CSAE Conference: Migration and Labor Mobility
Internal Migration in Sub-Saharan Africa

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Migration and Labor Mobility

- Internal migration important: globally, 1 in 8 people are internal migrants (UNDP, 2009)

- Four times as many as international migrants

- Internal migration in Africa
  - How many people are migrating?
  - What jobs do migrants do?
  - Are migrants able to find jobs?
  - Are there still arbitrage opportunities?

- Policy implications
  - Do large wage gaps mean more people should migrate?
Questions from data

Migration rates are high
Migrants often work in agriculture
Migrants have similar unemployment rates
But, there are still large wage gaps...

Policy questions
Do large wage gaps mean more people should migrate?
Are people migrating?

Migration rates, heads of household

Source: Census data from IPUMS International. Note that region sizes differ across countries. Migrants are identified using region of birth.
Questions from data

Migration rates are high

Migrants often work in agriculture

Migrants have similar unemployment rates

But, there are still large wage gaps...

Policy questions

Do large wage gaps mean more people should migrate?
Share of population in agriculture

Agricultural sector involvement, heads of household

Burkina Faso (province), 2006
Guinea (region), 1996
Kenya (province), 2009
Senegal (department), 2002
South Africa (province), 2007
Egypt (governorate), 2006
Ghana (region), 2010
Liberia (county), 2008
Cameroon (department), 2005
Sudan (state), 2008
Malawi (district), 2008
Sierra Leone (district), 2004
Mali (region), 2009
Zambia (province), 2000
Uganda (district), 2002
South Sudan (state), 2008
Tanzania (region), 2002
Rwanda (province), 2002

Source: Census data from IPUMS International. Note that region sizes differ across countries. Migrants are identified using region of birth.
Share of population in agriculture, by migration status

Agricultural sector involvement, heads of household

Burkina Faso (province), 2006
Guinea (region), 1996
Kenya (province), 2009
Senegal (department), 2002
South Africa (province), 2007
Egypt (governorate), 2006
Sudan (state), 2008
Mali (region), 2009
Cameroon (department), 2005
Ghana (region), 2010
Sierra Leone (district), 2004
Liberia (county), 2008
Zambia (province), 2000
Malawi (district), 2008
South Sudan (state), 2008
Tanzania (region), 2002
Uganda (district), 2002
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Questions from data

- Migration rates are high
- Migrants often work in agriculture
- Migrants have similar unemployment rates
- But, there are still large wage gaps...

Policy questions

- Do large wage gaps mean more people should migrate?
Unemployment rate

Source: Census data from IPUMS International. Note that region sizes differ across countries. Migrants are identified using region of birth.
Unemployment rate, by migration status

Unemployment rates, heads of household

Burkina Faso (province), 2006
Guinea (region), 1996
Kenya (province), 2009
Senegal (department), 2002
South Sudan (state), 2008
Rwanda (province), 2002
Tanzania (region), 2002
Ghana (region), 2010
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Policy questions
Do large wage gaps mean more people should migrate?
Theory: should there be a law of “one wage”?  

- Most models: migrate to where wage is higher  
  - If enough people do this, wage should equalize across space  

- Puzzle: large differences in wages across regions  
  - Consistent with the “agricultural productivity gap” (Caselli, 2005; Gollin et al., 2014)  

- Why doesn’t migration cause wages to equalize?
Income distribution across space (Kenya)

Household income by district, Kenya 2005

90/10 income gap: 2.72.
Source: FAO RIGA-H database.
Income distribution across space (Kenya)

Household income in Kenya, 2005

Mean income is 56,469 shillings (743 USD). Source: FAO RIGA-H database.
Income distribution across space (Malawi)

Household income by district, Malawi 2005

90/10 income gap: 2.26.
Source: FAO RIGA-H database.
Income distribution across space (Malawi)
Income distribution across space (Tanzania)

Household income by district, Tanzania 2009

90/10 income gap: 4.35.
Source: FAO RIGA-H database.
Income distribution across space (Tanzania)

Household income in Tanzania, 2009

Mean income is 1005822 shillings (762 USD). Source: FAO RIGA-H database
Questions from data
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Migrants often work in agriculture
Migrants have similar unemployment rates
But, there are still large wage gaps...

Policy questions
Do large wage gaps mean more people should migrate?
Give large wage gaps, why don’t more people migrate?

- Are there gains to increasing migration?
  - Individual level (increasing wages)
  - Aggregate level (increasing productivity)

- First, need to understand why wage gaps persist
  - Selection (high skilled people go to high productivity places)
  - People about more than just wages (amenities)
  - Costs of migration (e.g. lack of infrastructure)

Is very hard to disentangle these possible explanations...
What does this mean for policy?

Puzzle: even within a country, there are large wage gaps

- Do wage gaps mean people not allocated efficiently?
  - Should we encourage more migration?
  - Do policies that focus on improving low-wage areas have unintended consequences?

- Answer depends on reason for wage gap
  - One study: random incentives to migrate did have large returns (Bryan et al., 2014)

