban zone, which has 14 percent.

Also, the average number of persons per household diminished to 3.9 in 2002. In 1991 it was 4.6 and in 1996 it was 4.3. The average size of homes remains the same for urban and rural zones.

The survey demonstrated that when the structure of the Dominican population is observed, the tendency is that there is a decline in percentage of the young population and the increase in median and older ages is verified, distributed in the following way: the population under 15 years of age represented 35 percent of the total in 2002, the population ranging in ages 15 to 64 represented 59 percent, and those 65 and older close to 6 percent.

One of the most debated problems with respect to Dominican childhood and one of the main problems for the implementation of the Family Health Insurance (FHI) of the new Dominican System of Social security (SDSS) is related to birth certificates; according to the survey 13 percent of those under 15 years of age lack the certificate. Also, 22 percent of children 0 to 4 years of age lacked their birth certificate, descending to 6 percent in those between 10 and 14 years of age.

ENDESA 2002 investigated for the first time the religious affiliation and participation in the population of 15 or more years of age, corresponding with 64 percent to the Catholic Church, 9 percent to the evangelical church, and 3 percent to other denominations. Similarly, 23 percent declared no religious affiliation, being higher in the male population, with 28 percent as opposed to 18 percent for

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12-Demography and Health Survey (ENDESA 2002)

13-CESDEM, "2002 Demography and Health Survey." Center for Social and Demographic Studies, Macro International, SESPAS, CERSS, USAID, COPRESIDA, Santo Domingo, 2003.

females. However, lack of a religious preference is higher in the young population, which reaches between 28 and 30 percent in the total population under 30 years of age. The parish with the smallest attendance to the liturgies and religious ceremonies is the Catholic Church with 67 percent. People pertaining to other denominations reach between 88 to 92 percent participation in these activities.

The survey addressed the housing problem and established that the 73 percent of households live in independent homes and 13 percent live in what have been denominated "piece or part of the back" homes, located in patios without direct access to the street or constituting annexed or pieces of another construction. Families residing in apartments are only 8 percent. As regards physical infrastructure, 63 percent of the typical home has cement walls and 27 percent made of wood. 88 percent has cement floors and/or mosaic, 66 percent have zinc roofs and 32 percent concrete. Similarly, in rural areas the construction equipment varies, 13 percent of the homes contain palm wood walls, 78 percent of homes contain zinc roofs and 12 percent contain dirt floors. In terms of the number of rooms, 80 percent of homes have between 2 and 4 rooms, and 87 percent between 1 to 3 dormitories.

In terms of access to services it was established that 81 percent of homes have access to water for domestic use through pipes from the public network, with 37 percent of households receiving it inside the home and 44 percent outside. The proportion by zone of residence is 95 percent in urban and 64 percent in rural zones.

However, with respect to water for human consumption, 55 percent of the homes consume bottled water while 28 percent use the water directly provided by the public services.

Sanitary services have improved considerably in the country evident in that 55 percent of homes have toilets, a figure that reaches 70 percent in the urban zone. In the countryside latrine use continues to predominate, present in 6 of every 10 homes. Still 6 percent of homes in the country lack any sanitary service. The percent of homes connected to the networks has consistently increased rising from 78 percent in 1991 to 84 percent in 1996 and in 2002 ascended to 92 percent.

Environmental conditions have improved in part because 88 percent of homes cook with propane gas and only one of every 10 homes with firewood or coal. 35 percent of Dominican households burn the sweepings they produce or throw it in the patio or in a gorge.

With respect to the situation of women, in the ENDESA-96 the women of 15 to 24 years of age represented 40 percent of the total population in reproductive age and those 35 and older constituted 29 percent; in 2002 the respective figures are 37 and 33 percent, women of procreation age are less and less young. There was an increase in the proportion of women in consensual unions, within the total of married or united, which increased from 36 percent in 1996 to 43 percent in 2002, a breach of 7 percentage points. Of the total women interviewed, 51 percents had completed a secondary or superior level of education, which represents a substantial increase from the 44 percent of 1996. Half of the women between the ages 20 to 24 had completed 9.9 years of schooling and those between 45 and 49 years of age had 5.2, a situation that has been demonstrated in other measurements. By zone of residence, 56 percent of women in the urban zone had reached or completed a secondary or superior level of education with only 39 percent in the rural zone doing the same.

The evolution of female literacy, measured by their ability to read complete phrases or part of a phrase, is 89 percent for the female population between the ages of 15 to 49 years; this figure was higher for women 15 to 19 years of age who have a literacy rate of 94 percent. The distribution by zone of literacy is greater in the urban zone with 91 percent compared to 85 percent in the rural zone.

The situation of female employment has not undergone significant changes since 1996. 51 percent reported that they were not employed during last the 12 months. In the group of women who worked in the 12 months before the survey, a 56 percent did so in commerce and services, including the domestic

service, a 29 percent performed professional jobs, technical works, management or office, and 13 percent was evolved in manual labor. In 1996 3 percent worked in the agricultural sector, in 2002 only 1 percent reported working in this sector.

With respect to the male situation, the survey found that the employment situation of these, according to age, is 92 percent for the segment of the population 35 to 44 years of age. Among the married/united ones, 91 percent works at the present time, as opposed to 61 percent among unmarried ones, formed by largely young population. Also, the most common occupation among men is manual labor at 37 percent, followed by sales and services at 21 percent and farming activities at 18 percent. One of every 10 men is a professional, technician or manager.

#### **4. The Reforms of the Health Sector and of Social Security<sup>14</sup>**

As of 1990, from the State and the Civil Society of the Dominican Republic, important initiatives have been developed in search of solutions to the main problems of the Health Sector, including in 1991 the formulation and accomplishment of assessments and proposals for modernization of said sector.

In January of 1995, the National Health Commission, created by the Presidency of the Republic with the mandate of to impel the modernization of the sector, supported by its Office of Technical Coordination and with the consultation of the United Nations Development Program (UNDP) and of the Pan-American Health Organization (PAHO), prepared technical information and proposals that contributed to the formulation of a Health Sector Reform Agenda.

The Governmental Administration of Dr. Leonel Fernández (1996-2000) continued and enriched the previously mentioned work, formulating in 1997 a first draft of the Law of Social Security, through a commission designated by the Executive Branch for those ends. These works initiated the formal and systematic debate on the reform of social security in the Dominican Republic.

Continuing this strategic course of action, by means of the decree No. 308-97 of July 10th, 1997, the President created the Executive Commission for the Reform of the Health Sector (ECRHS), assigned to the Presidency of the Republic, declaring in its considerations that the Dominican Government was determined to carry out the reform and modernization of the State and, of high-priority, of the Health Sector.

The 12th of August of that same year, the Dominican Government defined a general framework for health and developmental policies, and subscribed a document directed to the World Bank (WB) and to the Inter-American Development Bank (IADB) committing itself to sustain the respective sector loans DO-4272 and 1047-OCDR negotiated and sanctioned that very year with both banks and destined to reform and modernize the Health Sector of the Dominican Republic, as well as to initiate the decentralization of its health care services.

In that occasion, the same document, the Dominican Government 1996-2000 reaffirmed the commitment to modernize the State, the economy and the Dominican society, as well as to promote permanent structural reforms that make of the Dominican nation a solid exporting economy of goods and services, able to sustain human development. In the same order of ideas, social reform was established as an essential strategy for sustainable human development, for which the Dominican Government was committed to prioritizing the impulse of reforms of the Health Sector and the Social Security System. Also, it was established that the intentions of the aforementioned reforms would be to reduce inequities and the social debt; to improve the health of the entire population, especially the

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14-STP/SESPAS: Letters of Policies for the Reformation of the Health Sector of Dominican Republic 1996-2000 and 2000-2004.

young and mothers; to establish a sanitary system of universal scope, equitable and shared in common; and to facilitate the integration by communities into actions, to the organized civil society and the most vulnerable groups of the society.

The execution of projects DO - 4272 and 1047- OCDR, from their successful experiences, have allowed us to reach many of the strategic targets of sanitary and the Dominican social security reforms, as they are, among others, a) the formulation and agreement of new health policies; b) the fortification of the decentralization of the administrative and managerial wings of the State Secretariat of Public Health and Social Assistance (SSPHSA); c) the design and the beginning of implementation of the information systems and provisions; d) the impulse of the extension of coverage in the primary level through new modalities of organization and operation; f) the modernization of hospitals and their preparations to function in networks; and g) implementation of the reforms of the social security system<sup>15</sup>.

The mentioned process, initiated in 1996, allowed for the formulation of the first draft of the *General Health Law* and to develop the discussion of the first draft of *Law that Creates the Dominican Social Security System*, which were presented to the National Congress at the end of the constitutional period 1996-2000. Still more, development of the process allowed the creation of a critical mass of technicians and scientists in the area of Public Health and Social Security, through an intense process of know-how transference and training in service that provided managers and middle managers to the main institutions of the Health and Social Security sectors.

This process has continued in the course of the Constitutional Administration of President Hipólito Mejía (2000-2004), with attendance of the European Union (PROSISA Project), the USAID (Project REDSALUD), the Spanish Agency of International Cooperation (SAIC), the Japanese Agency of International Cooperation (JAIC), the World Bank (Project DO-4272) and the Inter-American Development Bank (Project 1047-OCDR), settling down like vertebral axis of sanitary policies the development and fortification of the separation of basic functions of the National Health System.

These functions, consisting of *Rectory, Provision, Insurance and Financing*, during administration 2000-2004 has been endowed by the National Congress of the legal framework defined in the previous constitutional administration, *General Health Law and Law that Creates the Dominican Social Security System*, which accurately establish the institutional scopes for exercising the mentioned functions and from which, in the present time, is being based the regulation, the modernization and development of the managements of the corresponding institutions.

In this sense, the Dominican Government, through the Secretariat of Public Health and Social Assistance (SSPHSA) and the Technical Secretariat of the Presidency (TSP), with the political and social support of the National Health Council and the technical support of the Executive Commission for the Reform of the Health Sector (ECRHS) and of the projects co-supported by the aforementioned agencies of cooperation, is initiating the actions destined to develop and to fortify the basic functions of *Rectory* and of *Provision* in the National Health System, at the same time as it initiates the coordination with the Secretariat of Finances (SSF), the National Council for Social Security, the Superintendence of Health and Labor Risks (SIHLR) and the National Health Insurance (SENASA), all those aspects relative to the functions of *Insurance* and *Financing*, as are the budgetary administration and the application of health expenditure, the support to the opportune and efficient transference of resources and development of regulating mechanisms, hiring, spending and payment of suppliers of the market of health services<sup>16</sup>.

15-Alberto Emilio Fiallo Billini, "La Reforma del Sector Salud en la República Dominicana." Conference. Center for Documentation of the Executive Commission for the Reform of the Health Sector (CERSS), 2000.

16-Alberto Emilio Fiallo Billini, "La Separación de Funciones en el Sistema Nacional de Salud." XIII Day of the National Forum on Health. National Institute of Health (INSALUD), Santo Domingo 2003.

Consequently, the new Dominican sanitary model will consist of a *National Health System* with the mission to orchestrate the strategic direction, the operation, internal and external coordination and participation and the social control of *Social Production of Health*. This system is structured on the basis of four basic functions (subsystems): Rectory, Provision, Securing and Financing<sup>17</sup>. *This Model System* merits *Model Attention*, which we comment on ahead.

*Rectory Role:* corresponds to the *Secretariat of Public Health and Social Assistance (SESPAS)* (spanish acronym) charged with coordinating, integrating, regulating and supervising the global operation of the system and the relations of its subsystems, as well as to exert the Essential functions of Public Health. The new legislation recognizes that a National Decennial Health Plan (NDHP) is the main instrument of regulation and supervision of the National System of Health, as well as of the application of health expenditure.

*Provision Role:* corresponds to health services suppliers organized in public networks of plural and decentralized vocation (functionally independent) denominated Regional Health Services (RHS) grouped among themselves by a National Health Service with strict functions of coordination and cooperation and of monitoring of inequalities.

*Insurance Role:* corresponds to the *Superintendence of Health and Labor Risks*, the regulation and organization of the operations in the scope of this function and member of the *Dominican System of Social Security (SDSS)*; *National Health Insurance (SENASA)*, that is the public administrator of health risks; and the *Private ARS* (administrators of health risks).

*Financing Role:* corresponds to the *Dominican System of Social Security (SDSS)* that collects and receives the funds of the contributions (quotations or collections) to the social security of employees and employers and of allocations from the Budget of the Nation (coming from general taxes). In this scheme, the *Treasury of the SDSS* buys from the ARS the administration of the risks of services of attention to the people, as they buy them from the suppliers as well. All the operations are sustained financially through three funds: contributory, subsidized - contributory and subsidized.

The *Contributory Fund* maintains the operations destined to the contributors towards social security; *Subsidized- Contributory Fund*, for people who can only partially cover the costs of services, maintains the operations destined to micro-enterprises, freelancers and entrepreneurs of the informal sector of the economy; and the *Subsidized Fund* maintains those destined to people who cannot cover any of the cost of services such as the unemployed, indigents, seniors with pensions, the disabled, etc.

The new *Model of Dominican Attention* consists of<sup>18</sup>:

- a) universal delivery of health-care, without any type of distinction nor exclusion, a portfolio of services of primary and specialized levels, unique for the entire population resident in national territory, denominated *Basic Health Plan*;
- b) guarantee of this delivery through a *Family Health Insurance*, also universal, maintained by funds of the contributing SDSS, contributory, contributory- subsidized and subsidized;
- c) purchase of health services from decentralized networks of health providers and not individual providers (centers or individuals);
- d) networks of centers for *specialized health care* (Regional Health Services) regarding Primary Attention Units (PAU), organized in *micronetworks*, articulated with the corresponding *base hospitals*;

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17-SESPAS: "Reglamento de Rectoría y Separación de Funciones del Sistema Nacional de Salud." Presidential Decree No. 635 of the year 2003.

18-Alberto Emilio Fiallo Billini, "El Nuevo Modelo de Atención a la Salud de las Personas en la República Dominicana." CERSS, Center of Documentation. Santo Domingo 2002.

- e) Organization of the communities that will receive the services, by defined territories that are inhabited by units of approximately 600 families (3,400 people);
- f) PAU as a gateway of the system of health care provision comprised by a general/family doctor, a nurse and 1 to 5 health promoters (in accordance with the necessity) which will work family and community medicine model procedures.

## **d. Dominicans in New York**

### **1. The Context**

The US does not have a federated health system and it is the only industrialized country without a national health system. There are no policies, programs or national plans on human healthcare services, which are divided into private and governmental subsections. The private sector's health services (hospitals, medical groups) include for profit facilities, which function as any other business and not for profit facilities, in which profits are reinvested in the institution. There are governmental services at the federal, state, and municipal levels. Federal services are mainly meant for military staff and veterans. State services mainly focus on mental health. Municipal services usually include hospitals or healthcare centers, mainly primary attention. Not all cities count on healthcare delivery systems. Many of the larger cities, like Detroit and Philadelphia, have no public hospitals. All hospitals services are charged, even for uninsured individuals, based on the person's income. Many Federally Qualified Health Centers receive funds from the US federal government for healthcare delivery to uninsured and low-income individuals, although there are many non profit healthcare centers (known in Dominican Republic as "sin fines de lucro" and NGOs) that offer assistance to the same population. The academic medical centers are non-profit hospitals that also include healthcare centers for low-income patients, although normally their services are also charged, even for the uninsured.

In brief, human healthcare services are provided by a wide range of suppliers that are not included in networks (under the concept endorsed by the Dominican sanitary and social security legislation) of hospitals (mainly private); public health departments in each county, with payments classified by income levels; partial pay clinics (Primary Care, Community Health Center, Clinic), with payments classified by income levels; free clinics, based on requirement compliance; primary care doctors' and specialists' private offices, that offer assistance to insured patients. The US State Department has several programs for qualified disabled patients such as Medicaid, Medicare, and Child Health Insurance Plus, on which we will comment shortly.

However, despite an impressive physical, technological, and human infrastructure, the US sanitary system has been registering, in the last few years, important output variations in its performance, many of which are strongly related to immigrant communities, such as, Dominicans. This system ranked 37, out of 191 countries in the year 2002, in terms of its overall performance, although it ranked 72 in terms of its performance on health level.<sup>19</sup>

The country registers one of the lowest Infant Mortality (IM) rates in the world (a general average of 56/1000) although it is preceded by 33 countries, headed by Hong Kong, Singapore, Iceland, Japan, and Sweden, registering the lowest: 3 deaths per 1,000 live births<sup>20</sup>. Nevertheless, by the year 2002, for the first time in more than 40 years, the IM rate, a zealously observed and monitored indicator, had

19-WHO, *The World Health Report 2000* Health Systems: Improving Performance

20-United Nations: *Human Development Report, 2003*.

increased in the country, varying from a constant reduction that reported an average 6.8 deaths per 1,000 live births in 2001, to 7/1000 in 2002.<sup>21</sup>

The aforementioned situation is officially attributed, among other explanations, to an increase in risk pregnancies due to the existing tendency of motherhood late in life and the use of assisted fertility techniques or "in vitro" that also trigger premature birth, low weight or health complications. However, some researchers do not agree with this explanation, as is the case with Dr. Dennis P. Andrulis, an outstanding SUNY Downstate researcher on health access and performance issues, according to whom, in the 90's, the rates of low-weight newborns increased three times more in the suburbs than in the cities, and this could be due to the population's economic decline, especially that of minorities, immigrants, and unemployed, acknowledging that it probably began in 2000 or 2001 even if it barely started to register in 2002<sup>22</sup>. The reason for this negative impact on the abovementioned population groups is generally accepted as a product of the existing mix-up between access to health services and the citizens' income level or ability to pay, in the context of a system fundamentally structured on insurance and healthcare delivery based on private sources and dependent on the individual's private responsibility and not on citizenship or residence rights solely and explicitly acknowledged by the State.

The system's structuring reflects important disparities in the access to healthcare services of those who do not receive benefits from employers or do not have enough income to pay for them, an issue we will discuss later. Furthermore, health insurance beneficiaries are used to making direct personal payments (co-payments) when they receive medical assistance, through a series of health plans commonly offered by HMOs (health maintenance organizations) and their points of service (POS). It is important to indicate that a consultation, excluding exams or tests, can cost more or less US\$100 to US\$300, representing one or three times the annual cost per capita of the Basic Health Plan of the Dominican Social Security System.

HMO plans include assistance at predetermined providers (incorporated in a list of affiliated or "preferred" providers) and POS plans are similar, exempt that the patient can benefit from the medical assistance of non-affiliated providers at the expense of a lower coverage and inherent additional expenses (40% to 50%).

Due to the lack of a national policy, program, or plan on services delivered, healthcare services providers, with different offers and game rules, directly charge - (a) government, (b) individuals, or (c) a private entity -, for their services, without any public intermediation. This service trading relation generates a financial relation, among those who sell and those who buy, which conditions and determines the policy-making design and the type of service organizations, in addition to their quality and access possibility.

The service buyers include: (a) governments (federal, state, or municipal); (b) large private companies (e.g. General Motors, Microsoft, etc.); (c) insurance companies (e.g. Blue Cross/Blue Shield, Aetna); (d) small businesses; (e) some trade unions; and (f) some workers that are not insured by their employers. Out of all of them, federal government, large companies and insurance companies are the most powerful and the ones that determine field policies.

The service sellers include: (a) academic centers; (b) hospitals; (c) private practice doctors, either teamed with other doctors or individually; (d) other suppliers, such as, dentists, chiropractor, naturalists, etc.; (e) insurance companies; (f) pharmaceutical companies; (g) technology equipment companies; and (h) other companies (e.g. service laboratories).

The buyer-seller of services relation has not always been egalitarian, that is, a sense of balance in terms of the power of the seller and the buyer of the services.

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21-Matilde Sellanes, "The US Health System" Buena fuente.com 7/2/2004.

22-Sellanes: Ob. Cit.

Prior to the decade of the 80's the services sellers dominated the market (the health services exchange relation). They determined the price to be charged for the different services and also their quality level. Hence, at the beginning of the 80's, even though the country faced an important economic crisis, the cost per capita of health services, at a national level, was the highest in the world.

Subsequently, the services buyers began to pressure hospitals and doctors for price or fee reductions, which they accomplished by creating an alliance that lead all service buyers to refuse to pay the prices or fees that they intended to charge.

Furthermore, insurance companies, under approval of the different governments and large companies introduced the Managed Care concept. This service-trading concept focuses on a monthly and per capita payment to the doctor, despite the quantity of determined services (e.g. visits to the doctor). Under this approach, the patient has to choose a single doctor and he/she can only refer the patient to a specialist include in the insurance companies business network (list of providers). Additionally, based on this new type of relation, companies can approve in advance if a patient can be admitted to the hospital for a routine treatment or procedure.

The aforementioned and other complimentary measures managed, during a period of time, to generate cost reductions for hospitals and medical groups. The following complementary measures were an important contribution to savings: a) discounted rates to doctors and hospitals; b) decreased utilization of emergency services; and c) decreased inpatient care.<sup>23</sup>

At present, due to an organized opposition of buyers and patients, health expenses have increased again but the prior measures are still valid. Today almost 60% of individuals with medical insurance are included in a "managed care" plan, in comparison to a scarce 10% included in this type of plan in 1991.<sup>24</sup>

As we have observed, there are different payment methods for health services in the United States, including private insurance companies and different governmental programs for the uninsured and the elderly.

The Medicare program covers 80% of costs involving elderly and disabled people. The program does not cover medication costs.

The Medicaid program covers people with limited income. This program's service payments are so low, compared to standards, that very few private practice physicians accept Medicaid patients. (For example, in NYC the program pays \$15 to \$25 per visit to an internist, while a private practice doctor usually charges US\$60 to \$250 per visit). As a result, most of these patients go to Government sponsored hospitals or health centers for low-income individuals assistance (refer to the following list).

Government also sponsors the Child Health Insurance Program (CHIP). This program covers children whose parents are not covered by Medicaid or any other insurance plan.

<b>Insurance coverage<sup>25</sup> distribution:</b>	
Insurance companies:	59.3%
Medicare:	13.9%
Medicaid/CHIP:	11.6%
Without medical insurance:	15.2%

23-Witek JE, Hostage JL. *J Ambulatory Care Manage.* 1994; 17:61-69.

24-Witek & Hostage. Ob. Cit.

25-R.J. Mills and S. Bhandari, *Health Insurance Coverage in the United States*, pp60-223; Center for Medicare/Medicaid Services, 9/03.

In spite of the unequal access to services, when compared to the rest of the industrialized countries, the US health system accounts for the highest expenses, both in absolute and relative terms of rest of its economy, a higher proportion of its gross domestic product (US\$4,499 per capita and 13.2% of its GDP). Similarly, while the average private expenditure on health in industrialized countries is barely approximately 25% of universal health coverage, in the US it is 56%.<sup>26</sup>

<b>Selected National Health Accounts Indicators of the USA<sup>27</sup></b>	
<b>Indicator</b>	<b>Value</b>
<b>GDP per capita in international dollar rate, 2001</b>	<b>35,182</b>
<b>Total expenditure on health</b>	
Total expenditure on health as % of GDP, 2001	13.9
Per capita total expenditure on health at average exchange rate (US\$), 2001	4,887
Per capita total expenditure on health at international dollar rate (\$), 2001	4,887
<b>Government expenditure on health</b>	
General government expenditure on health as % of total expenditure on health, 2001	44.4
General government expenditure on health as % of total government expenditure, 2001	17.6
Per capita government expenditure on health at average exchange rate (US\$), 2001	2,168
Per capita government expenditure on health at international dollar rate (\$), 2001	2,168
<b>Public health expenditure sources</b>	
Social security expenditure on health as % of general government expenditure on health, 2001	32.9
External resources for health as % of total expenditure on health, 2001	.0
<b>Private expenditure on health</b>	
Private expenditure on health as % of total expenditure on health, 2001	55.6
<b>Private health expenditure sources</b>	
Private prepaid plans as % of private expenditure on health, 2001	64.1
Out-of-pocket expenditure as % of private expenditure on health, 2001	26.50

Thus, health coverage issue of the residents in the United States is specially sensitive for the Dominican Diaspora in this country, since Dominican nationals emigrate from their country to United States mainly for the validity of one of the major great inequalities in access to social services, among them healthcare, to find that there are significant difficulties to reverse this situation in the new country of residence. In fact, commonly used data published by the US Census Bureau shows that in 2001, despite the US\$1.4 trillion invested in health, close to 41.2 million inhabitants had no medical coverage at all, that is, 14.2% of the population and this number had increased 1.4% in comparison to the year

26-John C. Goodman, & Herrick, Devon M. "Twenty Myths about Single-Payer Health Insurance International Evidence" on the "Effects of National Health insurance in Countries Around the World". National Center for Policy Analysis, Dallas, Texas, USA.

27-WHO: The World Health Report 2003. Unless otherwise indicated, amounts refer to 2002.

2000, and some 8.5 million under age 18 (11.5%) lacked medical coverage in this country. Among the population in poverty the non-coverage percentage was registered at 30.7%, that is, more than twice the percentage of the total population. Similarly, although the employed population in the 18 to 64 range had a better chance of sanitary coverage (83%) than the unemployed (75.3%), the poorest among the first had less coverage than the unemployed (51.3% vs. 63.2%), because lower income workers, immigrants in their vast majority, did not meet the eligibility criteria to be included in social programs that offered public sanitary coverage (like Medicaid) since their incomes were higher than those specified, although they hold low profile jobs that do not include medical insurance benefits (in the US it is not mandatory for an employer to provide medical insurance).<sup>28</sup>

The same estimate source identified that some 57 to 59 million people, close to one fourth of the population under age 65, had lacked health coverage at some point in 1998, the most recent year in terms of reliable comparative data. Likewise, the US Census Bureau organized a focalized research on people who had no coverage from mid 1996 to mid 1997, with several years follow up, observing that 45% lacked coverage for 4 months or less, 26% were covered for 5 to 12 months, others for 13 to 24 months, while the remaining 16% lacked health coverage for over 2 years. Out of the total number of people without health coverage (41.2 million) 30% were Hispanic (12.4 million) and 6.8 million were Black (16%). These reasons basically explain why, in many cases, Hispanic immigrants reflect worst sanitary indicators.

## **2. Immigration in the United States**

Immigrants are an essential element of the US economic boom and in constituting the Health Sector work force. Urban plumbing services; catering and food chains (Hispanic small grocery stores); medicine and nursing professionals in NYC; ER services; social work services; rotisserie and construction industries; and hi-tech IT industries, which have always been key elements of the US development. Furthermore, the immigration flow will continue to intensify in future years, not only due to the deteriorating living conditions in most of the world, but also because of the intrinsic needs of the North American economy. In fact, the US government has projected a shortage of 20 million workers for the year 2026, consequently, there are numerous initiatives contemplating the possibility of an overhaul of immigration laws to be able to satisfy labor demands. Even Federal Reserve Chairman Alan Greenspan has suggested that more immigrants may be needed to cope with a shrinking pool of available workers that may lead to inflation and that the contribution of the skilled and unskilled workers to the country's development must be valued.<sup>29</sup> Even though the proportion of immigrants per population (including illegal immigrants) was one third less than at the beginning of the twentieth century and, in 1990, it registered 8.5% of the total, it is not a very high proportion in comparison to other industrialized countries, like Australia (22.7%), Canada (16%) and Germany (7.3%), for the same period.

The volume of illegal immigrants has always been difficult to determine and through consensus an approximate estimate indicates 3.2 million people according to data on the 1987-88 amnesty. Experts consider that the amount of illegal immigrants per year is somewhere around 250,000 to 300,000, of which more or less half, entered the country legally and stayed beyond their visa expiration date. That's why the 2000 Census established that minorities had grown 12 times more than the percentage of white population and according to its projections; racial and ethnic minorities will exceed non-Hispanic whites. In the following fifty years, this demographic movement will transform North American politics

28-Census Bureau and Employee Benefit Research Institute: "March Current Population Survey, 2002 Supplement", September 2002, USA.

29-Business Week: "How Immigrants Keep the Hive Humming"; April 24, 2000.

and economy and, consequently, its Health System. Even more so thanks to the vitality and potential of immigrant entrepreneurs. In fact, immigrant businessmen and entrepreneurs have revitalized and will continue to revitalize the North American population's managerial capacity, from the Dominicans in Washington Heights to the Cubans in Miami's Little Havana, and the founders of Silicon Valley companies. Immigrant communities draw and develop a taking-care-of-their-own culture and opening family businesses, that represent a "social capital", that also positively influences global welfare and market conditions. Immigrants manifest a tendency to affiliate with others of their own ethnicity or national origin, creating a community of buyers, sellers, laborers, employers and financiers, as well as tightly meshed networks of information.<sup>30</sup>

### **3. Dominican Immigration in New York and its Relevance for Public Health<sup>31</sup>**

From a demographic perspective, the population group of Dominican immigrants in the United States constitutes an important element that must be considered by this country's healthcare services. Under the migratory phenomenon, the Dominican population in the United States rose from 520,121 in 1990 to 1,041,910 in 2000, making it the fourth largest group in the United States, after Mexicans, Puerto Ricans, and Cubans. It is estimated that, at current population growth rates, the Dominican population will overtake the Cuban population before the year 2010, making it the third largest Hispanic/Latino population in the country. Due to the fact, that between 1990 and 2000 close to 300,000 Dominicans migrated to the United States and there were 394,914 Dominicans born in the United States (1 out of every 3 Dominicans).

Since the largest concentration of Dominicans continues to be located in the State of New York, we will focus our attention on this State. In fact, New York was host to 617,901 Dominicans in 2000; followed by New Jersey, with 136,529; Florida, with 98,410, and the rest were distributed between Massachusetts, Rhode Island, Pennsylvania, and Connecticut (for a 120,587 total). The Dominican population of New York rose from 332,713 to 554,638 between 1990 and 2000. Hence, Dominicans are currently the second largest Hispanic/Latino population of New York, following Puerto Ricans, although the Puerto Rican population in the City declined substantially in the last decade. If current population growth trends continue, Dominicans will overtake Puerto Ricans as the largest Hispanic/Latino population of New York City within the next ten years. The greatest concentration of Dominicans continues to be in Manhattan (where one out of every three Dominicans resided in 2000), but the population has spread throughout the city and the Dominican population in the Bronx is now almost as large as in Manhattan, with 32.7 percent of all Dominicans. Although, the expanding Dominican population living outside of NYC has reduced its proportion from 73.4% in 1980 to 53.2% in 2000.

The Dominican population's potential to acquire healthcare services and make co-payments, in a highly privatized sanitary system like the North American system, is seriously undermined by the socioeconomic level of this population group. The mean annual per capita household income of the Dominican population in New York in 1999 (US\$11,065) was about half the per capita income of the average North American household and significantly lower than the per capita income of the African/American population and even slightly lower than the income of the average Latino household. Furthermore, in that same year, Dominicans in New York had a lower per capita annual income than the residents in Florida (US\$12,886). By contrast, Dominicans in Rhode Island had the lowest average per income (US\$8,560) in the same year.

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30-Immigrant Entrepreneurs. Research Perspectives on Migration; Vol. 1 No. 2.

31-Ramona Hernández and Francisco Rivera-Batiz., "Dominicans in the United States: A Socioeconomic Profile, 2000". Based on information provided by the 2000 US Census of Population.

The poverty rate of 32 percent among Dominican New Yorkers was the highest of the major racial and ethnic groups in the city.

Similar to their situation in their country of origin, a high proportion of Dominican families in poverty consist of female-headed families, with no spouse present (living alone). In 2000, as much as 38.02% of Dominicans in New York lived in this type of family, compared to 22.1% for the overall City. Close to half of Dominican female-headed families in New York City were poor, more than twice the poverty rate of other female-headed households, which means that almost one fifth of the Dominican households in NYC are high risk households from a sanitary perspective.

Despite the low relative socioeconomic status of Dominicans in NYC, their income displayed significant growth in the 1990s, rising by close to 16% in the decade (adjusted for inflation). During the same period, both the Black/African American population and the overall Hispanic/Latino population in the City had lower income growth rates, and the White population displayed a growth of over 20%.

The labor force participation rate of Dominicans is lower than (64% for men and 53.1% for women) than for the rest of the population (72.7% for men and 58.5% for women). The unemployment rate of Dominican men and women in 2000 greatly exceeded that of the overall labor force in the United States. In 2000, Dominican men had an unemployment rate of 7.8%, compared to an overall unemployment rate of 3.9% for men in the country. Among women, the Dominican unemployment rate was 10.7% in 2000, compared to 4.1% in the country overall.

Despite the comparatively high unemployment rate of Dominicans in New York, these rates declined sharply between 1990 and 2000. In New York City, for instance, the male and female unemployment rates among Dominicans were 15.7% and 18.4%, respectively, in 1990. These dropped to 8.9 % and 13.1 % by 2000.

The comparatively high unemployment rates of Dominicans in NYC are connected to a painful long-term switch in the employment of Dominican labor force from manufacturing to other sectors. In 1980, close to half of the Dominican workforce was employed in manufacturing and, in 1990, this declined to 25.7% and 12.4% in 2000. This labor force is very young and mostly unskilled. Only 17.3% of Dominicans in the United States have managerial, professional, and technical occupations, about half the proportion for the average overall. As a result, the average earnings of Dominican men and women are substantially lower than those of other workers in the nation.

The overall educational attainment of Dominicans in the United States is among the lowest in the country. In 2000, 49% of Dominicans age 25 or older had not completed high school and only 10.6% had completed college. By contrast, less than 20% of the American population had not completed high school in 2000, and 24.4% had finished college.

Although the educational attainment of Dominican immigrants is very low, the situation of the US born Dominicans is sharply different, constituting an asset and an opportunity for sanitary education programs in the NY community, in addition to their participation in volunteer RD/NYC exchange programs. The Dominican second generation in the United States has educational indicators that suggest a remarkable acquisition of human capital over the last 20 years. This differs from the overall situation of the US born Hispanic/Latinos, whose educational indicators are substantially worse than those for Dominicans. In 2000, close to 60% of all Dominicans born in the United States age 25 or older had received some college education, with 21.9% completing a college education. By contrast, among US born Mexicans, only 13.3% had completed college, and 12.1% of US born Puerto Ricans had finished college.

Similarly, the proportion of Dominicans born in New York who attained some college education rose from 31.7% in 1980 to 42.8% in 1990, and to 55.1% in 2000. In this same city, Dominicans have school enrollment rates that are higher than those of other minority groups and high school retention

rates are substantially higher than for the overall Hispanic/Latino population, and for women, they approach the average New York City high school retention rate.

In 2000, there were 111,553 Dominican children enrolled in the New York City public school system. This represents a high impact potential on health education school programs, since it constitutes 10.4 percent of the New York City school student body. Among public college students in New York City, 8.5 percent are Dominicans, exceeding the proportion among Puerto Ricans, which was 7.7 percent also in 2000.

#### **4. The Health of Dominicans Living in New York**

At present there is no comprehensive and focalized research on the health of Dominicans in the United States.

Even so, since New York City holds a great concentration of Dominicans in the Washington Heights neighborhood, also known as "Quisqueya Heights" (since 72% of the Dominican population lives in this neighborhood<sup>32)</sup>, one can infer the status of the Dominican population in NYC by studying data about the given neighborhood.

In order to satisfy the needs of the Washington Heights community, the New York Presbyterian Hospital created a NYC Ambulatory Care Network (external services), including a total of 16 primary care facilities and 75 different specialized clinics. The main services render by the network in order of priority were<sup>33</sup>:

- Prenatal care
- Routine health examinations for children (pediatric consultation)
- Routine gynecology consultations
- HIV assessment
- Arterial hypertension
- Routine adult examinations
- Psychological stress
- Asthma
- Average otitis
- Diabetes

In Washington Heights the leading causes of death include, in descending order, common nosology in industrialized country<sup>34</sup>:

• Coronary heart diseases:	207/100,00 inhabitants
• Cancer:	181/ " "
• Accidents and homicides:	28/ " "
• Pneumonia:	32/ " "
• CVA:	25/ " "
• Diabetes	22/ " "
• AIDS:	14/ " "

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32-U.S. Census Bureau Report, 2002.

33-NYPH: Ambulatory Care Network Report, 2000.

34-NYCDOH/MH: Health of Our Communities Report, 2004.

Similarly, obesity constitutes an important public health problem among Dominicans in New York. In a study conducted in 1999 by the Heilbrunn Center for Population and Family Health of the Mailman School of Public Health of Columbia, 23.5 % of all teenagers were obese and 51% watched television 4 or more hours a day, a much higher rate than the rest of the city and the nation. In another study conducted by Columbia University in 2003, 31% of children age 6 to 11 were obese, while the average for rest of the city was 24%.

Cardiac diseases register much higher levels in Washington Heights than in the rest of NYC.

In a preliminary study on diabetes among Dominicans in Washington Heights, conducted by the Department of Medicine of Columbia University, 22.5% of Dominicans suffered this disease, in a much higher rate than the rest of the nation; 24% of these people did not know they had diabetes prior to testing.

Prenatal care level is much lower in this neighborhood than in the rest of the city: 33% of pregnant women do not receive prenatal assistance during the first trimester, in comparison to 27% (Vide Supra) in the rest of the city. Asthma prevalence is lower than rest of the city (7% vs. 9%).

Only 42% of children receive their vaccinations before age 2, while the rest of the city totals 48%.

The relevance of a special comment on professional management of psychological stress in the Dominican community of New York, is evidenced by a previously discussed fact: it constitutes one of the main elements in services rendered by the NYC Ambulatory Care Network.

It has been widely discussed and documented that it is necessary to adapt mental health services for the Dominican community in NYC, as for the rest of Hispanic immigrants, to the demographic and cultural characteristics of this population group.

A study highlights the fact that cited services for Dominican elders in NYC are not culturally adequate, although this population group is increasing in size and diversity<sup>35</sup>. This study also underlines the fact that this population group, still integrated with its island relatives; assuming care provision of its peers and family members; and providing a sense of cultural heritage to their own, are very important for public health and must be taken into account in the design of mental health programs. Due to the fact that immigration produces changes in their family structures and functioning that become stress factors, which affect social service users' conduct and create pressures that generate cultural deficiencies in these services and stress elements synergies that in turn generate deficiencies in other services like housing. Acculturation and the desire to preserve their Dominican heritage have been considered, along with the stigmatized beliefs on mental illness and discontinuing treatment due to constant trips to Dominican Republic, as a problem for a multifaceted and highly complex public health system<sup>36</sup> that lacks an adequate focus and, therefore, requires adequate therapeutic assistance for this transition from one culture to the other. Consequently, consideration is being given to the existence of a cultural "broker" for social services and community organizations to negotiate and demand an appropriate stress management for this social group<sup>37</sup>.

In addition to acculturation, low socioeconomic level and racial discrimination synergy becoming an important psychological stressor for the Dominican community in NYC.<sup>38</sup> The Dominican second generation has a certain perception on discrimination if they speak more Spanish, they are women, have not

35-Ana Paulino, "Dominican Immigrant Elders: Social Service Needs, Utilization Patterns, and Challenges". *Journal of Gerontological Social Work*, 30.1-2 (1998): 61-74.

36-Carolee Ellen Iltis, *Adult Dominicans in Therapy: Psychotherapists' Perceptions of Cultural Treatment Issues*. Submitted in partial fulfillment of the requirements for the degree of Doctor of Psychology in the Department of Clinical Psychology of Antioch New England Graduate School, 2001.

37-Paulino, Ob.Cit.

38-Teresita Camacho-Gonsalves, *Depressive Symptomatology Among Dominicans: Links to Acculturative and Economic Stressors, Skin Tone, and Perceived Discrimination*. University of New Hampshire. September 2002.

39-Teresita Camacho-Gonsalves, Ob.Cit.

finished high school, are unemployed, have lower incomes and are less acculturated, constituting a psychological stressor that leads to depression.<sup>39</sup> A situation that, in the case of Dominican immigrants, is more frequent among more cultured mothers (higher negation of their Dominican heritage), in addition to findings that could have important repercussions, like the fact that mothers with more depression have children with more behavioral problems.<sup>40</sup> Another study coincides in underlining the need that the therapist, at the beginning of the therapeutic treatment, shall bear the same ethno-cultural origin as the patient, referring to the example of Dominican mothers with attention deficit disorder children who can become an obstacle for treatment because these disorders are not understandable in terms of their beliefs and values<sup>41</sup>.

Finally, the foundation for the need to develop culturally adequate mental health social services for Dominican immigrants stands on the existence of "familism" (refers to the immediate and extended family support and interaction) as a determinant element in the design of therapeutic treatment for this social group. Since the more social support they receive and perceive from their families, the less depressive incidents are present, and family interaction is more important than purely social interaction.<sup>42</sup>

## 5. NYC Ambulatory Care Network

The Ambulatory Care Network of New York-Presbyterian Hospital is an external services system. It includes a total of 16 practices that offer primary care and over 75 specialty and subspecialty services. In 2000, it covered 694,062 visits of network patients. The network is divided in Ambulatory Care Network Corporation and Ambulatory Care Services.

The Ambulatory Care Network Corporation is a primary care network with 10 facilities, with specialty clinics appointed to the Columbia Presbyterian Medical Center, founded in 1988 to service the needs of the Washington Heights community. The Washington Heights-Inwood-Manhattan community north of 135th Street accounts for a 198,000 population and the highest Latino concentration (67%) of New York City; of which Dominicans constitute 75%.

Multiple economic indicators have established that most residents in this community are low-income residents; 33% of the Washington Heights-Inwood residents receive some sort of public assistance, compared to 20% in the rest of the city. Most individuals work in employments that offer limited or no health benefits (health insurance). Unemployment and poverty have increased substantially, as well as the proportion of Dominican female-headed families with no spouse present to offer financial support. More than half the children living in Washington Heights-Inwood receive public assistance and Medicaid.

The Ambulatory Care Network Corporation (ACNC) has 10 community centers located throughout the Washington Heights neighborhood. In an effort to reach the community, the ACNC has established a series of education and prevention programs, like The Northern Manhattan Immunization Partnership, The Injury Prevention Program, Reach Out and Read, Best Beginnings, and a Teen Age Parenting Program - to provide them with better motherhood tools -, among others.

The ACNC registered 505,000 visits in 1999. It is expected that amount will increase to 525,000 by the end of this year; 61% of its patients have Medicaid, 16% have private insurance, 14% have Medicare, and 8% have no insurance at all.

40-Ivonne G. Nieves, *The Effects of Maternal Depression, Social Support and Acculturation on Childhood Behavior: A Study of Dominican Children and their Mothers*. Dissertation submitted in partial fulfillment of the requirements for the degree of Doctor of Philosophy. Boston University Graduate School of Arts and Sciences, 2002.

41-Emily Arcia, Arturo Sanchez-Lacay, and María C Fernández, "When Worlds Collide: Dominican Mothers and their Latino Clinicians". *Transcultural Psychiatry*, March 2002, Vol. 39(1): 74-96;0216551.

42-La Roche, Martin J., "The Association of Social Relations and Depression Levels among Dominicans in the United States". *Hispanic Journal of Behavioral Sciences*, Thousand Oaks; Nov 1999.

The Ambulatory Care Services (ACS) is comprised by 5 primary care facilities with multiple specialty centers in the New York Weill Cornell Center. Its facilities are not only located in the main campus but also in Queens and Chelsea. There is integrated practice in Queens, the Long Island City Community Practice, Cornell Internal Medicine Associates, Women's Health Center, Pediatric Resident Group Practice, and Chelsea Piers Practice in Sports Medicine and Primary Care. The ACS is affiliated to 3 centers that redirect patients to specialty services, registering 189,000 visits in 2000; 59% of the patients had Medicaid, 11% had Medicare, 24% had private insurance, and 6% had no coverage at all.

### III. Mission and Vision Under the Globalization Context

#### a. Globalization and the Dominican Republic

It is evident that the population of Dominican origin and/or nationality, both at the Dominican Republic and the State of New York, faces serious difficulties and obstacles to access the proper healthcare services, under adequate cultural and linguistic means, due to: (a) the country's underdevelopment conditions and the socioeconomic characteristics of the emigrant population in the North American territory; (b) limitations in financing and assignments of subsidies to Healthcare services; (c) unequal access to healthcare services; (d) inefficiencies in the use of resources; (e) limitations in the focalized coverage of the services demanded by the population, specially for single mothers and housewives, illegal immigrants, unemployed workers, and the elderly; (f) disparate protection against diseases and against their given financial risks and probable death; (g) inefficient and squandered use of the resources; and (h) limitations in the response capacity of primary level services.

This is a complicated situation due to the negative effects of the present economic, political, and cultural globalization processes, which, during the last 30 years, have fostered: (a) the development of a world market with significant contradictions through the establishment of regional commercial blocks; (b) the creation of transnational corporations with greater power than many nations; (c) the development of the production and access to all data and its communication technologies; and (d) great migratory currents of human populations due to the geographic mobility of the transnational companies and a decline in world economy growth<sup>43</sup>.

In fact, the transnationalization of production and finance processes has lead to greater vulnerability of the national economies due to market wars and the opportunism and fragility of the agreements on national development traditionally assumed by "flocking" (entering and exiting countries at striking speeds) capitals. Furthermore, the pace of action of the international financial transactions, greatly fostered by the internationalization of all communications (telecommunications) and the IT revolution, exceed the world production and commercial capacity, with the consequent development of a speculative world economy that is not based on the creation of wealth nor on its retribution and, hence, it is destined to generate crisis<sup>44</sup>.

This fragility of the emerging economies and of the national development projects has devastating impacts on the Health and Social Security on Healthcare fields, and so it is necessary to promote and develop adjustments on the basis of an unfinished or incomplete globalization process, creating lines of defense in response to its impacts and distortions.

43-Leonel Fernández Reyna, "Globalization and Dominican Republic. Niche Markets and Lines of Defense", inaugural speech at the Federation of Latin American Journalists 1999 Seminar. The Information and Press Department of the Presidency of the Dominican Republic. (Santo Domingo, Dominican Republic, 1999), 9-11.

44-Fernández Reyna, p. 13, 14 & 15.

In Dominican Republic these lines of defense have been fundamentally summarized through a strengthened democratic system under a political perspective, implemented by the reform and modernization of the State that, through its constitutional foundations and operational basis, generates: (a) strength for its authorities and institutions; plus (b) more and better direct and active participation of its citizens, as well as of the organizations of Civil Society, in the decision-making . Likewise, it was also proposed that these actions should contemplate the developmental synergy of the niche markets that could represent further value-added, such as electronics, computer science, and biotechnology .

These proposals require great mobility potential for the citizens and their Civil Society organizations of the Dominican Republic, expressed through the basic diaspora of the Dominican population, whose main destination is the North American territory and more specifically, the State of New York. At the same time, this social mobility potential must be expressed in sectorial strategic alliances (Health, Education, Science and Technology, etc.) that contribute to profile a future development proposal and a Nation project as a result of the globalization process of civilization.

In the Health and Social Security on Healthcare fields, the Strategic Alliance for Health, assumes a Vision and a Mission that focuses on contributing to strengthen the public policies on Health and Social Security, to fostering social participation in the National Health System, to the democratization of the decision-making processes in the Health Sector and the development of the means to use and produce assets in the fields of science, biotechnology, and information technology and communication services (ITC).

## **b. Vision**

During the next 5 years, the Strategic Alliance for Health of the Dominican Republic and the State of New York will assume the cooperation leadership on Public Policies and Human and Environmental Healthcare Services, as well as on the development of social skills on Knowledge Management, Science and Technology servicing the Health of the Dominican Republic's population and its diaspora en the United States. These goals will be achieved through international relations strategies, training activities, and research, as well as information and communication, designed and implemented by the Task Forces that take action in both locations.

## **c. Mission**

The Mission of the Alliance is to sponsor the promotion and development of initiatives and to construct strategic alliances to develop and adapt public policy instruments for Health, with the firm and constant support of Center for Public Health Studies of the Fundación Global Democracia y Desarrollo (FUNGLODE) and the Global Foundation for Democracy and Development (GFDD), contributing to identify political options for the transformation and modernization of the Health Sector and its social security. Simultaneously, defining and promoting the development of the lines of defense in terms of the internationalization (globalization) of the social output of Healthcare and the service markets for human assistance and risk management.

Therefore, the Alliance identifies the need for investment in the Health field and its economic and social aspects, while orienting the insertion of promoters and investors in the social output of Healthcare and the creation of niche markets on sanitary services and social security, while fostering the

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45-Fernández Reyna, p. 21, 22, 24 & 25.

46-Fernández Reyna, p. 26 & 27.

predominance of social interest and equity and public service vocation in the initiatives and enterprises of Public Health and Social Security.

Hence, the mission of the Alliance implies strengthening political, professional, trade union, and social leaderships of the Health Sector based on the analysis of the policy options and the decision-making capacity, endorsing and contributing to training technical personnel in strategic management of the aforementioned policies and identification of reform alternatives.

Consequently, the mission of the Alliance emphasizes the development of Knowledge Management in the Health Sector, through virtual sites and networks of knowledge and practices that promote the identification, compilation, classification, dissemination, exchange, and accessibility of the necessary knowledge to successfully manage Public Health and Social Security for Health.

## IV. Objectives and Strategies

*Objective 1: Research.* Reinforce the planning and implementation of actions oriented to the development of scientific and operative research projects in the Health field focused on identifying solutions to health problems of the Dominicans in both countries.

*First strategy:* To promote the exchange of resources and scientific and technical information, among Health institutions and organizations dedicated to scientific research in the Dominican Republic and NYS.

*Second strategy:* To generate activities to promote and advocate the inclusion, in international and American institutions, of the research programs developed by Dominican professionals, as well as other aspects related to health problems of Dominican residents in both countries.

*Third strategy:* To promote the development of the given research initiatives and cooperation agreements, between CUNY and public and private universities and Health institutions of the Dominican Republic, dedicated to identifying and solving the health problems of Dominican nationals in both countries.

*Fourth strategy:* To publicize and instruct Dominican researchers on the state and federal regulations of the USA concerning scientific research and the use of technologies.

*Fifth strategy:* To develop promoting and lobbying activities for the participation and/or input of the Dominican community in NYS on the definition of research priorities which respond to the health problems of Dominican nationals in both countries.

*Sixth strategy:* To identify activity and investment needs and opportunities in the Public Health and Social Security for Health fields, as well as in the area of human health assistance services.

*Objective 2: Public Policies.* To support and promote the exchange of information focused on the development of technical and managerial skills for the Public Health professionals that are actively involved in the improvement of public policies and decision-making processes in the Social Security field.

*First strategy:* To promote work and research alliances and agreements between CUNY, state institutions of NYS and the USA, public and private universities and Health institutions of the Dominican Republic, in the field of public policies development on Health and innovative models of Social Security for Health.

*Second strategy:* To participate in the coordination and support of procedure activities oriented to planning and applying strategies that have proved to be efficient in both countries in terms of solving Health problems.

*Objective 3: Knowledge Management.* To promote, support and participate in training and human resource development for Health, including the use of distance learning and minimum on-campus

presence methodologies with modern ITC, with the participation of professionals and technicians of the Health sector in Dominican Republic and NYS.

*First strategy:* To support and develop institutional alliances and virtual networks of knowledge management through the use of Telemedicine resources and technological platforms for distance learning (live presentation via satellite or videoconferences and the use of Internet), with the participation of healthcare suppliers, NGOs and training and higher education institutions in Dominican Republic and NYS.

*Second strategy:* To design and implement a Health support website for distance learning and virtual knowledge and practice networks.

*Third strategy:* To organize and promote scientific and technical exchanges through work sessions, conferences, seminars, and workshops for medical (students, doctors, non-specialist, specialists, and in training), nursing, rehabilitation, administrative, social work, behavioral science and clinical laboratory staff.

*Fourth strategy:* To identify, with the aid of voluntary service, assessment and identification of know-how sources for the development and strengthening of public sanitary policies.

**Objective 4: Improving Service Quality.** To support and cooperate in developing habilitation and quality reassurance processes for Healthcare centers, as well as in the accreditation and regulation of professional exercise in the Health sector of the Dominican Republic.

*First strategy:* To support and develop institutional alliances and virtual networks for the use of Telemedicine resources and technological platforms for distance learning, with the participation of healthcare suppliers, NGOs and training and higher education institutions in Dominican Republic and NYS.

*Second strategy:* To support and participate with the City University of New York (CUNY) in the development of programs addressed to Dominican graduates in the professional Health field who wish and need to meet requisites to obtain the certificate for their professional exercise and/or update in areas related to their professional practice in NYS.

*Third strategy:* To foster the development of exchange programs among interns and pre-term and pos- term residents for Dominican nationals in DR and NYS with participating New York City Health and Hospitals Corporation (NYC H & HC).

*Fourth strategy:* To sponsor the activities of the Dominican Doctors Association (CMD, acronym in Spanish), the National Medical Association of the Social Security Institute (AMIDSS, acronym in Spanish), the scientific and specialized medical societies, as well as the trade organizations for nurses, bioanalysts, psychologists, and Healthcare workers, within the different aspects of human resource development and professional updating.

*Fifth strategy:* To act as a link between Health organizations and institutions in NYS, promoting, facilitating, and managing their participation in the organization of scientific events and continued education conferences of the aforementioned Dominican organizations and institutions.

*Sixth strategy:* To foster the participation of Dominican professionals in graduate and international exchange programs sponsored by USA.

*Seventh strategy:* To support and participate in the development of summons and dissemination campaigns on graduate and international exchange programs sponsored by USA, and to develop promoting and lobbying activities to increase quotas and participation possibilities for Dominican Health professionals and technicians in the aforementioned activities.

*Eighth strategy:* To support, promote, and safeguard the application of solutions to problems identified among the Dominican population in both countries, adopting them whether on the basis of confirmed scientific evidence and evaluative and operative research, or implemented on culturally acceptable criteria, procedures, and forms.

Ninth strategy: To foster the exchange of experiences and practices, by means of the information technology and communication services (ITC), guided visits and exchange of human resources among Health organizations and institutions in Dominican Republic and NYS, and to promote and support the evaluation of the cultural congruency, feasibility, and sustainability of the application of these solutions.

Tenth strategy: To foster and facilitate relations and partnership programs and cooperation between civil society and professional Health sector organizations, public and private suppliers of human assistance healthcare services (hospitals and laboratories), as well as between the officials and authorities of Public Health and Social Security for Health of Dominican Republic and the State of New York.

## V. Action Plans

The activities that the Alliance will organize will be grouped in series based on their nature and common objectives, in order to facilitate their coordination and the rational use of available resources. These series will be related to the areas of activity concentration of the Center for Public Health Studies of FUNGLODE and GFDD, which are: (a) Management and Public Policies; (b) Science and Technology; (c) Health Economics; and (d) Knowledge Management. Furthermore, each of these series of activities will identify the operations of the procedures or projects, with those tasks that will receive support from the operational units of FUNGLODE and GFDD, such as, administration and finance, international relations, educational activities, research, documentation, corporate relations, public relations and communications.

During the workshops organized by the New York State Council of Health and the seminar on "Health and Development. A Perspective of the Health Situation in Dominican Society and its Diaspora", held at the FUNGLODE headquarters in Santo Domingo on November 2003, as well as the consultations among sectorial leaders, professional institutions, and experts in the given areas, the Task Forces of the State of New York and the Center for Public Health Studies of FUNGLODE and GFDD identified the following action plans to organize potential cooperation in project development:

### a. Public Policies

To promote the design and implementation of public policies and programs on:

1. Reform and Modernization of the Health Sector.
2. Development of the Essential Functions of Public Health (Administration of the National Health System).
3. Reform and Implementation of the new Social Security.
4. Development of Human Assistance Management, including Emergencies.
5. Development of Environmental Attention Management.
6. Control of Health problems related to constant migrations.
7. Incident, frequency, and distribution studies classified by gender, age, and lifestyle, as well as design and implementation of control programs for transmissible (focusing on TB, STIs, HIV/AIDS, and influenza) and non-transmissible (focusing on Diabetes, Obesity, Asthma, cardiovascular pathologies) diseases.
8. Frequency studies on Falciform Anemia.
9. Regulation of the establishment and operation of Non-Governmental Organizations (NGOs) focused on the Health sector.

10. Systems and procedures on hiring and payment to human healthcare services suppliers.
11. Control systems and procedures on access and costs of human healthcare services.
12. Culturally and linguistically appropriate services (CLAS) in medical care.
13. Provision assurance of retrovirals for HIV/AIDS patients.
14. Development and standardization of accreditation mechanisms and norms for service suppliers, as well as performance and healthcare quality attention evaluation.
15. Regulation and incentives for foreign investment in the Health field.
16. Regulation on the exchange clinical data and the development of security and confidentiality norms in managing such data.
17. Promotion and validity of international agreements and legislation, especially those concerning Dominican Republic and the USA, in terms of copyright and intellectual property protection in the Health field.
18. Extension strategies for human healthcare services coverage through the implementation of the following strategies: a) primary care; b) development of the delivery of basic healthcare services based on subsidized funding and philanthropic contributions; and c) poverty focalization.
19. Comprehensive and community-based attention for the elderly.

## **b. Science and Technology**

1. Promotion of a new managerial culture in the Health Sector, by using modern ITC, that privilege investments and development activities of the intangible assets of their companies, such as their operative personnel and intellectual capital, as the basis to guarantee quality and humane services.
2. Combined and synergic development, through identity laboratories, of the technical know how, managerial expertise, software design, and networking of all managers in essential positions within the sectors of Public Health, human healthcare services, and the national pharmaceutical industry.
3. Strengthening of the legal framework for the development of administrative, marketing, and business planning skills to determine potential investments in medical biotechnology and technologies.
4. Access of the Dominican Republic to innovative technologies in food, medications, and computer science that are being implemented in the United States.
5. Access and implementation in the Health Sector of voice networking, image and database Internet technologies.
6. Applied science know-how to address protein-calorie malnutrition with the use of new crops (biotechnological agriculture).
7. Risk evaluation for Health of the transgenic crops.
8. Use of information technology and communication services (ITC) (wireless telecommunications, use of satellites for communication, telediagnosis, etc.) in public hospital networks and development support for Internet connectivity for rural clinics (disperse rural assistance) to enhance operations and access to managerial and epidemiological information, as well as for service coaching and training.
9. Access to and use of hardware and software in the structuring of virtual knowledge and better practices networks in the Health Sector.
10. Human resources development in Technology Management and Technological Risk Management and Assessment in the Health Sector.
11. Product homologation and synchronization of medication norms.

12. Access and training on pharmaceutical authorization regulations of the US Federal Food and Drug Administration.
13. Access to pure and applied research on new generations of pharmaceutical products.

### **c. Health Economics**

1. Development of a thematic network, between Dominican Republic and the United States, on economic assessment programs for the health sector and identification of knowledge and skill levels in terms of economic assessment, as well as analysis of decision-making procedures in the Health Sector.
2. Development of a database on economic assessment in Dominican Republic and New York.
3. Implementation of a database on health economic assessment researchers and resources, to identify Dominican and cooperant experts and institutions in Dominican Republic and New York, that organize courses and training in Health economics and evaluation.
4. Identification and implementation of methodological procedures and standards for Health economics assessment.

### **d. Knowledge Management**

1. Production, dissemination, and incorporation of new knowledge in managerial and clinical practices of the Health Sector.
2. Development of virtual networks on knowledge and better practices, as well as the interconnection of documentary vaults and virtual libraries on Health and Environmental Sciences.
3. Development of the curricula, curricular designs, and contents for short, mid, and long-term human resources training programs, with classroom, minimum on-campus (combined), and distance learning methodologies, and the use of both live via satellite presentations and the Internet (online).
4. Implementation of short, mid, and long-term human resources training programs, with classroom, minimum on-campus (combined), and distance learning methodologies, and the use of both live via satellite presentations and the Internet (online).
5. Implementation of "coaching" methods for human capital development in the Health Sector.
6. Sponsoring designs for clinical services, its human capital, operations, and facilities.
7. Promotion and support for participating companies and non-profit organizations, focused in the Knowledge Management field, in the design and implementation of: national and international public seminars; editing publications on knowledge updates; updating and functional training courses for Health personnel; e-learning support; specialized degrees; virtual forums; know-how and assessment on knowledge transfers and learning solution applications for new management set-ups in primary and specialized healthcare services.

## **VI. Organization and Action Plans**

### **a. Organization in Dominican Republic**

The Public Health and Social Security Research Center FUNGLODE acts as the Task Force of the Strategic Alliance for Health in Dominican Republic. Involved in coordinating all Public Health and

Social Security activities and offering technical support to developments and projects fostered and implemented at both sides of the Atlantic, in addition to assuming their promotion and advocacy before the Dominican State and its Administration, as well as the Civil Society organizations engaged in the Healthcare field. All of the Center's human resources focus on promoting and supporting the Alliance's activities according to the annual work plans of the Public Health Thematic Unit, that acts on behalf of the said Center, and concentrates its activities on: (a) public policies on reform and modernization of the Health Sector; (b) development of programs and healthcare services management capacity; (c) development of knowledge management capacity in the Health Sector; (d) application of the most recent and modern advances in Science and Technology in the Health field; and (e) Social Security development.

### **b. Organization in the State of New York**

The Health Task Force in the State of New York is a matrix structure that includes a coordination committee comprised by pioneer members of the Alliance in the city of New York, involved in the coordination and supervision of all activities, as well as of those, individual or institutional, applicants that participate exclusively through initiatives and ongoing or implemented projects. The extension, operation, and complexity of the Health Task Force organization in New York will be governed by Internal Rules and will depend on the magnitude and volume of this location's activities. Furthermore, its applicants can include individuals or non-profit or governmental organizations that temporarily or permanently participate in one or more initiatives, based on what has been agreed with strategic associates.

### **c. Action Plans**

The initiatives and projects to be undertaken by the Alliance will be generated in Dominican Republic as well as in the State of New York, and they will be included in the Annual Work Plans that focus on organizing and establishing performance priorities for the Alliance during the corresponding year.

The proposals can be based on initiatives of the local group, of a strategic associate, of a Dominican, North American or other country or multilateral organization or institution, and must relate to annual planning. Proposals are approved by the corresponding Task Force and submitted to FUNGLODE and GFDD to be evaluated by the corresponding Research Center and Thematic Unit, as well as the operational units<sup>47</sup> of FUNGLODE and GFDD that could consider initiative involvement as appropriate. The initiative is later submitted to the Board of Directors for its acknowledgement and approval.

### **d. Initial Activities of the NYS Task Force**

- (1) To prepare a NYS Task Force collaborators directory and define its action plan.
- (2) To formulate a short-term (one year) work plan based on identified objectives and strategies for the long-term (five years) work plans.
- (3) To design and initiate an application process for new members for the NYS Task Force based on their participation in the development and execution of the short-term and long-term work plans.
- (4) To define, in the context of the formulation of the work plans, a list of priorities in terms of ventures, projects, and/or programs that will assumed as initial activities in the work plans.

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47-Administration and Finance, International Relations, Projects, Research, Documentation Center, Corporate Relations, Public Relations & Communications.

- (5) To continue, in the context of the formulation of the work plans, discussions with the Columbia Presbyterian Hospital in NYS with the purpose of developing consent and work agreements focused on the joint development of a medical computer system linking the NYS hospital, a general hospital in Dominican Republic, the Management Information System and Epidemiology Vigilance (SIG-VE, acronym in Spanish) of the National Health System and the Unified Information and Funding System (SUIR, acronym in Spanish) of the Dominican Social Security System (SDSS, acronym in Spanish).
- (6) To identify, in the context of the formulation of the work plans, the possibilities of extending the aforementioned project to other hospitals in NYS and Dominican Republic.
- (7) To identify, in the context of the formulation of the work plans, the necessary strategic institutional alliances in NYS to enhance performance in the implementation of the work plans.
- (8) To launch the development of a register for professionals and consulting firms in the US that could participate in the processes, programs, and projects sponsored by the Strategic Alliance for the Health situation in Dominican Republic (including human resources training and distance learning).
- (9) To continue updating the directory of professionals and technicians of Dominican origin and/or residents in NYS and to foster its use through the Internet.
- (10) To launch the development of virtual knowledge and better practices networks for medicine professionals of Dominican Republic and NYS and to sponsor the digital alphabetization and virtual space built-up processes while mounting the necessary facilities in the Dominican homeland.
- (11) To identify potential donors of technical and economic resources, such as governments of countries interested in sectorial cooperation, private Dominican firms with headquarters and operations in the US, development agencies, and international non-governmental organizations, in order to later organize donor roundtables or to ascribe strategic associates for specific initiatives.
- (12) To identify recreational and entertainment incentives, in the ecotourism and cultural fields, for cooperant and voluntary scientists and technicians for the binational sectorial development projects sponsored by the Alliance.

## VII. Beneficiaries

The direct beneficiaries of the Strategic Alliance for Health subscribed by Dominican Republic and the State of New York are all those targeted by the organizations and institutions that cooperate or participate in its initiatives. In addition, all Dominican nationals, residing in the island or the State of New York, are indirect beneficiaries.

The following institutions and organizations comprise the Health Sector spectrum that benefits from the Alliance:

- Public Health and Social Security Institutions
  - Secretariat of State of Public Health and Social Assistance (SESPAS, acronym in Spanish)
  - National Social Security Council (CNSS, acronym in Spanish)
  - Public Human and Health Assistance Services Providers (Networks/ National Health Services/Regional Health Services)
  - Private Human and Health Assistance Services Providers
  - National Social Security Institute (IDSS, acronym in Spanish)
  - Public (SENASA, acronym in Spanish) y private (ARS, acronym in Spanish) Health Risk Administrators
  - Superintendence of Health and Occupational Hazards (SISALRIL, acronym in Spanish)

- Directorate of Information and Protection of Affiliates (DIDA, acronym in Spanish) of the SDSS
- Military Health and Social Security Institute of the Armed Forces (ISSFA, acronym in Spanish)
- Social Security Institute of the National Police (ISSPOL, acronym in Spanish)
- National Institute for Transplant Coordination (INCORT, acronym in Spanish)
- Essential Medications Program and Logistic Support Center (PROMESE/CAL, acronym in Spanish)
- Officials, Professionals, and Technicians involved in the Health Sector.
- Dominican Doctors Association (CMD, acronym in Spanish); National Medical Association of the Social Security Institute (AMIDSS, acronym in Spanish); scientific and specialized medical societies; trade organizations and professional associations for nurses, clinical laboratories, psychology, social assistance, and odontology personnel; as well as health sector trade unions.
- Academic Institutions, in particular, the Dominican Association of Medical Schools and Colleges (ADOFEM).
- The Pan American Health Organization (PAHO) local technical team.
- The Technical Teams of the International Technical Cooperation Agencies and Consulting Agencies involved in the Healthcare field.
- The stakeholders of other Health related sectors.
- Civil Society Organizations (CSO), Non-Governmental Organizations (NGO) focused on the Health field.
- Human social solidarity networks that help HIV/AIDS victims and the Presidential Advisory Council on AIDS (COPRESIDA, acronym in Spanish).
- Social solidarity networks involved in mitigating all forms of violence and eliminating gender differences.
- Societies and specialized hospitals involved in Councils and Community Volunteerism.
- National Institute for Health (INSALUD, acronym in Spanish).
- Dominican Private Clinics and Hospitals Association (ANDECLIP, acronym in Spanish).
- Dominican Pharmaceutical Industries (INFADOMI, acronym in Spanish).
- Pharmaceutical Products Authorized Representatives Association (ARAPF, acronym in Spanish).
- Social Communicators and Mass Media involved in or focused on the Health field.
- Legislators (Health Committees of the National Council).
- City Councils and the Dominican Municipal League.
- Civil Defense.
- Executive Committee on Health Sector Reform (CERSS, acronym in Spanish)
- Among others.

## VIII. Duration of the Alliance

The extent of the validity of the Strategic Alliance for Health (SAH) is indefinite; and its terms are expressed in the annual action plans approved by the task forces of the Dominican Republic and the State of New York, and by the Board of Directors of the Fundación Global Democracia y Desarrollo (FUNGLODE) and the Global Foundation for Democracy and Development (GFDD).

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**X. Annex I:**  
**First Seminar-Workshop of the Health Sector Task Force**  
**"Strategic Alliance: Dominican Republic - New York"**

Seminar-Workshop: "Health and Development. A Perspective from the Health Situation of the Dominican Society and its Diaspora"

Fundación Global Democracia y Desarrollo  
Dominican Republic

November 20-21, 2003

Seminar-Workshop Program

**Thursday, November 20**

**Opening Ceremony**

9:00 - 9:20 AM      Opening remarks by Dr. Leonel Fernández, President, Fundación Global Democracia y Desarrollo.

9:20 – 9:30 AM      Remarks by Dr. Hugo Morales, Member Board of Trustees CUNY and Coordinator of the Health Task Force in New York.

9:30 – 9:40 AM      Remarks by Dr. Alberto Fiallo, Coordinator of the Health Task Force of the Dominican Republic.

9:40 - 10:10 AM      "The Health Situation of the Dominican Community in the United States. The Challenges Presented by its Problems and their Social and Institutional Responses."

Speaker: Dr. Walid Michelen, Medical Director, Allen Pavilion  
Columbia Presbyterian Hospital.

10:10 – 10:30 AM Questions and/or comments.

10:30 – 11:00 AM "The Sanitary Reform Model and the Health Situation of the Dominican Republic. The Challenges Presented by its Problems and their Social and Institutional Responses."

Speaker: Dr. Alberto Fiallo Billini, Coordinator of the DR-NY Task Force

11:00 – 11:45 AM Questions and/or comments.

11:55 – 12:00 PM End of Opening Ceremony.

12:00– 2:00 PM   Lunch for visitors at Fundación Global (by invitation).

2:00 – 3:15 PM   Panel I: "Constructing Alliances for the Collective Health Programs."

Exploring strategies and alternatives of cultural education, social participation and community integration, such as scientific and technical cooperation, to strengthen Public Health interventions with an emphasis on sickle cell Anemia, STDs, Hepatitis C, and HIV/AIDS, as well as in the fields of Hematology and Oncology.

Speakers: Dr. Marcos Charles, Albert Einstein Institute; Dr. Roberto Moran, Dr. César Castellanos, DR/INSALUD/Columbia University AIDS Project; Dr. Ausberto McKinney.

3:15 - 3:30PM   Questions and/or comments.

3:30 - 4:45PM   Panel II: "Constructing Alliances for Collective Health Programs." Cont.

Exploring ways in which we can share experiences and suggest alternatives. Exploring initiatives for the continuation of preventive and primary services in migratory populations.

"Patients without Borders: The Continuation of Medical Care between the Dominican Republic and the U.S."

Speakers: Dr. Alan Ross, Kinderberg International; Dr. Juan Tapia, Pediatrics 2000;

"Reflections on the Management Models of Health Attention of People in Puerto Rico."

Speaker: Dr. Helaine Gregory, Health Consultant

"Aspects Related to the Cultural Norms in Health of Latinos in the U.S."

Speaker: Dr. Francisco Montaño, Chief of Pediatrics in the Northern Westchester Hospital.

"Perspectives on the Attention of the Aging Population in Developing Countries"

Speaker: Dr. José R. Sánchez-Peña

4:45- 5:00 PM   Questions and/or comments from the audience.

5:00 – 5:15 PM   Panel III: "Constructing Alliances for the Development of Knowledge Management and the Formation of Human Resources in the Health Sector."

Exploring proposals for utilizing modern Information and Communication Technologies to support the production and dissemination of the most current management and clinical knowledge, generally accepted as necessary for the new modes of managing processes and decision-making in the Health Sector.

Speakers: Lic. Aida Montero, Director, Documentation Center and Knowledge Management, FUNGLODE; Dr. Alberto Fiallo, Task Force DR-NY.

5:15 - 5:30PM      Closing Remarks by Dr. Leonel Fernández, President, Fundación Global Democracia y Desarrollo.

### **Friday, November 21**

9:30 - 1:00 PM      Meetings of all work groups in NY and DR to formulate conclusions, strategies proposals, and plan of action for the Strategic Alliance.

# CHAPTER III

## EDUCATION

# Strategic Alliance Dominican Republic – New York EDUCATION

**Against All Odds: Dominican Students in Higher Education in New York**

Ramona Hernández  
Anthony Stevens-Acevedo

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Needless to say that any miscalculations and misinterpretations found in this text are the sole responsibility of the authors, Ramona Hernández and Anthony Stevens-Acevedo.

# I. Executive Summary

This research report presents the first detailed study ever conducted on Dominican students in Higher Education in the United States. The study combines data from the US decennial census (1% and 5% PUMS) of 2000 and the Office of Institutional Research of the City University of New York, the largest public, urban university system in the United States and the home for the vast majority of Dominican college students. The study concludes that:

- 1) The number of Dominican students enrolled in colleges and universities has been rising steadily. In 2000, Dominican students made up 26.4% of the Hispanic student body enrolled in colleges and universities in New York City. At the City University of New York (CUNY), in 2002, almost 1 in 2 students of Hispanic ancestry was of Dominican origin. Since 1998, Dominican students have represented the single largest ethnic/national group among all students.
- 2) While in general a significant higher number of college students are enrolled in public colleges as compared to private colleges, in the case of Dominican college students, the distinction among public and private colleges is more pronounced. Among the racial/ethnic/national groups compared, Dominican students had the highest percentage of students enrolled in public colleges (76%) and the lowest percentage (24%) enrolled in private colleges. For Puerto Ricans, Other Hispanics, and non-Hispanic blacks, the proportions enrolled in public colleges were 63%, 68%, and 68%, respectively.
- 3) In disaggregating Hispanic students, Dominican and Puerto Rican students had the highest percentage of students matriculated as undergraduates in institutions of higher learning in New York City, but both groups had the lowest representation among students enrolled in graduate programs. Only 10% and 11% respectively, of these two groups were enrolled in graduate programs in 2000 as compared to 33% of non-Hispanic white students and 28% of Asian students.
- 4) In 1980, 16.7% of U.S.-born and 3.5% of foreign-born Dominicans had obtained educational levels of college or more. In 2000, the percentage of U.S.-born Dominicans with college or more had increased to 19.7% while the percentage of foreign-born Dominicans increased to 8.1%. High school completion, however, presents another picture. In 1980, 33.3% of U.S.-born Dominicans had completed high school as compared to 16.2% of foreign-born. In 2000, the percentage of U.S.-born Dominicans with a high school degree had declined significantly to 21.3% while the percentage of foreign-born Dominicans had modestly increased to 18.9%.
- 5) In the fall of 2002, CUNY had enrolled more students of Hispanic ancestry graduated from the New York City public school system than from any other ethnic group. In fact, 68% of all Hispanic undergraduate students attending CUNY in the fall of 2002 had graduated from a public school in the City as compared to 61% of all undergraduate students. Among Hispanic students who have graduated

from the New York City public schools, more students of Dominican ancestry than from any other Hispanic group, select CUNY to pursue their undergraduate education. In 2002, 77% of Dominicans attending CUNY had graduated from a New York City public school. The percentages for Ecuadorians and Puerto Ricans, the other two Hispanic groups with the highest NYC public school representation after Dominicans, were 70% and 68%, respectively.

6) In comparing the educational attainment of parents of CUNY students, among all the groups compared Dominican parents have the highest percentage of mothers and fathers with an educational attainment of 8th grade or Less and the lowest percentage of mothers and fathers who had completed a high school education. 39% of Dominican fathers and 36% of Dominican mothers had an educational attainment of 8th grade or Less as compared to 29% of Total Hispanic fathers and 26% of Total Hispanic mothers, the subgroup with the second highest percentage of parents in this category. In looking at the college graduate educational category, Dominican and Colombian parents represent the two extremes: Dominican parents had the lowest representation among those who were College Graduates, while Colombian parents had the highest representation in this educational category. 5% of Dominican mothers as compared to 17% of Colombian mothers had obtained a college degree while 7% and 14% of Dominican and Colombian fathers respectively, had obtained the same level of education.

7) There were more students of Dominican ancestry representing the first generation in their families to go to college than any other student group in CUNY. 62% of Dominicans students were first generation college students in their families as compared to 59% for other Hispanics and 57% for Total Hispanics.

8) A little over a half (53%) of all students enrolled as undergraduates in public colleges and universities in New York City in 2000 spoke another language besides English. Among Dominican students, however, a solid 97% of them spoke another language in addition to English. Asian students, followed by Dominican students, had the lowest percentage of students who felt that they spoke "English Very Well": 47% for Asians and 63% for Dominicans. 12% of Dominican students and 10% of Other Hispanics declared that they spoke English "Not Well".

9) Among Hispanic students, there were slightly more Other Hispanics than Dominicans, U.S.-born, 33% and 30%, respectively. But the reverse was true for those who had become citizens of the U.S. through naturalization: 27% of Dominican students and 25% of Other Hispanic students were naturalized U.S. citizens in 2000. The combination of U.S- born and U.S.-naturalized Dominicans brings the percentage of Dominicans and Other Hispanics eligible to exercise the right vote to 58%.

10) Dominican students have the lowest household incomes in CUNY. In 2002, Almost 1 in 4 Dominican students lived in families whose incomes were less than \$10,000 per year.

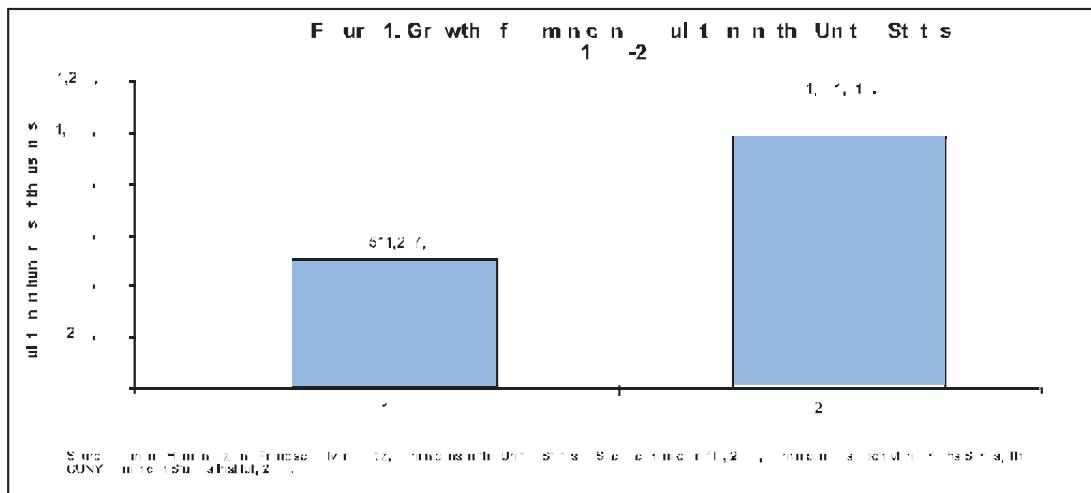
11) A high proportion of Dominican students work while attending college. In 2002, 43% of Dominican students worked 20 hours or more while attending CUNY.

12) In Associates degree programs, most Dominicans major in "Business and Commerce" and in Bachelors degree programs, they major in "Business Management" and "social sciences". None of these majors are among those occupations that are expected to experience the highest growth and add the largest number of workers in the U.S. in the period 2002-2012.

## II. Introduction

### a. Demographic Characteristics

According to U.S. census data, from 1990 to 2000, the number of people of Dominican ancestry residing in the United States increased from 511,297 to 1,041,910. (See Figure 1). Dominicans have been coming to the United States since the beginning of the 20th century. Their migratory process accelerated in the decade of the 1960's fueled by the succession of a series of political unrests that culminated in the coming into power of President Joaquín Balaguer in 1966 and who formally opened the doors for Dominicans to leave from home in massive groups.



Dominicans who settle in the United States have invariably preferred New York City over any other city. At any given time, more Dominicans have claimed New York City as their home than any other city. In fact, in 1990, 65.1% of Dominicans living in the United States claimed New York City as their place of residence. By 2000, with a wider population distribution in the United States, New York City still remains popular among people of Dominican ancestry, concentrating over 53% of the U.S. Dominican population. This is displayed in Figure 2.

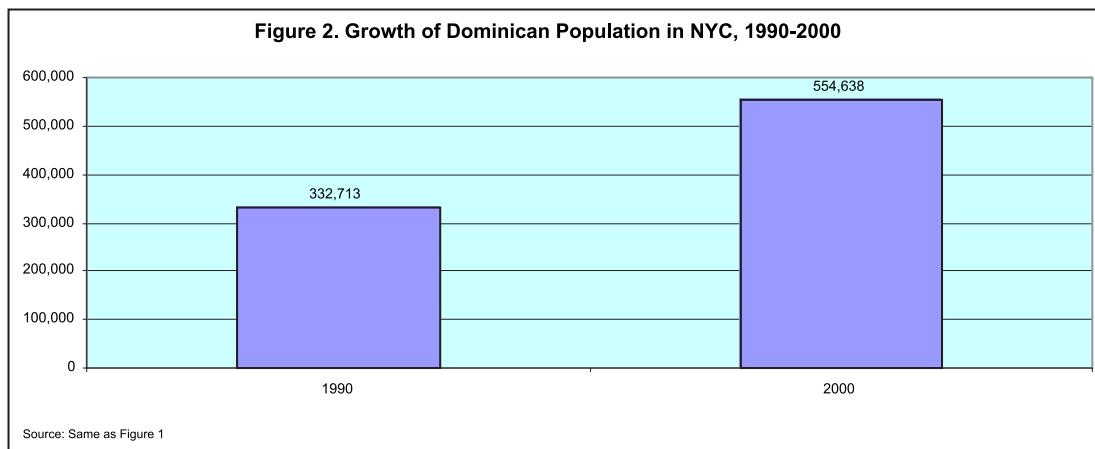
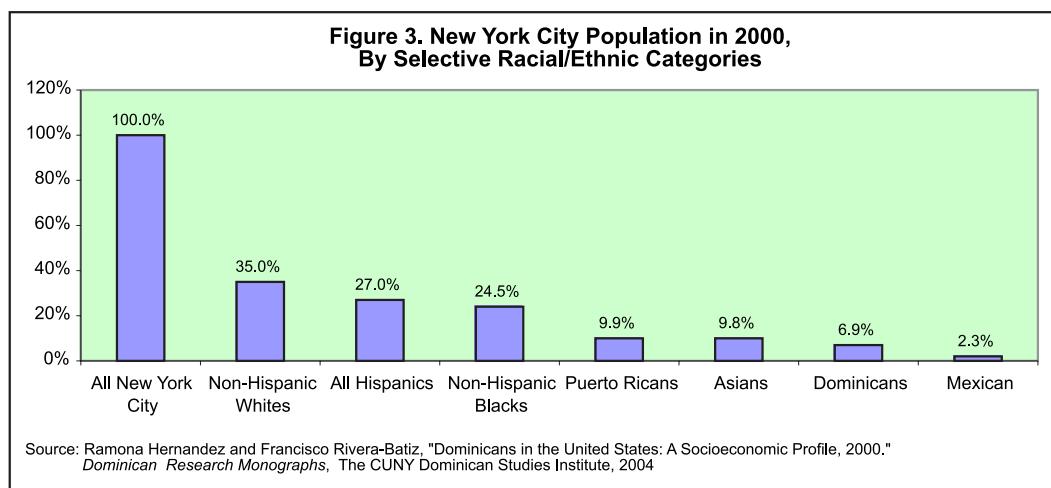


Figure 3 shows the population of New York City by major racial/ethnic/national groups. Non-Hispanic whites, non-Hispanic blacks, and Asians, respectively represented 34.9%, 24.5%, and 9.7% of the City's population in 2000. Puerto Ricans, Dominicans, and Mexicans represented 9.9%, 6.9% and 2.3% of the total New York popula



The majority of Dominican college/university students in the United States are enrolled in institutions of higher education in New York City. In 2000, a total of 34,703 students of Dominican ancestry were registered in institutions of higher education in New York City. Figure 4 shows the percentage distribution of various student groups attending institutions of higher education in New York City. Non-Hispanic white college students represented 35.2% of the total student body enrolled in institutions of higher education in the City. Non-Hispanic black students, on the other hand, accounted for 29.9%, Hispanics overall, for 28.1%, and Asians for 13.7%.

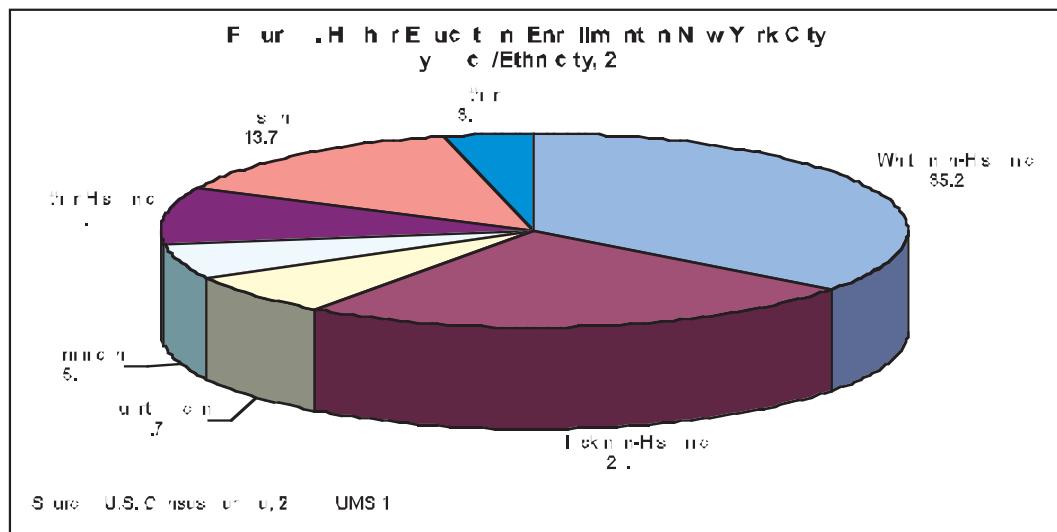
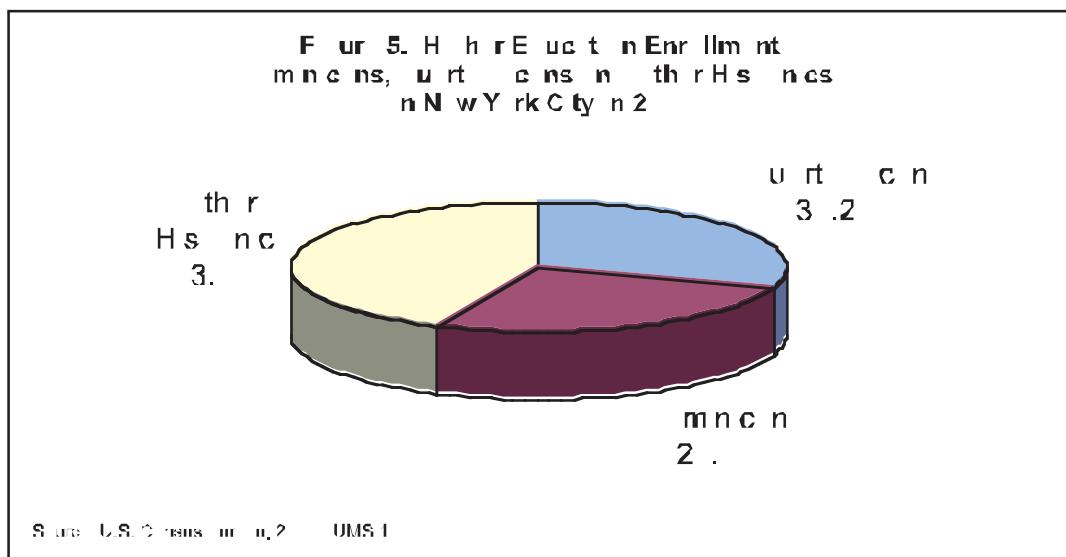
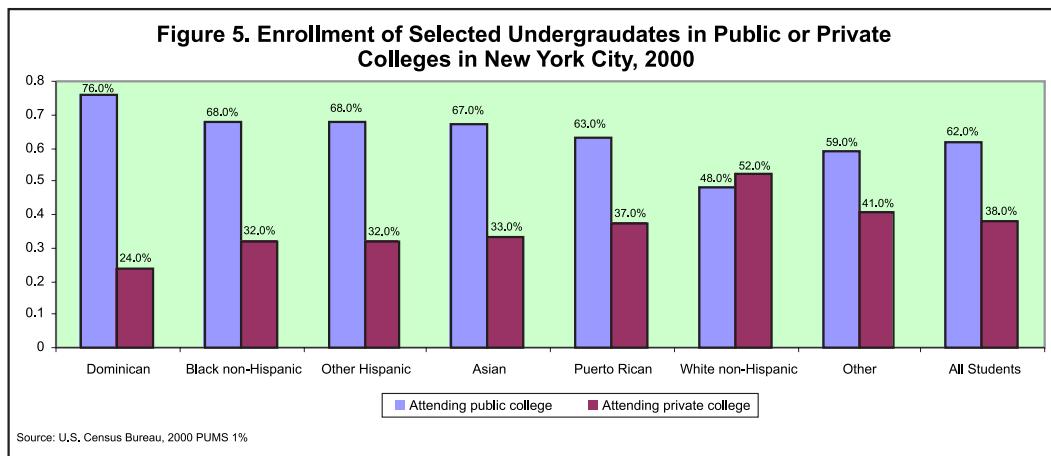


Figure 5 displays the Hispanic student population in New York City. In 2000, Hispanic students enrolled in institutions of higher learning amounted to 131,300 students. Over half of the Hispanic student body in New York City was of Puerto Rican and Dominican ancestry. In 2000, Dominican students represented 26.4% of Hispanic students enrolled in institutions of higher learning, while Puerto Ricans, the largest Hispanic group in New York City, represented 30.19%.



## b. Enrollments in Public and Private Colleges

In 2000, there were 456,081 students enrolled as undergraduates in colleges in New York City. 282,372 of the undergraduate student body were enrolled in public institutions, while 173,709 attended private colleges. While in general a significant higher number of college students are enrolled in public colleges as compared to private colleges, in the case of Dominican college students, the distinction among public and private colleges is more pronounced. As shown in Figure 6, among the racial/ethnic/national groups compared, Dominican students had the highest percentage of students enrolled in public colleges (76%) and the lowest percentage (24%) enrolled in private colleges. For Puerto Ricans, Other Hispanics, and non-Hispanic blacks, the proportions enrolled in public colleges were 63%, 68%, and 68% respectively. On the other hand, among all the student groups compared here, only non-Hispanic white students had a higher percentage of their student body attending private colleges (52%) than public colleges (48%) and the smallest gap between public and private college enrollments.



## c. Graduate Enrollment

At the national level, when compared to other large racial/ethnic groups, students of Hispanic ancestry tend to have the lowest representation among students enrolled in graduate or professional programs. This finding remains true even when one disaggregates foreign-born Hispanic students from U.S.-born Hispanic students. New York City presents a similar picture; Hispanics have the lowest representation among graduate students when compared to other large racial/ethnic groups. Furthermore, disaggregating the two largest Hispanic groups from the totality in New York City does not alter Hispanics' lower representation among graduate students.

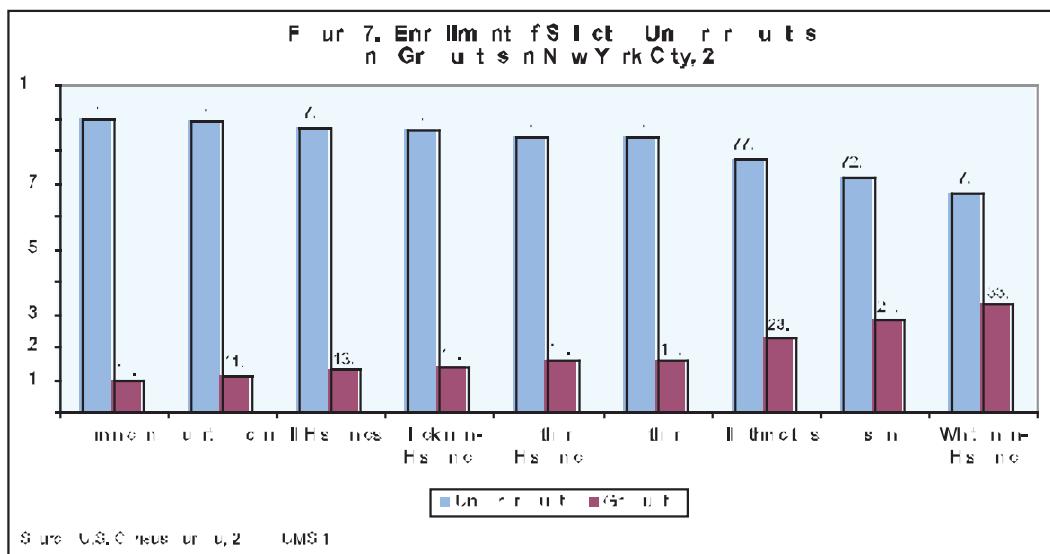


Figure 7 displays various undergraduate and graduate student groups. As reflected in the figure, in 2000, there were slightly fewer Hispanics enrolled in graduate school than non-Hispanic blacks, the second group with the lowest representation among graduate students. In disaggregating all Hispanics, Dominican and Puerto Rican students had the highest percentage of students matriculated as undergraduates in institutions of higher learning, but both groups had the lowest representation among students enrolled in graduate programs. In addition, Dominicans and Puerto Ricans had a significantly lower representation of graduate students as compared to their student undergraduate enrollment.

In contrast, non-Hispanic whites, followed by Asian students had the highest representation in graduate school and a much more even distribution between undergraduate and graduate students than any other group. Among non-Hispanic white students, 67% of them were matriculated as undergraduates and 33% as graduates. 72% of Asian students were undergraduates and 23% graduates. Among Dominican and Puerto Rican students, 90% of Dominicans and 87% of Puerto Ricans were matriculated as undergraduates and only 10% and 11% of each group respectively were registered as graduate students. While more than three in ten non-Hispanic white students were enrolled in graduate school, only one in ten Dominican and Puerto Rican students was attending graduate school in 2000.

### III. Barriers to Graduate School

The likelihood of entering graduate school is affected by the possibility of completing previous education, particularly college. There is a cause-and-effect concerning lack of school-degree completion. If one does not have a high school diploma, it is unlikely that one will have access to college. In a similar fashion, if one does not have a college degree, chances are that one will not be accepted into graduate school. In general, students of Hispanic ancestry are cursed by these ills. When compared to other large racial/ethnic groups, Hispanics have the lowest representation among college graduates students in the nation. Clearly, Hispanics' relative low attainment of Bachelor's degrees delays and obstructs their entrance into graduate programs.

Some studies have found that financial need among Hispanic students is paramount when it comes to attending college or completing a college degree. In a recent study conducted among large racial/ethnic groups in the United States, the Pew Hispanic Center found that "When asked about the reasons people do not go to college or fail to finish college, Latinos, whites and African Americans alike focused on issues involving money" ("National Survey of Latinos: Education," 2004:10). 77% of Hispanics, 76% of African Americans, and 73% of non-Hispanic whites said that "...the need to work and earn money...are major reasons why people do not go to college or fail to finish college once they have started" (Ibid: 2004:10).

Hispanic students who managed to graduate from college are also pressured by the need to use their degree in the labor market to generate an income or a higher income. Their entrance into the labor market may alleviate their own poverty, if they are on their own; their family's if they still live at home; or pay school loans and other debts incurred during their college years. Economic pressures, reflected in the need to hold a job, among Hispanic college graduates may be more prevalent among immigrant Hispanics than among U.S.-born Hispanics since the first may enter college at an older age. In many cases, the migration and settlement processes delay the attainment of a college education of younger immigrants. Sometimes, college is delayed due to lack of documentation, state-residence status to be eligible for financial aid to pay for college tuition, or the need to take remedial courses while in college. For many Hispanics, at the end of the day, entering graduate school will likely postpone earning a decent income at an age when it is likely that most people will be working rather than going to school. Their need to work combined with an age factor, in the case of Hispanic immigrants, certainly makes graduate school less desirable or at least, viewed as something that must be postponed for a more opportune time.

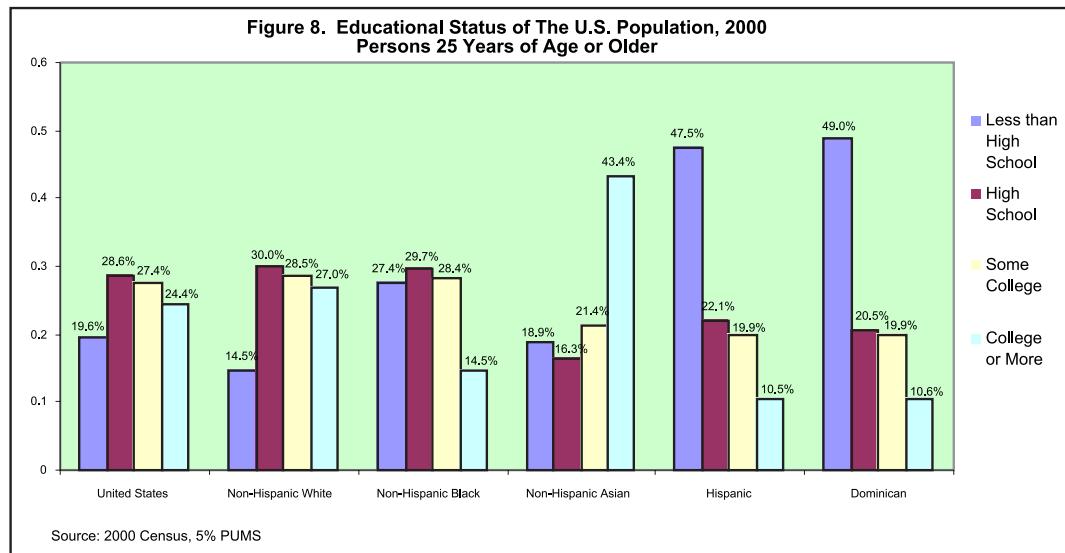
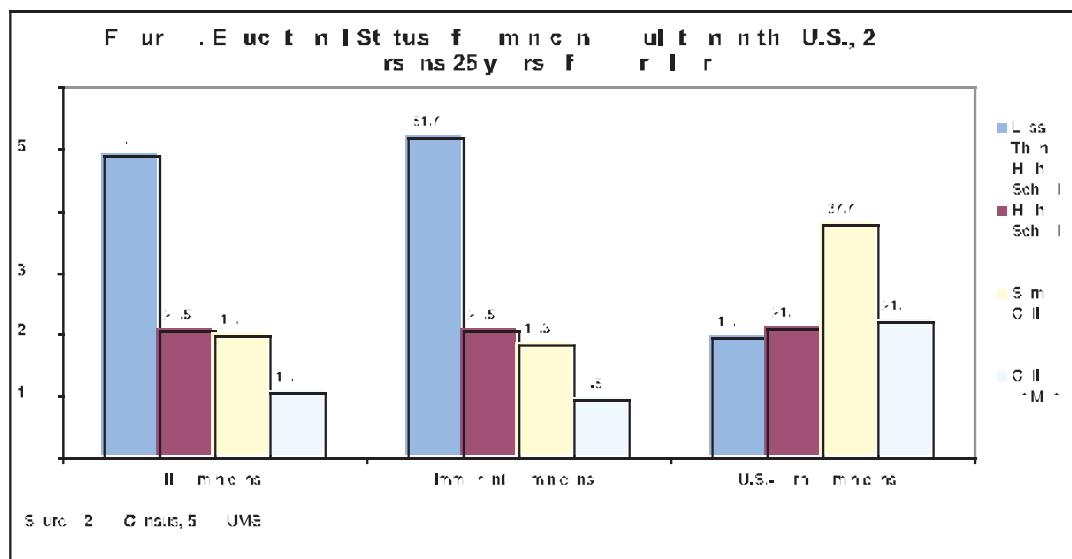


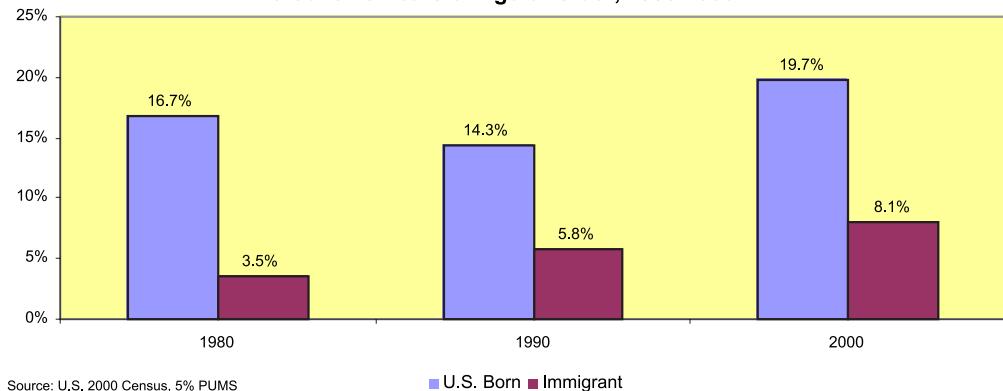
Figure 8 shows the educational status of several racial/ethnic groups in the United States. Among the racial/ethnic groups compared, Dominicans had the lowest representation among those 25 years of age or older holding a bachelor's degree in 2000. Figure 9, on the other hand, compares the educational

status of foreign-born Dominicans and U.S.-born Dominicans. As with other studies that look at foreign-born Hispanics and U.S.-born Hispanics, when comparing college education attainment between the two groups, one finds that U.S.-born Dominicans outperform foreign-born Dominicans. In 2000, U.S.-born Dominicans were twice as likely as foreign-born Dominicans to have completed a college degree or more. One also finds that U.S.-born Hispanics are likely to outperform foreign-born Hispanics in terms of high school graduations. This affirmation, however, cannot be applied to U.S.-born Dominican high school students. Contrary to Hispanics, the number of high school graduates among U.S.-born and foreign-born Dominicans is about the same and the former does not outperform the latter. In 2002, 20.5% of Dominican immigrants had a high school diploma as compared to 21.0% of U.S.-born Dominicans. Why the difference between Hispanics and Dominicans?

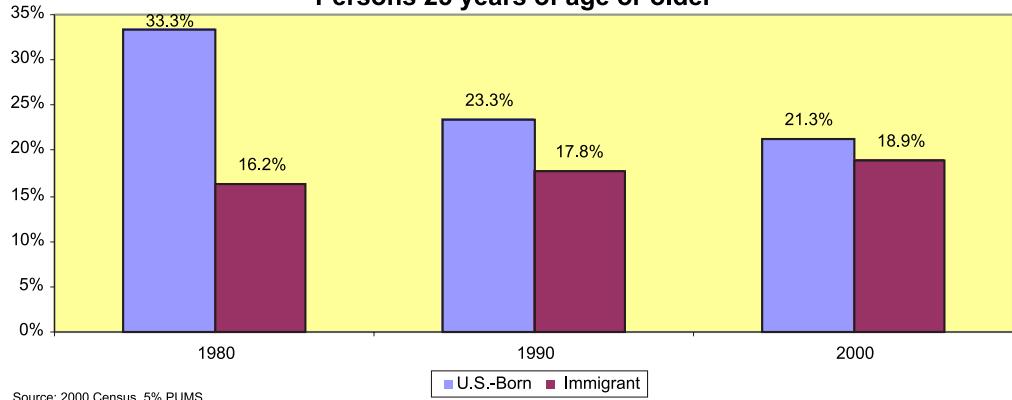


In looking at the educational achievement among foreign-born and U.S.-born Dominicans one finds that U.S.-born Dominicans are doing sharply better than foreign-born Dominicans in certain educational categories and that in others they are doing worse. For instance, Figure 10 shows that in 1980, 16.7% of U.S.-born and 3.5% of foreign-born Dominicans had college or more. In 2000, the percentage of U.S.-born with college or more had increased to 19.7% while the percentage of foreign-born Dominicans increased to 8.1%. High School completion, however, presents another picture. In 1980, 33.3% of U.S.-born Dominicans had completed high school as compared to 16.2% of foreign-born immigrants. In 2000, the percentage of U.S.-born Dominicans with a high school degree had declined significantly to 21.3% while the percentage of foreign-born Dominicans had modestly increased to 18.9%. This is shown in Figure 11.

**Figure 10. Dominicans in New York City With College Degree or More, Persons 25 Years of Age or Older, 1980-2000**

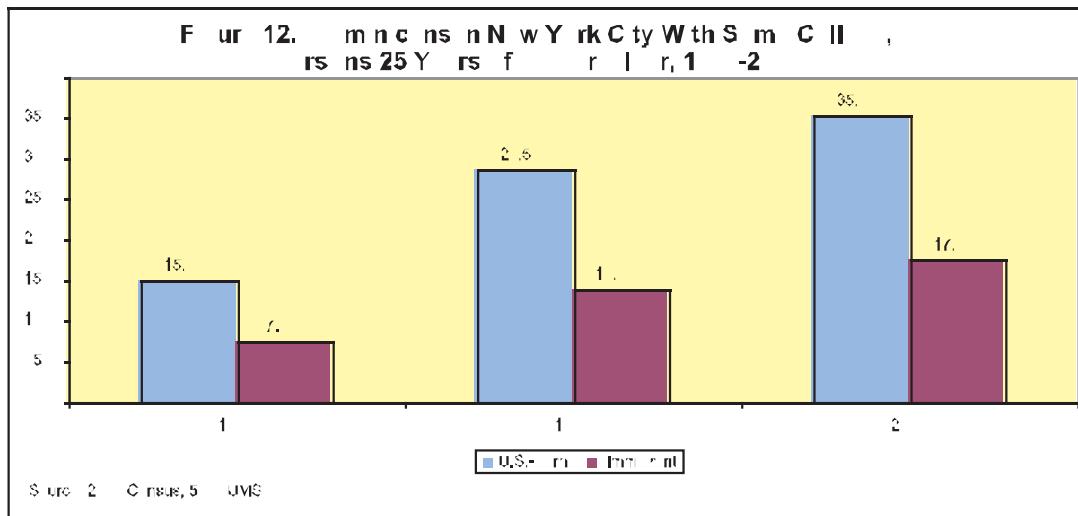


**Figure 11. Dominicans in New York City With A High School Diploma, 1980-2000  
Persons 25 years of age or older**



Similarly, a closer look at each individual group for the past decades from an accumulative point of view will leave one with serious concerns. For the past three decades, each group has experienced very little vertical mobility, and in some cases, they have lost shares in their educational attainment. As shown in Figure 11, the number of Dominican immigrants with a high school diploma and a college degree or more has improved modestly during the last three decades. From 1980 to 2000, the overall average improvement in the high school completion category for Dominican immigrants was approximately 1.7%. In the college or more category, their overall improvement was approximately 7%. Among U.S.-born Dominicans, the number of those acquiring a college degree declined from 16.7% in 1980 to 14.3% in 1990, and modestly increased 19.7% in 2000. Furthermore, the percentage of U.S.-born Dominicans with a high school diploma dropped sharply from 33.3% in 1980 to 23% in 1990, and to 21.3% in 2000. The exception to this grim picture is the category of "some college" where both

groups show significant improvement. This is displayed in Figure 12. In 1980, 7.6% of foreign-born Dominicans had some college and in 2000 their percentage had significantly increased to 17.4. In 1980, 15% of U.S.-born Dominicans had some college and by 2000 their representation in this category had more than doubled, increasing to 35.4%.



### a. Explaining Slow Educational Progress Among Dominicans

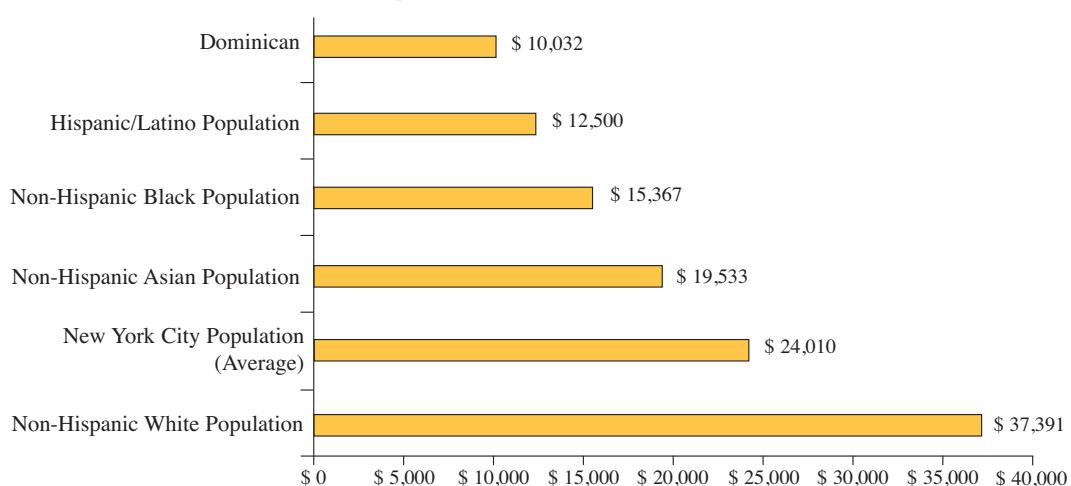
Economic pressures and the need to enter the labor market may help explain the relatively low number of Dominican immigrants who make it to college and complete a college degree. In addition, the number of Dominican immigrants classified as technicians or professionals, has never been significant as compared to blue-collar (non-professional) worker Dominicans and has systematically remained low. That is to say that fewer Dominican with college degrees have decided to leave home and join the ranks of the migrants, affecting the overall number of Dominican immigrants who hold a college degree or more here in the United States.

Although little research has been conducted on students of Dominican ancestry enrolled in the school system in the United States, there are some indications, which reveal that young Dominicans are having a difficult time completing school in the U.S. In "Structural Origins of Dominican High School Dropouts", sociologist Nancy López takes a close look at a high school in Washington Heights attended predominantly by Dominican youngsters. In her ethnographic study, López found that compared to other students attending other high schools in the borough, Dominicans were at a higher risk of dropping out of school. She found that Dominican students had higher than average dropout rates due to a number of structural reasons, including overcrowding of space, inadequate/mediocre curriculum, high teacher turnout and absenteeism, and inadequate funding as compared to other public high schools with the same educational duties (López 1998). High dropout rates among Dominican students attending the public school system in New York City is likely to impact on the number of those who obtain a high school degree.

## 1. Household Income and Education

In looking at household income among Dominicans in 2000, as compared to other groups, whether Hispanic or non-Hispanic, Dominicans had the lowest household annual and per capita incomes than any other group in the country as a whole or in New York City, home of most Dominicans residing in the continental United States. This is displayed in Figure 13. Low educational attainment in a society, whose labor market increasingly demands school-based knowledge, is paramount among the causes traditionally used to explain low household income and poverty in a given group. The fact that increasing numbers of Dominicans are reaching educational levels never even dreamt of by most Dominican migrants when they first arrived in the United States represents then an important achievement in increasing the level of socioeconomic progress within this group. What one wonders is whether such educational achievements would undermine the present socioeconomic disparity among Dominicans as a group and most racial/ethnic/national groups in American society.

**Figure 13. Mean Annual Household Income Per Capita of Selected Groups in New York City, 1999**

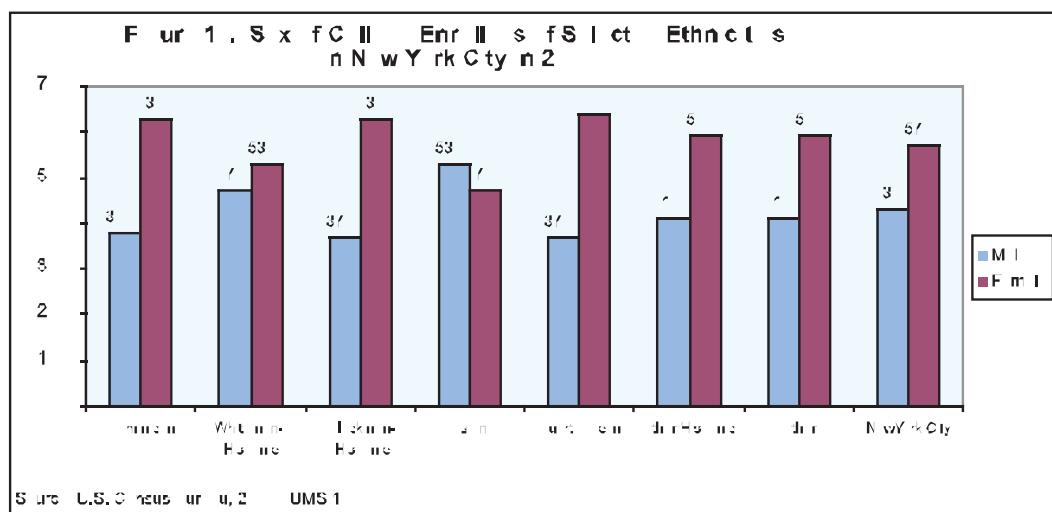


Source: 2000 Census, 5% PUMS

Indeed, the truth of the matter is that measuring Dominicans' socioeconomic advancement against Dominicans' own socioeconomic stocks, whether educational or economic, will not help Dominicans move forward, and produce socioeconomic parity with other groups in American society. As reflected in Figure 7, among the groups compared, Dominicans have the least likelihood to enter graduate school in the United States. If the number of Dominicans entering graduate school remains at its current rate, chances are that Dominicans will not be able to compete for prestigious, high paying jobs currently produced in the labor market. It also means that Dominicans will have to conform to increasing their representation among workers who hold jobs that are at an intermediate level of knowledge/skills and at intermediate level salaries on the earning echelon.

## 2. Sex

Sex patterns among Dominican college students coincide fairly close with those among the U.S. college population and among Hispanic college students. In general, more women attend college than men. As shown in Figure 14, students of Asian ancestry are the only exception to this rule: more male students of Asian ancestry attend college as compared to female Asian students. In addition, the sex-gap among minority students is more pronounced than among non-Hispanic white students. In 2000, 57% of New York City Overall enrolled in colleges and universities across the City were women. Among Dominican and Puerto Rican students, 64% were women and 37% were men respectively. In comparing the population groups one finds that the sex-gap between men and women among non-Hispanic white students is 6% while the sex-gap between men and women among minority students is over 18%, or three times the sex-disparity among non-Hispanic white students. Similar sex values are found among students enrolled in CUNY.

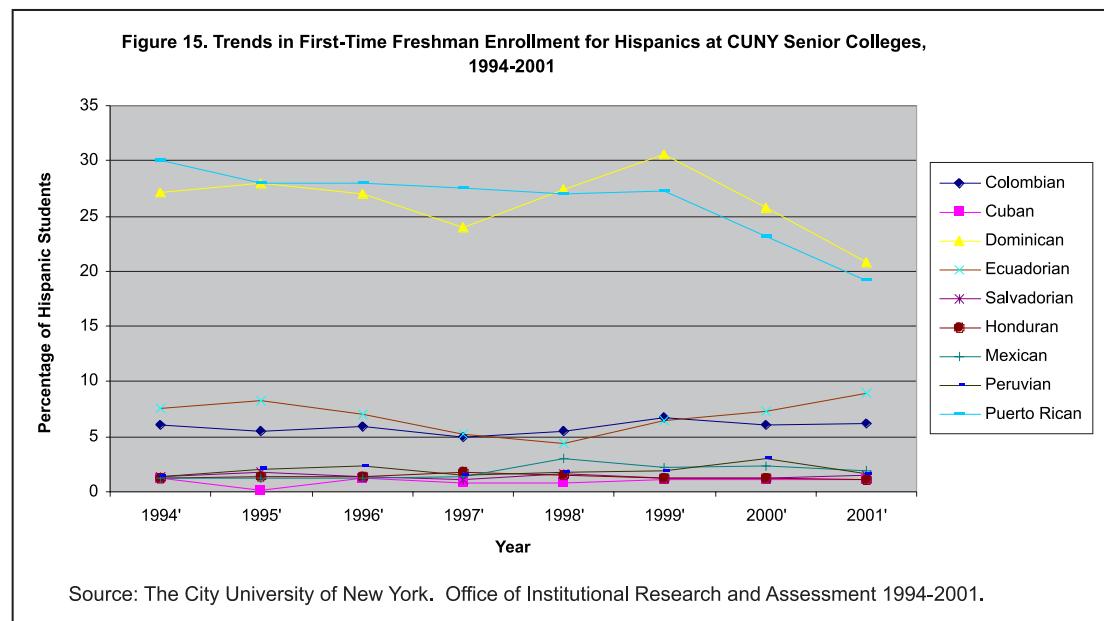


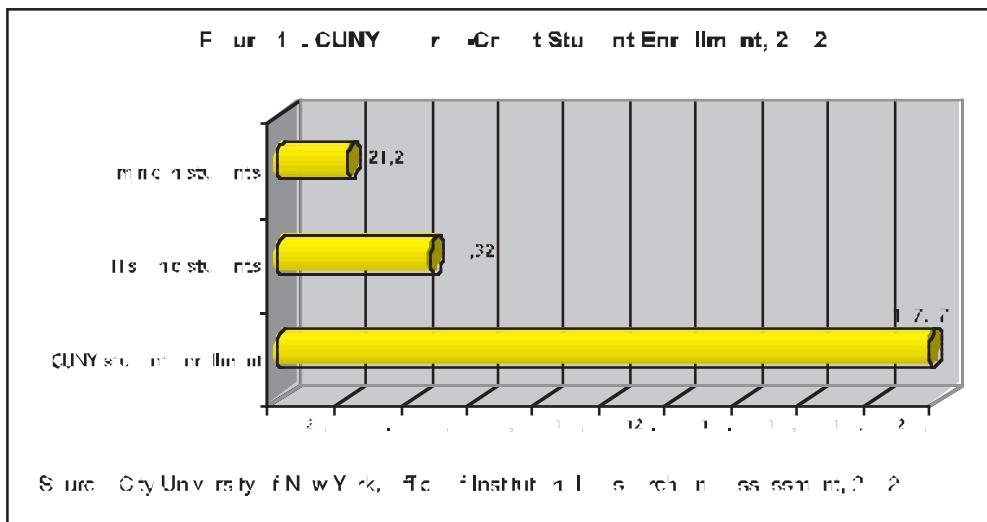
Some researchers have argued about the negative effect of blackness on non-Hispanic black male students in their pursue of socioeconomic progress. It is believed that black males are perceived as aggressive and have therefore been demonized, and consequently, pushed out/marginalized from social/public spaces. Black women, on the other hand, have been perceived as sex objects, and therefore, less belligerent, and have been encouraged/allowed into social/public spaces. In an ethnographic study involving young, second generation Dominicans, Haitians, and West Indians in New York City, sociologist Nancy López found that although the men and women of these groups had experienced racial discrimination in public spaces, their experience had been markedly different and that each group's outlook for the future and responses to education were determined by these experiences. As compared to women, the men of these ethnicities had great difficulty in public spaces, i.e. school, job market, etc., While at school, "...the fact that men were generally more rambunctious than their female counterparts, teachers were generally less understanding of young men and were more likely to discipline them more harshly for the same infractions committed by their female counterparts"

(López 2003:88). When entering the labor market men had more trouble "finding work and were marginalized in the least secure, temporary, low wage jobs, usually within the informal economy.... Women generally reported fewer difficulties in finding work than men. They tended to be employed in traditional sex-typed work, such as secretarial work and nursing. Although these positions were often in pink-collar ghettos, they did provide women with a window to potential professional career paths into the growth sector of the economy, such as education, health, and finance. Since many of these positions required educational credentials, women came to link social mobility with education" (López 2003:161-2. Emphasis added).

### 3. The City University of New York

The City University of New York (CUNY) is the largest urban public university system in the United States. CUNY serves nearly half of all the students enrolled in colleges and universities in New York City. Figure 15 shows the student enrollment trends of several Hispanic groups at the City University of New York for a period of twelve years. Data on this figure accounts only for students who entered college for the very first time as freshmen. Figure 16 shows data for three student groups: Total Students, Hispanic, and Dominican students enrolled in CUNY in the fall of 2002. It is important to note that both figures indicate that students of Dominican ancestry represent, by far, the largest single national group in CUNY. In the fall of 2002, there were 197,074 degree-credit students enrolled at CUNY. During the same year, 46,328 of the total student enrollment were of Hispanic ancestry and almost one in two Hispanic students was of Dominican origins (21,280).





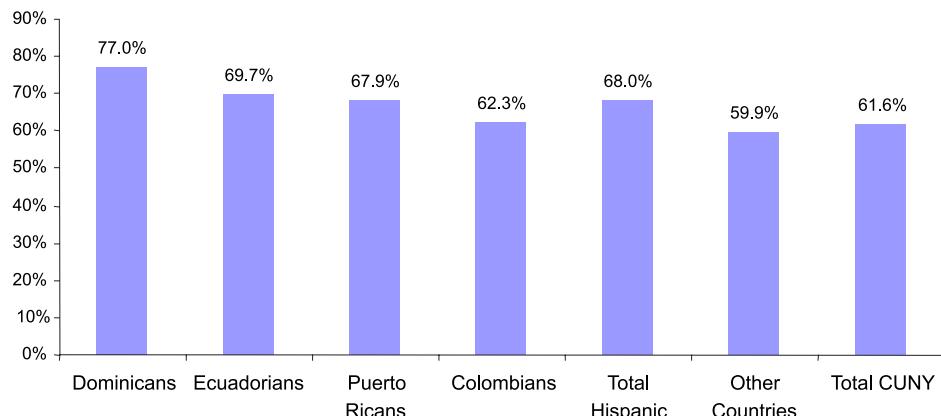
#### 4. High School Background of Dominican Students at CUNY

As indicated in Figure 17, in the fall of 2002, CUNY had enrolled more students of Hispanic ancestry who had graduated from the New York City public school system than from any other ethnic group. In fact, 68% of all Hispanic undergraduate students attending CUNY in the fall of 2002 had graduated from a public school in the City as compared to 61% of all undergraduate students. Among Hispanic students who have graduated from the New York City public schools, more students of Dominican ancestry than from any other Hispanic group, select CUNY to pursue their undergraduate education. In 2002, 77% of Dominicans attending CUNY had graduated from a public New York City school. The percentage for Ecuadorians and Puerto Ricans, the two Hispanic groups with the highest student representation after Dominicans, were 70% and 68% respectively.

#### 5. First Generation of College Students

Having parents who have achieved a college education tends to impact positively on students' college education and attainment of a college degree. In fact, studies indicate that "... college students with parents who earned bachelor's degrees have a higher probability of graduating than students whose parents attended college but left without degrees, and students whose parents never attended college have the lowest probability of graduating" (García 2003:32). In general, college students of Hispanic ancestry tend to have higher percentage of first-generation college attendees. At a national level, for instance, 43% of Hispanic and 20% of non-Hispanic white college students were first generation college students enrolled at four-year institutions in 2002 (García 2003:33). Furthermore, García found that when it comes to applying to college "College-bound students from middle class and high SES [socioeconomic status] families are in the best position to have concrete knowledge about the process of applying to college by virtue of their parents' higher level of education. In contrast, low-SES students, such as many Hispanic students, whose parent did not attend college cannot rely on them for crucial information related to post secondary enrollment" (García 2001:204).

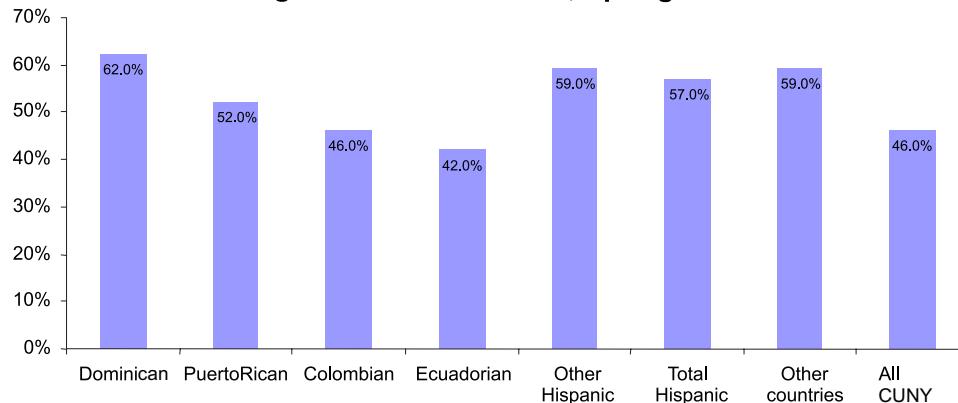
**Figure 17. Dominican and Selected CUNY Undergraduates Who Graduated From NYC Public High Schools in 2002**



Source: Office of Institutional Research and Assessment, The City University of New York. Student Experience Survey of CUNY Undergraduates.

Figure 18 shows that 62% percent of all Dominican undergraduates in CUNY in the fall of 2002 represented the first generation in their family to attend college. As the graph indicates, there were more students of Dominican origin representing the first generation in their families to go to college than any of the other student groups compared here. Other Hispanics and Total Hispanics also have higher percentages of first generation college attendees, or 59% and 57% respectively, while students of Ecuadorian ancestry have the lowest percentage in this category. This data accurately reflects the

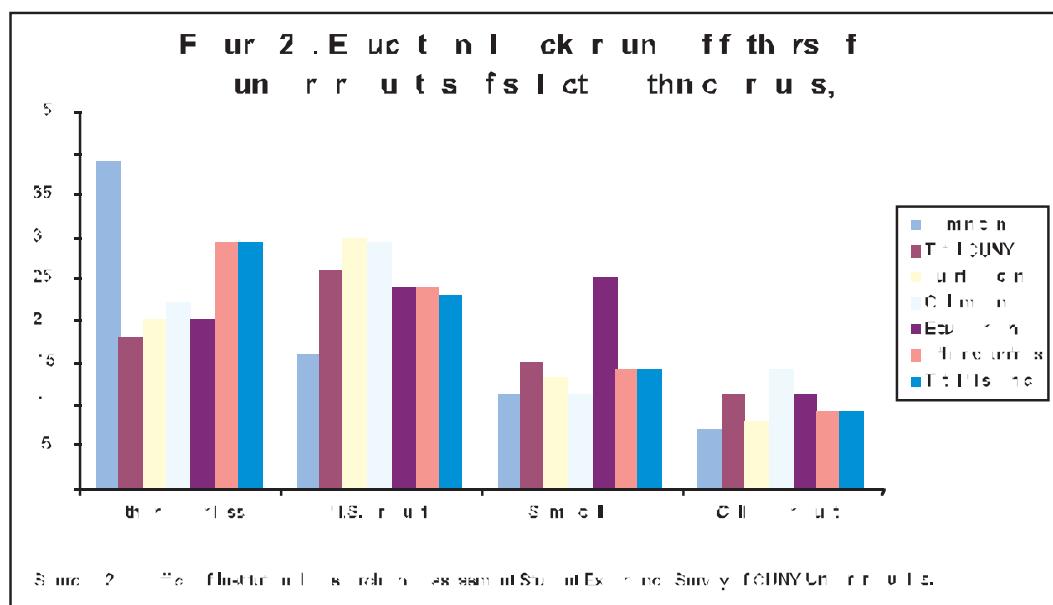
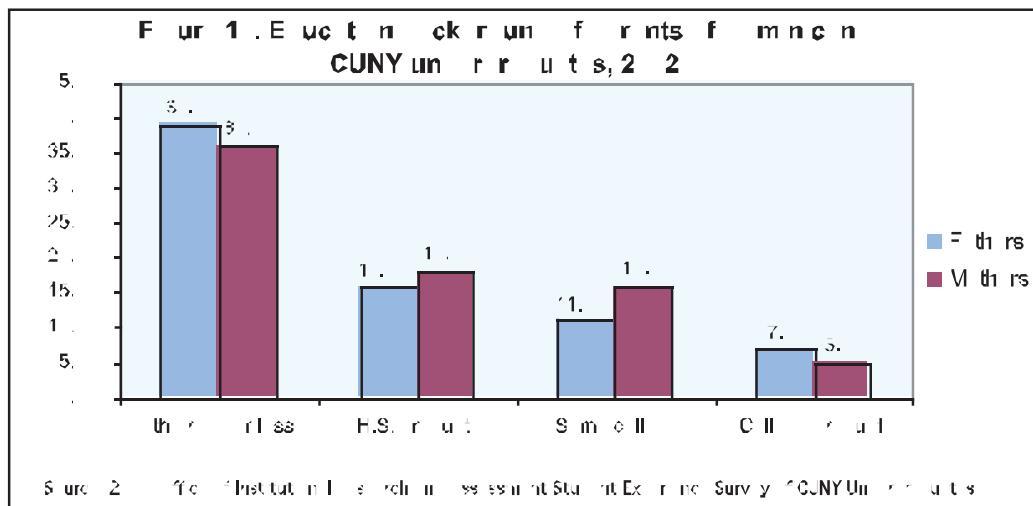
**Figure 18. First-generation Hispanic Undergraduate college attendees in CUNY, Spring**



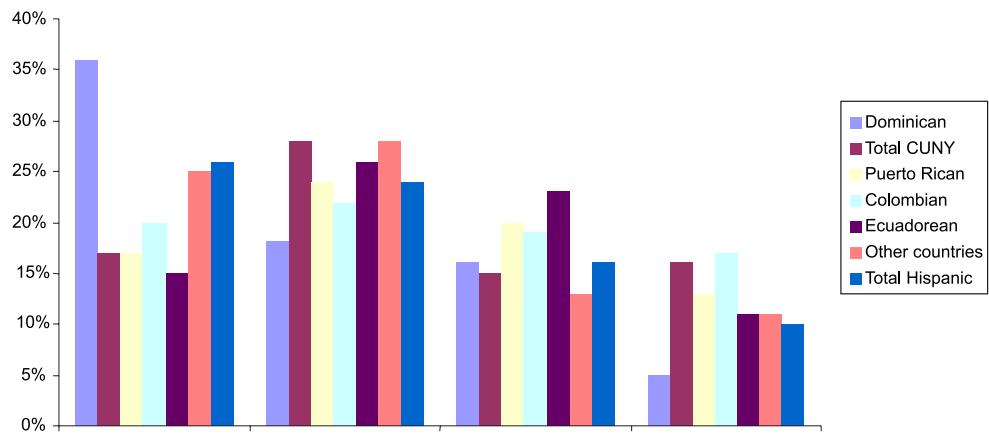
Source: "2000 Office of Institutional Research and Assessment Student Experience Survey of CUNY Undergraduates"

educational stock of the Dominican population in New York City. The data also mirrors the educational attainment of parents of Dominican and Hispanic undergraduate students attending CUNY. Figure 8 showed the educational attainment of people 25 years of age or older of different racial/ethnic groups in the United States in 2000. This figure indicates that Dominicans had slightly more people with less than a high school education than any other group.

Figures 19, 20, 21 show the educational backgrounds of parents of several Hispanic groups and Dominican students attending CUNY. The graphs show data for fathers and mothers of students.



**Figure 21. Educational background of mothers of CUNY undergraduates of selected ethnic groups, 2002**



Source: "2000 Office of Institutional Research and Assessment Student Experience Survey of CUNY Undergraduates."

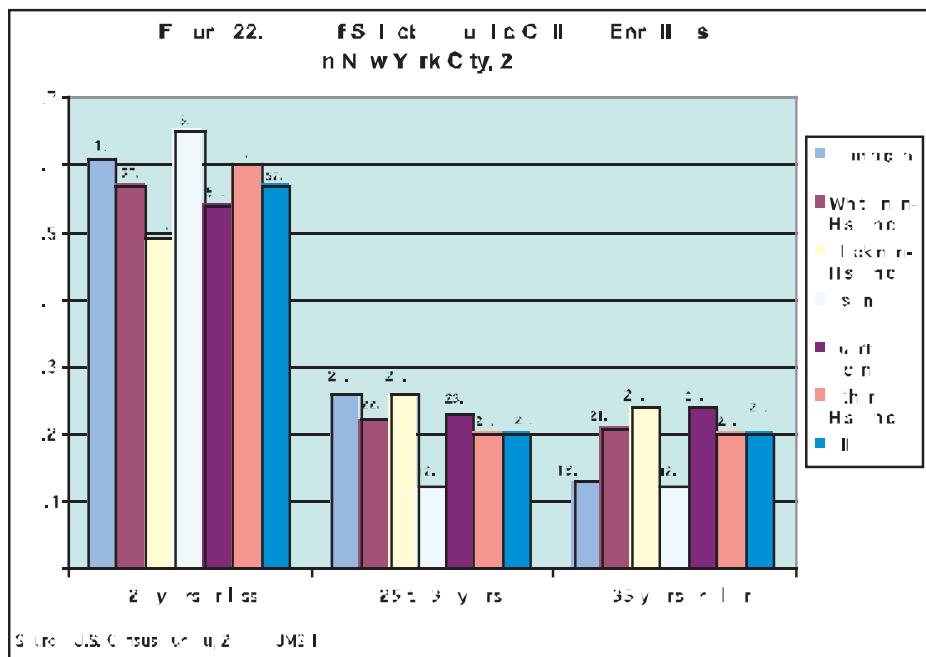
In comparing the educational attainment of the different subgroups, one finds that there is no significant difference between mothers and fathers of the same national group of students attending CUNY and that both parents show more or less similar values on the various educational categories used. For instance, 36% of Dominican mothers and 39% of Dominican fathers had an educational attainment of only 8th grade or less. 29% of Colombian mothers and 22 % of Colombian fathers on their part had an educational attainment of high school graduate, while 11% of fathers and 16% of mothers of Total CUNY were college graduates. Yet, the same cannot be affirmed when one compares parents representing different national population groups, particularly in some educational levels. Among all the groups, for instance, Dominican parents have the highest percentage of mothers and fathers with an educational attainment of 8th grade or less and the lowest percentage of mothers and fathers who had completed a high school education. 39% of Dominican fathers and 36% of Dominican mothers had an educational attainment of 8th grade or Less as compared to 29% of Total Hispanic fathers and 26% of Total Hispanic mothers, the subgroup with the second highest percentage of parents in this category (a solid 10% difference between the two groups, whether mothers or fathers). Similarly, mothers of students of Ecuadorian ancestry, followed by fathers of students of Total CUNY, had the lowest representation in the educational category of 8th grade or less (15% of Ecuadorian mothers and 18 of fathers of Total CUNY). Puerto Rican fathers (30%), followed by mothers of Total CUNY (26%), on the other hand, had the highest percentage of parents who have graduated from high school. In looking at the College Graduate educational category, Dominican and Colombian parents represent the two extremes: Dominican parents had the lowest representation among those who were College Graduates, while Colombian parents had the highest representation in this educational category. 5% of Dominican mothers as compared to 17% of Colombian mothers had obtained a college degree while 7% and 14% of Dominican and Colombian fathers respectively had obtained the same level of education.

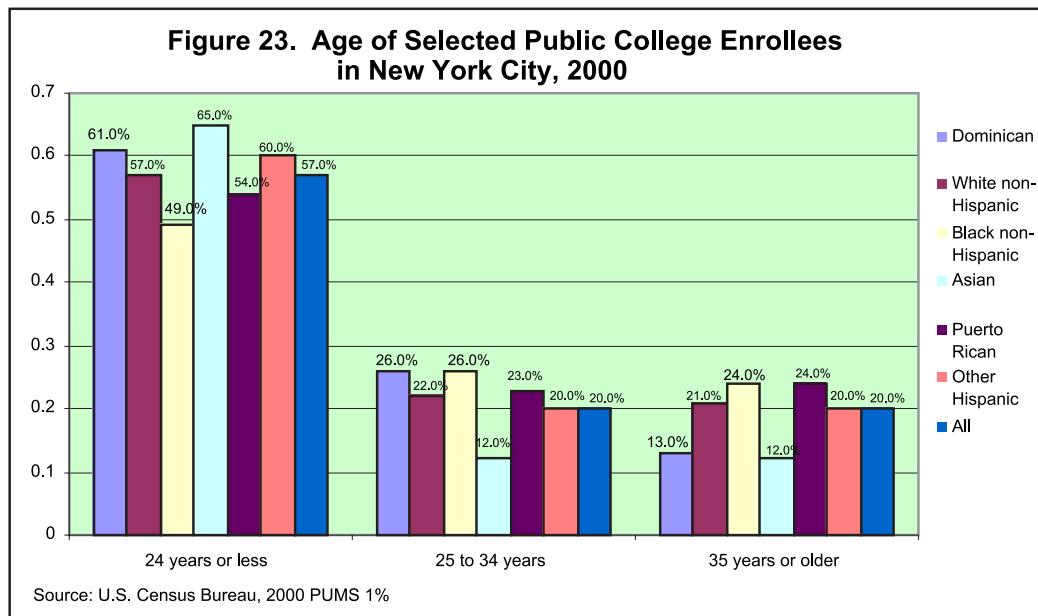
## 6. Dominicans Students as Compared to their Parents: Educational Mobility Between the Two Groups

When looking at Dominican students attending CUNY, one needs to think of them as a group that shows an impressive level of resilience. More than one in two students of Dominican ancestry attending CUNY have already surpassed their parents' educational attainment on two grounds: graduating from high school and entering college. These students have managed to tear down two important educational barriers before them, without having the support of traditional social couching to back them up. In the process, Dominican students attending CUNY have already increased the educational stock of their individual families as well as the educational stock of the Dominican community as a whole. What remains to be seen is whether this trend will continue and whether their educational achievement will translate into socioeconomic progress.

## 7. Age

Compared to the national average, students of Hispanic ancestry tend to be older than the typical college-student age (18-24). In New York City, however, students of Hispanic origin tend to be closer to the typical college age. As Figure 22 indicates, the majority of the Hispanic students attending CUNY are under 25 years of age. Among Hispanic students, students of Dominican descent are slightly younger than the rest of the Hispanic subgroups. Among all the groups compared, students of Asian ancestry have a higher younger stock among their college attendees than the rest of the groups. This is shown in Figure 23. 65% of Asian students, 61% of Dominican students, and 60% of Hispanic students attending colleges and universities in New York City in 2000 were younger than 24 years of age.





The stock of younger students among Dominicans is also evident among students attending CUNY. Among the student groups compared, Dominican students had slightly less students attending CUNY who were 25 years of age or older. As Figure 22 indicates, in general, Total CUNY and Other Countries had the larger stocks of older students, or 36.6% and 37.3% respectively. Figure 23 shows that 26% of all Dominican students in public colleges were in the 25-34 years-of-age group in 2000. This proportion is larger than that of students of all other ethnicities in that age group, except non-Hispanic blacks, who share the same percentage. Conversely, when it comes to the percentage of Dominicans of ages 35 and older who are registered in public colleges, it is the second lowest (13%), after Asians (12%), of all the other ethnic groups, and lower than the average for all public college students in the whole City, which is 20%.

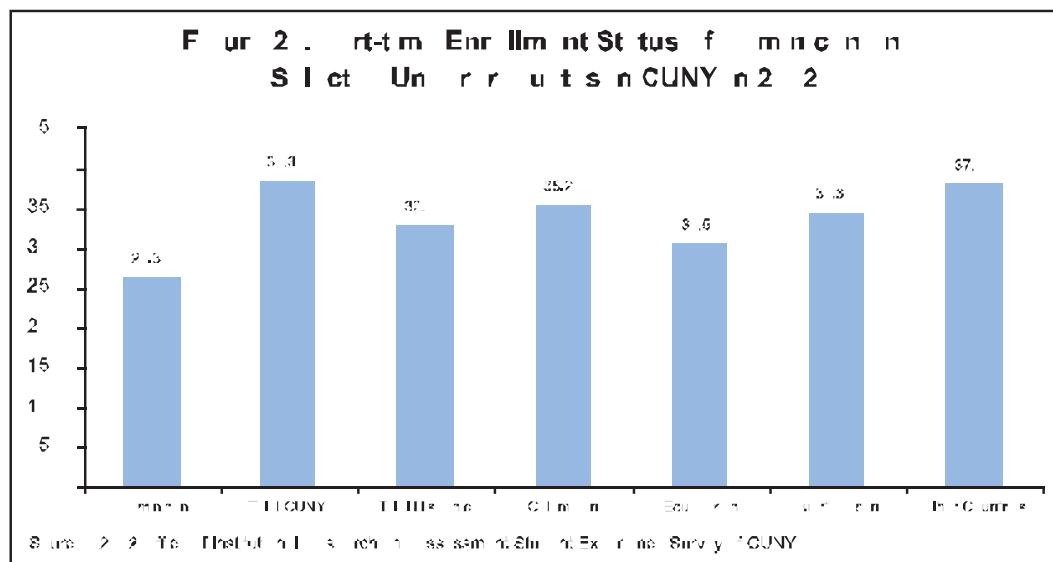
As Figure 22 displays, in the fall of 2002, Dominican students had a slightly higher percentage of younger students attending CUNY than all the other groups. 72.5% of Dominican students were less than 25 years of age as compared to 70.7% of Ecuadorians, second among younger students, and 69.9% of Puerto Ricans. Again, among older students, those students 25 years of age or older, Dominicans (27%), followed by Ecuadorians (29.3%), have the lowest representation of students in that age bracket. Similarly, compared to Total CUNY (36.6%), Total Hispanics (31.9%) have fewer students represented in the 25 years of age or older year-of age bracket.

## b. Full-Time and Part-Time College Enrollment

In New York City, there are more Hispanic students enrolled in college full-time than any other group. This finding contradicts national trends where one finds that Hispanic students are likely to attend college on a part-time basis at a higher rate than any other large racial/ethnic groups. At the national level, only students of Cuban ancestry disrupt the part-time and full-time levels of enrollment

among Hispanics. When compared to other students, whether Hispanics or non-Hispanics, Cubans tend to have a higher rate of full-time college enrollees. In general, it is believed that students who attend college part-time are likely to disrupt/abandon their studies and end up with some years of college but without a degree. Having some years of college without completing a degree is not cost-effective and does not improve students' likelihood of ever completing a degree or substantially improving their socioeconomic standing in society.

Figure 24 looks at part-time student enrollment of several selective groups in CUNY. Among the groups compared in the figure, note that Dominican students had the lowest representation among college students attending part-time. Such a high enrollment as full-timers among Dominicans reflects the youthful age of this group. It also speaks volumes about their aspirations and the value Dominicans place on education. Furthermore, it has been suggested that young Hispanics may be pressured to enter the labor market by economic need in their families and that such a decision directly impacts on whether they attend college full-time or part-time. "The strong commitment to work and family does not stop Latinos from enrolling [in college], even part-time, but it may help explain why so few enroll full-time" (Fry 2002: 5). In the case of Dominican students, one can argue that economic need and the need to work have not prevented them from enrolling full-time in college. In fact, the combination of low socioeconomic status and low educational stock among Dominicans functions as the detrimental factor in their pursue of an education, particularly of getting a college degree. What motivates Dominicans and what encourages them to value education and pursue a college degree go beyond the present study. For now, a question we think would be important to ask, though, is whether high aspirations, motivation, and dedication—translated in high rates of enrollment as full-time college students—would yield the expected outcome: high levels of retention and graduation rates among Dominican college students as compared to other college students.



### c. Work Obligations

Figure 25 compares work obligations among selected student groups attending CUNY. As indicated in the graph, all students have high levels of work obligations. In fact, CUNY students are characterized for traditionally juggling work, family, and school obligations simultaneously. Yet, among the groups compared, there are some who have slightly higher representation among those students who work 20 hours or more per week. Among the groups compared, Total Hispanics (44.3%), Total CUNY (44.0%), and Dominicans (42.7%) in that order had slightly higher percentages of students who worked more than 20 hours per week. 33.3% of Colombian students, 37.5%, of Ecuadorian students, and 39.8% of Puerto Rican students worked 20 hours or more.

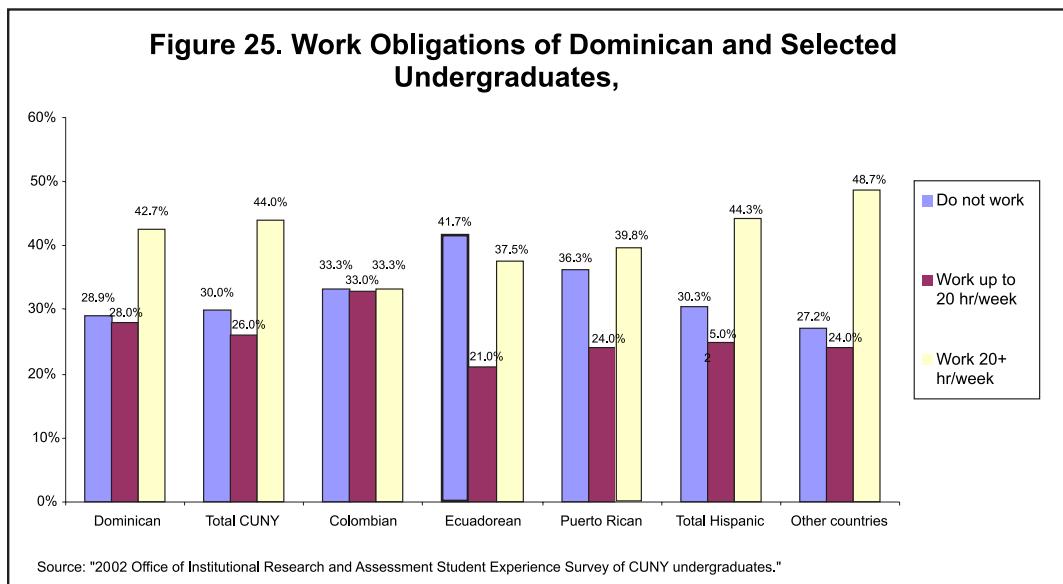
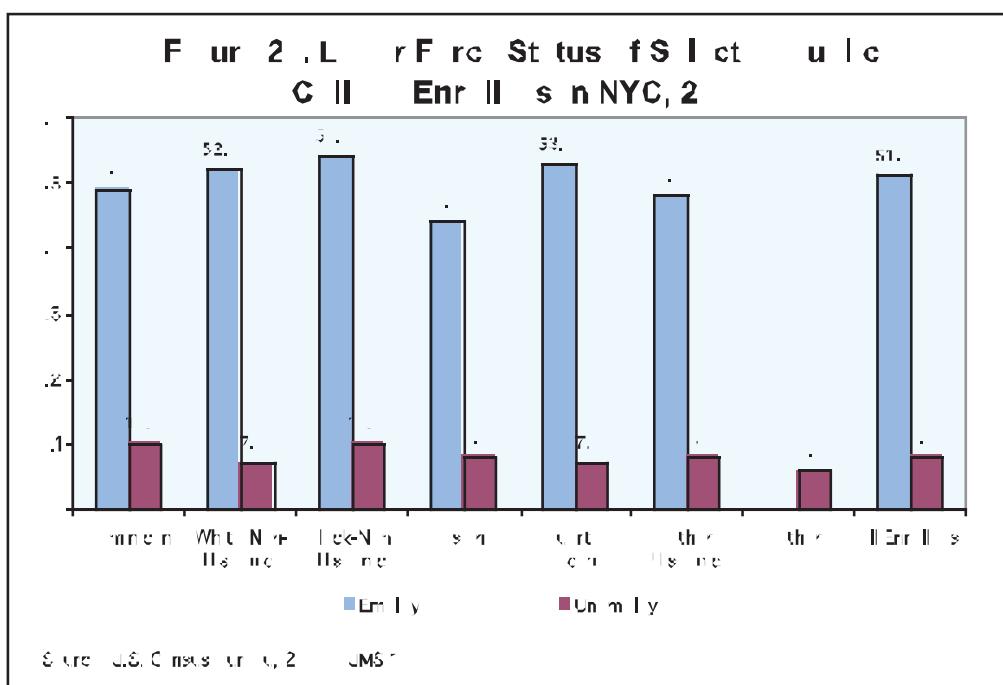


Figure 25 shows that over 50% of students in CUNY colleges were in the labor force in 2000. Similarly, undergraduate students enrolled in CUNY in the fall of 2002 exhibited high levels of employment. In general, more than 3 in 10 undergraduate students worked more than 20 hours per week. Among the students compared, Total Hispanic were slightly above Total CUNY and Dominicans with students who worked 20 hours or more per week. For Total Hispanic the percentage was 44.3%, followed by Total CUNY with 44%, and by Dominican students with 42.7%. Figure 26 indicate that while employment rates oscillated between 49% and 54%, unemployment rate fluctuated between 7% and 10% in 2000.

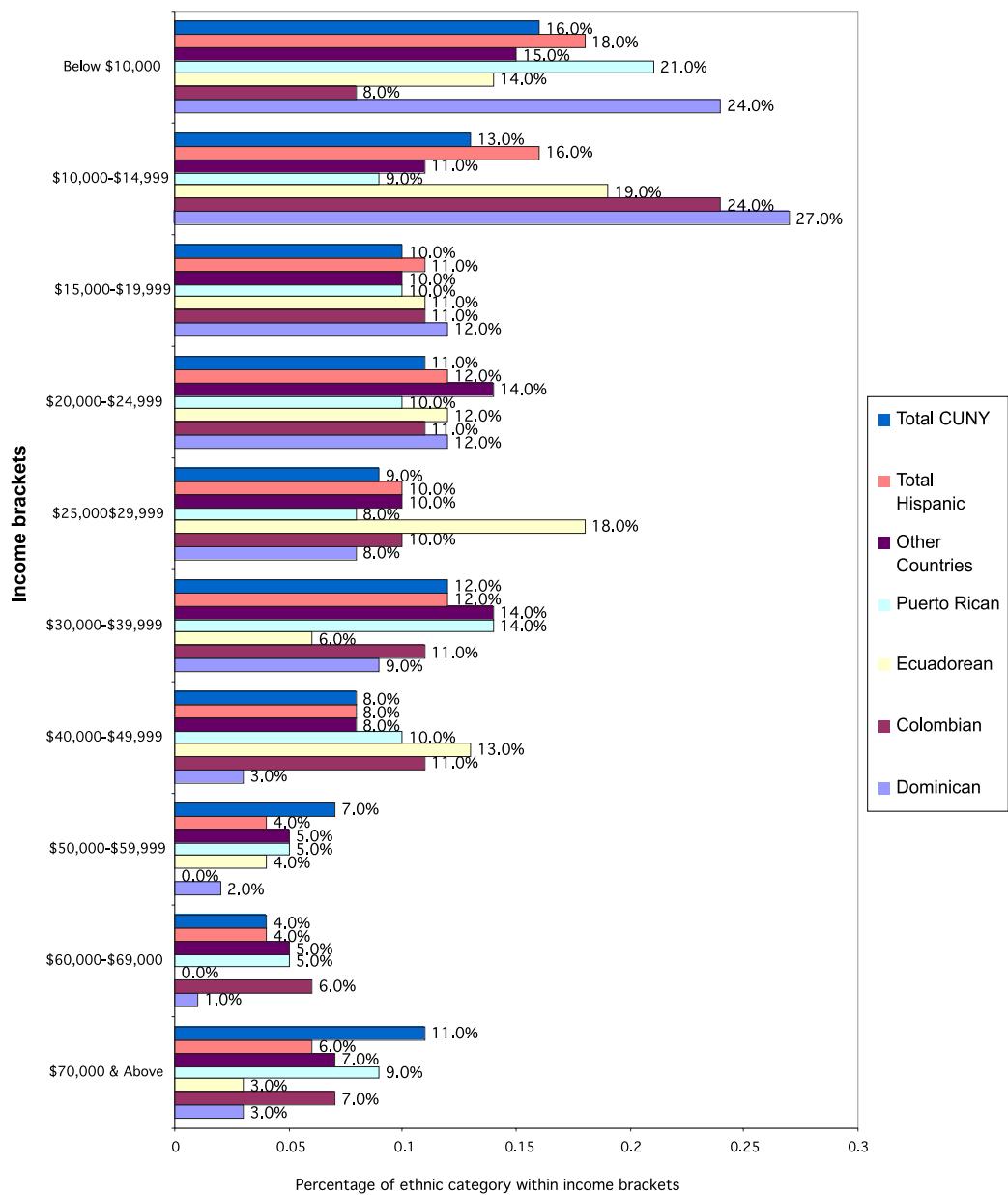


#### d. Household Income

As with other social economic indicators, financial wealth matters when it comes to getting an education, particularly acquiring a college degree. In *Latinos in Higher Education: Many Enroll, Too Few Graduate*, Richard Fry concludes that "...among Hispanics, as with the U.S. population overall, the children from higher income families are more successful in obtaining a college education" (2002:11). Fry's conclusions are certainly correct in a society where education is a commodity and needs to be purchased. More importantly, lack of financial means may hamper students' possibilities of acquiring a college education since it is likely that students may have to devote time to generate financial resources either for themselves or for their families. In *Understanding Obstacles and Barriers to Hispanic Baccalaureates* sociologist Philip Garcia identifies students with low-income status as at risk of not completing their college degrees. Garcia looked at Hispanic students attending the University of California and concluded that, "More than three-quarters of new Hispanic freshmen at four-year institutions [had] major concerns about how they [were going to] pay for their education. The comparable number [was] 60 percent for white students" (Garcia 2002:33).

When examining household income among undergraduate students attending CUNY, one finds much variation among the groups compared. Yet, a couple of patterns are evident: one of economic distress reflected in very low household incomes among a good portion of CUNY' undergraduate student body and another concerning household income distribution. Over one quarter of CUNY undergraduate students lived in households whose incomes were below \$15,000 per year. Similarly, the percentages of incomes found in the two extremes, the lowest and the highest, represent a widely deformed pyramid, with a very extensive base and a very narrow apex. Figure 27 displays the economic

**Figure 27. Income Levels of Hispanic CUNY Undergraduates, 2002**

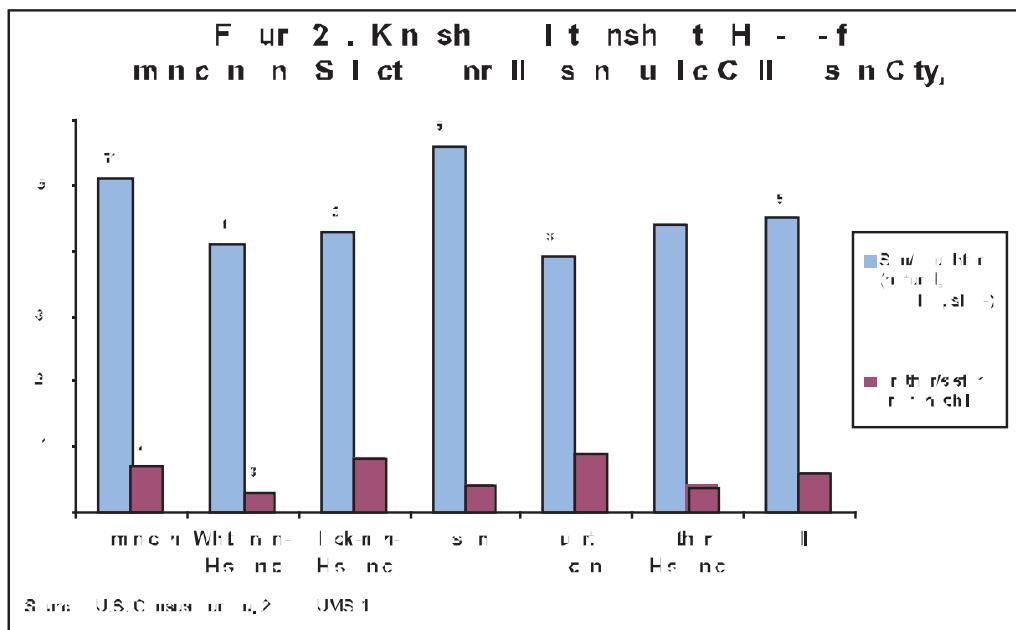


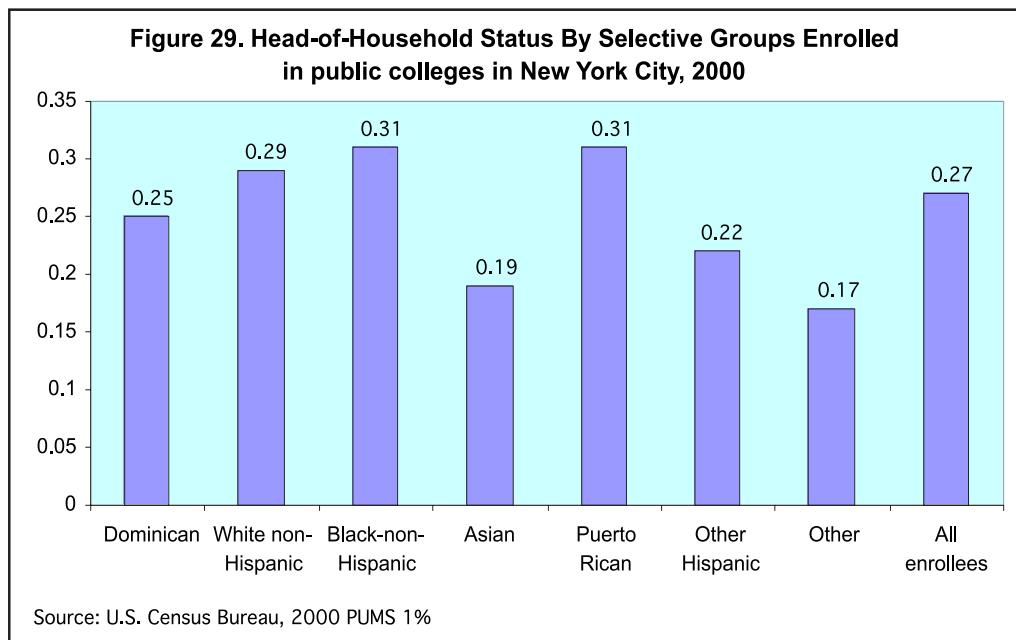
Source: '2002 Office of Institutional Research and Assessment Student Experience Survey of CUNY Undergraduates.'

status of various selected undergraduate student groups attending CUNY. The economic status is measured as per their declared household annual income. When it comes to low-income, a clear picture of financial distress appears where some groups are in worse economic conditions than others. For instance, among the groups compared, the graph shows that there are more students of Dominican and Puerto Rican ancestry living in households whose incomes were below \$10,000 per year than any other group: 21% and 24% of Puerto Ricans and Dominicans respectively, were living in homes with annual income below \$10,000. The comparable group in that income category was Total Hispanic with 18%. Among the groups compared, Colombian students had the lowest representation, with 8% of households in the less than \$10,000 annual income category. Dominican students are over represented in the next income category, household with income of less than \$15,000 per year. Almost three in ten Dominican students in ten lived in households whose incomes were less than \$15,000 per year. The closer group to Dominicans, Colombians, had 24% of students living in the less than \$15,000 per year income bracket.

#### e. Kinship relationship to head of household

51% of all Dominicans attending public colleges in New York City in 2000 were sons or daughters of the heads of the households in which they lived. This is displayed in Figure 28. This high percentage of students living with parents comes as no surprise since, as discussed previously, Dominicans are among the youngest undergraduate students attending CUNY. Another 7% of Dominicans reported being either siblings or grandchildren of the heads of households. That brings to 58% the percentage of students of Dominican background who live in households where someone else in the family is the head of household.

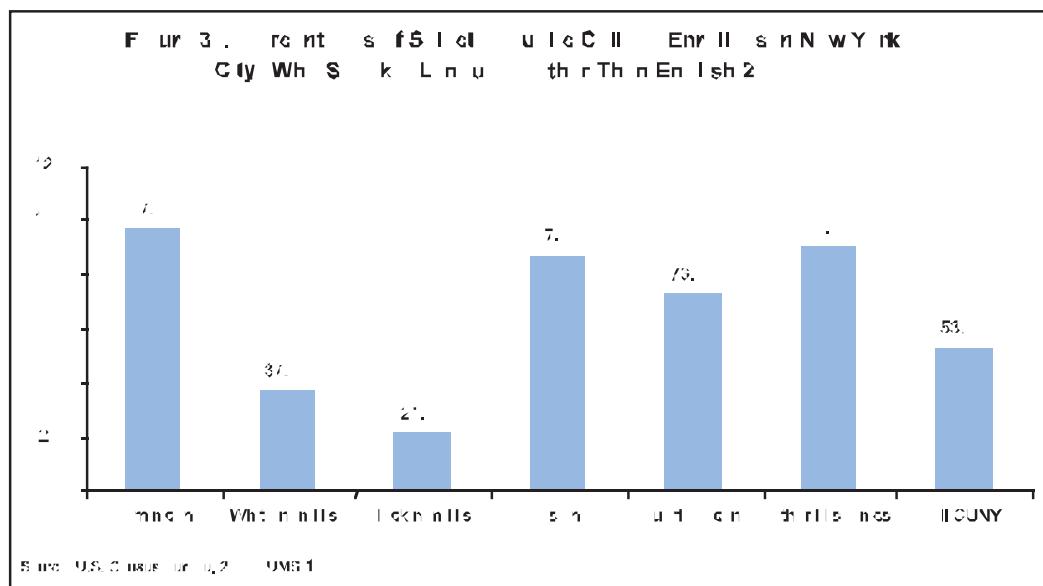




As figure 29 also indicates, among the groups compared, Dominican public college students who were themselves the heads of their households represented 25% of all Dominican students, as compared to 31% for both, non-Hispanic blacks and Puerto Ricans, the two groups with the highest percentages of people who are both, students and heads of their households.

#### f. Language Background

A little over half of all students enrolled as undergraduates in public colleges and universities in New York City in 2000 spoke another language besides English (53%). Among Dominican students, however, a solid 97% of them spoke another language besides English. Non-Hispanic blacks, followed by non-Hispanic whites, had significantly low percentages of students who spoke another language. This is shown in Figure 30. Puerto Rican students had the highest percentage of students who spoke "English Very Well." 87% of Puerto Ricans were in that category, followed by non-Hispanic whites, with 75%. Asian students, followed by Dominican students, had the lowest percentages of students who felt that they spoke "English Very Well": 47% for Asians and 63% for Dominicans. 12% of Dominican students and 10% of Other Hispanics declared that they speak English "Not Well". Both groups were slightly above the 8% representation for Total Students in that category.



### **g. Citizenship/Place of Birth**

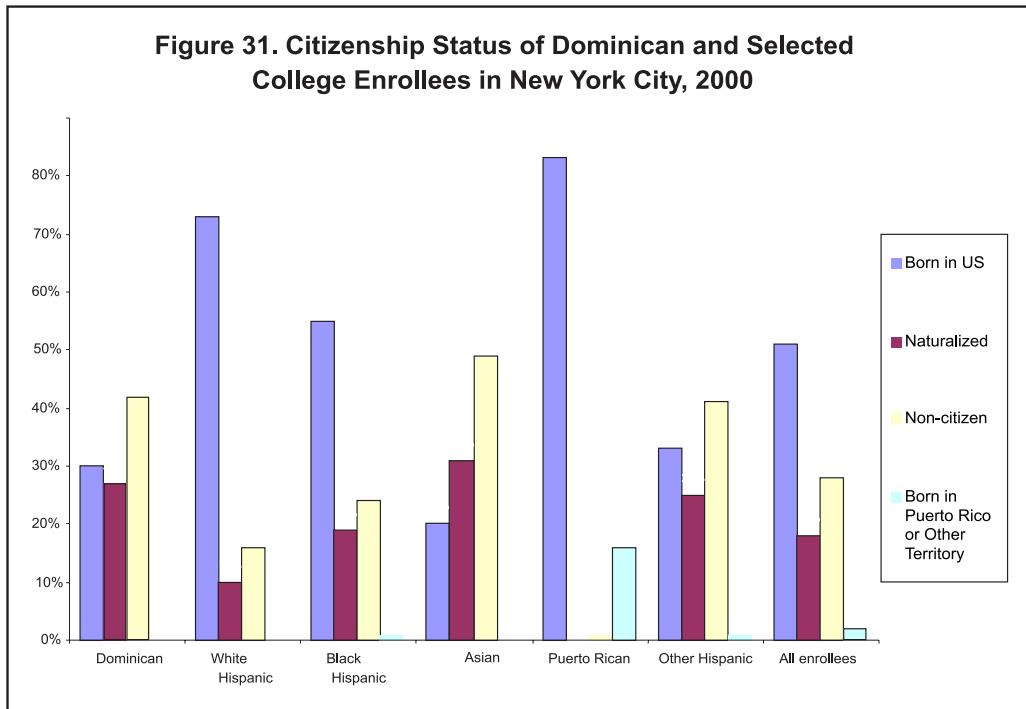
In 2000, only 28% of all undergraduate students enrolled in public colleges in New York City were not citizens of the United States. As shown in Figure 31, among the various groups compared, Asians, Dominicans, and Other Hispanics in that order, had the highest percentages of undergraduate students who were not U.S. citizens. 73% of non-Hispanic white and 51% of Total Students enrolled in public colleges in New York City were U.S.-born and 10% and 18% of them, respectively, had acquired the U.S. citizenship. Among Hispanic students, there were slightly more Other Hispanics than Dominicans born in the United States (33% and 30% respectively) but the reverse was true for those who had become citizen of the U.S. through naturalization: 27% of Dominican students and 25% of Other Hispanic students were naturalized U.S. citizens in 2000. The combination of those born in the United States and those who became U.S. naturalized brings the percentage of Dominicans and Other Hispanics eligible to exercise the right vote to 58%.

## **VI. The Labor Market and Majors / Concentrations of Dominican Students**

Between 2002 and 2012, the Labor Bureau (LB) has projected that total employment in the United States will increase from 144 million to 165 million, a 14.8% growth. Job growth, however, will not be evenly distributed across industrial sectors and, consequently, some labor markets may experience high job growth while others may suffer losses, and others moderate or high increases. Indeed, among the

1-“Tomorrow’s Jobs.” The Department of Labor, February, 2004.

21 million new jobs projected, it is expected that 1 in 4 will be created in two employment sectors, health and education. A number of factors will stimulate job growth and will create the need for workers trained in areas related to health care and educational services. Among these factors are population growth, medical advances in terms of treatable diseases, an expansion in the number of older people, and rising student enrollments at all educational levels, particularly at postsecondary stages. It is estimated that many of the new jobs will require educational levels beyond a high school diploma.

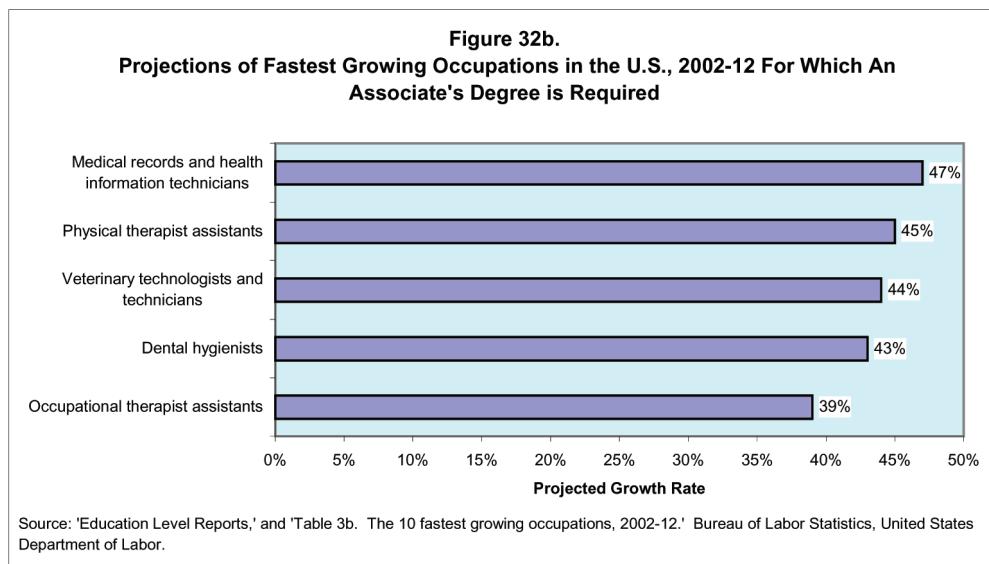
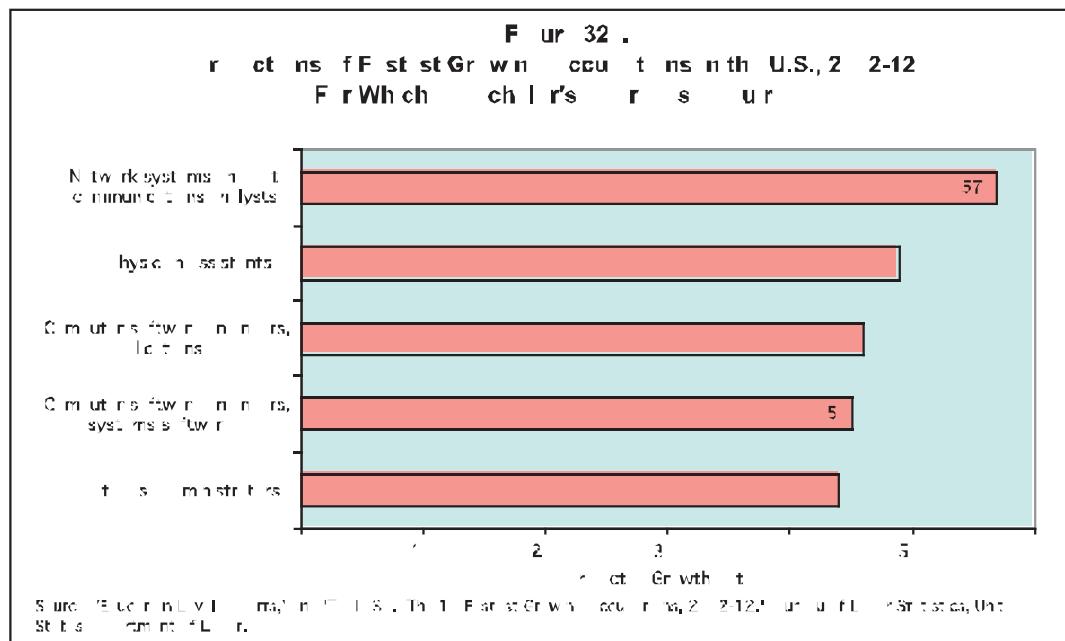


Graphs 32a and 32b show the following: projections of fastest growing occupations in the United States for 2002-12 for which a BA and AA degrees are required. As reflected in the graphs, among BA degrees, Network System and Data Communication Analysts and Physician Assistants are among the fastest growing occupations during the 10-year period while Medical Records & Health Information Technicians, and Physical Therapist Assistants are among the occupations for which AA degrees will be required. (Tomorrow Jobs, 2004:2)

In addition, the Department of Labor made projections concerning occupations with the largest numerical increases in employment during the 2002-12 period. As Table 1 shows, Elementary, Secondary, and Special Education School Teachers are among the occupations projected to have the largest number of people during the same period. In fact, due to its employment elasticity, education is considered as a "supersector" and it is "projected to grow faster, 31.8%, and add more jobs than any other industry supersector." (Tomorrow Jobs, 2004:2).

Graphs 33-36 show the percentage of Dominican students in different areas of study (majors) in CUNY. Their selection of majors is reflected in both community and senior colleges and is measured at two different points in time: for senior colleges, at the junior and senior levels and for community colleges at the freshman and sophomore levels.

At the senior colleges, the largest number of Dominicans is found in Business Management, with 20% at the junior level, followed by Social Sciences, with 11% at the same level. Both majors, Business Management and Social Sciences, continued to hold the largest number of students at the senior year.



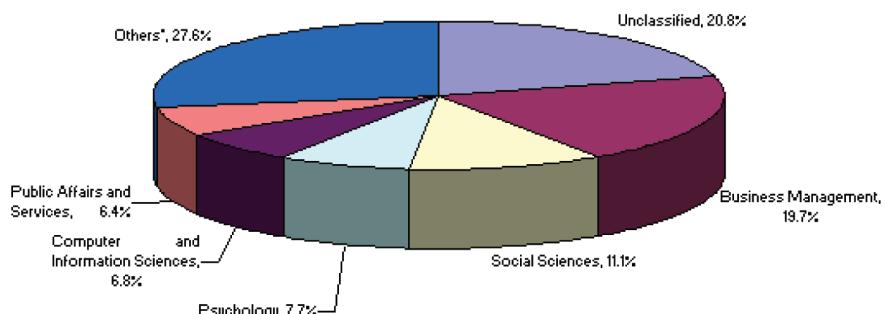
**Table 1**

Projections of Selected Fastest Growing Occupations and Occupations  
With Largest Numerical Increases in Employment, 2002-12

**Occupations**

FASTEST GROWING OCCUPATIONS	LARGEST NUMERICAL JOBS INCREASE
<b>Requiring B.A. Degree</b>	<b>Requiring B.A. Degree</b>
Network systems and data communications analysts	Elementary school teachers, except special education
Physician assistants	Accountants and auditors
Computer software engineers, applications software	Computer system analysts
Computer software engineers, systems software	Secondary school teachers, except special and vocational education
Database administrators	Computer software engineers, applications
Special education teachers	
Accountants and auditors	
Communications analysts	
<b>Requiring A.A. Degree</b>	<b>Requiring A.A. Degree</b>
Medical records and health information technicians	Registered nurses
Physical therapist assistants	Computer support specialists
Veterinary technologies and technicians	Medical records and health information technicians
Dental hygienists	Dental hygienists
Occupational therapist assistants	Paralegals and legal assistants

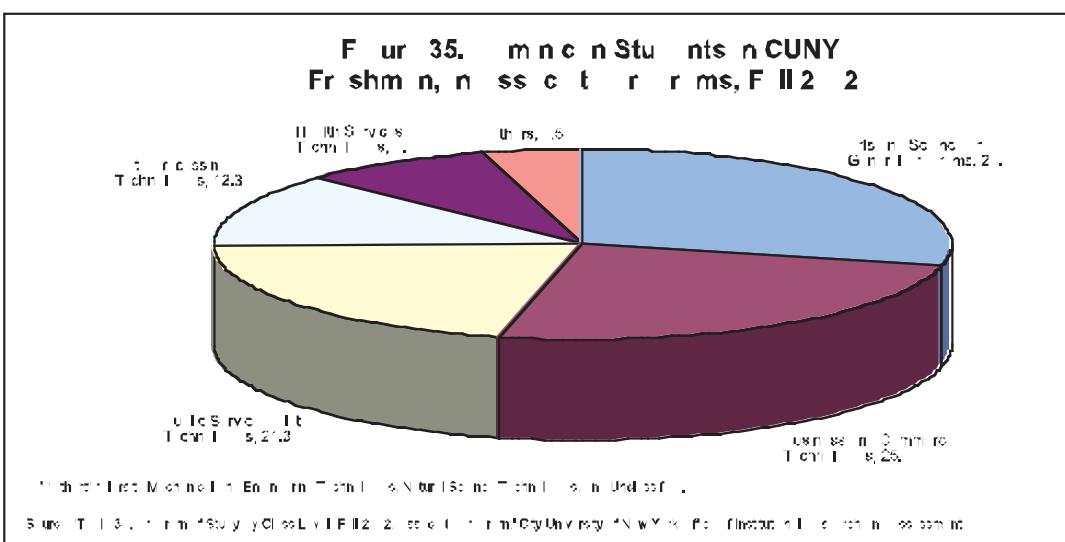
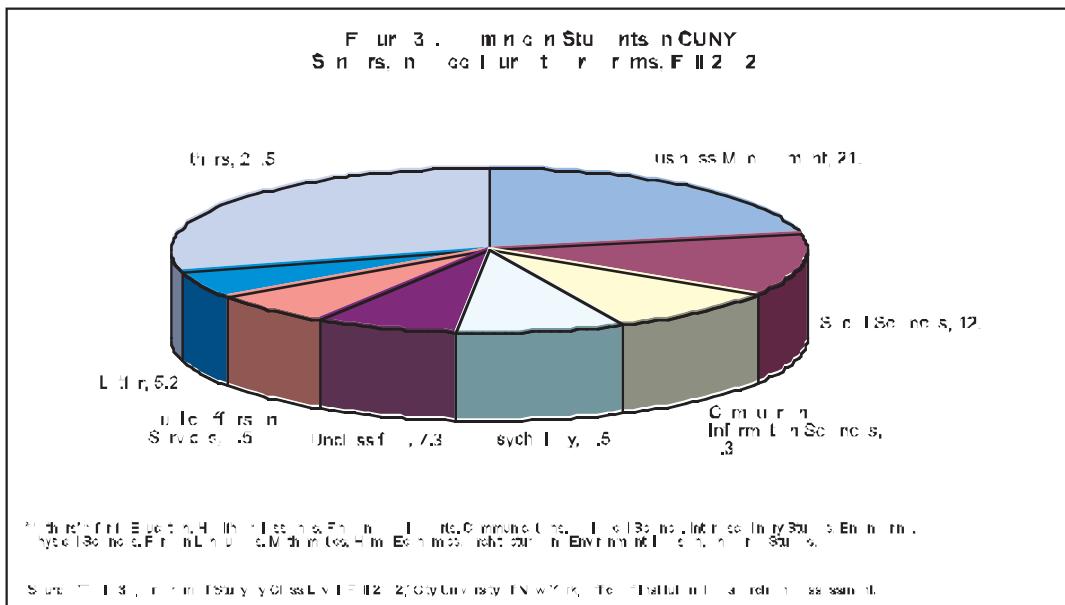
**Figure 33. Dominican Students in CUNY  
Juniors, Baccalaureate Programs, Fall 2002**



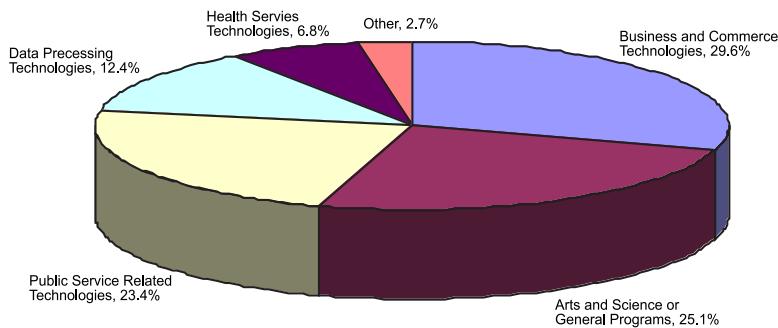
\* 'Others' refer to Education, Health Professions, Fine and Applied Arts, Communications, Biological Science, Interdisciplinary Studies, Engineering, Physical Sciences, Foreign Languages, Mathematics, Home Economics, Architecture and Environmental Design, and Area Studies.

Source: Table 3A, Program of Study by Class Level: Fall 2002,' City University of New York, Office of Institutional Research and Assessment.

Among Dominican students in community colleges, Arts and Sciences (general programs), with 34.6%, followed by Business and Commerce, with 23.6%, held the largest number of students at the freshman level. In the sophomore year, however, Dominican community college students find themselves concentrated in the same two areas of studies, but with a much more even distribution than previously seen in their freshman year: Arts and Sciences (or general programs) now with 27.9% and Business and Commerce Technologies now with 26.8%.



**Figure 36. Dominican Students in CUNY Sophomores, in Associate Programs, Fall 2002**



\* 'Others' refers to Mechanical and Engineering Technologies, Natural Science Technologies, and Unclassified.

Source: 'Table 3B, Program of Study By Class Level: Fall 2002, Associate Program,' City University of New York Office of Institutional Research and Assessment

A good number of students in general transfer from community to senior colleges. At the time of this writing, we did not have any data on student transferring in CUNY. Yet, we will assume that a number of Dominican students transfer from community to senior colleges in CUNY. While transferring may help explain Dominican students' preference for majoring in Arts and Sciences (general programs), which will perfectly allow them to major in one of the areas of the Social Sciences or in Humanities at the senior college, their second choice in the Associate of Arts programs, Business and Commerce, reflects more a terminal degree. It is important to note that Business and Commerce, Business Management, and Social Sciences, the majors with the highest percentage of Dominican students in Bachelor of Arts programs, are not among the occupations that are expected to have the highest growth and add the largest number of workers in the United States in the next decade (see table and graphs of occupations above). In addition, for students majoring in the social sciences - Sociology, History, Political Science, and Anthropology as well as Psychology - entry level jobs in these fields often require a master's degree or special certification (i.e.: social worker, counselor, etc.). Often, obtaining a certification for a given field requires post college training or graduate education and as we have already established, a very small number of Dominican students pursue graduate studies.

## V. Conclusion

This study shows the status of Dominican students in higher education in New York City. The study found that Dominicans' enrollment in higher education has steadily increased, becoming the second largest Hispanic subgroup, behind Puerto Ricans, in New York City and New York State. Furthermore, the study found that Dominican students represent the single largest national/ethnic group at the City University of New York. In addition, the study exposed the fact that U.S.-born Dominicans, as compared to other U.S.-born Hispanics, have the highest percentage of students with "Some College" and that, in general, Dominican students have already achieved educational levels beyond that of their parents. These are all positive educational outcomes.

Yet, the study also uncovered some disturbing results that are cause for concern. Among these is the fact that the percentage of U.S.-born Dominican high school graduates has declined and that the number of Dominican students pursuing graduate studies is anemic at best. These two educational levels, high school and graduate school, represent the base and the apex in the educational pipeline. The fact that students of Dominican ancestry are experiencing difficulty at the high school level and at the graduate level indicates that there are serious leakages in their educational attainment. Repairing these educational leakages is of paramount importance for two reasons. The first reason is that the educational pyramid must have the appropriate shape, that is, a base, a center and an apex, one feeding the other accordingly. The second reason is that eliminating these leakages will provide the necessary tools for this group to move forward economically. As the poorest group living in a society that creates jobs that increasingly demand formal educational degrees, Dominicans have no choice but to increase their educational stock so they can compete effectively in the labor market and society as a whole.

## VI. Problems and Recommendations

CUNY is, overwhelmingly, the university system that Dominicans attend in New York. 76% of all New York Dominican college students are in CUNY. (Furthermore, Dominicans are roughly 50% of all Hispanic students in CUNY.) Any serious attempt at improving Dominicans' higher education achievements in New York, therefore, must begin, and be centered at, CUNY. A number of the problems facing Dominican students in CUNY are similar to those cited by other reports on the status of Hispanics in U.S. higher education. However, some of the problems cited here are particular to the Dominican student population. What follows is a list of those problems we have considered most pressing, as well as a list of recommendations to respond to said problems.

**Problem 1:** There is evidence that between 1980 and 2000 the percentage of U.S.-born Dominicans of 25 years of age and older who have completed high school has actually declined significantly (from 33.3% to 21.3%). On the other hand, among immigrant Dominicans of the same age group, the percentage of high school graduates only increased slightly while still remaining considerably low altogether: 16.2% in 1980 and 18.9% in 2000.

### Recommendations:

The New York City Department of Education should set up, fund, and activate specific, measurable, strategies to increase diploma completion at the high school level among U.S. Dominicans. Since educators with actual experience in serving Dominican high-school students carry a wealth of knowledge about the peculiar challenges faced by this group, they should be consulted in the construction and launching of these strategies.

The City University of New York should increase and expand CUNY-sponsored pre-college programs to which New York City's Dominican high school students may have fair and effective access. This could be achieved by targeting high schools with high concentrations of Dominican students. In this regard The City College of New York's collaboration with Gregorio Luperón High School in Upper Manhattan, both via campus-based advanced college-credit courses as well as via Gregorio Luperón High School's Saturday Program at The City College-CUNY represents a successful example/experience to be examined, assessed and replicated.

Through these programs CUNY will concretely provide a stepping-stone to Dominican students by

encouraging them to complete their high school education and pursue college.

The Department of Education should establish/improve mechanisms to effectively brief Dominican high school students and parents about: 1) the cost of financing a college education, and 2) the economic benefits associated with baccalaureate attainment.

Community-Based Organizations should receive funding to provide awareness and orientation about college for students and parents. The orientation should include information regarding financial aid, loans, scholarships, and other forms of paying for a college education.

**Problem 2:** Dominican students in CUNY have by far the lowest household incomes when compared to other groups. In 2002 almost 1 in 4 Dominican students lived in a family with a below \$10,000 per year income. Economic distress at home forces many Dominican students to seek employment while attending school. In 2000, almost 1 in 2 Dominican attending CUNY worked 20 hour or more per week.

At a salary rate of \$8.00 per hour, a student working this number of hours would be earning an average of \$640 per month. Yet, current allocation to Dominican students through the Federal Work-Study Program oscillate between \$700 and \$900 per year, one fifth of what a student would earn by working 20 hours per week outside during the entire year. The incentive for a CUNY student in need to resort to work outside CUNY, instead of using the federal work-study option, therefore, is considerable.

It is likely that traveling to and from work impacts on the amount of time students devote to study and prepare for their classes. Working outside school also puts restrictions on their class schedule and the amount of time they take to complete a four-year degree. Since they have to juggle both work and school, and due to their financial constraints, it is likely that they will put work before college.

### **Recommendations:**

The Federal Government should increase the amount of work-study dollars devoted to undergraduate-level students in CUNY. This can only be achieved by a deliberate political effort on the part of elected officials.

The City University of New York should sponsor/create an Aid Internship Award Program (AIAP) that is financed by independent donors, employer gifts, and the City University of New York's Financial Aid Office. The IAIP will support students who qualify for financial aid and will allow students to take their award to university research institutions and community-based organizations that are conducting research in the area of Dominican/Latino studies or are providing services to the Dominican/Latino community.

**Problem 3:** Only 10% of Dominican CUNY students are enrolled in graduate programs. This means that as many as 90% of those who enter may not be moving up as to reach this level of education that is fundamental to access the best paid sectors of the job market.

### **Recommendations:**

Private foundations like the Ford Foundation, the Rockefeller Foundation, the Mellon Foundation, etc., should expand the scope of the groups they consider minorities so Dominican students can qualify to apply for their fellowship and scholarship programs.

The City University of New York should inform undergraduate students via mail the kinds of scholarships and grants CUNY has available for students to pursue graduate studies at CUNY. Such information should be mailed to students during their sophomore and senior years.<sup>2</sup>

Due to the current definition of "minority", foundations such as the ones mentioned above, exclude Dominican students (whether they are born in the United States, foreign-born and naturalized as U.S. citizens, or immigrants). Since Dominicans have not received the minority status from the federal government, they cannot apply for scholarships that specifically target minority students. As of now the only minority groups acknowledged as such by the federal government are Mexicans, Puerto Ricans, Cubans, Native Americans, and African Americans. Elected officials in particular should work to secure federal-minority status to Dominican-Americans, and others who may be excluded, so they can qualify to apply for these scholarships.

**Problem 4:** High percentages of Dominican CUNY students are currently majoring in fields that are not among those that are expected to generate the most jobs and employ the largest number of workers in the U.S. within the next decade. This is the case of Dominican students in fields like 'Business and Commerce' at the Associate Program level, and in 'Business Management' and 'Social Sciences' at the Bachelor Program level.

### **Recommendations:**

The City University of New York must urgently expand its efforts to ensure the awareness among CUNY Dominican undergraduates, since their very first year in college, about the current areas of job-growth in the U.S. economy, and about the specific programs currently offered by CUNY that lead towards degrees in those areas of specialization.

**Problem 5:** Despite that it has long been admitted that large student constituencies, of a specific ethnic/racial background in a given educational system, benefit from the exposure and access to individuals of similar ethnic/racial backgrounds in teaching and administration positions, an extremely small number of professionals of Dominican background has been so far identified and recruited by CUNY for either teaching or administrative positions.

### **Recommendations:**

The City University of New York should immediately set up an on-going, effective initiative to identify, communicate with, and recruit Dominican-American professionals from within the U.S. Dominican-American communities into CUNY's teaching and administrative positions, who could act as effective role models. They could also contribute with their capacity and knowledge as effective specialists in the area of Dominican Studies as well as in their primary field of specialization.

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2-At the CUNY-Dominican Studies Institute we have realized that many Dominican students who have graduated from CUNY are not aware of existing CUNY graduate scholarship programs.

**Problem 6:** Despite the recent creation, for the first time, of a new CUNY Baccalaureate in Arts in Dominican Studies, very few courses on Dominican issues are being offered within the said B.A. Program.

**Recommendations:**

The City University of New York should immediately launch an initiative to expand, restructure, and diversify the courses being offered throughout CUNY campuses as part of the CUNY B.A. in Dominican Studies. This will allow the CUNY Dominican B.A. to develop to its fullest capacity and reach the quality of other existing CUNY Area Studies Programs devoted to the study of particular peoples/societies. It will also provide students with a solid, cutting-edge academic offering that will enhance their qualifications and skills whether for pursuing graduate studies or entering into the labor market.

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# Strategic Alliance Dominican Republic – New York

## EDUCATION

**A Framework Report on Academic Exchange and Study Abroad Programs**

Ana I. García Reyes, Coordinator

# I. Introduction: Dominicans and Public Education in the United States

Diversity in the population of the United States is increasing more rapidly than demographers had projected, and Hispanics constitute the largest and fastest growing minority population in the country. The U.S Census Bureau reports that there are currently approximately 37 million Hispanics/Latinos, accounting for 13.4% of the total population. By comparison, the African American population is now 34.6 million (12.3%), the Asian and Pacific Islander population is 11.7 million (4.2%), and the American Indian population is 2.1 million (0.7%). The average annual Hispanic growth rate during the past decade (4.6%) suggests that the current Hispanic population may actually be at least 43 million, rather than the official number reported by the Census of the U. S.

According to the estimates of the Hispanic Association on Corporate Responsibility (2002), the number of Hispanics in the United States increased by 58% between 1990 and 2002. Moreover, the Bureau of Labor Statistics (BLS) reports that one of every three workers joining the U.S. labor force is Hispanic. The BLS projects that the Hispanic labor force population will likely increase, thus representing one of every two new workers by 2025. Current national studies on education and the economy confirm that the nation's economic and social success depends on the academic achievement of the nation's largest minority population. As a society, it is clear that if the United States is going to move forward and achieve greater levels of prosperity, the nation needs to increase the levels of skills among the people, but also their understanding and knowledge of the different cultures and peoples that populate this society.

In New York City, the City University of New York (CUNY) has celebrated the cultural diversity found in the City and reflected it in its student population, which consists of students who speak over eighty languages.

As they have in the past, immigrants will continue to play a central role in the economy of New York City, the state, and the nation. Currently, immigrants and the children of immigrants comprise over 60% of New York City's population. Is it widely accepted that the economic contributions of immigrants to both this society and their countries of origins are of great value. Such economic contributions are reflected through the local, state, and federal taxes that immigrants pay in this country, as well as in the monthly remittances they send to their countries of origins. Immigrants from the Dominican Republic are a good example of this. According to the CUNY-Dominican Studies Institute's latest study on Dominican workers in the United States, in 2000, 70% of Dominican males 16 years of age or older were part of the labor force in New York. During the same year, Dominicans managed to send over two billion dollars to the Dominican Republic via remittances. In today's society, education is the key to individual and society success. The future of New York City, and arguably, the rest of the United States depend then on its capacity to accommodate immigrants by facilitating their integration and providing them and their children with an effective education.

### **a. Dominican and Hispanic Students**

According to a statistics abstract from the U.S. Census Bureau, there were 1.7 million Hispanics enrolled in institutions of higher education in the United States in 2001. In 1999 Hispanics accounted for 10% of all students in this country, yet only 2.9% of full-time instructional faculty in U.S. colleges and universities were Hispanics. The precarious representation of Hispanic faculty and administrators in colleges and universities in the United States undermines the ability of these institutions to provide concrete role models, who share similar historical/cultural backgrounds with the students. These distinguished individuals whom the students may feel they can relate to more easily, are important members of a university environment. Census data also show that over one million Dominicans are living in the United States and, of these, more than 600,000 live in New York City. Yet, in their case too, less than one percent of the City University of New York's faculty and high-ranking administrators are of Dominican ancestry.

In New York City, in comparison with other large ethnic groups, Dominicans had the lowest household income in 2000. During the last twenty years, the cost of rent has escalated in the city due to an increasing demand for housing and inadequate construction policies on new housing projects. While all boroughs have been affected by similar housing problems, it is believed that Manhattan has suffered from the highest disparity between apartment-seekers and apartment-units available at a reasonable value.

Arguably, the constant increase in the value of rent in Manhattan has forced many Dominicans to move to other boroughs. The Bronx has seen the largest influx of Dominicans, increasing from 136,696 in 1990 to 185,808 in 2000. If mobility trends continue, the Bronx is expected to become the largest concentration of Dominicans in New York City in the next few years, overtaking Manhattan.

New York State Department of Education data show that one out of every eight students in New York City public schools is of Dominican descent. Moreover, The City University of New York (CUNY) reports that students of Dominican descent account for the largest number of Hispanics currently attending CUNY. In 2002, CUNY's Office of Institutional Research estimated that CUNY colleges in the Bronx had the highest percentage of Dominican undergraduate students enrolled in their campuses (35%). Manhattan campuses had nearly as many with 32.0% of undergraduate students of Dominican ancestry, while only 3.0% were at the Brooklyn campuses, 16.9% were in Queens, and less than 1% were enrolled in the College of Staten Island. These figures should alert educational policy makers to develop policies and curricula that will meet the needs of the growing Dominican population. Federal policy makers must recognize that the academic success of Dominicans and other Hispanics is in the best interest of this nation.

### **b. Current Curricula on Dominican and Latin American Studies at the City University of New York**

While the CUNY Colleges enroll significant numbers of Dominicans and other Hispanics, their course offerings related to Latin America/Dominican studies are very limited. In fact, courses, departments, and programs dealing with issues concerning Latin American and Caribbean studies have been significantly reduced at CUNY during recent years. Academic programs that have managed to survive the severe budget cuts and that are filling the void of knowledge/information regarding these areas of study in CUNY must be nourished appropriately and expanded upon. Having such programs, it should be added, has a positive impact on the entire fabric of the city of New York and all its higher

education institutions by providing historical and cultural knowledge concerning some of the city's most important population groups. Presently, one of the few existing programs that contribute to fill this void of information and knowledge on Dominican and Latin American studies is precisely the Dominican Republic Study Abroad/Academic Exchange Program located at Hostos Community College. This program was carefully designed with two ideas in mind:

(A) To build a bridge between students, faculty, and other interested constituencies and the people and institutions of the Dominican Republic

(B) To provide participants of the program with the opportunity to expand their overall of knowledge concerning Dominicans, Latin America, and the Caribbean.

## II. Historical Overview of Educational Exchange Programs Between the Dominican Republic and the City University of New York

Historically, study abroad/academic exchange programs have flourished among the colleges of the City University of New York (CUNY), and their partner institutions in other countries. CUNY and institutions in the Dominican Republic have collaborated on a series of study abroad/academic exchange programs involving faculty and students from both countries. The Office of International Programs at Hostos Community College and the City College of New York have served as the CUNY-wide umbrella of Academic Exchanges with the Dominican Republic for the passed 17 years in coordination with Universidad Autónoma de Santo Domingo (UASD) – the public state university- and other Dominican higher education institutions.

The Dominican Republic Study Abroad program is the oldest international exchange initiative at Hostos, a program that has the greatest demand among students, whether undergraduates or graduates. Since 1995, the CUNY-DR Study Abroad Program at Hostos has been headed by Ana Garcia Reyes, who is the Director of International Programs in the same institution. Prior to 1995, Garcia Reyes served as Director of the Dominican Republic Study Abroad Program at the City College of New York. Throughout the years, many distinguished individuals have participated in the CUNY-DR Study Abroad/Exchange Program.

Hostos and City College are the CUNY colleges that have developed the strongest ties with the Dominican Republic, having the oldest exchange programs and contributing the most to the body of knowledge about Dominicans in the island and in the United States. Inspired by the success of the Study Abroad/Exchange program with the Dominican Republic, other colleges/universities began to replicate the model in coordination with, or via, Hostos/City College.

Initially, the program started as a faculty exchange initiative, which was later expanded to include students through the offering of courses. By means of students' permits, the credits earned through the study abroad experience were transferred to any CUNY college.

Since 1992, the CUNY-DR Study Abroad Program has sponsored/served over 1,500 students/teachers and other professionals. In their evaluations, participants have invariably given this program high rating for academic content and effectiveness. The courses and professors have always been described as "excellent in their fields"; and the consensus is that the socio-cultural/academic enrichment activities of the program add an important dimension to the overall academic experience of all participants. The only negative comment emanating from students' evaluations concerns the amount of work required in these courses in relationship to the number of college credits carried by these courses. Invariably students believe that the courses abroad demand a higher amount of work as compared to any other 3-credit course and suggest offering 4-6 credit courses.

### III. The Dominican Republic Study Abroad Program At Eugenio María de Hostos Community College

The Dominican Republic Study Abroad Program at CUNY's Eugenio María de Hostos Community College was designed to increase educational collaboration between the Dominican Republic and New York City through the following objective and goals:

#### a. Program Objective:

The objective of the CUNY Dominican Republic Study Abroad Program is to promote scholarly interaction through systematic and continued exchange opportunities for students, educators and others representing different educational institutions to acquire knowledge and conduct research on topics related to the Dominican people. Scholarly activities at the core of the program, developed to meet these objectives, are channeled through and monitored by the Office of International Programs/Academic Affairs at Eugenio María de Hostos Community College, and the CUNY Dominican Studies Institute at The City College of New York.

#### b. Program Goals:

To provide opportunities for CUNY students, faculty, and other professionals to increase their understanding of the history, educational system, government, culture, and language of the Dominican Republic, as part of a broader goal of exposing participants to issues of globalization via international studies.

To promote knowledge about the educational systems of the Dominican Republic and CUNY with the active participation of the New York State Education Department, the New York City Department of Education, la Secretaría de Educación de la República Dominicana and institutions of higher education in the Dominican Republic.

To create institutional/work/educational environments that have respect for cultural and linguistic differences of the immigrant Dominican Community in the US/NY through language and cultural immersion studies in the DR/NY by means of academic/study abroad exchange programs.

To develop a curricula reflective of the differences and similarities between both cultures and to promote understanding within the diverse and pluralistic faculty/professional/student bodies of CUNY and the DR.

To disseminate information about the implementation of study abroad/academic exchange programs and implications for subsequent initiatives through publications and specially designed broadcast programming.

#### c. Components of the Program:

##### 1. Exchange Visitors

The Faculty Exchange Program enables faculty/professionals of the host (or receiving) as well as the home (sending) institutions to gain knowledge in their fields of expertise, while providing an environment for the development of cultural awareness and social interchange. Areas of academic interest/demand are explored in order to develop curricula, seminars, and workshops for professionals. Each institution creates its own meeting calendar for these purposes at least once every academic year.

Selected faculty and/or professionals from CUNY, (channeled through the Hostos Office of International Programs/Academic Affairs, and the CUNY Dominican Studies Institute) travel to the Dominican Republic and New York, respectively, during the year to participate in a designed activity/research project. The Study Abroad Program considers two kinds of visitors:

**(a) Visiting Professors/Scholars**

To the extent that resources permit, members of the faculty/professionals of one institution are invited to serve as Visiting Professors/Scholar at the other institution. Visiting professors engage in teaching and/or research related to the needs of the instructional and research programs of the host institution. New York City Department of Education teachers/professionals register as non-degree students at Hostos/CUNY through the Association of Dominican American Superintendents and Administrators (ADASA).

**(b) Visiting Professionals:**

Individuals nominated by one institution to receive special training and/or to conduct research abroad must meet the requirements of the host institution. Also, the candidate should be invited to join the appropriate office/department/academic unit at the host institution as a Visiting Professional. Partnering institutions should coordinate their efforts through the International Programs Office at Hostos and the CUNY Dominican Studies Institute at City College.

**2. Exchange Students**

Qualified students from each institution will be accepted by the other as exchange/study abroad students for the purpose of studying an approved course/curriculum of instruction. Students from CUNY and other university systems will request a permit at their home institution and will register at Eugenio María de Hostos Community College or at the City College of New York via the Dominican Studies Institute. Students registering for courses in the Study Abroad Program are subjected to all CUNY admission/registration policies and procedures. Professionals who are not matriculated as student at any given university will request admissions to the CUNY DR Study Abroad Program at Hostos Office of International Programs/AA/Office of Admissions.

**3. The Curriculum**

Students in general will register in credit-bearing courses offered by the program. These courses deal with the most relevant aspects of Dominican history, society, culture, politics, economics, religion, and education. This curriculum enables the participants to gain a clear vision of the Dominican Republic and its place within the regional and international context. Students meet and interact with some of the most notable intellectuals and artists in the Dominican Republic, while experiencing the daily life of the country. In addition, the courses are designed to provide insight into the American educational system through a comparative analysis by looking at a foreign educational system from a multidisciplinary perspective.

Educational field trips to historical sites and other important geographical settings are arranged as an integral part of the program. The idea is to provide students with "hands on experience" of key

aspects of Dominican society and history, which they can incorporate into their research projects. Also, the field trips enable students to learn more quickly the language and culture of the host country.

The program also provides a Spanish language immersion course to review grammar, expand vocabulary, and develop fluency. Independent graduate research courses dealing with social sciences are also offered through the CUNY DSU/Sociology Department.

These courses are part of the participant college's curriculum and have been approved by the college's governance structures, including the College Wide Senate.

## IV. Building Strong Partnerships for Education Initiatives

In recent years elected officials have taken part in the many different roundtable discussions sponsored by the CUNY DR Study Abroad Program on educational public policy issues pertaining to Dominicans in the Dominican Republic and in the U.S. The discussions sometimes take the format of seminars or lectures, depending on the speaker's desire and availability, and take place either in the Dominican Republic or in the U.S. during the timeframe of the program. His Excellency Dr. Leonel Fernandez, current President of the Dominican Republic, the Honorable Eric Schneiderman, New York State Senator, the Honorable Adriano Espaillat, New York State Assemblyman, the Honorable Jose Peralta, New York State Assemblyman, and New York State Assemblyman, Honorable Luis Diaz, are among some of the distinguish guests featured in the program.

In 2001, the New York State Department of Education and Education Secretariat of the Dominican Republic signed a study abroad agreement. The new agreement was to be implemented through Hostos's current CUNY-DR Study Abroad Academic Exchange Program, with the direct assistance of the Association of Dominican American Supervisors and Administrators (ADASA) in the New York City public school system and the collaboration of the CUNY-Dominican Studies Institute at City College. The new agreement provided an additional ingredient to Hostos' study abroad program in the Dominican Republic: a teachers' training program that involved educators from the New York City Department of Education via ADASA. This new initiative was funded by the New York State Department of Education. In addition, Honorable Adriano Espaillat's funding for the study abroad program was allocated to the CUNY-Dominican Studies Institute as a way of developing concrete links between all community and senior CUNY colleges and the Hostos program.

In 2002, under the leadership of the Dr. Leonel Fernandez, president of the Fundación Global Democracia y Desarrollo (FUNGLODE) and the Global Foundation for Democracy and development, Inc. (GFDD), the Dominican Republic-New York Strategic Alliance Project was created to launch a collaborative effort between Dominicans in the Dominican Republic and Dominicans in New York State. This initiative was readily embraced and supported by CUNY authorities, which considered it an excellent opportunity to strengthen and expand the longstanding exchange relations between CUNY and the Dominican Republic.

On June 24, 2004, as an expansion of the collaborations among FUNGLODE and GFDD, the New York Dominican community, and CUNY colleges serving Dominican students, a general exchange agreement between The City University of New York and FUNGLODE and GFDD was signed by Chancellor Matthew Goldstein and President Leonel Fernández, respectively. (See attached agreement).

Given the successful accomplishments of the CUNY Dominican Republic's Study Abroad Program at Hostos Community College, this paper proposes a replication of this program with an expanded and improved scope, i.e. provide a larger offering of courses and programs in order to attract a more diverse

and nationwide audience. This would allow the existing program to reach a higher potential through a structural expansion that would include other kinds of exchanges involving professionals in the areas of health, science, technology and engineering, among others.

## V. Past Accomplishments and Further Potential of the Study Abroad Program

The benefits of the Dominican Republic Study Abroad Program at Eugenio María Hostos Community College have been evident since the program began. These accomplishments are the main impetus for replicating this model of educational exchange programs under the umbrella of the New York-Dominican Republic Task Force sponsored by the FUNGLODE and GFDD.

The following is a list of said achievements:

All participants have successfully completed all the requirements of the program, effectively complying with its high academic standards. This is shown in data from the cohorts participating in the program from 1992 to the present. The Dominican Study Abroad Program has established a remarkable record of success, as indicated by almost 100% retention and passing rates among program participants.

Substantial, and increasing, levels of satisfaction and acquisition of knowledge are also reflected in the program's evaluation data. Program participants have always rated the Dominican Republic Study Abroad Program as excellent.

The Study Abroad experience helps teachers, as well as college students majoring in Education, satisfy New York City Department of Education requirements in teacher certification areas as well as Master's degree requirements in Bilingual Education in New York State. It increases awareness of the cultural and linguistic differences and similarities that exist among various ethnic groups of New York City. It also promotes community solidarity through cultural sensitivity training.

Studies have demonstrated that non-immigrant students/teachers/educators gain a better perspective of the immigrant student population and become more sensitive as a result of participating in these immersion programs. By doing so, they gain a better appreciation of cultural and linguistic differences. The CUNY-Dominican Republic Study Abroad Program truly fits this description and therefore may be assumed to be impacting its students in the same manner.

By learning through direct contact about the richness of the diverse and pluralistic society of the Dominican Republic, participants can gain greater respect and appreciation for the complex and multiple ethnic components of Dominican culture, and on the different contributions made by the various ethnic groups who settled in the Dominican Republic. Given the size and the importance of the Dominican population in New York City today, this knowledge contributes to a better understanding of diversity in the city.

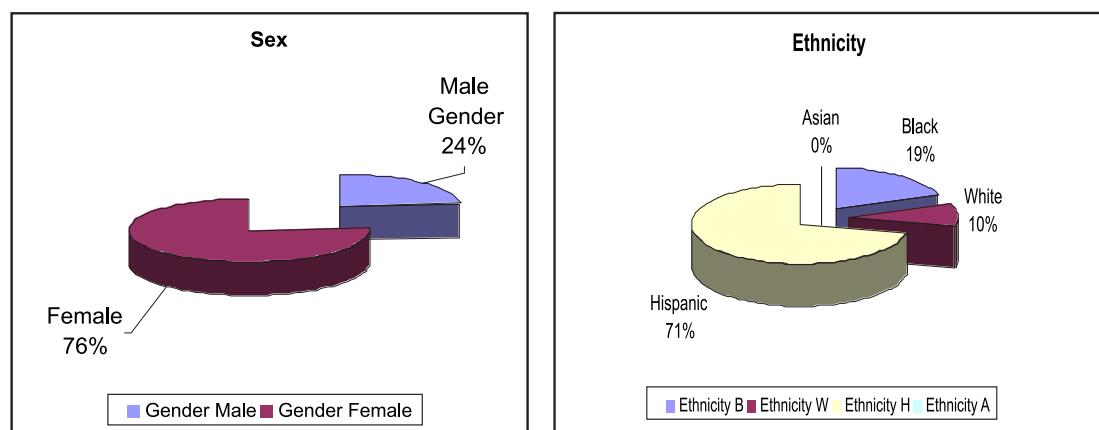
The exchange program creates a favorable environment for second language acquisition-i.e. Spanish as a second language in the DR and English as a second language in the US.

The exchange program also helps prepare college students to compete more successfully academically and in the career field of their choice/job market.

**Table 1**

Dominican Republic Study Abroad Program Participants (100% Count)								
Number of Students			Sex		Ethnicity		Nationalities	
	Male	Female	B	W	H	A	Total	
SUMMER 1999	5	16	4	2	15	0	21	United States, Dominican Republic, Brazil, Italy, Puerto Rico, Jamaica, & Haiti
SUMMER 2000	6	10	2	1	13	0	16	United States, Ecuador, Salvador, Italy, Dominican Republic, & Haiti
SUMMER 2001	5	10	2	1	12	0	15	United States, Dominican Republic, Mexico, Puerto Rico, & Ecuador
SUMMER 2002	5	12	2	2	13	0	17	United States, Dominican Republic, Peru, & Puerto Rico
SUMMER 2003	6	18	1	3	21	0	25	United States, Dominican Republic, Puerto Rico, Honduras, Haiti, & Mexico
SUMMER 2004	6	12	2	3	13	0	18	United States, Dominican Republic, Haiti, Bolivia, & Puerto Rico

Graphs 1 and 2 Sex and Ethnicity 1999-2004



The study abroad program generates scholarly documents as a result of the academic work and research completed by participating students. These may be published in English and Spanish, and

contribute to expanding the knowledge base on Dominican issues currently available.

Students who identify themselves as Dominicans in New York indicate that they gain a better perspective of who they are and feel stronger/prouder of their roots upon completion and participation in the Dominican Republic Academic Exchange/Study Abroad Program. This positive psychological impact on students has been documented through surveys conducted among CUNY students.

Geographical distance and lack of direct contact with the culture of the Dominican Republic creates a sense of detachment between many US Dominican Americans and Dominicans from the country of origin. This results in a series of mutual misconceptions, and stereotypes about the Dominican Republic and Dominican Americans. These misconceptions tend to be alleviated, or dispelled by means of direct contact through dual academic exchange programs between the Dominican Republic and the United States. These exchanges help comprehend issues of identity, history, and culture, which in turn facilitate and nurture cross-ethnic cooperation and understanding.

## VI. Needs and Recommendations

Studies demonstrate that there is an urgent need to create pertinent curricula reflective of our diverse growing Dominican student population. The consistent excellent evaluations of the study abroad programs prove their success in meeting their goals and objectives, which include the study of Dominican culture, society, and history, among other things. Therefore, the expansion and replication will better serve the needs of Dominican students/professionals.

In recognition of the common interest shared by these institutions, and their intention to expand and strengthen the relationships that have resulted from reciprocal visits by leading scholars, officers, professionals and students from both institutions, this preliminary work plan is being developed to establish a flexible framework within which to continue the exchange relationship.

The following is a set of recommendations to improve the quality of education for all Dominicans via educational/academic exchanges between the Dominican Republic and New York. They are proposed with the understanding that such recommendations are to be implemented in a collaborative effort, where all partners (those residing in the Dominican Republic and those residing in New York City) have an equal voice and input, as a result of the consensus building inherent in the decision-making process.

The following are the recommendations to plan and implement said New York-Dominican Republic Task Force Educational Exchange Program:

### a. Strategic Recommendations

**1. Support for Bilingualism.** Maintaining and developing both native and second language skills is an explicit goal of the study-abroad and educational exchange programs for the NY-DR Taskforce. Academic exchanges should promote bilingual instruction to increase collaboration between the US Dominican immigrant community and those who reside in the DR. The dual language model is recommended, because in a global economy, acquisition of a second language makes Dominican students/professionals more competitive to insert themselves in the job market. Large segments of the New York Dominican student population are bilingual, or capable of becoming so with minimal effort. The ability to speak, read, and write a second language gives them an important advantage in the job market. Most first generation Dominicans are Spanish dominant, but most second and third generation Dominicans are mostly English dominant. Bilingual education programs are an effective means of

facilitating the achievement of full bilingualism by Dominicans living in the United States as well as in the Dominican Republic;

- 2. Cultural Awareness and Tolerance.** A key, pioneering feature of the program is that it will facilitate participants to learn about the history, culture, and language of Dominican people, content that is frequently still missing in New York's public education institutions at all levels;
- 3. Planning and Broad Participation.** An executive advisory board with co-chairs should be created to plan and coordinate all FUNGLODE/GFDD/CUNY academic exchange/study abroad initiatives. The Board's role will be to advise CUNY's Chancellor and the President of the Fundación Global/Global Foundation or designee; facilitate meetings/dialogues between faculty, administrators, students, professionals, and elected officials to serve as a forum for consultation, broad-based participation, input, and consensus building. Such a board should include ample representation of all the segments of the Dominican community in New York directly involved in educational matters. The opportunity should be provided for the Study Abroad Program participants (students, faculty, staff, and other professionals) to hold meetings with faculty, students, professionals and administrators at the overseas study abroad institutions.  
Full participation of institutions, students, faculty and professionals on both sides is to be expected and achieved at all stages of the proposed exchanges. An important aspect of the Study Abroad Program is that these should be exchanges in the true sense of the word. As faculty members, teachers, and students from New York City engage in academic activities via Higher Education institutions in the Dominican Republic, students, faculty, and professionals from the Dominican Republic should do the same at New York's institutions. Therefore, active participation of educational institutions from the Dominican Republic in the established exchanges with the support of the Dominican government is recommended;
- 4. Administrative Sustainability.** CUNY/DR exchanges should be centralized. The centralization of DR/CUNY exchanges will make this effort more cost effective. In addition, adequate office space and experienced personnel are required to coordinate these international efforts.  
Given the decade-long accumulated experience in organizing, overseeing, and supporting the currently existing CUNY-Dominican Republic Study Abroad Program, Hostos Community College's Office of International Programs/Academic Affairs and the CUNY Dominican Studies Institute at the City College of New York, could serve as consultants in the design and channeling of study abroad and educational exchanges between New York and the Dominican Republic established under the Dominican Republic- New York Task Force fostered by FUNGLODE and GFDD;
- 5. Broadening Pool of Financial Resources.** Increasing government funding to support educational exchange initiatives should be a high priority. Support from the private/corporate sector is also needed to expand institutions and programs that serve Dominican students/professionals since these are mostly under-funded. Many prospective participants come from socioeconomic disadvantaged backgrounds, which create obstacles that only financial assistance can alleviate. While funding has been requested from various sectors, the New York State Education Department has remained the primary source of support for the teacher training study abroad program. Financial support and participation by New York City, State, and Congressional officials are highly recommended to

strengthen efforts in the area of study-abroad programs and educational exchanges for Dominican students;

6. **Strengthening Cultural Heritage.** Use study-abroad and educational exchange programs to create a path for future generations of Dominicans Americans to study and learn about their history, art and culture via academic exchanges. Include courses on the history of Dominican migration, and on the sociological impact of said migration on today's Dominican Republic as a regular part of the curriculum of study abroad and educational exchange programs. The physical distancing inherent to the migration process has created misunderstandings and unawareness among Dominicans residing in and out of the country of origin. These confusions can be considerably reduced by offering Dominicans residing in the country of origin the opportunity to acquire an objective, research-based knowledge on the Dominican migration experience;
7. **Bridging the Information Gap.** Develop specialized exchange programs to meet the specific needs of the Dominican community and bridge the informational gap that currently exists by proposing the following:

**b. Specific Recommendations:**

1. Organize Seminars and Conferences in the Dominican Republic and New York
2. Establish Summer Camp Program for High School students in the Dominican Republic and New York;
3. Develop and expand the curriculum so that it may reflect the immigrant Dominican student population for Elementary, High School Students, and Higher Education Educators in NYC;
4. Create an innovative curriculum through the study abroad immersion program model for teachers and CUNY Faculty/Professors;
5. Advocate for legislation, curriculum, courses and programs that facilitate the accreditation in the US of foreign professionals via academic exchanges, and more specifically the transfer of professional skills into the job market (professional accreditation) since a significant number of Dominican professionals that recently migrated to the NY/US face problems of labor market entry in their professionals fields;
6. CUNY-TV should devote attention, through its broadcast programming, to study abroad and educational exchanges between New York and the Dominican Republic, to raise awareness among CUNY students of whatever opportunities there may be for them to participate in these programs;
7. Establish online courses, including intercultural research studies, designed by CUNY Faculty and institutions of Higher learning in the Dominican Republic; and
8. Establish teleconferences with CUNY Faculty/Administrators and Fundación Global/Global Foundation personnel and NY task force members to plan and discuss educational public policy issues/programs.

## VII. Conclusion

The history of the Dominican Republic tells us that great numbers of Dominicans left the country after the 1965 revolution, and that a significant number of these came to the USA in search of a better future for themselves and their families. Research data shows us that a great majority of those who left were low income and academically under-prepared individuals, who came in search of the "American Dream." It is time to bridge the gaps between privileged and non-privileged Dominicans, and between the Dominican immigrant population and the United States mainstream society by giving Dominicans in the country of origin and Dominicans abroad the educational tools they need to succeed both, in the United States and in the Dominican Republic. It is imperative that everyone who is capable of doing so becomes active partners in these efforts to help alleviate the educational impediments that Dominicans face because of the inequities of both educational systems. The Fundación Global Democracia y Desarrollo and The Global Foundation for Democracy and Development DR-NY Task Force's Educational Exchange Program aims to help Dominican-Americans reclaim their Dominican roots and heritage across different frontiers. Dominicans stand on the crossroads of history, they can make the right choices and meet the challenges that face them. The time for education is now.

## VIII. Annex I : Cooperation Agreement between FUNGLODE/GFDD and CUNY

### **INTER-INSTITUTIONAL COOPERATION AGREEMENT**

between

Fundación Global Democracia y Desarrollo, Santo Domingo, Dominican Republic,  
And

Global Foundation for Democracy and Development, Washington D.C.,  
And

The City University of New York (CUNY)

Fundación Global Democracia y Desarrollo (FUNGLODE) with headquarters in Santo Domingo, Dominican Republic, and sister institution Global Foundation for Democracy and Development (GFDD), with headquarters in Washington D.C., United States, (hereinafter "FUNGLODE/GFDD") and The City University of New York, with headquarters in New York, United States, (hereinafter "CUNY"), recognizing the importance of interaction and collaboration in attaining their respective objectives, aware of the existence of areas of cooperation in which there is an ample field of actions to be implemented, with the aim of achieving high quality program development in areas of mutual interest, agree on the following:

#### **ARTICLE I**

FUNGLODE/GFDD and CUNY, within the framework of their respective expertise and according to budgetary availabilities, will foster technical cooperation on topics that will be jointly established as complementary to their own initiatives toward attaining particular objectives. This collaboration will encompass the humanities, social sciences, natural sciences and technology.

#### **ARTICLE II**

The technical cooperation that will be established between FUNGLODE/GFDD and CUNY may assume one or more of the following forms:

- Exchange of scholarly or research documents and educational information
- Exchange of specialists in the areas of cooperation
- Exchange of high school and higher ed students via study abroad programs
- Organization and presentation of conferences, seminars and workshops
- Joint studies and research on issues of mutual interest
- Joint publications of interest to both parties

- Visiting scholar programs and internships
- Exchange of literature/library materials via internet
- On line courses
- On line intercultural research studies
- Any other form of jointly agreed upon cooperation

### **ARTICLE III**

Without limiting the possibility of extending the scope of cooperation to any field that FUNGLODE/GFDD and CUNY deem convenient, the areas that are considered of mutual interest include:

- Earth Sciences
- Economy
- Education
- Environmental Sciences and Climate Change
- Engineering
- Social Sciences
- Humanities
- Health Sciences
- Natural Resources Management
- Law Enforcement
- Science and Technology for Sustainable Development
- Global Health and Economic Development
- Globalization and Sustainable Development
- Science and Public Policy
- Demography and Population Studies

The activities developed through the agreement will be implemented in consultation with The Office of Academic Affairs/Office of International Programs at Hostos Community College and the CUNY Dominican Studies Institute at The City College of New York.

### **ARTICLE IV**

FUNGLODE/GFDD and CUNY will jointly determine the financing of the forms of cooperation defined in this agreement, as well as the terms, conditions and implementation procedures of each project.

Once we agree, both parties may proceed in requesting financing to entities identified as donors for the execution of programs, projects and actions such as those resulting from the forms of cooperation defined in this agreement.

### **ARTICLE V**

FUNGLODE/GFDD and CUNY will hold annual meetings that will take place alternately in their respective headquarters. The agenda will include an evaluation of activities undertaken, a review of priorities, the analysis and approval of proposed projects, and consideration of other forms of future cooperation.

Furthermore, at the request of one of the parties and mutually agreed, additional meetings may take place as deemed appropriate.

## **ARTICLE VI**

Both parties may freely disseminate the results of the actions, projects or programs.

## **ARTICLE VII**

This agreement will remain effective for an initial period of five years, beginning the day it is signed. It will be renewed by mutual consent for periods of the same duration, unless it has been revoked.

Each party may have this agreement revoked by notifying the other party in writing, at least six months before the expiration date and without unreasonably affecting the programs and projects in execution, unless FUNGLODE/GFDD and CUNY expressly agree to the contrary.

## **ARTICLE VIII**

Any use of the name of FUNGLODE/GFDD or the University (other than to identify the creator by his or her title) in connection with a work created by a faculty member, researcher or other employee must be approved in advance by the Chancellor of CUNY. Similarly, if the name of the University is to be used in connection with any works created under collaborative agreements with outside entities (other than to identify the creator by his or her title), such agreements must be approved in advance by the Chancellor.

Signed on this 24<sup>th</sup> day of June , 2004.

For FUNGLODE and GFDD

Dr. Leonel Fernández  
President

For the Trustees of The City University  
of New York

Dr. Matthew Goldstein  
Chancellor  
The City University of New York

# **Strategic Alliance Dominican Republic – New York EDUCATION**

## **Recommendations for Improving the Education of Dominican Americans at the Early Childhood, Elementary, and Secondary Education Levels**

Guillermo Linares, Coordinator

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Mr. Guillermo Linares is currently Commissioner of the Mayor's Office of Immigrant Affairs, and Former Chair of the President's Advisory Commission and on Educational Excellence for Hispanic Americans appointed by President William J. Clinton.

# I. Introduction

We know first hand that Dominican American children and youngsters in New York City, whether arrived in the City as immigrants to join their parents, or as first or second generation U.S. citizens of Dominican ancestry, face considerable challenges in their education. Yet no systematic study exists, that one is aware of, on the status of children of Dominican background attending New York City schools.

But besides the direct knowledge acquired through years of community activism in the midst of the Dominican immigrant communities in New York City, thanks to the 2000 U.S. Census, we have a piece of data that, from the start, must alert us to the daunting task ahead: more than 50% of Dominican adults in New York City have less than an eight-grade education. In practical terms, this means that possibly more than a half of Dominican children in New York City cannot count on a regular basis on the type of educational parental assistance that could be expected from adults with a higher level of schooling. Realistically speaking, the profile of this parent population, for the most part working long hours, engaged in long commutes to and from work, and rather frequently employed in two jobs to make ends meet, is not likely to change in the near future. In such a context, the rest of society, and government especially, must step in and provide ways to compensate for that deficit.

There is, though, a fine study, the Final Report submitted in 2000 to President William Jefferson Clinton by The President's Commission on Education Excellence which, while addressing the educational needs of all Latino youth of the United States, definitely touches on common problems that are equally faced by Dominican American students in New York City schools. As a former member and Chair of the Commission at the time the Report was submitted, we fully endorse those recommendations as key steps for improving the lot of Dominican children in New York City. Until a much needed study becomes possible on the specific educational needs, obstacles, and potential of the 10 percent of New York City's school children that happen to be Dominican nowadays, much could be achieved in their benefit if the recommendations of The President's Commission on Education Excellence were put into effect. They include the following:

## II. General Recommendations

- a. Promoting high academic standards and adequate resources to make possible the achievement of those standards.
- b. Recruiting a high quality teaching staff, properly trained to work with children that are culturally and linguistically diverse.

For Dominican students in New York City, this means they would greatly benefit if all their teachers could receive formal training in Dominican history and culture, geared towards the understanding of the

culturally-informed traits Dominican children, like all children, carry with them. An already existing resource for assisting in such training would be, for instance, the CUNY-Dominican Studies Institute, based at City College.

c. Engaging parents as active partners in the educational success of their children.

In New York City, schools should be given the additional resources necessary to take a further step and connect with the numerous community groups and organizations that form part of the Dominican communities of the City, as a way to more effectively reach Dominican parents.

d. Promoting a culture of success for students that encourages high educational aspirations and achievement.

New York City private corporations serving the Dominican communities, New York's television and radio corporations, and New York's cable television outlets could make a huge contribution in this regard by launching and actively supporting an ample campaign of publicity promoting and encouraging educational achievement among the City's Dominican youth. Government agencies of the City, especially those directly in contact with Dominican youths, like the New York City Department of Youth Services, the New York City Department of Parks and Recreation, and the New York City Department of Housing Preservation and Development could also lend their physical and human resources for a massive distribution/reach out of such a campaign.

e. Providing financial and support services that make postsecondary education more accessible.

The myriad of corporations and businesses in New York City that count Dominicans, especially Dominican youth, as a huge part of their consumer base could certainly be doing more to contribute to the educational success of Dominican American students in the form of scholarships and fellowships for Dominican college students, especially at the graduate-level. A youth like New York City's Dominican youth, facing today so many financial obstacles in the fulfillment of their higher education potential would undoubtedly benefit –in very measurable ways— if corporations were to establish such scholarships and fellowships.

### III. Early Childhood Education Recommendations

a. Parents should engage themselves in educating their children by reading to them everyday, telling them stories, regularly asking them open-ended questions, and encouraging them to learn songs.

In New York City, a concerted campaign in this regard should be launched, targeted to Dominican parents, by involving the numerous associations and groups of the Dominican community and the schools, to encourage Dominican parents to get more involved in the educational practices stated above. Given the traditional aloofness of public schools, such a campaign requires very strong leadership to get the community to embrace it. The New York City's Department of Education per se could take the lead in such a campaign, in a citywide manner, to help Dominican parents in this regard.

b. Government agencies, at the federal, state, and city levels, should considerably increase the offering of early childhood programs for parents.

Nationwide, non-Hispanic children are twice as likely to have access to early childhood programs as Hispanic children. In Dominican communities in New York City, overwhelmingly formed by

working-class families, the situation is equally troublesome, if not worse. For years, long waiting-lists have been typical of the few pre-school programs offered in those communities, meaning that a majority of Dominican children rarely have a chance to enjoy a service that most mainstream American families take for granted. Government at all levels has a long standing deficit vis a vis Dominican communities in this regard.

An innovative and effective initiative to be taken in this regard would be a wide campaign to formalize and improve, through training and licensing, the service that in practice has been provided and continues to be provided by hundreds of Dominican housewives in Dominican communities that perform as babysitters on an informal basis, making it possible for dozens of thousands of Dominican parents to keep up with their unavoidable work obligations during the early years of their children. While the long-deserved pre-school seats for Dominican children are created and funded, these hundreds of Dominican de facto early childhood caregivers could provide –through a well designed training program— pre-school like educational services that will certainly enhance the education of Dominican young children.

## IV. Elementary and Secondary Education Recommendations

a. Class size must be reduced in schools typically attended by Dominican students. This key goal can only be achieved with a strong commitment from the federal, state, and local governments to effectively offer Dominican students a student-teacher ratio that can allow them to experience the academic success they deserve.

Latino youth in the United States are nowadays more ethnically segregated and more concentrated in high poverty schools than the students of all other ethnicities. They also tend to attend inadequately funded schools with larger class sizes. Anyone with a direct knowledge of Dominican communities in New York City today knows that such is the case for school districts and neighborhoods where the bulk of Dominican students reside and/or go to school.

b. All students should be required to take college-preparatory courses and to take the SAT or the ACT.

The New York City Department of Education must make sure that the dozens of thousands of Dominican students attending New York City's public schools are offered effective opportunities to enroll in courses that do provide access to four-year colleges and rigorous technical schools. That seems not to be the case today. This lack severely curtails the chances of Dominican American students to actually access higher education and enjoy the varied offer that New York City holds in this regard. Dominican students should also be offered assistance while they take those courses to guarantee that they take the greatest advantage possible from those courses.

c. Dominican students in New York City need and deserve access to extended hours of library space, both at school as well as at their neighborhood public library.

Rather often Dominican students attend public schools in New York City that do not offer enough library time during after-school hours, and live in neighborhoods where public libraries offer a very limited number of hours to the public during the week, especially during after-school hours. For a student population that usually belongs to large, poor working-class families where living conditions are often of household overcrowding this lack of access to adequate space for studying in the hours after school is critical. The federal, state, and local governments, and private corporations via adopt-a-school

or adopt-a-library kind of initiatives, could greatly assist in meeting this need of Dominican American students in New York City.

d. Dual-language acquisition programs should be offered that are appropriately funded and staffed.

As is the case of many other Latino students throughout the United States, rarely Dominican students in New York City are offered the chance to participate in dual-language programs that fully nurture the fluent command of English as well as the native language of the student's family throughout the whole school sequence. Most Dominican students attend either transitional bilingual education programs or English-only programs, none of which provide a systematic encouragement of bilingualism, a most desirable goal that would greatly enhance job opportunities in the context of an ever more globalized setting. Especially for Dominican students in the elementary grades, dual-language programs would give Dominican families in New York City an educational opportunity that so far is only affordable to wealthier families via private education.

# Action Plan of the Education Task Force

And  
 Aide Memoir of Plenary Meeting in FUNGLODE  
 Santo Domingo, Dominican Republic  
 Date: November 21st, 2003

Participants:<sup>1</sup>

## **From the Dominican Republic:**

Ligia Amada Melo, coordinador	Center for Education at FUNGLODE
Alejandrina Germán, subcoordinador	Universidad Iberoamericana
Rocio Billini-Franco	Universidad Autónoma de Santo Domingo
Faunty Garrido	Colegio New Horizons
Josefina Pimentel	Universidad Autónoma de Santo Domingo

## **From New York:**

Ramona Hernández	CUNY Dominican Studies Institute (CUNY-DSI)
Elis Sosa	Kean University
Marlene Gottlieb	Lehman College (CUNY) – Culture Group
Raysa Castillo	Dominican Women's Caucus- Civic Edu.

After an in depth discussion, the group from the Dominican Republic identified eight thematic main points to be used as a source for future exchange and collaboration channels, under the premises of a subsequent thorough analysis of potential activities, strategies and articulation means for the implementation of a work plan. The following line of work issues were identified as priority:

### **a. Preschool Education:**

1. Emphasizing on research on Alternative Attention Modes in Primary Education, implemented in the United States, by means of Internships and Study Abroad.
2. Production of specialized didactic material for this given level.
3. Fundraising and Project Funding.
4. Specialists and Teaching Staff Exchange Programs for the Initial Education Area.
5. Equipment and Bibliographic Material donations.

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1-There are other members that were not able to participant in the plenary meeting of November 2003 in the Dominican Republic such as: Coordinators from NY: Mr. Guillermo Linares and Ms. Ana García Reyes, Mr. Eduardo Genao, Mr. Anthony Stevens-Acevedo, Mr. Juan Villar and Ms. Fatima Fernández-Torres among others.

**b. Fundraising and Financial Resources**

1. Assessment and/or training in Project Management focusing on Foundations and/or Donor Agencies to raise funds for education.
2. Elaboration of a database on institutions, agencies and entities specializing in funding Educational Projects and Compensatory Programs for vulnerable populations under poverty contexts.

**c. Fundraising Offices**

1. Appraisal on the possibility of organizing an Office and/or Program specifically engaged in fundraising (financial, human, and technological resources) and/or strengthening the existing resources.
2. The following educational centers were identified in the City of New York, with potential to undertake resource exchange and cooperation programs and projects:

Gregorio Luperón High School

Hermanas Mirabal Intermediate School

Salomé Ureña Intermediate School

**d) Bilingual Education**

A proposal was submitted to identify curricula fields in the State of New York addressing bilingual education, to articulate a vision statement and approaches that facilitate the elaboration of a study plan proposal parallel to the Dominican Public Education system. The Dual Language approach was cited as a reference that has proven effective among the Latino population in the State of New York.

**e) Faculty Exchange Programs**

Establishment of the need to strengthen faculty exchange programs with public sector teaching in Dominican Republic and the State of New York, under the suggestion of analyzing the know how of both the Hostos Community College and the City College on academic and cultural exchange issues, in order to establish a operational strategy for this Plan of Action.

**f) Online Courses**

Approved assessment of the available resources in terms of Online Courses, in order to take of advantage of the said, particularly in the Bilingual Education area and English as second language learning, and professional, academic, scientific, and culture-related exchanges. A suggestion was made to explore the Lehman College experience as a possible reference.

**g) Internships/ Work Study/ Scholarships**

1. Suggestion on identifying companies and businesses located in the Dominican Republic and the United States, which might be willing to accept Dominican undergraduate interns in New York State.
2. Recommendation on identifying a possible profile for these students and to establish a selection criterion; as well as to identify the necessary funds and resources for this program.
3. Suggestion on organizing an academic-cultural exchange program aimed at addressed to students born in the United States, of Dominican parents, in order for them to enroll in internships in Dominican academic institutions located in the different regions in which their parents and family members were born.

**h) Work/Study Scholarship Programs**

1. Recommendation on exploring the possibilities of implementing a Work/Study Scholarship program, articulating mechanisms that would facilitate exchanges among Dominican students and students residing in the United States in universities and institutions in both countries.
2. Creation of networking and connecting programs among local and American universities, particularly favoring low-income students.

# CHAPTER IV

## CULTURAL DEVELOPMENT

# Strategic Alliance Dominican Republic – New York

## CULTURAL DEVELOPMENT

### **Dominican Literary History in the United States: Considerations**

Daisy Cocco de Filippis

# I. Introduction

This essay is based on the following assumptions and propositions:

1. That there exists a long and complicated shared political history between the governments of the United States and the Dominican Republic and that since the dawn of the Twentieth Century there has also been a Dominican born intellectual, cultural and literary presence and contribution to the Spanish speaking community in New York;
2. That despite the many entreaties, appeals and calls for representation by some of the leading U.S. Dominican specialists in the field, to date much of the contribution made by Dominicans has either been left out of leading publications or been misrepresented;
3. That as a result of "the struggle for representation," some scholars have had to assume the role of archeologists, being constantly reduced to excavating and producing evidence of the existence of information on the Dominican experience or of providing corrective information;
4. That in many instances, Dominican-American academics, because of our own class, race and gender, have also seen as our responsibility the re-writing of "missing chapters" in the scholarship on Dominican history, language, literature and culture in the Dominican Republic as well as in the United States, most particularly, in the New York region;
5. That parallel to the success of a few Dominican-American authors whose work is published in English, there is a body of literature written in Spanish, in particular in the New York area, that has yet to be included in studies and bibliographies of a mainstream nature;
6. That U.S. Dominican academics, for the most part, have taken a Diaspora position on Dominican Studies, which incorporates a perceived need to contribute to the understanding of the Dominican experience of a readership both Spanish and English speaking and that advocacy for the Dominican-American community is implicit in this self-imposed mandate;
7. That at this stage of the development of a body of information on the Dominican experience, specialists in the field believe that the time has come to begin to draw some conclusions and propose theoretical frameworks for approaching the subject of Dominican Studies and that, in some instances, the formulation of difference in theories has been presented as the existence of opposing camps; and
8. That the very question of who our readers are and of whom we do address as we present our scholarship, is in the process of being defined.

## II. "The Dominican Story has never been a simple one to tell."

Up to now, with the exception of publications in the category known as "Migrant Studies," Dominican Studies in the United States is in most instances a poor woman's net standing up to

established networks, the mushrooming of local publications largely ignored in some instances or misrepresented in publications prepared for mainstream consumption. There is, as Fernandez Olmos and Augenbraum suggest elsewhere about Latino writers in general in an earlier period, " a Spanish language parallel universe began to evolve that encompassed community organizations as well as the ongoing traditions of Spanish-language newspapers, local radio and television programming, cinema and theater. This hidden culture met the needs of a people whose lives and experiences were not reflected in U.S. mainstream media."(138) The U.S. Dominican community in many regions has followed a similar pattern. There is a wealth of material recording the experience of the past thirty years from a multidisciplinary range of perspectives. Yet little of what is produced in Spanish is able to transcend these linguistic borders. This may also be said about the cultural products of other Latino groups in Spanish speaking communities. So the mainstream population, and that includes the general Latino population, in particular young Latino university students, have access to highly diluted and homogenized versions of that particular human experience. How does one balance, for instance, the Dominican experience in the United States recorded in any of Franklin Gutiérrez' multiple *Alcance* publications, funded on a shoe-string mostly by community organizations, with publications disseminated widely such as Ilan Stavans' *The Hispanic Condition* or his *Latino USA, A Cartoon History*, where the Dominican-American contribution is marked, if at all, by a series of oversimplifications. Examples abound whose presence is telling because it marks Latino culture, including its Dominican-American subgroup, as commodities in demand, to be traded in the world of ideas and pre-packaged in consumer-friendly publications on "otherness" in this country. The emerging field of Dominican Studies is at this time particularly susceptible to friendly and not-so-friendly takeovers as the academy grasps for yet another interpretation or theory and experts jockey for positions of leadership. This is not a bad thing. In fact, it is good to realize that we have arrived at a point where there is interest in the Dominican experience *aquí y allá*, and expertise to write about it in two languages.

Two very distinct and clearly delineated images come to mind as I consider the present state of the discussion. The first one records a press conference I attended on August 31, 2000, was called by then Secretary of Housing Andrew Cuomo to introduce newly elected Dominican President Hipólito Mejía. The backdrop was a beautiful and clear New York City skyline for we were at "Windows on the World," in one of the then Twin Towers. Surrounding the Secretary of Housing and the newly elected President were a number of dignitaries, among them elected U.S. officials, including former Councilman Guillermo Linares and Member of the NY Assembly Adriano Espaillat. There were also elected and appointed officials and representatives of the Dominican government, including dignitaries assigned to Dominican Consulates and the Dominican Embassy in the United States. Secretary Cuomo, however, took special care to praise and was careful to pronounce correctly the name of Dr. Rafael Lantigua, one of the most powerful Dominican community leaders in New York who is also the President of the New York branch of the Partido Revolucionario Dominicano. The occasion was used to present a plan, designed to rebuild sections of the country devastated by the hurricane that would allow Dominicans living in the U.S. to purchase a home back in the Dominican Republic. The proposal was met with cheers and applause. From where I stood, however, uncomfortable reshuffling of feet as well as not too discreet comments of "Why?" and "Who told him we want to go back?" were overheard. It was a moment to savor and to pause for reflection. Clearly the scene described above could not have been recorded ten years ago. Standing on the top floor of one of the then Twin Towers, attending a press conference called by a U.S. Secretary of Housing designed to bring together leaders in the Dominican community in New York City to meet the Dominican Republic newly elected leader was a scene fraught

with symbolism. Dominicans, as community leaders in New York City had in a sense arrived. Many made it quite clear that they had no intentions of turning back.

The second image I would like to recall appeared on the on-line version of *El Listín Diario, El Listín Digital*, of January 24, 2001. The headlines read: "A cadaver of one of the fifty-six shipwrecked was found; the coast guard stops another vessel." It is an image difficult to forget: people willing to risk their lives even in the face of imminent death for a chance at the American Dream. The article then goes on to explain how one of the survivors had attempted to cross the Mona Canal to go to Puerto Rico several times and would be trying it again in the very near future. One lead article in the *New York Times* had the following headlines: "Change Stirs Hope for Legal Status among Immigrants, Law spawns confusion. Modification in Last Days of the Clinton Administration could Affect 500,000." (February 20, 2001, 1) Back in the Dominican Republic, in small fishing villages like Sabana de la Mar, local officials and radio personalities have the hard task of convincing the people in the town that this modification that "reinstates a provision, in effect from 1994 to 1998, that allows illegal immigrants with certain family relationships or with the backing of some employers to petition for legal status without having to go the American consulate in their home countries" (NYT, 1) does not apply to them. Many, despite the presence of the Dominican Coast Guard fishing out the bodies of the last expedition to have capsized, are willing to try again, as many times as it takes. These two images illustrate powerfully and poignantly two extremes of the Dominican migration story.

The Dominican story has never been a simple one to tell. Yet it is being told, in multiple ways and across the disciplines, in multiple Dominican weeks in the U.S. in a growing number of cities in states such as New York, New Jersey, Florida, Massachusetts, Rhode Island, Connecticut, California, Maryland and Texas by means of a considerable number of individual presentations, panels, conferences, cultural and artistic performances have been scheduled by community groups, local schools as well as universities and institutes of higher learning to mark "La semana dominicana." Dominican week is usually scheduled around the 27th of February, Dominican Independence Day. Yet the 1844 independence, hard fought against Haiti, the first independent black nation in the Americas, was short-lived as the conservative leadership, in the person of then President Pedro Santana, annexed to Spain its former territory in 1861, transforming the inhabitants of the newly independent nation in the eastern hemisphere of Hispaniola once again into Spanish subjects. Juan Pablo Duarte, the liberal leader of the independence forces and his family died in exile, never to return to enjoy life in the newly formed independent nation they had fought so hard to create. It took four more years of uprisings and armed struggle in a War of Restoration for the Dominican Republic's independent status to be regained in July of 1865.

From 1865 on through the efforts of various conservative and corrupt governments, beginning with Buenaventura Báez' in December of 1865, the history of the Dominican Republic and that of the United States of America had many points of convergence. The sociologist H.E. Hoetink records the unrest and political upheaval of a young nation that saw the imposition of 23 different governments in the years between 1865 and 1886 when Francisco Ulises Heureaux (Lilís) assumed the presidency. During this period, there had also been numerous attempts to formulate a policy and receive the support of the U.S. Congress for the formal annexation of the Dominican Republic to the United States. Presidents Zachary Taylor, Millard Fillmore, Andrew Johnson, and Ulysses S. Grant considered quite seriously the possibility but ultimately opposition in the Senate brought the matter to a close. (Welles cited in Hernández and Torres Saillant: 19-25) By the early 1900s, bankrupt and having buried General Heureaux, one of its most brutal dictators, the Dominican Republic saw the dawn of a new century: a century destined to bring more devastation, fiscal and natural, to witness two North American invasions,

and to experience a brutal dictatorship of thirty years whose atrocities are exemplified in the murder of 16,000 Haitian workers in 1938 and the brutal assassination of the Mirabal sisters, Minerva, Patria and María Teresa, also known as "Las Mariposas" (the Butterflies), in 1959. By 1961, Trujillo's brutal regime came to an abrupt end as he laid on a dark, silent road, his body riddled with over 300 bullets, courtesy of a secret conspiracy to over throw his government, led by his own henchmen, including close relatives, with the assistance of the CIA.

Dominican emigration to the U.S. would begin on a grand scale a few years later, however, from the first years of the twentieth century, beginning with Francisco Henríquez y Carvajal travels to the United States to negotiate the Dominican foreign debt inherited from

Heureaux and the stay of his children Max and Pedro Henríquez Ureña from 1901-1904 important literary and cultural links with the growing Hispanic community in the U.S. were established. By the time Pedro Henríquez Ureña settled down in the U.S. again from 1914 to 1919, he had secured a position as correspondent for the *Herald of Cuba* in Washington (1914-1915) and had worked as editor for the weekly journal *Las Novedades*, a publication that brought together in the New York City of the first two decades of the twentieth century a number of the most distinguished and talented intellectuals and writers from the Hispanic world living in the U.S.

Pedro Henríquez Ureña's presence and his reputation as a fine intellectual was pivotal to the promotion of Dominican letters in the U.S. There were also several Dominican intellectuals (among them Fabio Fiallo, José M. Bernard, Manuel Florentino Cestero, Manuel de Jesús Galván hijo, Jesusa Alfau de Solalinde and Francisco Henríquez y Carvajal) on the roster of contributors to *Las Novedades*. Fabio Fiallo's appointment as Dominican General Consul to New York in 1905 was another contributing factor to the development of an important Dominican contribution to the literature produced by Spanish speakers in New York at the time. Fiallo, the most distinguished Dominican Modernist poet, completed and published his collection of poems *Primavera sentimental* in 1902 and *Cuentos frágiles* (1908). There were several authors whose names deserve mention here. Among them, the most productive writer of this early Dominican period in the U.S. was Manuel Florentino Cestero who published three books: *El canto del cisne* [a collection of eight short stories] (1915), *Estados Unidos por dentro* [essays] (1918) and *El amor en New York* [a novel] (1920). Jesusa Alfau Galván de Solalinde, a granddaughter of Manuel de Jesús Galván, the author of the acclaimed indianista novel *Enriquillo*. Jesusa Alfau contributed a number of essays to *Las Novedades*. Her only novel, *Los débiles*, published in Spain in 1911, was edited by Professor J. Horace Nunemaker of the State College of Washington as a textbook to be used in his language courses and published by Prentice-Hall in 1930. Other important contributors to the literature were Gustavo Bergés Bordas whose *Cien días en Nueva York* was published in 1925 and the young Virginia Peña de Bordas, who wrote her indianista novel *Toeya* while living in the U.S.A. in the 1920s as well as her *Seis novelas cortas*. Peña de Bordas wrote in English while living in the northeast of the U.S. It was her intention to submit her manuscripts for publication in women's journals but her marriage and untimely death prevented her from carrying out this plan. Andrés Francisco Requena, the author of *Cementerio sin cruces* (1952), should also be noted. His novel, a harsh critique of the brutality of Trujillo's regime was published in Mexico in 1949.

Despite their valuable contributions, the presence of Dominican intellectuals and writers in the U.S. prior to 1960 has not been noted in any of the better known publications on Latino culture and literature to date. Among them: *The Hispanic Literary Companion*, ed. by Nicolás Kanellos (Visible Ink Press, 1997); *Dance Between Two Cultures, Latino Caribbean Literature Written in the United States* by William Luis (Vanderbilt University Press, 1997) and *The Latino Reader*, edited by Harold Augenbraum and Margarite Fernández Olmos (Houghton Mifflin, 1997). The publications just

mentioned were all published as late as 1997, yet there is not one Dominican author selected for inclusion in Kanellos or Augenbraum and Fernández Olmos' texts. In the case of Luis' monograph, Dominican literature in the U.S. is presented as beginning in the 1970s.

A careful reading of the works published by Dominican authors living in the U.S. prior to 1960, however, points to a number of similarities in style and in subject matter to the works produced by other Hispanic authors in the U.S at that time. Many of these authors were guided in their writings by the need to create, protect and inform the Latino community about issues of concern as it related to their relationship with dominant cultures which were understood to be the Anglo population in the United States as well as the ruling classes back home. Many of the articles published in *Las Novedades* by individuals from a diverse Hispanic background were written to inform the New York community as well as the folks back home. Many parallels in terms of the contribution made by various intellectuals, political leaders and recognized figures could be drawn between the Dominican community and those of other Latino groups. Franklin Gutiérrez and I edited an anthology, designed to recover the lost Dominican contribution to this early history of Latino literature in New York, which was published in the fall of 2001 in the Dominican Republic. It is our hope also to secure support for the publication of an English language version of this work in the not too distant future.

A new period in the relationship of the United States with the Dominican people began in the aftermath of Trujillo's assassination in 1961 and the 1965 U.S. invasion of the Dominican Republic that resulted in the replacement of the democratically elected Juan Bosch with one of Trujillo's men, Joaquín Balaguer. The adaptation of a new version of the Import Substitution economic model, the displacement of farmers from the land to overcrowded cities and the easing of traveling restrictions in the Dominican Republic produced a migratory phenomenon unequaled in Dominican history. Another important factor is the passing in the Congress of the United States the 1965 Family Reunification Act, facilitating for many Dominicans the process of application for residency visas. The massive exodus, began in 1962 with the arrival of 4,063 Dominican nationals, increased dramatically over the next three decades, so much so that by 1990 the US Census had 511,297 Dominicans living in the U.S. as permanent residents registered and by 1997 the Current Population Survey in New York City indicated that the number of Dominicans rose to 832,000, making Dominicans the second largest Latino group in the metropolitan area. (Aponte 3-4)

The 1970s brought together a group of young Dominican authors who participated in the Rácataca poetry workshops, conducted at Eugenio María de Hostos Community College by the Puerto Rican poet and scholar, Clemente Soto Vélez. Franklin Gutiérrez emerged as one of the leading voices as much for his writing as for his ability to create community and to understand the importance of recording those early efforts. To that end, he edited three anthologies in Spanish, *Niveles del imán*, *Recopilación de los jóvenes poetas dominicanos en Nueva York* (1983), *Espiga del siglo* (1984) and *Voces del exilio* (1986). In my introduction to *Poems of Exile and Other Concerns*, a bilingual selection of poetry written by Dominicans in New York in the first two decades published in 1988, I indicated: "For Dominicans writing in the U.S., the written word has become the means to an existence, to mark their presence, "de hacer constar," as they would say. Language provides these writers with a biography by giving them the tools to record their lives both as individuals and as witnesses of history in the making. It is in this context that we are to examine the newly-born phenomenon of a Dominican literature being written in the U.S." (9) Their understanding of the need to record their existence and the emergence of this "parallel Spanish language universe" saw in its early years a number of ventures in the publishing business: *Letras e imágenes*, the journal edited by Juan and Esteban Torres in the years 1981-1982, ceased circulation after eight issues. *Inquietudes*, edited by José Carvajal between 1981 and 1982,

ceased publication after only six issues. *Punto 7*, edited by Silvio Torres-Saillant had seen six issues by 1985. After a long silence, *Punto 7* appeared again sporadically in the 1990s, edited by Torres-Saillant with the collaboration of Ramona Hernández. Its latest issue was published in the Fall of 1996. The journal *Alcance*, edited by Franklin Gutiérrez, has appeared sporadically as well. Its latest issue was published in 1998. Nevertheless, Dominican-Americans whether as academics, community organizers, journalists or politicians have waged a consistent and dynamic campaign to keep the focus on the experience of this growing community and its reflections on new challenges and long-established paradigms.

The experience of the diaspora, affording many the distance necessary to militate, participate and build but also to reflect and reconsider, resulted in the publications of an extraordinary number of articles and monographs that address in part the epistemological dissonance being experienced. As a result, the last decade has seen the publication of material designed to deconstruct paradigms, insert the experience of excluded groups from Dominican cultural history and carve a place for the Dominican experience in the history of the United States. In many instances, we find scholars such as Silvio Torres-Saillant taking the ruling class back home to task in his *El regreso de las yolas* (1999) as well as informing the general North American population about the history of *The Dominican Americans* [with Ramona Hernández] (1997). Franklin Gutiérrez publishing the first seminal anthologies of Dominican poetry written in the U.S. in the 1970s and 80s previously mentioned, and his own de-constructivist reading of classics of Dominican literature as in his award winning book-length essay, *Enriquillo, Radiografía de un héroe galvaniano* (1999). Gutierrez' *Antología histórica de la poesía dominicana en el siglo veinte*, his contribution to a new re-reading of twentieth century Dominican verse has been published by *Alcance* in 1997 and La Editorial de la Universidad de Puerto Rico in 1998. Francisco Rodríguez de León has addressed issues of re-writing Dominican history in the twentieth century in his *Balaguer y Trujillo, Entre la espada y la palabra* (1996) as well as the need to record the early history of the Dominican community in the United States in his *El furioso merengue del norte, una historia de la comunidad dominicana en los Estados Unidos* (1998). My own *Sin otro profeta que su canto* (1988), *Combatidas, combativas y combatientes* (1992), *Documents of Dissidence, Selected Writings by Dominican Women* (2000), and *Madres, maestras y militantes dominicanas* (2001), are publications designed to insert considerations of class, race and gender in the history of Dominican literature. These publications are balanced by my efforts to record the emergence of a Dominican literature written in the U.S. in my *Poems of Exile and Other Concerns* [with Jane Robinett] (1988), *Stories of Washington Heights and Other Corners of the World* [with Franklin Gutiérrez] (1995) and Tertuliando/Hanging Out, *Dominicanas and Friends* (1997). To this brief series of titles, necessary when one is trying to insert new voices into the general discourse, I should add the names of Chiqui Vicioso, Miriam Ventura, Anthony Stevens, Moisés Pérez and Adriano Espaillat whose newspapers articles in Spanish on the experience of the Dominican migration have contributed much to maintaining the community informed as well as to the articulation of a compassionate and informed vision of their experience.

It has been almost two decades since Gutiérrez first published his groundbreaking anthologies. The success of some Dominican authors has been remarkable. Julia Alvarez has published four novels, *How the García Girls Lost Their Accent* (1990), *In the Time of the Butterflies* (1994), *¡Yo!* (1997) *In the Name of Salomé* (2000), a collection of essays, *Something to Declare* (1998) and two collections of poetry *Homecoming* (1988, 1996) and *The Other Side* (1995) a folktale re-written for children, *The Secret Footprints* (2000), two novels for adolescents, *When tía Lola Came To Visit/Stay* (2001) and *Before We Were Free* (2002). Alvarez continues to gather accolades with her work for her ability to transform, in some instances, the lives of women in Dominican history into novels that explore the complexity of the

human experience and the ramifications and impact of a troubled political history on the lives of women. Alvarez' work has been translated to fourteen languages and the author enjoys today an international following. Junot Diaz' short stories of growing up between cultures, poor and male have also received wide acclaim and have been a fairly regular feature in the *New Yorker*. A collection of his stories, *Drown* was published by Putnam Sons in 1996. A Spanish translation by the name of *Negocios* was published in 1997 by Viking. Other younger, talented Dominican women who write in English are beginning to publish and to sign book contracts with established publishing houses in the U.S. In 1999, Viking published Loida Maritza Pérez' *Geographies of Home*, a novel about living between two cultures. The novel has been favorably reviewed and has garnered the praise of some established authors, including, Maryse Conde. There are other emerging voices. Such is the case of Angie Cruz whose novel *Soledades* published by Simon & Schuster in 2001. Nelly Rosario's first novel, *The Song of the Water Saints*, was published by Pantheon in the spring of 2002.

Just as the image of leading Dominicans in the U.S. standing atop the Twin Tower, waiting to greet the newly elected Dominican president, these examples point to an emerging educated class of professionals who are *abriendo camino*, paving the way for others. The fact that we all manage somehow to know each other, however, speaks to the modest level of attainment thus far. Many other writers in New York, those existing in the Spanish-speaking world are engaged in the same process of creating community, art and literature. Many of these activities, unrecorded by that other parallel English speaking universe, appear in publications, sponsored by the editorial stamp of *Alcance*, the most enduring Dominican community-based publishing house, whose titles number close to forty publications in the past two decades.

In some aspects, these publications evoke the same sense of precariousness and seriousness of intent of those individuals back home, hoping to catch the next *yola* to Puerto Rico, and that if they do, this time they make it safe and sound. These publications are the same sort of fragile vessel, holding a person's life within its covers, and as Juan Flores has observed in another similar context, providing "an indispensable source of 'self-affirmation' in the face of poverty and discrimination." (Flores in Haslip-Viera: xix) In my introduction to the 1997 publication, *Tertuliando, Hanging Out* I remark about the creation of a Tertulia for Dominican and Latina women, now in its seventh year:

*Mostly brown, working class, these female hands are not usually associated with the act of writing nor with the public representation of writers in the Dominican Republic and elsewhere in the Spanish-speaking world.*

*As such, these women's presence, their writings and presentation contribute much to the opening up of public space and dialogue about the role of women and of the working class in Dominican literary circles wherever the Dominican community happens to find itself. (20)*

The case of the tertulias as an organizing informal nucleus with a community imprint confirms the possibility of alternative models of literary creation and dissemination. A recent reading of the preface written by Jean Franco in the collection *In Other Words, Literature by Latinas in the United States* integrates this Dominican-Latina New York experience to that of others: "I was struck by the vitality

and ingenuity of small presses and regional poetry, by the fact that Lorna Dee Cervantes learned the craft of printing in order to publish the work of other Chicano poets,' that Rosemary Catacalos is the author of a hand letter press chapbook,' that so much poetry is still read aloud in public performances." (Fernández: 14)

These strategies for survival and self-affirmation in the production of art, literature and culture by Dominicans in New York are not different from the experience of most Hispanic people in a not too distant past. In his introduction to *Short Fiction by Hispanic Writers of the U.S.*, Nicolás Kanellos presents the following information:

1. Primarily a working-class people to this day, Hispanics in the U.S. have produced a living corpus of oral lore that reflects their history, religion, language and, most importantly, their alternate or outsider status to "official" culture and society in the U.S.
2. More than 90% of creative writing by Hispanic in the U.S. has been produced in Spanish.
3. Up to World War II most of the short stories, local color chronicles (*crónicas*) and poetry were published in Spanish-language newspapers.
4. There were few options for Hispanics in a literary world that only published, reviewed and awarded prizes for books in English. Hispanic authors either had to try to write and get their works published in English or they had to publish abroad.
5. The names of those who write in English have become better known than those of the Spanish language authors. (Kanellos: Introduction)

Professor Kanellos raises important questions related to social class issues and about language barriers. It came as a surprise of sorts to the U.S. Dominican academic world to read Linda Chávez' presentation of the Dominican as an up and coming community of middle class individuals in her *Out of El Barrio*. The pitting of one group against another, (Puerto Rican failure vs. Dominican success) and the misrepresentation of the needs and position of the Dominican community, were particularly unfortunate. In her *Dominican Migration to the United States, 1970-1997: An Annotated Bibliography*, Sarah Aponte, the resident librarian at the CUNY Dominican Studies Institute indicates that the post-1965 scholarship on Dominican migration can be divided in three stages: Stage no. 1 1970-1979 classified migrants as rural, poor, poorly educated and unskilled (among the researchers, González, Hendricks, Kayal, Sassen, Vicioso); Stage no. 2 1990s classified Dominican immigrants as originating from urban areas and belonging to the middle class (among the researchers, Pessar, Grasmuck, Bray, Georges); Stage no. 3, at present, classify this group as originating from both rural and urban areas, from uneducated as well as schooled, from all social sectors (among them Castro, Hernández and Torres-Saillant). (Aponte 8-9) In his working paper "Diasporic Disquisitions: Dominicanists, Transnationalism, and the Community", Silvio Torres-Saillant, the founding Director of the CUNY Dominican Studies Institute, states that "Guarnizo, Levitt and Graham belong to a cadre of Dominican migration scholars who approach their subject from the vantage point of transnationalism, a fashionable mode of analysis that stresses the point that migration transforms social relations, producing new forms of identity that transcend traditional notions of physical and cultural space." (8) Torres-Saillant, citing the findings in *Dominican New Yorkers: A Socioeconomic Profile*, a report prepared by Professor Ramona Hernández, a long-time associate researcher at the Institute and Professor Francisco Rivera-Batiz of Columbia University, challenges the scholarship on Dominican migration of such notable academics as Luis Guarnizo: "The perspective of those non-Dominican scholars who persist in locating the focus of their inquiry away from community building dynamics and toward the examination of

unencumbered transnational mobility seems inevitably fated to oppose the scholarship of their Dominican counterparts." (7) Torres-Saillant stresses this dichotomy throughout his paper, as illustrated in the following citation: "In this as in other aspects of the sociocultural representation of Dominicans, the approach upheld by the transnationalists encounters epistemological opposition. The opposition comes mostly from the other Dominicanists, a cadre of native scholars, artists, and community activists, who see it as their goal to help inscribe Dominicans in the national imaginary of the United States." (15) Further, Torres-Saillant emphatically affirms: "Since we believe that survival of our community is at stake, we value academic allies who are willing to serve as intellectual crusaders, accepting their share of social responsibility in the well-being of the collective." (16)

Torres-Saillant's brings out a series of dissonant images that range from newspapers depictions of Dominicans as drug dealers to that of affluent transnational Dominican businessmen. And although the article appears to privilege English language publications, it does present a continuation of Saillant's and the Institute's commitment to militate on behalf of the welfare of the community. Founded in 1993, the CUNY Dominican Studies Institute is the only research unit on the Dominican experience in the United States to date. In its brief existence the Institute, under Torres-Saillant's commendable leadership, competed successfully for two important research grants from the Rockefeller Foundation. The first one brought together a community of scholars to the Institute to research the "missing chapters" of Dominican history in light of issues of race, class and gender considerations. More recently, the Institute has been funded to conduct international conferences to address issues of diversity within the fabric of Dominican society both here in the United States and in the Dominican Republic. The Institute has also produced a number of respectable publications, among them Frank Moya Pons' *The Dominican Republic: A National History*.

The Institute has secured funding from the Central Administration in CUNY for positions for a permanent director, Dr. Ramona Hernández and a resident librarian, Ms. Sarah Aponte. Much work has been done by Dr. Hernández in these past two academic years to create the foundations for Phase II of the Institute. Her commitment and energy augur well for the Institute.

### III. Conclusion

Although the Dominican community, if we can speak about one community with similar needs, (I am not sure that is the case), is fortunate to count among its own a growing number of dedicated and talented individuals who are continuing to produce information about the contribution of Dominicans to the human experience, much is still in development and the definition of what is the Dominican community in the U.S. is not easily come by these days. There are those Dominicans who glimpse at the American dream while standing on the top floor of a prestigious building in Manhattan, at an elaborate and elegant reception while others view it from the bottom of a fragile *yola* that may render them to an uncertain destination.

Ultimately, who defines the Dominican community? Who defines what it means to be an intellectual? Who defines what it means to be an intellectual who champions "the community"? Who defines what is the "right" sort of scholarship on the subject? Who is the one? Can there be a one? If one were to ask the majority of Dominicans about research on Dominicans published in English, they would have little if any information. Individuals in the community might be better informed about the advocacy done on their behalf in the Spanish language paper and by the local community organizer, fiction writer or poet. Consequently, as we consider how many structures we hope or need to dismantle, as we struggle to hear multiple voices and understand a multiplicity of ways of being American, we

should also take care not to construct our own hierarchical structure, privileging as it were, texts written in English that conform to our own understanding of what is the "right" thing to say and to whom.

As we consider the present state of Dominican Studies, its history and prospects for the future, we may have occasion to feel cautiously optimistic. As the millennium presents uncharted territory for students and academics interested in Dominican studies, the challenges continue to be the writing of missing pages as well as the emerging ones in the history of its people and the integration of the experiences written in Spanish as well as in English to scholarship in the field. It is hoped that the diaspora's trials and tribulations, as well as its strength and honesty, will contribute significantly to the creation of a scholarship in the field that will move from the inclusion of voices to a new understanding of the Dominican experience that will necessitate the formulation of a different paradigm to evaluate and encourage future scholarly production in the field of Dominican Studies.

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# Strategic Alliance Dominican Republic – New York

## CULTURAL DEVELOPMENT

**Assessment of the New York Cultural Panorama**

Franklin Gutiérrez

# I. Introduction

The Dominican community residing in New York City has, according to the 2000 Census, more than half a million members. The contribution of said community to the Dominican economy is well known and unquestionable. The Central Bank of the Dominican Republic estimates that 35% of the Dominican population resolves its basic needs, such as dietary, health, education, clothing and public services with the remittances in dollars sent by this sector of the Dominican Diaspora, which exceeds \$2 billion annually.

Less than a decade ago, Dominicans residing in New York had invested their energies in the production of material wealth that would allow them to return to the country. The reality, on the other hand, has been different: the lack of economic resources to reinstate themselves in their native land, assimilation to the North American lifestyle; the resistance from adolescent offspring to relocate to an unknown habitat, social re-adaptation to native norms, the precariousness of basic services; and the scarcity of remunerative sources of employment and administrative corruption, an ever growing problem, has converted the Dominican Diaspora of New York into a sector of the Dominican population that is unlikely to return to the island.

Consequently, the adaptation of Dominicans to the geographic and social North American landscape has been confirmed by the creation of cultural institutions, centers of study and professional associations dedicated to the study of the Dominican social reality from the perspective of its existing reality, such as the Creoles who have triumphed in the political camp, among them: Guillermo Linares, Adriano Espaillat, and Miguel Martínez. However, the insertion of Dominicans into North American society does not implicate disinterest in the political, economic, social, and familial problematic of the island. People still yearn for the homeland, and reproduce its culture, art and literature with as much, and eventually, with more impetus than if one was on the island, but these values run the risk of vanishing if they are not nurtured and preserved. In order to avoid such a catastrophe the cultural sector of the Dominican community in New York has demanded for decades the support of the Dominican government.

This assessment by the *Cultural Development Task Force of the Dominican Republic – New York Strategic Alliance Project* wants, among other objectives, to present a panorama of the actual state of the Dominican cultural movement in New York and to offer possible solutions for the same.

# II. Development

In the decade of the 70s and large part of the 80s Dominicans residing in New York who identified with art and culture found refuge in civic clubs for culture and sports, which emulated the models established in the Dominican Republic during the same time period whose plan of action intended to, among other things, counteract the repression unleashed by the government against its opposition.

## a. Casa de la Cultura Dominicana

### *First Stage*

As part of an initiative of the doctors Nasri Michelén, Fermín Almonte and Rafael Lantigua, as well as club manager Angel Mescaín, in 1985 the administration of president Dr. Jorge Blanco donated a sum of \$100,000 to the Dominican community for the creation of *Casa Cultural Dominicana*, which began its operations in March of 1987 at 2410 Amsterdam Avenue in Manhattan. Said institution never again received financial assistance from the Dominican government. As a result, the project was dismantled in late 1989 by which time the funds contributed by Dr. Jorge Blanco's administration had been exhausted.

### *Second Stage*

Ten years after *Casa Cultural Dominicana* closed its doors, it was reopened in 1999 during the penultimate year of the administration of President Dr. Leonel Fernandez, this time under the name *Casa de la Cultura Dominicana*, under the direction of Frank Cortorreal. During the year that said institution remained open it functioned as a non-governmental organization (NGO) and received US \$548,675 in part from the Dominican government and partly from the Dominican Consulate in New York.

### *Third Stage*

In August 2000, with the transfer of power to the Dominican Revolutionary Party, *Casa de la Cultura Dominicana* terminates its status as an NGO and is incorporated into the Secretariat of State for Culture with a budget of RD\$750,000.00 monthly, the equivalent of US\$43,000 at the exchange rate of that time. Since then the institution has received approximately US\$1 million. The role that *Casa de la Cultura Dominicana* has gradually been limited due to the following: fundamental problems under different administrations; overwhelming and unnecessary size of the employment machine; the delay of the Dominican government in handing over assigned resources; the internal conflicts between the directors (increasingly acute); the absence of a defined cultural policy with respect to the community served; and the pressures from the cultural sectors of Dominican New Yorkers who feel excluded from the project. The *Casa de la Cultura Dominicana* needs to redefine its mission and play a more role paper within the Dominican Community in New York.

Add to these challenges the lack of an appropriate physical space that allows for the installation of offices, a library, and a room for activities that has the capacity of at least one hundred people.

## b. Cultural Proposal for New York

The chronology outlined above is a confirmation that *Casa de la Cultura Dominicana* in New York project has not functioned; instead, it has been a space used more for the purpose of satisfying a quota of employments for directors and members of the political parties that sustain it than a center of cultural diffusion. That situation has created an institution, which garners little trust, thus incapacitating it of the ability to attract external resources that would facilitate the execution of important cultural projects. Add to that dysfunctionality the demands of its directors and the complaints of numerous cultural groups, visual artists, writers, playwrights, actors, etc. who expect financial backing from the Dominican State in order to develop projects in their respective fields.

In order to sustain our proposal with evident anecdotes we assigned Mr. Victor Báez, with the task of elaborating and conducting a survey aimed at determining the cultural and civic demands of the Dominican New Yorker community from the Dominican State. We have also elaborated a directory and

dialogued with reporters, writers, painters, actors, and other cultural workers who have described the indifference of the Dominican State and its representatives in New York for their artistic projects.

Of the 200 people interviewed in Manhattan, Bronx and Queens 90% agreed that the Dominican government should make radical changes to the cultural policy it has employed to this instant, and convert *Casa de la Cultura Dominicana* into a *Center for Culture and Civic Services* covering an ample area. In other words, into a space where Dominicans of the Diaspora in New York can find, aside from nutrition and spiritual uplifting, professional orientation in the areas of immigration, ratification of university titles, programs to obtain a high school diploma, English and citizenship classes. Given the aforementioned downfalls of *Casa de la Cultura Dominicana* charging said institution with those tasks without first correcting the ills that plague it would be the least suitable idea of the Dominican State.

To this effect, for elaborating, executing and supervising the requested programs addressing the Dominican community needs, given the poor knowledge showed by the national administration regarding the social, cultural and political reality of the Diaspora, we propose the creation of a superior organism for the culture: the Dominican Commissioner for Cultural Affairs in the United States. His/her duties include the administration of the *Centro Cultural Dominicano* and its use as a space for exhibitions, artistic performances, lectures.

## Description

The Dominican Commissioner for Cultural Affairs in the United States will work as a superior organism for the culture, under the authority of the Dominican Ministry of Culture and its main purpose will be the protection of Dominican artists in different areas of New York, concerned in keeping up the national cultural values. The individual appointed at such position will have the rank of an undersecretary of Culture. This rank would bestow to this individual the needed authority for answering adequately to artist's requests, and for solving any conflict in the cultural area.

## Why a Commissioner?

Dominicans residing in New York will never ask the Dominican government for jobs neither for social services such as: education, health, social assistance, electrical power, drinking water. Either will they put pressure protesting for food shortage or for food high prices, because they are living in a society where these needs are sensibly satisfied. However, the cultural sector will never receive the same support from the American society, once this non-productive activity is of no particular interest for the United States, especially in the case of the Hispanic communities. American disinterest for the spiritual aspects of the Dominican Diaspora, is threatening with extinction the cultural values of more than one million Dominicans. In view of this situation, the cultural area must receive the foremost attention from the Dominican governments. Above all, because our aim is that Dominican immigrants keep their cultural identity wherever they are.

The contributions made by the Dominican Diaspora abroad, particularly those residing in New York, to the Dominican economy are well known. However, the demands of the cultural sector of said community have never been adequately attended due to the inefficiency *Casa de la Cultura Dominicana*, which has been managed with many uncertainties and little financial support. In light of this, the creation of a Dominican Commissioner for Cultural Affairs in the United States would not only satiate those demands, but also signify a political triumph on the part of the government, which would by so doing become the first Dominican administration to endow the Dominican community in New York with a national representation of the highest administrative caliber.

## **Personnel for the Dominican Cultural Commission in the United States (Comisionado Dominicano de Cultura en los Estados Unidos)**

- 1 Commissioner
- 1 Assistant to the Commissioner
- 1 Public Relations Manager
- 1 Secretary

## **Functions of the officials and employees of the Dominican Cultural Commission of the United States**

### **Functions of the Commissioner:**

1. Represent the Secretariat of Culture before the Dominican community residing in New York on missions related to the diffusion of culture in said city.
2. Design, guide, and supervise the programs to be developed in the cultural Center/s of the Secretariat of State for Culture established in New York for the promotion of Dominican culture in said city.
3. Raise external funds to facilitate the increase in programs sponsored by the Commission, at its own venues as well as with independent artistic groups.
4. Maintain the Secretariat of State for Culture informed as per the functions of the aforementioned Centers.
5. Mediate for and offer solutions for any conflicts that may arise within the cultural Centers.
6. Analyze, in conjunction with the Executive Directors of the Centers, the programs and activities to be implemented.
7. Receive the recommendations of Executive Directors of the cultural Centers in regards to the contracting or suspension of personnel, and relay said recommendations to the Secretariat of State for Culture.
8. Oversee the appropriate use of financial resources assigned by the Dominican government to the cultural Centers.

### **Assistant to the Commissioner**

#### **Functions:**

1. Stand in for and represent the Commissioner in public activities and the administrative negotiations of the institution.
2. Supervise personnel.
3. Coordinate and supervise the activities of the institution and of the Centers.

### **Public Relations Manager**

#### **Functions:**

1. Publicize the *Dominican Cultural Commission* and the Centers it forms in the state of New York and those in its periphery.
2. Elaborate press releases about the activities of the Commission and the Centers it forms.
3. Design and supervise bulletins, magazines, web pages or any other kind of publication concerning the Commission and its Centers.
4. Represent, in person, the Commissioner at public events to which the institution has been invited.

5. Maintain the web sites of the Commission and its Centers up to date on any events and programs.
6. Film and photograph the activities of the Commission and its Centers.
7. Maintain an archive of photos and video recordings on the activities of the Commission and its Centers.

## **Secretaries**

Their responsibilities will involve executing all tasks involved in their field, and participation in the organization of the events of the institution.

Profile of the workforce for the Dominican Cultural Center

As of the installation of the administration of Dr. Leonel Fernández in August 2004 Casa de la Cultura Dominicana will become the Dominican Cultural Center in New York, and its personnel will be as follows:

- 1 Executive Director
- 1 Events Coordinator
- 1 Accountant
- 2 Secretaries
- 1 Custodian

Freelance events coordinators

## **Functions of the officials and employees of the Dominican Cultural Center:**

### **Executive Director**

**Functions:** Will be in charge of directing the Center. His/her responsibilities include:

1. Submit proposals for the development of activities, projects and programs in the Center to the Cultural Commissioner in the United States for their discussion, approval or rejection.
2. Execute and continue the programs and activities previously approved by the Dominican Cultural Commissioner in the United States.
3. Represent in person or in a delegation the Center at public events organized by other institutions in the New York and neighboring areas, which are related to the Dominican or Latin American cultures.
4. Represent in person or in a delegation the Center in any other affairs that may arise.
5. Raise independent resources that will facilitate the increase of programs and activities in the Center.
6. Manage the personnel directly under his/her responsibility and ensure that they have appropriately accomplished all work for which they were hired.
7. Advice the Cultural Commissioner in the United States and by default the Secretariat of State for Culture as to the dismissal of any personnel for failure to complete work-related duties.
8. Oversee the proper use of financial resources.

### **Public Relations Manager**

**Functions:**

1. Publicize the Dominican Cultural Center in the State of New York or in any other states in the U.S. or any other country.
2. Elaborate press releases regarding the activities of the Center for which he/she works.

3. Design and supervise bulletins, magazines, web pages, and any other publications regarding the Center.
4. Represent, in person, the executive director at public functions that the Center has been invited to attend.
5. Maintain the web site of the Center highlighting the activities and programs.
6. Film and photograph the activities of the Center.
7. Maintain an archive of photos and video recordings on the activities of the Center.

## **Events Coordinator**

### **Functions:**

1. Plan program of events and present them to the Executive Director.
2. Develop activities and programs approved by the directorate of the Center.
3. Provide the Department of Public Relations with information detailing all of the unfolding activities for promotional purposes.
4. Supervise the work of persons hired externally for the completion of program-specific jobs.

## **Accountant**

### **Functions:**

1. Perform and keep record of all accounting for the Center.
2. Issue all checks for the institution.
3. Make all payments related to the Center (rent, electricity, water, phone, garbage collection, taxes, etc.)
4. Prepare tax documents for employees.
5. Assume any other functions related to his/her field commissioned by the directorate of the Commission or Center.

## **Secretaries**

Their responsibilities will be to execute any tasks in their field and to participate in the organization of events for the institution.

## **Janitor**

### **Functions:**

1. Execute all tasks related to the cleaning of the sites of the Commission and the Center.
2. Provide messenger services within and without the site of the Commission and the Center.
3. Work directly with the events planner in the organization and setting up of events at the Center.

## **Freelance Event Coordinators**

Freelance event coordinators will be contracted by the Centers for the coordination of an event related to their artistic field (literature, theatre, visual arts, folklore, etc.). They will not be permanent employees although they will have a temporary space at the Center throughout the duration of their activity. As a result, they will not have fixed pay, but rather payment for the activity, which they coordinate.

## 1. Immediate Plan of Action of the Commission

- a. Find a site that is bigger and more comfortable than the actual site in which to install the *Commission* and the *Dominican Cultural Center*;
- b. Meet with cultural groups and socio-civic organizations that work on promoting Dominican culture in New York for the purpose of developing joint activities;
- c. Meet with Dominican political and business leaders established in New York in hopes that our project will find financial support among them;
- d. Create an electronic mailing list of the artistic groups, cultural institutions, individual artists, political personalities and culture aficionados. Said list will also be used to promote the activities of the *Dominican Cultural Center*;
- e. Establish work agreements with institutions and agencies linked to culture such as: Dominican Consulate, Dominican Studies Institute, Culturarte, literature departments of universities, etc.;
- f. Design the mechanism by which the *Commission* will distribute grants to groups and individual artists;
- g. Publish an informational bulletin promoting the work of the *Commission* and the *Dominican Cultural Center*;
- h. Create a real bridge between Dominican intellectuals and artists residing on the island and those established in New York, which will foment a cultural interchange and friendship;
- i. Develop joint projects with the different branches of the Secretariat of State for Culture and with other Secretariats of the Dominican State;
- j. Negotiate with the “National Commission of the Book Fair” the facilities necessary for the real and effective participation by Dominican writers and intellectuals in the “International Book Fair of Santo Domingo;” and
- k. Create the "Dominican Culture Fair in New York." (The program to be developed for this event will include: folkloric dance, theatre, literature, book exhibition, painting and handicrafts, recitation, musical performances, etc.).

## 2. Plan of Action for the *Dominican Cultural Center*

- a. Prepare three major activities per year (meeting on literature, theatre festival, film festival, art exposition, etc.);
- b. Offer monthly activities (conferences, book presentations, theatre presentations, cultural soirées, etc.);
- c. Offer workshops (for literature, painting, sculpture, theatre, etc.);
- d. Create a library of texts relating to politics, society, culture, literature, folklore, and history of the Dominican Republic;
- e. Function as a training center (juvenile symphony, GED classes, etc.);
- f. Sponsor literary contests and publish a collection with the results;
- g. Design and keep an up to date web page; and
- h. Design, in conjunction with the Commission, an informational bulletin for both institutions.

# **Strategic Alliance Dominican Republic – New York**

## **CULTURE DEVELOPMENT**

**Cultural Exchanges and Historical Awareness between Dominicans in the Island  
and in the Diaspora at the Dawn of the 21st Century**

Anthony R. Stevens-Acevedo

# I. Cultural Exchange

## a. A working definition

The notion of cultural exchange implies a notion of an existing culture (or combination of cultures), in this case the ‘Dominican culture,’ that is to be exchanged, for our purposes, between the sending society (the Dominican Republic) and the emigrated segments of that society forming enclaves or diasporic communities abroad like the United States. The Dominican culture or ethnicity is understood here as a national culture or ethnicity. Also, in this paper the term ethnicity is used to refer both to this collective, national culture created by the Dominican people throughout its history, as well as to Dominicans themselves as the people who have created said culture.

## b. Avoiding for a moment the term ‘identity’

Many times in the context of public discussion on Dominican culture or ethnicity the word identity has been used as a synonym or equivalent of ethnicity or culture. This use of the word has been challenged because of its meaning of similarity or identicity when in fact the intended purpose, among others, in discussions about Dominican ethnicity has been to underscore precisely the opposite: the peculiarity or particularities, as well as the internal diversities, that make Dominican culture stand out when compared to any of all the other cultures of the world, and which Dominicans expect to be respected by other peoples. For the sake of maximized clarity we will not use the word identity here as a synonym of ethnicity.

## c. A more democratic notion of national culture or ethnicity

To be meaningful at this time and age, any definition of a national culture or ethnicity has to be a democratically constructed and controlled one. Gone are the days where one single subgroup within an ethnic group or nation could expect to make a definition of the national or collective culture shared by the ethnic group at large and impose such a definition on the rest of the ethnicity or national population. Any definition of Dominicanness to be used today has to be civically egalitarian, non-discriminating, socially integrating, tolerating-of-internal-differences one. In this regard, for Dominicans residing inside and outside the country of origin, the main challenge possibly resides in finding whatever common ground of peculiarity is still left in the culture(s) shared by those who called themselves Dominican, and explore how such a shared cultural peculiarity can be nurtured to further strengthen the Dominican nation as a collective project where all Dominicans (whatever their intra-ethnic variations) find an acknowledgment, a participation, and an opportunity free of any forms of discrimination, exclusion or segregation, either physical or emotional.

#### **d. Underscoring an equality in ethnic dignity**

We need a notion of Dominicanness that incorporates on an equal, plain level a celebration and nurturing of all our diversity or internal differences in such a variety of aspects like (but not limited to) racial complexions, ethnic heritages (like the Spanish, the African, the Indigenous, and the historically more recent ones like the Arab, the Jewish, the Chinese, the Haitian, the Anglophone-Afro-Caribbean, the Francophone-Afro-Caribbean, the Puerto Rican, the Italian, etc.), social-class background, geographical background (city/countryside), religious beliefs (and non-beliefs), sexual-orientation and lifestyle, ideology, language dominance-proficiency, and levels of formal education. Only by departing from such an inclusionary, sharing-oriented, prejudice-avoiding, and community-highlighting notion of ethnicity or national culture it makes sense for Dominicans and their children inside immigrant communities like those in the United States to engage in efforts of cultural exchange with other Dominicans residing in the country of origin as well as with the members of other ethnicities interested in knowing more about Dominicans.

#### **e. Overcoming past exclusions**

Any of the traditional, historical, forms of exclusion, discrimination, and privileges that have existed, and to some extent continue to exist, inside the social order of the national ethnicity, both inside the country of origin as well as inside the emigrated or diasporic communities, are to be superseded in the cultural practices and exchanges taking place among those two parts of the Dominican people as it exists today, if we are to construct a socially healthier and stronger shared-ethnicity which to bestow to future generations. Dominicanness cannot but mean, at the dawn of the twenty-first century and among some other fundamental things, a sharing in social dignity and social protagonism for all Dominicans, and a valuing of the individual moral and civic worth of each Dominican on the basis of the integrity of the person's character, rather than on any of the old, historically inherited, social labels mentioned above.

#### **f. Establishing priorities in the re-construction of our ethnicity**

As in any human endeavor attempted with limited resources, there is a need for us to prioritize and focus our efforts in the promotion of ethnic culture and of cultural exchanges. It seems convenient in this context to attempt to maximize the impact of these efforts by focusing on those cultural traits or elements noticeable for their collective impact, and therefore their ethnic value. Seen from this angle, this definition of Dominicanness should stress all cultural or ethnic aspects or items that are peculiar for their social-integration power or potential, for their strengthening of the social fabric weaved with the sharing, the collaborating, the mutual-supporting, the assisting to one-another throughout all cultural practices deemed more or less peculiar to Dominicanness, that is to say, to the belonging in the Dominican society-ethnicity.

The above mentioned prioritization implies also a critical and reasoned reassessment of all of the inherited cultural traits traditionally promoted as Dominican ethnic landmarks, but which –looked at from a more collectively-centered and democratic perspective at the dawn of the twenty-first century –may no longer be as valid. We should be keen enough to acknowledge when any cultural element traditionally and/or officially defined as ethnically important is no longer so. Ethnic symbols, for instance, that no longer generate (if they ever did) authentic ethnic solidarity should be considered under scrutiny and under serious reassessment for possible replacement, if necessary.

### **g. Dignified inclusion of the diasporic communities**

It is within such a framework that any planning of cultural exchanges among Dominicans abroad and Dominicans in the country of origin make sense to those of us who attempt to live within more contemporary sensibilities and practices. Dominicans abroad must be treated on an absolutely equal footage in whatever kind of exchanges take place with those Dominicans residing in the country of origin. There is a need, for instance, to overcome and bring to an end the prejudicial practices incurred in the stereotypical portraying (especially in some Dominican media and, frequently, in the public discourse) of Dominicans residing abroad as a population of delinquents or socially deviant people. The elimination of the denigratory image of the ‘dominican-york,’ especially in its connotations of crime-prone social type, is just one item of concern in this regard, among many, for Dominicans abroad.

## **II. Historical Awareness**

### **a. Another basic definition**

Historical awareness, that is, the knowledge and notions held about the collective past of an ethnicity, is probably a function or part of each existing culture or ethnicity itself, and in the case of Dominican culture in particular, a part of the Dominican ethnicity as it exists today. It could be argued also that each society or culture constructs and reconstructs the particular items (events, processes, vestiges, relics) of its past that its members, according to their say and decision-making power within their culture-ethnicity, decide to preserve or remember. And it could be further argued that Dominicans as a people-ethnicity are not an exception in this regard. Thus the debatable or negotiable nature of the decisions on what items of the past deserve to be preserved-remembered when compared to others, and how this should be done.

### **b. Insufficient historical awareness**

It has been repeatedly commented in recent years that Dominicans in general do not know (or are not aware) enough about their collective past, as it would be desirable for a healthy reproduction or historical survival of Dominicans as a people and of Dominican culture as a viable ethnicity. This is a general notion probably shared by a number of Dominicans of more or less different ideological and political perceptions. Yet, when it comes to what should be done about this, different perceptions are probably held by those same Dominicans. Any initiatives collectively taken in this regard, therefore (and even more whenever the Dominican state may be involved) must be arrived at through a collectively dialogued, discussed, and negotiated process, guided by tolerance, inclusion, and respect for the dignity of all constituencies within the Dominican people with a clear understanding that no-one particular group should impose or monopolize the decisions in this regard to the majority, that is to say, trying to construct a balance between majority(ies)and minority(ies).

### **c. Need for new definitions**

A modern, democratic, view of the collective historical heritage and historical awareness for the 21st century requires democratic, negotiated participation in the decisions to be made on what elements of the past of the ethnicity should be preserved and on how this should be done; the ultimate goal being

the construction of a historical awareness where all the members of the Dominican ethnicity may find data that will help them understand how Dominican society has evolved since its beginnings; how all the social segments or constituencies of that society have participated in its evolution; and how their past actions connect to the present status of Dominican society as a whole and to the status of each member of the Dominican ethnicity as an integral part of that society. Every Dominican, in other words, should be entitled to know as much as possible about his/her forebears, and what role they have played in the collective past of the ethnicity.

#### **d. The silencing of the majorities**

No longer can Dominicans survive as a viable ethnicity or nationality of the 21st century with the kind of historical awareness that has existed and prevailed until today, which largely silences, neglects and/or excludes key historical constituencies like (among others) the African and the Aboriginal ethnic segments of that society, their descendants, and their heritage, women, and all subaltern, poor, working, disenfranchised segments of that society as they existed in the past.

The little awareness that still exists among Dominicans, for instance, on the intense connection of early modern colonialism and enslavement of Africans in a place like La Española and its long-term historical consequences, probably down to our own days; the lack of attention to what happened to former slaves in Santo Domingo when it became the Dominican Republic; the fact that many Dominicans are not aware that they actually descend from a mix of European, African, and Indigenous ancestors (and sometimes very much from predominantly African forebears), are just a few examples of the results of the silencing and the neglect mentioned above.

#### **e. The silencing of the Dominican diaspora**

A particular mentioning should be done here of the silencing in the existing educational and communicational resources about Dominicans and their history of the enormous contemporary process of massive migration abroad of an estimated one million Dominicans (many of them from the poorer social strata of Dominican society), who have left the nation in search for better living conditions and opportunities for themselves and their families. Most social scholars would admit that such a migration has had, continues to have, and will continue to have (in the foreseeable future) an enormous economic, social, cultural, and therefore historical impact in the Dominican society and the Dominican ethnicity as we know them today. It is no exaggeration to say that, in order to understand today what the Dominican society-nation is as it has existed and evolved since the last two or three decades, it is absolutely indispensable to include in the analysis the phenomenon of Dominican migration abroad.

Yet, for whatever the reasons, such a phenomenon is blatantly silenced in textbooks, history books, and even in encyclopedias published as we speak. For Dominicans residing abroad, and specially for the Dominicans residing in the United States, this inexcusable exclusion is not only a collectively painful phenomenon but also a symbol of the kinds of re-definitions and re-negotiations of definitions of Dominican culture, ethnicity, and nation that urgently needs to take place if we truly want to construct a more democratic Dominican society.

#### **f. Recovering the neglected protagonists**

Going back to the general situation described here, there is an urgent need to recover the historical

participation (in whatever capacity) of all the constituencies mentioned above in order for contemporary Dominicans to have a comprehensive, socially and civically healthy awareness about their past. The more Dominicans know about what happened, by whom, and why in the five hundred years of evolution of the Dominican society-ethnicity, the better equipped each Dominican will be to participate in an informed, inclusive, active, and responsible way in the current efforts to improve and protect the national-ethnicity in all its present and future forms and variants.

### **g. An updating of Dominican historical scholarship**

On the one hand there is a basic need for consolidating and systematizing all the existing knowledge about the history of the Dominican people, for further uncovering those aspects still insufficiently known, and for exploring the many aspects still unknown. On the other hand, there is a need to re-study and re-write the existing data on Dominicans' past with a more socially inclusive approach, along the lines alluded to earlier in this paper. Obviously, economic resources have to be allocated that would fund the research and writing work that is necessary to accomplish this goal.

Part of the problem is the lack of a strong history profession in the Dominican Republic, where it may not be exaggerated to say that, out of the current 8 million inhabitants, maybe less than half-a-dozen individuals could be defined as full-time history researchers or writers, that is to say, professionals that can make a dignified living as full-time scholars exclusively dedicated to the research and teaching of history. Dominican public and private educational and cultural institutions face a huge challenge in this regard, and a way must be found to institutionalize the historical profession. Many more positions/jobs need to be established, with dignified salaries, and with strong legal and institutional protections for the intellectual freedom and job stability of historians conducting research on the Dominican past.

Another problem is that no adequately funded nor equipped main repository or database on Dominican history exists yet designed as per modern scholarly criteria, where any Dominican could faithfully go for access to whatever information may exist on any of the fundamental aspects of the Dominican past. Much of the data so far disseminated in form of books, for instance, suffers from a lack of a modern reference apparatus that could allow any potential reader to double-check or verify the data in the sources where they were originally obtained, which in turn would further allow the readers to better assess the opinions and interpretations that exist on the past of the Dominican people. In other instances, the language of the texts is cumbersome and not reader-friendly.

### **h. Historical knowledge and education**

Particular improvement has to be achieved in materials about Dominican history devoted to younger readers, both in form of textbooks and reference texts (dictionaries, encyclopedias, guides, introductions, atlases, etc.) to be used primarily in the formal education setting, as well as more author-centered or creative materials devoted to the study or discussion of the Dominican past, and both in terms of the language as well as the conceptual content displayed in them, usually not within the grasp of the average youngster or student to whom those materials are supposed to be primarily targeted.

In other words, there is a need for the production of a whole series of materials and instruments to disseminate a more comprehensive and socially inclusive interpretation of Dominican history. Books, journals, video-documentaries, Internet websites –among the multiplicity of resources possible-- are

needed to offer Dominicans a real opportunity to learn about their past within a more democratic and inclusive vision of that collective past.

### **i. A working conclusion**

Any serious, effective revitalizing of historical awareness among Dominicans, along the lines posed in this section, requires at least some basic initiatives:

- 1) A redefinition of the criteria and values orienting the construction of the new historical awareness among Dominicans has to be made, and as such, this construction must be democratic, participatory, and inclusive.
- 2) The contents of a renewed historical awareness must be guided by a research effort that brings to the fore the participation, in the past, of all segments and constituencies of the Dominican society as they have existed and been a part of that society at any given moment of said past. Constructing those contents will require teams of people who systematically review the documentation and data generally available, but specially recovering the documentation and data so far non-disseminated or not-easily accessible for research and study, be it in Dominican repositories or in repositories in other countries (Spain being the most important, though not the only one).

## **III. Recommendations**

In a context of limited resources (of all sorts) with which to respond to the needs and challenges mentioned before, decisions have to be made as to which aspects of the lives of all those past constituencies of the Dominican society should be first addressed and highlighted. We hereby propose to begin by (and this is a daunting task in itself) addressing in general all actions and values identifiable among the forebears of contemporary Dominicans leading to social practices of freedom, sharing, participation, respect, inclusion, collective efforts to overcome natural obstacles of the environment, coexistence in diversity, and celebration of creativity, among others.

The following are recommendations to address the issues of cultural exchanges and of historical awareness among Dominicans as they have been discussed in this paper, categorized in two aspects: A) proposed initiatives, and B) proposed strategies-procedures, each broken-down into matters related to content and matters related to format. All of them are considered here as complementary parts *vis a vis* the same ultimate common goals, to be implemented, to the extent possible, more or less simultaneously.

### **A) Initiatives**

#### **1) Cultural Exchanges:**

##### **a) Contents:**

- 1) Redefinition and updating of (in textual, visual, or auditory form or any combination of these, on any kind of support, from printed to digital and Internet-based) the core ethnic values of Dominican culture at this time and age.
- 2) Production of new materials (textual, visual, auditory, or any combination of these, on any kind of support, from printed to digital and Internet-based) showing, analyzing, explaining, and

celebrating Dominican culture, as well as recovery of all materials deemed useful for the purposes outlined here.

- 3) Planning and execution of activities, projects, and programs that disseminate the elements of Dominican culture and create opportunities for free, democratic, discussion and debate over those elements or values.

**b) Formats:**

- 1) Discussion groups
- 2) Panel-conferences
- 3) Workshops
- 4) Seminars
- 5) Short courses
- 6) Exhibits
- 7) Festivals
- 8) Audiovisual screenings
- 9) Group tours or visits
- 10) Internships
- 11) Tutoring sessions
- 12) Mentoring opportunities

**2) Historical Awareness:**

**a) Contents:**

1. Re-writing (or re-representing) the history of the Dominican people.

Integrating and funding teams of researchers and writers devoted to consolidating all the existing knowledge about the history of the Dominican people, structuring it in a sound analytical manner according to the long-standing conceptualizations prevailing in the international historical scholarship during at least the last 25 years (including the approaches of social history, economic history, institutional history, interdisciplinary history, regional history etc.), with a systematic source-referencing procedure, and laying it out in a clearly understandable language; and

Integrating and funding teams of researchers and writers devoted to exploring (and writing their findings on) the many aspects still unknown or insufficiently known of the Dominican past.

2. Disseminating a new history of the Dominican people.

Creating and funding professional teams devoted to the production of materials in which to disseminate the democratized, revitalized and modernized interpretation of Dominican history proposed in this document. These materials-instruments could include (but not be limited to) reference texts (dictionaries, encyclopedias, guides, introductions, atlases, etc.), textbooks, videodiscs, and websites.

3. Commemorating and celebrating a new history of the Dominican people.

Integrating the proposed new reconstruction of the history of Dominicans into all commemorative and celebratory public occasions in an organic manner, infusing the contents of these occasions-practices (theatrical representations, speeches, essay contests, pamphlets, signs, visual displays, banners, videos, TV broadcastings, choreographic arrangements, etc.) with the proposed new vision of our shared collective past.

**b) Formats:**

- 1) Discussion groups
- 2) Panel-conferences
- 3) Workshops
- 4) Seminars
- 5) Short courses
- 6) Exhibits
- 7) Festivals
- 8) Audiovisual screenings
- 9) Group tours or visits
- 10) Internships
- 11) Tutoring sessions
- 12) Mentoring opportunities

**B) Strategies-Procedures**

1) A proactive policy of inclusion

An all-inclusive, integrating policy that actively prevents any of the old forms of exclusion and/or discrimination based on criteria like socio-economic background, family background, regional or provincial origin, religious orientation, sexual orientation, race or racial type, general physical complexion, physical disability, ethnic subgroup heritage, native language predominance (English or Spanish or other) or language preference (English or Spanish or other), ideology, and political party affiliation or preference, should be pursued and sustained as integral part of all the recommendations made in this paper, meaning by this that a constant effort will be made to maximize the guarantee that all the members of the Dominican people/ethnicity enjoy equal access to all the initiatives proposed here.

2) A proactive dissemination policy

Information on the status of the planning and execution (including financial information on income and expenses) pertaining to all the initiatives proposed here should be regularly provided to the public.

3) A policy of maximized access

Procedures should be established to maximize access and opportunity for all Dominicans in regards to their participation in, use, and enjoyment of all the initiatives and products generated under the concepts of Cultural Exchange and Historical Awareness as submitted here to the Cultural Development Task Force of the Dominican Republic – New York Strategic Alliance Project.

# Action Plan of the Cultural Development Task Force

## **The Task Force has identified three main problems:**

1. The lack of information about Dominican and Dominican-American culture in all its aspects
2. Poor dissemination of information
3. Need to increase opportunities for Dominican and Dominican-American artists, musicians, writers

In response, the Task Force has identified several important projects:

### **a. To address the issue of information:**

- Directory of Scholars/organizations of Dominican literature, art, music in NY  
We plan to work closely with CUNY Dominican studies Institute (DSI) to build upon their existing database and keep it updated.

### **b. To address the issue of dissemination:**

1. Web site: In these days of online communication, it is essential to have a website with a monthly calendar of events; a bibliography of new books and reviews of books; information about classes, exhibits, concerts, etc.; and links to other sites which deal with Dominican culture.
2. Television Series: Conversations with Dominican and Dominican-American Writers, Artists, and Musicians among others.  
Drs. Gottlieb and DeFilippis will discuss the creation of this series with Dr. Patricio Lerzundi, Director of Lehman's Multilingual Journalism and Mass Communication Program.
3. Translations into English or bilingual editions of Dominican literature, history, essays, etc.  
Work with CUNY Latin American Writers Institute and other organizations to contract and publish.
4. Creation of online courses dealing with Dominican and Dominican-American culture

### **c. To address the issue of opportunities:**

#### 1. Grant Support

It is essential to examine the possibility of securing grants to unite community based organizations with academia for the dissemination of Dominican and Dominican-American culture as well as for the artists, musicians, and writers themselves to carry out their projects.

#### 2. Network of Connections

Establish a network of people and organizations to assist Dominican and Dominican-American artists, musicians, and writers in exhibiting, performing, publishing.

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Dr. Marlene Gottlieb, Dean at Lehman College and Chair of the Cultural Development Task Force, elaborated this Action Plan of priorities with the help of the other members of this task force, which aims to work in cooperation with the Global Foundation and the Dominican government's cultural agencies in New York, and hopes to also receive U.S. private and public support for these initiatives.

# CHAPTER V

## ECONOMIC DEVELOPMENT

# Strategic Alliance Dominican Republic – New York

## ECONOMIC DEVELOPMENT

### **Diaspora, Trade and Investment: Strategies for New York and the Dominican Republic**

Lenora Suki

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# I. Executive Summary

This issues paper addresses the role of the diaspora in developing commercial relations between New York and the Dominican Republic. It examines existing work on diasporas and social networks, as well as trade and investment data, to recommend strategies for encouraging more interaction and enhanced community development and economic growth in both places. This study arises from both the collaboration of the Earth Institute's Center on Globalization and Sustainable Development (CGSD) with the Dominican Republic's Fundación Global Democracia y Desarrollo (FUNGLODE) and the New York - Dominican Republic Task Force convened by FUNGLODE/GFDD and CUNY's Dominican Studies Institute.

The collaboration between CGSD and FUNGLODE aims at promoting efforts to achieve the United Nations' Millennium Development Goals (MDGs) goals. Millennium Development Goal 8 calls for the creation of global partnerships for economic development. While this goal primarily addresses trade, aid and debt - responsibilities of developed countries toward developing countries – this work focuses on diasporas as a source of global partnership over which a country might have more influence. The New York - Dominican Republic Task Force has been working to create a framework to create and foster such transnational linkages in various issue areas such as health, education, economic development and political empowerment, among other topics.

The study of migrants' impact on economic relations between the home country and the adopted country is still in its early stages. Most research thus far has focused on the social, political and economic impact of migration on home and adopted countries. The flow of remittances has become an important research topic, but trade and investment relations have rarely been addressed. Although such interactions can move past remittances to small businesses, real estate, retirement investments, heritage tourism and nostalgic or ethnic trade, data generally does not yet exist to capture these flows. Nor has a comprehensive analytical framework been developed to describe the characteristics and determinants of migrants' investment in their home countries. Therefore, this issues paper derives insights from literature on social capital and networks, ethnic entrepreneurship, international diaspora efforts, the management of foreign capital flows and strategies for private sector growth in developing countries.

## II. Review of Current Literature and International Diaspora Efforts

Social capital and social networks in business and development. The literature on social capital and social networks does support the idea that businesses interactions are improved by networks of trust relationships between individuals and organizations (Corbin and Strauss 1993). Cooperative relationships - arising from established communication, repeated interaction and proximity through family ties, ethnicity, community, firm employment, gender or civil society - drive progress toward common goals. Applications for social and economic development research link social capital with

growth, poverty, trade, finance, health and education, among other areas. Trust, reciprocity, information and cooperation can help raise community awareness, productivity and cohesion, especially when interactions are institutionalized (Kentworthy 1997). In the business context, social networks provide information. The information communicated by social affinity has been shown to lower pricing, ease transaction execution, influence production choices and raise willingness to accept risk (Schmid and Robinson 1995). The growth of banks catering to Hispanic and Asian communities reflects this concept (Li et al 2001, Dymski and Mohanty 1999).

Although the benefits of social capital can be positive in themselves, social networks can also have negative outcomes such as hierarchic, exclusive behavior and increased inequality. In the absence of an effort to be inclusive of disadvantaged members of a community, those members would benefit more from investment in human capital and market access than from access to sub-optimal social network resources. Therefore, social networks should be deployed not only for the sake of cohesion and community participation alone, but rather also to improve access to market resources, information and other benefits. Following this reasoning, diaspora efforts to improve commercial ties should focus on resolving information asymmetries and disadvantaged access to resources, not just for individuals but entire groups.

Ethnic entrepreneurship. The ethnic entrepreneurship literature mirrors these conclusions about social capital but focuses on the economic successes and challenges faced by immigrant communities, among which disadvantaged access to education, health care, labor benefits, legal resources and financial services (Light and Bonacich 1988, Waldinger et al 1990, Portes and Zhou 1992). Again, network development and market access are both central to integration and economic success. The ethnic entrepreneur's network - marriage ties, family borrowing or knowledge of relatives or friends in business – can only partly compensate for limited access to market institutions, as can social tolerance and public support.

Although ethnic networks can increase labor force participation and self-employment, ethnically based resources do not necessarily lead to entrepreneurial success or higher income (Rath 2000, Valdez 2002). In fact, Valdez (2002) concludes that market and human capital resources are more important determinants of entrepreneurial success than ethnic networks and resources. Less formal ethnic networks may not achieve the same entrepreneurial or commercial success gained through formal market channels. Furthermore, ethnic networks can segment over time, becoming less cohesive and driving large disparities between economic groups within an ethnic community (Alberts 2003 and Portes 1989 describe this in the Cuban community in Florida). For this reason, inclusiveness should be an important goal of such diaspora efforts.

While ethnic entrepreneurship research focuses on individual or group social resources, research on non-ethnic entrepreneurial behavior underlines the importance of human capital and access to market-oriented resources – information, capital, business experience, training, educational achievement and entrepreneurial personal characteristics. Diaspora members can encourage such achievements by sponsoring dual-country apprenticeships and scholarships, work exchanges, educational partnerships and resources, business matching services, professional associations, business outreach and training seminars.

Migration, trade and investment. Ultimately, migrants' willingness to trade with and invest in the home country depends on multiple factors. Although few studies have addressed migrants' impact on trade or investment between the adopted country and the home country (Gould 1994, Rauch and Trindade 2002), existing work points to higher bilateral trade as a result of both migrants' special knowledge of their home countries and migrants' demand for goods from the home country. Migrant

involvement in trade with the home country relies on networks for capital, market information, company matching, business referral and access to other international markets (Rauch et al 2002, Weidenbaum et al 1996). Networks help prevent opportunistic behavior and enforce expected social and business norms. Some evidence suggests that the business ventures of migrants may overcome more easily the obstacles posed by less institutionalized or non-transparent markets.

Immigrant links seem to have a particularly positive impact on differentiated goods and specifically consumer manufactures (Gould 1994, Rauch and Trindade 2002). The importance of differentiation may be a direct result of unique market knowledge. Immigrants' greater impact on exports than imports (Gould 1994) underlines the importance of knowledge of the home country. The positive effect on imports can decline with length of stay, perhaps because immigrants substitute domestic production for trade or shift consumption to substitutes produced outside the home country.

If ethnic connections can help generate international trade, policymakers on both sides of the migration – in this case, rather than just the Dominican side - should encourage such linkages and work to fill information gaps. Promoting exports via ethnic networks may fit with existing international business support programs, such as matching, institution-building, training and extension or trade missions. Such programs, which are far more developed in the US, could explicitly integrate diaspora participation into their objectives. Promoting exports from Dominican firms in New York and elsewhere serves the purpose of economic and community development in the US, and focusing on goods in which the Dominican Republic has a competitive advantage or national trademark would be ideal for export development on the other side.

Promoting diaspora capital in the context of foreign direct investment. A framework to describe the characteristics and determinants of diaspora investment has been largely missing from research on and policy discussions of foreign private capital in developing countries. This is partly because little data exists outside of remittances (which are classified as current transfers not investment), and partly because diaspora capital may only be a small percentage of total external financing. Because few assertions about diaspora capital can be tested, improved effort by financial institutions and governments to quantify diaspora investments would benefit research in this field. Only with such data can policymakers determine the level of policy effort and expenditure merited to promote such flows.

Even without a framework to describe diaspora investment, the debate over foreign capital in developing countries does highlight theories that may explain key aspects of diaspora investment, as well as policymakers' growing interest in this capital source. Foreign direct investment, when managed well, can confer numerous benefits, among which: longer-term, more stable capital; training and technology transfer; improved accountancy and governance; discipline against bad government policy; risk diversification; competition in input markets; access to cheaper external finance; global distribution networks; corporate tax revenues; higher domestic investment (Bosworth and Collins 1999); and increased import and export activity (World Bank 2001, Feldstein 2000). On the negative side, volatile foreign private capital may lower long-run growth (Easterly, Islam and Stiglitz 1999) if combined with weak macroeconomic policy and unstable financial institutions. Despite the importance of direct investment in external financing for developing countries, unrestricted flows, especially of debt, have also been tied to financial crises in recent years.

The potential contribution of diaspora investors can be evaluated in light of these observations as well. Echoing the virtues of foreign direct investment, diaspora investors may offer a more stable source of foreign capital, as well as technology, networks, training, tax revenues and access to markets and capital. Migrants may additionally have sufficient local knowledge to apply their adopted business practices in a domestic context. They may act as advocates for necessary private sector reforms. An

active, organized and knowledgeable diaspora might prove to be a potent selling point for investment promotion officials (Business Week, December 2003). There is also some indication that diaspora investors are willing to accept a lower-than-market return on investment – either because their motivations are humanitarian or altruistic or because they have a lower perception of business risk in their home countries. Diaspora bonds and small business development funds have been good examples in countries like India and Armenia, respectively. Along the same lines, migrants may have a longer investment horizon or be able to mobilize greater local know-how. Ultimately, as has been the case with some Asian business networks, migrants abroad can also lower the cost of outward investments (Asian Development Bank 2004).

The analytical framework utilized in addressing foreign investment questions has limits for diaspora applications. Not all countries will have access to the same large pools of private capital and expertise mobilized by countries like Armenia or India. Nor has the stability of diaspora capital been proven outside of remittances (Buch et al 2002). Some Dominican interviewees suggested frustration with corruption and poor business practices forced long delays in investment decisions. In fact, this research ultimately suggests that diaspora investors' efforts may be as easily undermined by a difficult investment climate as non-migrant investors. The few surveys that exist test intention not actual investment (Gillespie et al 1999).

For this reason, reforms for private sector growth are as necessary to improve commercial linkages between New York and the Dominican Republic as they are for developing other investment relationships. Constraints in the investment climate in the Dominican Republic appear to be the most serious challenge to developing better transnational commercial ties. The Dominican Republic can boast of certain achievements, such as its preferential trade access to the US and proximity to its most important market in the US. In other areas, improving the business climate is an imperative. The current crisis has undermined macroeconomic fundamentals and cast doubt on financial and political stability. Taxes, corporate governance, bureaucracy and the legal framework (especially in land titling and property rights) all require redoubled effort to improve the business climate (Kaufmann et al 2003). Labor is neither skilled enough nor low cost enough to compete effectively, reflecting failures in basic education. Physical infrastructure is better than in some regional competitors but requires greater maintenance effort and renewed attention to environmental standards (Vial 2002b, Suki and Vial 2004). The cost of doing business outside the free trade zones is high and burdened with additional costs and frictions beyond those borne by private firms. Some of these issues will be addressed by the next government in the context of IMF/World Bank agreements. Others will require longer-term effort.

Dominican diaspora investors can help address these complaints both as investors and as advocates and advisors. As investors, these diaspora members bring both values and business practices from their extensive experience in New York. Because of substantial time spent in both countries, most are knowledgeable of the local business environment as well. As advisors, prominent members of the Dominican diaspora – those who did and did not already participate in the New York – Dominican Republic Task Force - can also be mobilized to assist in designing an investment promotion strategy and to participate in informational campaigns, image-building activities, feedback mechanisms to define policy priorities and other investment promotion programs.

Promoting diaspora investment requires special outreach and attention. In India and the Philippines, separate units within the investment promotion agency or the foreign affairs ministry are responsible for meeting the needs of this group. In some countries, a Presidential commission or appointee is charged with developing ties with the diaspora in various areas. While such outreach might dovetail naturally with existing investment promotion initiatives or programs for small and medium enterprises,

the propensity and interest in homeland investments among migrants remains unknown. As a result, survey work and cost-benefit analysis will be necessary to determine appropriate investments, target industries, management and vehicles.

Examples of international diaspora mobilization. Although very little research evaluates the effectiveness of diasporas' attempts to achieve commercial goals abroad, examples from countries like Armenia, India and the Philippines illustrate the opportunities and challenges for efforts to encourage such ties between New York and the Dominican Republic. These diaspora efforts have aimed to increase bilateral commercial activity and homeland investment, as well as to pursue community development objectives. Given the proximity of New York to the Dominican Republic, Dominican migration is more transnational than many other Latin immigrants. In other words, they can live, socialize and do business in both places rather than remaining fully rooted in the adopted country. In this light, other diaspora efforts and networks offer interesting insights into communications campaigns, community development and diaspora investment promotion.

Diaspora initiatives for homeland development have traditionally attracted philanthropic support of education, the arts, culture and community development. With a few exceptions, attracting private investment is a new direction for diaspora initiatives. As a result, very little data and evidence exist to describe this behavior, and there have been few evaluations of various approaches. Well-established efforts of varying types in Israel, Ireland, India, the Philippines and Armenia all illustrate potentially important components of diaspora investment mobilization, such as an organized information and communications campaign, an accessible internet presence, transparency in organization and affiliations, data and information about emigrant communities, political representation in the adopted and home countries, and supportive financial institutions. Most importantly, these efforts need visible leadership, a dedicated migrant community and real economic reform in the home countries. The following examples offer interesting lessons of experience for the case of the Dominican Republic and New York:

(1) The United Jewish Communities and the American Ireland Fund have both been mobilizing diaspora homeland support for various initiatives over several decades (Greene 2002). Their efforts involve extensive grass roots civic outreach through professional associations, religious organizations, academic institutions and other vehicles. Through these efforts and years of intensive political organization, both communities' weight in US policy-making circles have added to the success of their outreach. With an impressive web presence, these organizations act as umbrella institutions for a range of initiatives. Their efforts communicate transparency and accountability. Because programs can be monitored online, these organizations convey the message that funds are at work productively. These initiatives also have an important binational political dimension. Both American-Irish and American-Israeli advocacy groups have been encouraged more active US foreign policy toward their home countries, increasing involvement in conflict resolution and domestic policy in both Israel and Ireland.

(2) The Philippines' migrant support mechanisms are less oriented to commercial ties, but rather to community development, social integration and political participation. In this sense, observing a diaspora movement in an earlier stage of evolution than the American Israeli and Irish examples is instructive for the Dominican case. The Commission on Filipinos Overseas (CFO) has registered the departure of approximately 6-8 million Filipinos living and working outside their country, of which approximately two million live in the US. Collecting registration fees to finance service provision, the CFO documents the arrival of emigrants and facilitates migrant transition and integration. Filipino organizations connected with the CFO provide or facilitate access to guidance and counseling, youth home-country travel and training and post-arrival support for orientation, education and social services. This commission has high-level political representation in the Philippines: although it started as a

Presidential Commission, the Minister of Foreign Affairs currently chairs the organization with other major ministries (Trade and Industry, Labor, Tourism, Education and Justice) holding vice-chair and membership positions. Improving political mobilization and representation is central to local Filipino organizations in the United States. Filipinos are also brought back into development efforts back home through LINKAPIL (Link for Philippine Development Program), which secures migrant support for and involvement in development projects, including provision of scholarships and educational materials, capital and equipment to microenterprise funds, financing of small infrastructure projects, public health promotion, humanitarian assistance, mentoring through technical training seminars and other volunteer services. By supporting migrants, the CFO has drawn them back into national efforts for development while nurturing vibrant migrant communities abroad.

(3) India welcomes non-resident Indians' (NRIs) commercial interests in the Indian Investment Centre (IIC), which is the one-stop shop for all investment inquiry, promotion and execution. The IIC, in cooperation with other line ministries, has published online resources for diaspora investors. Emigrants and families of emigrants can hold bank accounts in India, purchase shares or deposits in Indian firms and make direct investments in real estate and other fixed assets. IIC services are tailored to all investors, diaspora or otherwise, but NRI interest in investing in sectors such as high-tech and back office operations has increased the center's attention to promoting and servicing the needs of its highly skilled migrants. As with many investment one-stop shops, the IIC provides services to set up projects, guidance on government policies, information on available facilities and incentives, data to support potential projects, government approval for projects, follow-up monitoring, matching and referral services and sourcing of capital and technology. Through its web presence and its contacts with incoming investors, the IIC is also attempting to build a databank of NRI investors. The IIC's efforts to support NRI investment illustrate the value of organizational focus in promoting diaspora investment as a separate goal when migrant interest and capacity to invest clearly exists. Use of public funds to promote and support diaspora trade and investment should be clearly linked to the characteristics of the diaspora community.

(4) On a few occasions, diaspora investment interest has been channeled to special financial instruments. Diaspora bonds, which have been sold in the past by China, Japan, Israel and India, are the most successful example (Chander 2001). These instruments may offer a sovereign issuer the ability to issue debt at a lower-than-market rate of return than that demanded by broader market investors. In India and Israel, diaspora bonds raised capital for the government in dire political and economic circumstances. Israel diaspora bonds adopted a particularly sophisticated model, creating structures over time to meet the needs of different classes of investors. With increasing popularity, State of Israel Bonds were offered to non-diaspora investors. India, in contrast, adhered to its most loyal investor class - only verifiable diaspora members – and sidestepped administrative costs by issuing bonds with domestic legal jurisdiction through foreign and Indian banks catering to Indian expatriates (Chander 2001). In the cases of India and Israel, grass-roots outreach and an internet communication presence have been used to promote these investments, as well as the programs funded by diaspora bonds.

Although diaspora bonds may be an interesting possibility for Dominicans, constructing a diaspora bond model for the Dominican case would entail certain challenges. The investor base in the US would have to be identified, as well as its willingness and capacity to invest. The density of the Dominican community in the US, its concentration around New York, might facilitate the first goal. Although the willingness and economic capacity to invest might be difficult to gauge due to low rates of participation in the formal financial sector, the offering of a diaspora financial investment may be used to galvanize efforts to integrate migrants in the financial system. Marketing, sales and distribution of a financial instrument would likely have to take place through trusted community organizations. A recent

restructuring of public debt with the Paris Club and uncertainty the status of private creditors might undermine any such effort, especially if sold under Dominican jurisdiction. Financial sector fragility and high political risk perception also pose challenges. Concerns about the next Presidential transition might also make it difficult to raise money with a maturity that extends past the current administration.

(5) Remittance bonds are another example of financial instruments that build on diaspora capital. In this case, however, the investors are not diaspora members. Rather, the future flow of remittances from migrants has been securitized into bonds that allow the remittance-receiving financial institutions to tap international markets, even during liquidity crises. Banks in Peru, Mexico, Brazil and El Salvador have issued remittance-backed securities that are similar to future flow receivable structures backed by oil revenue and credit card receivables that have been structured in the past. Typically, such deals have been issued by institutions that have been judged to be investment grade in below-investment grade countries (Ketkar and Ratha 2001). With nearly \$2 billion in annual remittances being sent to the Dominican Republic, this may prove to be an interesting future financing option for financial institutions in the Dominican Republic. At the moment, however, the Dominican Republic's current default level credit ratings would likely preclude any such deal prior to macroeconomic stabilization and strengthening of the financial sector. Beyond the Dominican Republic's own constraints, structuring such instruments faces other challenges (as detailed in Ketkar and Ratha 2001). As with diaspora bonds, the structuring of such deals entails substantial costs and specialized knowledge of these financial instruments. In order for such transactions to be desirable relative to an unsecured transaction, issue size should be large; in small countries, this would require pooling of future flows either among institutions or countries, further complicating the structuring of the transaction. Lack of local ratings institutions and shortcomings in the domestic legal framework add to the cost of such deals. Barring multilateral seed financing or guarantee, this source of financing may be an option once the government's current macroeconomic and financial stabilization programs have been successfully implemented.

(6) Investment programs in Armenia (Gillespie and Andriasova 2004) highlight other opportunities and challenges in diaspora investment. Armenian philanthropic foundations represented diaspora investors in three initiatives, which highlight important lessons for efforts to build New York - Dominican Republic ties. First, a far-reaching effort was exercised to identify potential investors; their geographic location and socioeconomic profiles should define the most appropriate investments. These initiatives were convened from the President's office in order to assure the involvement of Armenian diaspora businesspeople at the highest level as advisors and investors. Ultimately, however, diaspora investors preferred a professionally managed investment vehicle to direct investments because of their frustration with a difficult operating environment, to which they were largely unaccustomed after years and sometimes entire lives of absence from Armenia. This demand, however, generated the opportunity to design funds tailored to investors' interests, to install capable and trustworthy management and to establish governance standards.

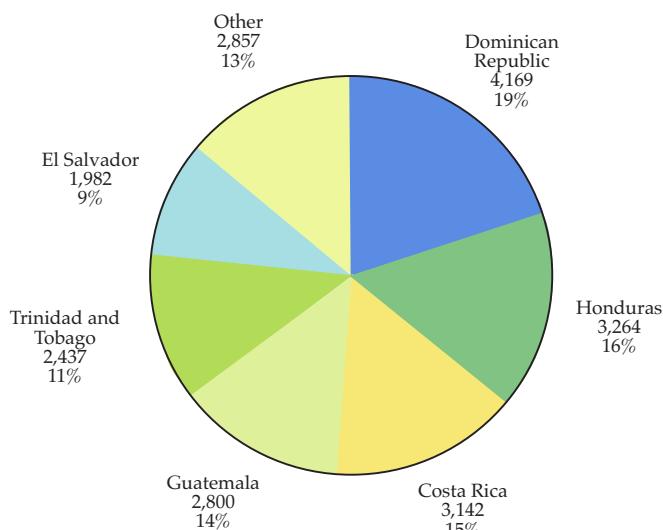
A number of caveats emerge from this research. Altruism may help diaspora investors tolerate a difficult business climate and accept lower risk-adjusted returns, but it is not clear that businesspeople expecting market or higher risk-adjusted returns are as tolerant. The Armenia initiatives suffered high rates of exit due to corruption, weak support institutions (financial, legal and regulatory), insufficient skilled personnel for managing investments and inability to absorb investment funds. Diaspora members with recent and thorough knowledge of the home country business environment, as well as in-country networks, may be better equipped to work around the challenges of a developing private sector, but diaspora investors without those resources are no less likely to be deterred by a difficult investment climate. Attracting diaspora money cannot be a substitute for real reform.

### III. Trade between the Dominican Republic and New York

Official trade data illustrate clearly that New York is a minor destination for Dominican goods. Nonetheless, because of shortcomings in existing data sources and the invisibility of informal trade flows, we cannot decisively say that New York, and specifically the large Dominican community, is not a greater draw than appears to be the case. Data indicate that the port of Miami dominates Latin America trade flows due to its geographic proximity and its growth as a hub for many US businesses' operations in Latin America. Shipping costs appear to be lower between Miami and the Dominican Republic as a result. Scale and volume also factor into shipping routes and costs, and New York's imports from destinations further abroad than the Dominican Republic (China for instance) are several orders of magnitude larger. Finally, inadequate trade data on interstate transport and commerce makes it difficult to assess whether goods entering US consumption channels in Florida are ultimately meeting demand in New York. Without better information on the scale, volume and types of transactions between New York and the Dominican Republic (through interstate trade data or survey data at enterprise level), we cannot conclude based on data alone that this relationship has little promise. The fact that there is substantial apparent but undocumented trade via traveling families suggests potential for formal commercial connections.

Strategic thinking about the New York – Dominican Republic trade relationship has to take place in the broader context of trade between the two countries and the Dominican Republic's competitive position in the region. Although US trade with Central America and the Caribbean is a small part of total US international trade (only 2% of general imports or \$24.5 billion in 2003), the United States' largest trade relationship in the Caribbean and Central America is with the Dominican Republic (\$4.17 billion in US imports, \$4.21 billion in US exports in 2003) (Figure 1).

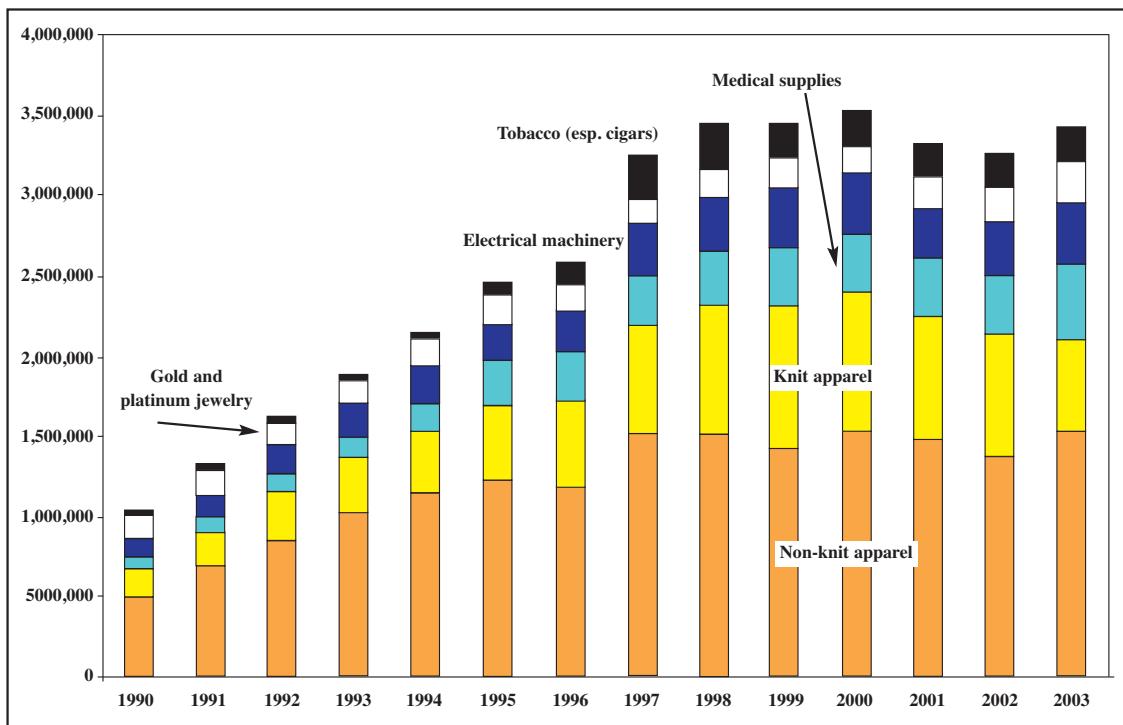
**Figure 1. US Imports from the Region Are Dominated By Larger Countries**  
**Total US imports from Central America and Caribbean (2003) = \$24.5 billion**



US imports from Central America and the Caribbean by country (2003, \$ mn and % of total). Source: US International Trade Commission, <http://dataweb.usitc.gov/> and USA Trade Online produced by STAT-USA and the Foreign Trade Division of the U.S. Census Bureau, <http://www.stat-usa.gov/usatrade.nsf>.

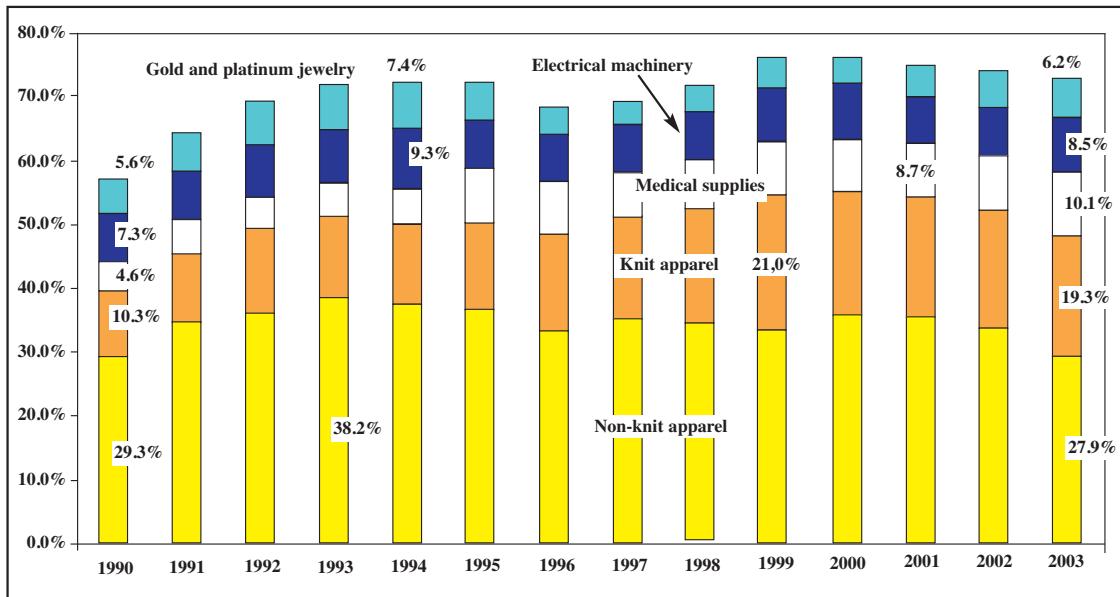
As trade has shifted towards manufactured exports and tourism, there is a well-established and evolving manufacturing sector. Despite a diminishing rate of Dominican export growth to the US over the past half-decade (especially vis-à-vis other regional competitors), growth in certain promising industries – apparel, gold and platinum jewelry, electrical machinery and medical instruments among them – has produced competitive exporters to the United States, primarily within the free trade zones. Apparel still accounts for almost 50% of US imports from the Dominican Republic, but efforts to diversify production through trade preferences granted by the US have sparked production in a range of other industries (Figure 2, Figure 3).

**Figure 2. Dominican Republic Exports to the US Are Dominated By Apparel...**



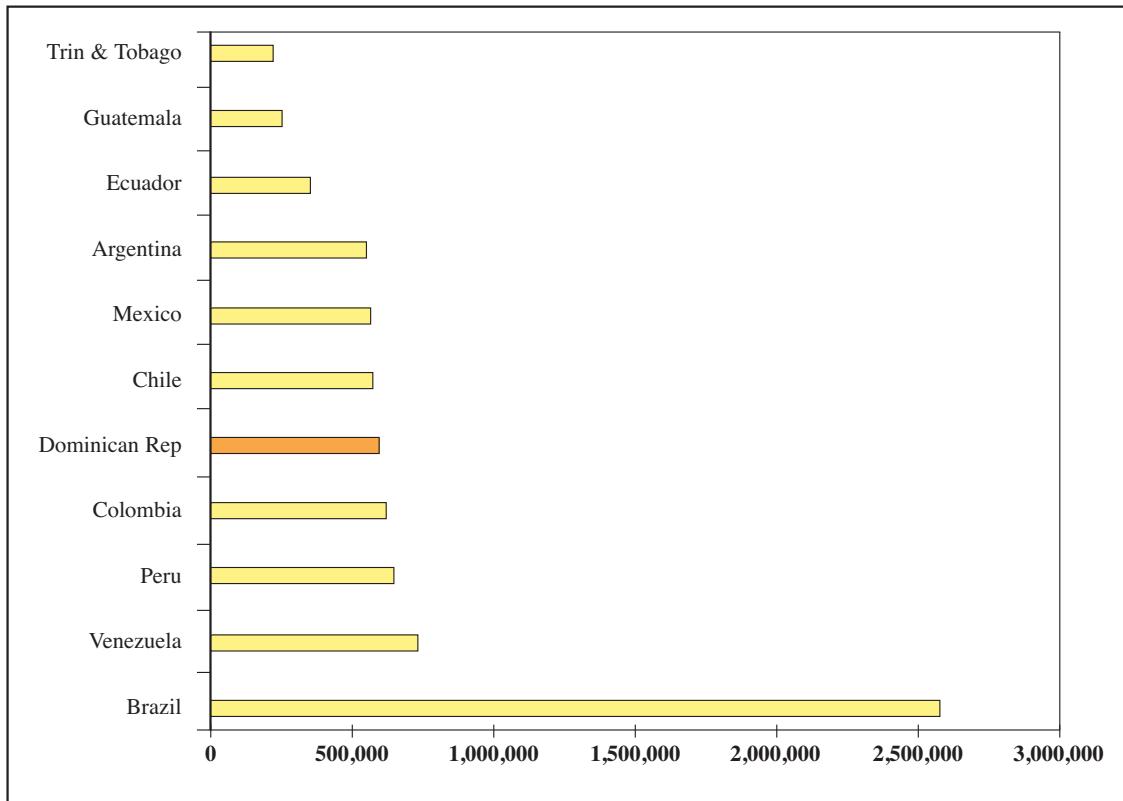
US imports from the Dominican Republic (by product, \$'000). Note: These goods account for 75% of US imports from the DR. Source: US International Trade Commission, <http://dataweb.usitc.gov/> and USA Trade Online produced by STAT-USA and the Foreign Trade Division of the U.S. Census Bureau, <http://www.stat-usa.gov/usatrade.nsf>.

**Figure 3. ...But Gains Have Been Made in Jewelry, Medical Supplies, Machinery**



US imports from the Dominican Republic (by product, % of total). Source: US International Trade Commission, <http://dataweb.usitc.gov/> and USA Trade Online produced by STAT-USA and the Foreign Trade Division of the U.S. Census Bureau, <http://www.stat-usa.gov/usatrade.nsf>.

Dominican trade with New York must also be evaluated in the context of changing global and regional trade regimes and the competitive challenges generated by globalization of firms' production choices. The Central American Free Trade Agreement (CAFTA) once ratified will restructure trade flows between the Dominican Republic and the United States, creating opportunities in a few sectors but also causing dislocation in others. Competition with the other CAFTA signatories should continue to intensify. The apparel industry must adjust to the elimination of the global system of quotas under the WTO Agreement on Textiles and Clothing at the end of 2004. Finally, the WTO Agreement on Subsidies and Countervailing Measures calls for an end to financial benefits in the free trade zones, incentives on which the Dominican Republic has relied heavily. Promoting connections between the Dominican Republic and New York may offer creative avenues for addressing these competitive challenges in certain industries, but such initiatives must be framed in light of these new conditions.

**Figure 4. Little New York - Latin America or Dominican Republic Trade**

New York Imports from Latin America (\$'000, 2003). This graph represents 90% of New York's imports from Latin America. Source: US International Trade Commission, <http://dataweb.usitc.gov/> and USA Trade Online produced by STAT-USA and the Foreign Trade Division of the U.S. Census Bureau, <http://www.stat-usa.gov/usatrade.nsf>.

Increasing global competition in certain industries requires action to improve the Dominican Republic's competitive advantage. Diaspora networks and expertise can be mobilized in industries where the Dominican Republic has already illustrated strength in the following ways:

(1) New York imports little from Latin America in general (Figure 4), and even that import basket has deteriorated over time. Still, its import basket seems to include goods that the Dominican Republic already successfully exports via Miami, such as jewelry, apparel, electrical machinery, medical and surgical supplies, plastics and beverages and spirits (Figure 5). Higher-detail data is necessary to determine whether the same goods are being exported to Miami and what trading partners or investors might exist in the New York area. Informal inquiry should also illuminate both opportunities and challenges to more New York – Dominican Republic trade. Basic investment promotion efforts may identify new markets in New York for products already being sold elsewhere.

2-The level of detail of the trade data prevents us from concluding definitively that the exact same products (for instance medical instruments) are being exported to Miami.

**Figure 5. New York Imports Products that DR Already Exports Competitively**

	<b>2003</b>	<b>% of total</b>
Jewelry and precious stones	19,317,507	13.09%
Vehicles	14,613,326	9.90%
Nuclear reactors and machinery	13,112,274	8.89%
Pharmaceutical products	9,993,433	6.77%
Apparel (not knit)	9,831,559	6.66%
Fuels	9,397,572	6.37%
Electrical machinery	7,958,148	5.39%
Organic chemicals	6,715,390	4.55%
Apparel (knit)	6,342,194	4.30%
Medical/surgical products	4,585,354	3.11%
Special non-tradable products	3,560,747	2.41%
Art	2,910,413	1.97%
Plastics	2,591,082	1.76%
Furniture, homewares	2,336,802	1.58%
Beverages and spirits	2,333,946	1.58%
Other	31,944,141	21.65%
Total	147,543,888	100.0%

Total Imports via New York Port of Entry (2003, in \$ '000 and % of total). Source: US Department of Commerce, USA Trade Online, 20/20 Trade Data, <http://208.243.58.31/wds/> and US International Trade Commission, <http://dataweb.usitc.gov/> and USA Trade Online produced by STAT-USA and the Foreign Trade Division of the U.S. Census Bureau, <http://www.stat-usa.gov/usatrade.nsf>.

(2) Gold and platinum jewelry exports from the Dominican Republic are nearly unique for having penetrated the New York market successfully (Figure 6). Further research should probe the reasons for the success of exporters in this segment, as well as to determine the prospects of continuing and improving competitiveness. This research should also determine whether diaspora participation has played a role and if diaspora networks can be deployed to improve performance. Strategic partnerships with New York designers, wholesalers and retailers may improve exporters' connections to their end market. These efforts might combine forces with efforts in fashion and apparel to promote young designers and design training in the Dominican Republic. Dominicans in New York may also be exposed to potential opportunities in education, training and employment.

**Figure 6. Jewelry Stands Out Among New York Imports from Dominican Republic**

	2003	% of NY imports from DR	% of NY imports from all sources
Jewelry and stones	135,604	32.5%	0.7%
Of which, gold and platinum	128,675		5.1%
Non-knit apparel	96,384	23.1%	1.0%
Electrical machinery	34,893	8.4%	0.4%
Knit apparel	28,390	6.8%	0.4%
Cocoa and prepared cocoa	25,962	6.2%	4.1%
Base metal miscellaneous	16,555	4.0%	4.2%
Sugar and sugar confectionary	9,820	2.4%	3.5%
Beverages, spirits and water	6,925	1.7%	0.3%
Footwear and parts	6,736	1.6%	0.3%
Headwear and parts	5,720	1.4%	2.6%
Oils, perfumes, cosmetics	4,307	1.0%	0.2%
Fruits and nuts	3,338	0.8%	0.7%
Tobacco products	3,261	0.8%	6.5%
Plastics and plastic manufactures	3,135	0.8%	0.1%
Other	36,257		
Total	417,287		

Top Imports from the Dominican Republic through New York Port of Entry (2003, \$'000 and % of total). Source: US Department of Commerce, USA Trade Online, 20/20 Trade Data, <http://208.243.58.31/wds/> and US International Trade Commission, <http://dataweb.usitc.gov/> and USA Trade Online produced by STAT-USA and the Foreign Trade Division of the U.S. Census Bureau, <http://www.stat-usa.gov/usatrade.nsf>.

(3) The apparel industry may benefit from changing rules of origin under CAFTA, but the industry will have to upgrade its capacity to produce higher-value added goods. Upgrading might be facilitated through partnerships with New York fashion institutes, design firms and producers to provide training or apprenticeships for Dominican students in business and design in fashion and apparel, extension to and partnering with Dominican firms and advice for Dominican textile and apparel exporters.

(4) The Dominican Republic has not thus far been a major agricultural or food exporter, and export manufacturing and economic development has been confined to free trade zones and tourism areas. An effective rural development strategy will include measures to improve agricultural production and develop agricultural export markets. Dominicans in the food industry and agribusiness, as well as other non-Dominican food industry participants in the New York area, may be an important link to new markets. Their insights should be sought to explore ethnic or niche markets. US exports by Dominican firms to the Dominican Republic may also ultimately take advantage of CAFTA's liberalization of Dominican food imports from the US.

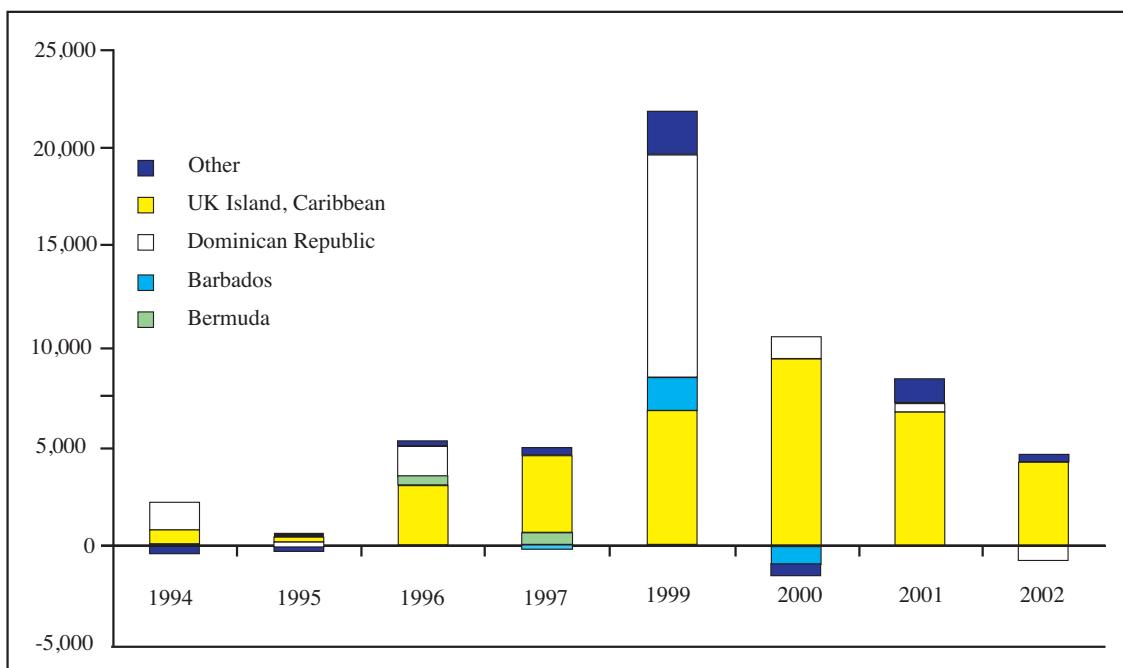
(5) Businesses in the Dominican Republic dealing in international trade transactions outside the free trade zones face serious structural obstacles to their competitiveness, including high taxes, an ineffective tax rebate policy, temporary taxes, administrative barriers, informal and arbitrary rules and corruption (Warden 1997, Vial 2002, Rodríguez 2004). Diaspora businesspeople may act as advisors

and advocates to improve and streamline the investment climate. Nonetheless, without structural reforms, such obstacles may undermine the efforts of diaspora businesspeople to trade, invest and provide feedback.

#### IV. Foreign Investment in the Dominican Republic

Foreign investment in the Dominican Republic has largely taken place in direct investments (accumulated FDI of about \$5.5 billion 1993-1998) rather than portfolio investment (only \$353 million in the same period). Despite the growth of the free trade zones, the Dominican Republic has not historically been a large recipient of US direct investment. Most US direct investment in Latin America and the Caribbean has gone to Mexico's maquiladora sector, with the remainder targeted primarily at financial services investments in other Caribbean islands, natural resource extraction in Venezuela and market-seeking investments in large countries like Brazil or economically stable countries like Chile (Figure 7). Still, service industries in the Dominican Republic have received foreign investment through establishment of affiliates, for example into hotels, banks, sales and distribution operations, and telecommunications providers.

**Figure 7. Caribbean Tax and Financial Havens Received Most US Investment**



Historic country distribution of US direct investment to the Caribbean (\$ million). Source: Bureau of Economic Analysis, Department of Commerce, <http://www.bea.gov/bea/di/di1usdbal.htm>.

Unfortunately, quantitative analysis of investment flows is impeded by the lack of outward US foreign direct investment data disaggregated by state, so there is no official US data, in contrast with trade flows, on New York – Dominican Republic investment. Limited data on inward foreign investment in the DR does identify certain large investment sectors that have come from New York.

Direct investment into the Dominican Republic by US firms has largely moved into manufacturing, utilities and banking services. Other countries' investments have been directed to tourism services and utilities. The United States was the second largest source of accumulated FDI in the Dominican Republic in the second half of the 1990s after Spain, and US investment in the free trade zones has been an important component of these flows, accounting for 59.5% of the total foreign investment accumulated by 2002 in these zones (\$723 million). About half of the 520 firms in the free trade zones derive their equity capital from the United States (CNZFE 2003), and the US is the largest buyer, taking 78% of FTZ goods. Large American ventures in the Dominican Republic include the Central Romana Corporation (\$92 million into the sugar industry and tourism assets), a partnership investment by Philip Morris (\$16.5 million into tobacco products), Texaco and Esso Oil (a total of \$21 million into oil and gas investments), Colgate Palmolive (\$9.5 million for consumer goods), Verizon Communications (\$370 million registered into telecommunications) and Citigroup (\$13 million in financial services) (OECD 2003). The last two are examples of New York – Dominican Republic connections that can be further developed.

Verizon Communications investment in human resources. Verizon's efforts in this arena provide compelling examples of private sector support for improved connections between the New York and the Dominican Republic. Verizon Communications' investment in the Dominican Republic was based on the stability of revenues, growth potential, tourism revenues and the size of the economy. The sizeable Dominican community in New York was important to the investment rationale because the company's northeast US territory allows it to receive origination and termination fees on Dominican Republic – New York phone calls (1.3 billion minutes in 2002). Remittance and tourism-related call flow underpins the strong international long distance traffic.

Verizon's investments in the country have exceeded expectations. Regulation partially drives Verizon's investment in human resources. Foreign-affiliated service companies in the Dominican Republic must meet training targets to pass on advanced skills. Verizon built out a 100% digitized network and offers value-added services such as DSL and e-commerce. Although access to information technologies has grown and communications costs have fallen, concentration in urban areas has enlarged the rural-urban disparity in access to services.

Leadership at the firm actively promotes human resources development in the Dominican Republic as well as Dominican community outside the country. As the largest employer in the telecommunications industry with 6,500 full time and contract employees, the company has aimed at building a trained labor force by granting through the Verizon Foundation approximately 25,000 scholarships at the Instituto Tecnológico de Santo Domingo (INTEC). This program tracks and mentors students for possible employment at Verizon. At the time of writing, a pilot exchange project for local Dominican staff development was in the works. Managers in both New York and the Dominican Republic would be able to build new technical and management skills, as well as their own networks in the United States and elsewhere.

The model of Verizon's involvement in the Dominican Republic offers potentially replicable examples of: (1) integrating company objectives with community development in New York; (2) expanding training opportunities in the Dominican Republic; (3) publicizing Verizon's success as an investor; (4) exploring Verizon's experience to determine means of expanding access to

communications technology to underserved regions; and (5) using Verizon's experience for positive policy advocacy to improve the business climate in the country.

Connections with the financial services industry. New York's global leadership in financial services can be another vehicle for improving ties between the Dominican Republic and New York. The banking crisis in the Dominican Republic has strained the financial system, but over time, the sector should present an opportunity for investment in financial services. Only one large New York-based institution, Citigroup, has taken a position in the country's banking sector with a registered capital investment of \$13 million (OECD 2003). Yet, foreign banks' investments can often improve the efficiency of the financial sector, access to technology, provision of financial products, innovation in processes, and improved regulation, supervision, liquidity and capitalization. Remittances flow might be leveraged to encourage foreign investment and competition.

Financial services firms should also be points of community and human resource development spanning both the Dominican Republic and New York. Citigroup, for example, has partnered with the Neighborhood Assistance Corporation of America and other community groups to offer services to low income customer segments in New York. Communities benefit from credit counseling, financial literacy education and new access to financial services as a result. The community groups gain new funding relationships, and the banks hope to attract a loyal client base.

In addition, the Dominican network in New York has a substantial presence in financial services. Dominicans on Wall Street – with over 100 members employed by New York's most well-regarded financial institutions – is focused on the development of Dominican capital markets, investment opportunities, corporate advisory, improved governance and institutional development. The expertise of the members of this group can be leveraged for concrete collaborations, among which:

- To offer policymakers perspective on international perception of country risk and help improve accountability and transparency for investors;
- To help the government identify, develop, structure and market homeland investment, risk management instruments or other investment opportunities, such as country funds, infrastructure bonds, diaspora bonds and natural disaster hedges;
- To advise on practical aspects of industry/market regulation or market microstructure and help build consensus among lawmakers for key legislation; and
- To assist in the financial empowerment of Dominicans in New York and advocate for their access to the formal financial services.

Developing transportation services. New York's role as a transportation hub for the northeast United States may also be a promising area for longer-term collaboration. As the largest port on the east coast within the densest and most populous consolidated metropolitan area in the United States, the Port Authority of New York and New Jersey has experience in warehousing and distribution, cargo support and the integration of maritime with inland transportation routes. Building connections with the Port Authority of New York and New Jersey may also support food and agricultural exports. Given the Dominican Republic's proximity to both the United States and other markets in Latin America and the Caribbean, public-private partnerships to facilitate port and terminal development and the Dominican Republic's potential as a regional shipping hub could open up new international trade opportunities. Currently, the Port Authority's six overseas offices are in Asia and the United Kingdom in reflection of the countries with whom the most goods are traded. Investment officials should aim to build a dialogue with the Port Authority to develop new business interests in the

Caribbean and Latin America, as well as to seek assistance on transportation infrastructure and trade facilitation.

## V. Partnerships with New York for Trade, Investment and Diaspora Development

New York's benefits and challenges as a partner for the Dominican Republic go far beyond the populous Dominican community. Its huge, vibrant and dynamic market is one of the largest importers and exporters in the US, as well as a global service industry hub. As the regional transportation hub, the Port Authority of New York and New Jersey handles air, road, rail and marine traffic flow. New York City is the most populous in the US and a leader in finance, the arts and media and communications. Top-notch educational institutions, a highly skilled labor force, and innovative scientific and high technology research further distinguish the area. The tri-state area around New York City diversifies its local economy and enlarges the labor catchment area. Ethnic diversity and international attraction make it one of the largest tourism destinations in the world. Because about a quarter of New York's immigrants come from the Caribbean, the region may present opportunities to foster broader regional ties. The opportunities for fostering networks for trade, investment and community development between the Dominican Republic and New York are more limited by the need for focus and prioritization than by the possibilities.

Strategies for community development and commercial growth in this relationship must take into account the following opportunities and challenges:

1. With per capita personal income the 5th largest in the US and 118% of the national average, purchasing power is high relative to other parts of the US. Still, there is large income disparity in New York.
2. Dense population is an asset for market research, marketing of new products and feedback on consumer preferences.
3. New York's large ethnic population – 36.5% described as non-white, 20% foreign born and 49% from Latin America – is highly receptive to ethnic products.
4. Tri-state area inhabitants are well-educated – more than 50% with college achievement and higher.
5. Over the 1990s, New York shifted rapidly to a "knowledge economy" and service industry center and away from manufacturing.
6. The regional economy is highly dependent on the financial services industry, over one-third of state product in New York and Connecticut and about 25% in New Jersey. Retail and wholesale trade, health care and communications are also key.
7. The state has become a relatively high-cost location for investors and inhabitants due to high taxes, high rent and electricity costs.
8. New York, especially New York City, suffers from high urban poverty rates, housing discrimination and low access to services for disadvantaged groups.

These observations clarify the urgency of integrating community development into plans to build commercial ties with the Dominican Republic. Making the community stronger and closer requires investing in Dominicans in New York to improve access to education and technology, labor force

participation and the ability to function in a highly skilled service economy. For Dominican businesspeople and exporters, New York is a diverse, competitive, complex and often highly sophisticated market. As a result, market research is crucial to defining potential partners, target markets and consumer behavior for specific differentiated goods.

The Dominican community in New York must strive to build partnerships in the public sector and with non-profit business assistance/international trade resources in New York. Political representation at the city and state level should be consolidated and leveraged to build a triangular flow of information and resources - between the Dominican community in New York, Dominican businesspeople in the Dominican Republic and industry in New York. We have identified organizations that would be promising partners in diaspora trade, investment and community development with the capacity to provide financing, training, business assistance, business services, access to special government incentives, information about international trade, pricing and partnering. Among these are:

Acción New York, New York arm of the international microfinance organization;

Audobon Partnership for Economic Development, offering loans, business assistance and training in Washington Heights;

New York City's Department of Small Business Services, providing financial assistance, training, tax and other cost reductions, as well as other business services;

NY Loves Small Business, the NY State "one-stop shop" for all small business start-up needs, plus New York State Small Business Development Centers, Entrepreneurial Assistance Program Centers, the US Small Business Administration and the Service Corps of Retired Executives;

Empire State Development Corporation Export Assistance, for assistance locating sales and distribution agents for overseas sales;

New York State's Division of Minority and Women-owned Business Development

(MWBD), granting access to financing and assistance offered by Empire State Development (ESD);

US Government Commercial Service, offering export assistance, industry knowledge for small and medium-enterprises, and basic information about trade; and

United States Small Business Administration (SBA), providing assistance, counseling

and training for small businesses and small business owners, in addition to the SBA Office of International Trade for small business.

## VI. Policy Recommendations

### a. Recommendations for stronger diaspora mobilization:

- (1) Efforts to mobilize the diaspora for improved commercial ties should embrace the goal of community development as equally important to trade and investment development. Because of the early stage of Dominican diaspora mobilization efforts and large disadvantaged segments of the community, investing in migrants' economic success and integration is a necessary precursor to more commercially focused initiatives. Work exchanges, scholarships and internships all may provide outlets to meet the needs of both businesses and the Dominican community. Any initiatives should include on two-way non-financial efforts to build future potential for valuable commercial linkages.
- (2) Diaspora mobilization initiatives should be transparent in its activities and inclusive in membership, focusing on large enterprises and ventures as well as small and medium business development, the

training of an educated work force and poverty reduction in the Dominican community. It may be necessary to create special avenues to increase inclusiveness and diminish the socioeconomic polarization of the Dominican community in New York.

- (3) Leadership should transcend political affiliation and electoral cycles for the sake of longevity and institutionalizing these efforts.
- (4) Sustainability and participation should be improved by focusing on objectives and activities that are clearly tied to improving opportunities for businesspeople, such as improving access to markets and capital, making introductions to new suppliers and customers, training employees, improving management skills, helping build international trade operations, and other functions.
- (5) Efforts should encompass the widest possible circle of directly relevant stakeholders to include academia, professional groups, non-profits and government in both locations. In particular, municipal and state political leaders, as well as Dominican community leaders, should explicitly aim to integrate New York diaspora contributions into community development strategies. Diaspora development should be integrated explicitly into the political dialogue on community development.
- (6) Other successful business network models can be adapted to the Dominican case, including other diaspora efforts and non-diaspora networks such as venture capital.
- (7) Diaspora mobilization should aim to facilitate access to formal and non-network resources such as training, financing, business assistance and education.

**b. Recommendations for building trade and investment linkages between New York and the Dominican Republic:**

- (1) Encourage communication between private sector associations in the Dominican Republic and Dominican groups in New York. Groups in the Dominican Republic, such as the Consejo Nacional de la Empresa Privada (CONEP), the Asociación de Industrias de la República Dominicana (AIRD) and the Asociación de Jóvenes Empresarios (ANJE), as well as individual industrial leaders, should participate in institutional dialogues with the New York Dominican community through groups such as Dominicans on Wall Street (DOW), the Audobon Partnership, Hunts Point Economic Development Corporation, the National Supermarkets Association (NSA) and other organizations and businesses in New York.
- (2) Investment promotion officials for the Dominican Republic should open channels of communication with Dominican professionals, business leaders, firms and associations in New York. New York's Dominican business community can participate in efforts to market the Dominican Republic as an investment destination in image-building and introductory campaigns to specific industry and government leaders in New York. Dominican business leaders in New York may also be enlisted to offer feedback and guidance on private sector and investment-related policy through focus groups of diaspora businesspeople.
- (3) A thorough review of existing policies and programs targeted at private sector development in both New York and Dominican Republic should identify those that can be specifically targeted at and those that might benefit from the involvement of diaspora businesspeople and investors.
- (4) A high-level political commission, made up of business and community leaders both in the Dominican Republic and in New York, should be convened to address issues in trade, investment and diaspora development, as well as to seed priority initiatives. In many countries, this type of commission has been first convened as a Presidential commission because such initiatives require strong leadership to start up and institutionalize these activities. Once activities have been defined,

such efforts have generally been institutionalized within the Ministry of Foreign Affairs or within a committee headed by Foreign Affairs with the participation of all involved line ministries.

- (5) An officer of the Centro de Exportaciones e Inversión de la República Dominicana (CEI-RD) should be charged with the full-time effort of developing a business and trade network in New York as an integral part of the national trade and investment promotion strategy. This position could be charged with developing the directory mentioned below in the recommendations on information resources, coordinating and hosting trade missions and generating industry contacts in New York that correspond with areas in which the Dominican Republic has already illustrated competitive advantage, such as jewelry, apparel and medical instruments. Research on companies in each priority industry in the tri-state area may unearth companies already doing business in the Dominican Republic (and elsewhere in Latin America and the Caribbean) and those that do not but might be realistic targets for promotion efforts. Diaspora business leaders may act as cross-reference resources to develop any existing linkages with the Dominican network.

**c. Recommendations for building information resources to support diaspora trade and investment:**

- (1) Develop an information strategy that fills gaps in market information and improves access to market-oriented resources such as financing and training. Promoting trade, investment and economic development requires better information for business decision-making, including economic data, referrals, matching opportunities, financing sources and technical assistance. As an example, such information resources could highlight opportunities in career development, technology training or other complementary areas of inquiry.
- (2) Create a directory of the individuals, businesses, multinational corporate entities, political representatives, government agencies/programs and non-profit organizations now involved in building international trade and investment, small and medium enterprise development and community development. While collecting and organizing such data can be time-consuming and costly, we would encourage the construction of a central database encompassing at the least Dominican businesses and businesspeople in the New York area, non-Dominican firms transacting with the Dominican Republic and, vice versa, agents in the Dominican Republic with similar ties to New York.
- (3) A survey of potential diaspora investors and focus groups should identify target groups and to gauge interest in various investment vehicles. Such a survey could illuminate the asset classes and industries that would interest investors, the size of the pool of funds available for deployment, migrants' motivations for investing, concerns of potential investors, potential interest in directing remittances to public investments and migrants' willingness to invest directly or through a managed investment vehicle, among other questions. The survey should be designed and the data analyzed with a mind toward determining what public sector interventions may be most appropriate and cost effective, as well as how best to prioritize such contributions over time.
- (4) Case studies on diaspora investment, especially entry and exit records, would be useful to clarify theories about the benefits of diaspora investment – especially diaspora investors' supposed lower risk aversion, willingness to accept below market returns and longer-term investment horizon. As an example, questionnaires to free trade zone companies in target industries like jewelry could illuminate potential connections to New York and any diaspora network linkages, as well as providing broader information about enterprise experience in the country.
- (5) Data to support the development of financial investment vehicles for diaspora members will be a

necessary prior step. Investments aimed at diaspora will have to be tailored to the socioeconomic and financial circumstances of the Dominican community abroad. Data on financial intermediation, socioeconomic profiles and investment behavior will be necessary to determine what level of interest exists, what types of instruments would best suit this constituency, and what amount of financing might emerge from marketing such investments to Dominicans abroad. The low level of participation of Dominicans in the financial system may complicate a homeland investment marketing effort, but it may also provide an excellent opportunity to increase formal financial sector participation and empowerment among immigrants.

#### **d. Recommendations for the promotion of ethnic food and agricultural goods trade with New York:**

##### **The government should:**

- (1) Assume responsibility for building a relationship with the United States Department of Agriculture (USDA), filing appropriate licenses for the export of fresh and processed foods, for providing exporters with more information on procedural points and for training on the presentation, packaging, prevention of spoilage, consistency of product delivery, esthetic appearance of product, marketing and market research.
- (2) Provide the information and tools for businesses to build relationships abroad and to increase their exposure to US export markets through attendance at trade shows and expositions.
- (3) Propagate international best practice and stimulate new, creative strategies for marketing Dominican food products – for example, with point-of-sale approaches in high traffic tourism destinations.
- (4) Support successful ongoing initiatives such as the Competitive Strategy for the Fruits and Vegetable (Hortofrutícola) Cluster being implemented by Chemonics International (through contract with USAID). This program addresses challenges at the firm and policy level to support a more productive agricultural export sector.
- (5) Seek technical assistance and increased dialogue with the US Department of Agriculture and the Food and Drug Administration (FDA) to train Dominican producers on biosecurity issues and phytosanitary restrictions.

Efforts to develop the market for Dominican goods in New York would benefit from the following training, research and dialogue initiatives with appropriate business and political stakeholders:

- (1) Owners of smaller markets and bodegas require business training to assist them in managing inventories, costs, marketing, and purchasing. As these businesses are often under pressure from economic development efforts in their neighborhoods that bring in larger supermarkets, assistance to help them reposition in their markets and market Dominican products more effectively may help to revitalize these small businesses.
- (2) Dominican trade officials must build linkages between Dominican exporters and the Port Authority of New York and New Jersey and facilitate the process of familiarization with US standards. Such interactions can create opportunities for network information benefits.
- (3) Market research in New York must be conducted to determine demand, pricing, competition and substitutes for goods that can be cost effectively produced and exported to New York. This research should focus on the desirable qualities of these goods and provide an information feedback mechanism to producers. It should explicitly aim to evaluate the competitive landscape for

Dominican goods relative to goods produced and exported from other Latin and Caribbean countries.

- (4) Such efforts will require the guidance and cooperation of local and state government officials and New York diaspora members. A committee of professionals both in the Dominican Republic and in New York should focus on food and agricultural trade. Within the Dominican community in New York, excellent candidates for such a committee would include Ms. Josefina Infante, the Executive Director and founder of the Hunts Point Economic Development Corporation, Mr. Samuel Collado, the Vice President of the National Supermarkets Association, and Mr. Heinz Vieluf, President of Cibao Meat Products. Goya Foods, the largest US producer of Latino foods, was not contacted for this study but is headquartered in Secaucus, New Jersey and has a processing facility in the Dominican Republic. As such, this company might be a good candidate for such efforts. These contacts should be able to facilitate data collection to catalogue Dominican-owned markets, companies and individuals with experience in production, import/export, marketing and wholesale and retail trade in the food sector.

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## Web Resources

Acción New York directory of business support services  
[http://www.accionnewyork.org/support\\_services.asp](http://www.accionnewyork.org/support_services.asp)

The Commission on Filipinos Overseas  
[www.cfo.gov.ph](http://www.cfo.gov.ph)

Expo Comida Latina  
[www.expo-comida-latina.com/nyc/nc\\_english/index.htm](http://www.expo-comida-latina.com/nyc/nc_english/index.htm)

Export.gov – US Commercial Service export portal  
[www.export.gov](http://www.export.gov)

Federal Reserve Bank of New York coincident indicators  
[http://www.ny.frb.org/research/regional\\_economy/coincident\\_summary.html](http://www.ny.frb.org/research/regional_economy/coincident_summary.html)

Foreign Investment Advisory Service (World Bank/International Finance Corporation)  
[www.fias.net](http://www.fias.net)

Indian Diaspora website (Government of India)  
[indiandiaspora.nic.in](http://indiandiaspora.nic.in)

Indian Investment Centre (Government of India)  
[iic.nic.in](http://iic.nic.in)

Institute of International Finance  
[www.iif.com](http://www.iif.com)

New York State Empire State Development Corporation  
[www.nylovesbiz.com](http://www.nylovesbiz.com)

New York Loves Small Business website  
[www.nylovessmallbusiness.com](http://www.nylovessmallbusiness.com)

New York State Small Business Development Centers  
<http://www.nyssbdc.org/>

New York State Department of Labor online labor market indicators  
<http://www.labor.state.ny.us/>

The Indus Entrepreneurs  
[www.tie.org](http://www.tie.org)

The Ireland Funds  
[www.irlfunds.org](http://www.irlfunds.org)

United Jewish Communities  
[www.ujc.org](http://www.ujc.org)

### **US Census Bureau**

Foreign Trade Division - <http://www.stat-usa.gov/usatrade.nsf>  
Census 2000 Gateway - <http://www.census.gov/main/www/cen2000.html>

### **US Department of Commerce**

Bureau of Economic Analysis (BEA):  
Regional accounts - [www.bea.doc.gov/bea/regional/bearfacts/action.cfm](http://www.bea.doc.gov/bea/regional/bearfacts/action.cfm)  
Direct investment accounts - <http://www.bea.gov/bea/di/di1usdbal.htm>  
USA Trade Online 20/20 Trade Data – <http://208.243.58.31/wds/>  
Caribbean Basin Initiative Guide -  
<http://www.mac.doc.gov/CBI/webmain/guide3.htm>

### **US International Trade Commission Database**

<http://dataweb.usitc.gov/>

### **US Small Business Administration**

[www.sba.gov](http://www.sba.gov)

### **USA Trade Online produced by STAT-USA and the Foreign Trade Division of the U.S. Census Bureau**

<http://www.stat-usa.gov/usatrade.nsf>

### **World Bank Social Capital home page**

[www.worldbank.org/poverty/scapital/index.htm](http://www.worldbank.org/poverty/scapital/index.htm)

# CHAPTER VI

## REMITTANCES

# **Strategic Alliance Dominican Republic – New York REMITTANCES**

**Opportunities and Strategies for Development and Growth through Familial  
Remittances to the Dominican Republic**

Manuel Orozco

# I. Introduction

Familial remittances have surged as a new phenomenon in international relations and are reconfiguring thinking about development in many countries, such as national and governmental policy. Four themes that influence the analysis of remittances have been the effect on the home, the cost of intermediation and its financial nature, the macro-economic impact and its demonstrated effects in other economic areas. Within this context, in reflecting over remittances and their relationship with economic development three aspects of particular importance are observed:

What remittances are: source of external savings;

What they represent: part of a broader process of integration in the global economy through migration; and

What they procure: an economic agent with various determinants that influence development and growth.

This report tries to analyze some of these aspects and simultaneously offer specific recommendations regarding opportunities and strategies for maximizing the value of the remittances. The analysis makes use of the experience of the Dominican Republic in particular.

## II. A Source of External Savings

Studies regarding development have considered savings abroad to be key factors in raising the growth index of a country.<sup>1</sup> Within this context, four factors have been considered: foreign direct investment, official development aid, foreign trade, and technology transfer. However, in the last thirty years, big changes in the global economy have stimulated waves of migration, which in turn have influenced economic growth and thinking about development. The relationship between development and migration, or the movement of people, and the effects resulting from economic ties between Diasporas and their country of origin, (homes and business sectors) are becoming more important for the development economy.

Familial remittances, as well as other forms of immigrant capital, represent an important policy option that unites financial opportunities in rural Latin America. Specifically, the demands for financial services from families receiving remittances represent an intersection between external savings and development.

Remittances are a process of transferring external resources different from external aid (bilateral financing and or multilateral), foreign investment, technology transfer and foreign trade. Likewise, remittances have a distributive component that goes from home to home its intersection with the

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<sup>1</sup>-Finn Tarp, Foreign Aid and Development, London: Routledge, 1999.

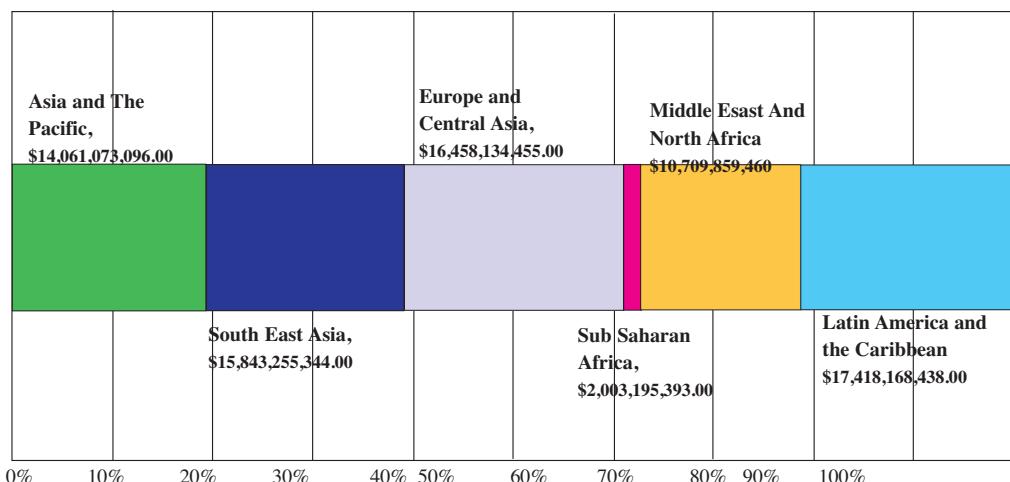
financial currents is very narrow, however, it is not promoted or taken advantage of. The strategy of development policy towards remittances should orient itself primarily towards its relationship with financial services, because that is what it is, and its efficiency in the service that it provides (sustaining the home). Hence, as an external source of savings and inserted within a system of transactions, remittances confront at least four underlying areas:

- a. macro-economic effects
- b. distributive effects in the home and the economy
- c. market imperfections
- d. banking and finance

### **a. Macroeconomic Effect and the Dominican Profile**

Until recently, however, the migration was seen as something negative. Today it is recognized that its effects are more complex. Migration has benefited countries that export and those that import labor. Some of the benefits manifest themselves in tourism, telecommunication, investment, transportation, and remittances. The flow of remittances have been growing significantly in the last ten years, and it is estimated that they represent around US\$200 million annually, with approximately between US\$700 and US\$1,000 per immigrant. For example, the World Bank using incomplete and limited information for at least fifty countries estimated that remittances had grown from 34 billion in 1990 to 70 billion in 2000. This data alone illustrates the magnitude of the remittances, which when one considers the informal sector, the remaining countries of the world, the varying modes of sending them and the interest governments have for quantifying the amounts, the figures ascend to between 140 and 200 billion.<sup>2</sup>

**Graph1: Flow of remittances on a global scale by region, 2000.**



2-Manuel Orozco, Worker Remittances in International Perspective, March 2003, Washington, DC: Inter American Dialogue.

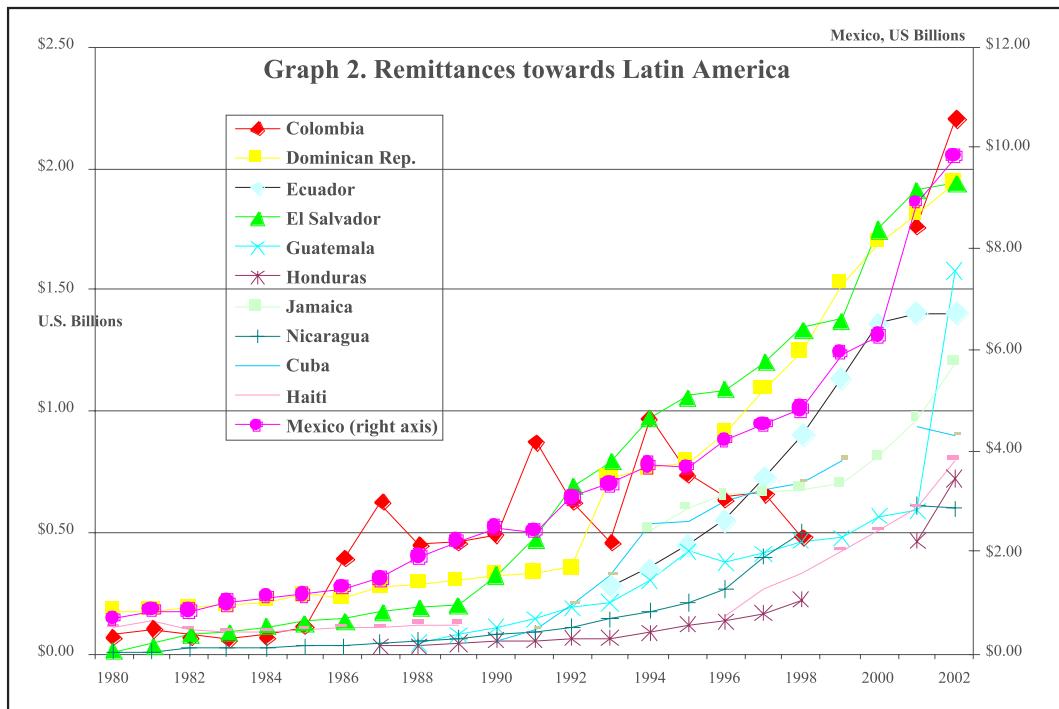
As is demonstrated in the graph above, Latin America receives one fourth of all remittances flows. Studies conducted by the author at the Inter-American Development Bank demonstrate that these numbers are higher. For the year 2002, the remittances in 18 countries were estimated to reach US\$32 billion, and in 2003 they reached US\$38 billion. In all regions of the world these figures are generally distributed between one main receiving country, which gets at least 50%, and other small countries. However, independent of whether or not the receiving country is a main recipient, the impact on the economy is significant. As is illustrated in the table below, remittances surpass the volume of aid and investment. Even in a country like Mexico remittances in 2002 will represent 90% of foreign investment.

Country	Annual volume	Remittances as a percentage of...			
		GDP	Exports	Aid	Investment
Mexico	\$9,814,400,000.00	3%	6%	7243%	72%
India	\$8,317,105,284.79	2%	17%	569%	323%
Philippines	\$7,189,243,000.00	7%	20%		701%
Brazil	\$4,610,000,000.00	1%	8%		
Spain	\$3,958,213,677.40	1%	3%		151%
Pakistan	\$3,554,000,000.00	5%	36%	166%	447%
Portugal	\$3,224,355,236.84	2%	13%		580%
Egypt	\$2,893,100,000.00	3%	66%	225%	467%
Morocco	\$2,877,152,600.82	7%	36%	452%	637%
Bangladesh	\$2,847,675,583.83	5%	47%	312%	6233%
Colombia	\$2,351,000,000.00	2%	20%	533%	201%
Serbia & Montenegro	\$2,089,000,000.00	14%	92%	108%	372%
Dominican Republic	\$1,939,300,000.00	10%	37%	1238%	202%
El Salvador	\$1,935,200,000.00	17%	65%	829%	828%
Jordan	\$1,921,439,046.10	22%	70%	360%	6249%
Turkey	\$1,936,000,000.00	1%	6%	305%	225%

Source: World Bank "World Development Indicators 2004" CD-ROM. Remittances from the Philippines come from the Central Bank.

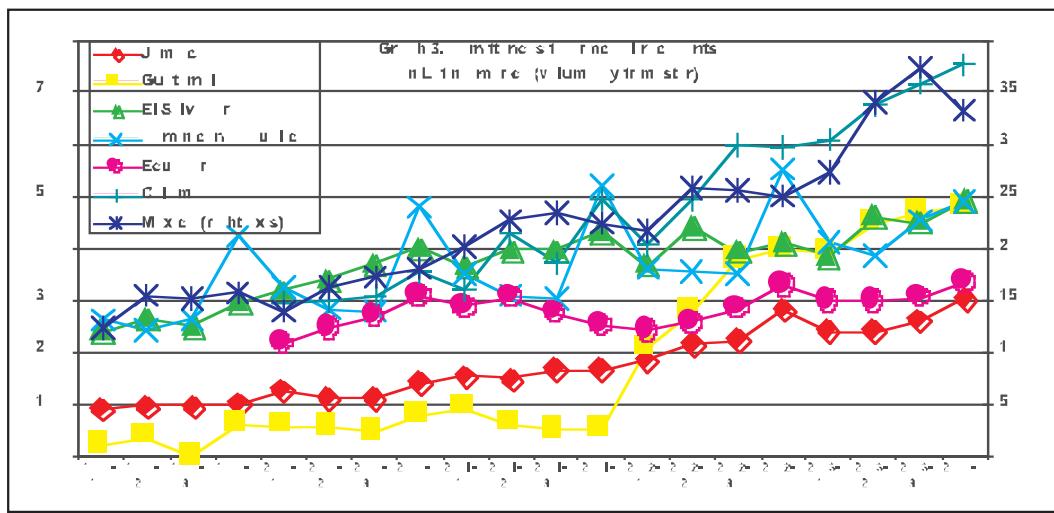
Many countries in Latin America find that remittances are an important source of national income. The waves of immigrants from Central America, which has intensified since the seventies, have given way to remittances acquiring an important position in the income of these countries that send immigrants to the United States. Remittances increased in volume in 1980, and now maintain a sustained growth. The volume of remittances in Mexico, and some Central American and Caribbean countries grew by one billion in 1980 to 3.7 billion in 1990 and increased to more than 10 billion in 1999 (see graph 2).

Remittances have in fact acquired as much importance as exports, the latter being considered the most important sector of Gross Domestic Product. Remittances in El Salvador in some years exceeded the total of exports, and in the Dominican Republic and Nicaragua they represent more than half of all exports. El Salvador has come to depend greatly on remittances and has executed national policies to attract these (Weiner 1996, 37-38). Even in strong economies such as that of Mexico, remittances are of singular importance: they represent 10% of total exports and nearly 80% of foreign direct investment (Ortiz 1994, Q-14; La Jornada 2000).



### b. Distributive Effects in the Home and the Economy

Another aspect of singular importance of remittances and its relationship with the macro-economy regards its relatively stable nature and their distributive impact within the home. In the first case, we observe that over an extended period of time remittances maintain an almost anti-cyclical stability in the economy. For example, despite the global economic recession and its impact on the United States remittances have continued, despite growing unemployment in the Hispanic community in the United States. While the unemployment rate for Latinos in the United States grew from 6.3% in July of 2001, to 7.3% in 2002 and 8.3% in 2003, the amount of remittances continued growing in a normal manner, and in some countries growing more.



#### Remittances to the Dominican Republic: a profile of who sends and who receives

The Dominican Republic is the fourth greatest recipient of remittances in Latin America, after Mexico, Brazil and Colombia, with a total of US\$1,939 million in 2002 and 2.1 billion in 2003. This volume of remittances is the result of the efforts of immigrants in the United States.

The profile of this immigrant is of singular importance.<sup>3</sup> Dominicans are, for the most part, a group of lower income in the Latino community. For example, in New York, home to more than fifty percent of immigrant Dominicans, personal income is relatively low. Sixty percent of Dominicans have an income of less than US\$25,000 annually. This same immigrant sends approximately US\$200 with a regularity of ten times per year, almost ten percent of their income. The educational attainment of Dominican immigrants is also low, almost sixty percent have secondary education, and only 9% has completed a college degree.

**Table 2: Annual Personal Income US\$ Range:**

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Up to 10,000	27.0%	6.0%	9.3%	29.0%	7.6%
Btwn. 10,001 & 15,000	35.0%	34.0%	12.0%	19.0%	8.1%
Btwn. 15,001 & 20,000	12.0%	25.0%	20.7%	21.0%	15.7%
Btwn. 20,001 & 25,000	3.0%	21.0%	17.3%	20.0%	13.6%
Btwn. 25,001 & 30,000	3.0%	9.0%	18.0%	6.0%	12.7%
Btwn. 30,001 & 35,000	3.0%	3.0%	10.7%	1.0%	8.1%
More than 35,000	1.0%	0.0%	11.3%	0.0%	8.9%
Don't Know/NR	16.0%	2.0%	0.7%	4.0%	25.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

3-The data in this profile was collected in a survey of 200 Dominicans in New York and 250 recipient homes in the Dominican Republic, conducted by the author and administered by Emmanuel Sylvestre & Assoc. Comparative results presented in Orozco, Manuel (2004), Distant but close: Guyanese transnational communities and their remittances from the United States. Inter-American Dialogue, Report requested by the U.S. Agency for International Development. Washington, DC. January.

<b>Table 3: Education of remittance sender</b>					
	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Primary	28.0%	26.0%	6.7%	18.0%	16.1%
Secondary	50.0%	42.0%	50.7%	35.0%	32.6%
Some University/College	20.0%	25.0%	33.3%	23.0%	27.5%
Completed University	1.0%	1.0%	8.7%	17.0%	17.4%
Don't Know/NR	1.0%	6.0%	0.7%	7.0%	6.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Survey conducted by author.

Another important piece of information is that the income of Dominican immigrants does not increase significantly despite the length of time residing in the United States. As is illustrated in the table below, the percentage of those who have lived in the country more than ten years and have an income exceeding \$25,000 (the average for Dominican immigrants) is not significantly greater than those who have lived in the country three or less years, 50% and 44% respectively. This situation has an effect over the contention of social mobility of Dominicans in the United States. One explanation refers to the low level of educational attainment, as well as the fact that less than thirty percent are naturalized citizens and only sixty percent have access to a financial system. Lack of education, as well as access to finances reduces the options for social mobility.

<b>Table 4: Income and time residing in the United States</b>			
	Up to three years	Four to ten	More than ten
Up to \$10,000	22%	9%	8%
\$10,001 to 15,000	33%	13%	10%
\$15,001 to 20,000	0%	34%	16%
\$20,001 to 25,000	0%	23%	16%
\$25,001 to 30,000	11%	6%	25%
\$30,001 to 35,000	11%	9%	12%
More than \$35,000	22%	6%	13%

One can observe the impact of the remittances on homes receiving them. First, the money sent arrives predominantly at the home of the immediate family, such as the wife, the parents of the immigrant, or their children or siblings.

<b>Table 5: Destinations of remittances</b>	
	(%)
Wife/husband	19.0%
Parents	9.9
Children	23.4%
Siblings	25.8%
Grandparents	1.6%
Other family members	13.9%
Friends	4.8%
NR	1.6%
Total	100%

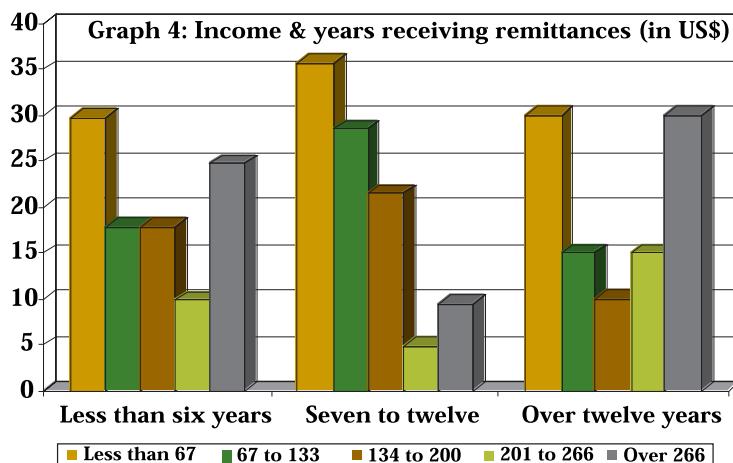
Secondly, the homes receiving remittances invest them in everyday expenses, and education. More than fifteen percent on the other hand save part of the money received.

<b>Table 6: Cost administration</b>	
	(%)
Food	74.6%
Clothing	26.2%
Education	28.6%
Housing	21.8%
Business	7.1%
Savings	15.9%

Thirdly, fifty percent of those receiving remittances have been doing so for at least three years. Another percentage has been receiving the money for at least four to nine years. Much like their relatives in the United States, recipients lack social mobility since their incomes do not rise despite the amount of time that they have been receiving the remittances. The reasons are similar, 18% of those receiving remittances have bank accounts, and their educational attainment is low, with 60% possessing some secondary education.

**Table 7: Time receiving remittances**

	(%)
Less than a year	17.9
Between one and three years	35.7
Between four and six years	17.9
Between seven and nine years	7.5
Ten to twelve years	11.9
Thirteen to fifteen years	3.2
Over 15 years	5.2
Don't know/NR	.8
Total	100%



### c. Imperfection of the Market for Intermediation and Competition

Remittances are sent in various forms: through banks, through money transfer companies, such as Western Union, through the postal service, or they are delivered in person by the sender or a third party. The utilization of these instruments varies depending on several factors, such as the existence of a modern banking and finance infrastructure, or the existence of an efficient delivery system, and the level of education and income of the sender and recipient. The delivery of remittances has become an important source of benefits for small and large firms, which take advantage of the costs applied to the sender who temporarily invests the funds before transferring them, of the diverse additional services which they offer, including home delivery, and in many cases, of the unofficial exchange rate which can entail up to 5% of the cost of the transaction. Given the new firms and emerging firms in this sector, the market is evermore competitive and has changed considerably in various ways:

- \* Proliferation of small and large firms which offer services in international money transfer;
- \* Progressive decrease in the cost of money transfer due to competition and social demands;
- \* Expansion and extension of services to immigrants, which range from the transfer of money to the delivery of commercial goods and other personal services;
- \* Constant volume and perhaps an increase in the amount of electronic money transfers;
- \* Greater public access to basic financial services in remote locations;
- \* Greater participation and interest in the banking sector in the transfer of money by immigrants to their families and communities.

**Table 8: Approximate quantities sent by immigrants  
in the United States and cost of remittance**

Country	July 03	Cost of remittance
Haiti	12.45%	162
Cuba	12.43%	150
Jamaica	12.05%	263
Guyana	10.56%	153
Bolivia	9.75%	276
Dominican Rep.	8.29%	199
Nicaragua	6.97%	146
Guatemala	6.85%	269
Venezuela	6.54%	228
Honduras	6.22%	257
Colombia	5.94%	256
Peru	5.67%	191
Mexico	5.30%	378
Ecuador	4.71%	295
El Salvador	4.00%	287

<sup>a</sup> Cost of remittance of \$200 max. <sup>b</sup> Cost of remittance of \$201-250. <sup>c</sup> Cost of remittance of \$250-300.

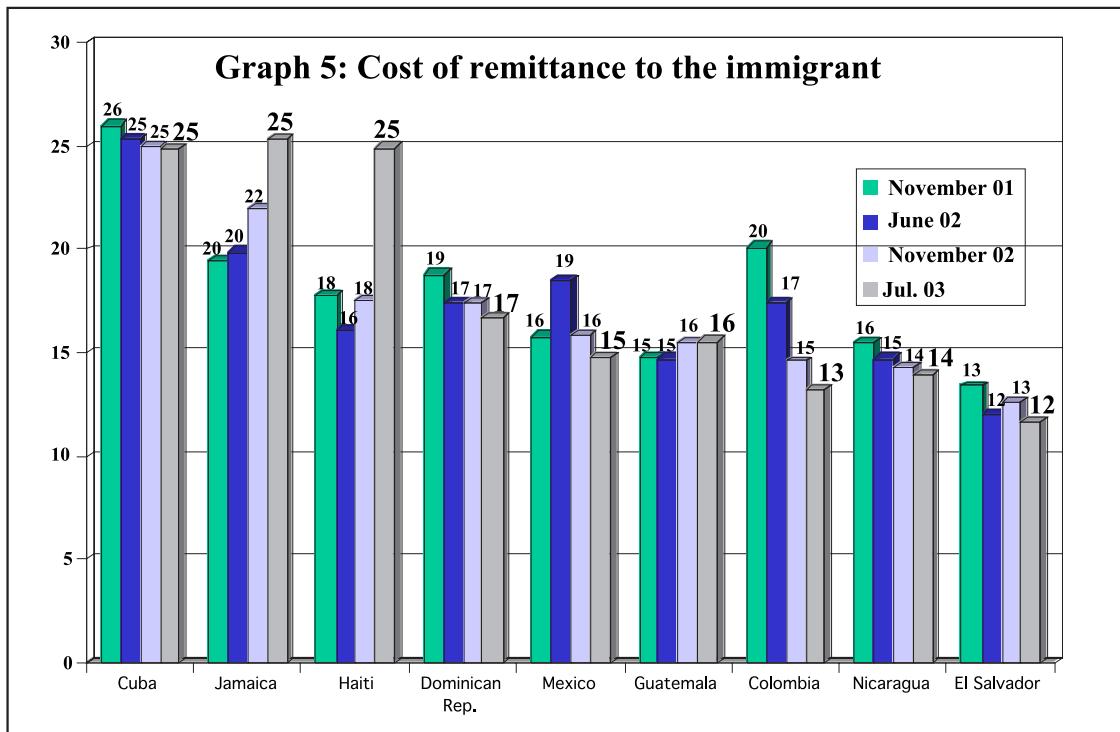
Source: Information collected by author.

The variation of costs reflects the conditions in the markets of each country and immigrant community. As is illustrated in the above table, with the exception of Nicaragua, the countries where remittances are most expensive are the Caribbean countries. The principal reason for this is the monopolistic or oligopolistic control of the market. For example, in Jamaica and Guyana one company alone monopolizes 60% of all remittances, while in Cuba remittances are realized primarily through informal mechanisms. Remittances in Cuba tend to be delivered by hand by third parties who manage at least 60% of the market, increasing the cost of competition for official companies. Haiti, which also suffers from high costs of remittances, is also characterized by high levels of informality in the transfer

and control of money by a few companies in the official sector. The least expensive country is El Salvador, which has "dollarized" its economy and which as a consequence is not forced to confront speculation about the exchange rate.

#### *The Dominican case and the fall of costs*

Remittances to the Dominican Republic are in the intermediate segment between various countries in Latin America. The cost of remittances for Dominican immigrants is below ten percent, but above five percent. However, the cost has been falling in the past three years. One reason for the cost of remittances refers to direct home delivery service, which companies offer their clients.



#### **d. Banking and Finance**

At the core in the relationship between remittances and banking is the fact that remittances as a system of payment represent a form of financial service which already has an indirect relationship with financial banking institutions: remittances always pass through banks.

However, it is important to recognize that many immigrants, such as Mexicans, do not have access to banks due to language barriers, education, lack of banking promotion, as well as because many believe they will someday return to their country. Nevertheless, the rate of residence in the United States is more than ten years (Bendixen 2001; Townsend 2001).

The recent experience of inserting people into the banking system of the United States has been positive. The impact has been that sources of capital have been formed in low income communities and homes. A similar model can be replicated for immigrants (Schreiner 2001).

Banking is also a serious problem in Latin America where less than 20% of adults has access to a bank account. Latin American banks traditionally concentrated on serving the needs of the elite agro-exporters, much of whom created their own banks. The final result has been that the median citizen and that of low income has not had access to financial services, and banks have not sought these out as new sources of assets. A recent study of income inequality in Latin America signaled the deficiencies in financial institutions as a principal source of inequality. "Financial markets in Latin America are underdeveloped and the blame goes beyond a history of inflation and financial instability; the weakness in institutions to support credit is also at fault" (IPES 1999, 6). In fact, the study sustains that less than 5% of small businesses receive loans from commercial banks, and still the small savings and loans cooperatives, as well as the micro-finance institutions that emerge to satiate the demand for financial services do not have an ample enough portfolio: it is 1% below what commercial banks in Latin America possess (164-165).

Involving people in banking would create various benefits. First, businesses would have less interest in speculating because it would interest them more to increase their assets by involving their client in banking. Furthermore, by involving the person in banking, more business opportunities become available for the institution. The rate of account holders would increase significantly, especially considering that between ten and twenty percent of people receive remittances in Latin America. Second, banks would eliminate more costs by offering withdrawals through automatic teller machines, and clients would obtain the option to only withdraw what they need and not the total amount received. This does not signify the elimination of money transfer companies, but rather, as will be discussed in the recommendations section, the most efficient strategy for banking and collecting savings consists of a strategic alliance between a bank and a money transfer company in which a division of labor is created between the two institutions.

### III. Remittances as Part of a Process

Remittances illustrate a process of deepening the national life of states and nations in the integration of the global economy. What does this mean? It means that the migration, which has developed in a growing and sustained manner, has made the immigrant into one more agent of globalization in their countries.

One of the most pronounced changes of the past few years has been the process of intensification and expansion of economic integration on a global scale through the consolidation of markets and transnational centers of production. The result has been the fortification of economic interdependence, the formation of regional economic blocs, and the commercial and financial liberation of markets. In practical terms, we have observed the acute intensification of competition for new markets on a global scale.

In Central America and the Dominican Republic, the process of integration of the global economy is evident at various levels. For example, Pablo Rodas (2000) demonstrates the relation between integration into the global economy and integration with the North. This is reflected in terms of "the commercial flows (manufactures, agricultural products, and tourism) and the flow of factors of production (illegal migration and foreign investment) (17)."

From a more critical perspective, William Robinson (2001) argues that global changes in the form of flexible capital accumulation and the global division of labor have "resulted in an increased heterogeneity of labor markets in each location" (529). In more specific terms, Robinson argues that one form of transnational accumulation is observed based on the entrance of new activities mixed with the model of global accumulation. For Robinson, the transnational model in Central America is observed

in terms of "production of export-processing factories (of clothes in particular), transnational services (especially tourism), export of non-traditional agricultural products, and remittances sent by Central Americans working in the United States" (539). In synthesis these two perspectives demonstrate that the region is bound internationally by these factors, see table 3.

<b>Table 9: Central America and the Dominican Republic in the global economy, 2002 (in millions of US\$)</b>						
Sector	Guatemala	El Salvador	Honduras	Nicaragua	Costa Rica	Dominican Rep
Remittances	1775	1995	735	600	206	2044
Export of merchandise (not including export-processing factories)	2960	3287	1344	582	5352	719
Export-processing factories	373.8a	543	546	102.2a	1221.8a	1875
Foreign Aidb	225	234	677	928	2.15	105
International Tourism	606	254	251	157	936	2609
GDP	22476	14598	6683	2498	16652	21000
R+X+A+T/GDP	26%	43%	53%	95%	46%	35%

Source: Inter-American Development Bank, Country Profiles. Help: World Bank 2003, "World Development Indicators CD-ROM"; CEPAL 2002. a Export-processing factories covers the year 2000. b Data for 2001.

These two perspectives fuse with each other.

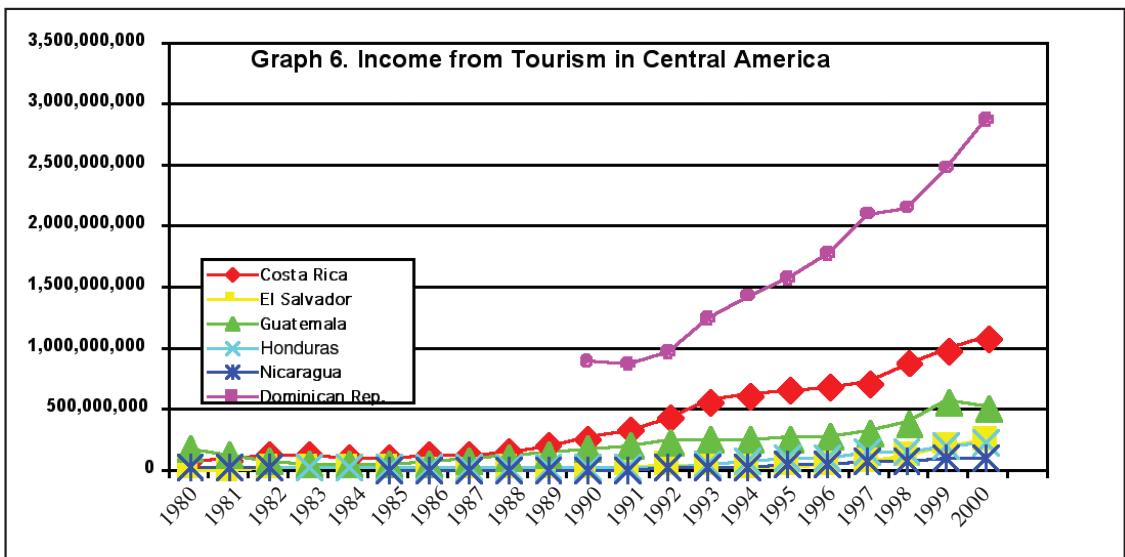
However, it is associated with the way in which Central American and Dominican immigrants have contributed to the integration of their countries with the global economy. Migration to the United States-- which is the result of the State's and the regional market's inability to produce wealth and distribute it-- has produced a dynamic that has influenced these countries and the ways in which social and economic relations occur.

Economic integration within the global economy has occurred through the migration of labor and has activated what we have come to call the 5Ts of economic integration: tourism, telecommunication, aerial transport, nostalgic trade and remittance transfers. These elements have opened up business and investment opportunities that have expanded commerce and investment.

The connection between immigrants and their country of origin constitutes a permanent process. Tourism to the Dominican Republic, El Salvador, Honduras, Nicaragua and even Mexico is composed largely of nationals living abroad.

In El Salvador, more than fifty percent of tourists entering the country are Salvadorians who reside abroad, predominantly in the United States. The average length of their visits is more than two weeks and they spend \$50 daily.

Nicaraguans also fly frequently from Miami to Managua and bring back durable goods, as well as goods for consumption. Dominicans represent 30% of all tourists in the Dominican Republic and spend \$650 per stay.

**Table 10: Tourism and National Origin**

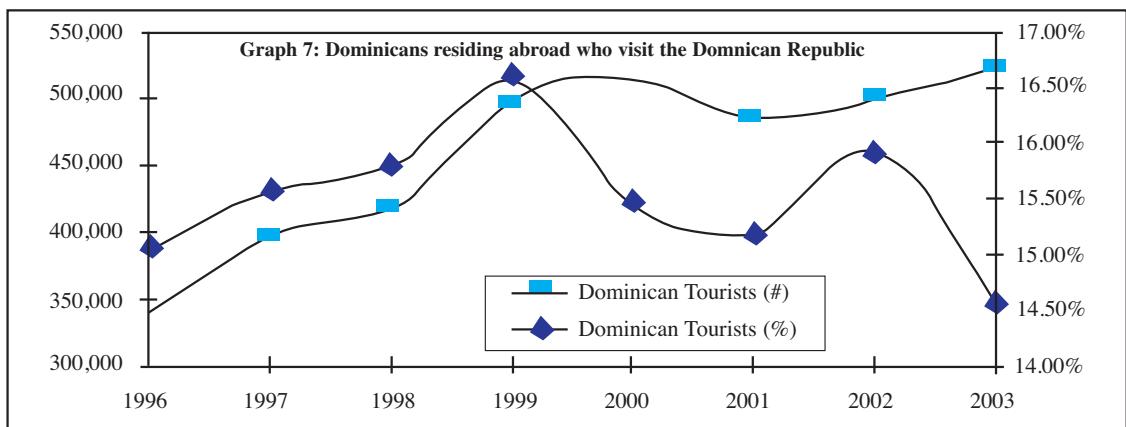
	Total tourists	Nationals	%	Year
Jamaica	2,231,765	103,379	0.04632	2000
México	9,793,900	2,203,100	0.22495	1997

Source: Bank of Jamaica, Statistical Digest October 2001, Table 36.1; Bank of

In the case of the Dominican Republic, the number of Dominicans who visit their country represents a fourth of the total visitors to the country. As the following graph demonstrates, the number of visitors has remained constant over the past eight years, with a gradual decline in the past three years related to the economic recession in the United States and the migratory controls for security.

The use of aerial transport is also of great importance. The company Taca Group, which works in Central America, has 21 daily flights from the United States to El Salvador, wherein more than 70 percent of its travelers are Central American.

Furthermore, air traffic has increased exceedingly between these countries, there are more than eight airlines operating in the region, among them American, Continental, Delta, United, TWA. Annually 140,000 people travel to Santo Domingo from JFK alone, and another 95,000 travel from Miami.



**Table 11: Flights from the United States to Central America and Santo Domingo (2003)**

Country	Flights	Seats
El Salvador	551	75,605
Guatemala	465	60,940
Honduras	410	56,367
Nicaragua	235	33,137
Rep. Dom.	1441	226586

Source: Federal Aviation Administration

A similar process has also been observed in the level of telecommunications. The demand for and volume of long distance calls has not only increased the familial and communal links, but also the economic ones, which have benefited big companies and the economy in general.

Industries like AT&T, Bell South, and Motorola have established economic infrastructures that facilitate long distance communication and extend the benefits to the interior of these countries. In fact, those counties with the greatest connectivity with its diaspora also exhibit the lowest costs for calls, see table 13.

**Table 12. Cost per minute to call countries in Latin America**

Country	Company		
	AT&T	MCI	Global Cell
Mexico	0.21	0.25	0.20
Guatemala	0.31	0.29	0.44
El Salvador	0.31	0.29	0.32
Colombia	0.31	0.29	0.26
Dominican Rep.	0.31	0.29	0.20
Trinidad & Tobago	0.37	0.35	0.30
Jamaica	0.47	0.45	0.46
Haiti	0.51	0.49	0.56
Guyana	0.88	0.87	0.90

Source: Global Cell, AT&T, MCI rates

In the case of telephone calls the following is observed: considering that seven out of ten people send remittances and that within the Dominican community the median number of minutes is 120 per month, the total minutes annually for a Dominican population of 1.1 million is more than six hundred minutes. This represents more than fifty percent of the total calls made in 2000 and 2001 (see tables below).

<b>Table 13: Telephone calls using estimates from the survey and population census</b>			
Number of minutes	Annual calls minutes*	Percent called	Population of 1.1 of million
			30% of which remits
Less than five minutes	300	0.70%	941,855.88
Six to ten minutes	480	6.70%	14,423,850.05
Eleven to twenty minutes	900	13.30%	53,685,785.16
Twenty to thirty minutes	1500	35.30%	237,482,232.60
More than thirty minutes	1800	44.00%	355,214,217.60
			661,747,941

Source: Survey of Guyanese immigrants, US Census Bureau. \* Calculation based on an average of 3 calls a month for 5, 8, 15, 25 and 30 minutes per call (see Table x for phone calls made).

Formula employed was  $\Sigma$  of Phone calls = Annual \* Percent calling \* Immigrant Percent remitting

<b>Table 14: International calls to the Dominican Republic</b>			
Year	Number of minutes	Income in the United States	Payment to local company
1996	416,350,337.00	\$ 292,831,165.00	\$ 170,479,165.00
1997	379,150,470.00	\$ 216,550,670.00	\$ 125,510,374.00
1998	438,398,743.00	\$ 197,808,554.00	\$ 122,974,610.00
1999	613,695,642.00	\$ 184,747,632.00	\$ 120,162,680.00
2000	1,212,642,419.00	\$ 221,321,077.00	\$ 120,278,239.00
2001	716,399,067.00	\$ 143,621,979.00	\$ 43,048,882.00
2002	1,005,737,128.00	\$ 149,761,218.00	\$ 41,348,782.00

Source: 2000 and 2001, 2002 International Telecommunications Data, Linda Blake and Jim Lande.

Washington, FCC, December 2001, and January 2003.

The transfer of remittances also represents an important source of income. Remittance transfer businesses, formal as well as informal, constitute nearly 60% of all remittance businesses in Latin America, and higher in some countries.

But the volume of remittances has increased to astronomical figures surpassing the billions. Familial remittances are actually one of the most important methods of linking Latinos and Latin America.

Remittances have created an intermittent dynamic, which affects both those who send and those who receive them, and they have become a key indicator of economic integration.

The remittance dynamic references two interrelated dimensions of globalization: "breadth (or

'extension') and intensity (or 'depth')." This is to say that the borders of locations extend while the already existing global connections deepen.

A vision of the dynamic of the breadth and intensity of the remittances offers the emerging of processes with varied implications. In terms of the breadth of the remittances, one can see that the level of the relation goes beyond the relations between the actors sending and those receiving money.

Some of these actors are the banking intermediaries, the government, community associations, and international groups interested in the flow of remittances. In terms of the intensity of the remittances, one can observe the level of involvement of these actors in the recipient country and of the multiplying effect that the remittances have in one country.<sup>4</sup>

To summarize, immigrants from many countries around the world are linking their countries globally through services, assets, and investments that translate into the 5Ts of global economic integration:

- Unilateral transfers (remittances and community donations);
- Aerial and land transport (demand for outgoing and return flights to Honduras from the host country);
- Tourism (the Honduran Diaspora represents a very important percentage of international Honduran tourism, at least a fourth if not more of the total tourism);
- Telecommunication (Calls from home to home, for which demand is superior to that of companies and firms);
- Nostalgic trade. I leave aside a sixth component, which is the investment of migrant capital into small companies, properties, and land, because in this moment it is less than the amounts of any of the other elements.

As can be assessed, the impact of Dominicans on their country of origin goes beyond remittances, to the degree that they become an important economic agent for the country, and their remittances constitute the most important vehicle for positive economic development.

#### IV. An Economic Agent with Various Determinants

Because of their financial nature remittances are intimately linked to institutions, such as micro-credit organizations, savings and loan cooperatives, popular and commercial banks, which can attract the homes that receive remittances into the system, and in so doing raise the savings rates, mobilize the same in the economy and promote investment.

They also play a role in the multiplying effect by generating demand for goods that promotes the development of local markets. This is a central aspect of economic development.

Of particular importance is the impact of remittances on the most vulnerable sectors of the population, such as the rural and the urban poor. A good part of the flow of remittances goes to rural zones. Mexico, El Salvador, Dominican Republic, Haiti, and Nicaragua are examples of these cases.

In the case of Mexico, 10 states count for the most part on emigration. The Survey about Migration on the Northern Border of Mexico (EMIF), published in 1994, found that more than 75% of all immigrants leaving Mexico originate from these 10 states.<sup>5</sup>

Likewise, the 10 states that receive the most remittances are also the same—Guanajuato, Jalisco, Michoacán, San Luis Potosí, Guerrero, Zacatecas, el Distrito Federal, el Estados de Mexico, Chihuahua y Durango—they receive more than two thirds of all remittances sent to Mexico.<sup>6</sup> See table 6.

4-Manuel Orozco, "Globalization and Migration" Latin American Politics and Society Summer, 2002.

5-El Colegio de la Frontera Norte. "Problems and perspectives of remittances from Mexicans and Central Americans in the United States," Unpublished Manuscript, El Colegio de la Frontera Norte: Department of Economic Studies. Mexico: 2002, p. 30.

6-Federico Torres, "Remittances and Rural Development in the Zones of High Migratory Intensity in Mexico," United Nations: Economic Commission for Latin America and the Caribbean (ECLAC). Mexico: 2001, pp. 3.

**Table 15: The 10 states with the most emigrants and the 10 states that receive the most remittances in Mexico**

State	Total percentage of emigrants <sup>a</sup>	Percentage of remittances <sup>b</sup>
Guanajuato	17.9	13.7
Michoacan	10.9	11.2
Distrito Federal	7.5	4.5
San Luis Potosi	7.4	5.8
Jalisco	6.9	11.4
Coahuila	6.3	--
Durango	5.7	3.4
Chihuahua	5.2	3.6
Zacatecas	4.5	4.5
Guerrero	3.5	4.9
Estado de México	--	3.8
Total	75.8	66.8

Sources: El Colegio de la Frontera Norte. "Problems and perspectives of remittances from Mexicans and Central Americans in the United States,"

Unpublished Manuscript, El Colegio de la Frontera Norte: Department of Economic Studies. Mexico: 2002, p. 30; Torres, Federico.

"Remittances and Rural Development in the Zones of High Migratory Intensity in Mexico," United Nations: Economic Commission for Latin America and the Caribbean (ECLAC). Mexico: 2001, pp. 3, 27-28. <sup>a</sup> 1993-1994; <sup>b</sup> 2000

With the exception of Distrito Federal in Mexico, the places of emigration are a combination of rural and urban zones.<sup>7</sup> According to the EMIF, 56% of the international emigrants come from urban areas while 42.1% come from rural areas. However, the remittances play a more important role in the economies of rural Mexico than that of urban Mexico. In 1996, 10% of rural homes reported that they received remittances, while less than 4% of urban homes reported the same.<sup>8</sup>

In El Salvador, the regions that lose the highest percentage of their population to emigration—San Vicente, Cabañas, Chalatenango, Morazán, La Unión y Sostenante—share characteristics with their Mexican neighbors. They are notably the most ecologically deteriorated States, they have the lowest quality of life indicators, and they lack infrastructure. On the other hand, in absolute figures, the urban sector of San Salvador sends the highest levels of emigrants abroad; approximately 22% of Salvadorians in the United States originate from the Salvadorian capitol.<sup>9</sup> It is interesting to note that the geographic distribution of homes receiving remittances in each country is similar. Despite the fact that rural homes in each country constitute a significant percentage of recipients, the majority of recipients are located in urban areas. See table 7.

**Table 16: Percentage of home receiving remittances in rural and urban zones, 1996**

	México	El Salvador
Urban	54.3%	60.5%
Rural	45.7%	39.5%

7-Federico Torres, p.4.

8-El Colegio de la Frontera Norte, pp. 33-37.

9-Juan José García, "The Tendencies of Migration in El Salvador", FUSADES\_PNUD, 1998, p.7-8.

The patterns of migration and remittances in Nicaragua also merit some attention. Migration from Nicaragua is aimed predominantly towards the United States and Costa Rica. In a study conducted at the national level in June 2001, 42% of people living in Managua reported having at least one relative abroad, compared to 35% from the Pacific Region, and 29% from the central northern zone of the country which reported the same.

The majority of people reporting from outside of Managua had relatives working in Costa Rica, while those who live in Managua had relatives immigrating more than anywhere else to the United States.<sup>10</sup>

In the case of the Dominican Republic, forty percent of homes receiving remittances are located in the capitol. The rest are scattered in other provinces, primarily in Santiago and Baní.

**Table 17: Homes receiving remittances in the Dominican Republic (by region)**

	(%)
Santo Domingo	60.3%
Santiago	20%
Baní	20%
Total	100%

Furthermore, as was mentioned in the first section, the remittances are used for everyday activities. Homes receiving remittances use a large part of these for everyday expenses and consumption on both urban and rural areas. For example, Mexican families receiving remittances use more than 75% of the money on everyday necessities such as food and clothing. This applies to all those who live in extremely small zones of less than 2,500 inhabitants, as well as to those living in more populated zones.

Nicaraguan and Salvadorian families also demonstrate similar spending patterns. In surveys conducted in both countries, more than three fourths of the population spent their remittances on food alone. See table 9.

**Table 18: Distribution of spending of families receiving remittances by size of location, México**

Type of expense	Population		
	Total	> 2,500	< 2,500
%	%	%	%
Everyday expenses	77.1	77.6	76.1
Housing and land	4.0	2.9	6.2
Savings	14.1	14.8	12.6
Debt	2.0	2.2	1.6
Machinery, equipment and animals	0.2	0.1	0.3
Other	2.6	2.4	3.1

Source: National Population Council. "Migration Mexico- United States: Present & Future,"  
National Population Council. Mexico: 2000, p. 176.

10-Manuel Orozco, "Family Remittance to Nicaragua: Opportunities to increase the economic contributions of Nicaraguans living abroad," Inter-American Dialogue. Washington, DC: 2003, pp.7-8, 20.

<b>Table 19: Remittances and expenses in some countries in Latin America</b>					
Type of expense	Guatemala	Honduras	El Salvador	Mexico	Ecuador
Daily expenses (Food, rent)	68%	77%	84%	70%	60%
Savings	11%	4%	4%	7%	8%
Investment in business	10%	4%	4%	1%	8%
Education	7%	10%	4%	6%	2%
Other	3%	3%	2%	3%	18%
Acquisition of property	1%	2%	1%	1%	4%
NS-NR	0%	0%	2%	11%	1%
Total	100%	100%	100%	100%	100%

Source: IADB-MIF, 2003

In the rural sector, a part of the remittances are used to buy land. For example, table 8 (above) illustrates the high percentage of remittances spent on buying land in rural areas. In addition, a survey conducted in Mexico informs us that those receiving remittances in populations of low density (more likely rural areas) typically spend more money on machinery and equipment than inhabitants of zones with a higher population density.<sup>11</sup> This same study of rural areas in Mexico concluded that spending on supplies like land, cattle and other agricultural materials allowed these rural homes to continue their agricultural activities despite not having an income from their agricultural activities per say.<sup>12</sup>

In synthesis, remittances then tend to have an effect on the social condition of the homes receiving them. In fact, the average amount received through remittances per year in many countries surpasses the average gross domestic product per capita. This fact is more important when one considers that in real terms less than one third of the population in Latin America earns the amount of the per capita GDP.

<b>Table 20: Per Capita GDP, Distribution of income and remittances per capita</b>				
Country	GDP pc	GDPpc within the poorest 20% (\$)	GDPpc within the poorest 40% (\$)	Remittances Per capita (\$)
Panama	4020	181	390	440
El Salvador	2113	112	218	361
Dominican Rep.	2514	85	206	257
Paraguay	1167	61	125	177
Guatemala	1755	81	163	176
Nicaragua	714	30	64	147
Mexico	5922	420	640	132
Ecuador	1489	77	153	129
Honduras	929	43	86	127

Source: World Bank, World Development Indicators (Washington, DC, 2004). ECLAC, Annual Statistics for Latin America and the Caribbean, 2004.

11-El Colegio de la Frontera Norte, pp.30-40

12-El Colegio de la Frontera Norte, p.127

In the case of the Dominican Republic, this is of significant importance since the relation between per capita GDP and the remittances are 0.77. That is to say, those homes receiving remittances are receiving money that is maintaining them over the level of poverty.

#### *Savings, mobilization and remittances*

Remittances are an alternate source of provision of funds for the sustenance of homes and for financial activities between small businesses and larger businesses. As a method of external savings remittances influence not only the conduct of expenses, but also of investment. As was mentioned earlier, part of the remittances are saved or invested in education, health, or generating wealth.

Furthermore, remittances are already connected to the mobilization of savings in many Latin American countries. Homes receiving remittances, not only save part of their money, but also play an important function in investment and security.

In the case of investment, immigrants send money to the home country with the specific purpose of acquiring a certain investment opportunity. Immigrants buy land, materials to work the land, or seeds to sow. One study of micro-enterprises in Mexico demonstrates that the remittances were responsible for 27% of the capital investment in the micro-enterprises of the country and 40% of the capital invested in areas of the country receiving the most remittances.<sup>13</sup>

In the case of securities, another study has also demonstrated that remittances from immigrants function as a security or protection in case of uncertainty in the future. Specifically, Pozo<sup>14</sup> argues that when remittances continually increase, regardless of whether or not immigrants face risks in their income, the money is sent "to buy goods" as a method of preventative savings (4).

She emphasizes that "older emigrants, female emigrants, emigrants with more relatives working for salaries, emigrants who arrived in the United States with family members or friends, and emigrants with higher levels of education have a greater tendency of remitting money for the accumulation of assets" (26). Taylor also argues that the remittances also have a positive effect on the rural sector when they alleviate the restrictions that limit the local production of jobs and their multiplying effect on the local economy.<sup>15</sup>

Nonetheless, these connections are spontaneous and they frequently occur in conditions of insufficient information about reasonable opportunities for loans for the businessperson. Within this context, institutions of micro-finance and cooperatives can play an important role offering financial services to satisfy the demand for economic transactions.

## V. Exploring Options and Strategies

Within the context of ever changing dynamics and realities in Latin America and the Caribbean, different policies should be tested. In order to be effective, these should cause a direct impact in affairs related to the reduction of the costs of transactions, promoting the potential capital of remittances through access to savings institutions and credit and good finance, promotion of tourism and nostalgic trade, and the establishment of national policies that contribute to the diasporas of the country.

Remittances represent an important financial flow in rural areas of Latin America. Mexico, Haiti, the Dominican Republic, Nicaragua, El Salvador, Guyana and Guatemala are countries where at least one

13-Christopher Woodruff and Rene Zenteno, "Remittances and Micro-Enterprises in Mexico," unpublished manuscript.

14-Susan Pozo and Catalina Amuedo-Dorantes, "Remittances as Insurance: Evidence from Mexican Migrants," July 24, 2002. Paper presented at the Northeast Universities Development Consortium Conference, Williams College.

15-Edward Taylor, p.219

fourth of the remittances are destined for rural areas. If treated adequately, remittances could become an important method of external savings, which could stimulate a process of modernization in rural areas.<sup>16</sup>

### **a. Reduction of Costs**

Despite the fact that remittances are recognized by recipient countries as an important source of earnings, the costs of transmission, particularly, the commissions for exchange rates in Latin America continue to be a concern for development agencies and immigrants, among others.

The growth of competition is crucial for the reduction of costs. The following are three options for reducing costs: the strategic alliance between money transfer companies and savings and loans institutions, and between Latin American and North American institutions and offering the technology of electronic debit cards that can be used at automatic teller machines.

### **b. Financial Democracy**

Only six out of ten immigrants utilize or consider having significant access to bank accounts. Also, in Central America and the Caribbean only two out of ten have access to savings accounts. The effects of not having bank accounts (be it in commercial banks, community banks, or credit cooperatives) are very significant.

People are not only susceptible to higher costs and daily difficulties, but they also lose the opportunity to establish a credit history and to obtain the other benefits of financial institutions. By helping those who send and receive remittances to participate in reasonable savings and credit markets, we could secure lower transfer prices, but also fundamentally mobilize savings.

Some governmental and private institutions are already involved in the task of selecting a strategy that will unite the transfer of remittances with options of banks or credit cooperatives as a way to attract emigrants to the financial system. The operations of credit cooperatives for the mobilization of savings are of considerable importance for the rural sector. One of the restrictions to development has been the lack of adequate credit to individuals in rural areas.<sup>17</sup>

The result of this is that the median citizen, and especially the cohorts of low income, have not had access to financial services, and banks have not counted on them. Traditionally financial institutions have seen high risk in making loans or investing in agricultural areas or the rural sector. With a constant flow of remittances, homes are demanding financial services that have not been offered by commercial banks. However, the local mobilization of services is located at the intersection between remittances and local development.

In the majority of places in the rural sector, remittances not only delay in arriving, but also those receiving remittances must waste time picking the money up in more commercial cities which sometimes, or almost always, are an hour away from their towns.

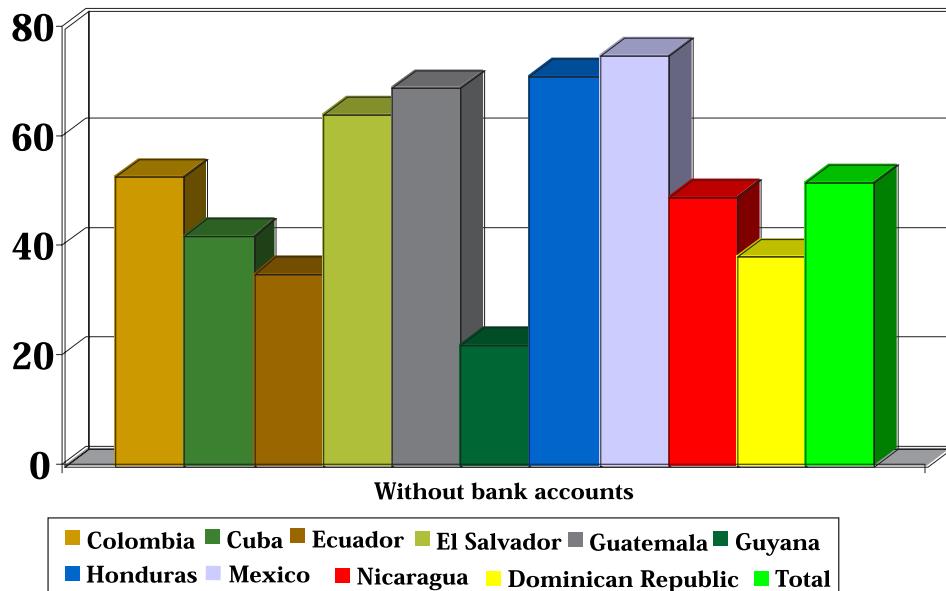
As a result, the cost increases for recipient homes. A solution for this situation is the use of financial institutions, which already function in the area, such as micro-finance institutions or credit cooperatives.

The participation by alternative financial institutions like savings and loan cooperatives, and micro-finance businesses through the zones for receiving remittances is critical and becomes a form of democratic finance.

16-For a more detailed analysis of these and other recommendations see report *Making Remittances More Valuable: Reducing Costs and Banking the Unbanked*, Manuel Orozco, Washington, DC: Inter-American Dialogue, June 2003.

17-Debray Ray, *Development Economics*, Princeton: Princeton University Press, 1998.

**Graph 9: People without bank accounts in the U.S. (%)**



These institutions provide access and help the communities of lower income and rural areas that have traditionally been ignored by bigger commercial banks.

Three cases that illustrate the links between remittances, the rural sector and micro-finance institutions are Mexico, El Salvador, and the Dominican Republic.

A great advantage of the cooperative system in the Dominican Republic is that many of its branches operate in the rural areas and zones, which are not often frequented by banks. In addition, cooperatives offer an ambiance and focus that is more appealing to remittance recipients since these tend to be less formal than banks.

In places where remittances are transmitted via cooperatives, the community also benefits from the association. One of these cooperatives, San José de las Matas, transferred half a million dollars in a period of 12 months. Many of those clients end up becoming members of the cooperative.

Due to the success of this and other cooperatives, and the existence of remittances that go to rural areas, the Dominican Association of Cooperatives is looking to extend its services providing automatic tellers to the network of cooperatives and installing a less expensive and more efficient way of transferring money than the system currently offered by remittances agencies.<sup>18</sup>

In Mexico, a successful case is that of the micro-bank in the Mixteca region of Oaxaca, Xuu Ñuu Ndavi (Poor People's Money). The residents of this town have relatives who send them money from abroad. After the first \$170,000 received after the first year of operation, the 168 members of the micro-bank (83 of which are women) accumulated \$160,000 in savings.

The experience of this bank demonstrated that homes receiving remittances have the propensity to save, and when this propensity is motivated, individuals turn to financial institutions, or in this case, to

18-Manuel Orozco, Attracting Remittances: Market, Money, reduced Costs Washington, DC: Inter-American Dialogue, January 2002.

micro-finance banks. The key to these banks and other such micro-finance banks is that they function within the town and that they have established a certain level of trust among the local population.<sup>19</sup>

The credit cooperative federation of El Salvador, FEDECACES, is an extensive network and is well established for Salvadorians of lower income in particular in rural areas. Approximately 80% of the credit cooperatives associated with FEDECACES are located outside of San Salvador.

Once the cooperatives participated in the transfer of money from the United States, the amounts increased from less than \$2 million in 2001 to \$22 million in 2002. There was also a substantial increase in membership since these incorporated the recipients of remittances into the financial services that were once inaccessible.

### **c. Investment and Incentives for Micro-Enterprises**

Studies have demonstrated that on average, approximately ten percent of remittances received are saved or invested, and that a percentage of the recipients are in the position to use their money in an enterprising activity. The private sector and other actors in favor of development can establish themselves as credit partners for these potential investors. The effect is the provision of credit supported by remittances of local communities that lack active markets and networks of production. The union between remittances and micro-loan institutions has potential for development for permitting the growth of local markets.

### **d. Community Associations as Agents of Development**

The philanthropic activities of hometown associations (HTAs) - also known as native clubs also have a potential for development. Governments in Central America and the Caribbean should work with international organizations and community associations to jointly establish schemes to generate income in their local communities. Specifically, there should be an effort to promote associations to foment the creation of financial infrastructures.

### **e. Approaching the Diaspora**

Governments have the responsibility of assuming a better relationship with its population residing abroad. There are no policies of reconciliation with the Dominican Diaspora at this time and little interest has been demonstrated, except in the electoral campaigns. There is a need for a national policy that includes a mechanism for consulting the population residing abroad.

### **f. Nostalgic Trade and Tourism**

A significant number of Dominicans imports products from their country of origin and visits the country with considerable frequency. However, little attention has been paid to this matter. Despite the fact that more than thirty percent of tourists were Dominicans residing in the United States and they spent approximately \$741, the office of tourism has no program for approaching this population. And although the government recognizes that the promotion of tourism is important, its emphasis is on foreign tourism.

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19-Interview with Isabel Cruz, Executive Director of AMUCS

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## VII. Annex I:

# Determinants of Remittance Transfers: The Case of the Dominican Republic, January 1999 to September 2003

What factors influence an immigrant's decision to remit? Some analysts have suggested that foreign exchange and interest rates affect an immigrant's decision (El-Sakka, 1999), others argue (without significant specification) that it is the conditions in the household the main the determinant. Overall, however, there are very few studies analyzing these relationships (see bibliography). Neither household nor macro-economic data has been implemented to systematically assess the determinants of remittances (which are different to those of migration).

One way to explore the various hypotheses is by using macro economic data that tests certain variables such as unemployment, inflation, foreign exchange and interest rates. Inflation is an indicator that would test local conditions in the home country and its predictor would be positive, that is, as prices increase, remittance flows move upward. Unemployment in the host country would have a negative value. As unemployment in the migrant receiving areas increases, the condition or capacity to remit decreases as it becomes harder for an immigrant to send money. El-Sakka (1999) has also explored the role of foreign exchange and interest rates. He argues that remittances increase when a country's interest rate changes and also when the foreign exchange rate differential between black and official markets increase.

### **a. Data Analysis of the Dominican Republic**

This analysis looks at those variables using data from January 1999 to September 2003 to analyze the possible patterns between remittance transfers and economic factors such as unemployment in the sending country, inflation, foreign exchange or interest rates in the receiving country. Data gathered consists of figures for:

Variable	Source
Monthly unemployment in the U.S. among Latino immigrants	US Labor Dept.
Monthly remittance transfers	Central Bank of the D.R.
Consumer price index	IMF statistics
Foreign exchange	IMF statistics
Interest lending rate	IMF statistics

The data analysis looks at the Dominican Republic, a major remittance recipient but also an important case study analysis. The country is a key case study due to current changes in this country's

economy. Since mid-2002 the Dominican Republic entered a severe economic recession connected to the decline in tourist revenue since 2001 and a banking crisis that bankrupted four institutions and affected foreign exchange, savings and access to capital. The juncture of the crisis serves as a test to explore whether variations in exchange rate, inflation or interest rates may affect a country's economy. Moreover, Dominicans in the U.S. have severely been affected by the economic recession that started in 2001, and deepened since September 2001. Unlike ElSakka's analysis about exchange rates, because Dominican Republic currency markets are liberalized, or less regulated, exchange rate fluctuations may function as a factor affecting acquisition of imported items. Senders may also find it that because their dollar sent is stronger there is no need to send extra money during times of hard currency devaluation. Therefore the relationship between remittances and exchange rates seems more uncertain.

**Table 1: Mean values for 1999 to 2003**

	1999	2000	2001	2002	2003*
Remittances (in US Millions)	127	141	151	163	159
Hisp. Unemployment (growth rate)	6	6	7	8	8
Foreign Exchange (nominal rate)	16	16	17	19	30
CPI (index)	127	137	149	157	181
Lending rate (monthly rate)	25	27	24	26	32

Source: see table above. \* as of September 2003.

## Model Specifications

The analysis employs a multiple regression model using the OLS method to estimate the effect on remittances by the above mentioned variables. The main equation is presented as follows:

$$R\ DR\ t-1 = CPIDR + HispUnUS + FXDR + IRDR$$

(+ )      (-)      (?)      (-) [Expected sign in the statistical relationship]

Where,

R DR t-1 = Monthly remittance transfers to the D.R. (lagged values)

HispUnUS = Monthly unemployment in the U.S. among Latino immigrants

RDR = CPIDR = Consumer price index in the D.R.

FXDR = Foreign exchange (nominal) in the D.R.

IRDR = Interest lending rate in the D.R.

The analysis looks at the lagged value of remittances with a month's difference that explores how monthly flows respond to previous months' indicators. Because these are nominal values, the growth ratio of each variable was also estimated in order to control for changes in the behavior of one variable over monthly periods.

$$Rg\ DR\ t-1 = CPIgDR + HispUngUS + FXgDR + IRgDR$$

(+ )      (-)      (?)      (-) [Expected sign in the statistical relationship]

## Model Data Results

The results are reported in the tables below. In both equations (nominal and growth) the regression results show that current price index is statistically significant and no other variable has an effect. This result indicates that immigrants mostly respond to economic conditions that directly affect daily activities, such as price changes in every day activities. This result is consistent with the evidence that the majority of remittances transferred go to cover basic household needs.

**Table 2: Model Result for Remittance Determinants**

	Beta	t
(Constant)	12.585	0.239 (-)
Hispanic Unemployment	.941	132 (-)
Foreign exchange	-3.800	-1.107 (-)
<b>Current Price Index</b>	<b>1.555</b>	<b>3.062 (*)</b>
Interest Lending Rate	-1.190	-.694 (-)

Dependent Variable: REMLAGMNTH; R2 = 0.29 adjusted R2 = 0.23, NOTE: \* Significant at 1 percent level; + significant at 5 percent level; - significant at 10 percent level and 'marginally significant (estimated coefficient is larger than standard error); 51 observations.

**Table 3: Do you know how the remittance is used or spent by the recipient?**

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Food	79.0%	83.0%	81.3%	87.0%	72%
Clothing	24.0%	37.0%	25.3%	29.0%	62%
Education	27.0%	35.0%	21.3%	20.0%	27%
Housing	23.0%	35.0%	32.7%	11.0%	33.1%
Business	3.0%	2.0%	4.0%	1.0%	9%
Savings	7.0%	9.0%	8.0%	8.0%	16.1%
Other	10.0%	15.0%	14.0%	5.0%	27.1%
Unknown/NR	5.0%	1.0%	2.7	7.0%	9%

Source: Orozco, Manuel. Survey conducted by the author.

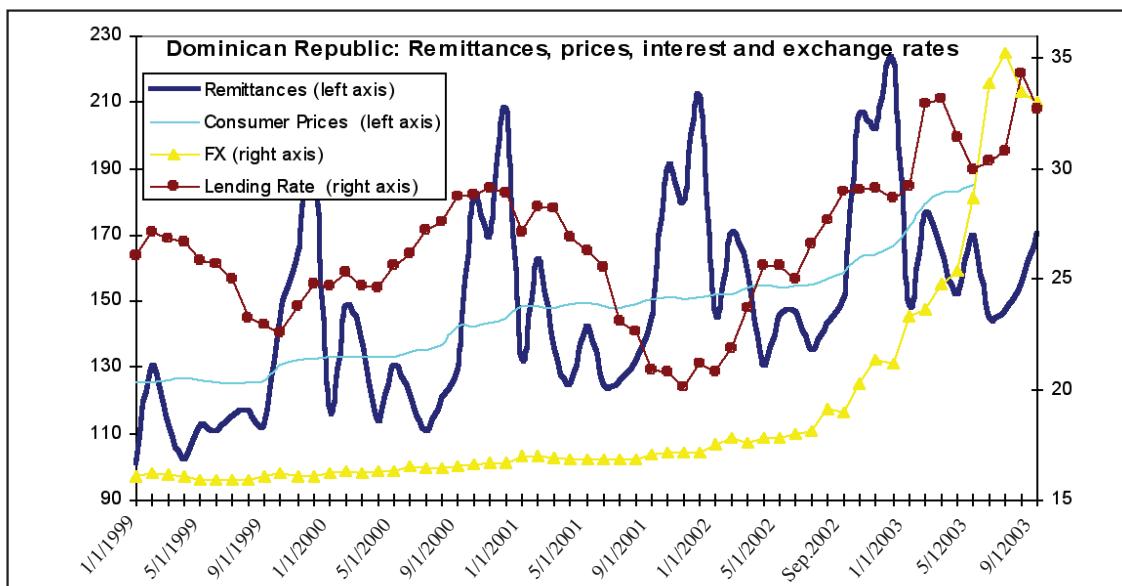
However, a look at the model using growth changes in each indicator shows that in addition to inflation, interest rates also are relevant to remittance transfers. The significance at the 10% level may also be consistent with the fact that remittance sender and recipient households save or invest a portion of their money for some economic activity in the home country, for which they demonstrate an interest in lending rates. In the Dominican Republic this is relevant in the housing industry where immigrants and relatives invest in construction, repair or buying of houses.

**Table 4: Model Results for Remittance Determinants  
(growth rate)**

Beta	t	
(Constant)	-1.21	-.404 (-)
Hispanic Unemployment	.288	.742 (-)
Foreign exchange	-.648	-.633 (-)
<b>Current Price Index</b>	<b>5.238</b>	<b>2.054 (*)</b>
<b>Interest Lending Rate</b>	<b>-1.016</b>	<b>-1.700 (+)</b>

Dependent Variable: REMLGGRW; R<sup>2</sup> = 0.11 adjusted R<sup>2</sup> = 0.03; NOTE: + significant at 5 percent level; - significant at 10 percent level and 'marginally significant (estimated coefficient is larger than standard error); 51 observations.

The results also show that home country variations in exchange rates and unemployment in the U.S. among Latinos does not have an effect on transfers. In the case of the Dominican Republic this result is particularly important because it indicates that the market of transfers occurs independently from exchange rate variations. Therefore, under the current conditions of economic crisis affecting devaluation, remittance transfers, and the control of its volume by companies, are not related to exchange rates. Neither of the two models suggests the opposite. Although money transfer businesses control flows and its market, remittance transfers have a different pattern to those of foreign currency exchanges.



Remittances to the Dominican Republic are mostly affected by fluctuations that directly affect a household, such as price variations. Other variables do not hold similar effects, except for lending interest rates. This is particularly important when conducting the analysis about growth changes in an economy and remittance transfers. A similar analytical model will also be expanded to other remittance recipient countries such as Guatemala, Jamaica, Mexico, El Salvador, Colombia, and Ecuador.

**VIII. Annex II:**  
**Survey of Remittance Delivery in the Dominican Republic**  
**(number surveyed 252)**

**1) Province:**

	Percentage
D.N.	60.3%
Santago	19.8%
Peravia	19.8%
Total	110%

**1a) City or town:**

	Percentage
Santo Domingo	60.3%
Santiago	19.8%
Baní	19.8%
Other	NA
Total	100%

**Remittances****2) Where are the remittances you receive coming from? (top 5)****2.1 City**

	Percentage
New York	27.4%
Boston	14.7%
Bronx	5.6%
Manhattan	4.0%
Miami	3.6%

**2.2 State (top 5)**

	Percentage
New York	48.8%
Massachusetts	15.9%
New Jersey	6.7%
Florida	4.0%
Madrid	2.0%

**2.3 Country (Top 5)**

	Percentage
United States	77.4%
Puerto Rico	9.5%
Spain	8.7%
Canada	.8%
Costa Rica	.4%

**3) How much do you receive in each remittance?**

	Percentage
0-75	28.7
76 -100	24.1
100 -150	12.7
151-200	13.5
201-300	8.0
More than 300	3.1

n=237

**4) How many times per year do you receive them?**

Times per year	Percentage
0-6	28.2%
7-11	3.2%
12-14	43.6%
Over 15	24.6%
Total	100%

**5) Which company delivers you your remittances? (top 5)**

	Percentage
Quisqueyana	74.6%
Vimenca	7.1%
Western Union	4.8%
La Nacional	3.2%
Caribe Express	2.4%
Total	100%

**6) How do you receive them?**

	Percentage
Delivered to your home	71.4%
You pick them up at the office of the remittance company	17.9%
Both	10.7%
Through a card	NA
Total	100%

**7) What is your level of satisfaction with the delivery by that company?**

	Percentage
Very satisfied	58.7%
Satisfied enough	34.5%
Satisfied a little	6.3%
Not satisfied	.4%
Don't know/NR	NA
Total	100%

**8) Who sends you remittances?**

	Percentage
Wife/Husband	19.0%
Mother/Father	9.9
Children	23.4%
Siblings	25.8%
Grandparents	1.6%
Other family members	13.9%
Friends	4.8%
NR	1.6%
Total	100%

**9) How do you use or administer your remittances?**

	Percentage
Nutrition	74.6%
Clothing	26.2%
Schooling	28.6%
Housing	21.8%
Business	7.1%
Savings	15.9%
Other	.4%
Don't know/NR	3.2%
Total	100%

**10) How long have you been receiving remittances?**

	Percentage
Less than one year	17.9
Btwn. one & three years	35.7
Btwn. four & six years	17.9
Btwn. seven & nine years	7.5
Btwn. ten and twelve years	11.9
Btwn. thirteen & fifteen yrs.	3.2
More than fifteen years	5.2
Don't know/NR	.8
Total	100%

**11) What is the main reason for which you are sent remittances?**

To help meet the basic needs of the family	71.4%
To help with extra and emergency expenses	7.5%
So that the family can enjoy good things	2.4%
To cover the cost of debts contracted by the person sending the remittance	6.3%
Others	11.9%
Don't know/NR	.4%
Total	100%

**12) How often do you travel abroad?**

Three or more times/year	4%
Twice per year	4%
Once per year	12.3%
Once every two years	2.4%
Once every three years	2.4%
I travel very little	4.0%
I have never travelled	69.4%
Don't know/NR	1.6%
Total	100%

**13) How long do you stay?**

	Percentage
Less than one week	3.2%
Less than three weeks	9.1%
Less than two weeks	8.3%
More than two months	6.0%
Don't know/NR	4.05
Total	100%

**14) About how much do you spend per stay abroad?**

	Percentage
One thousand dollars or less	13.9%
Less than two thousand dollars	2.8%
More than three thousand dollars	3.2%
Don't know/NR	10.7%
Total	100%

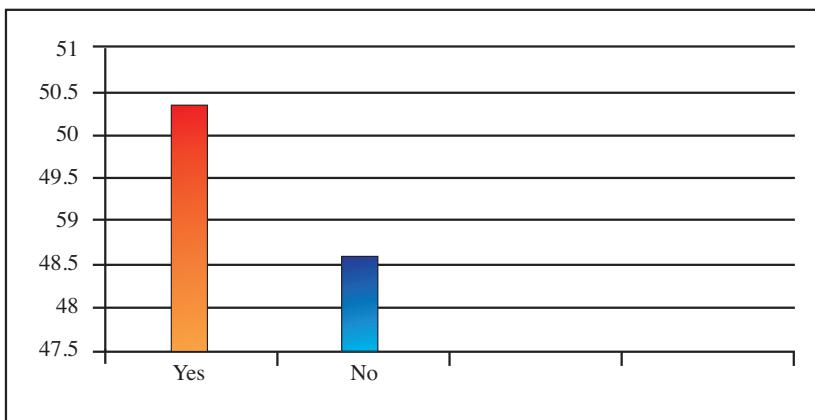
**15) How often do you speak with your family abroad?**

	Percentage
Two or more times per week	53.6%
One time per week	28.6%
One time every two weeks	5.6%
One time per month	6.0%
I call very little	5.6%
Don't know/NR	.8%
Total	100%

**16) What is the average amount of minutes per phone call?**

	Percentage
Less than five minutes	7.5%
Between six and ten minutes	18.7%
Between eleven and twenty minutes	21.4%
Between twenty and thirty minutes	17.5%
More than thirty minutes	31%
Don't know/NR	3.6%
Total	100%

**17) Do you send your family members abroad (or take them when you travel) any products from the country?**



**18) What types of economic activities do you maintain in the country?**

	Percentage
Bank account	40.9%
Property loan	6.3%
Small family or commercial business	10.3%
Loan for business maintenance	1.6%
Student loan	NA
Life and health insurance	7.9%
Make a small investment with a loan from a family member abroad	1.2%
Other	.4%
Have no economic obligations	51.2%
Total	100%

**19) Apart from the remittances,  
does your family abroad help you  
meet financial obligations?**

	Percentage
Yes	16.7%
No	83.3%
Total	100%

**19a) What types of obligations?**

	Percentage
Payment of property loans	3.2%
Payment of business maintenance loan	.8%
Payment of student loan	.4%
Help with life and health insurance	1.2%
Lend money to the family for other investment costs	9.1%
Other	.4%
Total	100%

**20. Do you have a bank account  
(that is not a savings account) in the  
country?**

	Percentage
Yes	18.7%
No	81.3%
Total	100%

**20a) Why do you not have a bank account?**

	Percentage
There is no bank near my house or work	.4%
I do not trust banks	7.5%
The process is too complicated	1.2%
I do not have the necessary documentation	.4%
I do not need a bank account	59.9%
Total	100%

### Demographic Information

**21) Do you have a credit  
and/or debit card?**

	Percentage
Both	7.5%
Credit	16.7%
Debit	7.9%
Neither	67.9%
Total	100%

**22) In which neighborhood or sec-  
tor do you live? (top 5)**

	Percentage
San Isidro	7.1%
San Luis	6.0%
Villa Consuelo	4.4%
Villa Juana	4.0%
Palmar de Ocoa	3.6%

**23) How old are you?**

	Percent
Less than 25	13.5%
26 to 30	11.9%
31 to 35	11.1%
36 to 40	13.1%
41 to 50	20.2%
More than 50	26.6%
Total	100%

**24) Sex**

	Percent
Male	26.6%
Female	72.2%
Total	100%

**25) Education**

	Percentage
Completed university	16.7%
Some university	16.7%
Completed secondary	21.4%
Completed primary	20.2%
Did not complete primary	22.2%
Don't know/NR	2.8%
Total	100%

**26) Occupation (top 5)**

	Percent
Homemaker	31.0%
Businessperson	11.9%
Student	5.3%
Secretary	2.8%
Self-employed	2.8%

**27) Range of monthly personal income (pesos) exchange  
rate 30 pesos per US\$1.00**

		Percentage
Up to 2,000	66.67	27.8%
Between 2,001 & 4,000		17.5%
Between 4,001 & 6,000		15.9%
Between 6,001 & 8,000		8.3%
Between 8,001 & 10,000		5.2%
Between 10,001 & 12,000		4.4%
Between 12,001 & 14,000		.4%
Between 14,001 & 16,000		3.6%
Between 16,001 & 18,000		1.2%
Between 18,001 & 20,000		2.4%
More than 20,000		2.8%
N/A		10.7%

**28) How many people live in your house?**

Average 4.4

## IX. Annex III:

### Transnational Dominican Communities and their Remittances from the United States

#### **Dominican population in the U.S.A by state**

<b>State</b>	<b>Population</b>
United States	1121257
New York	652347
New Jersey	143317
Florida	107009
Massachusetts	73646
Rhode Island	25187
Pennsylvania	20804
Connecticut	13326
California	9637
Texas	9524
Other states	478434

Source: US Census and Mumford Institute

#### **Dominicans in the United States, by city**

<b>City</b>	<b>Population</b>
New York, NY	577750
Boston, MA-NH	28426
Providence-Fall River-Warwick, RI-MA	22533
Lawrence, MA-NH	22371
Jersey City, NJ	15003
Miami, FL	11053
Philadelphia, PA-NJ	9712
Newark, NJ	9160
Tampa-St. Petersburg-Clearwater, FL	3438
Allentown-Bethlehem-Easton, PA	3086
Other cities	

Source: US Census and Mumford Institute

### Country of origin of survey participant

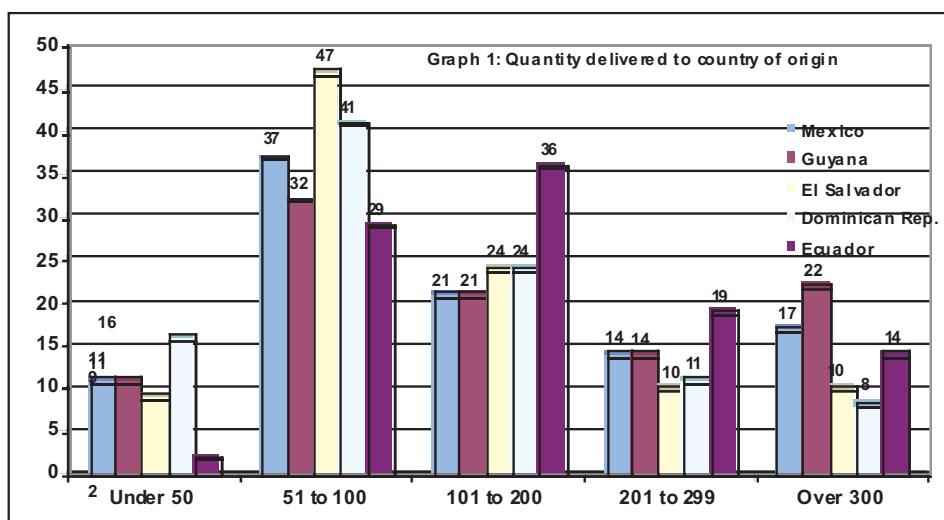
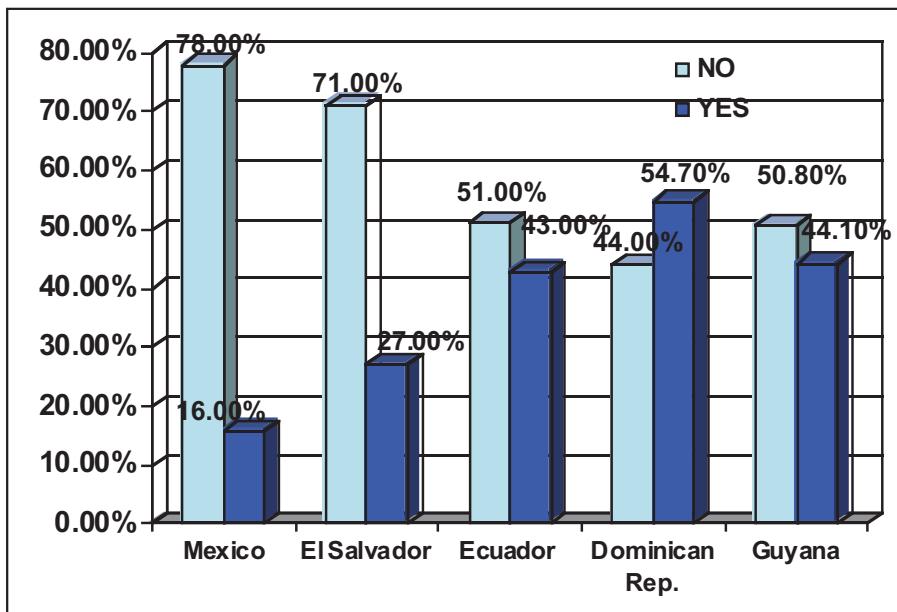
	Number	Percentage
Mexico	100	22.2
El Salvador	100	22.2
Dominican Rep.	150	33.3
Ecuador	100	22.2
Guyana	236	34
Total	686	100.0

### Age distribution of immigrant remittance senders

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Less than 25	6.0%	7.0%	4.7%	5.0%	6.8%
26 to 30	27.0%	23.0%	14.7%	24.0%	16.1%
31 to 35	16.0%	25.0%	19.3%	15.0%	13.1%
36 to 40	25.0%	27.0%	26.0%	23.0%	15.3%
41 to 50	16.0%	12.0%	20.7%	22.0%	22.0%
More than 50	10.0%	6.0%	14.7%	11.0%	26.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Time living in the United States

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Less than one year	8.0%	0.0%	2.0%	3.0%	8%
Between one & three years	7.0%	19.0%	4.7%	12.0%	13.1%
Between four & six years	30.0%	26.0%	13.3%	20.0%	14.8%
Btwn. seven & nine yrs.	19.0%	29.0%	18.0%	31.0%	30.9%
Btwn. ten & twelve yrs.	19.0%	14.0%	26.7%	28.0%	14.4%
Btwn. thirteen & fifteen yrs.	11.0%	8.0%	14.7%	4.0%	8.1%
More than fifteen years	6.0%	3.0%	20.0%	2.0%	11.0%
Don't know/NR	0.0%	1.0%	0.7%	0.0%	6.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

**Graph 2: Are you a U.S. citizen?**

### Destined recipient of remittance

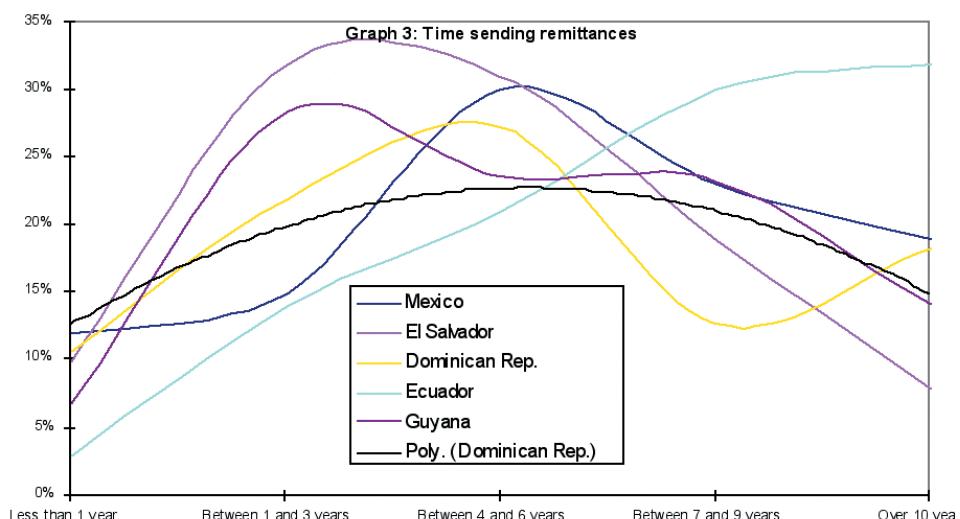
	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Wife/Husband	28.0%	25.0%	13.3%	9.0%	15%
Mother/Father	33.0%	29.0%	36.0%	39.0%	21%
Children	15.0%	16.0%	14.7%	36.0%	31%
Siblings	14.0%	14.0%	19.3%	14.0%	16%
Grandparents	5.0%	8.0%	5.3%	1.0%	5%
Other family members	5.0%	7.0%	8.7%	1.0%	36%
Friends	0.0%	1.0%	2.7%	0.0%	15.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Orozco, Manuel. Survey conducted by author.

### Administration of remittances

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Nutrition	79.0%	83.0%	81.3%	87.0%	72%
Clothing	24.0%	37.0%	25.3%	29.0%	62%
Schooling	27.0%	35.0%	21.3%	20.0%	27%
Housing	23.0%	35.0%	32.7%	11.0%	33.1%
Business	3.0%	2.0%	4.0%	1.0%	9%
Savings	7.0%	9.0%	8.0%	8.0%	16.1%
Other	10.0%	15.0%	14.0%	5.0%	27.1%
Don't Know/NR	5.0%	1.0%	2.7	7.0%	9%

Source: Orozco, Manuel. Survey conducted by author.



### Frequency of visits to country of origin

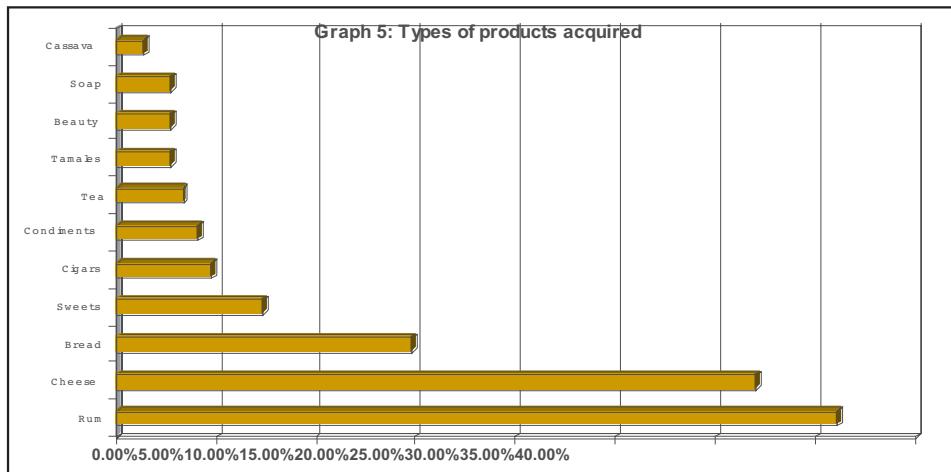
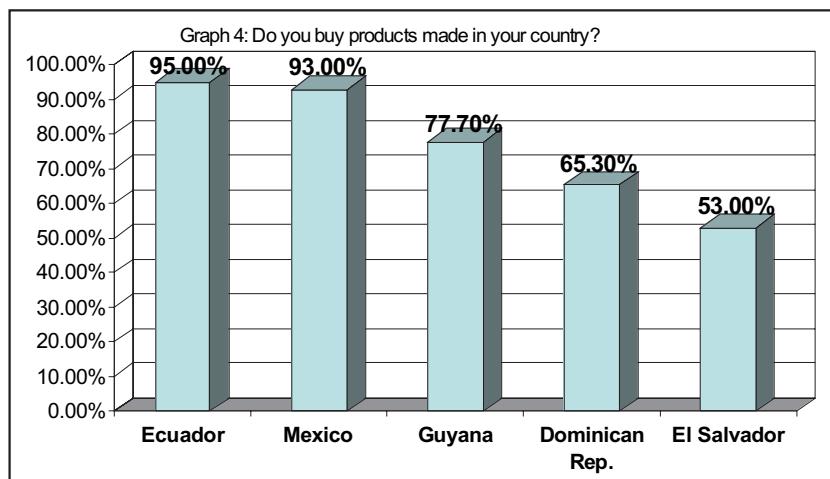
	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Three or more times/year	1.0%	1.0%	11.3%	0.0%	5.1%
Twice/year	6.0%	8.0%	24.0%	9.0%	11%
Once/year	18.0%	26.0%	32.7%	29.0%	23.3%
Once every two years	7.0%	11.0%	10.7%	26.0%	16.1%
Once every three years	5.0%	14.0%	3.3%	3.0%	9.3%
I travel very little	21.0%	27.0%	16.0%	7.0%	23%
Don't know/NR	42.0%	13.0%	2.0%	26.0%	13%
Total	100.0%	100.0%	100.0%	100.0%	100%

### Expense during tourist stay in the country

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
One thousand dollars or less	10.0%	35.0%	32.0%	7.0%	33%
Less than two thousand dollars	17.0%	37.0%	45.3%	29.0%	29.2
More than three thousand dollars	22.0%	2.0%	12.0%	37.0%	9.3%
Don't know/NR	51.0%	26.0%	10.7%	27.0%	29%
Total	100.0%	100.0%	100.0%	100.0%	

### Frequency of phone calls home

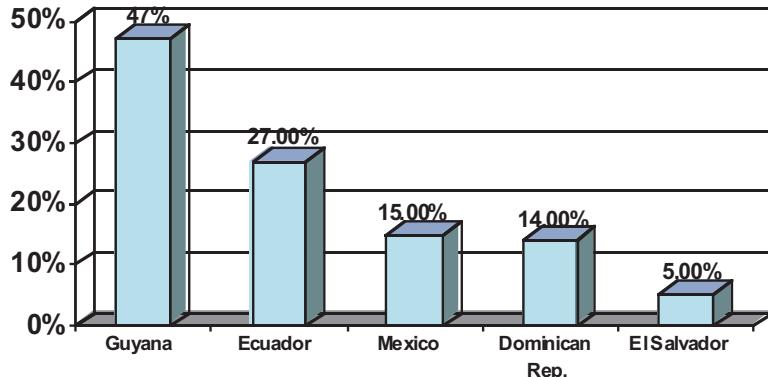
	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Two or more times per week	53.0%	25.0%	60.7%	55.0%	15.3%
Once a week	25.0%	31.0%	16.7%	43.0%	23.3%
Once every two weeks	12.0%	31.0%	11.3%	2.0%	28.0%
Once a month	5.0%	11.0%	8.0%	0.0%	19.1%
I call very little	3.0%	2.0%	3.3%	0.0%	6.4%
Don't know/NR	2.0%	0.0%	0.0%	0.0%	8.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%



### Types of economic activities maintained by the immigrant remittance sender in his/her country

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Savings account	38.0%	19.0%	29.3%	55.0%	48.3%
Property loan	6.0%	2.0%	6.0%	14.0%	18.2%
Small family business or commercial	2.0%	1.0%	3.3%	1.0%	8.1%
Loan for maintaining the business	0.0%	0.0%	2.7%	0.0%	1.7%
Student loan	0.0%	1.0%	0.0%	0.0%	1.3%
Life and health insurance	0.0%	0.0%	0.0%	0.0%	4.7%
Lends money to family member to realize a small investment	0.0%	0.0%	0.7%	1.0%	8.5%
Rent	1.0%	0.0%	0.7%	0.0%	0.0%
Doctors	0.0%	0.0%	0.7%	0.0%	0.0%
Has no economic obligations	58.0%	80.0%	62.1%	35.2%	43.0%

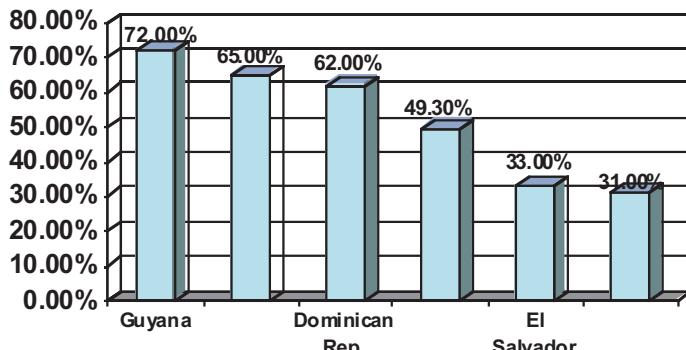
**Graph 5: Apart from the remittances, do you help your family meet economic obligations?**



**Types of economic obligations undertaken with/for the family back in the country of origin**

	Mexico	Salvador	Dominican	Rep. Ecuador	Guyana
Payment of property loan	13.0%	2.0%	12.7%	24.0%	46.6%
Payment of loan for maintaining the business	0.0%	1.0%	0.7%	1.0%	20.8%
Payment of student loan	0.0%	1.0%	0.7%	0.0%	5.1%
Assistance in paying for health and life insurance	0.0%	1.0%	0.7%	1.0%	3.0%
Loans money to family to realize other investment costs	0.0%	0.0%	1.3%	0.0%	18.6%
Others	2.0%	0.0%	1.3%	1.0%	.8%

**Figure 7: Do you have a bank account here in the United States?**



### **Types of economic obligations in the United States**

	México	El Salvador	Dominican Rep.	Ecuador	Guyana
Loans for business	0.0%	0.0%	2.0%	0.0%	5.5%
Loans for education	2.0%	2.0%	6.0%	1.0%	10.2%
Loans to pay for housing	0.0%	1.0%	2.0%	3.0%	34.3%
Loans for furniture	0.0%	0.0%	0.7%	0.0%	
Loans for electronics	0.0%	0.0%	0.7%	0.0%	
Has no economic obligations	98.0%	97.0%	88.7%	96.0%	40.3%

### **Distribution of annual personal income (\$US)**

	Mexico	El Salvador	Dominican Rep.	Ecuador	Guyana
Up to 10,000	27.0%	6.0%	9.3%	29.0%	7.6%
Btwn. 10,001 & 15,000	35.0%	34.0%	12.0%	19.0%	8.1%
Btwn. 15,001 & 20,000	12.0%	25.0%	20.7%	21.0%	15.7%
Btwn. 20,001 & 25,000	3.0%	21.0%	17.3%	20.0%	13.6%
Btwn. 25,001 & 30,000	3.0%	9.0%	18.0%	6.0%	12.7%
Btwn. 30,001 & 35,000	3.0%	3.0%	10.7%	1.0%	8.1%
More than 35,000	1.0%	0.0%	11.3%	0.0%	8.9%
Don't Know/NR	16.0%	2.0%	0.7%	4.0%	25.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

### **Data Regarding Homes Receiving Remittances**

#### **Age of the home receiving remittances**

	Percentage
Less than 25	13.5%
26 to 30	11.9%
31 to 35	11.1%
36 to 40	13.1%
41 to 50	20.2%
More than 50	26.6%
Total	100%

#### **Education**

	Percentage
Completed university	16.7%
Some university	16.7%
Completed secondary	21.4%
Completed primary	20.2%
Did not complete primary	22.2%
Don't know/NR	2.8%
Total	100%

**City**

	Percentage
Santo Domingo	60.3%
Santiago	19.8%
Baní	19.8%
Other	NA
Total	100%

**Range of monthly personal income (pesos)  
(rate of exchange, 30 pesos  
for US\$1.00, June 2003)**

Dollars	Percentage
Up to 2,000	27.8%
Btwn. 2,001 & 4,000	17.5%
Btwn. 4,001 & 6,000	15.9%
Btwn. 6,001 & 8,000	8.3%
Btwn. 8,001 & 10,000	5.2%
Btwn. 10,001 & 12,000	4.4%
Btwn. 12,001 & 14,000	.4%
Btwn. 14,001 & 16,000	3.6%
Btwn. 16,001 & 18,000	1.2%
Btwn. 18,001 & 20,000	2.4%
More than 20,000	2.8%
N/A	10.7%

**How much is received in remittances**

	Percent
0-75	28.7
76 -100	24.1
100 -150	12.7
151-200	13.5
201-300	8.0
Over 300	13.1

**Relationship of person sending the remittance**

	Percent
Wife/Husband	19.0%
Mother/Father	9.9
Children	23.4%
Siblings	25.8%
Grandparents	1.6%
Other family members	13.9%
Friends	4.8%
NR	1.6%
Total	100%

**Time receiving remittances**

	Percent
Less than one year	17.9
Btwn. one & three years	35.7
Four to six	17.9
Seven to nine	7.5
Ten to twelve	11.9
Thirteen to fifteen	3.2
More than fifteen years	5.2
Don't know/NR	.8
Total	100%

**Frequency with which he/she speaks to family abroad**

	Percentage
Two or more time per week	53.6%
Once per week	28.6%
Once every two weeks	5.6%
Once per month	6.0%
I call very little	5.6%
Don't know/NR	.8%
Total	100%

**Type of economic activities maintained in their country by homes receiving the remittances**

	Percentage
Savings account	40.9%
Property loan	6.3%
Small family or commercial business	10.3%
Loan for business maintenance	1.6%
Student loan	NA
Life and health insurance	7.9%
Makes a small investment with a small loan from family abroad	1.2%
Other	.4%
Has no economic obligations	51.2%
Total	100%

# **Strategic Alliance Dominican Republic – New York REMITTANCES**

## **Regulatory Environment and Salient Issues of the Remittance Industry in New York**

Jorge Guerrero

# I. Introduction

This paper discusses the regulatory environment of money transmitters in New York and the most salient issues affecting or threatening the remittance industry.

The regulatory environment of the remittance industry in New York is a bifurcated scheme that mirrors that of approximately 41 other states and jurisdictions. Money transmitters ("TMT") are subject to controls by state and federal regulations. Typically, state regulations are intended to protect the consumers of the state. Federal regulations are intended to prevent misuse of the remittance infrastructure by money launderers or terrorism financiers.

The New York based regulations are administered by the New York Banking Department and provide for licensing, bonding requirements and inspections of money transmitters. Federal regulations issue from the Financial Crimes Enforcement Network ("FinCEN"), the Office of Foreign Assets Control ("OFAC") and often are applied by the IRS Title 31 Coordinator's office.

Issues external to the regulatory environment that have arisen as primary concerns for the money remittance industry include bank closings of money transmitter's business accounts and allegations that the cost of remittances through traditional money transmitters are too expensive necessitating the entry of banks in the remittance field. Although not seemingly related, these latter two issues are interconnected and can potentially deal a deathblow to the remittance industry.

## II. Regulatory Provisions

### a. Federal laws, regulations and regulators

#### 1. Federal Laws

There are at least 6 federal laws that impact or regulate the operation of money transmitters. Those include: The Bank Secrecy Act ("BSA"), the USA Patriot Act (the "Patriot Act"), The Anti-Money Laundering Law, the Prohibition Against Unlicensed Money Transmission, the laws concerning the Office of Foreign Assets Control (OFAC) and the Gramm-Leach-Bliley Act. Taken in turn, each law requires compliance with the following mandates.

#### a. The Bank Secrecy Act (BSA)

The Bank Secrecy Act mandates that money transmitters in the United States comply with record keeping, record retention, report filing and registration requirements.

After December 31, 2001 all money transmitters in the United States, licensed or not, must register with FinCEN as a Money Services Business ("MSB"). FinCEN facilitates the registration by providing a specific form. The form is available on the Internet at a website designed specifically for MSBs.

Additionally, all money transmitters must file two types of reports upon the occurrence of specifically enumerated events.

Money transmitters must file Cash Transaction Reports or CTR's whenever the company receives or pays out in the United States more than \$10,000 in cash during any banking day. The companies must file these reports within 15 days of the occurrence of the transaction.

They must also file Suspicious Activity Reports ("SAR's") whenever a transaction or set of transactions valued at \$2,000 or more shows indications of possible money laundering or other suspicious aspects. Those reports must be filed within 30 days after detecting that a transaction is suspicious. Money transmitters that focus on providing remittance services to the Dominican Republic have made great contributions in advancing the process of detecting transactions requiring SAR filings. Specifically, two of the leading companies servicing the Dominican Republic, Pronto Envio and Remesas Quisqueyana, were instrumental in developing the ECO system. ECO, short for External Compliance Officer, Inc., has revolutionized the anti money laundering controls of the money remittance industry by creating a compliance clearinghouse which is now used by numerous money transmitting companies and some regulators.

The BSA requires that money transmitters positively identify the senders of remittances with a value of \$3,000 or more. "Positive Identification" for money transmitters means that the sender must provide documents that can reliably establish the identity of the person sending funds and where the person resides at the time of the transaction. If a transaction is conducted on behalf of a third party and is for an amount above the identification threshold, the identifying information is required for the person presenting the transaction and the owner of the funds.

Notably, the identification used need not be issued by the United States or a U.S. jurisdiction. In fact, acceptable identifications include official documents issued by foreign governments.

Lastly, BSA regulations demand that all money transmitters and their agents keep all records for at least 5 years.

## **b. The USA Patriot Act**

The Patriot Act is the first law the U.S. Congress passed after the September 11 attacks addressing money laundering and terrorism financing risks. Signed into law on October 26, 2001, the Patriot Act requires money transmitters to comply with four (4) basic requirements and other assorted obligations. Companies must adopt written policies and procedures, designate a compliance officer, train required personnel, and audit the compliance program at least yearly.

Where the Patriot Act's regulations provide few details as to how each of these requirements should be met, industry standards, and at times, state regulators have filled the void. The combination of these factors has yielded a standard body knowledge and requirements that companies of all sizes do well to internalize.

In large part companies based in the Northeast United States have led the way in developing industry standards. A vivid example of this is the National Money Transmitters Association (NMTA), the only one of its kind in the United States. The NMTA, founded in 1999, is the brainchild of New York-based companies, particularly those that cater to the Dominican community.

Prior to enactment of the Patriot Act, the NMTA had developed requirements for membership that mirror each of the requirements that later were implemented through the regulations of the Patriot Act. Today those standards apply to all money transmitters in the United States. By function of law and regulations they may also apply to foreign Money Services Businesses as those are defined in regulations promulgated by FinCEN.

### **c. Anti Money Laundering Law, 18 USC § 1956**

The Anti-money Laundering Law prohibits money transmitters from processing funds that the company knows or should know are derived from certain specified criminal activities. To comply with this requirement each licensed money transmitter in the United States must implement adequate controls to monitor, detect and if required, stop and report any transaction involving funds resulting from about 200 criminal activities. This law is subject to application of the willful blindness concept. Willful Blindness can be alleged against a money transmitter, employee or agent who fails to notice matters that would become evident if they asked additional questions, employed additional resources or used additional tools to determine that:

- Funds remitted originate from legitimate sources and will be used for legitimate purposes
- Transactions are not being "Structured", that is, no transaction is broken down into smaller transactions to avoid a report filing or identification requirement of the remittance company or of law
- No pattern is developed by persons utilizing the company's systems that shows potential violations of the Bank Secrecy Act requirements

### **d. Prohibition of Unlicensed Money Transmitting Business, 18 USC § 1960**

Federal law 18 U.S.C. § 1960 forbids money transmitters to operate without a license in a state that requires such license or without registering with the Financial Crimes Enforcement Network ("FinCEN"). In the United States all money transmitters, not their agents, must register with FinCEN and renew their registration every two years. Because New York regulates and licenses money transmitters this section applies to all transactions originated in that state.

### **e. The Office of Foreign Assets Control (OFAC) Regulations**

All senders and receivers of remittance orders processed by the company must be cleared against the list issued by OFAC. That means that companies must employ automated processes to monitor and detect suspect names. Whenever a sender or receiver's name matches an OFAC listing, unless the money transmitter can prove through documents that the detected name and the listed person are not one and the same, the money transmitter is obligated to block the transaction.

Blocking requires retaining the funds, placing the funds in a separate account, and notifying OFAC no later than 10 days after the transaction is detected about the detection. The funds may not be returned to the client nor paid to the intended beneficiary until OFAC authorizes the release of the funds.

### **f. Gramm-Leach-Bliley Act**

The Gramm-Leach-Bliley Act requires money transmitters to adopt and apply a policy to protect all personal, non-public information provided by clients to facilitate the processing of remittances. Unless they obtain prior authorization money transmitters may not share any information provided by clients other than as provided by applicable law.

## 2. New York State Law

The Banking Department of the State of New York is charged with regulating money transmitters who receive or pay remittances in the state. Among many other specific requirements, before processing remittances, all prospective money transmitters in the State of New York must first obtain a money transmitter license.

New York's licensing process, perhaps the most rigorous in the country, requires applicants to have a minimum net-worth and to undergo stringent background reviews concerning their character and financial strength. Currently 69 companies are licensed as money transmitters in New York. Of those, nine companies serve primarily the New York-Dominican Republic corridor.

Once licensed, New York money transmitters are subject to various inspections by the Banking Department. Inspections may be focused on compliance with state requirements, such as financial safety and soundness reviews intended to gauge that the license holder's financial condition still meets the minimum standards. They may also be focused on compliance with federal and state laws concerning anti-money laundering, fraud prevention or terrorism financing. After the attacks of 9/11 the New York Banking Department became one of the first in the nation to formally verify compliance with federal requirements by each of its licensed companies. The New York Banking Department also focused intently on compliance with the requirements of the Office of Foreign Assets Control.

New York licensees must file various reports with the State Banking Department including quarterly financial reports and annual audited financials for the company. Moreover, they must file certain event reports such as a loss of more than \$5,000 occurs because of fraud or other non-compliance on the part of the company, its employees, or its agents.

Money transmitters in New York are also subject to fines and other sanctions. The largest and most notorious fine ever issued by the New York Banking Department was issued against Western Union on December 18, 2002. In the Matter of Western Union Financial Services, Inc. Englewood Colorado the New York Banking Department imposed on Western Union a fine of \$8 Million Dollars. The Agreement and Imposition of Monetary Penalty Issued Upon Consent declares that:

during the course of an examination of the Licensee, the Banking Department identified certain alleged deficiencies relating to the establishment and maintenance of books and records designed to ensure and monitor compliance with the reporting requirements of the Currency and Foreign Transactions Reporting Act (31 United States Code Section 5311 et seq.), as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (the "USA PATRIOT Act") (Public Law No. 107-56, October 26, 2001), and the implementing regulations promulgated thereunder by the United States Department of the Treasury (31 of the Code of Federal Regulations Part 103) (collectively, the "BSA"), and relating to the Official Compilation of Codes, Rules and Regulations of the State of New York, title 3, Part 300.1(c) ("Part 300") and requirements to supervise agents pursuant to Banking Law Section 651-b and by Part 406.3(g).

The violation relating to Banking Law Section 651-b and Part 406.3(g) has generated great interest on the part of the remittance industry because most money transmitters in New York as in the rest of the country operate through agents. An agent could be any business with foot traffic of possible remitters. For example, agencies include bodegas, travel agencies, taxi dispatch companies and supermarkets. The New York Banking Department estimates that in the State of New York

approximately 20,000 agents process remittances. The sheer number of agents, combined with their lack of knowledge about remittance regulations creates an environment where money transmitters must now allocate significantly larger amounts of resources to their compliance obligations. Failure to do so can result in fines proportionately similar to those imposed on Western Union.

### **III. Bank Closings of Remittance Accounts and Remittance Costs**

#### **a. Background of Bank Closings**

In 1999 Citibank opened the floodgates by serially closing the business accounts of virtually every money transmitter that banked with them. Since then, a steady stream of federal and state chartered banks has continued the closing trend ostensibly because the remittance activities of these companies present a high risk of money laundering. However, that reasoning is belied when some of those same banks themselves engage in the remittance business.

To date, the NMTA has verified that at least 32 banks have terminated or denied accounts to virtually all money transmitters identified within their institutions. Those banks include: Citibank, FleetBoston, First Union Bank, Wachovia, Summit Bank, Nara Bank, Eastern Bank, Compass Bank, Valley National Bank, Banco Popular de Puerto Rico, PNC Bank, Astoria Federal Savings, Green Point Savings Bank, Grand Bank, Wells Fargo, HSBC, Citizens Bank of Massachusetts, Bank Boston, Community National Bank, Sun Trust, Asian American Bank, Bank Atlantic, Andover Bank, Shawmut Bank, First Bank, Banco Santander, Banco Bilbao Vizcaya, RG Premier Bank, Scotia Bank, Doral Bank and Eurobank.

Although initially concentrated in the New York area, NMTA members have reported closings from banks located in New York, New Jersey, Puerto Rico, Pennsylvania, Massachusetts, Rhode Island, Florida, Georgia, North Carolina, Virginia, Washington, D.C., Maryland, Connecticut, California, Illinois and Texas.

This list of banks is significant because of their sheer number, their size and market power they possess, especially in certain geographic areas of the United States. Today, in some parts of the country, including the New York-NJ area, Florida and Massachusetts, the very existence of some TMTs hinges on the decision of one or two large banks. Should those banks decide to discontinue their service to TMTs, the traditional money remittance industry would likely collapse under its own weight because one of the indispensable requirements to legitimately transfer funds is a bank account. TMTs require not just a business account but one from which they can wire the remittance funds to their correspondents abroad who effect payment to the beneficiaries. Simply put, without a bank account these companies cannot exist.

Ironically, although banks allege that they close the accounts because TMTs lack controls to prevent money laundering, no bank has actually reviewed the available controls of those companies before closing the accounts. And worse, banks fail to show that their own compliance controls with respect to remittances are better than the controls developed by the TMTs.

Should banks bother to look at TMTs controls, they would find that some TMTs have compliance programs and controls that rival, and in many instances surpass the anti-money laundering controls of the banks themselves. Proof of that is the centralized anti-money laundering review of multiple money remitter transactions that the industry has developed and uses.

Additionally, contrary to the myth being propagated by some, TMTs are not informal, unregulated

institutions. With respect to anti-money laundering controls they are subject to at least the same controls applicable to banks. The truth is that TMTs are subject to federal regulations and the regulations of at least 41 state and local jurisdictions throughout the United States. At the federal level TMTs must comply with regulations issuing from the Financial Crimes Enforcement Network ("FinCEN"); Office of Foreign Assets Control ("OFAC") and are subject to the regulatory oversight of the IRS Title 31 Coordinators office.

Some banks that have looked at TMT controls have expressed surprise that TMTs have written compliance programs, designate compliance officers, conduct anti-money laundering training of their staff and agents, and most importantly, conduct yearly audits of their compliance programs to ensure effectiveness.

An aspect of anti-money laundering compliance that has gone largely unaddressed is that banks may be less prepared than TMTs to detect laundering through remittances at their facilities. The reason is simple. Banks are used to handling account relationships. But remittances, by definition are not accounts.

Money laundering could successfully be achieved through the two remittance services traditionally offered by banks; the two-card system and the account-to-account transfer.

In the two card system a user deposits funds into a bank and the bank in turn issues two debit cards. One presumably to be used by the client in the U.S. The other is intended for the person's relative outside the U.S. to withdraw cash from the foreign location.

At banks, the primary "know your customer" compliance obligation takes place at the account opening stage. Beyond that, accounts from which remittances are possible are treated as any other bank account. Because the remittance account will be monitored only for abnormal activity, it is not likely to be revisited unless something abnormal happens. In this context, the remittance transactions are viewed by the bank as cash withdrawals made from a debit card. They are not necessarily viewed as remittances that cause the value of funds to travel from the U.S. to the world.

In the account-to-account remittance the same analysis applies.

However, the money launderer sees the account differently. With a simple payment to someone he can "borrow" that person's identity to open a bank account. Once opened, the account provides the launderer a window to send money to the world. And so long as he is not greedy and keeps the account activity under the radar, he can keep the account open to send as much as he wishes through that account. If he wants to maximize the opportunity he could open multiple accounts under different "borrowed" names. If he is really ambitious he can repeat the same process at other banks that offer remittances. Since banks do not cross-reference their transactions with other banks, as some TMTs do, no one will notice the full extent or volume of the launderer's remittances in any day, week or month.

This launderer's bank remittances differ from those conducted by TMTs in two critical ways. First, the bank conducts the "know your customer" due diligence once, when the person opens the account. The TMT conducts a "know your customer" due diligence each time the person presents himself to send a remittance. The difference is critical in controlling money laundering.

Second, some TMTs submit their transactions for cross-referencing with other companies' transactions. The third party hired by the TMT to conduct Bank Secrecy Act and anti-money laundering examinations reviews each company individually and in the aggregate and issues reports concerning transactions that present compliance issues. Those reports ultimately become SARs filed by the TMT with the federal government.

Therefore, notwithstanding the myth, the reality is that TMTs have developed anti-money laundering compliance controls that can serve as models to prevent money laundering through an industry, including the banking industry, not just through individual institutions.

Of course not all banks have adopted a blanket refusal of money transmitter accounts.

In fact, some banks stand out because of the reasonable mechanisms they have instituted to review money transmitters. They base their decisions on fact rather than suppositions.

Some banks, including Bank of America and J.P. Morgan Chase have instituted programs whose aim it is to measure the risks presented by each money transmitter with decisions ultimately made by a centralized group within the bank that has taken the time to learn the industry.

Specifically in response to community leaders in underserved segments of the population, Chase remains one of the only major institutions in the U.S. that does business with money remittance companies. Chase has expressed a belief that these companies play a vital role in helping traditionally unbanked consumers, primarily minorities and immigrants, send money back to their home country. To mitigate risk in this largely cash based business, Chase has monitoring systems and controls in place and works closely with approved, independent compliance firms and the NMTA.

Unfortunately, these banks represent a very small minority. The accounts of money transmitters are still being closed by most banks without a legitimate factual basis being provided.

## **b. Bank Remittances vs. Traditional Remittances**

Today, when no public discussion about remittances seems complete without a concurrent discussion about the cost of the remittance service, banks are offered as low cost alternatives to TMTs. But bank offers of low cost remittances to immigrants are a Trojan horse laden with financial products the banks wish immigrants to start using.

Although the goals of encouraging immigrants to open checking and savings accounts at banks, are laudable, those should not be pursued by baiting immigrants to go to banks under the guise that bank remittances are automatically lower than TMT remittances. The fact is that banks have not shown that their remittances are cheaper or a better value than TMTs. Moreover, the history of services banks have traditionally offered to immigrants argues against those conclusions.

Largely ignored in contemporary discussions about the remittance industry is how we got to the point where approximately \$46 billion are transferred yearly from the U.S. to the world. The reality is that it has not been because banks and credit unions have been there to provide the service. Instead those funds are sent through TMTs precisely because banks and credit unions turned their backs on the needs of hard- working immigrants when these immigrants experienced a real need for cost-effective means to send funds to feed and clothe their loved ones in their native countries.

As is properly noted by Sheila C. Bair in her study Improving Access to the U.S. Banking System Among Recent Latin American Immigrants, (Center for Public Policy and Administration,, University of Massachusetts-Amherst) (Feb. 2003), until the last census revealed the magnitude of the bankable market available in the Hispanic-American communities and credible reports confirmed the billions of dollars that these communities transfer annually from the U.S., banks had been conspicuously absent from the immigrant communities that are the source of those remittances. Id. at 3.

Until the U.S. Census showed that in the year 2000, 14.5 million Latin American-born individuals lived in the U.S. and that roughly 35 million Hispanics resided here in the U.S., banks showed very little interest in rescuing these immigrants from the supposed claws of TMTs.

By contrast, today banks stumble over each other to provide services to these immigrants. Id. at 3. But, while they seek to proliferate the variety of services they offer immigrants, banks have not shown that they are better remittance option than TMTs.

Banks and their promoters have spun and pushed a model where the cost of the highest remittance service providers is used as a barometer for the entire industry and compared with the costs charged by banks to send similar remittances. Aside from being inflammatory these analyses leave out details concerning the cost structure of remittances. Moreover they represent only one part of the equation; the sending of the remittance. Absent from most published analyses is the second part of the equation; the cost of receiving remittances. Looking at the entire remittance process is more instructive in detailing the true costs incurred in the transfer of funds.

When viewed as a whole, the process of paying remittances to intended beneficiaries is no less expensive through banks than through TMTs. In fact, in almost all recorded instances, the opposite is true. Because of their convenience in capturing remittances at locations closer to the user, because of their lower overhead, because of their faster payments TMTs usually are a better and cheaper alternative.

The issue was vividly exposed in a Pew Hispanic Center and Multilateral Investment Fund study published in November, 2002. Entitled Billions in Motion: Latino Immigrants, Remittances and Banking, the study details interviews with remittance sending immigrants who are questioned about their knowledge of alternative remittance avenues including bank-processed remittances. Most of those questioned express ignorance about the bank services but sound interested in trying them, especially if the promise of reduced costs materializes.

However, Catalina from Colombia, the one person in the survey who had first-hand knowledge of those bank remittance services was not impressed. The story she relates is instructive:

"When my aunt came to this country she opened an account at Washington Mutual and asked for 2 ATM cards, one for her and one to send to Colombia [sic], and it ended up being exaggeratedly expensive. For every transaction they charged \$17.50. For example, if she deposited \$100, and in Colombia [sic] they spent \$50 on groceries, they would pay out the \$50 at whatever the exchange rate was, and then here, Washington Mutual would take out \$17.50 for making a transaction there. . ." <http://www.iadb.org/mif/website/static/en/nov22b.pdf> at pp 13.

The authors, who undisputedly espouse the provision of remittance services through banks, dismiss Catalina's concerns by saying that "at least in part [they] seem to reflect a lack of understanding that numerous small transactions can prove expensive when flat fees are charged for each transaction." Id at pp 13.

But wouldn't small transactions be the standard when remittances are conducted through banks? Certainly bank accounts will not be emptied each time a remittance is made would they? Don't banks want account holders to keep as big a deposit as possible?

If the above appropriately states the issue, then the issue changes from one of cheap remittance through banks to one where banks seek immigrant account holders to whom the banks can then offer, and charge for, services.

Although clearly there is nothing wrong with banks seeking those goals, there should also be nothing wrong with portraying them as such, rather than disingenuously masking them as altruistic acts to reduce an unsubstantiated financial burden on immigrants who send remittances through TMTs.

In effect, banks intend to use remittances as a hook to attract immigrants as account holders. The banking of the unbanked is a desirable and laudable goal and one which banks and TMTs can work toward achieving. But banks should not be allowed to use their market power to break the backs of the TMTs to climb that ladder.

Banks can offer remittance services on equal footing as TMTs and compete in the open marketplace with innovative products and cost-reductions, just like all other money remitting institutions do today.

However, banks should not be allowed to resort to predatory and unfair trade practices that smack of anti-trust simply to unfairly get rid of fair competition. If their services and cost-structure find acceptance in the marketplace, the market forces of demand and supply will speak loudly enough. But in our capitalistic society those forces should be heard equally from all parties. No one side should be artificially muffled to benefit the other.

In point of fact, banks that engage in remittance transactions should not be allowed to indiscriminately terminate the accounts of all money transmitters. They should be required to institute measures similar to those voluntarily undertaken by Chase and Bank of America, where the TMT's merits as account holders are evaluated individually.

In the final analyses, when institutions such as the Inter-American Develop Bank ("IADB") sing the praises of bank remittances and disparage TMT remittances, they seem really to sing the praises of new remittance processes that create efficiencies and cost reductions. On that score, TMTs have also shown greater advances than banks.

Already today TMTs offer a variety of remittance services, including the payment of remittances through funding of Visa electron cards, such as Remesas Quisqueyana Inc.'s "Cashpin" cards. Through TMTs, senders of funds can also conduct remittances through the Internet.

Moreover, currently some members of the NMTA are working on implementing an open remittance platform through which any TMT or bank can process remittances over the Internet. The platform allows remittances to originate through any bank account, credit card or agent location. The remittance in turn can be paid through a bank, bank account, credit union, debit card or traditional correspondent. The open nature of the platform will allow users, including those with bank accounts the option of remitting through any remitter that offers them the best service at the least cost.

But those services can be realized only if banks abstain from unilaterally doing away with these TMTs through the unwarranted closing of all money transmitter accounts.

#### IV. The Demise of TMTs Will Usher in Informal Transfer Networks

Approximately 40% of remitters who use the remittance services of TMTs are undocumented aliens. Because of their immigration status and a real fear of deportation, these remitters traditionally shun more formal financial centers such as banks because of fear of deportation. *Billions in Motion: Latino Immigrants, Remittances and Banking* (Pew Hispanic Center and the MIF) Nov. 2002 at 12. Other users of TMTs shy away from banks because of their minimum balance requirements, high fees, or because generally they just distrust banks. *Improving Access to the U.S. Banking System Among Recent Latin American Immigrants*, Sheila C. Bair (Center for Public Policy and Administration,, University of Massachusetts-Amherst) at pp 2. (Feb. 2003).

Should TMTs be forced out of the business through continued bank closings, the needs of TMT remitters to honor their commitment of family support will not subside? Neither will their present fear of deportation. Instead, the simple rules of demand and supply will create a natural condition where these and other users will flock to informal value transfer systems.

As has been told endless times since 9/11, informal value transfer systems such as hawalas are one of the preferred means used by terrorists to move funds. Hawalas, as black market peso exchange

operations, are used because they are as effective, and sometimes more effective, than traditional transfer methods. Why? Because such systems rely on a purposeful lack of infrastructure to operate. If there is no red tape in processing remittances, the payment order will likely reach the beneficiary quicker than a compliance-laden system would allow.

Hawalas provide no paper trails for government to monitor. They issue no receipt to the user, there is no OFAC review of the transactions, no Suspicious Activity Reports and no Cash Transaction Reports. Hawalas do not employ compliance officers, or conduct training of their staff about anti-money laundering controls.

In short, because these entities need not do anymore than receive the funds to be transferred, make a call to their associates in a foreign country and instruct the payment to the person who presents himself with a given password, these enterprises can operate more efficiently. They are always less expensive than TMTs and certainly less expensive than bank remittances.

The informality and anonymity provided by these systems will attract those who do not wish to be identified, because of immigration or other more nefarious reasons. The low cost and reliability of the service will attract those who will not want to pay the higher costs that banks and the few remaining large money remittance companies will charge should the TMTs be eliminated from the industry.

Although these statements appear to predict the future, in fact they simply state our current reality. In areas where TMTs and their agents operate parallel to hawalas, the hawlandar always attracts more business. Basically, the end-user of the service will only be concerned about the cost of the service. The user will not likely be concerned about the licensing or compliance niceties of the business. The user will be concerned with getting the funds to their family members as soon and as reliably as possible without affecting their ability to continue to work and send more funds.

This being the case, then it is inevitable that bank remittances, in absence of TMTs, will likely result in less transparency over the very transactions that regulators, legislators and law abiding citizens seek greater scrutiny. Clearly that result is not desirable and can still be averted if instead of suppositions, outdated notions or misinformation, bankers, regulators and legislators deal with money transmitters from a basis of factual knowledge and cooperation.

## V. References

*Anti Money Laundering Law*, 18 USC § 1956

*The Bank Secrecy Act*, Currency and Foreign Transactions Reporting Act, 31 United States Code Section 5311 et seq.

*Gramm-Leach-Bliley Act*, 15 USC, Subchapter I, Sec. 6801-6809

*New York Banking Law*, New York Banking Law Article XIII-B

*Prohibition of Unlicensed Money Transmitting Business*, 18 USC § 1960

*USA Patriot Act*, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (the "USA PATRIOT Act") (Public Law No. 107-56, October 26, 2001), and the implementing regulations promulgated there under by the United States Department of the Treasury (31 of the Code of Federal Regulations Part 103).

# CHAPTER VII

## SCIENCE AND TECHNOLOGY

# Strategic Alliance Dominican Republic – New York SCIENCE AND TECHNOLOGY

## The Dominican Diaspora: Facing Technological Challenges

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# I. Introduction

The main objective of this document is to present the ideas and contributions of the group of professionals that conform the Science and Technology Task Force of the Dominican Republic – New York Strategic Alliance Project.

Basic ideas were discussed during several meetings on what we considered would imply trying to develop projects in this area and the given coordination with professionals residing in Dominican Republic.

This work is an integrated part of the efforts that the Fundación Global Democracia y Desarrollo (FUNGLODE) and the Global Foundation for Democracy and Development, Inc. (GFDD) have assumed in contributing to the new economic order through the adoption of measures and the formulation of concrete action-oriented recommendations, concentrating on the use of science and technology for the development of the country as whole and, in particular, of the less privileged.

FUNGLODE and GFDD have launched an institutional transformation strategy in order to offer education and technological knowledge among a larger number of people and social groups, thus, assuming the commitment expressed in its social vision statement and assimilating the approach of its President, Dr. Leonel Fernández, in terms of the role of higher education as a means to address poverty and foster a sustainable development. Based on this principle, we have generated a series of tasks and brainstorming sessions, focused on creating a platform that will facilitate the conception of an efficient social infrastructure that is better developed and more rational.

Through the Task Force program, FUNGLODE and GFDD have undertaken a comprehensive program to develop a suitable and adequate telecommunications and IT platform to incorporate all its academic activities and its management of all schemes and principles on efficiency, quality, effectiveness, and equity, required by all institutions that generate knowledge, technology, services, culture, and know-how under the present context.

The purpose of the said platform is to use the technological potential and advantages, in order:

1) To increase the Dominican population's connectivity, granting a more active participation in the Information Society and the worldwide competitiveness.

2) To introduce basic technological outputs that will allow the country to create the necessary technological infrastructure, for the state-of-the-art technology generation, covering the medical, biotechnical, academic, and governmental administration areas.

3) To contribute to the academic transformation of the universities, by facilitating the essential technological tools to focus the academic activity on significant learning and acquisition of permanent self-instruction skills claimed by the scientific development and constantly changing conditions of most professions and employment in general.

4) To extend the scope and coverage of the academic, research, and extension services, while incorporating external facilities to the traditional academic campus and fostering a greater bond with agencies and companies from all sectors of society.

5) To cooperate in the formation and updating of the national human capital, particularly in the fields of computer science and networks operation, to promote the government, universities, and corporate modernization projects related to reshaping national networks, fostering the creation of new technology-based companies, and fighting poverty.

The identification of two project levels related to scope and resources availability was, probably, one of the most important outputs of this brainstorming exercise:

1) Specific projects executed by the Fundación Global Democracia y Desarrollo and the Global Foundation for Democracy and Development, Inc.

2) Projects at a national level that imply cooperating with the public administration.

Our first assumption is based on the understanding that, in order to develop any type of project in the technological area through the Task Force, we must refer to a diagnosis on the present state of technological development in Dominican Republic, to be able to assume an active role and establish the proper basis to develop any type of project, be it detailed or at a national level.

The country does not have – with the exception of the study headed by Harvard University and sponsored by the Fundación Global Democracia y Desarrollo - «The Dominican Republic Readiness for the Networked World»<sup>1</sup>- a comprehensive diagnosis of its levels of technological development. Under an initial conceptualization effort, this fact might represent the most significant element of evidence of a low level of technological development. The lack of a comprehensive diagnosis of the technological level of Dominican Republic is the most tangible proof of a low level of technological development.

«Unsurprisingly, the Networked Readiness of the Dominican Republic in many ways mirrors the country's current state of political and economic development. The Dominican Republic is a country marked by high economic growth over the past decade, a vibrant private sector, an a national propensity toward resourcefulness, creativity and pragmatism, all of which have been tempered and affected by wide income variation, urban-rural discrepancies, extremely polarized political rhetoric, and institutional and bureaucratic dysfunction. Each of these aspects of the Dominican Republic has shaped the country's adoption and use of information and communication technologies (ICTs).»<sup>2</sup>

Based on the previous information, and granting validity to the «single» existing diagnosis on the country's level of technological development, «The Dominican Republic Readiness for the Networked World», we have tried to introduce this document under a general and assembled vision of the most important elements, that following our recommendation, should be considered as a platform for any type of project in the Science and Technology area, particularly and specifically in terms of challenges and difficulties that the country must confront, in general: «Poverty, Urban-rural differences, Corruption, Electricity, High interest rates/lack of capital, Political extremity».

In addition to these challenges, that must be conquered in order to launch the creation of an efficient socio-technological infrastructure, we include two other key and fundamental challenges:

1. The strengthening or creation of an institutional continuity culture, that encourages advancing in an independent manner, isolated from the country's governmental or political structure changes.
2. The strengthening or creation of an operative discipline culture in all professional sectors related to the public and private sectors, through the use of efficient tools on project development.

In our culture it is very common to observe brilliant ideas for development but there is a distinct gap

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1-Geoffrey Kirkman et al. *The Dominican Republic Readiness for the Networked World*. Santo Domingo, Dominican Republic: Global Foundation for Democracy and Development, 2004.

2-Ibid

in the necessary discipline to execute these ideas in a planned and efficient manner. We often tend to disperse due to the lack of operative discipline.<sup>3</sup>

In the last section of the document, we include some examples of specific projects that we considered that FUNGLODE and GFDD could launch at a pilot level, if there are no administrative resources available from the Dominican government.

Government needs to establish a very extensive technological strategy in alliance with the main social sectors. Various governments have directly promoted technological development. Some have subsidized high-tech industries, through industrial policies that have been widely criticized since governments cannot always choose the best industries.<sup>4</sup>

Government is accountable for the promotion of research and development. Part of these activities must be implemented by the public sector, particularly when they concentrate on the people's needs that cannot be satisfied through market mechanisms. But government cannot be held accountable for all R&D and it could create incentives for other players.

Two mechanisms have been particularly important in the promotion of technologically oriented research: the interaction between universities and the industry, and the fiscal incentives to foster research and development undertaken by private firms. It is possible to stimulate innovation by encouraging interaction between universities and the industry. The high-tech industries succeed based on modern knowledge and creativity, and by exploiting the universities' scientific and technical specialization. Conglomerates are created when, for this purpose, entrepreneurs decided to establish their companies nearby universities.

## **II. e-Society**

The industrialized countries continue to dominate the science and technology spheres to such an extent that they implement close to 95% of all research and development activities, while the underdeveloped countries, that represent 70% of the worldwide population, barely account for 5% of the global capacity to implement research and development activities.<sup>5</sup>

These numbers reveal the magnitude of the problem and the task that the international community faces. The experience in the last decades draws attention to the need of adopting measures at a national and international level to amend this situation. Without these measures, the disparity in the present situation will become more pronounced and will continue to increase the gap that separates the underdeveloped countries and the industrialized countries.

Some decades ago, the Dominican Republic adopted certain initiatives oriented to promoting technological development. These sectorial initiatives have not responded satisfactorily to the technological innovation requirements, since they have not been based on a set of coherent policies that could foster the implementation of R&D programs in a regular and sustained manner. The country, in general, has given little priority to technology research and development; there is a lack of an innovative approach, and there are scarce human, physical, and financial resources destined to technology research and development (TR&D), not only compared to industrialized countries, but in terms of other underdeveloped countries and the countries in the Caribbean region.

3-Ibid 5.

4-Calestous Juma, "Global Technological Safety." 2001.

5-One of the first to use the term was IBM, when, in October 1997, it launched a thematic campaign built around the term. (Internet and terms, IBM, 1999)

6-Ricardo J. Grau, Proposal for the Creation of a Science and Technology System in Dominican Republic. The Dominican Republic Academy of Science and the Regional Center for Research and Development of Santa Fe, Argentina. February 1996.

The lack of a technological infrastructure with the necessary capacity to generate the required changes to increase productivity and competitiveness in the agricultural, industrial, and services companies, constitutes an important limitation for the country to successfully face the challenges derived from the present free market process.<sup>7</sup>

Nonetheless, the market globalization has stimulated the demand for technological innovation and improvement, which has stirred an interest in promoting the reinforcement of the TR&D infrastructure and the adequate articulation between technology users and facilitators, en the different phases (diffusion, transfer, adaptation, improvement, and research). The development of research, science, and technology are key elements in obtaining higher productivity in all factors.

Its importance is more relevant in the present free market and economic globalization process, which demands a higher level of competitiveness. Dominican Republic needs to reinforce its TR&D infrastructure in order to successfully meet the challenges posed by free markets. However, a capacity reduction is observed in its technology research and development infrastructures to help companies identify competent technologies, to properly transfer, transform, and adapt them. The country's TR&D infrastructure deterioration is evident, among other indicators, in the lesser number of people dedicated to technology research and development. Dominican Republic lacks technology research and development policies.<sup>8</sup>

A Cyber Park was installed during Dr. Leonel Fernández's mandate, with the support of the local private sector and strategic alliances with international investors; its main objective was to promote investment in high-tech and human resources training.

The Cyber Park was conceived as a high scale technology center, which would serve as a pilot project for the development of other technology centers in the country. It contains the characteristics of existing technology and scientific centers in the world and the incentives and concessions that it offers are superior to those offered by the free zones in the region. This center will promote operations in: hardware and software manufacturing; electronic assembly and manufacturing; pharmaceutical and medical manufacturing, research and development institutions, service and information technology firms, telecommunications services firms, data compilation and conversion operations, and software operations.

In April 1997, Dominican Institute of Technology (INDOTEC) launched the first ever inventions, ideas, and innovations fair in Dominican Republic, called Expo-ideas '97. Its objective was to offer creative and talented people the chance to provide technological solutions in the industrial, educational or managerial (non-artistic) fields within a well-known and prestigious framework, under which they could present their proposals, while receiving guidance, support, and protection not only to present their ideas, but also to promote them and at the same time, apply for a prize in cash that could be used to further promote and implement their idea or invention. We believe that it is important to continue promoting these types of events as a means to stimulate and foster human development, simultaneously stimulating research-oriented technology.

The social structures and the economies of all nations have substantially transformed their course of action in the last two decades, incorporating a new focus of the world that substitutes the values and principles of the so called "Industrial Society" for others radically different: the "Knowledge Society" or "Information Society".

The basis of the contemporary social structure of the «information society» raises alternate relations

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7-International Food Policy Research Institute (IFPRI) and International Service for National Agricultural Research (INSNAR). Agricultural R&D in the Dominican Republic: Institutional and Statistical Profile. Santo Domingo. February 2000.

8-Grau 1996.

unlike any prior form of relation. That is why most articles and essays focus on the concept of the «information revolution», since obviously all forms of social relations are affected by the technological evolution generated by the invention of the computer and the Internet.

These two inventions have unleashed a deep transformation process, in which society, and its individuals, adopt new social forms of relations alternatives. Under this focus all institutions possess a distinct character, which they had never possessed. We now speak of «e-commerce», «e-education», «e-health», even extending it to «e-religion», and we are obviously entering a phase in social development in which the institutions, the individuals, and their relationship modes, experience an «e-dealization» process. All institutions can be «e-dealized» from this period onward.

If we assume that the aforementioned premise is valid, we must then elaborate a technological development strategy for all social areas. Even so, we do not believe it is necessary to do so in this document, because it would then acquire a too generalized and extended dimension. However, we have identified the following fields as fundamental: «e-commerce», «e-health», «e-government», and «e-education».<sup>9</sup>

We would be mistaken if we try to export the technological processes of the United States to our country without assimilating the specific and individual applications of our social development.

Obviously, we are not suggesting the out of context "exportation" of technology, but rather proposing the incorporation of certain relevant technological elements that, due to their global focus, are applicable in our country.

Due to the preponderant role of the "Silicon Valley" companies in the development of the Internet in the United States, we might consider that a similar process could offer us comparable results.

The system under which the Internet was developed in the United States is usually referred to as the "Silicon Valley model". This model was based on certain, very particular, elements of the North American economy. Some of these elements are:

1. Absence of regulations in the "Information Technology" industry.
2. Immediate capital investment availability for new companies, especially for dot.com companies.
3. Easy access to share markets (Initial Public Offers - IPOs) for the establishment of dot.com companies.
4. Abundant offer and demand for technical staff; a favorable fiscal policy for the establishment of new low-cost businesses.
5. Strong Government participation in the efficient incorporation of Universities and research centers on technology and Internet development.

"Without some form of government intervention, when there are negative externalities, like pollution, markets produce too much, and when there are positive externalities, as in the case of basic research, they produce too little. Government-sponsored research (much of it at universities) was central to a successful U.S. economy in the nineteenth century – great advances in agriculture were based on the twentieth and twenty-first centuries. It was the federal government, for example, that built the first telegraph line between Baltimore and Washington in 1844, and it was the federal government that launched the Internet, the basis of the New Economy"<sup>10</sup>

Our country does not possess these elements, or at least these elements are not available grouped under a single context, nor under a given structure that could be submitted in the United States.

9-Dr. Leonel Fernández expressed the bases for these fundamental ideas during his speech at the DR-NY Task Force meeting in City College on October 2003.

10-Joseph E. Stiglitz, *The Roaring Nineties: A New History of the World's Most Prosperous Decade*, New York: W.W. Norton & Company, Inc., 2003.

However, there are several actual competitive advantages in Dominican Republic that could help situate the country in a relevant position within the open setting established for this phenomenon at a global level, compared to the rest of the Latin American countries, in terms of the development of at least three fundamental sectors in which the «Information Society» retains a very important dynamic, especially in the upper levels of the telecommunications infrastructure development in Dominican Republic.

As mentioned above, we have selected three sectors for the purposes of this document that we consider of vital importance in any national technological project. Within the context of this document we will briefly refer to our suggestions in the areas of «e-business», «e-education», and «e-health», focusing somewhat more in depth on «e-government».

«The fact that information flows and communications move through electronic networks in a given sector is usually signified in the literature by adding an "e-" as a prefix. Many different "e-sectors" can be identified. The process of digitization is surely most advanced in the business and commercial sectors (e-business and e-commerce), but other sectors of society stand to gain a great deal from digitization as well (e.g., e-government, e-democracy, e-health, e-culture, e-learning, e-media, e-education, e-security, e-banking, etc.).»<sup>11</sup>

Our development and incorporation capacity in these four sectors, will in time allow us to insert Dominican Republic in certain major consistent, sustained, and feasible growth technology areas, under a more competitive status, such as, biotechnology, production of hardware, automatic identification technology, and medical products. Under this context, for example, e-business (a combination of the terms "e-mail" and "business") development in Dominican Republic will depend on the support and technological infrastructure development with which Dominican companies and the country's Internet consumers operate.

It is not simply a matter of strengthening the infrastructure for business exchange, but also to increment continuity and cooperation among entrepreneurs and business (B2B). Therefore, it is necessary to introduce, in the country's most important corporations, an automated process that will allow them to "rethink" the business in terms of the Internet and its function.

Dominican Republic owns one of the more developed and modern telecommunications infrastructure of Latin America. This grants the country a comparative advantage in terms of the rest of the Latin American countries and the worlds, not only at a service level but also at a cost-efficiency level.

For this internal automatization process to be effective, the Dominican companies must be focused<sup>12</sup> on the use of the Internet not only as a sales promotion tool, but also simultaneously for the commercialization and register of other companies' supplies; to cooperate in sales promotions and to undertake joint investigations. Only by means of this process will our entrepreneurs be able to compete in a global market that is highly sophisticated in the use of e-business.

### **III. e-Business**

While making the most of the convenience, availability, and world scope of the Internet, it is important for Dominican companies to identify the achievements of other companies that operate in the United States and Europe, through the use of the Internet.

Based on the warranty of today's «browsers» and the digital certificates available for individuals as well as companies, many of the commercial transactions security concerns in the Internet have greatly decreased. Our entrepreneurs and businessmen must be encouraged and directed towards considering

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11-Economic Commission for Latin America and the Caribbean (ECLAC), "Road Maps towards an Information Society in Latin America and the Caribbean", Santiago, Chile, July 2003.

12-Used by FUNGLODE as a business training center.

developing Intranets and Extranets as part of their e-business.

FUNGLODE and GFDD, along with a group of Dominican professionals residing abroad, are in the best strategic position to offer Dominican businessmen, pilot projects in e-business. These projects could be based on the "business-end consumers" transactions framework, as well as the business-to-business (B2B). This initial phase would require the following:

1. To undertake an in-depth evaluation of the operation levels in the use of e-commerce in terms of the Dominican companies.
2. To create a team in charge of an intersectorial brainstorming process, among universities, professionals, the FUNGLODE and GFDD Task Force, and business representatives; and to generate a concrete diagnosis on the existing macro and micro-processes, "as is" versus "as should be". A great number of North American and European universities have the resources to involve their countries' university students in internship projects, through which they obtain credits for their programs. This model grants access to the country for outstanding Dominican and foreign students to interact with local students in free business internships pilot projects.
3. To develop projects with Dominican companies, based on the aforementioned issues, that promote the used of great priority and need mechanisms to launch the creation of a platform and infrastructure that will encourage in country based e-business competitiveness.

A distinctive e-business characteristic focuses on the fact that it allows many small and medium enterprises (SMEs) in the country, to internationally promote the offer of national products under a global approach. Many small and medium producers of Dominican crafts will benefit from a "virtual market" that will allow them to offer their products worldwide. Obviously this process must be associated with quality control measures that guarantee the efficiency and insertion of these products in the international market.

#### **IV. e-Education**

The Dominican State Department of Education, in coordination with Dominican universities and professors' organizations, could assume a determinant role in the performance of e-education.

The main objective of any project in this area must be to offer reference material support, development and diffusion, as well as technical assistance.

Our country's initial task should focus on eradicating illiteracy, and at the same time developing e-education projects that help improve the levels of those Dominicans that know how to read and write, while incrementing the formal and technical education levels.

In this context, the country's universities (along with the State Department for Education) face a very important challenge. At present, there are thousands of programs worldwide that could be incorporated to this process. The country's own schools, colleges, and business sector could even finance many of these projects.

In the information published by MIT's John R Williams, in 1998, the Market registered an investment of US\$500 billion within all e-education sectors, including US\$100 billion in adult education. This sector's growth rate between 1998 and 2003 was estimated at an 85%, only in terms of professional training, with an additional 188 Universities with Internet-based education.<sup>13</sup>

13-“E-Commerce and E-Education”, John R. Williams, MIT 1999. For a list of universities with courses online visit: <http://www.ngp.net/v-college/>

14-Ibid.

Often we tend to think that the e-education process is only possible by means of the Internet or computers, but there are institutions that operate not only in the Internet area but also through television. Some of these companies are :

- PBS The Business Channel
- Sylvan Learning Centers
- Caliber Learning Networks
- Bell Atlantic (on-line training courses)
- Apollo Group, Inc. (University of Phoenix)
- ITT Educational Services, Inc.
- DeVry, Inc. Education Management Corp
- Computer Learning Centers, Inc.
- Educational Medical, Inc.
- Whitman Education Group
- Strayer Learning, Inc.
- Asymetrix
- Kaplan
- UNext
- E-College

As in the case of e-business and e-government, in e-education and any other similar project, our initial suggestion is to undertake an in-depth diagnosis of the technological levels implemented in the sector. Initially we highlighted that a significant part of the diagnosis work – and probably the only one available in the country – was developed in the document entitled «The Dominican Republic Readiness for the Networked World». Therefore, it is necessary to relate all sectors on which the dynamic has an impact, in order to facilitate the identification of alternate solutions to the low development level and in doing so, implement specific pilot projects with the said sectors to determine priorities and needs, while fostering the creation of a valuable infrastructure.

## V. e-Government

When we mentioned e-Government in our document, we referred to the definition established by the World Bank, in which "e-Government refers to the use by government agencies of information technologies (such as Wide Area Networks, the Internet, and mobile computing) that have the ability to transform relations with citizens, businesses, and other arms of government. These technologies can serve a variety of different ends: better delivery of government services to citizens, improved interactions with business and industry, citizen empowerment through access to information, or more efficient government management. The resulting benefits can be less corruption, increased transparency, greater convenience, revenue growth, and/or cost reductions."<sup>15</sup>

In the case of e-government one must refer to the example of the statistics submitted by Nielsen/Net Ratings (Global Standard for Internet Audience Measurement and Analysis), which indicate that more than half of all Internet users visited at least one US government web page in February 2003.

The visits to the web pages of the Federal Government of the United States incremented 26%

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15-Work Bank 2003.

16-Nielsen/Net Ratings. Global Standard for Internet Audience Measurement and Analysis, 2003.

between December 2002 and February 2003, a total of 44.9 million visitors or users.<sup>16</sup>

The Federal Government of the United States has developed a strong Internet presence, particularly after the 9/11 events.

According to Nielsen/Net Ratings, the US Department of Treasury experimented a 147% increase in traffic between December 2002 and February 2003.

Government web pages represent an excellent information source, which in most cases offer free resources to companies and individuals. Hence, it is important for our country to develop the commercial and institutional transactions practices (B2G, e-government) at a general population, business, and governmental offices level by means of the Internet.

For example, the B2G (business to government) services offer could provide a single information site for tax forms, license plate renewals, etc.

The use of the Internet as the basis for a logistics infrastructure within government, limits fraudulent practices and restricts political corruption in public offices, especially in terms of routine public service operations.

The Dominican population will greatly benefit from the Internet operations with public offices, along with the Dominican businessmen and even foreign investors that could require valid information on public regulations and performance, interacting with the administrative offices in a more efficient way.

B2G must also include services in which Dominican contractors could publicly identify the need for certain products, contracts, and services required by governmental institutions. And at the same time, serve to expose public transactions in a transparent mode.

In the United States alone, B2G income rates increased from US\$1.5 billion in the year 2000 to over US\$3 billion in 2002.<sup>17</sup> Most e-government development strategies are basically the same from country to country. Obviously, there are larger levels of complexity adherent to the use of e-government in industrialized countries, but the fundamentals are all the same.

There are three basic elements in the fundamental objective of e-government development:

- 1) To make it easier for citizens to receive a service;
- 2) To improve government efficiency and effectiveness; and
- 3) To improve government sensibility and responsibility towards civil society.

A number of factors will demand the modernization and significant development of the public sector in the near future.

The State participation in the automatization process, is vital and indispensable, to create a technological infrastructure in third-world countries. To address these competitiveness and technological development issues, it is necessary to renovate and improve management, organization, tasks performance, and functional procedures at all public sector levels.

E-government and the use of modern technology are indispensable elements available in our country, due to its telecommunications infrastructure development. Therefore, the country is positively positioned for a vigorous introduction of new technology.

The Dominican Republic's telecommunications sector is highly developed, and a tangible example of this is that Dominicans use telecommunication lines (both by land and mobile) in a larger proportion than most other Latin American countries. Therefore, the fundamental infrastructure to implement e-government solutions in Dominican Republic is quite advanced.

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17-Nielsen Net Ratings, 2003.

The technological challenges of the public sector in the near future will demand the introduction of digital solutions that help modernize the Dominican government's practices and services. The government and the regional municipal and provincial authorities will have to create an efficient and coherent public sector with high quality service, focused on the needs of citizens and business.

US Government has designed an e-government strategy that is applicable in any country worldwide with a minimum telecommunications infrastructure. We believe that the focal point of this strategy could be applied in Dominican Republic to develop the e-government vision statement on four specific issues:

1. Individuals: Government-to-Citizens (G2C): to create and identify an easy-to-use service site, in a single location, that could allow citizens to access government services.
2. Business: Government-to-Business (G2B): to reduce the government's business load, by eliminating redundant databanks and using improved e-business technology to develop communication.
3. Intergovernmental: Government-to-Government (G2G): to facilitate an area in public institutions for intergovernmental dissemination and coordination as part of a single government at the service of all citizens, generating a tool to measure service performance in public institutions.
4. Intergovernmental: to make better use of modern technology to reduce costs and improve public administration standards, using the best industrial practices in such areas as supply chain management, financial and knowledge management.<sup>18</sup>

Based on prior experiences and in order to facilitate any project within this vision statement framework and to supervise its development, we have elaborated four focal areas.

The first two areas synthesize the vision statement, while the last two refer to measures that must be implemented to develop this vision. We have highlighted a series of parameters as indicators for specific measures in each one of the areas.

Government-to-Citizens: The public sector must provide coherent services to all citizens. The use of e-government is essential to create a public sector in which citizens and businesses can find coherent services and solutions to problems based on their needs.

According to Standard and Poor's Market Insight statistics, in December 2003, a vast majority of citizens indicated that they use potential e-government solutions to save time. More than 50% of those citizens that use public services in most countries worldwide prefer to receive and send information to public authorities in digital mode, instead of regular mail. Furthermore, four out of five citizens wish that their governments' central and municipal administrative authorities would cooperate to create coherent services to simplify all access to the public sector.

Expenses concerning administrative dues are a priority issue for all businesses. Most businesses would like to receive the quickest possible response to their issues, a uniform and trustworthy treatment from public authorities, and to implement their business activities with the least possible amount of procedures, through contact with a single source. Business owners would welcome a larger amount of standardized digital solutions data, developed for easier access.

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18-U.S.A "E-Government Strategy, Simplified Delivery of Services to Citizens," Executive Office of the President of Management & Budget, Washington, D.C., February 27, 2002

**We propose the following indicators/goals to be implemented by December 2005:**

- \* 40% of the population should be using e-government public sector services;
- \* 80% of all public institutions and authorities should be able to receive at least 1/5 of all documents submitted by the citizens to government in electronic mode (license plate renewals, taxes, birth certificate and passport requests, etc.);
- \* By January 2005, Dominicans should be able to submit «Questions to the President» through e-government means, that will be answered by the president himself and/or the state departments;
- \* December 2006: to formulate and define specific goals on e-government improvement based on the 2005 outputs.

**a. Government-to-Business**

E-government should encourage constant improvement in quality of service and the use of resource promotion. Investments in e-government must register a clear positive return rate code, hence, e-government projects must elevate the quality of public services in terms of better products, quicker processes, less number of errors, etc., and provide the same standardized service using minimum resources.

The objective of this task is to make sure that all e-government projects are focused on achieving a better quality and use of the resources and this element must be explicitly included in the content of such projects.

A good set of indicators under this context would focus on improving the service granted by e-government to business, for example, through the development of information databases. There is centralized need to determine the use of the infrastructure to be developed to reduce administrative costs in the public and private sectors.

**We propose the following indicators/goals to be implemented by December 2005:**

- \* 75% of all businesses should be using e-government public sector services;
- \* 65% of all e-government projects must be focused on the business sector, on operations that will increase public sector savings on public transactions expenses with private companies in at least 25%, and reduced by 25% the operation costs of Dominican companies in transaction activities with government;
- \* The corporate sector's level of satisfaction, in terms of the use of e-government, must be at least an 80%; and
- \* To reduce to 60% the timing of all business sector transactions with government.

**b. Intergovernmental (G2G) and Intragovernmental:**

The public sector must establish an internal work and communication digital mode. In recent years, work has been focused on a rather promotional essence of state departments and institutions. But the core of e-government must focus on initiatives that will ensure that functional government procedures can count on a digital and transparent support. Obviously, this is a firm blow to potential illicit activities within the public administration.

All public authorities should benefit from exchanging non-confidential information with other authorities. In the following years, the central task should focus on expanding all digital communication

measures related to the flow of information exchanged among state departments, and a wider range of digital communication among public and private sector authorities.

Furthermore, this project's most important role must focus on governmental operation practices through a common electronic management system, electronic purchases and sales, and electronic public offers. Under this context, the main technology would be «Radio Frequency Identification (RFID)» that allows for real time and automatic total visibility of the state's resources. The use of this type of technology – that does not represent very high unitary costs, plus the fact that these application projects can be financed through international institutions – grants government total control over the use of inventories in institutions such as Public Works, Customs, and all those institutions in which resources and inventory handling represent a relevant cost.

Dominican Republic will hold the headquarters of one of the most important research centers worldwide in cooperation with the Massachusetts Institute of Technology. This element places the country in a perfect position to implement new technology that will soon become commonplace.

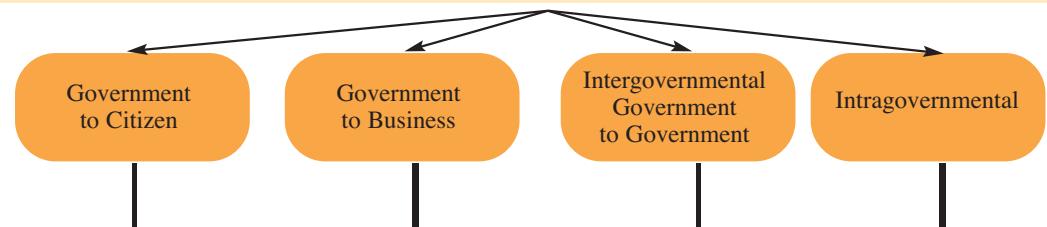
**We propose the following indicators/goals to be implemented by December 2005:**

- \* 80% of all public authorities must be prepared to receive at least 75% of all documents sent by other public authorities in electronic mode.
- \* 95% of all public authorities must be prepared to communicate securely in electronic mode with other public authorities.
- \* 60% of all public authorities must be prepared to use electronic management. 50% of all public authorities will count on the necessary purchase capacity in electronic mode, via EDI or XML.

The Presidency of Dominican Republic and the whole country will be able to view at least 85% of the public institutions' financial reports, such as the Central Bank.

## E-GOVERNMENT PROJECT 2004 - 2008

**E-GOVERNMENT MUST CONTRIBUTE TO THE CREATION OF A TRANSPARENT, EFFICIENT, AND COHERENT PUBLIC SECTOR, WITH HIGH QUALITY SERVICE LEVELS, IN WHICH CITIZENS AND BUSINESSES ARE SEEN AS THE BENEFICIARIES**



- 40% of the population will be using e-government public sector services.
- 80% of all public institutions and authorities should be able to receive at least 1/5 of all documents submitted by the citizens to government in electronic mode (license plate renewals, taxes, birth certificate and passport requests, etc.)
- By January 2005, Dominicans should be able to submit «Questions to the President» through e-government means that will be answered by the president himself and/or the state departments.
- December 2006: to formulate and define specific goals on e-government improvement based on the 2005 outputs.
- 75% of all businesses should be using e-government public sector services.
- 65% of all e-government projects must be focused on the business sector, on operations that will increase public sector savings on public transactions expenses with private companies in at least 25%, and reduced by 25% the operation costs of Dominican companies in transaction activities with government.
- The corporate sector's level of satisfaction, in terms of the use of e-government, must be at least an 85%.
- To reduce to 60% the timing of all business sector transactions with government.
- 80% of all public authorities must be prepared to receive at least 75% of all documents sent by other public authorities in electronic mode.
- 95% of all public authorities must be prepared to communicate securely in electronic mode with other public authorities.
- 60% of all public authorities must be prepared to use electronic management. 50% of all public authorities will count on the necessary purchase capacity in electronic mode, via EDI or XML.
- The Presidency of Dominican Republic and the whole country will be able to view at least 85% of the public institutions' financial reports, such as the Central Bank.

## VI. Recommendations

One of the central elements for our country's economic and social development is based on technology and science and their multiple applications.

There is an evident disparity in the technological and scientific development of the industrialized and third world countries, however, for many of the Dominican professionals residing in the United States, it is essential that the scientific and technological applications be transformed to an element of support for development.

We believe that the strategic focus of the New York Task Force must be established in terms of the needs of the Dominican society and the development requirements that foster an increase in our competitiveness and international projection.

The promotion of applicable scientific research and technological development is fundamental to create a model with a specific purpose that fosters investment in the technological and scientific areas of Dominican Republic, under the perspective of higher feasibility and social impact and better living conditions.

It will only be effective if it is undertaken in an articulated, institutionalized, systematic, and harmonic fashion complementary to public policies and market activities, based on clear and defined objectives both at a national and international level.

Our country registers an institutional gap that limits its effective projection in technological and scientific research planning and implementation. Hence, the need for an initial step towards the creation of a public agency (State Department of Science and Technology) in charge of planning, promoting, and directing strategies in the scientific research and technological development fields.<sup>19</sup>

Since our projects (New York Task Force) are set out to grant certain visibility and follow-up in specific scientific-technological areas, an essential function of the Task Force in general would be to serve as the supervising agency for all future executable plans and projects.

In other words, the Science and Technology Task Force could become the future appointed agency for auditing and implementation of any public entity created for technological and scientific research purposes.

We perceive this agency as the future supervisor of periodic auditing in the implementation of a national scientific-technological program in coordination with the business sectors, universities and technical institutes.

Considering the need to support the efforts of Dominican professionals within and outside the country, and based on the identification of the system levels, the Dominican government should submit a plan in which the focal point of development policies must concentrate on the articulation and strengthening of all scientific-technological projects.

The social essence of the options we have proposed can only prevail as part of a set of strategies for social, economic, and industrial development, based on the efforts of all public State Departments. We understand that we must concentrate on the actual economic difficulties that the country faces, to highlight the need for a clear identification of priorities to optimize these projects.

Any political action in science and technology matters must concentrate on – at least – three fundamental objectives:

- A. To create a governmental administrative agency to execute, plan, and direct, under a strategic focus, all actions concerning the country's scientific and technological development, with high participation in social, economic, and academic activities at a national and international level;

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19-Clara Reyes originally presented this idea in a meeting held on 09/29/03.

- B. To concentrate all efforts in the consolidation of the research and knowledge generation capacities focusing on those strategic and critical issues for the country's development and global competitiveness; and
- C. To foster articulation processes among the academia, technical, public and private sectors, not only at an internal level but also in terms of other countries and international organizations.

## **1) Strategies**

In order to achieve the abovementioned objectives, we propose the following complementary strategies at the institutional level development, which should be applied in the implementation of these scientific-technological projects:

**a. TO SUPPORT RESEARCH AND KNOWLEDGE GENERATION FOR THE SOLUTION OF SPECIFIC NATIONAL PROGRAMS, THROUGH FUNGLODE AND GFDD OR A CENTRAL ORGANIZATION:**

The social transformation capacity is present at a much higher level, with knowledge generation, within a national science, technology, and innovation system framework, which contemplates in its establishment the active participation of the country's goods and services producers.

The strengthening of all institutions related to the science and technology fields must emerge in a process in which access to reliable and updated information is available for dissemination to academic, productive, local and central government sectors.

A definition of the international and regional cooperation strategies is essential under this frame of reference.

FUNGLODE and GFDD or the central organization shall create specialized sub-organizations to review the strategic plans derived from a national plan. The objective of these sub organizations must focus on sectorial project assessment and evaluation, in order to amplify, coordinate, and implement the participation and contributions of the country's different social and productive sectors.

The construction and strengthening of networks will be managed through these sub-organizations in order to articulate national and governmental interests, in the industrial, social, technical and academic entities.

There must be a strategic vision for the creation and strengthening of the scientific community satisfying the country's needs, through research project funding and support for groups and research centers with quality, priority, efficiency, and visibility criteria.

Under this context, it is important to assume an evaluation and census of the scientific-technological research groups, including their objectives, their human, academic, physical infrastructure and productive composition, since we have no account – if any – of how many centers or groups operate in Dominican Republic, both at a private and governmental or international level.

In order to consolidate and strengthen the country's scientific-technological community, it is important to foster the following activities:

1. To create a database including professionals in all areas which could be involved in any type of national project. The initial fundamental element shall be the compilation and access to data. We propose that the initial focal point concentrates on the creation of Data warehousing of the different social areas. Not only of individuals at a professional level that could participate in these projects, but also specific data on the affected sectors: Health, education, judicial system, commerce, etc.

2. To develop scientific and technological activities at the highest international levels.
3. To apply research as a tool for human resources development.
4. To foster cooperation among national and international agencies to assemble Dominican and foreign researchers.
5. To expand the country's research capacity by promoting interaction with other groups.
6. To promote interaction among technical institutes, universities, corporate and public sector, to optimize knowledge socialization.

b. TO CREATE AN OPEN FORUM IN WHICH A LARGER TECHNOLOGICAL INNOVATION CAPACITY CAN BE ENDORSED:

A larger innovation and technology development capacity could be endorsed through the consolidation and implementation of a national program to induce the interaction of scientific, technological, productive, and financial elements, both at a national and international level, oriented towards the development of a products, services, and human technical level offer that could be transferred and designed for highly competitive local and international environments.

Priority must be given to promotion measures that encourage the business sector to develop innovation, modernization, and technology development projects, through fiscal incentives and logistic support programs.

Promotion and public funding support (risk capital) must be able for the creation and insertion in the local and international market of technology-based new companies, in order to facilitate the generation of qualified employment and to appraise technology development.

Universities shall be integrated in a joint technology innovation process with private companies, in interdisciplinary groups that can develop technological improvement projects for private companies. To be able to establish advanced organizational models on scientific-technological innovation, the creation of technology centers is essential to this dynamic.

c. HUMAN CAPITAL TRAINING ON RESEARCH AND DEVELOPMENT IN STRATEGIC AREAS:

This field will require the creation of a training program for upper-level human resources based on strategies of FUNGLODE and GFDD. First, priorities and needs on human resources training must be identified within a National Technology Plan framework, to optimize the conditions of the relatively less developed regions and sectors in terms of human capital.

Obviously, it is important to develop a more aggressive promotional campaign for master and doctorate degrees at a national and international level, focused on young people committed to specific projects on sectorial or regional development. Hence, guaranteeing permanence of these professionals in their regions, once they have achieved a higher level formal education, through the establishment of a pre-requisite, with the educational centers, on a masters or doctorate certificate related to a specific project on sectorial or regional research or technological development.

Furthermore, specific research centers shall be invited to the country, in coordination with universities and international institutions, for example: Massachusetts Institute of Technology, Harvard University, Penn State University, New York University, and Columbia University. These universities have shown an interest in developing local research centers with FUNGLODE.

**d. TO OPTIMIZE INFORMATION, FOLLOW UP, AND EVALUATION MEASURES FOR TECHNOLOGY ACTIVITIES:**

This Task Force has established the assumption that there are no actual appropriate indicators for a proper evaluation or follow up of public and private investment in science and technology.

In order to generate a prospective vision of the country's scientific-technological development levels and to integrate this vision in national science and technology effort, it is fundamental to focus on the following issues:

1. To create an effective institutional information system based on the country's own characteristics and in agreement with the information levels used in industrialized countries;
2. To update the country's strategic information databases;
3. To create a classification and qualification process for groups and research centers in charge of the proper follow up for research projects and human resources in technology development programs; and
4. To promote the editing of national science and technology magazines and literature.

**e. TO FOSTER RESEARCH IN THE ENERGY, BIOTECHNOLOGY, AND MEDICAL TECHNOLOGY FIELDS:**

It would be necessary to generate a process to promote research development in the energy, health, biotechnology, and medical fields of Dominican Republic. A government-universities-hospital relation would be the first step towards developing groups and research centers in the biotechnology and medical fields that respond to the country's health needs.

The generation of funds from health prevention programs in the private and public sectors, could act as forefront to foster the creation of a minimum infrastructure for some level of research development in those areas.

## VII. Specific Projects

### a. CENTRALIZED CLINICAL DATABANKS

Name of the Project:

Centralized Clinical Databanks of Patients and Clinical Information System Connecting Links.

1. Centralized Clinical Data Repository (CDR)
2. Clinical Information Systems-CIS Interfaces

Objectives:

To implement advanced technology and telecommunications in the medical computer science field of the public healthcare centers in Dominican Republic. The main focus of this project will be the effective use of information and technology to provide high quality medical goods and services to all patients and to help maintain an acceptable health system.

All people worldwide, in industrialized countries like the United States or in less developed countries like Dominican Republic, share the same health-first philosophy. We all agree that without health, an organism cannot function at its best nor enjoy the resources it possesses.

It is extremely important that the Dominican professionals residing abroad, with the knowledge and experience needed in the implementation of technology and telecommunications in the health field, create an alliance to help our country implement a public health system at all levels. We are referring to the application of advanced technology in the medical computer science field.

It is proven knowledge that the use of technology in the health sector significantly contributes to aid medical personnel on providing better goods and services to the community.

The medicine field, in general, is very broad. It would be an extremely difficult (if not impossible) task to computerize all its fields in any given country worldwide. However, one can always start with the most essential in any given situation.

An initial basic step to begin the technology implementation process for a medical human healthcare center in public hospitals would be the creation of electronic registers with clinical and demographic data. Clinical data will be generated through the use of existing information included in hardcopy forms or "records", as well as through the compilation of the daily data generated by the different clinical departments of the institution: laboratories, radiology, cardiology, etc.

A significant advantage of this implementation is that all medical personnel will have the patient's clinical record at hand in an interactive and efficient manner. This will allow for better medical care for the community.

Those patients that suffer chronic diseases (diabetes, heart problems, etc.) and must be transferred, in critical state, to an emergency ward in a public hospital (where they have or have not received previous treatment) are specific cases for this application.

It will even be more relevant if we assume that the patient is unconscious, unable to communicate and requiring immediate medical attention. If the doctor is unaware of the patient's medical history, he/she could easily recommend an incorrect treatment and further complicate the patient's health.

Likewise, if the patient's situation is very critical, he/she could die in the process of manually searching for records. The medical staff can provide the correct medical attention if the patient's data is electronically available.

In Dominican Republic, public hospitals use hardcopy "records" or forms to keep patients clinical registers. Currently, this is an antiquated mode for the patient's data storage and withdrawal, in a situation in which a second could represent life or death.

Given these circumstances, many difficulties have emerged in cases in which information on the patient has been lost or is incomplete because the different clinical facts (that are essential to make a decision) have not been stored in a central area. As a result, this antiquated system generates more cases in which the patient receives inadequate medical assistance, further deteriorating his/her health.

In Dominican Republic, the patients that receive better medical attention with the use of technology are those few privileged ones that have enough resources to visit a private medical institution.

This constitutes a minimal percentage of the population. Therefore, it is indispensable that medical technology professionals residing in or out of DR aid in the implementation of technology and telecommunications in the health system of the country's public medical centers. Consequently, most Dominicans will be able to enjoy the same medical benefits as a result of the technological advances that can be applied to improve the public health system.

There is evidence that when authorities in a given country project a solid plan to improve the public health system, they immediately obtain massive support from the whole population. **HEALTH COMES FIRST!**

To improve the health situation in public medical centers in DR, and as mentioned above, it is necessary to initiate the establishment of clinical registers with demographic data and clinical history of the patient.

It must be understood that all computerized systems are based (heart, fuel, foundation, blood, or whatever) on data. If there is no data (that can later be converted into information) than there is no system, nor is there an expansion potential. The data must be valid, complete, and stored without redundancy. This is the actual starting point.

A practical way of implementing this advanced technology in public hospitals would be, to create a centralized databank with the clinical and demographic history of each patient: "Centralized Clinical Data Repository (CDR)."

Through the use of telecommunications technology, the databank would be connected to all departments (laboratory, radiology, pediatrics, neurology, etc.) in order to be able to actively store all patient data while it is being compiled from the different doctor's offices and dispensaries or medical facilities, within or outside the given medical center.

Jointly, all these systems comprise what we know us "Clinical Information Systems Interfaces (CIS)."

### **Goals:**

1. To develop a pilot plan from FUNGLODE and GFDD to help public hospitals get updated in the use of advanced technology in the medical computer science field;
2. To increment the community service levels in public hospitals of Dominican Republic and by doing so, to improve the state of public health in general;
3. To help public medical centers to be more competitive so they can provide better services for existing patients and attract new patients that usually visit private facilities. Hence, increasing income in the said institutions;
4. To reduce medical malpractice probabilities;
5. To increase reliance on public hospitals in Dominican communities within and outside the country; and
6. To integrate universities and technical institutes in the project.

### **Scope:**

1. Through the implementation and use of new technology and telecommunications (Internet), all medical and technical personnel will be able to provide better medical assistance to the community in general;
2. To be able to use the advantages of the centralized databanks to expand medical services, through the creation of other sophisticated systems, such as, Telemedicine;
3. To offer an efficient, prompt, safe, and low-cost supply of the patients' updated clinical data to all medical personnel that might need it;
4. To increase reliance on public hospitals, elevate the medical and technical staff's morale, and increment the communities' confidence level towards healthcare services provided by these medical centers;
5. Through this new computerized system and the Internet, all authorized medical staff will have access to their patients' clinical data from their offices, homes, or remote locations; and
6. To contemplate the possibility of establishing a Clinical Data Warehouse for medical research in addition to a decision support system.

### **Participants:**

1. Doctors
2. Nurses

3. Technology staff
4. Assisting personnel
5. Medicine students
6. Health officials
7. Government
8. Patients

**Functionalities:**

1. In order to be able to implement such an important project, we require the support and assessment of internal and external professionals with the necessary experience in analysis, design, implementation, and verification of the technology and telecommunications used in modern medical institutions.
2. The integrity of the clinical data, its safe transfer through the Internet, and the protocols used to transmit such data, must be well defined and in compliance with the structure and standards of the medical industry.
3. The structure, functions, and responsibilities of each team member working in the project must be well defined.
4. All implementation aspects must comply with healthcare norms. For example, confidentiality of the patient's data must be preserved at all times.
5. Computer programs must be created to store and extract data from the databanks.
6. Interfaces will be required to connect the databanks to all clinical departments that collect patients' data.
7. An important stage will focus on the creation of a web-based Graphical User Interface (GUI) that will be used to access the centralized databank and, hence, be able to examine all patients' data.

**Measures:**

The success of the implementation will be evident once:

1. Access to electronic registers of all patients has been completed as described in this document.
2. The community begins to express more confidence in the system's ability to provide medical services in the country's public hospitals.
3. Dominican medical personnel show more participation and loyalty.
4. Public hospitals start to be recognized as leaders in the implementation of technology and telecommunications in favor and attention of healthcare.

**Assumptions:**

In order to successfully complete this project we will assume that:

1. The problem with energy supply will be solved or improved.
2. The country's government and authorities will request international support to collect the necessary funding for its implementation.
3. The project will count on the assessment and supervision of experienced professionals on technology implementation in medical centers.
4. The project will implement a small-scale pilot program with FUNGLODE and GFDD and will continue its expansion in terms of the resulting positive outputs.

**Reliance and Risks:**

1. The establishment and continuity of this type of projects requires that the Dominican government and health officials have a clear vision of technology development in the healthcare areas in public hospitals.
2. Perhaps, such events as the Free Trade Agreement could foster the attainment of vital resources for the project.
3. The project can only be contemplated if government and health officials assume the responsibility of accomplishing the objective of improving the public health system through the implementation of advanced technology in the medical computer science area.
4. There is always a chance that the project could fail due to internal problems in the country (such as, energy supply deficiency, among others). Or that government and health authorities cannot count on the necessary support to carry it out.
5. There is also a risk, at the moment of implementing the project, that the resources available are not adequate or that they are not adequately allocated.

**Resources and Responsibilities:**

The project will require the active participation of the representatives of the following areas:

1. DR-NY Task Force
2. Government
3. Medical staff
4. Private sector
5. Universities and medical organizations
6. Computer science and telecommunications professionals.

**b. NATIONAL BUREAU OF CRIMINAL IDENTIFICATION**

Name of the Project: National Bureau of Criminal Identification

**Objectives:**

1. To compile and provide automated and high quality criminal information to assist criminal justice agencies and public in general, in the identification, detection, and detention of criminals;
2. To cooperate with authorities and criminal justice agencies to improve law enforcement in the country;
3. To facilitate the compilation of statistical data related to crimes and tendencies;
4. To support criminal record investigation;
5. To provide a modern database that contemplates latent fingerprint comparisons; and
6. To provide criminal justice training.

**Scopes / Implementation:**

The creation of a national database that includes and maintains criminal history information and facilitates the dissemination of this information among authorized users, in addition to the operation of a modern criminal history system in cooperation with provinces, cities, and municipalities.

The main functions of data mining will concentrate in a high-tech telecommunications system.

Headquarters would manage an inter-municipal Automated Fingerprint Identification System (AFIS), supporting the automatization of criminal data records, and providing more efficient means to positively identify fingerprints. This project will focus on:

1. Classified crime identification: a database founded on a reliable list of people classified by types of crimes.
2. Missing people database: creating this database will enable the development of a resource center for missing people, to support national efforts to locate missing people.
3. Unified crime reporting and dissemination program: to consolidate all statistical cooperation at a national level by means of a unified design to compile and report to all agencies, exact data on crimes to facilitate a cohesive law enforcement process.
4. Criminal History Information System: providing information to agencies and/or appropriate entities on criminal records based on fingerprints, alias, and criminal history. Headquarters could provide authorized information to government, businesses and citizens, on regulations and procedures to obtain individuals' criminal history records.
5. Automated Fingerprint Identification System (AFIS): This system is based on cooperation agreements between agencies that possess identified capacity to provide information for high ranking positions, for a number of purposes, such as, employment, victim recognition, trials, etc.

**Participants:**

1. Government
2. Judicial System
3. Police Department
4. Public and private companies
5. International agencies
6. Society in general

**Attributes and Functions:**

Subsidized national agency, sponsored by government, and in cooperation with related agencies.

**Measures:**

1. A system of crime-related indicators must be created and available, in addition to the appropriate crime-level tracking tools.

**Assumptions:**

1. We assume that this type of project will require an evaluation of the existing criminal identification mechanisms that must be considered to establish any new system.
2. Existing laws in these areas will be revised, changed, or created, if proven necessary.
3. Design and introduction of a new network infrastructure, hardware and software, must be orchestrated on the basis of a "legacy" system.
4. The success of the Criminal Identification System will obviously require active participation of the legislative, executive, and judicial powers.

### **Resources and Responsibilities:**

1. NY Task Force representatives
2. Government representatives
3. Judicial Power
4. Police Department
5. Universities
6. Private sector representatives.

### **c. TECHNOLOGY RESEARCH CENTER**

Name of the Project: Technology Research Center for Latin America / Auto-ID Technology (RFID)

#### **Objectives:**

The main objective of the Technology Research Center will be to develop scientific-technological research that facilitates value added growth generated by commercialization processes and product development (transport, flow of goods, and distribution), in addition to an environmental preservation process focused on preserving all natural resources that enhance social well-being.

#### **Implementation, achievements, and scope:**

The creation of a Technology Research Center must be based on the concept of multidisciplinary relations to sponsor this entity, as a cooperative research resource between State, businessmen, and universities.<sup>20</sup>

Research undertaken by this institution must represent a joint effort directed and sponsored by representatives from a wide range of organizations, including manufacturing, maintenance, distribution, transport, and information technology sectors, at a national and international level.

One of the scopes of this project will be to provide integrated solutions to logistic and product development issues through research related to Radio Frequency Identification (RFID), robotics, modeling, analysis, Data Mining, and intelligent-systems technology.

Research outputs will serve as basis to foster technological advances in the business and public sectors, promoting more efficiency and participation in the international market. One of today's main challenges for commerce and industry resides on what is known as the clicks and mortar industry.<sup>21</sup>

Through basic research, applied research in cooperation with the industry, the transference of technology and education will serve as catalyst to develop the engineering-logistic methodologies needed in the optimization of the offer network of Dominican companies in the world market.

Institutional cooperation developed through this type of agencies will, on the one hand, facilitate training for our technical-college professionals, and on the other, provide our businessmen with the necessary high-tech to enhance their competitiveness.

20-This project will be developed in cooperation with MIT, since it has expressed a particular interest in creating an Auto-ID Labs research center for Latin America.

21-The term's origin is attributed to David Pottruck, CEO of Charles Schwab Corp, in a July, 1999 speech at a conference sponsored by the Industry Standard. Pottruck is quoted as saying: "Schwab's vision has always been designed around customer needs and the company is engaged in constant reinvention to stay ahead of these powerful investors. Schwab believes that it is the combination of people and technology that investors want - a 'high-tech and high-touch' approach. As such, Schwab is redefining the full-service business around the integration of "clicks and mortar."

The fundamental objective will be to extend the conceptual basis of a product development infrastructure that helps companies achieve success in a global economy.

The incentives, on which this task concentrates, focus not only on product development technical issues, but also on social, organizational, and competence contexts.

**Participants:**

1. Businessmen
2. Universities
3. Academia-technical centers
4. Government
5. Consumers

**Attributes and Functions:**

Organization sponsored by academic centers and businessmen. Non-profit organization.

**Measures:**

1. Participation of national products in international market
2. Profit and loss of Dominican companies
3. Human capital annual development level.

**Assumptions:**

1. We assume that this type of project will require an evaluation of existing product development levels in Dominican Republic and logistic development of the local companies.
2. We assume that in order to develop such a project, FUNGLODE and GFDD will be committed to actively participate, in addition to all universities and businessmen.

**Resources and Responsibilities:**

1. NY Task Force representatives
2. Dominican business sector representatives
3. Technical and professional academic centers representatives
4. Government representatives

**d.COMMUNITY SERVICE TECHNOLOGY CENTER<sup>22</sup> HIV/AIDS RESEARCH AND CONTROL OPPORTUNISTIC DISEASES**

Project: Community Service Technology Center for HIV/AIDS and Opportunistic Diseases Research and Control in Dominican Republic

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22-This project will receive funding from Rockefeller University since it has expressed its interest in helping the country to develop a biotechnology research infrastructure.

**Objectives:**

- 1) To evaluate the existing technology used in HIV research and control in Dominican Republic;
- 2) To introduce new technology on prevention and control of HIV/AIDS-related opportunistic diseases;
- 3) New education systems on the scope, contagion, control, expansion of the disease, how it affects the individual's life and health, adherence to medication regimen, and other factors;
- 4) To provide a pre- and post-testing center that offers free or low-cost testing for the population, but also advise and orientation for those who test positive, as well as those who do not, in order to create awareness about the window period and how to avoid infection and superinfection;
- 5) To offer medication to control the virus and its opportunistic diseases, facilitating low-cost medicine to the HIV-infected population, through service facilities (specialized offices);
- 6) To promote the creation of research laboratories to eradicate and control the virus, in coordination with international agencies and laboratories; and
- 7) To foster the creation of training centers virus-infected/affected individuals, in coordination with domestic and foreign training organizations.

**Goals:**

- 1) To reduce HIV/AIDS propagation levels in the country;
- 2) To improve the infected/affected population's health;
- 3) To reduce infection risks among those who directly interact with virus-infected/affected individuals;
- 4) To insert virus-infected/affected individuals in the country's productive system;
- 5) To instruct virus-infected/affected individuals to engage in different jobs; and
- 6) To increase employment level in the country, through the creation of new jobs linked to the creation of the centers.

**Scope:**

- 1) With access to medications and proper care, the HIV-infected/affected population could be reinserted, in the short-term, in the country's productive process and work as normally as any other member of society.

**Participants:**

Task Force DR-NY professionals  
Dominican State Department of Public Health  
Health sector professionals  
Social Science professionals  
International organizations  
Community organization  
Infected/affected population  
Business sector

### **Functions:**

The Community Service Center could be created as a private initiative promoted by FUNGLODE and GFDD or as a public effort or a combination of both. In each case, the corresponding plans and programs would be developed according to the characteristics of the sector involved.

### **Measures:**

- a) Level of diseases detected in the country;
- b) Total professional, technical, and research personnel;
- c) Funding and technical support level from international organizations and entities that have allocated resources to fight against HIV;
- d) Academic level of the population general; and
- e) Reliable databases.

### **Assumptions:**

In order to implement this project we will assume that:

- a) There is an initiative to sponsor the center's operations.
- b) The center will count on the necessary assessment and supervision of experienced professionals on technology implementation.
- c) The project could be established in a pilot city, with one or two programs, and would continue its expansion in terms of the positive outputs of its implementation.

### **Dependence and Risks:**

- a) Initiation and continuation of this project will depend on the health sector development and modernization initiative, in terms of both the public and private sectors involved in its implementation.
- b) Given the importance of the expansion of the virus in our time, and how the infected population is disqualified when it has no access to medication, education and professional care, the project could be sponsored by either government and health officials, or the private sector through community involvement, as a means to contribute to their operating environment.
- c) Project success will depend on the availability of the necessary resources to promote it, on the proper initiative to obtain them, and on their proper or efficient use. It will also depend on how it is implemented, and how it responds to the country's own internal problems.
- d) The project could evidence certain initial resistance from population due to prevailing stigmas about the disease. (For example, people could assume that they are sufficiently informed about the disease and its scope, when in truth they know very little about it.)

### **Resources and Responsibilities:**

The following representatives shall participate in the center's resources and responsibilities:

- a) Private sector

- b) Government
- c) Health professionals
- d) Social research sector professionals
- e) Scientific research sector professionals
- f) Technical-professional training centers
- g) Community centers
- h) International organizations.

**e. CIBER@PRENDIZ<sup>24</sup>**

**(INTERNET APPLICATIONS TO IMPROVE EDUCATION)**

**CENTER FOR IMPROVED ENGINEERING & SCIENCE EDUCATION CIESE)**

**US DEPARTMENT OF EDUCATION AND STEVENS INSTITUTE OF TECHNOLOGY**

Ciber@prendiz (Cyberlearner) project: Internet Applications to Improve Education. The project's objective is to improve high school students' learning quality in science and mathematics through an innovative focus on the use of Internet as "meaningful and effective" learning tool.

Ciber@prendiz offers students the chance to learn how to use technology to apply real world learning to solve authentic problems, which hold a personal and practical meaning for them. This project focuses on preparing high school educators and administrators on the adaptation of their curricula and technology to the effective use of the educational applications of the Internet in their science classrooms. The program includes practical workshops and follow-up on the use and integration of these technological resources in their existing local curricula.

Once the program is concluded, teachers learn to use the Internet as a global communication tool through activities that promote student collaboration with other students and with scientific experts worldwide. For this reason, we expect that the most prestigious universities of the Dominican Republic and New York will be involved in the project through their experts' support and follow up.

**Goals and Objectives:**

- 1) To successfully implement the pilot project in Dominican Republic with a team of science and mathematics teachers, to increase student engagement, motivation, and achievement in science, mathematics, and other subjects, through the meaningful and effective use of technology;
- 2) To create the institutional infrastructure and partnerships necessary for a larger scale teacher training and systemic reform program that can have widespread and long-term impact on science and mathematics achievement, teacher content knowledge, use of innovative instructional strategies, and effective use of technology in the classroom;
- 3) To initiate and support ongoing cooperation and collaboration among teachers from public and private schools;
- 4) To foster ongoing cooperation and collaboration between educators and faculty from local universities and Latin American scientific and research institutions;
- 5) To adapt curriculum and training resources so that they are linguistically and culturally appropriate for implementation and meet the curricular standards in Dominican Republic; and
- 6) To demonstrate the value of Internet-based resources to:

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23-Center for Improved Engineering and Science Education (CIESE) and US Department of Education., StevensInstitute of Technology, 1999.

- a) Augment scarce textbooks and classroom materials.
- b) Strengthen teacher content knowledge in science, mathematics, and other core subjects.
- c) Promote project-based, inquiry-oriented pedagogical approaches, which require students to engage in collaboration, critical thinking, analysis/synthesis of data, and problem solving.
- d) Make science and mathematics immediate, relevant, and accessible to students through innovative and dynamic technology-supported curriculum materials that use real-world, real-time Internet-based data, global telecollaboration of meaningful science investigations, and student-to-expert communications.

#### **f. MULTICENTER® AND MULTICENTER MÓVIL® COMPUTERIZED COMMUNITY CENTER AND MOBILE CENTERS<sup>24</sup>**

We believe that we can integrate projects like MultiCenter, as part of the e-education projects for Dominican Republic. These types of projects have been designed and implemented with great results, in countries like Costa Rica, by Degem Systems Ltd., MultiCenter and MovilCenter, 2000.

«MultiCenter® - Computerized community centers for technology culture, based on an innovative concept providing computer-based activities for children, youth and adults, enhancing their creativity, knowledge base and technology literacy. Offering a series of advanced computerized multimedia topics, organized in workshops that offer ‘hands-on’ experience in terms of technology awareness, reducing the digital divide. It specializes in transferring computer literacy, and expanding it to the whole world, as well as supplying the virtual network connection tools for all MultiCenters®.

MultiCenter® is a chain of study and enrichment centers offering a wide range of pedagogical activities and experiences on a variety of subjects, combined with advanced and state-of-the-art information technologies.

The MultiCenter Mobile® is a complete, large computer farm, which travels between towns and provides communities, schools, and kindergartens with courses, classes and activities by means of educational software, Internet and various simulations. The trailer enables communities with insufficient means to operate a permanent Multicenter by sharing the costs and thus enjoying the advanced enrichment activities offered.

When the Multicenter van arrives in town it immediately becomes an attraction and ‘a community center on wheels’. The Multicenter unit disconnects from the tow truck and can be parked for any length of time required for the program, which is determined in advance. The trailer is set up on a suitable accessible plot in the center of town, a schoolyard, community center, town square etc. and brings the technology to the local population.

Prior to the trailer's arrival, marketing and advertising are conducted in the community. In addition a timetable is coordinated with educational institutions and suitable overlapping educational content is agreed upon. The instruction team is an integral part of the trailer as are the educational programs, which Multicenter Ltd. has developed. Multicenter Ltd. will give backup and assistance to the trailer and will take care of its operation. Support will be given as is customary for all Multicenters throughout the world.»<sup>25</sup>

It is important to note in the case of the Dominican Republic and in light of its current energy crisis, that MultiCenter® projects have been developed in other countries as a mobile independent unit, which does not require external electricity connections, telephones or Internet infrastructure.

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24-Degem Systems Ltd., MultiCenter and MovilCenter, 2000. For more information see: <http://www.degем.com/Product.asp?pid=31> or <http://www.multi-center.com31>

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# CHAPTER VIII

## SPORTS

# Strategic Alliance Dominican Republic - New York SPORTS

## **Plan for Sports Development**

Manolo Prince, Coordinator  
Ricardo Ramón  
Angel Mezcain  
José Polanco  
Luis Facundo  
Carmen Gómez

# I. Introduction

Development of community is a concrete expression of the joining of a set of variables that settle in the life of that community, hence, it is no secret for anyone that sports are an integral part of the fabric of a community, defining in their most suggestive definitions, positive results.

Today the dynamic of the Dominican Community becomes necessary in different cities of the United States, in which the concentration of our nationals have vitalized the economic, social and political life of the same. Thus, through the development of sports immersed in the social community, let us establish programs that contribute to the fortification of a healthy life, wherein our human resources serve instruments for development.

The Sports Development Plan of the Strategic Alliance Dominican Republic-New York Project has as its objective the development of a sports structure within the Dominican community of said city.

It is a joint effort of the Fundación Global Democracia y Desarrollo (FUNGLODE) and the Global Foundation for Democracy and Development, Inc. (GFDD), the Dominican Sports Union, Sports Associations and Federations, sports, social, and recreational clubs, educational institutions and athletes in general.

In addition to the work carried out in the city of New York our plan contemplates its implementation in the cities of Miami, Florida; Providence, Rhode Island; Boston, Massachusetts; and San Juan, Puerto Rico.

## II. Main Functions

- 1) Organize, coordinate, and supervise the activities related to the technical assistance and training services offered by the institution to the Sports Associations and the sports entities within the organization, and development of the sports programs within the aforementioned cities;
- 2) Coordinate, in collaboration with the administration, fundraising activities to obtain and allocate the resources necessary for improving the efficiency of the development of programmed activities;
- 3) Supervise and coordinate activities related to the logistics of the participation of the sports associations in contests, events and sports competitions of national and international character;
- 4) Plan, organize and implement national and international sports congresses, where studies can be conducted on the issues affecting Dominican sports, where concrete conclusions can be arrived at and recommendations are made concerning the Dominican Republic and the institutions that govern national sports;
- 5) Coordinate, in conjunction with national and international institutions, specific work agreements and collaboration in the areas of training, technology and technical development of sports; and
- 6) Coordinate with international educational institutions in the sports branch to obtain educational scholarships for high performance athletes and new values so that these can strengthen their sports skills, and simultaneously receive a high level education that would allow them to productively insert themselves into the job market.

### III. Sports History

It is common knowledge that from the onset of the migratory flow from the Dominican Republic towards the United States, there has been numerous young athletes of outstanding abilities in sports, some of whom have returned to represent our country in international competitions, while others have distinguished themselves within the North American sports structure at the amateur level as much as the professional level.

In the 1950s, we had the outstanding race within the quadrilateral of Bartolome Sony in heavy weights, as well as of the brothers Fernández, Vilomar and José in the 70s. Andrés Tena represented our country in the Olympic Games, and Chinito Sánchez and Marquis (Corombo) Insipid have been very successful in the past few years.

In baseball we found that the first Dominican in the Major Leagues was Osvaldo Virgil with the Giants of San Francisco during the 60s, as well as the pitcher of the Aguilas Cibaeñas, Rudy Hernández. Also José de León was one of the first Dominicans of this city to sign with the Pittsburgh Pirates. More recently, the outstanding performance of Alex Rodriguez, Alex Arias and Manny Ramírez of George Washington High School in Upper Manhattan, have monopolized to the attention of the fanatics of the King of Sports.

Athletics also had its outstanding representatives in international events, such as Leonel James and Juan Nuñez, two of the fastest sprinters of our national selection. Felix Sanchez, on the other hand, has placed himself in the highest seat of honor of international athletics being world champion in the hurdles competition.

At the moment, in tennis we have Genaro de León, who has classified number one in the Eastern Region of the United States at the amateur level and has participated with the national selection in Central American and Pan-American events.

Bowling produced the maximum contenders Arnaldo Market and the spouses Miguel and Damaris Almonte, who stood out as much here in the United States as in our nation.

For several generations, since the 70s, the Trinidad family has been setting swimming records in New York. At the moment, the father, Don Juan Trinidad, is one of the best trainers of the city, while the daughters Lenina and Lieselle have represented our country at the selection level, much like Jose Monción and the brothers Bisonó.

We recall with much emotion the fact that a Dominican, Rizek, formed part of the North American delegation of table tennis that opened the doors to sports exchanges with the People's Republic of China when they reestablished diplomatic relations with this country.

Basketball, for its part, has been the sport that most athletes have contributed to the national selection. Perhaps the popularity reached by this sport, as well as the facility of its practice and the scholastic and university structure has permitted greater development of our young people. Hugo Cabrera, Eduardo Gómez, Winston Royal, Héctor Baez, Kenny Jones, Tony Fraden, Jaime Peterson, Orlando Antigua with the Globetrotters, and Ricardo and Jeffrey Greer are among them. It is common knowledge how great an impact Luis Felipe López caused in university basketball and his entrance in the NBA scene.

At the moment in high school basketball, both public and Catholic, there are approximately 110 Dominican players, some of whom have great possibilities of obtaining scholarships to prestigious North American universities. One of them, Luis Flowers, has just been selected most valuable player of his conference. Also, there are a significant number of players in minor colleges and universities that are putting forth a valuable amount of effort.

In terms of trainers, we have Roberto Pichardo, who manages volleyball for Cooper College, Yeshiva University and Dewitt Clinton High School. José López and Elvis Rojas manage volleyball and soccer at Lehman College. Abdidas Suero and George Mirabal manage athletics at George Washington High School in Washington Heights. As we previously indicated, Juan Trinidad and his brother Danny are swimming trainers at Riverbank State Park and the YMCA.

The contributions that young Dominican athletes can make to our country are immense. Particularly in regards to establishing the mechanisms necessary to give pursuit to the practice of organized sports. Hence, it is of utmost importance to highlight the recognition from the official and Olympic authorities of the denominated Sixth Zone to allow athletes residing abroad to participate in the National Sports Games and in the National Selection.

## IV. Description of the Program

We have contemplated within the Plan of Action to established as our goal the development of the following activities with the intention of contributing to the development of Dominican sports, as much in the United States as in our country, carrying out investigative events, technology and technical training, and making recommendations to the official sports officials. These activities will allow the best development of native talent with possibilities of representing our country in future national and international competitions, establishing sports initiatives at an early age, strengthening the sports systems within schools and universities, as well as the effectiveness of recreation programs.

- a. Annual celebration of INTERNATIONAL SPORTS CONGRESS with the participation of all the institutions and organisms that have incidence in the development of Dominican sports at the national and international levels. This first congress will be developed in the near future.

### **Participants:**

1. Secretary of State for Sports, Physical Education and Recreation (SEDEFIR)
2. Program for Athletes of High Performance, New Values and Immortals (PARNI)
3. Secretary of State for Education, Fine Arts and Culture
4. National School of Physical Education (INEFI)
5. Dominican Olympic Committee (COD)
6. National Sports Federations
7. Intercollegiate Sports League
8. University Sports Union
9. Provincial Sports Unions
10. Associations of Sports Clubs
11. Association of Sports Newscasters
12. Dominican Fame Pavilion
13. National Trainers
14. Sports Departments in the U.S.
15. Sports Medicine Department

**Themes:**

1. Scholastic Sports: A New Approach
  2. University Sports: Organization and Regulation
  3. Scholastic Physical Education: Its Importance in Sports Development
  4. The Sport Clubs: Their Roles in the Dominican Olympic Pyramid
  5. Training and Sports Management: Fundamental Element for Development
  6. National Sports Games: A Revision of the Primary Objectives
  7. The Sixth Zone: Its Incorporation in the Dominican Olympic Structure
  8. Athletes of High Performance: Protection and Concentration
  9. The Sports Industry: Development and Financing
  10. The Role of the State as a Catalyst of National Sports
  11. Commercialization and Sponsorship of Sports
- b. Establishment of a DATA BANK that would allow us to have a relationship with competitive Dominican-American athletes who participate in the United States at the secondary, university, amateur and professional levels, as well as those that participate with different associations and local sports clubs in the United States.
- c. Creation of SPORTS ACADEMIES at the early childhood, youth and superior levels in collaboration with the Dominican Sports Union and the local sports associations, with the objective of developing the technical and physical aspects of the new values. These young people will have the opportunity of being observed by the leaders of secondary schools and universities with the objective of obtaining scholarships for study in these educational institutions.

These Academies must be implemented by the National Sports Federations in D.R., so that through this program trainers from North American schools and universities can be invited to special camps so that Dominican athletes can be observed by them and have the opportunity to decide on a scholarship for study in the United States.

One of the motivations for the athletes is going to be the exchanges that will take place between the D.R. and N.Y. during the summers with the objective of expanding their relations as athletes and exposing them to the experience and knowledge of both local cultures. Trainers from high schools and universities will be invited to these exchanges in order to give continuity to the process of obtaining of scholarships.

- d. SPORTS TRAINING courses for managers, trainers and referees to elevate their managerial and technical levels. At the moment contacts are being forged with national and international institutions and organisms for the implementation of courses and workshops in said areas. It is very important that FUNGLODE/GFDD formally establish work and cooperation relations with said institutions. The institutions and themes to be developed are the following:

**Institutions:**

1. United States Sports Academy
2. Autonomous University of Barcelona
3. Complutense University of Madrid
4. International Center for Sports Science (Venezuela)

5. National Sports Institute (Venezuela)
6. Superior Council for Sports (Spain)
7. Olympic Academy
8. Olympic Solidarity
9. Olympic University Institute for Sports Science (Spain)
10. Olympic Training Center (Spain)

**Workshops and Seminars:**

1. International Certification in Sports Administration
  2. International Certification in Sports Training
  3. Events Management Technician
  4. Coordination of Events
  5. Events Marketing
  6. Management of Sports Risks
  7. Information Systems for Events
  8. Course for Direction and Management of Sports Events
- e. Strengthen the local OLYMPIC STRUCTURE headed by the Dominican Sports Union and the Sports Associations affiliated with the National Federations that permit the integration of our athletes to the national pre-selection. It is very important in this regard to give pursuit to the integration of the so-called Sixth Zone, made up of the Dominican managers, trainers and athletes residing abroad, so that a real integration into the Dominican Olympic Pyramid is carried out. At this moment there exists a certain rejection by the sports management in the Dominican Republic of such integration, thereby denying the right given us by the law as Dominican citizens.
  - f. Establishment of the PAVILION OF DOMINICAN FAME in this city, honoring the athletes, trainers, members of the press and precursors of the sport that have developed sports work in our community.
  - g. Establishment of ATHLETES OF THE YEAR awards by the local sports newscasters in each discipline with the objective of motivating the local athlete, as well as to suggest to the homologous ones in the Dominican Republic the inclusion of sectors that recognize the athletic talent abroad.
  - h. Begin work by the UNIT OF SPORTS MEDICINE with the objective of establishing a program that contemplates the medical registry of each High Performance and New Values athlete at the scholastic, collegiate, and professional levels.
  - i. Production and diffusion of SPORTS TELEVISION PROGRAM by the cable channels in N.Y. and D.R. wherein the different sports activities of both countries can be spread, along with the outstanding performance of our athletes, and that will also serve as a medium to draw the attention of the youth within our community to integrate themselves in sports activities.
  - j. Publication of a SPORTS MAGAZINE that would allow the diffusion of the interchange activities of both countries within the developed program, scientific articles and those of sports techniques as well as the results, scores and announcements of local, national, and international sports events.

k. Encourage the provision of **LEGAL ASSISTANCE** to all the sports associations in the United States so that these can have legal representation that would allow them to affiliate with national and international organisms and apply for and obtain federal, state and local funds, public as well as private.

Of equal importance is supporting the great quantity of outstanding Dominican athletes that are in the United States on an illegal basis so that they can solve their migratory status and be integrated in the present process of sports development.

- l. Assist in the elaboration of the **WORK PLAN** with the Sports Associations in the long, median and short term. This will allow them to establish a critical route of all their activities as well as the control and evaluation of these. This plan must be supervised by the National Sports Federations in the Dominican Republic to follow up on the development of High Performing Athletes and New Values abroad, in order to assure their insertion in the National Selections so that they may represent the country in international events.
- m. Establishment of **RELATIONSHIPS OF MUTUAL COOPERATION** with national and international, collegiate, university, and professional sports leagues institutions with the purpose of obtaining financial, technical and applied technology assistance.
- n. Celebration of local and international **SPORTS FESTIVALES** in coordination with the Sports Federations and Associations, Clubs and Community Leagues with the objective of motivating and evaluating existing pool, and to promote the involvement of youth in sports.
- o. Elaboration of **RECREATIONAL PROMOTION CAMPAIGNS** in the U.S. and D.R. oriented towards the adult population to motivate them to participate in recreational activities and to obtain a better state of health, which will permit greater yields in their work, a better quality of life and increase in life expectancy.

## V. Recommendations

- Establish the Sports Development Plan of the Strategic Alliance DR-NY, headquartered in New York and extending to the Dominican communities in Florida, Rhode Island, Massachusetts and New Jersey and at the same time coordinate all the exchange activities with the commission of the D.R.
- Leadership on the part of the Strategic Alliance program to establish real links between the Dominican community in the United States and the Dominican Olympic Structure, rendering special attention to the insertion of the Sixth Zone into the sports process of the D.R. (National Games, Scholastic Games, etc.)
- Take advantage of technological advancements as tools for education, training, and information dissemination by creating a sports database that would ease management and supervision, and provide access to information to a greater part of the population.
- Promote training services for the administration and management of sports and stimulate of the importance of sports in the life of the individual.
- Obtain the continuous support of our official institutions and the deprived sector to assist our young

athletes in the initial process of assimilation to the sports, educational and social systems and the obtain scholarships for study in universities in the U.S.

- Increase the effort to support sports institutions in the U.S. and to evaluate youth with athletic-sports talents so that they can represent the country in international events.
- A greater emphasis on attracting the parents and community, in the Dominican Republic and New York, in sports activities as a way of strengthening the Dominican family.
- Integrate Dominican companies with businesses abroad as sponsors of the sports activities of Strategic Alliance DR-NY (CND, Quisqueyana, BHD, etc.)
- Integrate North American companies that serve the Hispanic community and those that do businesses in the Dominican Republic as sponsors of the sports activities of the Strategic Alliance DR-NY (Nike, Reebok, Adidas, etc.)
- Emphasize participation in sports in the adult population in D.R. and N.Y. as a way to achieve better physical conditioning that will permit them greater yields in their laborious efforts.

## VI. Conclusion

As we have been well able to observe in the city of New York, during the past two years, as a result of the events of September 11<sup>th</sup> and a downturn in the world economy, our community has undergone a reduction in its quality of life manifested in an increased unemployment rates, elevated poverty levels, and income stagnation. The present assessment suggests that low educational levels, young age, low English language proficiency, and the recent migratory wave, among other factors, are associated to lower income. However, of all these, it is educational attainment that provides the greatest opportunity to increase the possibility of perceiving higher salaries and benefits.

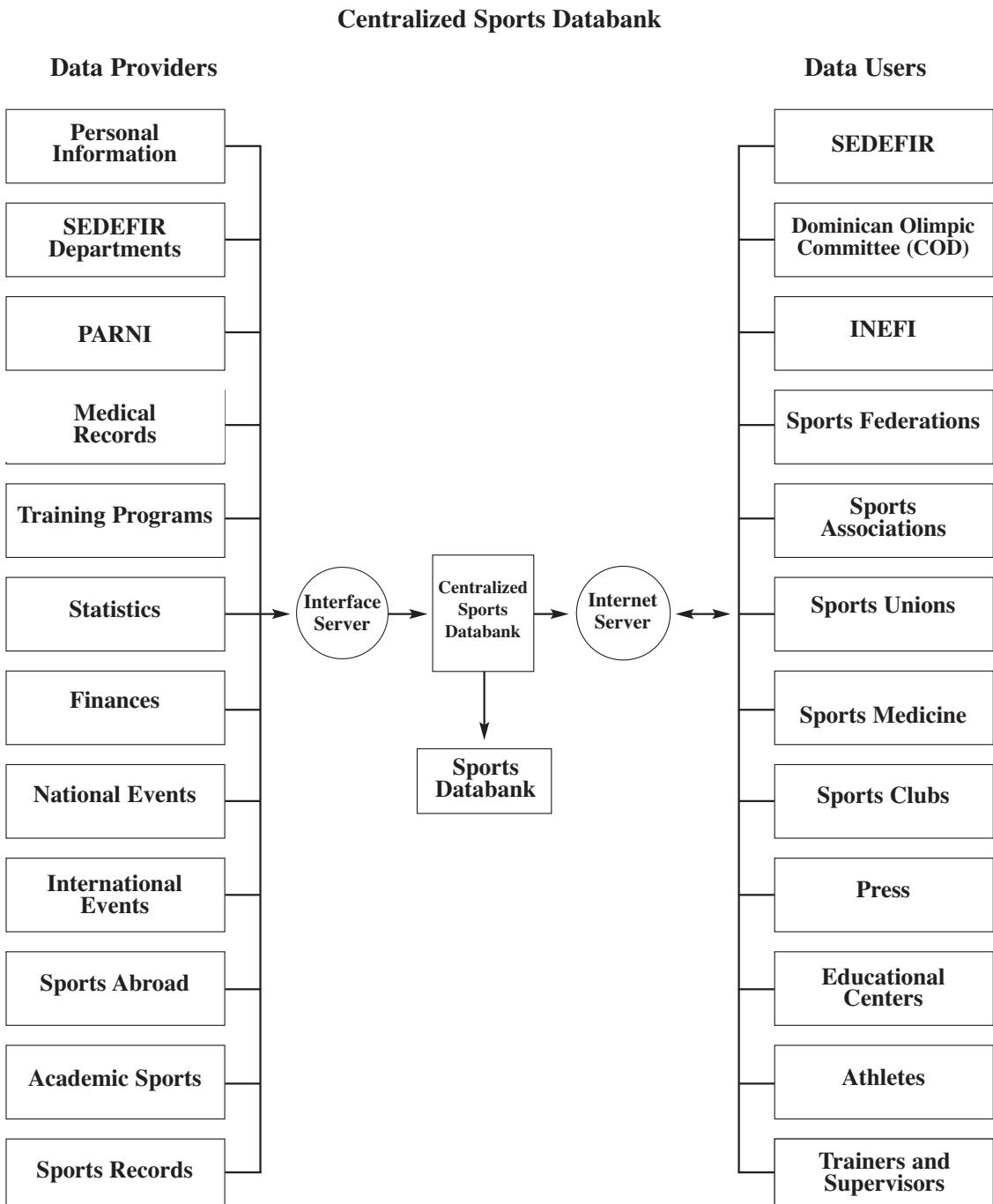
If we scrutinize the role of sports in both human and economic development, we find a hugely untapped resource of opportunity and promise. At the fundamental level, sports can arguably be said to strengthen the fabric of a community by improving discipline, health, and communal and familial relationships. Because community development begins with development of the self, sports are an indispensable and viable tool in helping us reach our development goals.

In more practical terms, however, if we are to work towards improving the educational attainment of Dominicans both in the Dominican Republic and abroad, which would greatly improve the quality of life of said population, we cannot overlook the potential and significant funding and scholarship opportunities that exist in sports. Universities must continuously recruit the most promising athletes. Dominicans should be among those athletes, and we are responsible for providing them a platform to demonstrate their talents.

Reaping the benefits of the athletic complex at the university and professional levels in the U.S. requires a cohesive and systemic approach by sports authorities both in the Dominican Republic and in the United States. As the keepers of the sports legacy of the Dominican Republic, and as representatives of Dominican athletes, it is the duty of all Dominican sports management entities to contribute to the improvement of communication and cooperation between all those involved in sports development.

The recommendations outlined above are a road map to improve the Dominican sports structure. With commitment and open lines of communication, they are viable projects. It is evident upon looking at the lengthy list of recommendations that a long road lays ahead for us. This is a road that we must travel if we are to develop the full potential of our people's athletic potential.

## VII. Annex I: Sports Information System



# CHAPTER IX

CIVIC PARTICIPATION  
AND LEADERSHIP DEVELOPMENT

# **Strategic Alliance Dominican Republic – New York**

## **CIVIC PARTICIPATION**

## **AND LEADERSHIP DEVELOPMENT**

**Responding to the New Challenge of Successfully Integrating into Two Democracies**

Raysa Castillo, Coordinator  
Guillermo Linares  
Miguel Martínez  
Gabriela Rosa  
Cristian Figueroa

# I. Introduction

The Fundación Global Democracia y Desarrollo and the Global Foundation for Democracy and Development, Inc.'s Dominican Republic-New York Strategic Alliance Project is uniquely well positioned to carry out the vision of its parent group to foster the exchange of ideas, human resources, and to generally develop a network of contacts with a unified interest. With these goals in mind, the Civic Participation and Leadership Development Task Force (hereinafter "CPLD Task Force") of this alliance is perfectly situated to serve as a conduit for the development of new networks, to develop specifically tailored programs to raise the democratic consciousness of Dominicans, and to provide a vehicle for the preparation of individuals to acquire the prerequisite understanding and skills needed to be full participants in the life of their society and to become leaders in any field.

Considering that the CPLD Task Force is merely a part of the bigger and broader project and that it therefore interrelates with all the other work groups, this proposal suggests that the CPLD Task Force should be, to some degree, viewed as an interactive, training arm of the Global Foundation and the New York Dominican community.

Building on existing analysis and recommendations that include or are applicable to Dominicans, the intention of this report is to begin to define the parameters of the existing need in our communities both in the Dominican Republic and in New York, and to assist in the alliance's collaborative effort in formulating corrective or enhancing measures to effectively address those needs. The proposed activities, methods and collaborators, are in no way all-inclusive and the practicable and successful application of this plan, are indeed dependent on the Task Force's willingness and ability to remain receptive to any input offered. Thus, it would be most helpful if this document, and the ideas presented herein, are understood as "breathing", "living" and therefore modifiable at all stages of its ultimate implementation.

## II. Objectives

The specific objectives of the CPLD Task Force are to:

- 1) Articulate, develop and implement a collaborative strategic plan of action;
- 2) Fully engage Dominicans in New York in all facets of civic participation;
- 3) Establish a leadership training program that captures the leadership potential in our community;
- 4) Equip leaders with needed tools;
- 5) Ensure easy transitions between leaders;
- 6) Serve as a resource link between Dominicans in New York and those in the island;
- 7) Help formulate advocacy issues for Dominicans; and
- 8) Lead in a movement for Dominicans in NY and in DR to be defined and recognized as one community.

Most importantly, the objective of this document is not merely to serve as an academic exercise, but rather to provide an outline of the reasons why a comprehensive, cohesive, transnational approach in civic activism is beneficial to our Dominican community and to present a pragmatic proposal for initiating optimal participation and developing the leadership needed for its sustainability.

### III. Purpose

The rationale for this exercise is that with a richer civic participation of Dominicans in the homeland and in the U.S., more Dominicans will be better informed, trained, and fully integrated agents in our socially, politically and economically connected global world. The idea is that inclusion or integration in the civic life of one's society leads to self-determinism and to a more just and democratic society.

A necessary compliment to this integration is the fostering of leadership skills, which will position Dominicans to construct policies rather than just being by-products of them, as well as help Dominicans sustain leadership roles in the civic and political arenas. The attainment of these objectives will facilitate arriving at a unified vision that will benefit Dominicans in its long-term political involvement.

### IV. Diagnostic Overview

#### A. Civic Participation

Generally defined, civic participation is the involving, contributing or sharing in the community or public life of the society in which one lives. Some societies consider altruistic, charitable contributions to be civic participation, while others promote voting in public elections or pledging respect for the flag and national anthem as indicia of civic participation. An accepted comprehensive view of civic participation includes not just these activities and expressions, but also the citizens' ability to learn and apply skills like advocacy, to expect and demand accountability from government and to understand and exercise power in a given context.

Until recently, the traditional and prevailing views have been that educating citizens on the virtues of civic participation has had little impact on increasing their level of actual participation, and therefore on their full integration into the civil life of their society. In conformity with these views, it was widely believed that if change in the democratic political culture of people would occur, such change would be slow and caused by economic modernization, new generations, or by extensive exposure to change of power and responsible opposition parties.<sup>2</sup> More recent writings, however, suggest quite a different proposition: that although early socialization and social-structural factors play a role in determining democratic orientation, these factors must be augmented by variables related to adult political experience for the early formed values to remain dominant.<sup>3</sup> Thus, the current view is that civic participation attitudes and habits can be modified through education, repetitive messages, and role modeling.

As reported by Steven E. Finkel for the conference on Political Participation at Princeton University in October 2000, this optimism for the potential effect that civic education can have on participation and

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2-This early literature in political socialization proposed that orientations learned early in life structure adult attitudes and profoundly limit the adult's ability to change his/her basic values and preferences, despite short-term stimuli like civic participation education. This literature was examined by Lipse (1959); Hess and Torney (1967); Sears (1975); Inglehart (1990); Jennings, van Deth et al. (1990); Gibson (1998), among others.

3-Ibid. Essentially, these works explored the evolution of the analysis on participation, from the early, traditional views that participation habit was formed essentially in childhood to the current expansive view that participation can be still greatly influenced in adulthood.

integration is supported by most of the recent political participation research evidenced by a steady stream of positive findings over the past several decades.

Similarly, in its report on immigrant civic integration, the Carnegie Corporation of New York defined civic participation as both a subset of and symbiotic with integration, and that its presence should be taken as an indicator of successful integration and as the cornerstone of a healthy democracy. That report is consistent with the commonly held belief that all the benefits of civic participation, i.e., increased democratization, balance of interests in the marketplace of ideas, promotion of equality in politics, propensity to build solidarity and collaboration, are accomplishments necessary to reach real integration.

In the United States, where the stakes related to demonstrable participation and quick integration are high, the potential influence of immigrant citizens on elections has made immigrant civic participation a salient issue and has been a motivating factor in efforts by service and political organizations to mobilize their constituents. Moreover, national and local groups are focusing on voter empowerment strategies to particularly engage Latinos in public policy issues. Conversely, the negative ramifications for individuals and communities who neglect their civic participation could be grave, resulting in not just political marginalization, but also in significant economic, educational and social exclusion.

Traditionally, in the United States and in New York in particular, for a citizen to be considered a participant in the civic life of her/his community, the citizen must be active in that life. Activism requires more than voting and volunteerism. It requires an expressed interest in the history, current events, issues and people affecting what occurs in the community. And even more importantly, it requires action to help shape and determine resolutions to the issues and the identities of the leaders. Civic participation in the American process can ensure that plans and laws remain intact over time even if the government officials are changed; can work toward synchronizing the desires and needs of communities with policies; should reduce the likelihood of corruption and abuses; hopefully increases the quality of elected and selected representatives; and, perhaps most importantly, promotes the feeling of trust in government related processes.

While lack of participation in the voting process diminishes a community's leverage, in New York, specifically, general civic participation serves as a tool for process engagement. Equal formal rights, as in the right to vote, are often not enough to achieve the effective political and civic participation of immigrant communities.<sup>4</sup> People's decision to engage depends on the particular political and social context.

The Vital Information in the Vital Statistics reports that 20 percent of the total population in New York is foreign born, and that most of the people have immigrated from Latin America with the Dominican Republic being the top country of origin from the region.<sup>5</sup> Caused by a high incidence of poverty, a lack of economic opportunity, and the social injustice in the Dominican Republic, this sizeable emigration of Dominicans occurred mostly in the 1980's. Now, it is estimated that roughly one out of nine Dominicans lives – documented or undocumented - in the United States. Because previous waves of Dominican immigrants were primarily motivated by the social and political injustice in the

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4-Aleinikoff and Kusmeyer, in their exploration of the issue of immigrant groups' participation in the civic and political life in their receiving, as well as in the sending country, found that "...Equal formal rights are not enough to achieve effective political participation of groups of immigrant origin. Electoral systems should be scrutinized for overt and hidden barriers that diminish opportunities for members of such groups to vote, to run for office, or to be elected. Public policies should encourage the participation of groups of immigrant origin in civil society. Political authorities should establish mechanisms of cooperation and consultation that involve associations of these groups in processes of policy formation and implementation." Aleinikoff, T. Alexander and Douglas Kusmeyer, *Global Perspectives and Practices' Citizenship Policies from an Age of Migration*, Washington D.C.: The Brookings Institution Press, 2001.

5-Michael deCourcy Hinds and Petsond.. *The House We Live In: A Report on Immigrant Civic Integration*, citing from information from the 2000 United States Census' Vital Information in the Vital Statistics, report of meeting in Washington, D.C. sponsored by the Carnegie Corporation on November 6-7, 2002.

island, it is easy to understand how stemming from their experience in the Dominican Republic, Dominicans remain acutely interested in politics, though primarily focused on elections.

In October 2003, the Dominican Studies Institute of the City University of New York released the results of a major study on Dominicans in the United States. According to the Institute's Director, Professor Ramona Hernandez, the results were clear and undisputable:

"Dominicans have grown to be the fourth largest Hispanic population in the United States and, if current growth rates continue, their population will surpass Cubans by the year 2010, becoming the third largest Latino group in the country. In New York City, where more than half a million Dominicans reside, the study finds that this population is the fastest-growing in absolute numbers and will become the largest Hispanic group in the next decade, overtaking the Puerto Rican population, which has been declining over the last ten years."

Using data from the 2000 U.S. Census of Population, the study finds that Dominicans face severe social and economic challenges. Their income levels are among the lowest in the nation and their unemployment among the highest. Yet, according to the study, there are grounds for optimism. Dominican income levels are rising, and the second generation is making remarkable strides in the educational arena" (Hernandez and Rivera-Batiz 2004)

According to Professors Hernández and Rivera-Batiz, and confirmed by the voting records of the last local elections, Dominican-Americans have other grounds for being optimistic: when motivated to do so, Dominicans in New York participate in numbers significant enough to affect the results of an election. At least, this is the case in areas where there is a high concentration of Dominicans, as in Northern Manhattan. Many of the candidates in that area are Dominicans, and their campaigns take the flavor of campaigns in the island, constantly reminding citizens that an election is soon approaching and that their vote is strongly sought. The result is that Dominicans turn-out to vote in droves.<sup>6</sup>

According to a study by the Hispanic Federation, Dominicans have turned out at higher levels and shown more visible support for candidates than other Latino groups, many of which have been in New York longer. The surge of political participation has been most prominent in the Washington Heights area. Dominicans constitute the segment that shows the most electoral promise in the near term. Even though they are statistically less likely to be eligible for citizenship or be of voting age, they have become increasingly influential.<sup>7</sup>

However, where the concentration of Dominicans is less dense and consists of more recent arrivals, such as in areas of the Bronx and Brooklyn, and when the election campaigns are not centered on Dominicans or even target their participation, Dominican turn-out is much lower. Their influence in those areas is minimal to nonexistent. It is in these neighborhoods where the margin of participation can be significantly improved by a strong and methodic civic participation program that is aimed at increasing the level of influence in future elections.

Indicative of the influence that Dominican-Americans are beginning to exert on the civic and political life of the United States is that not only are high-ranking non-Dominican elected officials frequenting Dominican neighborhoods and attending Dominican events, but they are also talking about

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6-It is precisely in Northern Manhattan where the community has been able to elect its first Councilmember, Guillermo Linares, its first Assemblymember Adriano Espaillat, and subsequently, Councilmember Miguel Martinez, for the seat left by Mr. Linares. During the campaign that resulted in the election of Mr. Martinez, the cycle began with 10 candidates, all Dominicans. While two other Dominicans have been elected elsewhere: Councilmember Diana Reyna in Brooklyn and Assemblymember Jose Peralta in Queens, their campaigns and elections were not targeting or ran by Dominicans nor were they won by a predominant Dominican vote. Also, there is a Dominican elected District Leader in the Bronx, but no data is available to confirm the impact of the Dominican vote in his election. The term "turn-out" is a term of the campaign trade meaning the total number of voters who actually went out to vote.

7-Bibiana Ferraioli and Lila Arzua. *Election 2002-New York Governor: Politicians Court A "Sleeping Giant" – The Latino Vote*, New York: Graduate

Dominicans and the issues of special concern to the community. On February 9, 2003, appearing before a large audience of Dominicans from New York, New Jersey and other neighboring states at the Third Annual Conference on Dominican Affairs at Seton Hall University in New Jersey, United States Congressman Steve Rothman remarked that

*"... once established in the United States, it is the responsibility of the Dominican-American community to not only focus on the political situation in their native land, but also to focus on the political situation here in their adopted homeland. That includes active participation in the government and politics of the United States, and running for public office in the United States. As the population of immigrants grows in our communities, it is important that political participation within the Dominican-American community grows as well."*

The Congressman's words illustrate the interplay of the impact of civic participation on the lives of Dominicans in the States with the ability of the participants to positively influence the lives of Dominicans in the island:

*"As we continue to address the needs of Dominicans and all Americans already in the United States, we cannot forget those who live in the Dominican Republic. I am pleased to say that U.S. aid to the Dominican Republic continues to grow over the years. Last year we provided more than \$19 million. We are finalizing details on the budget for this year, but I am hopeful that the Dominican Republic will receive close to \$24 million. And next year, we are fighting for over \$27 million. As a friend of the Dominican Republic and Dominicans in New Jersey and across America, I look forward to continuing to fight for policies and programs that are so important to improving the opportunities and quality of life of the Dominican people here in America and in the Caribbean."*

Although Dominicans have undeniably made significant political gains, especially in New York, there may be harmful consequences from believing that because Dominicans have made some strides, that the community has in fact "made it in America". Under that belief, Dominican-Americans, particularly new generations of Dominican-Americans, can become prematurely complacent and actually disengage themselves from the democratic process. Yet, a sense of hope against this possible outcome lies in the fact that racial/ ethnic groups with similar status to Dominicans have not had this attitude in the past. African-Americans, Mexicans and Puerto Ricans, who have been in the United States long before Dominicans began to migrate, have not yet considered themselves integrated fully enough to celebrate their levels of participation.<sup>8</sup>

As the number of U.S. Citizen Latinos grows, so does their potential for significantly impacting the civic and political landscapes of the U.S. Throughout the nation, the Latino population has shown a renewed commitment to demonstrating its political strength. The remarkable growth of the population

8-While these four groups are close in status as members of the greater "Minority" group in the USA, there is no suggestion made here that their status as immigrants is the same. Obviously as it pertains to African Americans, they were brought here as slaves generations ago and are now born U.S. citizens, with constitutionally safeguarded, presumed equal rights. Puerto-Ricans, as people from a "free-Associated State" also enjoy automatic U.S. citizenship. Yet, the history of their relationship with the USA, affects Puerto Ricans' willingness and ability to be full participants. Finally, Mexicans have had a long intertwined history with the United States, the two countries share a landmass and close formal relationships mostly based on economic grounds. Thus, in terms of pure immigrant status, the Dominican experience is much closer to that of Colombians, Ecuadorians and other Latin Americans. In terms of potential to influence the political culture of New York and the U.S., Dominicans accurately look to the three groups featured here, and on occasions, to the Cubans, who present some of the same similarities but who also exhibit essential differences in terms of immigration status and injecting them into the mix, would greatly complicate this presentation.

9-Based on information compiled by The Tomas Rivera Policy Institute, as part of their report *Political Incorporation and Voting*.

and the significance of the Latino electorate have created a need for policymakers and the public alike to have a better understanding of the Latino community and the significance and actuality of the Latino vote.<sup>9</sup> In fact, an unexpected phenomenon occurred during the 2000 presidential election: the explosion of the new immigrant voter—the rise to political prominence of the foreign-born, which resulted in two million extra votes specifically from the Hispanic electorate. Latino voters have clearly taken elections seriously, as shown by the data, in that 71 percent of Hispanic voters turned out to vote, when the national average is 51 percent.

In New York, this commitment has been manifested through the mobilization effort of various ethnic groups in systematically getting their own people to become active civic participants.

Puerto Ricans, for example, demonstrated a visionary approach when they launched a community empowerment program in the late 1980's known as "*Atrevete*". The program was headed by now Congresswoman Velazquez. It initiated a major voter registration campaign that resulted in over 150,000 new voters in Puerto Rican neighborhoods. This achievement was sufficiently momentous, but arguably the greatest accomplishment of "*Atrevete*" was that it represented the culmination of an effort by the Puerto Rican community in New York to organize themselves as one community, regardless of residence in New York or Puerto Rico, and to achieve the recognition of the Puerto Rican government as such. They were able to get the commitment of the governor of Puerto Rico and according to the Senior Policy Executive of the Puerto Rican Legal Defense and Education Fund, Angelo Falcon,

*"[w]hat happened is the recognition of Puerto Ricans here as a political force that might be able work with the island on all sorts of issues. Their approach was a kind of community empowerment approach. It had an "*Atrevete*" voter registration campaign, help with social services. A lot of things like that going back to a tradition that was started in '48 when they opened up the migration office here. Now that was interesting in terms of the recognition of the relationship between Puerto Ricans here and Puerto Ricans on the island. You even had Hernández Colón talking about us being one nation."<sup>10</sup>*

African Americans, who lost their status to Latinos as the largest minority in the United States, also grapple with the issue of mobilizing their community members for the acquisition or retention of political clout. African Americans believe that groups like the National Coalition on Black Civic Participation (NCBCP) are dedicated to training and engaging a new generation of African American leaders and community activists in effective civic participation that will lead to overcoming institutional barriers that hinder the political, social and economic growth of African American communities. The NCBCP, a nonprofit, nonpartisan organization, also created the Spirit of Democracy Award, which honors individuals and organizations who have demonstrated a consistent commitment to creating balance in the democratic process and support the NCBCP's mission and vision of making civic participation a cultural responsibility and tradition.

While there are notable differences between the experiences of Dominicans and those of African Americans and Puerto Ricans, as a minority in the United States there are enough similarities for Dominicans to examine the successful models of African Americans and Puerto Ricans in motivating the civic participation of their community members. Moreover, since these two groups, along with other Latinos, are the most likely candidates for coalition building with the Dominican community, it makes

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10-The text is part of a presentation entitled "The State of Puerto Rican Politics: Aquí y Alla," made by Angelo Falcon and Amilcar Barreto in partnership with the Center for Puerto Rican Studies-Hunter College (Centro), November 21, 2000.

sense to seek a common approach for the challenge of civic participation among the respective communities and could prove to be a future asset.

Conversely, while there is a tradition in political activism in the Dominican Republic, civic participation in its current, prevailing and comprehensive definition is relatively passive and bears more resemblance to the notions of honoring patriotic symbols and behaving properly towards fellow citizens. Perhaps, because Dominicans in the island have the sense that exercising their right to vote is their sole opportunity to participate in the governing of their country and community, they vote with much enthusiasm and in greater numbers than those in New York (percentage comparison, taking into consideration only those eligible to vote). However, Dominicans who live in Quisqueya feel removed from the rest of the process and have little involvement in it. These people often express resignation when faced with the consequences of bad government actions, lamenting that any effort to engage the ruling group in a dialogue is an exercise in futility. They seem to lack an understanding of where to even begin to participate civically in non-voting activities, such as organizing around issues, pushing for legislation, or advocating for corrective measures.<sup>11</sup>

While the Dominican Republic is a democratic nation, this democracy has been classified by Professor Emilio Betances as a "delegative democracy". A delegative democracy is a democratic system that has the president as the main embodiment of the nation, entitling him to govern as he sees fit. According to Professor Betances, the condition of a delegative democracy gives rise to general pessimism and disengagement. He cites the governments of Juan Bosch and Joaquín Balaguer as perfect examples of the Dominican Republic experience with delegative democracy (Betances 1995). This process of delegating governing and decision-making to the president results in people's disengagement from civic and political activities, particularly at the local level. As a result, while Dominicans currently have strong democratic values and highly favor democracy, they hardly trust their institutions or acknowledge the importance of being active concerning societal issues.

The people of the United States and the Dominican Republic alike have a strong interest in a democratic, stable and economically healthy Dominican Republic. Because of its proximity, the problems of the Dominican Republic often have a direct spillover effect in the United States. In addition, it is also a fact that the United States has had a longstanding interest in the political stability of the Dominican Republic. In spite of steady economic downfalls and rumors of electoral frauds, the Dominican Republic has managed to remain relatively stable since 1965, providing a fertile ground for stimulating growth of democratic values, a system of belief, one should add, that is shared by the United States.

Between the years of 1995 and 1997, as part of a comparative study on the effects of the civic education of citizens, the United States Agency for International Development (USAID) conducted a study in the Dominican Republic. The Dominican Republic was selected for various reasons, including the fact that while the country was emerging from a period of semi-authoritarianism, it had made noticeable progress in the civic education of its citizens in the early 1990's. USAID interacted with over one thousand individual participants and several non-government organizations (NGO's).<sup>12</sup>

11-Julia Young. In transcripts of Forum on Haiti and the Dominican Republic, *Two Wings of the Same Bird: Unraveling Democracies in Haiti and the Dominican Republic*, a briefing held on April 5, 2004.

12-The non-governmental organizations engaged in the study were Participación Ciudadana (PC), engaged in training sessions for youth and adults to serve as election observers and vote counters in 1996; Grupo Acción por la Democracia (GAD) engaged in general educational lectures regarding basic political rights and obligations in a democracy, as well as in forums on problems and solutions of national and local issues; Asociación Dominicana para el Desarrollo de la Mujer (ADOPEM), which trained women community leaders in women's rights, democratic values, democracy in the family and self-esteem through classes and workshops; and, Radio Santa María (RSM), which affiliated with a local La Vega NGO, conducted civic education training of leaders of rural towns so that they in turn trained their local community members.

13-Steven E. Finkel, "Civic Education and the Mobilization of Political Participation in Developing Democracies," document prepared for the conference, *Political Participation: Building a Research Agenda*, Princeton University, October 12-14, 2000.

USAID targeted the Dominican Republic with the purpose of achieving a more participatory, representative and better functioning democracy through: strengthened rule of law for human rights, increased development of a free and active civil society, and collective civil society support for more genuine and competitive electoral processes.<sup>13</sup>

1- The results indicate that the work, done in close partnership with Dominican civil society partners, achieved tremendous success: 86% of eligible citizens voted in the 1996 presidential election. It is important to note that the 1996 elections are considered one of the cleanest ever. However, it should be noted that the Presidential elections of 1996 were held under special circumstances. There had been such irregularities in the 1994 election that the supposed victor, Joaquín Balaguer, was forced by international pressures to accept an agreement that he would relinquish power after 24 months. Consequently, there were an unusually large number of international observers present for the 1996 election.

For many reasons that include strong familial ties, economic investments and plans to relocate, Dominicans in New York are interested in contributing to make sure that the democratization of the island continues and to that end, would assist in the implementation of a civic participation program. The Global Foundation's DR-NY CPLD Task Force is ideally postured to serve, as the vehicle to have simultaneous programs in both New York and in the Dominican Republic, with no risk that being involved on the other side will diminish the participation locally.

While the jury is still out on the actual effect that voting in Dominican elections will have on the participation of Dominican-Americans in the elections in the United States, empirical evidence suggests that civic and electoral participation is habitual, not exhaustive. However, experts have found that giving emigrants participation in political decisions in their country of origin may contribute to democratic developments in the country of origin, while not affecting the level of civic activity in the country of residence.

An illustration of the above is the case of the Filipinos, who also enjoy dual citizenship and external voting. They consistently show low levels of participation in U.S. civic matters. Likewise, the first wave of overseas Filipinos, who benefited from a new Overseas Absentee Voting Law passed last year, showed little enthusiasm when only three hundred thousand registered to vote out of approximately six to seven million eligible Philippine Citizens living abroad.<sup>14</sup>

It appears that dual citizenship that includes the right to vote in the country of origin represents the beginning of a dual involvement. Thus, intrinsically implied in the development, promotion and growth of the civic participation of Dominican-Americans is the idea that already equipped with the rights of dual citizenship, they will naturally seek more participation in civic life both in the Dominican Republic as well as in the United States. Civic participation is understood here as steps beyond voting. The essential rights of political citizenship are the right to vote and to have the possibility to stand as a candidate in democratic elections. In fact, recognizing dual citizenship rights but only allowing the citizens to cast votes, without receiving any representation, may constitute a violation of that citizen's equal rights and is tantamount to a rationing of citizenship rights. In this sense, it will not be a surprise that Dominican-Americans may see representation in the national legislative body of the D.R. as the next logical step for them.<sup>15</sup>

In fact, some societies have already begun to develop legal provisions to grant rights to their citizens who reside in other countries. Portugal, for instance, allocates four parliamentary seats for expatriates

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14-As reported in *Special Philippine Election Coverage 2004*, Migrant Watch, [www.migrante.org.au](http://www.migrante.org.au), Spring 2004.

15-Stanley A. Renshon, *Dual Citizens in America, An Issue of Vast Proportions and Broad Significance*, Backgrounder, Center for Immigration Studies, July 2000.

to vote by post for two emigration constituencies -- two for Portuguese nationals living in Europe and two for those living elsewhere in the world. In Croatia, twelve parliamentary seats have been reserved since 1995 for expatriates' representatives, who are elected proportionally from specific lists for a four-year term. The number of expatriate representatives may increase in the near future. Although France's two million citizens living overseas are not represented in the Assemblée Nationale, the Constitution currently provides for 12 representatives in the Senate, who are elected by the 150 members of the Senior Council of the French Abroad. Four of the representatives' seats have been there since 1946.

Italians abroad are afforded guarantees of representation in the Constitution, which allows for up to eight Italians living abroad to sit in Parliament. The representing bodies are currently being reformed by the Italian parliament, which would like to grant them more importance. Likewise, in Ireland there has also been a constitutional amendment proposal that would provide for the election of three members to the Senate by Irish emigrants, who would be replacing three of the eleven members currently nominated by the Prime Minister. In Australia, as part the broader concept of a "whole of Australia", the question of a special electorate for overseas voters began to be examined in 2003. Switzerland allows expatriates to run for parliament in any of the country's 26 cantons (a loose equivalent of a state or province) but no one has yet won because of the difficulties in campaigning long distance. The expatriates have, however, proposed that a 27<sup>th</sup> canton be created for overseas Swiss, with two seats in Parliament.

Contemporary views of citizenship make it generally illegitimate to have several classes of citizens with distinct individual rights.<sup>16</sup> Thus, it is not that far fetched and in fact would be farsighted to seriously explore the desirability of seeking an amendment to the Dominican constitution to allow for the direct representation of expatriates. Generally, acceptable principles indicate that holding a democratic mandate (i.e., having representation) creates a special accountability towards the larger democratic community, not just towards an electoral constituency (as in those who just grant the vote, but cannot be elected or elect direct representatives). Currently, there are about 90 countries allowing dual citizenship, and of those countries the Dominican Republic highest number of immigrants in the States (behind Mexico, India and the Philippines).

The number of countries with dual citizenship that allow representatives of absentee citizens is small, but the expectation is that the list will continue to speedily grow. Despite a number of countries that have passed legislation allocating seats for representatives of non-resident nationals and the number of countries with pending similar proposals, the concept is not without opponents. The arguments against that type of representation almost mirror those against dual citizenship: divided loyalties and focus, logically difficult to implement and dispersion of already limited resources.

Some of the arguments in support of direct representation that have been set forth by citizens of other nations and which are applicable to Dominicans are that: the more inclusive the citizenship rights are, the more reflective those rights would be of democratic values, which would allow emigrants to fully participate in political decisions in their country of origin. It would likely contribute to democratic developments in their country of origin (assuming of course, that they live in a more progressive

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<sup>16</sup>-Rainer Baubock. In his presentation, "Citizenship and Political Integration" at the 2<sup>nd</sup> Stockholm Workshop on Global Migration Regimes, June 11-12, 2004, and citing from the work he had helped prepare with Aleinikoff and Klusmeyer in 2000 for the Carnegie Endowment for International Peace, opined that the current phenomena in world migration and citizenship is acknowledge the notion of moving state borders and moving human populations, which is reflected in a wave of migration-related citizenship policies, which respect the need of migrant citizens to be viewed and treated as citizens residing in the homeland. He specifically cited Dominicans as belonging to a class of immigrants called "transnational" with dual citizenship, with a vote in the United States, large enough to conceivably change the results in a close election in the D.R. As transnationals, Dominicans in the USA move back and forth between D.R. and the U.S., send remittances or invest in their hometowns, and may be committed to return, thus having strong interests in the future of the community and simultaneously assuming a great degree of responsibility for the outcome of the collective decisions in

society), and it would legally secure a link between multiple nationals and the country of origin, usually for the benefit of that country.

Whatever the ultimate decision is on the issue of direct representation in the Dominican national legislative body, it clearly must be arrived at through consensus building and as a result of multiple, long examinations and debates on the pros and cons of such a proposal. The Global Foundation's CPLD Task Force would coordinate these activities.

## **b. Leadership Development**

The interplay of Civic Participation and Leadership Development is obvious. To guide, control, manage and direct is to lead. Most people agree that guiding, controlling, managing and directing are important skills a leader must possess if he/she is to succeed. To lead others successfully then, the leader must not only possess these skills, but the leader must also have the strength, integrity and vision to motivate others. In addition, a leader is one who is able to exercise influence. It stands to reason then that for a community to be truly successful, it must create, support and cultivate leadership.

There is a need then for our leaders to emerge in a more natural way in our community. For leaders to lead and be held accountable for their actions, the members of the community must be educated, informed and active participants, so they can exercise influence and be able to recognize adherences and violations to collectively identified objectives. Thus, in the presence of active civic participants, leaders should be a reflection of those they represent, with mirroring principles, and with the simple distinguishing factor that the leaders have a proven track record in stepping forward, taking command and executing to achieve those shared objectives. Leaders must also be ethical so as to overcome any scrutiny.

There are and have been very few Dominican leaders in our recent history. The void is felt in both the homeland and throughout the United States; yet few known efforts have been made to identify prospective leaders, to nurture and train them and to support them. Again, the increased resources available to CPLD make it possible for it to structure a leadership training. Through its Civic Participation & Leadership Development Task Force, Fundación Global's DR-NY Strategic Alliance will play a leadership role in ensuring that Dominicans on both sides of the Atlantic fully understand what civic participation is, the important role it plays in their full integration in society and how to use it effectively and collectively. Similarly, just the mere exchange of ideas between Dominican Americans and Dominicans in the Dominican Republic on the various promises of being educated and knowledgeable about civic participation will likely reveal the urgency for coordinating the political and civic interests of Dominicans in the island and in the U.S.

## **V. Action Plan**

What follows is a list of proposed activities in response to the need of developing leadership skills and propagating and instilling civic participation among Dominicans.

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17-While this document does not propose to delve in the roles delegated to groups within our community, it must be mentioned that targeting these groups is based on sound, reliable information. The majority of available data shows that both in New York and the Dominican Republic, women and young citizens are often marginalized groups from the process of civic participation and from occupying leadership roles. The data also shows that when these two groups are exposed to information, training and viable opportunity, they offer among the highest potential for positive returns and their involvement in public discourse often brings some key, most knowledgeable and committed individuals to the community table. In New York at least, dual-citizens are a natural constituency to work on due to their actual ability to engage in participation on both territorial sides of our Dominican community.

- a. **A Pilot Project with Targeted Participants:** To test and modify the applications recommended in this document, it is necessary to start small and in a controlled environment and progressively build from there. Thus, the proposed initial strategic target group for the implementation of the pilot project is made up of the most receptive, least empowered, and the ripest to accept and benefit from the information: youth, women and dual-citizens.<sup>17</sup> A total of 30 participants (10 from each group), who also meet the basic criteria indicated below, should be selected to participate in a group to develop leaders and propagate the ideals of civic participation. As part of developing their leadership skills, these participants will assist in the establishment of long-term programs, such as the Sister City program and the voter registration drives. In addition, the group will work under the direct supervision and guidance of the CPLD Task Force and GFDD. Both entities will identify other NGOs to organize relevant activities with the group. These activities should include the following:
  - 1) Organizing citizenship drive and education and training on the subject;
  - 2) Promoting voter registration and voter and civic education;
  - 3) Training about effective political action, lobbying and advocacy as a group;
  - 4) Training political candidates and campaign workers;
  - 5) Reactivating the "Sister City" program between Santo Domingo and New York City;
  - 6) Initiating an internship program with government entities - (including Exchange program DR/NY);
  - 7) Providing certified training in Civic Participation and Leadership for youth, women, elected officials;
  - 8) Conducting a survey among Dominicans concerning their political attitudes, behavior, and opinion in New York State and New York City;
  - 9) Promoting 'Law Campaigns" informing the community of legal issues;
  - 10) Creating a "Dominicorp"; and
  - 11) Advocating for constitutional reform in the Dominican Republic to allow for meaningful representation of Dominicans residing in NY.
- b. **Public Forum:** The next proposed step would entail the implementation of a collaborative public forum, *Voices of Citizens*, which would be organized by GFDD-NY and other supporters in early fall 2004. This forum would begin the broader based conversation regarding the project and would elicit input and consensus from collaborators and the community at large.
- c. **Lectures and Seminars:** Next, a series of lectures and seminars focusing on the *Voices of Dominicans* will be scheduled. The *Voices of Dominicans* will aim to impart political knowledge to individuals on a non-partisan basis. The topics of the seminars conducted under the general theme of *Voices of Dominicans* will range from citizenship rights and responsibilities to organizing around issues for which to advocate effectively. The presenters in this series will be mostly from advocacy groups and community based organizations.
- d. **Leadership Training Institute:** Recognizing the importance of establishing an institute dedicated to fostering and strengthening leadership qualities and incubating future leaders, particularly governing leaders, to emerge and carry the vision forward, CPLD Task Force proposes to create a curriculum for leadership development. The main purpose would be to ensure that Dominicans develop their personal and professional potential as leaders within our communities. This curriculum would develop another collaboration between the Alliance (through the CPLD Task Force) and various entities that include law enforcement, religious, business and institutions of higher learning.
- e. **A City Model:** As part of its plan, CPLD Task Force proposes that it applies to have a city in the

Dominican Republic, preferably Santo Domingo or a segment of it, adopted as a city case study in leadership development and civic participation and where the above programs/activities are put forward. The essential elements of the curriculum and the institute are:

- 1) Foster leadership capabilities and qualities (integrity, honesty, competence, vision, inspiration, commitment);
- 2) Teach problem solving skills; and
- 3) Define leadership development activities for participants.

As a complement, there will be a focus on personal and career planning, and on leading with sensitivity regarding cross-cultural communications, conflict resolutions, race, class, and gender issues. Building on a core curriculum, customized programs will be created for each group of program participants based on information gathered through an in-depth needs assessment process, and a careful analysis of the relevant political, social and cultural environments for social change in which the participants are operating.

## **Essential Components of the Leadership Institute**

- a. *One to Three-Day Leadership Training Summits*: Summits providing thought-provoking presenters combined with opportunities to explore personal leadership styles in a retreat-like setting in either the Dominican Republic or in the United States will be part of the training provided by the Institute.
- b. *Half-Day and Full-Day Leadership Development Seminars*: Will be offered in the Dominican Republic or the U.S.A., aiming to strengthen the capacity of leaders to implement social change, with ample time spent on honing skills, reflection, and building relationships with other leaders. The curriculum must include facilitating exchange and learning on those issues and skills most needed by the group, such as networking, media advocacy, lobbying, and working in coalitions with other organizations. The facilitated exchanges also provide a deeper intellectual understanding of democratic processes, civil society and group participation.
- c. *International Annual Conferences on Leadership*: An informational forum with international expert guest(s) on the subject of leadership. Participants and graduates of the program will be invited to share their experiences and successes.
- d. *Leadership Summer Camp for High School and First and Second Year College Students*: To train the future generation of Dominican leaders in the U.S. and the D.R., CPLD Task Force combines its leadership training with technical and practical experience in a one or two-month comprehensive program that includes a work internship at a college/university, business, or government entity.
- e. *Leading Leaders*: Advanced training for elected and appointed government officials to promote excellence in municipal leadership through high quality education and training seminars. Through this training, local leaders learn practical leadership skills, abilities and strategies to be leaders of change and innovation in their cities, towns, organizations, companies, etc.

### **Skills to be developed**

- |                                 |                          |
|---------------------------------|--------------------------|
| -Personal Style/Communication   | -Governing/Public Issues |
| -Campaigning                    | -Strategy/Organization   |
| -Financing                      | -Polling                 |
| -Increasing Civic Participation | -Interest Groups         |

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>-Media Relations</li> <li>-Technical Management Skills</li> <li>-Management Competencies</li> <li>-Self-Management</li> <li>-Decision-making</li> <li>-Approaching Consensus</li> <li>-Volunteer Recruitment</li> <li>-Promoting Gender Equality</li> </ul> | <ul style="list-style-type: none"> <li>- Advertising</li> <li>-Emotional Intelligence</li> <li>-Adaptability and Flexibility</li> <li>-Negotiation</li> <li>-Building Coalitions</li> <li>-Conflict Management</li> <li>-Formulating Issues Agenda</li> <li>-Youth Mobilization</li> </ul> |
|--|--|

### **Eligibility**

There will be eligibility requirements set up for each individual program; however, generally these requirements will include:

- Demonstrated leadership qualities as indicated by volunteer and other activities
- Have a strong commitment to Dominicans or Dominican Issues
- Express a commitment to attend all sessions
- Provide letters of recommendation
- Commitment to implement and disseminate learning
- Willingness to lead and train others
- Capacity for advocacy for community and issue sector
- Desire to learn from and exchange with others

### **Timeline**

The preliminary steps toward implementation have already taken place. During the second half of 2003, both the GFDD-NY and this Task Force held initial brainstorming meetings. In early 2004, supplemental work meetings were held and the decision was made to compile the information gathered into a strategic plan of action.

## **VI. Conclusion**

The trend worldwide is to implement more liberal citizenship policies, and the universal consensus is that where citizenship rights are granted, whether by birth or by naturalization, the more democratic the society is the more inclusive the rights of its citizens are. Dominican dual citizenship privileges are in sync with that trend. Now, Dominican civic participation levels must reflect our developing democratic values. For this to occur, Dominican leaders must emerge and assume their responsibility to raise the political consciousness of Dominicans to position them to take full advantage of the rights and opportunities afforded to them.

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