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Migration and Remittances Unit In Social Protection and Jobs Global Practice cordially invite you to a

KNOMAD Seminar

Selection and the Efficiency of Sorting in Migration between Rural and Urban Areas:

Micro Evidence on Forty-four Lower Income Countries

Thursday, July 12, 2018 12:30pm-2pm Room MC2-800

The gap in incomes between rural and urban households is one of the largest contributors to global inequality. Positions are divided as to whether this gap is a reflection of inefficient labor allocation, demanding redress, or an efficient sorting of labor by skill levels. Data show that better-educated adults are more likely to quit a rural origin and move into town; whether the less well-educated adults are more likely to depart towns for the countryside is more mixed. On balance this selection process does not result in sorting, however; rural-urban migration lowers education levels in town and vice versa. Moreover, selection on education is only a part of the story; far less is known about the role of unobservable traits of individuals in selection. For the present study, nationally-representative, micro data on migration between the rural and urban sectors of 44 lower-income countries have been compiled. From these, the returns to rural-urban and urban-rural migration and the returns to staying are estimated, using counterfactuals controlling for selection. Selection on unobservables is generally estimated to run counter to the role of formal education. The findings are consistent with substantial barriers to "efficient" movement into towns, and some patterns in these barriers are revealed.

RSVP and add to calendar: <u>LINK</u> **Dial-in and WebEx information provided below.**

Speaker

Robert E.B. Lucas

Professor, Economics Department, Boston University

Chair

Dilip Ratha

Head of KNOMAD, Lead Economist, Migration and Remittances, Social Protection and Jobs Global Practice, World Bank



Robert E.B. Lucas is Professor of Economics at Boston University. Professor Lucas completed the B.Sc. (Econ) and M.Sc. (Econ) at the London School of Economics and received his Ph.D. from M.I.T. His research has included work on internal and international migration, employment and human resources, income distribution and inter-generational inequality, international trade and industry, the environment, and sharecropping. Professor Lucas served as Chief Technical Adviser to the Malaysia Human Resource Development Program and as a Member of the Advisory Committee to the India-US Business Council. He is a Research Affiliate at the MIT Center for International Studies, the Institute for Economic Development and the African Studies Center at Boston University. Professor Lucas was a recipient of a Kennedy Scholarship from the Association of Commonwealth Universities, the Chanan Yavor Prize for the best paper in development economics and the Gitner Prize for excellence in teaching (twice). Professor Lucas has been a consultant to a number of international agencies,

including the World Bank, ILO, OECD, USAID and the Swedish Ministry for Foreign Affairs. This work has encompassed a wide range of countries, comprising Bangladesh, Bolivia, Botswana, Egypt, India, Malaysia, Pakistan, South Africa and the Western Balkan states. His publications include a wide range of journal articles and monographs as well as half a dozen books, the most recent of which is the International Handbook on Migration and Economic Development.



Dilip Ratha is Head of KNOMAD and Lead Economist of Migration and Remittances team at the World Bank. Mr. Ratha is currently working to lower remittance fees and provide innovative financing solutions for people, businesses, and governments. Over a career spanning three decades in academia, private sector and the World Bank, he has worked extensively on migration and innovative financing for development, including remittances, diaspora bonds, and prediction of sovereign credit ratings. His TED Talk "The hidden force in global economics: sending money home," has 1.3 million views. He is the founder of KNOMAD, co-founder of Migrating out of Poverty Research Consortium, and the brain behind Africa Institute for Remittances. According to a 2008 New York Times article about his life and work, "No one has done more than Dilip Ratha to make migration and its potential rewards a top-of-the-agenda concern in the world's development ministries."

External participants please email:

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or call 202-473-7711

to RSVP and request a visitor's pass

WEBEX

Meeting password: KMkWzna8 Meeting number: 734 007 559

Global call-in numbers

Toll: 1-650-479-3207 Access code: 734 007 559 VC, Jabber, internal Phone (SIP): **55791058@worldbank.org**

External IP: 192.86.102.202 followed by internal dial-in number 55791058

 $\hbox{\it -Refreshments will be served-} \\ For more information on this and other KNOMAD seminars, \\$

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