



THE VENEZUELAN EXODUS: MIGRATION, EMPLOYMENT, AND ECONOMIC INTEGRATION IN SOUTH AMERICA

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ABSTRACT

Research on Venezuelan migration has primarily focused on humanitarian crises and immediate socio-economic impacts, with limited attention given to the complex dynamics of labor market integration and regional economic policies. However, understanding these dimensions is essential to addressing the broader implications of migration on host societies. To fill this gap, this article explores the economic integration of Venezuelan migrants in South America, emphasizing labor market dynamics, public resource pressures, and policy responses. Grounded in migration and labor market theories, the study employs a mixed-methods approach, combining secondary data from regional organizations with empirical findings from national reports in Brazil, Colombia, and Peru. The results demonstrate significant contributions by Venezuelan migrants to critical industries such as agriculture, construction, and services, while also identifying persistent barriers, including legal restrictions and labor market informality. As a contribution, this article provides a comprehensive analysis of regional migration policies and offers actionable recommendations to enhance economic integration, supporting long-term development and resilience in host countries.

Keywords: Venezuela Migration, Economic Integration, Labor Market Dynamics, Migration Policy, South America.

1. Introduction

The Venezuelan migration crisis represents one of the most significant forced displacement events in recent

history, deeply influencing South American countries. With over 7.71 million Venezuelan migrants globally as of 2024, the crisis underscores the socio-economic

and political instability within Venezuela, which has driven millions to seek refuge elsewhere (R4V, 2024). Among these, approximately 6.59 million individuals have relocated to countries in Latin America and the Caribbean, with Colombia, Peru, and Brazil serving as primary destinations. This mass movement of people poses unique challenges and opportunities for the host nations, particularly in terms of labor market integration and economic development.

This paper aims to investigate the economic implications of Venezuelan migration, focusing on employment and labor market dynamics in South America. Migration of this magnitude inevitably influences labor supply, wage structures, and job competition, especially in lower-skilled sectors. While some host countries have managed to absorb these migrants into their economies effectively, others face significant barriers, including limited infrastructure and insufficient policies to facilitate integration. By examining comparative case studies, the paper offers a nuanced analysis of how migration has reshaped regional labor markets and evaluates the long-term potential for economic resilience and growth.

The exodus from Venezuela has its roots in economic collapse, political instability, and widespread social unrest. Hyperinflation, food shortages, and a deteriorating healthcare system have contributed to a humanitarian crisis of

unprecedented scale, prompting millions of Venezuelans to seek better living conditions abroad (Borjas, 2021; Docquier & Peri, 2022). For many host countries, this influx has created a dual challenge: addressing the immediate needs of migrants while navigating the broader implications for local labor markets and economic structures.

Colombia, the largest recipient of Venezuelan migrants, has implemented the TPS, a policy framework designed to regularize the legal status of migrants and provide them access to formal employment and social services. Despite its success in integrating a significant portion of the migrant population, gaps remain in addressing informal employment and ensuring equitable access to public resources (R4V, 2024). Similarly, Peru and Brazil have adopted distinct approaches to migration management, each reflecting their unique socio-political and economic contexts. While Peru has struggled with an overburdened informal sector, Brazil's "Operation Welcome" ("Operação Acolhida") initiative has provided a structured response, albeit with limitations in scalability and resource allocation (OBMigra, 2020).

The Venezuelan migration crisis also highlights broader issues of economic resilience and sustainable development in the region. Migrants often fill labor shortages in undervalued or high-turnover industries such as agriculture, construction,



and services. However, systemic barriers—such as unrecognized qualifications, social discrimination, and legal restrictions—limit their ability to contribute fully to host economies (Shamsuddin et al., 2021). These barriers exacerbate the reliance on informal employment, where job security and social protections are minimal.

This paper seeks to provide a comprehensive understanding of the economic effects of Venezuelan migration in South America. By synthesizing empirical data and theoretical frameworks, the study evaluates the policy responses of host countries and proposes strategies for enhancing economic integration. Ultimately, the findings emphasize the transformative potential of migration, positioning it as a driver of regional economic stability and growth if managed effectively.

2. Methodology

This study employs a qualitative content analysis approach, guided by the methodological framework presented by Bardin (2011). Content analysis, as Bardin conceptualizes it, is a systematic and replicable method for transforming large volumes of textual data into meaningful and organized information. It is particularly well-suited for exploring complex social phenomena, such as the impacts of Venezuelan migration on labor markets, public resources, and policy responses in South America. This method allows for the identification of patterns and themes within

textual material, offering a robust foundation for understanding the multifaceted dynamics of migration.

The research design was structured in three stages: pre-analysis, material exploration, and treatment of results. In the pre-analysis stage, relevant documents were identified and collected, including government reports, academic articles, and data from organizations such as R4V and the International Organization for Migration (IOM). This stage also involved defining the research objectives and establishing the coding framework, which focused on thematic categories such as economic integration, public service pressures, and barriers to labor market access. These categories were developed based on the central questions driving the study, ensuring alignment with its overall goals.

The second stage, material exploration, involved an in-depth review of the selected documents. Textual data were systematically coded according to the predefined thematic categories. For example, references to Venezuelan migrants contributing to key sectors like agriculture and services were coded under “economic contributions,” while discussions of challenges such as limited recognition of qualifications were classified as “barriers to integration.” Bardin (2011) emphasizes the importance of a meticulous and exhaustive approach to data coding to enhance the reliability and validity of findings, a principle

strictly followed during this phase. This systematic coding process enabled the organization of a diverse set of data into coherent themes, facilitating comprehensive analysis.

In the final stage, the treatment of results, the coded data were analyzed and interpreted to address the study's objectives. The categorized information was synthesized to identify patterns, correlations, and emerging insights. This phase involved interpreting the data in the context of regional migration dynamics, assessing both the successes and shortcomings of policies like Brazil's Operation Welcome and Colombia's TPS. Triangulation of multiple data sources was employed to ensure credibility and reduce potential biases. By comparing findings across different contexts and datasets, the study provided a nuanced understanding of migration's socio-economic impacts.

Content analysis was chosen for its ability to handle complex and multidisciplinary datasets, a necessity when examining the interplay of migration, labor markets, and public policy. Bardin's approach offers a structured yet flexible framework that accommodates diverse textual materials, making it ideal for this research. However, the methodology is not without limitations. The reliance on secondary data introduces potential biases, particularly if sources are incomplete or unevenly distributed. To mitigate these

issues, rigorous cross-referencing and a transparent coding process were implemented.

By applying Bardin's structured framework, this study delivers a comprehensive analysis of Venezuelan migration, offering valuable insights into its implications for labor market integration and regional economic development. This methodology ensures that the findings are grounded in systematic and replicable research practices, enhancing their academic and practical relevance.

3. The Venezuelan Exodus: A Regional Overview

The Venezuelan migration crisis has its origins in the severe economic, political, and social turmoil that has afflicted the country since the early 2010s. Economic mismanagement, hyperinflation, and the collapse of critical industries have created a humanitarian crisis of unprecedented proportions. Between 2014 and 2021, Venezuela's GDP shrank by over 75%, reducing the nation's capacity to provide essential services and undermining the livelihoods of millions (Uebel, 2018). The crisis was exacerbated by political instability, marked by disputes over presidential legitimacy and contested elections. These issues have led to widespread social unrest, violent crackdowns, and deteriorating public trust in government institutions (Aldea Mundo, 2019).



One of the key economic drivers of this exodus has been hyperinflation, which reached a peak of over 1,000,000% in 2018, rendering the Venezuelan bolívar almost worthless. The resulting loss of purchasing power left citizens unable to afford necessities such as food, medicine, and shelter (Encovi, 2021). Additionally, the collapse of the oil industry—a cornerstone of Venezuela's economy—further diminished state revenues. Declining oil production, once the backbone of public spending, crippled the government's ability to maintain infrastructure and social programs (Uebel, 2018).

Sanctions imposed by international actors have also contributed to Venezuela's economic isolation, further limiting access to foreign capital and resources. While intended to pressure political reform, these measures inadvertently worsened the humanitarian situation, prompting more individuals to flee the country (Encovi, 2021). Political instability, fueled by internal and external conflicts, has made long-term resolution elusive, forcing millions of Venezuelans to seek safety and stability abroad (Aldea Mundo, 2019).

The exodus of Venezuelans has resulted in a dramatic reshaping of migration flows in Latin America and the Caribbean. As of 2024, approximately 6.59 million Venezuelan migrants and refugees have sought shelter in neighboring countries, primarily Colombia, Peru, and

Brazil, each grappling with unique challenges posed by this unprecedented influx (R4V, 2024). The proximity of these nations to Venezuela, combined with historical cultural and economic ties, has made them primary destinations for displaced populations.

Colombia hosts the largest number of Venezuelan migrants, with over 2.9 million individuals residing within its borders. The porous and extensive land border between the two nations has facilitated large-scale movement, often in informal or undocumented channels (Uebel, 2018). Border towns such as Cúcuta have become hubs for temporary settlement, leading to overcrowded shelters and strained municipal resources. Colombia's TPS, introduced in 2021, aims to regularize the status of these migrants, granting them access to formal employment, education, and healthcare (OBMigra, 2020). However, challenges remain, particularly in integrating migrants into Colombia's formal labor market, where informality and underemployment are widespread (R4V, 2024).

Peru is the second-largest host country, with approximately 1.5 million Venezuelan migrants. Economic opportunities in urban centers such as Lima initially attracted migrants, but the rapid influx has overwhelmed the country's ability to provide adequate support. The labor market in Peru, characterized by high levels

of informality, has limited the capacity of Venezuelans to secure stable employment, relegating many to low-wage, precarious jobs (Aldea Mundo, 2019). Additionally, rising anti-immigrant sentiment in some regions has hindered efforts to foster social cohesion (Encovi, 2021).

Brazil, with 426,000 Venezuelan migrants, represents a unique case due to its structured response through “Operation Welcome”. This government-led initiative provides legal documentation, relocation assistance, and integration programs for Venezuelan migrants (Uebel, 2018). However, the geographical isolation of northern border states such as Roraima, combined with limited local infrastructure, has created logistical challenges in accommodating new arrivals. Many migrants are resettled to other parts of Brazil under interiorization programs designed to reduce pressure on border regions and distribute the population more evenly across the country (OBMigra, 2020).

In addition to these primary destinations, other South American nations such as Chile, Ecuador, and Argentina have also experienced significant increases in Venezuelan migrant populations. While these countries do not share borders with Venezuela, economic opportunities and established diasporic networks have drawn migrants seeking stability. Chile, for instance, has seen a substantial rise in Venezuelan migrants, reaching over

444,000 by 2024, though restrictive immigration policies in recent years have slowed the influx (Encovi, 2021).

Border regions in Colombia and Brazil, in particular, have borne the brunt of the Venezuelan migration crisis. Towns such as Cúcuta in Colombia and Pacaraima in Brazil have seen rapid increases in population density, placing immense strain on local infrastructure. Healthcare facilities in these areas often operate beyond capacity, facing shortages of medical supplies and personnel (Agencia Brasil, 2018a). Public schools have struggled to accommodate the influx of children, with many forced to operate in shifts or provide limited instructional time (Uebel, 2019).

Social tensions have also risen in border communities due to perceived competition over limited resources. Residents often express concerns about job displacement, increased demand for public services, and rising housing costs (OBMigra, 2020). In some cases, these tensions have escalated into xenophobic attitudes or actions, complicating efforts to integrate migrant populations effectively.

In response to these pressures, governments have sought to implement measures that balance humanitarian support with local resource management. Brazil’s strategy of interiorization, which relocates migrants from border regions to other parts of the country, has been moderately successful in alleviating



congestion at entry points (Uebel, 2018). Similarly, Colombia's TPS aims to distribute migrants more evenly across the country by offering legal pathways to formalize their status and encourage internal mobility (R4V, 2024).

The Venezuelan migration crisis has also transformed broader migration trends in Latin America. Historically, the region has been characterized by South-South migration flows, with intra-regional movement largely driven by economic opportunities and familial ties. The Venezuelan exodus, however, has introduced a new dimension to regional migration, challenging existing systems and prompting the development of more comprehensive frameworks for migration governance (Aldea Mundo, 2019).

Countries across the region have responded with varying levels of coordination and effectiveness. Regional organizations such as the Andean

Community (CAN), which fosters integration among Bolivia, Colombia, Ecuador, and Peru through initiatives like the Andean Migration Statute, and MERCOSUR (Southern Common Market), a trade bloc comprising Argentina, Brazil, Paraguay, and Uruguay, known for agreements like the Residence Agreement that facilitates free movement and employment among member states, have attempted to facilitate dialogue and align policies. These organizations aim to promote economic, social, and political cooperation within South America. However, the absence of a unified migration policy framework has limited the impact of these efforts (Andean Community, n.d.; MERCOSUR, n.d.; Encovi, 2021). Bilateral agreements between countries like Colombia and Peru have proven more effective in addressing immediate needs, though they often fall short of offering long-term solutions.



Figure 1. Distribution of Venezuelan migrants across host countries in Latin America and the Caribbean. Data sourced from R4V (2024).

Colombia	2,86 M	EL CONO SUR	
Perú	1,54 M	Argentina	164,0 K
Brasil	568,1 K	Uruguay	39,7 K
Chile	532,7 K	Bolivia	18,0 K
Ecuador	444,8 K	Paraguay	5,3 K
EL CARIBE		CENTROAMÉRICA Y MÉXICO	
República Dominicana	124,1 K	México	113,1 K
Trinidad y Tobago	36,2 K	Panamá	58,2 K
Guyana	21,7 K	Costa Rica	29,0 K
Aruba	17,1 K	OTROS PAÍSES*	
Curazao	14,0 K	1,19 M	

Figure 2. Distribution of Venezuelan migrants across host countries in the Americas. Data sourced from R4V (2024).



The maps and data provide a clear depiction of how Venezuelan migrants are distributed across the Americas, emphasizing the significant effects on host countries in Latin America and the Caribbean. These visual aids highlight the need for collaborative efforts to tackle migration challenges while harnessing potential opportunities. Understanding population densities and the capacities of host nations can help policymakers allocate resources more effectively and develop integration strategies that serve both migrants and local communities.

4. Labor Market Dynamics and Economic Integration

Venezuelan migration has greatly impacted labor markets in South America, especially in sectors facing chronic labor shortages. Migrants have become essential to industries like agriculture, construction, and services, addressing workforce gaps while creating competition in informal labor markets.

Agriculture has experienced some of the most noticeable impacts of Venezuelan migration. Many migrants, particularly those with limited education or documentation, take on physically demanding roles that local workers are often unwilling to fill due to low wages and harsh conditions (OBMigra, 2020). In regions such as northern Brazil and rural Colombia, Venezuelans contribute significantly to seasonal harvesting, ensuring the continuity of vital agricultural

production. This is especially true for labor-intensive crops like coffee and sugarcane, where their presence has mitigated potential economic losses (Shamsuddin et al., 2021). Without these contributions, many farms would struggle to maintain profitability.

In the construction industry, Venezuelan migrants fill high-turnover roles, including masonry, carpentry, and general labor. Urban centers like Bogotá, Lima, and São Paulo have integrated Venezuelans into infrastructure and housing projects, easing labor shortages and supporting the development of essential urban infrastructure (Borjas, 2021). However, their concentration in informal employment often leaves them vulnerable to exploitation, including unsafe working conditions and underpayment. The construction industry's reliance on informal labor further complicates efforts to provide legal protections or stable employment opportunities for these workers (OBMigra, 2020).

The services sector, encompassing roles in hospitality, retail, and domestic work, has also absorbed large numbers of Venezuelan migrants. Cities such as Lima and Medellín have seen Venezuelans take on roles in customer service, housekeeping, and caregiving, filling positions often overlooked by local populations (Encovi, 2021). In doing so, migrants have supported small businesses, sustained service-

oriented enterprises, and bolstered consumer demand. For example, Venezuelan domestic workers in Brazil and Colombia provide critical support for dual-income households, indirectly enabling higher economic productivity among local families (R4V, 2024).

However, the predominance of informal labor markets presents a persistent challenge. In Colombia, over 60% of Venezuelan migrants work informally, earning below minimum wages and lacking access to social protections (OBMigra, 2020). Similar trends are evident in Peru, where migrants dominate informal retail and street vending, facing precarious working conditions and limited economic mobility (IOM, 2021). This reliance on informal employment fuels competition between migrants and low-skilled native workers, creating tension in labor markets already characterized by high unemployment rates (Borjas, 2021). Additionally, informal work reduces migrants' contributions to tax revenues and social security systems, constraining their economic potential.

Despite these challenges, Venezuelan migrants have proven essential in stabilizing labor supplies across agriculture, construction, and services. Policymakers must address informal employment dynamics to unlock the full economic benefits of migration while ensuring fair treatment and equitable opportunities for all workers.

4.1 Economic Contributions

The economic contributions of Venezuelan migrants to host countries in South America are significant, with impacts extending across GDP growth, consumer demand, and entrepreneurial activities. Despite challenges, migrants have emerged as key players in the economies of nations like Colombia, Brazil, and Peru, helping to address labor shortages and drive local economic development.

Venezuelan migrants contribute directly to the GDP of host countries by filling labor shortages in critical sectors such as agriculture, construction, and services. In Colombia, it is estimated that the economic output generated by Venezuelan migrants contributes an additional 0.23% to the country's GDP annually (Shamsuddin et al., 2021). This growth reflects their integration into essential industries, including retail and hospitality, which rely on migrant labor to meet rising consumer demands. Similarly, Brazil has seen localized economic benefits from Venezuelan migrants, particularly in border states like Roraima and major urban centers, where they have bolstered productivity and employment in sectors facing chronic labor shortages (Uebel & Ranincheski, 2017).

Migrants also play a significant role in driving local consumption and economic activity. In urban centers like Lima, Bogotá, and São Paulo, Venezuelan migrants contribute to local economies not only as



workers but also as consumers. Their spending on housing, food, transportation, and other necessities supports local businesses and sustains market demand, creating multiplier effects that benefit broader economic ecosystems (Encovi, 2021). For example, the presence of Venezuelan migrants in Medellín has revitalized local markets, as their consumer spending has stimulated small business growth and employment opportunities (R4V, 2024).

Entrepreneurship among Venezuelan migrants is another vital aspect of their economic contributions. Many migrants use their skills and savings to establish small businesses, ranging from food stalls to retail shops. In São Paulo, for instance, Venezuelan-owned businesses have filled niche markets, catering to the growing demand for goods and services within both migrant and local communities (OBMigra, 2020). These entrepreneurial activities not only generate income for migrants but also contribute to local tax revenues and job creation.

Additionally, remittances sent by Venezuelan migrants to their families back home benefit both sending and receiving countries. In host countries, the formalization of remittance channels boosts financial inclusion as migrants engage with banking and money transfer systems. These financial activities strengthen local economies and support household

consumption in Venezuela, where remittances are a critical lifeline amidst economic collapse (IOM, 2021; Shamsuddin et al., 2021).

However, barriers such as legal restrictions on formal employment and credential recognition often limit the full economic potential of Venezuelan migrants. Addressing these challenges through policies that facilitate workforce integration, streamline business registration processes, and enhance access to financial services can maximize their contributions to host economies while fostering long-term stability and growth.

4.2 Barriers to Integration

Venezuelan migrants in South America face substantial barriers to integration, particularly legal restrictions on employment and systemic non-recognition of their professional qualifications. These obstacles limit their ability to access formal employment, diminishing their economic contributions and exacerbating vulnerabilities. Comparative case studies from Brazil's Operation Welcome and Colombia's TPS provide insight into both the successes and shortcomings of migration policies.

Legal barriers often represent the first hurdle for migrants seeking economic integration. In Brazil, "Operation Welcome" focuses on granting legal residency and work permits to Venezuelan migrants, providing a critical pathway to formal

employment (Uebel, 2018). However, implementation challenges, including delays in documentation processing, restrict timely access to legal work. Migrants who cannot secure these permits often turn to informal labor markets, where they face exploitation, underpayment, and unsafe working conditions (Baeninger et al., 2018). Additionally, the high levels of informality in Brazil's overall labor market exacerbate these challenges, as even those with legal status struggle to find formal job opportunities (IOM, 2021).

In Colombia, the TPS introduced in 2021 aims to regularize over 1.7 million Venezuelans, offering them legal status, work permits, and access to social services (R4V, 2024). While this policy is a model for regional migration governance, important gaps remain. Many migrants experience delays in obtaining documentation, which restricts their ability to participate in the formal labor market. Furthermore, employer skepticism about hiring migrants—even those with proper documentation—limits the effectiveness of this policy (Shamsuddin et al., 2021).

Another significant barrier is the non-recognition of skills and qualifications. Many Venezuelan migrants possess professional expertise in fields such as medicine, engineering, and education. However, the lack of credential recognition frameworks in host countries often forces these skilled workers into low-wage, unskilled jobs. In

Brazil, efforts to streamline credential recognition have been sector-specific, benefiting healthcare professionals but leaving others excluded from opportunities to work in their trained fields (Uebel, 2019). Similarly, in Colombia, skilled Venezuelans face bureaucratic hurdles when attempting to validate their qualifications, contributing to widespread underemployment (OBMigra, 2020).

The consequences of these barriers are far-reaching. Migrants unable to access formal employment remain economically marginalized and are more likely to work in sectors characterized by precarity and low wages. This perpetuates income insecurity and limits their ability to fully contribute to host economies (Encovi, 2021). Moreover, these systemic barriers foster social tensions between native workers and migrants, as competition in informal labor markets increases (Borjas, 2021).

Policy reforms are essential to address these issues. Streamlined credential recognition, faster documentation processes, and employer incentives to hire migrants in formal roles could mitigate these barriers. Both Brazil and Colombia demonstrate the potential of structured migration policies, but their limitations highlight the need for continuous adaptation to improve economic integration for Venezuelan migrants.



4.3 Comparative Policy Responses to Migration

Brazil's response to the Venezuelan migration crisis through "Operation Welcome" stands out as a well-coordinated and humanitarian effort to address the challenges posed by large-scale migration. This initiative, launched in 2018, emphasizes providing documentation, shelter, and workforce integration for Venezuelan migrants. However, while Operation Welcome has been lauded for its comprehensive approach, it also faces significant hurdles in large-scale implementation and resettlement.

A central pillar of Operation Welcome is its focus on providing Venezuelan migrants with legal documentation, including temporary residency permits and work authorizations. This framework ensures that migrants can access formal labor markets and social services, reducing their reliance on informal work and mitigating risks associated with undocumented status (Uebel, 2019). As of 2023, over 400,000 Venezuelans had received legal status through this program, enabling them to participate more effectively in the Brazilian economy (R4V, 2024). The documentation process is streamlined at reception centers near the border, particularly in Pacaraima and Boa Vista, where migrants undergo initial registration, health checks, and residency applications (Aldea Mundo, 2018).

To address labor market needs and alleviate pressure on border regions, Operation Welcome includes an "interiorization" strategy that relocates migrants from the economically strained state of Roraima to other regions of Brazil with better job prospects and infrastructure. This program facilitates workforce integration by matching migrants with job opportunities in sectors such as agriculture, construction, and services (OBMigra, 2020). For example, many migrants have been successfully resettled in São Paulo and Porto Alegre, where they fill critical labor shortages while contributing to local economies (Shamsuddin et al., 2021).

Despite its successes, Operation Welcome faces considerable challenges in scaling up resettlement efforts. The logistical complexities of relocating thousands of migrants across a vast country often result in delays and insufficient support for those who are resettled (IOM, 2021). Migrants frequently encounter difficulties in securing stable housing and employment due to local resource constraints and systemic barriers, such as limited language skills and the non-recognition of their professional qualifications (Uebel, 2019). Moreover, the high informality of Brazil's labor market undermines the program's goals, as many migrants remain employed in unregulated sectors with low wages and limited protections (Baeninger & Mesquita, 2016).

Another obstacle is the resistance from some local governments and communities, which cite concerns over the strain on public services and potential competition for jobs. This has led to uneven implementation across regions, with certain states and municipalities being more welcoming than others (Aldea Mundo, 2018). Social tensions occasionally arise between native populations and migrants, further complicating efforts to foster long-term integration (R4V, 2024).

In summary, while Operation Welcome demonstrates the potential of coordinated migration policies to address humanitarian crises, its challenges highlight the need for sustained investments in infrastructure, workforce training, and community engagement. Enhancing these areas can ensure more equitable outcomes for both migrants and host communities.

4.4 Peru's Approach to Migrant Regularization

In contrast to Colombia, Peru's migration policy has been less comprehensive, relying primarily on the Temporary Stay Permit (Permiso Temporal de Permanencia, PTP). While the PTP provides Venezuelans with temporary legal status and access to basic services, it lacks the broader scope and institutional support of Colombia's TPS (Uebel, 2018). As of 2022, over 500,000 Venezuelans had obtained PTPs, granting them temporary

residency and work authorization (IOM, 2021).

Despite its successes in granting legal status, Peru's policy has struggled to address the challenges of informal employment. Venezuelan migrants in Peru are heavily concentrated in informal sectors, such as street vending, domestic work, and small-scale retail, where they face low wages and precarious conditions (Encovi, 2021). This reliance on informal labor not only limits their economic contributions but also perpetuates social tensions as locals perceive migrants as competitors for scarce resources.

The lack of institutional support for migrant integration exacerbates these issues. Unlike Colombia's TPS, Peru's PTP does not provide a clear pathway to permanent residency or long-term employment opportunities. Structural reforms, such as vocational training and credential recognition, are necessary to improve labor market outcomes for migrants and ensure their contributions are fully realized (Shamsuddin et al., 2021).

4.5 Regional Cooperation

The Venezuelan migration crisis has underscored the need for robust regional cooperation among South American countries to effectively address labor market challenges and maximize the potential benefits of migration. Given the transnational nature of the crisis, coordinated migration policies are essential



to align labor market needs with migrant integration strategies, creating a mutually beneficial framework for host countries and migrants alike.

South America's fragmented response to Venezuelan migration has highlighted the limitations of unilateral policies. Countries like Brazil, Colombia, and Peru have implemented individual programs to regularize and integrate migrants, but inconsistencies in policy frameworks have created gaps and inefficiencies. For example, while Brazil's Operation Welcome emphasizes workforce integration through resettlement, Peru's reliance on temporary permits has left many migrants in precarious informal employment (Uebel, 2018). Coordinated regional policies could address such disparities, ensuring equitable opportunities for migrants across borders and minimizing the uneven distribution of migration-related economic burdens.

Uebel and Ranincheski (2017) emphasize the importance of geopolitical alignment in migration governance. They advocate for the establishment of regional agreements that harmonize labor market policies, credential recognition, and migrant rights. Such agreements would streamline the movement of migrants across borders, enabling them to respond to labor shortages in sectors like agriculture, construction, and services while ensuring access to formal

employment and legal protections (OBMigra, 2020).

Regional cooperation is particularly critical in addressing informal labor markets, where many Venezuelan migrants are concentrated. A shared commitment to reducing informality through vocational training, employer incentives, and labor inspections could enhance job quality and economic contributions across the region. For instance, Colombia's TPS offers a model for other countries by providing migrants with legal residency and access to formal labor markets, but its success could be amplified through collaboration with neighboring countries to address cross-border labor dynamics (IOM, 2021; R4V, 2024).

Another key area for cooperation is the recognition of skills and qualifications. The lack of standardized credential recognition processes in South America forces skilled migrants into low-wage, unskilled jobs, limiting their economic potential (Shamsuddin et al., 2021). Regional agreements on credential equivalency and professional licensing could help bridge this gap, allowing migrants to contribute to sectors where their expertise is most needed, such as healthcare, education, and engineering (Encovi, 2021).

The creation of a regional migration framework would also facilitate resource sharing and policy alignment. For example,

regional organizations like MERCOSUR and Union of South American Nations (UNASUR) could play a central role in coordinating migration policies, leveraging their existing structures to promote dialogue and cooperation among member states. Such efforts could include the development of a regional labor market database to match migrant skills with job opportunities and the establishment of cross-border social safety nets to protect vulnerable populations (Uebel, 2018).

In summary, regional cooperation is vital to addressing the labor market challenges posed by Venezuelan migration. By aligning migration policies and labor market needs, South American countries can transform migration into a catalyst for economic resilience and development, benefiting both migrants and host communities.

4.6 Public Resources and Infrastructure Pressures

The Venezuelan migration crisis has placed significant strain on public resources and infrastructure across host countries in South America, particularly in healthcare, education, and housing systems. The rapid and large-scale influx of migrants has stretched already limited capacities, requiring host governments to adapt quickly to meet rising demands. These pressures highlight the need for comprehensive and sustainable strategies to ensure the

equitable provision of essential services for both migrants and local populations.

Healthcare systems in host countries have borne one of the heaviest burdens. In Brazil, for example, the state of Roraima has seen an exponential increase in healthcare demand. Between 2015 and 2018, healthcare services for Venezuelan migrants increased by over 23%, straining local facilities and resources (Agencia Brasil, 2018). Migrants often arrive with urgent medical needs, including malnutrition, infectious diseases, and chronic conditions exacerbated by Venezuela's healthcare collapse. Hospitals and clinics in border regions are particularly affected, operating at or beyond capacity. While initiatives like Operation Welcome have allocated additional funding to address these challenges, gaps in service delivery persist, especially in rural and underserved areas (R4V, 2024).

Similarly, Colombia's healthcare system has struggled to accommodate the needs of over 2.5 million Venezuelans. While the TPS provides migrants with access to basic health services, funding shortfalls and administrative bottlenecks have limited its effectiveness. Many migrants, especially those in informal employment or undocumented status, face difficulties accessing care, leading to delays in treatment and worsening health outcomes (IOM, 2021). These challenges have underscored the importance of



targeted investments in healthcare infrastructure and workforce expansion to meet rising demand.

Education systems have also faced challenges. In Colombia, schools have enrolled hundreds of thousands of Venezuelan children, many of whom require additional support to address interrupted schooling and the psychological impact of displacement and trauma. These factors, combined with the strain on local educational resources, have made integration into the school system complex and resource-intensive (R4V, 2024).

Despite government efforts to integrate migrant children into public schools, overcrowded classrooms, insufficient teaching staff, and limited resources pose significant challenges. Peru faces similar issues, with an estimated 80% of school-age Venezuelan children in Lima lacking access to formal education due to bureaucratic hurdles, resource constraints, and discrimination (Encovi, 2021).

Housing is another critical area of strain. In urban centers like Bogotá, São Paulo, and Lima, the arrival of large migrant populations has exacerbated housing shortages, driving up rental prices and increasing demand for affordable accommodation. Many Venezuelans live in overcrowded or informal settlements, often lacking access to basic utilities and sanitation (OBMigra, 2020). This situation not only impacts the well-being of migrants

but also intensifies competition for limited housing resources, creating tensions with local populations.

Efforts to address these pressures have included international assistance, such as funding from the UNHCR and World Bank, as well as local government initiatives to expand service capacity. However, sustained investment and regional cooperation are essential to ensure equitable access to services for all affected populations.

4.7 Economic Opportunities

Venezuelan migrants have become a critical source of remittances, providing economic stability for families in their home country while contributing to the economies of host nations. In 2022 alone, Venezuelans abroad sent over \$3.5 billion in remittances, a lifeline for millions of families grappling with Venezuela's economic collapse (Encovi, 2021). These funds help recipients cover basic needs such as food, housing, and healthcare, mitigating the humanitarian crisis within Venezuela.

For host countries, remittance flows drive financial inclusion by encouraging migrants to engage with formal banking systems. Many Venezuelan migrants use local banks and remittance services to transfer money, boosting transaction volumes and supporting the financial sector's growth (Shamsuddin et al., 2021). Additionally, remittances strengthen ties between migrants and host economies, as

their earnings are directly linked to local employment opportunities. For instance, migrants engaged in agriculture and construction in Brazil or retail and services in Colombia generate income that supports both local economies and their families in Venezuela (Uebel, 2018).

Conclusion

The primary objective of this article is to critically examine the economic, social, and policy dimensions of Venezuelan migration in South America, with a specific focus on labor market integration and the strain on public resources. While much of the existing literature has emphasized the humanitarian crisis and political context of Venezuelan displacement, this study seeks to bridge a crucial gap by exploring the economic impacts and policy responses of host countries, particularly in the contexts of employment and economic resilience.

The study's findings highlight the dual nature of Venezuelan migration: while migrants significantly contribute to labor market productivity and economic diversity, they also impose substantial demands on education, healthcare, and housing systems. Through comparative case studies of Colombia, Peru, and Brazil, the research identifies successes, such as the Temporary Protection Statute in Colombia and Operation Welcome in Brazil, as well as persistent challenges, including informal employment and barriers to social integration.

This research contributes to the academic discourse by offering an interdisciplinary perspective that integrates migration studies, public policy analysis, and labor economics. It emphasizes the potential for Venezuelan migration to act as a catalyst for economic growth when supported by inclusive and coordinated policies. Recommendations include the recognition of migrant credentials, the formalization of labor markets, and regionally unified migration frameworks under mechanisms like MERCOSUR and the Andean Community.

A key limitation of this study lies in its reliance on secondary data and the absence of updated reports that reflect the rapidly evolving dynamics of Venezuelan migration. The findings are therefore constrained by the availability and scope of existing datasets. Future research should focus on longitudinal data collection, the evaluation of specific policy outcomes, and the integration of migrant voices to provide a more comprehensive understanding of migration experiences and impacts.

By addressing the interconnected economic and social dimensions of migration, this article provides a foundation for policymakers, academics, and practitioners to reimagine migration governance in South America, aiming for solutions that are both sustainable and equitable.



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