The implication of the economic crisis on the Filipino community in Iceland and why families in the Philippines are affected

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hefur verið metið og varið á málsvörun frámi kýrir dómræðn þriggja dómræðnarmanna

samkvæmt reglum og kröfum Háskólans á Bifröst

og hefur hlotið lokaeinkunnina : ________________
Abstract:

The research question in this study is “The implication of the economic crisis on the Filipino community and why families in the Philippines are affected”. When Iceland was badly hit with the financial crisis in 2008, it not only affected the Filipinos in Iceland but also their families in the Philippines. The purpose of this study is to determine the impact of this crisis to the Filipinos being in a country experiencing a financial crisis and its aim is to shed some light on why and how it affected their lives in Iceland and why it is affecting the lives of their families in the Philippines as well.

This is a qualitative research and the methodology that guided this study is phenomenology. Purposeful sampling was used in selecting the participants. The sample consists of 14 participants, ten females and four males, including a short interview with the Filipino Honorary Consul in Iceland for a general overview of the Filipino community. The participants have been residing in Iceland for many years. They were chosen through snowball sampling technique where the initial participant suggest another possible participants and so on. Many names were suggested but the researcher had to choose from among them those who would most likely fit the research criteria and who would likely provide the answer to the research question.

The essential criteria is that they have experienced the phenomenon and willing to participate and grant permission to tape record the interview for the purpose of this study. Using ten open-ended questions in the interview, the researcher was able to collect and transcribe the data, and then the analyses were clustered into themes. Five themes emerged that described the research. The first theme “A chance to improve the family situation; financial hardship and family reunification” describes how the participants came to Iceland after an invitation to work from a member of the family or from a friend for the purpose of improving the life of their loved ones in the Philippines. The second theme “Cultural changes: their expectations and disappointments” gave an account of their experiences and the changes they encountered in coming to Iceland including being homesick and depressed as well as experiencing difficulty with the Icelandic language. The third theme “Being a breadwinner and work is work” relates to their obligation to send money regularly to their families in the Philippines who are mostly dependent on
their financial support and how these participants have to work more jobs to augment their income acceding to work in the least desirable and lowest paying jobs even with their educational background. The fourth theme “Their life after the crisis and the changes they have to make” recounts the sacrifices they have had to make, foresaking their own interests and altering their lifestyle in Iceland just to be able to continue their obligation to their families in the Philippines. The fifth theme “Life after the crisis of the families in the Philippines” explains the changes in the life of the participant’s family in the Philippines, why is it affecting them and the chain reaction this crisis has on them.

The keywords for this research are migration, immigrants, Filipinos, remittances, Filipino family and obligation.
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To my friend whom I did the pilot test on how to do a sound interview, to check my audio recorder and to practice asking my research questions. Regretfully, she wanted to remain anonymous and with respect I will do as she asked me.

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# Table of Contents

Abstract: .................................................................................................................. 3  
Acknowledgements: .............................................................................................. 5  
Table of Contents ................................................................................................... 6  
Figures and Tables .................................................................................................. 8  

## Chapter 1  Introduction ....................................................................................... 9  
1.1 Overview of Iceland ....................................................................................... 9  
1.2 Research background ................................................................................... 13  
1.3 Research Focus, Aim and Purpose ................................................................ 13  
1.4 Central question and methods of questioning ............................................... 14  
1.5 Reason for choosing the topic ...................................................................... 15  
1.4 The structure of the research ....................................................................... 15  

## Chapter 2  Literature Review ............................................................................ 17  
2.1 Impact of the financial crisis in Iceland ......................................................... 17  
2.2 Why Migrate .................................................................................................. 20  
2.3 The Icelandic labour market ......................................................................... 23  
2.4 Who are the immigrants in Iceland ................................................................. 26  
2.5 Immigrants from the Philippines .................................................................. 27  
2.6 Who are the Filipinos? .................................................................................. 30  
2.7 History of Filipinos ....................................................................................... 30  
2.8 Remittances .................................................................................................. 33  
2.9 Filipino Family ............................................................................................... 36  
2.10 Family obligation ......................................................................................... 38  
2.11 Icelandic research about immigrants in Iceland ........................................... 39  

## Chapter 3  Research design: Methodology and methods ................................ 41  
3.1 Selection of participants .............................................................................. 41  
3.2 Research design ............................................................................................ 43  
3.3 Worldview / Paradigm .................................................................................. 43  
3.4 Research methodologies ............................................................................... 44  
3.5 Research method ........................................................................................... 44  
3.6 Design and Method flaws ............................................................................ 45  
3.7 Data Collection ............................................................................................. 46  
3.8 Data Analysis ................................................................................................. 46  
3.9 Ethical Consideration .................................................................................... 47  

## Chapter 4  Data Collection and analysis ............................................................ 49  
4.1 The Participants ............................................................................................ 49  
4.2 Access to the participants for data collection ............................................... 49  
4.3 Test interview ................................................................................................ 50  
4.4 Data Collection ............................................................................................. 50  
4.5 Data Analysis ................................................................................................. 51  
4.6 Ethical consideration ..................................................................................... 52
Chapter 5  Findings .......................................................................................................................... 54
  5.1  A chance to improve the family situation; financial hardship and family reunification 54
  5.2  Cultural changes: Their expectations and disappointments ............................................. 56
  5.3  Being a breadwinner and work is work.............................................................................. 59
  5.4  Their life after the crisis and the changes they have to make........................................ 62
  5.5  Life after the crisis of the families in the Philippines ....................................................... 65
  5.6  Summary ............................................................................................................................. 68

Chapter 6  Discussion ...................................................................................................................... 71
  6.1  Sacrifice for the future of the family ................................................................................. 71
  6.2  Icelandic language skills and their unutilized education .................................................. 73
  6.3  Shortcomings or limitations:............................................................................................ 76
  6.4  Future plans ....................................................................................................................... 77
  6.5  Implications and recommendation: .................................................................................. 79
  6.6  Conclusions ....................................................................................................................... 82

Bibliography .................................................................................................................................. 83

Appendices ..................................................................................................................................... 92
  Appendix 1  The research questions ......................................................................................... 92
  Appendix 2  Introductory letter to the participants .................................................................. 94
  Appendix 3  Informed consent for the interview ...................................................................... 96
Figures and Tables

Figure 1: Employed foreign nationals 1998 -2005 ..............................................10
Figure 2: Employed foreign nationals by sector 1998 – 2005 ...............................10
Figure 3: Unemployment by quarters 2008-2013..............................................25
Figure 4: Unemployment rate from July 2011 to July 2013..................................26
Figure 5: Number of immigrants from the Philippines years 1986-2012..............28
Figure 6: Overseas Filipino workers from April to September 2011.....................32
Figure 7: Uses of remittances as per survey by Philippine Central Bank..............34
Figure 8: Migrant remittances as % of Philippine GDP.....................................35
Figure 9: Filipinos gaining Icelandic citizenship years 1991-2012.........................78

Table 1: Employed foreign nationals by citizenship 1998 -2009 .........................11
Table 2: World Population Report.......................................................................22
Table 3: Population by citizenship as of December 2012....................................29
Chapter 1  Introduction

This chapter contains the overview of Iceland, the research background, the research focus, aim and purpose, the central question and the methods of questioning, and the reason for choosing the topic. In addition, it includes the structure of the research.

1.1  Overview of Iceland

Iceland had been one of the countries that enjoyed an economic boom prior to the world’s financial crisis in 2008 due to economic reforms, deregulation and low inflation (Global Edge, 1994).

Its high economic growth in recent years was due to rapid expansion in the financial sector beginning with the banks being privatised and followed by the expansion of other business ventures such as retail, pharmaceuticals, food production and high tech manufacturing (Portes & Baldursson, 2007) that gave rise to an abundance of jobs resulting in low unemployment and a remarkably even distribution of income.

Although the Icelandic economy depends heavily on the fishing industry, that provides 40% of export earnings and employs 7% of the work force, it had been diversifying into manufacturing and service industries like software production, biotechnology and tourism (Central Intelligence Agency).

This economic prosperity caused a shortage in the labour force and Icelandic employers’ demand for workers resulted in this increase in the number of people of foreign origin coming to work for longer or shorter periods. Some came to work temporarily in the booming construction industry while others moved here to stay for good.

According to Hagiþindi (Statistics Iceland, 2006) there were 3,400 employed foreign nationals working in Iceland in 1998 but by 2005 it nearly tripled with total number of 9,010 amounting to 5,5% of the total working population (Fig. 1).
Of the total foreign nationals working in Iceland, 4,280 (47.6%) worked in industry including those working in the fish processing followed by those working in services totalling 4,210 (46.8%) and the rest worked in agriculture, around 510 (5.7%).
Table 1 shows the 10 highest number of foreign citizens employed in Iceland for the period of 1998-2005. Poland had the highest number of foreign nationals working in Iceland, followed by Denmark and Philippines while citizens from Portugal and China had increased dramatically in 2005 due to the power and aluminium construction project in the eastern part of the country.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Employed foreign citizens by citizenship 1998-2005 (Statistics Iceland, 2006)</th>
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<td>1998</td>
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<tr>
<td>Półland Poland</td>
<td>630</td>
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<tr>
<td>Danmörk Denmark</td>
<td>490</td>
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<tr>
<td>Filippseyjar Philippines</td>
<td>140</td>
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<tr>
<td>Portugál Portugal</td>
<td>50</td>
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<tr>
<td>Pyškaland Germany</td>
<td>180</td>
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<td>Kina China</td>
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<td>Lithäen Lithauen</td>
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<tr>
<td>Tailand Thailand</td>
<td>170</td>
</tr>
<tr>
<td>Svíjþó Sweden</td>
<td>200</td>
</tr>
<tr>
<td>Stóra Bretland Great Britain</td>
<td>190</td>
</tr>
</tbody>
</table>

Foreign nationals were 1.7% of Iceland’s total population in 1994 but by the end of 2006, will increased to approximately 6% of the population and it was estimated that by the beginning of 2007 about 10% of workforce in Iceland would be foreign nationals due to employer’s demand for workers (Ministry of Social Affairs, 2007).

When the EEA agreement took effect in 1994 in Iceland that enables the free movement of employment from other member states, a large number of foreign workers mostly from Eastern Europe like Poland, flocked to Iceland to work in construction and fish factories, which were mostly in need of workers. Some of these foreign nationals coming to Iceland chose to settle here permanently.

This influx of foreign workers came about due to the flexibility of the labour market among member states coupled with the rapid economic growth of the last years (Portes & Baldursson, 2007).
With this development the government had to take into consideration the welfare of these people in their policy making.

In 2007 the Ministry of Social Affairs issued its first-ever multicultural policy on the integration of immigrants living in Iceland and thereby ensuring that they would enjoy equal opportunities with other residents and giving them the opportunity to participate in society in as many fields as possible. With the adaptation and integration of immigrants, the Icelandic society will benefit from it through utilization of their ability to work and their ingenuity and talents (Ministry of Social Affairs, 2007).

Guðný Björk Eydal and Guðbjörg Ottósdóttir had written a research thesis on immigration and the economic crisis in Iceland, and according to them this policy on multiculturalism and integration “is in large part a response to societal changes that occurred within few years in the time of an economic boom, which resulted in large flows in 2004-2008 of immigrants to Iceland, especially from Poland and to some extent from Lithuania” (Eydal & Ottósdóttir, 2009).

During this period of economic prosperity Icelanders reacted to the new and changing trend of globalization, and ordinary consumers and businesses borrowed heavily in foreign currencies either to invest in new ventures, in housing or even buying new cars while domestic and commercial banks expanded aggressively in foreign markets. The three biggest commercial banks, Arion /Kaupthing, Íslandsbanki and Landsbanki had their headquarters in Iceland but a large share of their activities were overseas, with about 60% of their lending to non-residents and about 2/3 of their deposits denominated in foreign currency (The Central Bank of Iceland, 2009) which resulted in their foreign exposure of up to more than 10 times the country’s GDP and eventually became unsustainable.

The worsening global financial conditions throughout 2008 made the króna depreciate so sharply against other major currencies that the domestic banks had difficulty sustaining
their foreign exposure (Central Intelligence Agency) and ultimately were taken over by the government.

It was in September of 2008 that the Icelandic Government along with the Central Bank and the Financial Supervisory Authority came to an agreement to provide Glitnir Bank with new equity after suffering temporary liquidity difficulties in order to enhance stability within the Icelandic financial system (The Central Bank of Iceland, 2008). However it seems to have failed to boost its temporary liquidity problems and that in the end lead the Icelandic Government to taking control of the bank. As well as taking control of the second largest bank Landsbanki in the days that followed, the Icelandic Government on October 9 of 2008 took control of the largest bank, Kaupthing bringing the three largest commercial banks under government control to try to salvage the severely damaged Icelandic financial system (The Central Bank of Iceland, 2008). With these three biggest commercial banks being nationalized the Icelandic economy continued to deteriorate with the value of the króna spiralling down.

The meltdown of the economy came as the aftermath of the collapsing of the oversized banking system. Several businesses filed for bankruptcy and many lost their jobs due to mass layoffs, which led to people immigration to other countries like Norway to find financial stability.

1.2 Research background

Iceland was greatly affected by the financial crisis in 2008 with both the citizens and immigrants alike suffering from its aftermath. Although it would be worth studying the general impact of the crisis on the people in Iceland, this thesis will focus primarily on the experience of the immigrants from the Philippines living in Iceland before and after the crisis in order to determine its effect on their lives in Iceland and the lives of their families in the Philippines.

1.3 Research Focus, Aim and Purpose

The crisis created a chain reaction that can still be felt around the world. Iceland was hit so hard that it led to the downfall of the three largest banks and the government’s subsequent takeover to try to save its economy. It not only changed the
financial situation of the immigrants living in the country but also their families back home who were in one way or another dependent on their financial support. A group of these immigrants comes from the Philippines and they are the largest group of Asian immigrants in Iceland. It is intriguing to take a closer look at this group of family oriented immigrants that sends money regularly to help their families in their home country.

This study will place emphasis on how the impact of the crisis in 2008 affected the Filipino community in Iceland and why is it affecting the lives of their families back in the Philippines.

It will primarily focus on the lives of participants before the crisis hit in 2008 and the ensuing years after, how it affected or to what extent it changed their lives in terms of their financial situation, their jobs, their health and family life including their ability to visit their families in the Philippines.

The purpose of the study is to determine the impact of this crisis on the Filipinos being in a foreign country experiencing a financial crisis and its aim is to shed some light on why and how it affected their lives in Iceland, especially within an environment of increasing unemployment and inflation which everyone has grievances about and why it is affecting the lives of their families in the Philippines as well. Importantly it will examine through interviews how Filipino immigrants are specifically affected and if the crisis has impacted their lives in ways unique to other people in Iceland.

1.4 Central question and methods of questioning

The central question will be regarding “The implication of the economic crisis on the Filipino community and why families in the Philippines are affected”.

Individual interviews will be conducted with the participants to get a better understanding of their experience before and after the crisis and to get a clear idea of its impact on their lives. Interviews will take place a few times depending on how the participants relate to the question and will be done at an agreed time, date and place at their own choosing.
Interviews will be carried out either in English, their own dialect or Tagalog, the national language, or a blend of different languages; whichever is convenient for the participants. The researcher took an interview with the Philippine Honorary Consul in Iceland, María Priscilla Zanoria at her residence to acquire more information regarding the situation of the Filipinos in Iceland after the crisis in general.

1.5 Reason for choosing the topic

The topic has a personal importance to the researcher being an immigrant from the Philippines herself. Before the financial crisis in 2008 Filipinos were content with their lives in Iceland. They enjoyed the prosperity of a good life. Life was good not only to the Filipino immigrants but to all immigrants in general. Iceland’s standard of living was among the highest in the world with an almost zero crime rate and a very low unemployment rate (OECD, 2013). Jobs were easier to find or change and there were no problems when buying foreign currencies to send home to families. But after the crisis in 2008 plenty had changed. Many immigrants are complaining of different kinds of problems and difficulties that they are experiencing and their troubles peak in the interest of the researcher in finding out what those problems and difficulties are, how they affected their lives in Iceland and why it is affecting the lives of their families in the Philippines. It will help shed some light on the extent to which this crisis is affecting the lives of the Filipinos in this country.

1.4 The structure of the research

The first chapter contains an overview of Iceland and the evolution of its economic prosperity, the research background, focus, aim, purpose, the central question of the research, the methods of questioning and finally the reason for choosing the topic. The next chapter defines key words that are relevant to the research such as migration, immigrants, Filipinos, remittances, Filipino family and obligation. It further discusses the impact of the financial crisis in Iceland and the development of the Icelandic labour market. It also explores the studies related to the research both here and abroad.
Chapter three explains the research design, methodology and methods that will be used in the research, the selection of participants, how the data will be collected and analyzed, the design and method flaws and the ethical considerations.

While chapter four describes the data collection and analysis, access to the participants, the test interview and ethical considerations which the researcher had established and followed.

Then chapter five provides the research findings from the data collected from the participants clustered according to themes and its summary.

Finally, chapter six presents the discussion, shortcomings and limitations of the research, the future plans of the participants, the implications and recommendations and the conclusions of the research.
Chapter 2  Literature Review

There has been some research about the crisis and its impact on the immigrants living in Iceland but not regarding the Filipinos specifically and why it is affecting the lives of their families in the Philippines, which the researcher is planning to do. However one particular research by Unnur Dis Skaptadóttir (2010) had examined closely the lives of immigrants from the Philippines and their integration and transnational practices here in Iceland. The researcher is planning to use these researches for comparison purposes, to discover if the same conclusions will become evident or if there emerges an experience peculiar to the Filipino community.

Keywords that are significant and relate to the research will be defined such as migration, immigrants, Filipinos, remittances, Filipino family and obligation.

2.1  Impact of the financial crisis in Iceland

The financial crisis in 2007-2008 has been considered the worst since the Great Depression in 1930’s. It has made a great impact throughout the world and threatens to have profound repercussions on the real economy (Brunnermeier, 2009).

Many well-known financial institutions like Lehman Brothers, Merrill Lynch and AIG went bankrupt and required government intervention which in turn caused the lowering of their country’s credit rating given by the world’s three biggest credit rating agencies, namely Moody’s Investor Service, Standard & Poor’s and Fitch Group, which had a great impact on global credit markets (Erkens, Hung, & Matos, 2012).

In September of 2008 at the onset of the crisis these three agencies issued reports on Iceland’s credit rating. Moody’s Investor Service downgraded Iceland’s credit opinion due to different reasons including apparently the government’s very large foreign-currency contingent liabilities, which stemmed mostly from its large, internationalized banks and its ability to assume
enormous foreign currency exposure to support the banks when needed (The Central
Bank of Iceland, 2008).

Standard & Poor’s Ratings Services followed suit and lowered the country’s long and
short-term sovereign credit ratings for both its foreign and local currencies, with long-
term ratings being placed on CreditWatch with negative implications following the
government’s intervention through capital injection of Glitnir, one of the private banks
(prompted by its mounting liquidity difficulties). This capital injection underlined the
instability of the country’s financial system and the contingent liabilities that posed to the
sovereign (Standard & Poor’s Ratings Services, 2008).

Fitch Ratings issued its report in the same month and downgraded Iceland’s rating
precipitated by the Icelandic authorities’ decision to take a majority stake in Glitnir Bank
which underlined the deteriorating credit profile of all of Iceland’s major banks and the
increased risk to the country’s creditworthiness arising from the distress in the banking
system (Fitch Ratings, 2008).

With the lowering of the country’s credit rating by Moody’s, Standard & Poor’s and
Fitch, the three biggest banks in Iceland - namely Kaupthing, Íslandsbanki and
Landsbanki - collapsed and were taken over by the government and what followed was
the meltdown of the Icelandic economy (Sigurthorsson, 2012). The economy took a dive
for the worst. Transfer of funds into and out of the country became difficult if not
impossible, rendering many businesses, especially those depending on foreign currencies,
difficult to stay afloat and in the end becoming bankrupt, which lead to massive layoffs.
The value of the króna depreciated while the inflation rate soared so that ordinary people
who had loans, both indexed króna and foreign currencies were, in difficulties as
repayments skyrocketed and their finances were reduced to shatters (Matthiasson, 2008).
GDP fell 6.8% in 2009, and unemployment peaked at 9.4% in February 2009 (Central
Intelligence Agency).
The quarterly report published by Statistics Iceland in 2010 about the status of the Icelandic labour force showed that out of 180,900 in the labour force 13,700 (7.6%) were unemployed. There was a considerable increase of 8,200 unemployed by the end of 2008 and a slight increase in 2009 and 2010. The unemployment rate was 9.5% in Reykjavik, 7.5% in the neighbouring towns and 5.5% outside the capital (Statistics Iceland, 2011).

According to the research prepared by Stefán Ólafsson for the Social Research Centre, Iceland had enjoyed a good position on social inclusion as regards to labour market participation and poverty alleviation amongst the advanced nations with low unemployment and poverty rates, but with the financial collapse in 2008 it changed dramatically, and within a period of a few months its unemployment rate tripled even though it still remained below EU average.

The crisis not only affected the Icelanders but the foreign nationals as well and they were in a more susceptible position of losing their jobs and at the most risk of unemployment, poverty and social exclusion (Ólafsson, 2012).

Following the collapse of the banking system the Central Bank of Iceland (CBI) issued guidelines regarding access to foreign exchange. These guidelines effected tighter controls on the cross-border movement of capital and related foreign exchange that could cause monetary and exchange rate instability. It was subjected to capital controls to help stabilize the economy and prevent capital outflows that could lead to further depreciation of the króna and higher inflation.

It instructed the banks to limit foreign currency sales to essential transactions involving trade in goods and services. It also dealt with the rules regarding cross-border movement of capital, which meant the transfer or transport of capital to and from Iceland and between residents and non-residents (Central Bank of Iceland, 2011).

The guidelines made a substantial impact on the Icelandic people as well as on the foreign nationals who in one way or another do transactions in foreign currencies. With tighter control it has become only possible to buy foreign currencies upon presentation of travel documents and transactions should be done in the individual’s own commercial bank (Central Bank of Iceland, 2010).
Article 13 d. on Foreign Exchange Act, No 87/1992 as later amended by Act No. 127/2011 stated that a resident individual can only purchase foreign currency up to 350,000 kr for each travel ticket issued for travelling abroad and the purchase of such currency should be done in the same month in which travel will take place, or within 30 days prior to departure. It is not allowed to export foreign currency in cash exceeding the equivalent of 350,000 kr. per person each month (Central Bank of Iceland, 2011). Furthermore resident individuals having a foreign denominated account in the bank are only permitted to withdraw funds from their account to the amount of 350,000 krónur per month if they can show travel documents and that the funds will be used for travelling abroad (Central Bank of Iceland, 2011). When these rules took effect many foreign nationals who work and live in Iceland were in difficulties exchanging their krónur to foreign currencies. Foreign nationals who migrate to Iceland for the purpose of improving their financial capabilities and to be able to help their families back home were greatly affected by the new rules and regulations. It curtails their freedom to do with their finances as they wish.

2.2 Why Migrate

The history of human migration can be traced back several thousands of years ago when humans moved around from place to place, constantly in search of a better life. “Human migration is the movement of people from one place in the world to another for the purpose of taking up permanent or semi permanent residence” (National Geographic Xpeditions).

Migration is one way in which people adjust to differences in economic opportunities to improve their current lives since labour is not immobile (Blank, 2005). It is a worldwide phenomenon involving millions of people in many countries around the world. Migrants can contribute significantly to the host country through the transfer of their potential skills and even add to the host country’s cultural enrichment but at the same time the loss of human resources to their country of origin (United Nations, 2002).
They move presumably to find work somewhere else or search for a better life motivated by financial consideration with the goal of upward social mobility for themselves and the their family (Geist & McManus, 2012). Many migrants plan to go to other countries to work for a short-term period and then move back home after saving up for the future but some move permanently to the country of their choice when they feel that it can offer better opportunities for the family.

According to the Global Economic Prospect Report 2006 published by the World Bank this international migration can bring about considerable welfare and economic gains not only to the migrants and their families but as well to their origin country through remittances while also to the destination country through their productivity. This movement is largely due to income gaps between both countries that an increasing number of young adults migrate to seek for better opportunities in another country thus affecting population change to destination and origin countries. Additionally, the migrants worldwide through their productivity and earnings can be a powerful force to reduce poverty, promote economic growth and development in their home country (The World Bank, 2005).

The key finding of the International Migration Report 2009 (Table 2) suggested that in 2010 the estimated number of international migrants had reached 214 million, an increase of 58 million since 1990 and represented 3.1 per cent of the total world population in 2010 (United Nations, 2009).
International migration has become increasingly global in nature and this “globalization has changed and expanded the realm in which families live and work, and created a new geography of family life” (Jastram, 2003).
An increasing number of people from developing countries are leaving their homes and migrating to high-income countries, hoping to find a better place to live and work for the benefit of their family. They leave their country in search for better-paying jobs in order to support the families that are left behind and most of them will happily accede to work in the least desirable and lowest paying jobs in the host country as it still gives a much higher earning than they could have made in their home country. They view migration as the best way to combat poverty and financial hardships for the sake of the whole family (Gorodzeisky & Semyonov, 2005).

As global mobility increases it becomes easier for the ever-growing number of people to move and find jobs in distant countries or other continents and their favourite destination are countries that are prosperous and with a high standard of living like the U.S.A. and Western Europe. As soon as they are settled in their country of choice they petition their family to immigrate. “Family reunification has been a major source of immigration in many countries particularly in Europe” (United Nations, 2002).

Their aspiration to work and generate a good income often plays a dominant role in their decision to migrate to be able to facilitate their future plans (Federal Office of Migration). But in doing so they will experience a great many changes in all aspects of their lives including losing their cultural identity. They must adapt to new values, norms, culture, learn a new language and sometimes the patterns of interaction are different than the social patterns of their country of origin while the most difficult adjustment is the loss of familial and interpersonal support they had back home (Agbayani-Siewert, 1994).

2.3 The Icelandic labour market

The Icelandic labour market has a high participation rate of 84% of all able-bodied persons between 16-74 years of age in important sectors such as agriculture and fishing; and the increasingly significant industries such as tourism, financial and health services (Eures in Iceland).
Two government agencies the Directorate of Immigration and Directorate of Labour work hand in hand in granting residence and work permits for foreign citizens who want to stay and work in Iceland. Among the many functions of the Directorate of Labour is the management and supervision of employment services within the country as well as the issuance of work permits (Directorate of Labour) while the Directorate of Immigration handles the application and issuance of residence permits whether it is a work permit, visas, family reunification or any other permits that entails staying in the country. A foreigner can not obtain work permit unless he has been granted a residence permit; therefore an organized and close cooperation of these two directorates is important (Útlendingastofnun).

Statistics Iceland (2006) reported a triple increase of foreign nationals working in Iceland from 1998-2005, comprising 5.5% of the total working population. It showed an abundance of work available and a shortage of labour such that employers had difficulties in meeting the demand resulting in the hiring of foreign labour. However following the collapse of the Icelandic economy in 2008 the unemployment figure started to rise significantly especially among the foreign nationals and particularly in the construction industry where they were mostly concentrated.

The labour force survey Statistical series (Hagtiðindi) published by Statistics Iceland quarterly since 2003 reported an unemployment rate of 4% of the labour force in the fourth quarter of 2008, roughly equivalent to 7,400 persons, an increase of 3,900 persons from the fourth quarter of 2007 (Statistics Iceland, 2009).

From then on every year the number of unemployed persons increased remarkably; Statistics Iceland showed an unemployment rate of 7.1% in 2009, corresponding to 12,700 persons of the labour market, while in 2010 the unemployment rate was reported to have increased to 7.6% of the labour force, totalling 13,700 persons (Statistics Iceland, 2011).
In January 2011 the unemployment rate increased to 8.5% and while it either increased or decreased in the months that followed, in November 2011 unemployment was down again at 7.1% (Directorate of Labour).

The latest Labour market statistics published by Statistics Iceland for the second quarter of 2013 stated that there were 188,300 persons in the labour force which correspond to the activity rate of 83.3% of which 6.8% were unemployed or 12,900 persons.

![Figure 3](image.png)

*Figure 3  Unemployed by quarters 2008-2013 (Statistics Iceland, 2013)*

Figure 3 shows unemployment percentages of the Icelandic labour force from 2008 to the second quarter of 2013 and clearly as the graph shows that the unemployment rate is decreasing (Statistics Iceland, 2013).
Figure 4 displays the monthly unemployment statistics that span for two years starting from July 2011 up to July 2013 that the Directorate of Labour had compiled. As of July 2013 unemployment rate was 3.9% or 6.874 unemployed person, a slight decrease from June. Average unemployment rate from January to July 2012 was 4.8% (Vinnumálastofnun, 2013).

2.4 Who are the immigrants in Iceland

Immigrants are described as those foreign nationals who live for sometime in Iceland but who are born overseas, or both parents are born overseas with foreign citizenship at some time and their native language or first language learned is not Icelandic (Ministry of Social Affairs, 2007). Statistics Iceland classify immigrants in three different ways, first generation immigrants are those who are born abroad with two foreign parents and four foreign born grandparents, while second generation immigrants are those born in Iceland having two immigrant parents and the third classification are those with foreign background with one parent of foreign origin. This research will particularly deal with the first generation of Filipino immigrants who are more in contact with their families in the Philippines and are familiar with the culture and traditions having been born and raised by both Filipino parents in the Philippines.
Iceland’s total population is 321,857 as of January 1, 2013, a slight increase of 0.7% or 2,282 persons from 2012. Immigrants comprise the 8.1% of the total population or 25,926 persons. Those immigrants born in Poland totalled 9,371 and are by far the most numerous group of immigrants or 36.1% of the total immigrant population. Other large groups come from Lithuania (1,385) and the Philippines (1,385) (Statistics Iceland, 2013).

Influx of immigrants outside EU/EEA seeking to live or work in Iceland had been increasing until the year 1999 when the country participated in the Schengen/Dublin agreement that took effect on March 25, 2001 (European Union). This agreement entails free movement of EU/EEA nationals to work or live in other member states and enjoys equal treatment with nationals in terms of employment, working conditions and other privileges (European Commission).

Citizens of the countries participating in the agreement are given priority if there are labour shortages and those outside EU/EEA citizens can only be granted a permit to reside and work if employees are not already available within the local force, EU or EEA, rendering it difficult for non-members to apply for work permits, virtually stopping the flow of immigrants outside EU/EEA, including those coming from the Philippines.

The latest migration report from OECD stated that migration within the European Union is starting to increase again after its decline during the crisis but employment prospects in the job market for immigrants has worsened with the low-skilled and immigrant youth being hit worst (OECD, 2013).

### 2.5 Immigrants from the Philippines

Immigrants from the Philippines can be found all over the world working in different kind of jobs, anywhere they can find work that can help alleviate the poverty back home. They are willing to leave their homes either alone or with their whole families to relocate and find work in some foreign country to improve the quality of their lives and prepare to adapt and adjust to that country’s culture. The economic boom and abundance of work in
Iceland lured many immigrants including Filipinos to stay and eventually settle in the country with their families.

The data of 1986-2012 from Statistics Iceland (Figure 5) showed that there are 1,884 immigrants from the Philippines living in Iceland with the highest number of entry in 2006 totalling 172 but decreases to 128 the year after and continues to decline to the present. (Statistics Iceland, 2013). As of January 1, 2013 the total number of immigrants from the Philippines declined to 1,385 due to emigration, as some returned to the Philippines or went to other countries (Statistics Iceland, 2013).

![Figure 5](image.jpg)

**Figure 5**  *Number of immigrants from the Philippines years 1986-2012 (Statistics Iceland, 2013)*

Below (Table 3) shows that out of the 1,884 immigrants from the Philippines 582 are still holding Philippine citizenship, which comprises the 0.2% of the total Icelandic population with foreign citizenship. It is the largest percentage of immigrants with non-Icelandic citizenship coming from Asia (Statistics Iceland, 2012).
A great number of these immigrants like most immigrants here in Iceland can be found working in the fish factories around the country, in the hospitals or in retirement homes as caregivers.

Table 3  
Population by citizenship as of December 2012 (Statistics Iceland, 2012)

<table>
<thead>
<tr>
<th>Population by citizenship</th>
<th>1980</th>
<th>%</th>
<th>2012¹</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population, total</td>
<td>228,785</td>
<td>100.0</td>
<td>319,575</td>
<td>100.0</td>
</tr>
<tr>
<td>Iceland</td>
<td>225,545</td>
<td>98.6</td>
<td>298,618</td>
<td>93.4</td>
</tr>
<tr>
<td>Other countries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nordic countries</td>
<td>3,240</td>
<td>1.4</td>
<td>20,957</td>
<td>6.6</td>
</tr>
<tr>
<td>Denmark</td>
<td>1,360</td>
<td>0.6</td>
<td>1,573</td>
<td>0.5</td>
</tr>
<tr>
<td>Finland</td>
<td>950</td>
<td>0.4</td>
<td>900</td>
<td>0.3</td>
</tr>
<tr>
<td>Norway</td>
<td>45</td>
<td>0.0</td>
<td>110</td>
<td>0.0</td>
</tr>
<tr>
<td>Sweden</td>
<td>275</td>
<td>0.1</td>
<td>241</td>
<td>0.1</td>
</tr>
<tr>
<td>Other European countries</td>
<td>90</td>
<td>0.0</td>
<td>322</td>
<td>0.1</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>886</td>
<td>0.4</td>
<td>15,913</td>
<td>5.0</td>
</tr>
<tr>
<td>Lithuania</td>
<td>324</td>
<td>0.1</td>
<td>600</td>
<td>0.2</td>
</tr>
<tr>
<td>Poland</td>
<td>21</td>
<td>0.0</td>
<td>9,049</td>
<td>2.8</td>
</tr>
<tr>
<td>Germany</td>
<td>234</td>
<td>0.1</td>
<td>919</td>
<td>0.3</td>
</tr>
<tr>
<td>America</td>
<td>731</td>
<td>0.3</td>
<td>940</td>
<td>0.3</td>
</tr>
<tr>
<td>United States</td>
<td>636</td>
<td>0.3</td>
<td>477</td>
<td>0.1</td>
</tr>
<tr>
<td>Africa</td>
<td>38</td>
<td>0.0</td>
<td>361</td>
<td>0.1</td>
</tr>
<tr>
<td>Asia</td>
<td>114</td>
<td>0.0</td>
<td>1,998</td>
<td>0.6</td>
</tr>
<tr>
<td>Philippines</td>
<td>28</td>
<td>0.0</td>
<td>582</td>
<td>0.2</td>
</tr>
<tr>
<td>China</td>
<td>2</td>
<td>0.0</td>
<td>210</td>
<td>0.1</td>
</tr>
<tr>
<td>Thailand</td>
<td>1</td>
<td>0.0</td>
<td>526</td>
<td>0.2</td>
</tr>
<tr>
<td>Oceania</td>
<td>104</td>
<td>0.0</td>
<td>66</td>
<td>0.0</td>
</tr>
<tr>
<td>Stateless and unspecified</td>
<td>7</td>
<td>0.0</td>
<td>106</td>
<td>0.0</td>
</tr>
</tbody>
</table>

¹ 1 January.

Overall the entries of immigrants from countries outside EEA like the Philippines were reduced when Iceland became a participant of the Schengen/Dublin agreement that entails the free movement of the citizens to live and work within the member states (Europa Summaries of EU legislation) and making it difficult for immigrants outside
member states to apply for work or residence visas. Nevertheless, immigrants from the Philippines remain one of the largest groups of immigrants beside Poland and Lithuania.

2.6 Who are the Filipinos?

Filipinos are those individuals who are born and raised in the Philippines; they are the native inhabitants of the Philippines. The male is referred to as Filipino or Pinoy in its shortened and informal use, while the opposite gender is called Filipina and Pinay informally.

Total population of the Philippines in the year 2012 was 94.6 million but according to the Central Intelligence Agency, the 2013 total estimated Filipino population will reach 105.72 million and will still rank as the 12th most populated country in the world. About 82.9% of Filipinos are Catholics, 5% are Muslims and the rest are small religious groups. There are 8 major dialects spoken in many ethnic groups around the country with Filipino based on Tagalog as the national language but English is widely spoken and is the official business language (Central Intelligence Agency).

2.7 History of Filipino migration

The history of the migration of Filipinos started back in the 1900’s when successive waves of Filipinos migrated to other countries looking for employment opportunities due to poverty, underdevelopment and unemployment in the country which was brought about by an uneven distribution of land and wealth, characterised by a handful rich landlords, big business, cronyism and multinational companies reaping the benefits. The increasing financial difficulties contributed significantly in stimulating the desire of the Filipinos to migrate, resulting in around 8 million people - more than 10% of the population - working or living abroad in 186 countries (Philippine Migrants Society of Canada, 1996).

Filipinos migrate to other countries for different reasons but primarily for financial reasons to improve the quality of their lives, to reduce poverty and economic hardship and to help support the immediate family in the Philippines.
Family reunification is another major reason of their migration to other countries, it is when someone in the family is already abroad and will petitions the rest of the family to migrate, believing that it will be more beneficial to live outside the Philippines where conditions are much better. Skaptadóttir (2010) in her report about the Integration and transnational practices of Filipinos in Iceland concluded that work and family reunification are the major reasons why Filipinos migrate to Iceland.

In another research about the Philippine labour migration trend has demonstrated that familial relations assume a paramount role in choosing the place where they want to migrate since it gives the migrant the support needed in the adjustment period while providing a social network for information such as job openings and if necessary can bestow financial and material aid while new in the country of choice (Tyner & Donaldson, 1999).

In the 1970s, the so-called overseas contract workers (OCWs) emerged. Filipinos started going abroad in larger numbers to fill labour shortages in different fields in the rich and industrialized countries such as construction workers, nannies, domestic workers, nurses and entertainers and the money they send back to the Philippines, called the remittances, contributes significantly to the country’s economy (Philippine Migrants Society of Canada, 1996).

Initiating an “Overseas Employment Program” in 1974 for job placement abroad, the Philippine government encouraged migration to help alleviate rising unemployment and bring in scarce foreign exchange to improve the economy (Yang, 2004). Over the years this program had been injecting considerable sums of money into the Philippine economy through foreign remittances thereby making international labour migration an important factor in the political, social and economic future of the Philippines. The flow of migrant workers was concentrated mostly towards the oil-rich countries of the Middle East such as Saudi Arabia and Kuwait and to the newly industrialized countries of Asia such as Singapore. Migrant workers were then essential to fill the labour shortages in these countries but recently it spread to other countries not
only in the Middle East and Asia but also around the globe due to a worldwide demand for inexpensive migrant labour (Tyner & Donaldson, 1999).

A government agency in the Philippines, the National Statistics Office did a survey on Filipinos working abroad in 2011 and it revealed that there were about 2.2 million Overseas Filipino workers (OFWs) who worked abroad at any time during the period April to September 2011. Saudi Arabia is the top destination with 22.6% followed by United Arab Emirates with 14.6%, Qatar with 6.9%, Singapore with 6.3%, Hong Kong with 5.3% and the rest dispersed in other countries worldwide. Male OFW’s comprises 52.2% while 47.8% are female OFW (National Statistics Office, 2012).

![Chart showing the distribution of Overseas Filipino workers (OFWs) around the world.](image)

**Figure 6** Overseas Filipino workers (National Statistics Office, 2012)

Figure 6 shows the distribution of the Overseas Filipino workers (OFWs) around the world. They can be found working in different fields, be it in construction sites in the Middle East, housemaids in Hong Kong and Singapore, nurses or caregivers in nursing homes in Western countries in Europe or United States or in cargo or cruise ships that sail around the world.
Today the Philippines have become a major source of labour migrants for many countries around the world (Gorodzeisky & Semyonov, 2005) and they provide a significant income to help with the overall economy of the country through their remittances.

2.8 Remittances

One of the driving forces for migrants to work abroad is to improve the financial capabilities of the household and raise their standard of living (Semnoyov & Gorodzeisky, 2008).

A part of their income is usually sent back home and this income that is transferred back to the country of origin is called remittances. It is usually a transfer between members of the same family residing in another country. Its purpose is to help the families in the Philippines who are dependent in one way or another on this support received from the one abroad to help alleviate financial difficulties of the households while serving as a stable source of income for the family and supplying an all-important lifeline for millions of poor households. It can provide financial capital and contribute to reducing poverty. In 2012 the Philippines ranked third after India and China in nations receiving remittances with $24 billion (The World Bank, 2013). Recipients usually use the money transferred to spend on the basic necessities like food, housing, education and health care expenses (Ruiz & Vargas-Silva, 2010).

As shown in the graph below (Fig 7), remittances are used first and foremost for the basic needs like food and clothing, followed by education and medical expenses. It is also used to pay family debts.
A study of migrant-workers in Burma revealed that remittances were spent primarily for the basic survival needs of the family, while other uses included paying for their children’s education and family debts and some used it to start their own business. Remittances not only help the migrant’s family but also benefit the local and national economy of the recipient country. For many developing countries these remittances constitute a stable and reliable source for foreign currencies and when it is spent it creates multiple effects on the local economies. (Turnell, Vicary, & Bradford, 2008).

In recent decades these remittances have become significant sources of income for households across the globe to support migrant families or loved ones in developing countries. The World Bank’s 2012 estimates suggest that its flow has tripled during the past decade. This cash flows plays an increasingly important role in migration and development discourse and remitted earning are a staple in many developing countries, to the extent that a number of governments have even set up bureaus or other programs to regulate this cash flow (Migration Policy Institute, 2013).
The World Bank (2013) reported that global remittances was estimated to be $529 billion in 2012 of which $401 billion flows to the developing countries with an increase of 5.3% over the previous year.

National Statistics Survey (2012) in the Philippines estimated a total of 156.3 billion pesos remittances by Filipinos overseas workers during the period April to September 2011, an increase from the previous year’s reported remittances.

As seen in Figure 8, overseas remittances are higher than foreign direct investment in terms of % of Gross domestic product (GDP) and the biggest sources of dollars to the Philippines (Escasinas, 2011).

Remittances are either sent through banks or agencies and judging from the amount of remittances sent every year it could represent a rewarding business for these agencies (Ruiz & Vargas-Silva, 2010). It can also be sent through friends and relatives.
Immigrants in Iceland usually send money to their families in the Philippines through banks, agencies or through a member of the family or friends who are on their way home. Foreign currencies can normally be obtained in all commercial banks at all times but after the 2008 crisis with its subsequent tighter regulation, it has become impossible for an individual to buy foreign currencies to let family and friends take home because currencies are not released unless a travel ticket in his/her own is presented at the bank.

When it became impossible for Filipinos to acquire currencies in the bank to send by means of family or friends, they switch to sending their remittances through agencies. One example of such agencies used by Filipinos is Western Union that belongs to Landsbankinn. Using Western Union is very simple, the cash is transferred from customer to customer, often called as the “money in minutes” since the recipient will receive the money as soon as the sender relay the code number given by the bank and the recipient may receive the money transfer at any specified location where Western Union services are provided (Fellahi & de Lima, 2005). It has become the most popular way of sending money even though the service charges are high; but unfortunately immigrants who are in dire need to send money to their families in the Philippines have few choices. Another agency is Money Gram from Íslandsbanki. It started its operation few years ago in competition with Western Union and their services can be availed in many postal offices around the country. Either way the family back in the Philippines will still be able to receive the money from abroad.

2.9 Filipino Family

The Filipino family structure is built on cultural values that reflect a system of cooperation and mutual support that members depend on for a sense of belonging (Agbayani-Siewert, 1994). It follows bilateral kinship patterns, the core unit being the nuclear family with close relatives, friends and neighbours as support to each other but overall it is still the nuclear family’s primary responsibility to generate financial support, and provision of health care, housing and other necessary things that the family needs. (Williams & Domingo, 1993).
The family is considered as the basic unit of society in the Philippines. Filipino families have high regard for integrity, dignity and honour; they are respectful to their parents and their elders (Finch, 2007) and listen to their advice.

“Filipinos are generally family oriented. Because of this, many actions, plans and goals in life of an individual are either affected or centred upon the family” (Medina & Timbreza, 2011). Filipino norms dictate close family relationships, emotional ties and loyalty to each other. Furthermore, (2011) success in one’s profession or personal life is the measure of a successful his or her family as a whole.

Migration can cause changes in the family structure; families can become disintegrated when the mother or father emigrates to work in another country to support the family economically as occurs in many cases in the Philippines, but improving the standard of living and the ability to provide the family with financial stability is regarded as worth the sacrifice one member of the family will endure.

Traditionally a Filipino nuclear family is comprised of a father as breadwinner and a mother who manages and takes care of the household (Parrenas, 2005). The father works to provide for the family financially hence the majority of Filipino migrants were males finding work in other countries to support the family and clearly the breadwinner. However in recent years an increasing number of Filipino females are migrating as well, sometimes leaving the husband to take care of the family at home. Thus the functioning of the family changes when the wife becomes the main source of income and threatens the role of the husband as the breadwinner of the family.

The very phenomenon of Filipino overseas workers is a threat to the stability of the family (Villegas, 2011) when one or both parents decide to work abroad leaving the children behind in the care of relatives for a long period of time.

Majority of the families in the Philippines has one or more members working or living abroad and financially supporting the ones that are left behind. It is generally considered the duty and obligation of the one abroad to make an effort to help the family in the
Philippines in anyway possible. Help is usually given first to the closest family members such as their own children, the parents, then the siblings and their children and it expands to nieces and nephews who will ask for help, and even distant relatives may rely on those relations for help.

2.10 Family obligation

Family obligation can be define as a collection of values and behaviours of an individual to provide assistance, support and respect to their family whether it is their parents, siblings or extended family.

It is a familial connection that emphasizes the membership of an individual to a larger group called family and its roles and responsibility to assist other members taking into account the needs and wishes of the family in the decision-making (Fuligni & Zhang, 2004).

A study conducted in the USA regarding young immigrants of different ethnic groups, concluded that family obligation varies slightly according to ethnic and financial background. The immigrants from the Philippines and Latin America showed the strongest sense of familial obligation, as demonstrated significantly by their tendency to financially support their families (Fuligni & Pedersen, 2002).

Another research by Fuligni and Zhang, (2004) emphasises that family obligation is common in the unique cultural traditions of those coming from Asia, Latin America and Africa. Their study of the Chinese society reveals that obligation to the family includes the belief of the children to repay their parents for their effort in raising them and for all the sacrifices the parents have had to make for the sake of the family.

Likewise in the Philippines family obligation is an important cultural tradition that continues for generations. One of the driving forces behind why Filipinos migrate to other countries to work is their sense of obligation to support their children and to provide them with better educational and economic opportunities.

Unlike in the Western countries the educational system in the Philippines does not grant school loans. That is why parents make such sacrifices to save every penny they can for
the sake of their children’s future so they can send them to school, get a higher education to be able to land a better job when they graduate. In return the children are committed to support and make their parent’s lives easier and this will include taking care of them in their old age. Succinctly put, the best way a Filipino can fulfil his commitment to support the family is to migrate to another country to find work and send money back home.

2.11 Icelandic research about immigrants in Iceland

There were few studies about the impact of the financial crisis in 2008 in Iceland on the immigrants living in Iceland that the researcher can relate to. The crisis left many Icelanders as well as immigrants in a totally different and difficult financial situation than they were accustomed to before it happened. Life had changed for many in Iceland.

Unnur Dís Skaptadóttir (2010) researched about the integration of Filipinos in Icelandic society. She examined the work and family lives of this diverse group of Filipinos paying particular attention to their day-to-day life experiences and how they manage to integrate into society. She also examined their language skills and the importance of family to them.

Another study was considered from one of the leading research centres on immigrants, CIRRA –Centre for Immigration Research at the Reykjavík Academy

It is entitled “Staða innflytjenda á erfiðleikatímanum-raddir og viðhorf” published following the crisis in 2008 conducted by Þórarinsdóttir, Georgsdóttir, & Hafsteinsdóttir, (2009) which investigated the impact of the crisis on the lives of immigrants as a minority in Iceland.

According to this research (2009), among the first casualties of the recession was the decline or almost total collapse of the construction business where many of the migrants worked. Many went home after the crisis but some stayed behind particularly those who brought along their families and those who had been here for a longer period of time. Most of the participants in the research acknowledged that they still send money to their families in the home country and explained how it changed and became difficult after the crisis. Some of them lost their jobs and continue to search for work.
Furthermore it mentioned that there were several reasons behind the difficulty in finding new employment and one of the key-contributing factors is the language barrier. Foreign nationals in particular are disadvantaged in a market where jobs are scarce and competition is tough when lack of proficiency in Icelandic is an added hurdle. With increasing unemployment after the crisis, opportunities of finding employment steadily diminish.

Kristín Ása Einarsdóttir carried out a research about immigrants in Iceland entitled “Young unemployed migrants in Iceland … “ (Einarsdóttir, 2011) in connection with her master’s thesis. It investigated the migrants’ opportunities in the labour market after the economic collapse with regard to work, along with its social and financial aspects. The main finding of the study discusses the language barrier and the difficulty in learning the language, resulting in fewer opportunities to compete with the Icelanders in the labour market. Prejudice, racism and negative media coverage were also mentioned as additional factors that restrict immigrants in their search for work.

In 2010 two Polish students Anna Wojtynska and Malgorzata Zielinska compiled their research on Polish migrants in Iceland. Statistics Iceland (2013) reported a total of 9,371 Poles living and working here by 2012 and they are by far the most populous group of immigrants or 36.1% of the total immigrant population. The estimated number of Poles who emigrated from Iceland is difficult to estimate since migrants are not necessarily obligated to notify the National Registry when they leave the country. But with the collapse of the construction business where Poles are more concentrated, several lost their jobs. Many returned to Poland but some preferred to stay, especially those who had made their homes in Iceland, those who had acquired Icelandic citizenship, or those who are married to Icelandic citizens (Wojtynska & Zielinska, 2010).
Chapter 3  Research design: Methodology and methods

In the previous chapter keywords which are relevant to this research are introduced and explained. In this chapter research design will be discussed and the methods which will be used to investigate the implications of the economic crisis concerning the Filipino community in Iceland and why it is affecting the lives of their families in the Philippines. How the participants would be chosen is to be considered and the methods by which the research would be conducted will be explored.

After carefully considering what approach to use, the researcher selected the design, methodology and methods that will answer the central question of the study.

3.1  Selection of participants

It is essential that the participants in the research had experienced the phenomenon, they are interested and willing to participate in the study and understands its nature and meaning, they are prepared to take part in an interview and a follow-up interview if necessary allowing the researcher to tape record the interview for the purpose of the study (Moustakas, 1994).

Choosing the participants for the research can be difficult or costly if the population is large and are scattered around the country.

The subject of the research is the Filipino people living in Iceland. They live in different parts of the country although the majority reside in the capital area and neighbouring towns. Since it is a difficult and an impracticable task to contact and collect data from all those targeted, as well as from being expensive and time consuming, a small group of Filipinos was selected to participate in the research to represent the Filipino community. This technique is called sampling.

It “is the act, process, or technique of selecting a suitable part of the population” to represent the whole and expected to mirror the population from which it comes (Mugo, 2002).
Using purposeful sampling, a type of sampling where participants are chosen based on the purpose of the study, the researcher selects those that will fit the research criteria, has capacity and willingness to participate and who would most likely contribute appropriate knowledge and information that will help answer the central question of the study (Oliver, 2006).

The size of the sample is determined by interviewing participants until the researcher feels that it reached data saturation, which means a point in data collection when no new themes, findings or additional data are found (Francis, o.fl., 2010).

Groenewald (2004) considers two to ten participants are sufficient to reach saturation and Creswell (2007) suggested with as many as 10 participants but the objective is to be able to describe the meaning of the phenomenon of those samples who experienced it.

Ten participants will be selected and interviewed in this research. The researcher thinks that the required information can be obtained to represent the whole Filipino population in Iceland and will reflect that community by interviewing this sample that would most likely fit in the criteria required of the study rather than attempting to approach each and every one of them around the country.

All of them are contacted after suggestion by someone who knew someone or by asking the participants being interviewed to recommend another for interviewing (Groenewald, 2004).

This technique is called snowball sampling; an approach in obtaining information-rich key prospective participants (Patton M., 1990). It is simply defined as a method to help find research participants wherein an initial participant suggests to the researcher a name of possible participant, who in turn provides another name for another possible participant and so on. It is an informal method to reach the prospective participants. Snowball sampling is often used in a qualitative research where the interview is the means of collecting data because it provides the researcher with countless potential participants, assuming there is a “bond” or “link” that exist between the initial sample.
and others belonging to the target population (Atkinson & Flint, 2001), which in this case they had all come from the Philippines and had been living in Iceland for quite some time and who in one way or another are acquainted with each other.

An introductory letter with informed consent for an interview including the set of questions that will be asked is sent to each of the participants for them to read over before setting the time for the interview. In accordance with the introductory letter the participants will decide the time and place of the interview and the language that will be used facilitates a common understanding in an effective and candid dialogue. And at any time they are free to withdraw from participation if they so choose. Permission to use a tape recorder during the interview with the promise of anonymity is stated in the letter as well (see Appendix 2 & 3).

3.2 Research design

The aim is to demonstrate how the economic crisis affected the lives of the Filipinos here in Iceland and why is it affecting the lives of their families in the Philippines. By using the qualitative research method the participants will be able to describe their experiences, views and feelings and share them with the researcher in order to determine the impact of this crisis on their lives in Iceland and in their home county.

Qualitative research is a means for “exploring and understanding the meaning individuals or groups ascribe to social or human problems” (Creswell J. W., 2009). It usually involves an open-ended question where the participants being studied will give detailed answers to questions being asked by the researcher, who then collects the data, analyzes, and compiles it into general themes to help him interpret the meaning of the data (Creswell J. W., 2009).

This method of inquiry “seeks to understand the social phenomena within the context of the participants’ perspective and experiences” (Merriam, 2002).

3.3 Worldview / Paradigm

Qualitative research is shaped by how the researcher collects and analyzes the data. It is characterized as inductive and emerging based on the method used.
The qualitative research design process begins with the philosophical assumptions that the researcher make in his inquiry; it is then shaped further by bringing to the inquiry paradigm or worldview (Creswell J. W., 2007).

A paradigm or worldview is a “basic set of belief that guide action” (Guba E. G., 1990) while Creswell (2007) described it as “a basic set of assumptions that guide the researchers in his inquiry”.

Creswell (2007) explained one of the worldviews, social constructivism, as when an individual attempts to understand the world in which he lives and works and tries to develop a meaning of that understanding/experience based on his personal interpretation, which originates from interaction with others. And it is in this individuals’ view of the situation and his interpretation of that experience on which the researcher will rely as much as possible to find the answer he is looking for.

3.4 Research methodologies

The research concerns the impact of the crisis to the Filipinos living in Iceland and how they experience the phenomenon from their own viewpoint. The researcher seeks to establish the meaning of the phenomenon, and will focus on describing what all participants have in common as they experience it.

Phenomenology is a “study of lifeworld aimed at gaining a deeper understanding of the nature and meaning of our everyday experiences” (Van Manen, 1990) and it deals with the experience of the participants and how they perceived the situation based on their personal knowledge and subjectivity. It represents and gives importance to their own perspective and interpretation (Lester, 1999).

They must all have experienced the phenomenon that is being explored and can share their lived experience and the essence of that experience (Creswell J. W., 2007) with the researcher through interviews.

3.5 Research method

The research method is how the researcher collects the data for the study, analyzes and interprets it. The in-depth interview is a common method, involving one-on-one, face to
face interaction between the two parties, the researcher and the participant (Gubrium & Holstein, 2001).

Basically it provides a framework where participants can answer and express their understanding of the experience in their own terms (Patton M. Q., 1987).

Collecting data through interviews, both formal and informal, will help create an atmosphere where the participants will feel comfortable and it inevitably helps develop rapport and trust among the participants. Audio recording will be used to support the collection of data which will be transcribed as accurately as possible (LeCompte & Schensul, 1999).

Talking (through interviews) is important in understanding how the participants view their world and it also takes the researcher into that world by verbally relating their experience of the phenomenon thus helping to develop a deeper understanding of its meaning (Bossman & Rallis, 2003) and the more open-ended the questioning, the better since the researcher will be able to put himself into the participant’s world (Creswell J. W., 2009).

Ten open-ended questions will be asked during the interview. It consists of a carefully worded and arranged set of questions that will take all the participants through the same sequence; by asking the same questions with the same wording throughout the whole interview.

It minimizes variation in the questions and it will help the researcher obtain data that are systematic, comparable and thorough from each of the participants. It also makes data analysis much more efficient since it will be easier to locate and organize the responses rather quickly (Patton M. Q., 1987).

3.6 Design and Method flaws

A disadvantage of qualitative research is that only a small number of participants are being chosen for the study because data collection can be labor intensive and time
consuming. It generates a considerable amount of interview notes and tape recordings that need to be transcribed and analyzed.

It is also criticised firstly as “merely an assembly of anecdotes and personal impressions, strongly subject to researcher bias and secondly, “for lacking reproducibility and generalizability of the findings” (Mays & Pope, 1995) because finding may not be applicable to other subjects or settings.

Mugo (2002) explained that a sample is expected to mirror the whole population being studied, however it does not guarantee that it will; sampling error or bias can happen in selecting the sample.

The snowballing technique has the ability to reach participants when the researcher is having a hard time finding them but it has its disadvantages as well. The samples derived from this manner will only include members of specific network or circle of acquaintances (Streeton, Cooke, & Campbell, 2004) and limits the participants to only those that are referred to.

### 3.7 Data Collection

The researcher collects data from the intended participants who experienced the phenomenon and then “develop a composite description of the essence of the experience for all the individuals” (Creswell J. W., 2007). The interview is primarily used in the data collection.

The researcher intends to meet with the participants individually at an agreed place, time and date of their choice for the interview. There will be informal discussion or dialogue to begin with to establish a better connection with the participants and to put them at ease.

It is the researchers’ responsibility to create an atmosphere in which the participant will feel comfortable and it often begins with a social conversation aimed at generating a relaxed and trusting mood for both parties (Moustakas, 1994).

### 3.8 Data Analysis
In content analysis, all the interviews will be transcribed verbatim then a “systematic readings of the transcript will be undertaken” (Finlay, 2008), data are read repeatedly word for word to “achieve immersion and obtain a sense of the whole” (Tesch, 1990) and afterwards words are grouped accordingly to derive codes then classified into meaningful clusters (Hsieh & Shannon, 2005).

Words and meanings are clustered as to how often they come up in the interview and themes are made from them showing what the participants have in common in their experience of the phenomenon. Clustering is a tactic that helps in understading a phenomenon better by grouping, then conceptualizing the objects that have similar patterns or characteristics (Miles & Huberman, 1984).

After transcribing the interview the researcher will meet up with the participants informally to let them review it and will be asked to verify if transcription is correct and accurate. Then another meeting will take place when the interpretation and conclusions are reached.

In establishing the trustworthiness of the research, the researcher will solicit the participant’s view of the credibility and validity of the findings and interpretation. This procedure is called member check and respondent validation whereby the researcher will ask the participants to go over the the data, interpretations and conclusions to check the authenticity of the work (Bryman, 2004) and to verify the accuracy and completeness of the findings to help improve the validity of the research. Member check is regarded as “the single most critical technique for establishing credibility” (Lincoln & Guba, 1985). They would either agree or disagree as to whether it reflects their views, feelings and experiences and if they confirm the accuracy then credibility is obtained. It decreases the incidence of incorrect data and interpretation hence providing findings that are authentic and original (Harper & Cole, 2012).

3.9 Ethical Consideration

As per agreement in the introductory and informed consent letters to the participants, interviews will be tape recorded with their permission, All indentifying data including
names will be removed and a pseudonym will be assigned to each of them to protect their identity and they will be free to withdraw at any time during the interview.

According to Moustakas (1994) it is important when dealing with human studies that researchers are guided by ethical principles and should maintain ethical standards. The researcher should establish a clear agreement with the participants, recognize the necessity of confidentiality and informed consent and to make known the full nature and purpose of the research.
Chapter 4 Data Collection and analysis

The previous chapter explained the research design, methodology and the methods that the researcher intended to use to guide this phenomenological study as well as the ethical consideration. This chapter will explain and describe how the data are collected and analyzed.

4.1 The Participants

All of the participants were contacted after a suggestion from one participant who knew someone, starting with the initial participant suggesting a name for a possible participant and it continued until the targeted number of participants were reached. Many names were suggested but the researcher had to choose which of them would most likely fit in the research criteria and who would provide an answer to the research question.

Ten participants were originally selected for this study but as they were all females the researcher added four male participants, totalling fourteen. The chosen participants have been residing in Iceland for many years, have experienced life in Iceland before and after the crisis, which is the principal criteria the researcher is looking for in a participant in this research. Two of them have the shortest residency of 8 years while another two participants have the longest residency of 25 years. Of the 14 participants, ten are married to either Filipinos or Icelanders while four are single. They all send money monthly to their families in the Philippines and have done so since they came to Iceland, while they continue to feel obligated to do so even after the crisis, another important criteria in selecting the participants.

4.2 Access to the participants for data collection

The chosen participants provided the researcher with phone numbers and some gave their email addresses to contact them to schedule the interviews. The researcher had no difficulties in calling them to plan the interview.
Ten open-ended questions were asked in each interview and the participants talked freely without interruptions in answering each of them. The length of the interviews varied from one to two hours depending on the data being shared by the participants. They were willing to grant another interview if needed.

**4.3 Test interview**

Before the researcher did the actual interview, a Filipino immigrant was interviewed who has been living in Iceland for more than 20 years and fits the research criteria to test how the planned interview would work and also for checking the quality of the tape recorder to make sure it worked properly.

In that test interview the researcher practiced on how to speak in a clear and understandable manner making sure to convey the right atmosphere to the participants when asking the questions. It also helped to become accustomed to the research questions and the interview framework.

**4.4 Data Collection**

The interviews spanned from the beginning of August to the middle of September 2013. It was not easy to find a suitable time since some of the participants worked in shifts and some even had two jobs to make ends meet. The researcher let them choose the time most convenient to them as stated in the introductory and informed consent letters. The language was of their choosing as well as long as it was understandable to both the researcher and participant.

The interviews took place in most cases at the participant’s home. Each was given the choice as to the venue of the interview but most, if not all, felt at ease doing it at home. Interviews occurred mostly in a secluded part of the house so as not to be interrupted by noise or by comings and goings of the other members of the household. Times of interviews were mostly in the evenings and weekends when participants had available time.
The dialogue began informally to create a relaxed atmosphere and to feel comfortable with each other. The interview setting and process was considered necessary to be conducive to build rapport between the interviewee and the respondent. The aim was to “develop progressively with the participant the kind of mutual and cooperative self-disclosure that is associated with the building of intimacy and trust” (Gubrium & Holstein, 2001).

The researcher felt a natural connection to the participants being an immigrant herself from the same country and it also helped to put the participants at ease and more comfortable in the interview. Different languages were used depending on what part of the country the participants came from. The majority spoke Cebuano and Tagalog while some chose to augment their answer in English.

4.5 Data Analysis

Data analysis is the process of interpreting the data collected from the interview and generating meaning from the facts gathered. During this process the researcher is “encouraged to be reflective, intuitive, open to experience and sensitive to language” (Van Manen, 1990).

The researcher should aim to “bracket or suspend previous assumptions or understanding in order to be open to the phenomenon as it appears” (Finlay, 2008) by giving more emphasis on the experience of the participants.

Before and during each interview, the researcher was aware of the biases that might arise from being an immigrant herself with similar experiences as the participants and the prejudices that she might form from it but extreme precautions were taken to maintain objectivity during the process of data collection and analysis in order to represent the research fairly and accurately.

Setting aside any preconceptions in order to comprehend the participants’ experience of the phenomenon, the researcher read the question and gave them time to contemplate before answering, then she listened to what they said without interrupting or making comparisons or comments about her own experience with each question.
All the interviews were transcribed verbatim by listening to the tape recorder many times, then afterwards the researcher re-read the transcription to help find and identify key statements before the data analysis was carried out through clustering. Words and meanings were clustered according to how often they came up in the interview and themes were made out of them demonstrating what the participants had in common with their experiences.

After the transcription, the researcher arranged another meeting with the participants to have them read and verify the accuracy of the transcription. To those that were interviewed by telephone and those few participants that could not find time to meet, the researcher read the transcription to them by telephone. When meeting the participants at a designated place, she let them go over the data and transcription to check the accuracy of the work and asked to validate by writing their signature after reading the full transcription which according to Lincoln and Guba (1985) this member check and respondent validation procedure is “the single most critical technique” to establish credibility of the research.

4.6 Ethical consideration

Each interview began with going over the introductory letter originally sent to them and the informed consent was explained in detail to each of the participants before the start of the interview and those who agreed confirmed with their signature their voluntary consent to participate in the study. One copy was retained by the participants while the researcher retained the copy with the signature.

The purpose of the research study was mentioned at the beginning of the interview and at the same time it was emphasized that their participation was voluntary and they were free to withdraw from participating at anytime and moreover free to decline to answer any of the questions if they were not comfortable with it.

Furthermore, assurance was given that all the details gathered in the interview would be treated with the utmost confidentiality. The transcription would be kept in a safe place and be disposed of after the research project was finished. Pseudonyms would be used instead of their real names although some of the participants did not mind if their names would be mentioned.
The researcher listened to the audio tapes many times and transcribe the interview verbatim. Afterwards she wrote down important data that came out in the transcription and group them into themes depending on how they often come out in the interview.
Chapter 5  

Findings

The preceding chapter explores how the data were collected and analyzed and it also mentioned the ethical consideration.

This chapter will present the findings from the fourteen participants being interviewed who had been living here in Iceland for a period of time prior to the economic meltdown in 2008 to see how it affected their lives and why is it affecting the lives of their families in the Philippines.

As promised, pseudonyms were used to protect the identity of the participants. The languages used in the interview were a mixture of English, Cebuano, a dialect in some islands in the Philippines and Tagalog, the national language since the participants originate from different parts of the country.

The researcher to her knowledge, translated the transcription of the interviews in her quotations as accurately as possible.

After re-reading the interviews and clustering them, five themes emerged.

5.1  

A chance to improve the family situation; financial hardship and family reunification

All of the participants come from a large families with many siblings, some are married with children who they left behind with either their spouse or parents. Most had jobs before coming to Iceland but when invited to go abroad to work through a member of the family or a friend, they were glad to accept even when they knew nothing about the country but saw only the chance to work abroad, improve one’s life (Skaptadóttir, 2010; Þórarinsdóttir, Georgsdóttir, & Hafsteindóttir, 2009) and an opportunity to help the family because the earning they will have here are higher than they have back in the Philippines.

“A cousin invited me to come to work in a factory, my first and maybe my last opportunity to go abroad. I graduated with a BSc in Commerce and worked as a cash custodian in a motor dealer company. They offered me a managerial position just to keep me from leaving but I chose to go abroad instead.” (Hailey)
Hailey was thirty years old when she came to Iceland in 2005, her parents are both unemployed and her income is the main source of money for the household, she also pays for the education of her younger brother in college. She saw an opportunity in taking the offer when invited in order to help her family financially even if it meant working in a factory instead of using the education she had.

“When my brother invited me to come and work here I did not hesitate, I am married with three children and my husband had no work and life was very difficult, I couldn’t afford to send my children to school.” (Madison)

Madison who is forty-four years old and has been in Iceland for 9 years. She used to work in a factory but her income was only enough to pay for their daily needs. She has three children that needed to go to school but her husband was not helping the family financially, so when her brother invited her to come and work here she did not hesitate, knowing that her brother is here and she would be safe if something went wrong. She had to leave her children in the care of her husband and his parents.

“ My sister in law invited me and I had to take the offer because I needed the money to be able to send my 2 daughters to college, my husband’s income was not enough so I needed to help out.” (Yvonne)

Yvonne came to Iceland in 1998 after her sister in-law applied for a job for her in a fish factory. She has three children, all in school. Her husband has a car shop business but his income was not sufficient to send their children to college, so she decided to help out and migrate to Iceland to work. Since then she has been working in the same factory and supplements her income by taking an extra job in a retirement home on weekends so she can pay for the education of her children and their day to day cost of living.

“Before I came to Iceland I was already working as an office manager in an insurance company, my wife was a teacher. I arrived in the year 2000 and I moved because my daughter invited me without my having any knowledge of working here. I came to see my children who are here already.” (Gabriel)
Gabriel on the other hand moved here to be with his four children who migrated years before. He and his wife left their good and stable jobs just to be with their offspring. He had no prior knowledge of the working conditions here but discovered that they are agreeable and financially rewarding while enjoying the benefit of being near his family, so they decided to stay.

All participants came to Iceland after a family member or a friend had invited them to come and work. They knew somebody in the country before their arrival. They had a family member or a friend who helped in the initial process of their relocation. Familial relations assume a paramount role in choosing where to migrate since it gives the migrant support if needed in the adjustment period as Tyner and Donaldson (1999) concluded in their research about Philippine labour migration.

Improving the standard of living and to provide the family with financial stability in most cases are the deciding factors to migrate causing significant changes in the family structure when one has to leave home, whether it is the mother, the father, son or daughter and it is considered to be worth the sacrifice. As Skaptadóttir (2010) found out in her research that higher wages compared to what they have in the Philippines as well as the high value of the Icelandic krónur compelled them to come to Iceland.

5.2 Cultural changes: Their expectations and disappointments

Agbayani-Siewert (1994) in her studies about Filipino families and culture stated that it is common for a person to experience a great many changes in all aspects of his or her life including loss of cultural identity when relocating to another country. One has to adapt to new values, norms, culture, learn a new language and importantly, the loss of familial and interpersonal support they had back home.

“I felt very strange, I was all alone except for my niece. Then the language, it’s difficult. I felt depressed and homesick to begin with. I was accustomed to
seeing big buildings and plenty of people in my place. The weather is cold but I like it and I felt the Icelandic people were nice.” (Amanda)

This is what Amanda said of her experience after arriving in the country. She arrived in 1988 and had worked in a fish factory for twenty years before changing to her current job in a retirement home close to where she lives. She came from a big family with seven siblings and she was accustomed to being surrounded by them.

“It felt nice being abroad and it was okay when I arrived but then when I started my work I felt lonely and homesick. I cried for many days and worked for only few hours because all I wanted was to go home, I would swim the ocean if possible just to go home. At work I couldn’t understand what they were talking about and felt left out. I really missed home.” (Vincent)

Vincent lives in the west part of the country and works in a fish factory. He arrived in 2005 and he had a notion that it was so nice to be abroad. He was unemployed back in the Philippines so he was very happy when his sister invited him to come to Iceland and work. In his mind being abroad would be “so cool”, but he was mistaken. He was homesick right from the start and the language was making it more difficult for him to adjust to his new environment.

“I was shocked when I arrived here, I expected to see high rise buildings, plenty of people, big shopping malls as expected in a big city, but all I saw when driving from Keflavik were mountains and lava, I said to myself, am I in a desert? I felt homesick and the weather was so windy and cold that I couldn’t even go for a walk. The language is very strange and difficult to understand.” (Valerie)

Valerie used to work in an office in the Philippines but it was always a temporary job and she felt insecure in it. A friend of her cousin offered her a job in Amsterdam as an au pair so she went there but it only lasted for a year and when offered to come to Iceland to work she did not hesitate. Having lived Amsterdam for a year she expected that Iceland
would be more or less the same and she was disappointed to begin with but she gradually adjusted to life in Iceland and now feels comfortable and happy being here.

“I arrived in the summer time, it felt nice being in a colder place but it felt strange seeing those Icelandic people especially when I heard them talk. I was homesick since it was my first time being away from my family and Iceland is very far from the Philippines. I sent letters to my family often because it is expensive to call by telephone to alleviate the feeling of my being homesick and missing them so much.” (Lauren)

Lauren had never been away from her family before but when invited to come and work in Iceland by a cousin she did not hesitate to accept. She had been working at different jobs with no regular monthly income and she felt excited to go abroad to work and be able to help the family financially.

Coming to a country with a different culture created a big change for all the participants but they are willing to do so. The weather, people, environment and especially the language are all totally opposite to what they were accustomed to back in the Philippines but it seems the phrase “to work abroad” denotes a very positive meaning to them and they were unconcerned about contemplating on what to expect in a new country, they just accepted the offer in order to work and saw the fulfilling of their desire to generate income to help the family.

All of the participants described the feeling of being homesick and some even experienced depression because of being in a strange and different environment from the one they were used to.

According to Skaptadóttir (2010) having relatives and friends in Iceland helps reduce the feeling of homesickness and are very important to their well being especially during their adjustment period. They can rely on these relatives for support and for help in practical issues related to work, housing, and legal issues like renewal of documents etc., not only in the adjustment period but throughout their stay in Iceland whether it’s temporary or
permanent. Families rely more on each other especially when they are abroad or outside the family circle in the Philippines.

All the participants had managed to adapt to the new culture after being in Iceland for sometime but they do still complain about the Icelandic language, even after many years of living in Iceland, they still find it difficult to speak even though they understand it. They work in an environment in which the Icelandic language is not compulsory in conversation and composed mostly of foreigners using English as the lingua franca if not their own dialect. Many of them tend to work in a company where many foreigners work like fish factories, retirement homes, hospital kitchen and most of them stay in the same company for many years.

5.3 Being a breadwinner and work is work

All of the participants consider it their obligation to send money monthly to their families in the Philippines to help alleviate them from financial difficulties. They are committed to help their family especially their parents and to make their love ones life easier through the financial support they are sending. These remittances as it is called, serve as a stable and the only source of income used primarily for the basic survival needs of the family, children´s education expenses (Turnell, Vicary, & Bradford, 2008) and in most cases medication for the elderly parents.

Some of them had left a good paying job behind and as Gorodzeisky & Semyonov (2005) concluded in their research, accede to work in the least desirable and lowest paying jobs but which yields a much higher earning than they could have made back in the Philippines.

“I am supporting my mom who is eighty-six years old, my brothers and sisters, although they have a family of their own but I still support them. I am totally the breadwinner of the family. My mom has a lot of medication to take and I am paying the education of my five nieces and nephews who are in colleges and high school. I’m doing that because I want to help them improve their lives.” (Megan)
Megan, a schoolteacher graduate went to work outside the city as a hotel housekeeper when she arrived in Iceland. She said her income was good and she didn’t have to pay for rent at that time but when it was closed after the crisis in 2008, she had to move to the city and had to work two and sometimes three jobs to be able to maintain the support she provides to her family.

“First and foremost is my mother but two of my siblings with families, one with three children and the other with four children, still live at home so I had to help them out too. Then I have a brother in another island, which I am supporting financially, and paying for the education of his three children in colleges. My mother has no work and is totally dependent on my support. She has a heart problem, arthritis and with high blood pressure and has to take daily medication.” (Alice)

Alice has been here in Iceland since 1988, has a degree in Business Administration and had worked in an office before coming to Iceland but since her arrival has worked only in factories. She is married to an Icelandic man with one son and luckily her husband understands her situation and does not complain if her income mostly goes to her family in the Philippines. She is the eldest of the eight children, and she feels it is her obligation to take care of the family.

“We are seven in the family, I am the fifth, my parents are not working and I am the breadwinner of the family and it’s my obligation to send money every month because it is in our culture to help. Two of my siblings are married but I still help them out and some of my siblings still live at home even if they are married.” (Rachel)

That is as Rachel put it when asked about her role in the family. She arrived in Iceland in 2000 and is single and now has a seven month old baby. She used to work three jobs before she had the baby to be able to support her big family. Her life revolved around work to be able to send money to her family. She used to work in a cleaning company on evenings, in a retirement home during the day and at a restaurant on weekends.
“Yes, my father and family... I have a wife and children back home, I have to send them money regularly. I sent to my father separately, that is why I needed to work double to be able to do that. I send to them before the end of the month. My father is old with no income and totally dependent on the money I send. I have two children who are in private school which is expensive.”
(Damon)

Damon came to Iceland in 1999 after being invited by his sister. He is married with two children. He graduated high school and found it difficult to get a good paying job with that kind of education. He used to work several jobs back home to support his family including selling food in the street. Since arriving in Iceland he has been working in a restaurant in the city working as kitchen help. He augments his income by taking overtime as much as he can.

Working more than one job help the participants to fulfill their obligation to send money regularly to their families back in the Philippines who are mostly dependent on the monthly remittances they receive. These participants are willing to work in all kinds of jobs in order to increase their income irrespective of their often over-qualification. Viewed from their perspective, when work provides an income it is irrelevant if the job is not commensurate with their higher grade of education.

The financial obligation of the Filipinos to their families is in contrast with the report written by Malgorzata Budyta-Budzynska about the financial crisis and adaptation strategies by Poles in Iceland, where the participants told of how little the crisis had changed their lives due to several reasons, among others, that some of them do not send money to their families back in Poland (Budyta-Budzynska, 2010) which can not be said of the Filipino counterparts.

“Following the financial turmoil in fall 2008, movements of capital to and from Iceland were restricted by the Rules on Foreign Exchange issued by the Central Bank. These rules are intended to be temporary measures to strengthen and stabilize the exchange rate of the Icelandic krona” (Global Edge, 1994).
Many Filipinos were having difficulties in sending remittances to their families due to this currency restrictions set forth by the Central Bank as the Honorary Consul in Iceland. María Priscilla Zanoria said in the interview.

“The Filipinos are in chaos, most of them send money to the Philippines regularly to help their families and support their parents but they could not send money to them so it was really a problem to the Filipino community... they cannot even send to their sick relatives... it’s very hard and the impact was so great... These Filipinos are telling me that if “we are working here and we have relatives in the Philippines who are dying, it is still the same if we have money here because we can not do anything of our money in Iceland to help”, so it was hard for them to send even in emergencies and could hardly believe that this is happening to Iceland”.

As an Honorary Consul, she is obliged to assist them in any way she can. She even contacted the Central Bank for the Filipino community to ask for exemptions in emergency cases but she was told that currency restrictions goes for everybody in Iceland. Many Filipinos came to her for assistance, some were very desperate and even asked her for personal favours like if possible to withdraw from her bank account in the Philippines just so the families in the Philippines can have the money they needed to tide them until the situation here in Iceland improved and to which she could not do either because the same situation goes with her.

She held a meeting with the Filipino community once to discuss the situation but to no avail because the Filipinos only concern was how to send the money to their families and she could not answer that, all she could do was gave them moral and spiritual support.

The Filipinos were worried because the families in the Philippines are totally dependent on the monthly remittances they send to pay for household expenses, school and particularly medicines for their elderly parents.

5.4 Their life after the crisis and the changes they have to make.

The Filipino family structure is built on cultural values (Agbayani-Siewert, 1994) and it is one’s primary responsibility being a member of that family, to generate financial
support and provisions for the family’s needs including health care and education (Williams & Domingo, 1993).

The participants in this research have had to make sacrifices in order to make both ends meet so that they may be able to continue their financial obligations after the crisis to their families in the Philippines.

“Life is difficult both physically and financially. I quit my job due to health reasons and sending money to my family is getting harder. I have to continue to support them especially now that they are old and sickly. Everything is expensive both here and in the Philippines. I used to visit them often but now it’s been years since I went to see them.” (Lauren)

Being on a disability pension is very hard for Lauren because her income hardly covers the costs of her medicine. She really wanted to work but her doctor advised her against it because of her health. She is lucky that her husband understands her situation and offers to help support her family back in the Philippines. The remittance she sends monthly to her parents is their only source of income to pay for their daily needs including the medication they have to take everyday.

“I need to work more overtime to continue sending the amount of money I used to send them, the value of dollar is very high. I tried to spend less on my needs; I hardly go to movies or nightlife on weekends and seldom to the stores now except to buy food, which is getting expensive. My life has changed after the crisis; my priority now is my obligation to help my family. Very importantly is my mother and she is solely dependent on me.” (Amanda)

The amount in kronur Amanda sends home has more than doubled since the crisis due to its devaluation. She has to cut back on almost everything including her personal needs because she wants to send the same amount every month as before in order to give her family the life they are used to. In addition, the rent she has to pay continues to increase significantly. Even her travels to the Philippines to visit her mother became fewer after the crisis.

“I live in my own apartment and drive my own car but after the crisis everything changed, I had to rent out my apartment, I can’t afford to live in it
anymore and now I am renting a room. My income can hardly pay for everything; too many expenses plus I have to send money home.” (Valerie)

Valerie is single, owns an apartment but had to moved out and rents a room somewhere else because her income is not sufficient to pay for her loans and insurance, plus she has to support her elderly mother back home. She used to visit her family twice a year but now she seldom goes there because the ticket is very expensive.

“I am married with 2 children now, we both work in the fish factory but not in the same company. Our life is okay but it’s difficult because we are both working. We take turns in picking up the children and taking care of them in the evening while the other is working. It is very difficult now financially.” (James)

James came to Iceland in 2000 and met his wife here and now has two children. They live outside the city. He was unemployed for six months when the company he was working went bankrupt after the crisis but luckily he managed to get a job in a fish factory. He used to visit his parents often because they are old but after 2008 he has visited them only once.

Due to the devaluation of the Icelandic currency, most of the participants have to pay more in kronur to send the same amount they had previously and some have had to decrease the amount sent due to the hardship they have encounter here. They had to alter their lives after the crisis. Gone are extra unnecessary expenses, fewer travels are arranged, some have had to work an extra job, take more overtime and a majority of them lives in rented places where rents keep increasing. For some participants their social lives have become virtually non-existent after the crisis tending to focus on their obligation to send money regularly.

One participant said “I am getting sick with worry thinking about if I will be able to send them monthly as I used to; they are totally dependent on my financial support” (Lauren). The pressure of their obligation to support their family is affecting the quality of their lives here. Overall their entire lifestyle is affected.
Some of the participants even lost their job when the companies they were working had to file for bankruptcy, but luckily they were able to find another job.

The Honorary Consul María Priscilla is confident and optimistic that the Filipinos will be able to overcome the problems they encounter in this time of crisis and according to her:

“ The Filipino community is still under the pressure of the effect of this crisis, some lost their job but it’s only for a few months, Filipinos are diligent to find another job, they are hardworking people, can easily find work and they are top in the working force”.

5.5 Life after the crisis of the families in the Philippines

All the participants came to Iceland before the crisis and had experienced the economic boom and a good life. But it all changed after 2008 when the economy collapsed, not only changing the lives of the people of Iceland but also the lives of those financially dependent families of the immigrants in the Philippines. Both Icelanders and immigrants alike experienced the consequences of the economic collapse like inflation, devaluation of the currency, the instability of the labour market as well as the difficulties in travelling to visit their families for those immigrants who choose to stay behind (Wojtynska & Zielinska, 2010).

“I used to send a good amount of money but it is less now, for example if I send sixty thousand krónur now they would only receive around twenty thousand in pesos, before they would receive almost the same amount in pesos for the krónur sent. After the crisis, I only send money to my mother now and my nephew has to quit school because I can’t afford to pay for his education anymore.”(Marie)

Marie used to send a substantial amount of money to pay for her aging mother, covering the cost of her daily needs including medicine and also to pay for her nephew’s education. Her mother has no other income except the one she sends every month. She works extra job but the cost of living in Iceland has skyrocketed, she has to pay
apartment rent and personal expenses so it is difficult for her to continue her financial support to her nephew and he has to quit school.

I am single and before the crisis it was okey for me to send a sizeable amount of money every month because I had plenty of overtime, the rent was low and food was cheaper but now it is different. The money I send them monthly is not enough now and they keep asking me to increase the support but it’s impossible.” (Vincent)

Vincents’ family complained of the ever-increasing cost of living in the Philippines. They are totally dependent on him. His mother is taking medication every day and the school fees for his two nieces in private school keeps increasing. His life now revolves around home and work and his only focus is to be able to send money to his family.

“My mother is totally dependent on my financial support. I have siblings but they all have their family to think about while I am the only single of her children so I have the duty to support her and if any of my siblings get sick and needed help I send them money as well.
Before I sent forty thousand kronur and my mother would get around thirty thousand pesos but now for the same amount(in krónur) she will only get around fifteen thousand pesos, so it’s really affecting her financially.” (Valerie)

It has significantly affected her mother as Valerie said because she needed to take her daily medicine and the money is hardly enough to pay for it, let alone to buy food and other needs. By renting a room and having an income from her rented apartment she manage to continue her financial support to her mother.

“It used to be easier to send money on special occasion like birthdays or if some relative would asked for help but now if they asked me I always hesitate first. I send them the same amount of pesos every month so if they ask for extra money they need to justify it and I have to think twice now if it’s really necessary.” (Hailey)

Hailey continues to send the same amount monthly in pesos but she has to pay more than double in kronur than she used to. She has to work extra to keep it up. She works on
weekdays at her regular job in a fish factory and weekends in a hotel downtown as a chamber maid. She barely spends enough time with her two year old child anymore; “no more family bonding” as she said to describe how their family life has been affected.

The lives of their families in the Philippines has changed as well and it is a reflection of their supporting relatives´situation in Iceland. The financial support their families are receiving in the Philippines is continually reducing even if the families in Iceland are paying more in kronur. Some have no choice but to decrease the monthly remittances while others have to take extra jobs to keep it up. The money they send now is first and foremost to support their parents, to pay for household expenses and their daily needs like medicine. The value of the kronur has decreased significantly rendering it more difficult for them to continue the same financial support as before. At the same time, the amount their family receives is decreasing as well due to the devaluation of the dollar compared to the pesos. As one explicitly explained in the interview:

Before: $ 1 = 65 ISK = 55 pesos but now $1 = 125 ISK = 40 pesos

Most of them send their money through the agencies like Western Union and Money Gram because it is the fastest way their family will be able to receive the money even if they have to pay more the cost of sending it.

There is no proper health care system in the Philippines the elderly can rely on in their old age, the children have to pay for all the medical bills if they get sick. The participants in most cases are worried about the decreasing money they send because it not only has to cover the cost of household expenses and food but also the medication of their sick parents. It is very common that the one abroad take on the responsibility of paying for any medical expenses that the family has to pay especially concerning the parents.

If a member of the immediate family get sick or die in the Philippines, the one abroad is expected to help pay the hospital bills and doctor’s fees including the medicines and to help pay for the funeral (Herrrera, 1996), as the researcher found out from the informal chat she had with one of the participants. She is so sad because her father was recently...
diagnosed with stage four cancer. She has to send money more than once a month now to cover for the chemotherapy he has to undergo. She came from a family of seven and second to the youngest but the financial responsibility lies mostly on her shoulder being the only one living abroad.

5.6 Summary

The five themes that describe “The implication of the economic crisis on the Filipino community in Iceland and why is it affecting the lives of their families back home” illustrate how the participants are coping with the economic collapse in 2008 and the changes in their lives here and the lives of their families back in the Philippines.

The first theme: *A chance to improve family situation; financial hardship and family reunification.*

All of the participants came to Iceland by invitation from a family, relatives or a friend first and foremost to work with the intention of alleviating their financial difficulties and a chance to improve the quality of life at home, while often disregarding their educational background, their former jobs and the difficulties of leaving their children behind to be cared by either spouses or the grandparents. The relatives or friends often takes care of the job application and all the paperworks in cooperation with the soon to be employer before their arrival (Skaptadóttir, 2010).

The second theme: *Cultural changes: Their expectations and disappointments*

Most of them had never been abroad before and their anticipation of going to another country made them eager to go while not knowing exactly what to expect. All of them experienced homesickness and depression, unsurprising as Iceland revealed itself as a total opposite of where they came from in terms of population, environment and the weather, not to mention the difficulty with the language. They all experienced culture shock after arriving in Iceland. The perceived loss of family and familial contact, coupled with new geography and social environment may lead to the beginning of depression. As Bhugra (2003) said “Cultural identity changes may lead to culture shock and cultural
distance may contribute to a sense of alienation and isolation, thereby leading to depression.”

The third theme: *Being a breadwinner and work is work*
It summarizes how all the participants felt obligated to send financial support monthly to their families back home especially to their aging parents. Most came from big families and inevitably became the breadwinners after they came to Iceland. They took on extra jobs to be able to fulfill their obligation, sometimes at the cost of neglecting their commitment to their spouses and children here. They acceded to working in any kind of job as long as it helped increase their income disregarding the education they had acquired in the Philippines.

The fourth theme: *Their life after the crisis and the changes they have to make.*
After the crisis the participants have had to make a lot of changes in their lives to be able to continue supporting their families in the Philippines. Most of them have to work extra, either with more overtime or finding another job to increase their income. The cost of living in Iceland has increased significantly resulting in that one job is hardly enough to pay for their day to day needs, let alone sending financial support to their families back home. They stop going to movies, going out on weekends or going shopping except to buy food. It has meant less family time for those with children here. The quality of their lives has been affected focusing instead on their support to the families. Life is still okay considering how the crisis has affected them, concentrating exclusively on their support to their families.

The fifth theme: *Life after the crisis of the families in the Philippines*
Their families are receiving smaller amount in pesos than before. Although the amount they send has more than doubled in *krónur*, in the Philippines the dollar has devaluated against the pesos. The money earned beyond absolute expenses here is first and foremost purposed to support their parents, by subsiding their household expenses and day to day needs since most of them are aging and are taking medication. The families back in the
Philippines have to endure the consequences of the crisis as well, they have to adjust their lifestyle and spend less than they are used to just like what is happening with their family in Iceland.

Some of the participants have stopped sending financial aid to their siblings, nephews and nieces thus some family members have had to quit school thereby affecting their future in the process.
Chapter 6  Discussion

The fifth chapter described the findings of the study and the essence of their experience of the phenomenon. Five themes emerged in the study that all of the participants have in common in their experience. The first theme being, A chance to improve family situation; financial hardship and family reunification; the second theme, Cultural changes: Their expectations and disappointments; the third theme, Being a breadwinner and work is work; the fourth theme, Their life after the crisis and the changes they have to make; and the fifth theme being Life after the crisis of the families back in the Philippines.

This chapter will discuss the sacrifices they are willing to make for family, the Icelandic language and their plans for the future. The shortcomings and limitations of this research will be explored, the implications and recommendations of these findings for future referral and studies, and finally the conclusion of this research, in particular the implications of the economic crisis for the Filipino community and the reasons behind why is it affecting the lives of their families in the Philippines.

6.1  Sacrifice for the future of the family

Many migrants like the Filipinos plan to go to other countries to work for a short-term period and then move back home after saving up for the future but some move permanently to the country of their choice when they feel that it can offer even better opportunities for the family. It is regarded as worth the sacrifice when made for the benefit of the entire family.

Family has always been the foremost priority of every Filipino throughout his entire life. It is the “ultimate place that provides stability, support and guidance throughout all aspects of his life” (Herrera, 1996).
“A Filipino’s concept of self is heavily influenced by the identification with his or her nuclear support of all the family members. Family needs and welfare are attended to before those of the individual” (Salvador, Omizo, & Bryan, 1997). It is an integral part of the Filipino culture to consider solemnly the welfare of their family before their own. All of the participants take seriously their obligation to their family by making sacrifices to be able to send money to support the family. They all come to Iceland to work because of financial hardship and for the chance to help the family improve its quality of life.

It is an unwritten rule that once Filipinos immigrate, they are presumed to continue the financial assistance to the family back home and are expected to carry on supporting their aging parents or to help pay the educational and financial needs of siblings or other members of the family. In the Philippines children are considered a valuable asset to the family because they take care of their parents in their old age so the more children the parents have, the more they can expect to be taken care of when they are old (Herrera, 1996).

Most of the participants come from large families; they send money first and foremost to their aging parents to pay for their needs, and most of the parents are taking medicine in daily, before extending support to their siblings.

Herrera (1996) also pointed out that Filipinos truly believe in the importance of a solid and good education being a key element for a good and secure future. Emphasis is placed on giving the children a good education, presuming that the family, in time, will benefit from it as well.

Some of the participants have had to leave their children with their spouses or parents to go abroad and work in order to send their children to the best school possible, as one participant mentioned that “it is harder for me after the crisis because of the increasing school expenses of my children in a private school, it is more expensive but beneficial for their future.” (Damon)

Unfortunately some of the nieces and nephews of the participants who they had been supporting has to quit school because support, now necessarily reduced, usually
prioritizes the immediate family, particularly the parents and children, before extending to the other members of the family such as siblings.

The obligation to support their families in the Philippines financially is first and foremost the top priority of all the participants in spite of the difficulties they had encountered in Iceland after the crisis. The seriousness of their obligation to the family is unique and is embedded in their culture.

6.2 Icelandic language skills and their unutilized education

Culture shock refers to the confusing feeling a person may experience after leaving a familiar culture to live in a new and foreign culture. It can be stimulating as well as overwhelming (Bhugra, 2003). All the participants experienced culture shock in many ways after arriving in Iceland. Most experienced homesickness and some even experienced depression, but eventually they managed to adjust to the changes in their environment. The one difficulty remaining however is the Icelandic language. It is one of the most frustrating aspects of relocation that the participants have encountered when moving to Iceland.

One participant in particular described how he cried and wanted to go home. He missed his family, felt alone and isolated primarily because as he said “I could not understand the language and felt left out” (Vincent). Everything was so different from what he was used to.

Studies made abroad showed that the longer an immigrant resides in the host country the more he is exposed to its language, undoubtedly because of the interaction he has with other members of the society as part of his every-day life (Chiswick & Miller, 1999).

Although all the participants been here for many years and been exposed to Icelandic language at different levels -- particularly at work -- many of them still have difficulties speaking it. However they have progressively acquired a greater understanding of the language but lack the fluency in its speech.
Another participant described his limited opportunities to learn the language.

“I didn’t have a chance to learn the language, I went to work in a restaurant after arriving and I am surrounded with Chinese and foreign people and we speak English to understand each other.” (Damom)

He has been here for seventeen years and works in the same company since his arrival but his exposure to Icelandic has been very limited. His little or almost none exposure to the language has prevented him from learning it, let alone speaking it, hindering him from finding another kind of job.

The Filipinos “in spite of their knowledge in English and the fact that many speak Icelandic, they are mostly in low paid jobs where their education is not utilized” (Skaptadóttir, 2010).

Einarsdóttir concluded in her research “speaking Icelandic, or having better language skills, would increase their job opportunities” (Einarsdóttir, 2011) and is immensely important in migrant’s chance of better employment.

Language skills are very important to the immigrant’s social and economic adjustment in the new environment and linguistic difference between his own language and the language of the host country can hinder his efficiency in learning it (Chiswick & Miller, 2001).

Icelandic is very different from the Filipino language, or from the dialect of the participants (or English for that matter which all the participants speak and understand almost like a second language) and no wonder it is hard for them to master it.

A report written by Meghan Benton for Migration Policy Institute (MPI) explores the possibilities of the host country’s policymaker to develop strategies in utilizing the potentials of immigrant workers, which includes language and training programs.

“Migrants are more likely to be in survival jobs, where the main objectives are to keep steady work and earn money...they also face higher barriers to accessing training, such as poor host-country language proficiency, difficulty paying course fees, limited time...”
(Benton, 2013). Furthermore, she explained, that those skilled migrants that are unable to get jobs corresponding to their education and experiences represent wasted or unutilized resources of which the host country is not taking advantage. The middle- and low-skilled workers may in the long run end up in a cycle of poverty that will eventually may become a net drain on public resources and will pass on socioeconomic disadvantage to their children.

Migrants from the Philippines came with a different educational background and with a wide range of experiences, only few have managed to use their education, while many are underemployed and have never attempted to apply a job that is commensurate with their education (Skaptadóttir, 2010). They are unable to use their education due to this language barrier.

Almost half of the participants interviewed have a college degrees and had good jobs back in the Philippines but were willing to accept any available work in order to earn money to send home accepting that the lack of proficiency in Icelandic prevents them from acquiring better positions. They are “stuck” in low- and middle skilled jobs (Benton, 2013) to be able to keep their family afloat financially, working in places like fish factories, where a minimal knowledge of Icelandic is required or where conversation is usually in another language, resulting in their inability to improve their Icelandic. In addition, working extra jobs to earn more money limits their time for studying the language.

But in spite of their struggles to earn more and working in jobs unrelated to their education and training (Skaptadóttir, 2010; Þórarinsdóttir, Georgsdóttir, & Hafsteindóttir, 2009) the participants feel fortunate in having a job here in Iceland even with the growing unemployment since after the crisis.

It is perceived that the income of the migrants are at least three times more than the income they would receive in the Philippines and this wage differential is enough reason for them to work abroad (Escasinas, 2011) even in jobs below the level of their education.
But they do try to find ways to improve their Icelandic, as one participant explained how she changed jobs when an opportunity came along to improve her language skill.

“I worked in a small factory with mostly foreigners for four years then moved to a bigger company working in the kitchen hoping to learn Icelandic, I liked it there but I never had a chance to learn Icelandic because all I did was work, I also worked as a cashier in the department store but all I had to say everyday was “góðan daginn, viltu poka?, gjörðu svo vel” and I felt bored so I moved again and finally I am working in a place where I am satisfied, at a retirement home where I managed to improve my Icelandic skills by talking to the patients.” (Valerie)

Working in a retirement home or in a kindergarten provides a more conducive place to learn how to speak the language since it gives them greater opportunities to mingle and communicate with Icelanders as Skaptadóttir (2010) discovered in her research. All of the participants have sufficient command of Icelandic for their day-to-day activities and can carry a conversation with Icelanders, albeit not with perfect grammar, which is impossible to achieve considering their situation.

6.3 Shortcomings or limitations:

The researcher was able to collect names of possible participants then contacted those that fit the criteria for the research and asked them if they will would willingly participate in the research and fortunately the answers were positive. A month before the scheduled interview, the researcher contacted them to confirm the possible time for interview, and they usually suggested a good time for it, to which the researcher was only happy to agree. The researcher had planned to interview at least ten participants. At first the participants approached showed no reluctance and were glad to take part in the research but when the time of interview neared, either they were busy, some had changed their minds and did not want to take part in the research for various reasons. Gender division was not equal. The researcher had difficulty finding male participants. Typically if the husband were asked to participate, he would tell the researcher to talk to his wife. In the end there were fourteen participants, ten were female and four were male.
It seemed that the participants did not give much importance to the letter of protocol that was sent to them few weeks before the interview, so the researcher went over the letter of protocol before each of the interview to make sure that all were aware of their rights, that they were not being pressured into participating and were free to quit at any time. Researcher and interviewee then chatted casually about inconsequential matters so as to put them at ease before starting the interview. Each question was translated into the language of their choice so there would be no ambiguity about what the researcher was asking. All of them chose to talk in their dialect because they said that they could explain their answers far better and could provide more depth of meaning.

Participants were at times somewhat reluctant about participating in the interview but after the researcher explained to them that there would be complete anonymity they began to feel relaxed and became more open. All of them had never before participated in a research let alone being interviewed and they were all unfamiliar with talking into a recorder microphone.

Two of the participants were interviewed through telephone because they live in a distant part of the country where the researcher would have difficulty in reaching them in any other way. In these cases a phone speaker was used so the answer could be tape recorded with their permission. The researcher contacted them again to ask about their future plans, most of them preferring to answer by telephone, at which the researcher agreed and afterwards they were asked to listen to it replayed through the loudspeaker.

6.4 Future plans

Many of the immigrants who had been in Iceland for a shorter period and those that worked in construction went home at the onset of the crisis when many such companies had to close (Þórarinsdóttir, Georgsdóttir, & Hafsteindóttir, 2009). An immigrant is presumed to be a temporary worker and will return to their home country when the availability of jobs gets fewer, but not in the case with the Filipinos in Iceland, very few
plan to return to the Philippines in the near future (Skaptadóttir, 2010). All the participants have no plans to go back to the Philippines for now and besides, most of them have families here and have acquired Icelandic citizenship after being in Iceland for many years.

As shown in the table below (Fig 9), there were 914 Filipinos born in the Philippines who gained Icelandic citizenship from 1991-2012 (Statistics Iceland).

*Figure 9* Filipinos gaining Icelandic citizenship from 1991-2012 (Statistics Iceland)

It has become clear according to Þórarinsdóttir, Georgsdóttir, & Hafsteinsdóttir (2009) that immigrants who have been in Iceland for some time and have family ties and financial commitments are not likely to leave the country in the near future.

Life in Iceland is okay but financially different, as most had experienced. They feel that even in this crisis, it is much better to be in Iceland than in the Philippines. They will be able to continue their support to their immediate families than otherwise would be difficult to do so if they were back in the Philippines. Even with the devaluation of the currency, their income is far better than they would earn back in the Philippines.
Some of them are already married with children and these children do not know any other place than Iceland, as Rachel said of her 9-month-old son “I feel it is safer for him to grow up in Iceland besides having a brighter future than back in the Philippines.”

They all feel that it is safer to live in Iceland and that the quality of life is much better than in the Philippines. They have employment and much more if one is not too particular; they are already adjusted to the new life and they intend to continue to do so.

Damon said “the way I see it we have a better future here”. He told the researcher that after seventeen years of working in Iceland alone, he is now petitioning his wife and two children to move to Iceland for good.

A few of the participants experienced being unemployed for a short period of time when companies they were working for became bankrupt but luckily they managed to find jobs. As the Honorary Consul María Priscilla explained, Filipinos are diligent, industrious and can easily find a new job. Even though some of them have an advanced educational background they do not hesitate to accept any kind of jobs that comes their way.

When asked about if they plan to stay in Iceland for good, the majority answers positively but as it is only a plan and can be altered in the future, for now they feel that it is the best possible option. They say that they can always visit Philippines if they want to but for now they are content with their lives in Iceland.

Overall, even during the crisis the Filipinos are happy with their situation in Iceland as long as they can continue supporting their families in the Philippines financially.

6.5 Implications and recommendation:

Even with the economic crisis, immigrants like Filipinos are not moving back to their home country since they perceive to be in a better financial situation in Iceland than if they were back in the Philippines, as there are plenty of low paying jobs they can take to augment their income by which they can continue to support their families in the Philippines.
But earning should not be the sole reason for staying in Iceland. If they plan to relocate permanently they will need to adapt to the culture and most especially the language. Skaptadóttir (2010) claimed that knowledge of the Icelandic language is important in their integration to the host country so as to be able to participate and gain knowledge of its society and culture.

All the researches in Iceland on immigrants after the crisis conducted by Þórarinsdóttir, Georgsdóttir, & Hasteinsdóttir (2009); Einarsdóttir (2011); Wojtysnska & Zielinska (2010) together with Skaptadóttir (2010) came to the same conclusions about how the inproficiency in the Icelandic language curtails their full integration of the Icelandic society.

Chiswich & Miller (2001) in their study of destination-language acquisition regarding male immigrants in Canada concluded how language proficiency plays a great significance in an immigrants’ adjustment and that “the level of proficiency in the destination language provides important information on the immigrant’s socioeconomic status and on the extend of integration into the social, political, cultural, and economic life of the majority population in the host country” (Chiswick & Miller, 2001).

In the first-ever multicultural policy issued by the Ministry of Social Affairs (2007) clearly specifies the goal for Icelandic language education for immigrants which would accelerate their integration into society as well as help preserve the Icelandic language. Icelandic society would surely benefit from the utilization of the immigrant’s ability to work, their ingenuity and talents if they would provide them with access to Icelandic language courses.

“Migrants’ skills are often seen as an untapped resource that, with the right formula of policies, could bolster competitiveness, fuel productivity, and facilitate social and cultural integration” (Benton, 2013).

Most of the participants have attended different Icelandic courses, first and foremost to be able to collect the minimum number of hours required to apply for permanent residency and later for citizenship in Iceland. However it is still costly for them to attend classes.
even with the subsidy from the government or from their unions, while additionally not having enough available time to learn the language when they have to work more than one job.

The Icelandic government should offer free Icelandic classes to all immigrants who are planning to stay in Iceland permanently to help and encourage their integration into the society as in neighbouring countries of Denmark and Norway. Einarsdóttir (2011) discovered that the immigrants in Denmark are given free Danish education for three years after receiving a residence certificate while immigrants in Norway can avail 700 hours of free Norwegian lessons to help them learn the language in a proper way.

Because English is widely used and almost the second language in the Philippines, moving to a non-English speaking country like Iceland is not so difficult when compared to immigrants who do not understand or speak the English language. It is easier for Filipinos to mingle with both Icelandic and foreigners alike, by communicating in English. It can be both an advantage and disadvantage in the sense that they would rather prefer to use English as the means of communication instead of learning to speak Icelandic.

But generally most Filipinos living in Iceland including all the participants are timid and lack the confidence when speaking Icelandic, fearful of being not proficient enough to be understood. However most do understand more than they let on. Nevertheless understanding Icelandic is not enough to get a job commensurate with their education and experience.

The Icelandic government would be advised to find ways to help them utilize their skills and to facilitate their integration into Icelandic society as they are and will constitute a sizeable group within it in the near future. At present they primarily belong to the lower income demographic even though many brought along with them diverse knowledge and skills, knowledge and skills that could benefit the society one way or another if given the opportunity.
Helping the immigrants to utilize their potentials will lead to better job prospects which in turn will help improve their economic situation in Iceland as well as the families they are supporting in the Philippines.

6.5 Conclusions

The financial crisis in Iceland affected the Filipino community considerably in that many lost their jobs and properties such as cars or apartments due to the increasing interest rates, the depreciation of the krónur and the instability of the labour market. It has put them into financial difficulties that affected the quality of their lives. They have to work harder, some have to work more than one job or take on more overtime if possible to be able to support themselves in the ever increasing cost of living in Iceland as well as continuing the financial support they send to their families in the Philippines.

The crisis also affected their families in the Philippines first and foremost financially because of the devaluation of the krónur (Wojtynska & Zielinska, 2010) in that the families are receiving a much lower amount in pesos forcing them to cut back on their expenses as well as affecting the education of some members of the family.

Overall the financial situation of the citizens of Iceland is not improving and particularly impacted is the low salaried workers including the Filipinos.

The conclusion of this research came out similar to the researches conducted in Iceland regarding the situation of immigrants after the crisis but one thing that stands out about the Filipinos, that is the seriousness of their obligation to help their family back in the Philippines even in times of crisis disregarding their own needs for the sake of the whole family.
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Violeta Tolo Torres

MSc in International Business


http://business.inquirer.net/25633/defending-the-filipino-family


Appendices

Appendix 1  The research questions

“The implication of the economic crisis on the Filipino community in Iceland and why families in the Philippines are affected.”

Time of interview: 
Date and place: 
Intervener:  Violeta Tolo Torres
Interviewee: 
Year of arrival: 

Research aim and purpose: The aim and purpose of the study is to find out how and to what extent the economic crisis in 2008 affected the lives of the Filipinos living in Iceland and why is it affecting the lives of their families back home.

Central questions:

“The implication of the economic crisis on the Filipino community in Iceland and why families in the Philippines are affected?”

1. Can you tell me about yourself and your life before you came to Iceland?
2. When did you arrive and why did you move?
3. What prompted you to choose Iceland?
4. Describe your first impression when you arrived and how did you feel being in a new country?
5. What are your educational background and your job back in the Philippines and here in Iceland?
6. Was it difficult to find a job when you came?
7. Do you have a family back home that you are supporting financially?
8. Can you describe your life before and after the crisis in 2008?
9. Did the crisis in Iceland affect your family in the Philippines?
10. How are you coping with your life after the crisis? Describe your life now.

Thank you very much for your participation. I can assure you that I will keep my promise of confidentiality and will not divulge any information I gather from this interview.

Respectfully yours,

_______________________________________

Violeta Tolo Torres, researcher
Appendix 2  Introductory letter to the participants

Introductory letters to participants

“The implication of the economic crisis on the Filipino community in Iceland and why families in the Philippines are affected?”

Kópavogur, June 20, 2013

Dear participants,

I am sending you this letter because you have been chosen from a group of Filipinos living in Iceland to participate in my research. You have been living in Iceland for a period of time and qualify as a participant with experience that could help answer the question in my research study “The implication of the economic crisis on the Filipino community in Iceland and why families in the Philippines are affected?”

This research study aims to find out how and to what extent the economic crisis in 2008 affected the lives of the Filipinos living in Iceland and why is it affecting the lives of their families back in the Philippines.

My name is Violeta Tolo Torres. I am a student at Bifröst University. I live in Kópavogur and like you an immigrant from the Philippines and been here for more than 20 years. This research study is my final project and is the culmination of my course MSc in International business. The supervisor in this research is Ingvar Örn Ingvarsson.

Be aware that you are free to decide not to participate in this research study. You are free to withdraw anytime if you feel you are not up to. But your participation will be highly appreciated in my research.

Participating in this research means that you agree to be interviewed by me and it will probably take an hour or less. Place and time will be agreed upon at your earliest
convenience. We will talk about your life here in Iceland before and after the crisis in 2008 and about the family you are supporting back in the Philippines. Choice of language will be at your discretion as long as we both can understand and can have a dialogue.

There are no known risk and/or discomfort associated with this research. The result of this study might shed some light to the extent of how the crisis really affected the lives of the Filipinos and why is it affecting their families back home.

With your permission I will be bringing my Dictaphone to record our conversation so as to help me write down the details correctly and transcribe it the way it was in our conversation. All identifying features will be omitted; your name will not be mentioned to protect your identity. Pseudonym will be used. I would be happy to share with you the findings of this research.

Feel free to contact me anytime by phone, mail or e-mail if you would like further information or if you have any questions about the research. I will greatly appreciate your contribution.

Respectfully yours,

______________________________
Violeta Tolo Torres,
MSc student in International business,
Bifröst University
Telephone numbers:
Home: 564-1934
Work: 585-1300 /585-1309
Mobile: 896-1934
Email: letatt1@yahoo.com
Appendix 3  Informed consent for the interview

Informed consent for interviews:

“The implication of the economic crisis on the Filipino community in Iceland and why families in the Philippines are affected?”

Kópavogur, June 18, 2013

I, the undersigned, agree to participate in the research study “The implication of the economic crisis on the Filipino community in Iceland and why families in the Philippines are affected?” which will be conducted by Violeta Tolo Torres, MSc student at Bifröst University

She imparted that being a participant in this research:

• I have the experience that can be relevant to the research.

• That interview will take an hour or less at most 2 times at my convenience.

• I can withdraw from participating anytime before or during the interview if I feel not up to it and I also have the right to refuse to answer any specific question without having to give any reason.

• I am assured that there is no risk involved and that this research will be useful in finding the answer as to the extent of this crisis to the lives of the Filipinos here in
Iceland and the effect to their families back home.

• I allow our dialogue to be tape-recorded, on the condition that the tape will be kept in a safe and no other will be able to access it and will be destroyed after a transcript has been made, without identifying features or divulging my identity. And it will only be used for the purpose of this research.

• I am aware that, besides Violeta, there might be some other connected in the research that may read the typescript of our dialogue but I am assured that it will be handled with utmost confidence. All identifying data such as my name will be removed and pseudonym will be use instead.

• If I have questions about the study I can contact the researcher directly any time by phone or email as follows:

   Home phone: 564-1934  
   Mobile phone: 896-1934  
   Work phone: 585-1309/585-1300  
   Email: letatt1@yahoo.com

• I have received and signed two copies of the introductory and the informed consent letters and I retain one copy of each letter.

I hereby give my voluntary consent to participate in her research project.

________________________________________________________________________

Participant’s signature