Migration between Rural and Urban Sectors of Lower-Income Countries
by Robert E.B. Lucas

Reflections by Luc Christiaensen, Jobs Group, World Bank

BBL, KNOMAD 29 September, 2016

Underappreciated features of domestic migration

- High degree of female migration, also for economic reasons

- Return migration (UR)

- Differential role of education
  - Higher educated more likely R-U migration (that's standard);
  - Lower educated more likely U-R migration is found à Young, 2013 (QJE): sorting on skills explains r-u gap in living standards

- Migration as a journey with multiple destinations

  "Migration is like sinning; after you have done it

  once it is easier to do again" (Berliner, 1977)
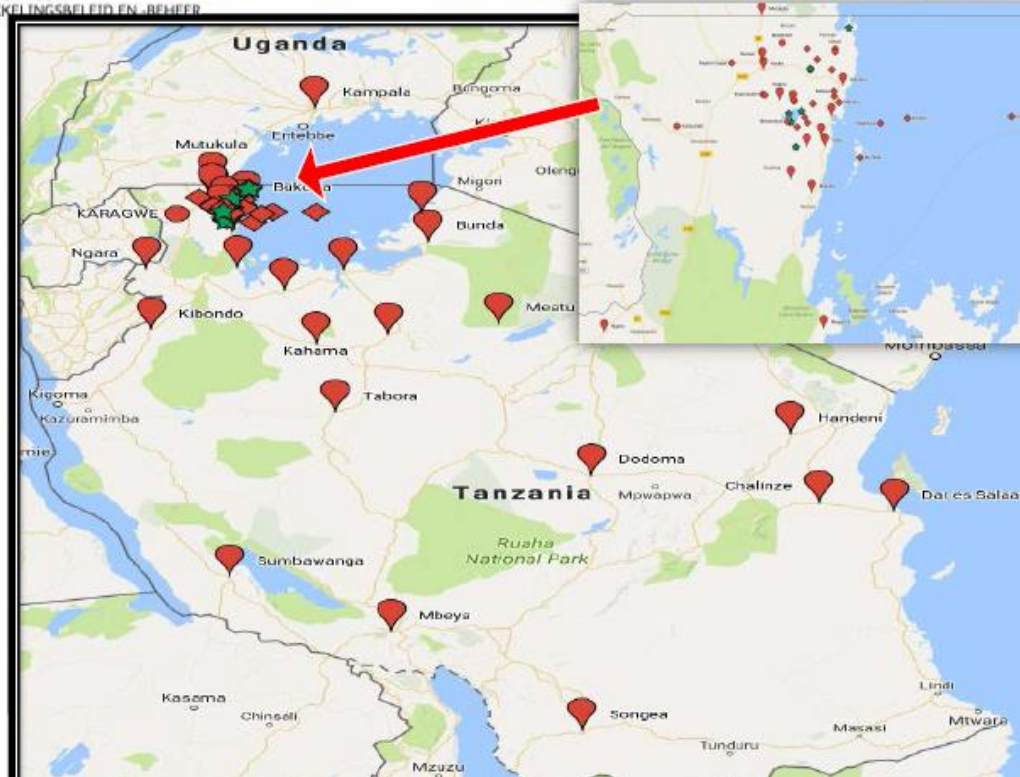
Migration as a journey

But, multiple moves over life course

N=208

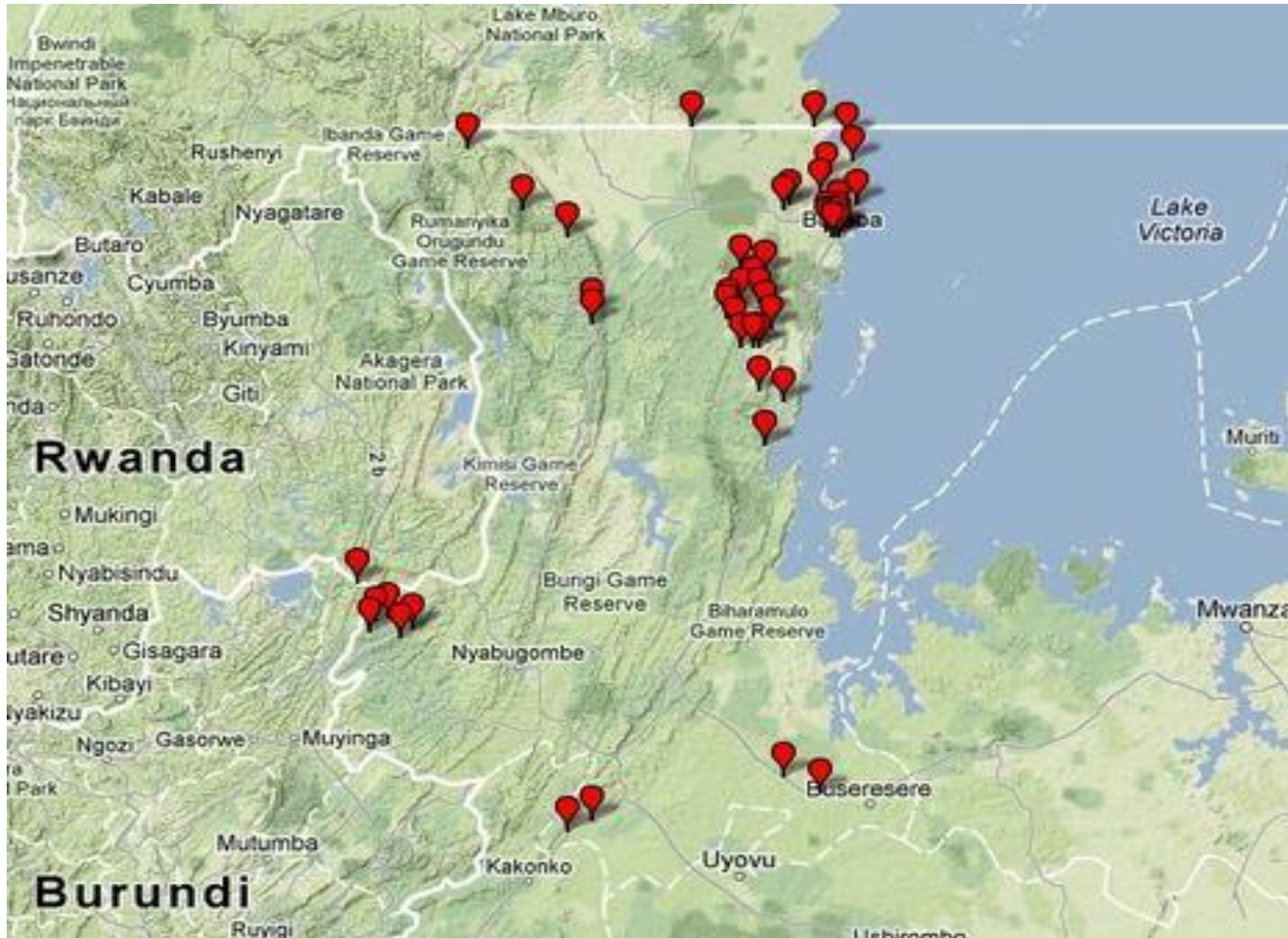| N° of migration 'stops'	Frequency	%
1	27	36,0
2	15	20,0
3	11	14,7
4	10	13,3
5	3	4,0
6	4	5,3
7	2	2,7
8	2	2,7
9	1	1,3
Tot	75	100,0

18

Among 75 migrants, on average 3 moves over a 10 year period?

Implications for theoretical modeling?

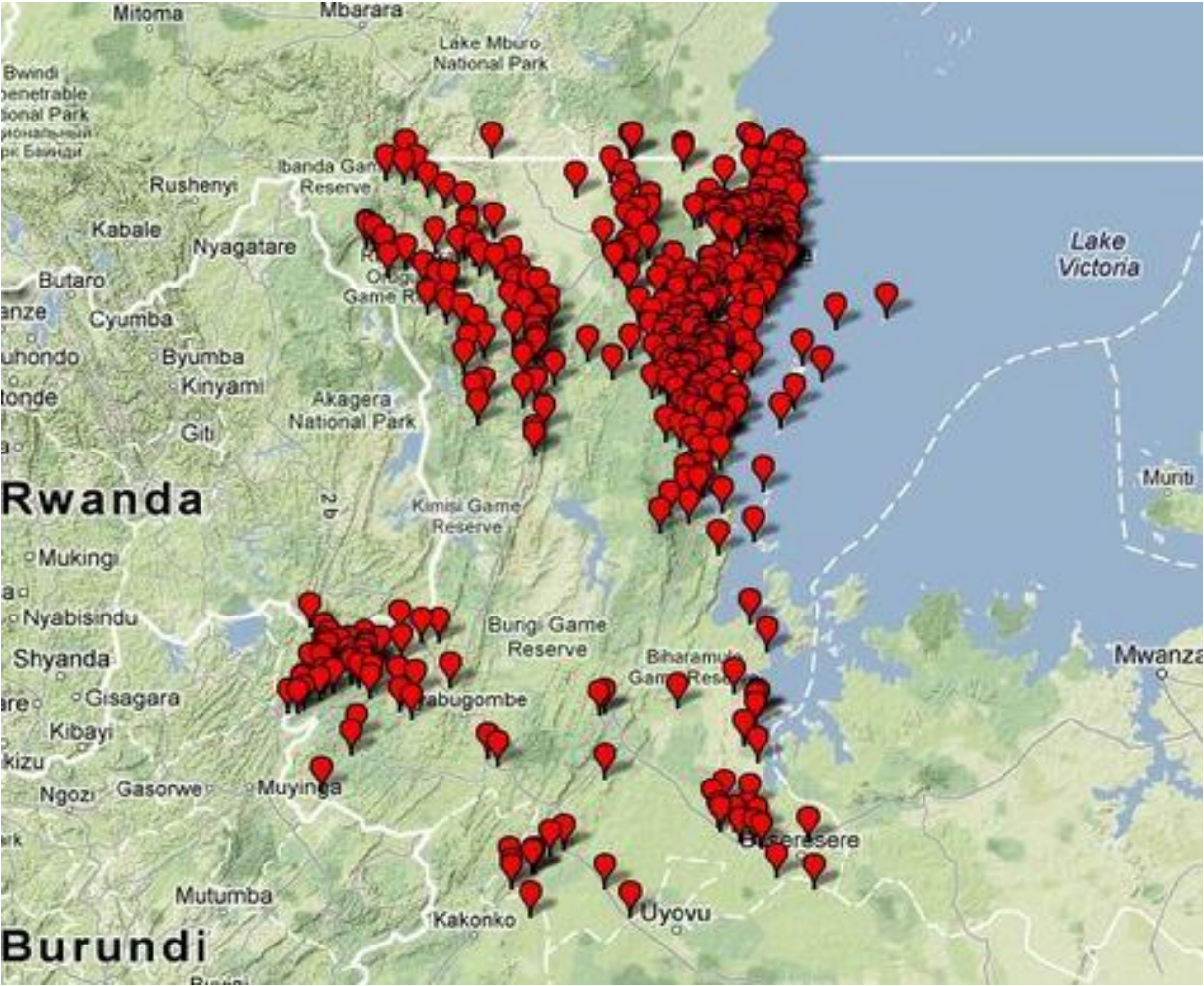# A portfolio of destinations

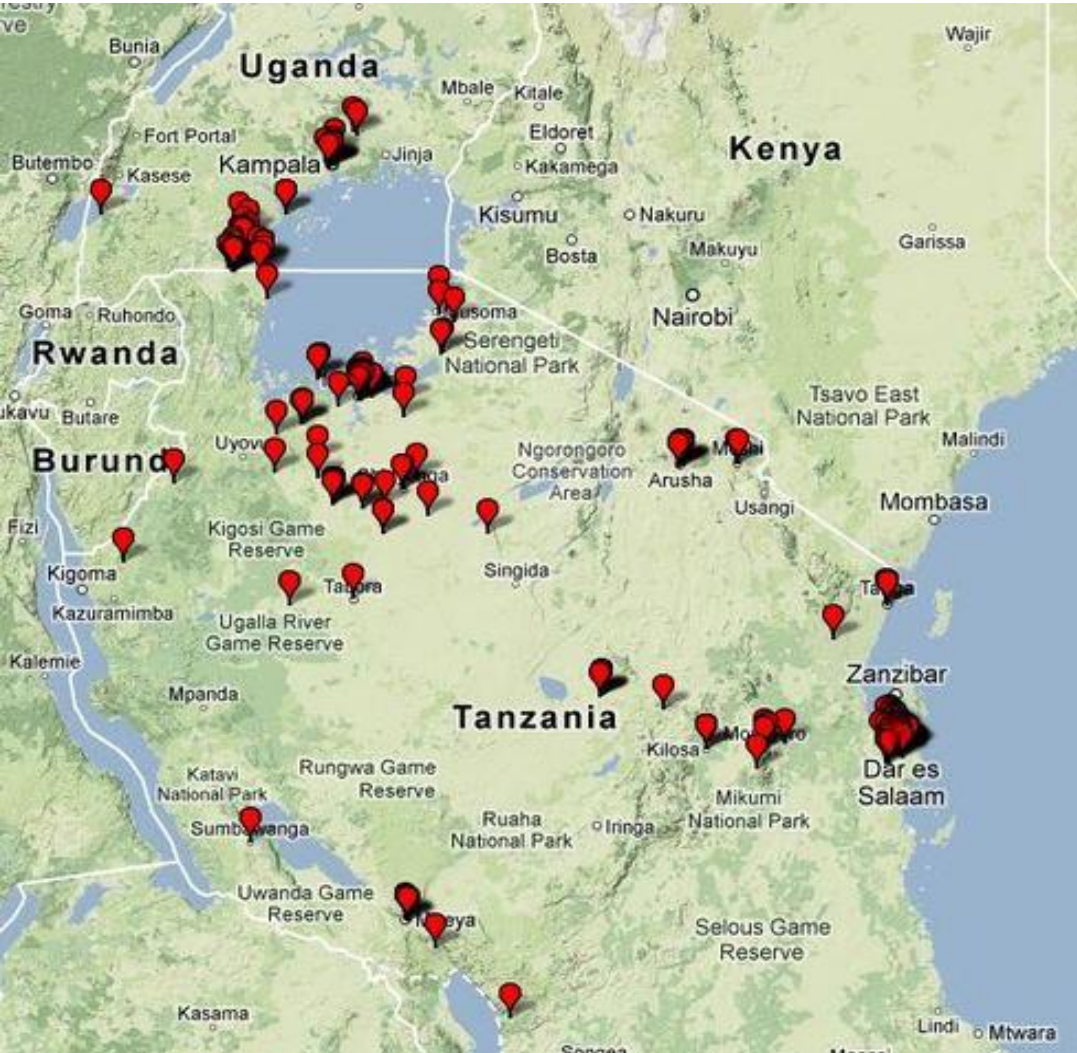**KHDS Baseline = 1991-1994**

915 households

from 51 villages

93% from rural areas

A portfolio of destinations

2010: Kagera

A portfolio of destinations

2010: Other regions
& Uganda

Growth Decomposition

From rural farm in 1992 to	N	Share pop%	Avg. growth	Share in growth
Rural farm	1,906	44%	55%	23%
Rural off-farm	972	22%	92%	20%
Town	1,175	27%	129%	38%
City	286	7%	228%	19%

Poverty Decomposition

From rural farm in 1992 to	N	Share pop%	Head-count 1992	Head-count 2010	Share in net poverty reduction
Rural farm	1,906	44%	66%	44%	34%
Rural off-farm	972	22%	62%	31%	25%
Town	1,175	27%	47%	17%	30%
City	286	7%	47%	2%	11%

Urbanization = migration?

- Migration and urbanization

SSA and Asia urbanized twice as fast as Europe in the 19th century
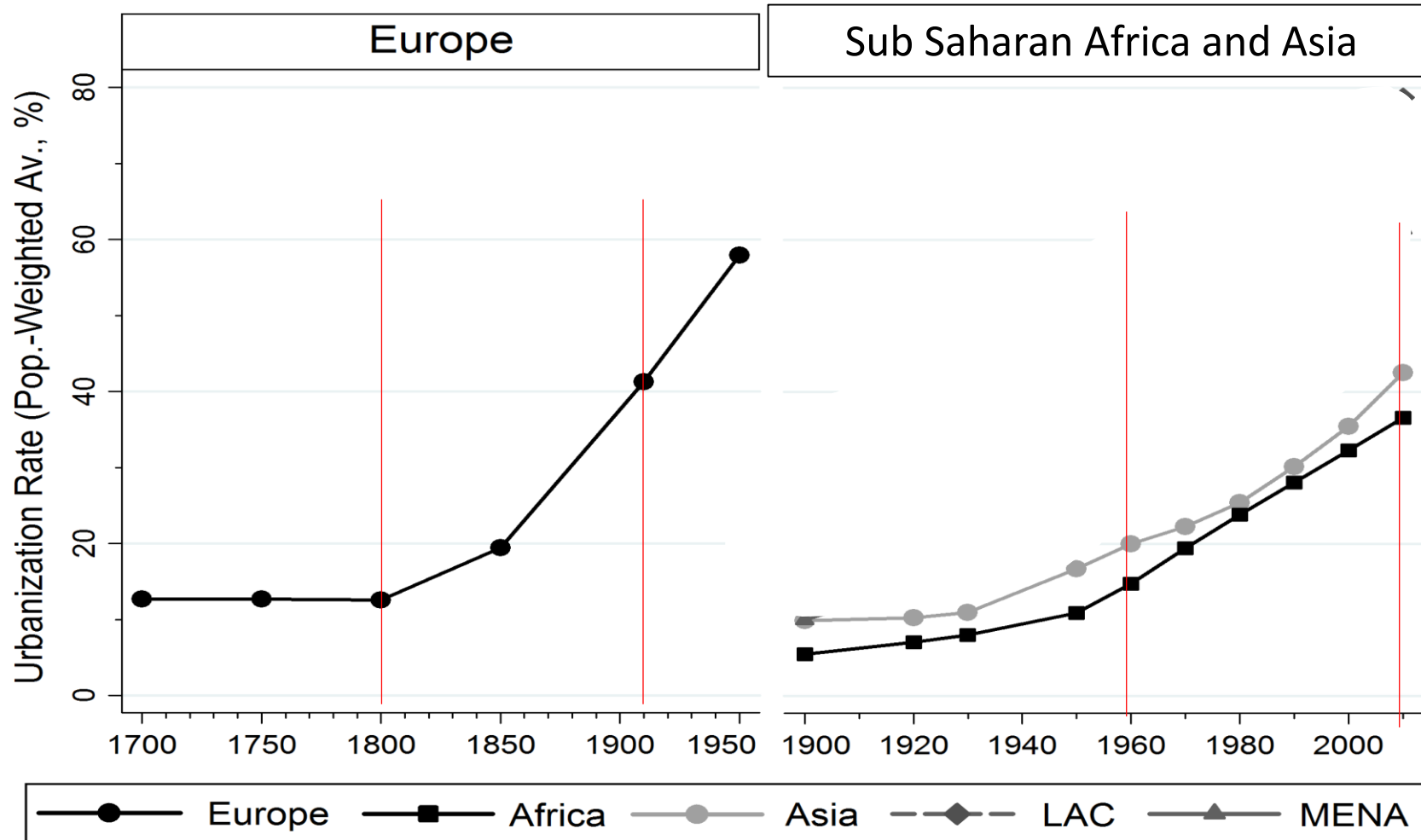
Two questions

- Why was urban expansion in the developing world almost twice as fast?

- Does this matter for development?

One and a half answers

- Because of rapid population growth
- Rapid urban growth, especially urban natural increase (less migration), linked w/ congestion

Relevant metric for urban expansion

- Say urbanization ➜ people think migration

$$\triangle U_t = \frac{U_t}{(1+Nni_t)}[(1-U_t)(Uni_t - Rni_t) + \frac{Mig_t}{Upop_t}]$$

➜ economists focus on migration (urban pull/rural push)

- Say urban growth ➜ also population growth

$$\frac{\triangle Upop_t}{Upop_t} = Uni_t + \frac{Mig_t}{Upop_t}$$

➜ Look at both, but especially speed of urban growth matters

Question 1: Why faster *urbanization*?
➜Migration rates have been similar

	Europe	Developing world
	1800-1910	1960-2010
Change in urbanization (%point)	**25%**	**28.6%**
% point change per year	**0.23**	**0.57**
Annual urban growth (%)	2.2	3.8
Urban natural increase	0.5	2.3
Rural natural increase	1.5	2.4
Difference	-1	-0.1
Migration rate (%) (wrt urban population)	1.7	1.6

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Question 1: Why faster *urban growth*?
➔ Faster urban natural increase **or urban push**!

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Killer versus mushroom cities
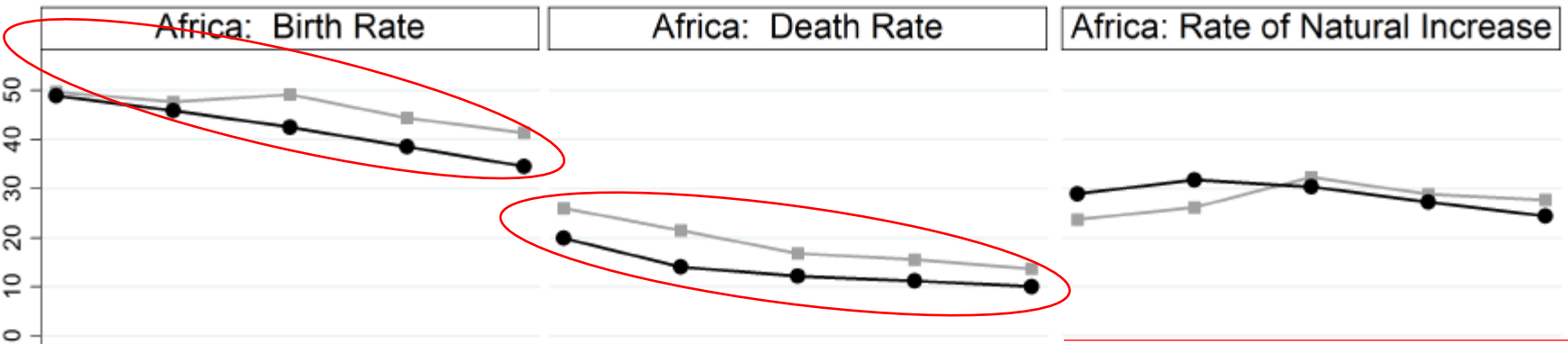
Europe 1700-1950
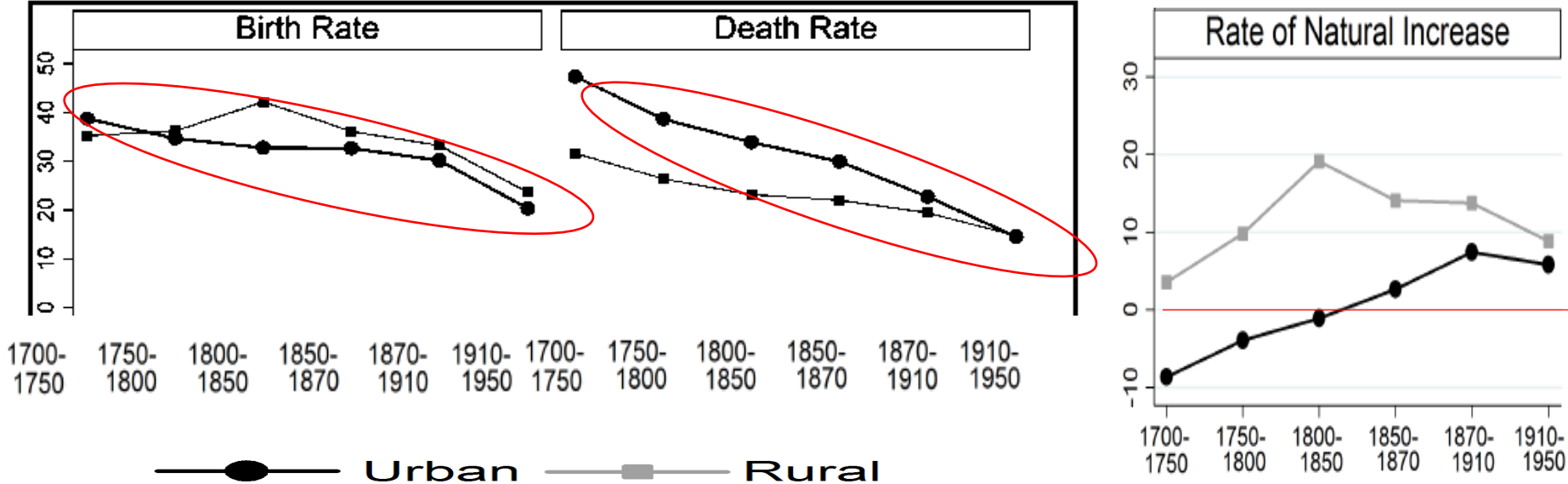
Africa 1960-2010

Question 2: What matters for development
A. Fast urban growth linked with urban congestion, not urbanization

TABLE 3: URBAN NATURAL INCREASE, URBAN GROWTH AND MEASURES OF URBAN CONGESTION (2005)

Dependent Variable:	Urban Population Living in Slums %, 2005			Living Area %, 2005	Finished Floor %, 2005	Water Source %, 2005	Sanitation Facilities %, 2005	School Attend. %, 2000	PM10 mg per m³, 2000	Empl.Sh. Pers.Serv. %, 2000	Dependency Ratio (%, 2000) Child 0-14 y.o.	Aged 65-+ y.o.	Total Both
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Change in Urbanization Rate (Pct. Points, 1960-2010)	-0.0 (0.3)	0.1 (0.2)	0.1 (0.2)	-0.2 (0.2)	0.7 (0.5)	0.1 (0.1)	-0.0 (0.1)	0.0 (0.3)	0.2 (0.7)	-0.1 (0.1)	0.0 (0.1)	0.0 (0.0)	0.1 (0.1)
Annual Urban Growth Rate (%, 1960-2010)	6.4** (2.79)												
No. Years for Urban Pop. x2 (Average, 1960-2010)		-0.6*** (0.2)											
No. Years for Urban Pop. x2 * Dummy (> Sample Mean)		-0.7** (0.3)											
Urban Natural Increase (%, 2000)			14.4*** (5.0)	8.6* (4.6)	-6.5 (5.6)	-3.5** (1.6)	-1.2 (2.7)	-11.8*** (2.7)	17.8* (10.0)	4.0** (2.0)	10.3*** (2.7)	-2.8*** (0.5)	7.5*** (2.7)
Residual Migration (%, 2000)			4.6* (2.6)	2.9 (2.8)	-1.3 (3.6)	-2.0* (1.1)	-2.0 (-1.9)	-3.4 (3.0)	-0.0 (5.7)	1.2 (1.0)	0.9 (1.3)	-1.3*** (0.3)	-0.4 (1.3)
Region FE (10), Controls	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Observations; Sample Mean	95;49	95;49	95;49	57;19	66;78	93;90	93;65	64;80	93;71	72;5	89;57	89;7	89;64
Adj. R-squared	0.68	0.69	0.70	0.80	0.66	0.60	0.86	0.77	0.46	0.44	0.87	0.80	0.83

Source: Jedwab, Christiaensen, Gindelsky, 2015

Question 2: What matters for development
C. It is urban natural increase, not migration

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Africa and Asia differ in urban growth due to higher urban natural increase in Africa

	Africa 1960-2010	Asia 1960-2010
Change in urbanization (%point)	22.5	21.9
% point change per year	0.45	0.45
Annual urban growth (%)	**4.9**	**3.5**
Urban natural increase	2.9	1.7
Rural natural increase	2.8	1.9
Difference	0.1	-0.2
Migration rate (%) (wrt urban population)	2.1	1.8

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Discussion

- Urban natural increase ("urban push") important additional driver of urban growth (and urbanization).

- If too fast → congestion may outway benefits from agglomeration → "urbanization w/o growth"

- Does the source of urban growth matter for policy – migration vs urban natural increase → people can't go back