

# Mobility pays

Surveys over several years in the Kagera region of Tanzania have shown that migration has a positive impact on people’s living standards, even for those who remain in agriculture. So from a purely economic angle, the number of migrants would have to be considerably higher. However, judging this according to material welfare would fall short.

If, in the next decades, Africa catches up with other countries, then that will almost certainly coincide with inter-generational mobility out of the rural areas into urban areas and out of agriculture into non-agricultural activities. Historically, this type of migration has moved in lockstep with development and poverty reduction; both in rich countries and in fast-growing developing countries. In China, for example, the rural share of the population has decreased from more than 80 percent to about 55 percent in the last 20 years (see article on page 21). With international migration open to only very few Africans, we should expect massive internal migration to form a core part of the development process.

### ■ Migrants clearly do better

A migrant myself, I have spent the past ten years living and working as a researcher in the remote Kagera Region of Tanzania. One of the things that kept me here was a fascinating old household survey data set with detailed welfare information on a representative sample of 6,635 individuals from the Kagera Region, dating back to the early nineties. In 2004, with co-

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*Kagera is a green and lush coffee-banana growing area in the Great Lakes Region of Africa. It is one of the remotest regions of Tanzania, located over 1,500 km from the country’s main commercial centre and port, Dar es Salaam.*

investigators Stefan Dercon of the University of Oxford and Kathleen Beegle of the World Bank, we set up a project to trace all these individuals, including the migrants, to look at how they had fared over the past 13 years. Many had moved within the region or to other regions within Tanzania.

Very few had migrated internationally and most of those who did had moved to neighbouring Uganda. Both rounds of the survey had extensive and comparable modules for measuring the total annual food and non-food consumption for each household, providing a convenient and convincing metric to measure material welfare progress. We were struck by the fact that, while the consumption differences between the (future) migrants and the (future) non-migrants had been negligible in 1991, the gap was huge by 2004: consumption for those who remained living in their baseline village grew by 17 percent, while those who moved out of the region saw their consumption increase by 161 percent. This is after taking into account differences across time and space in the cost of living.

Researchers Michael Clemens and Lant Pritchett have coined the term



Map: CIA World Factbook

‘income per natural’ to indicate the mean annual income of a person born in a given area, regardless of where that person now resides. In places like Kagera, where migration is a pathway to growth, such a residence-neutral welfare measure paints a much rosier picture of growth than similar measures that exclude migrants.

### ■ If migration leads to growth ...

Is this growth gap due to migrants being somehow ‘different’, perhaps more productive or in a different phase of the life cycle, than those who stay? Once we account for such factors the growth gap declines, but remains high at 36 percentage points. While moving out of rural areas and out of agriculture was a clear winning strategy in terms of economic growth, it is striking that even those who remained in rural areas and

in agriculture did better – provided they had also moved.

This shows that movement, presumably in response to economic opportunities, is in and of itself important: migration leads to growth.

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### ■ ... then why don't more people move?

This stark result begs an important question: if the economic returns to internal migration are so high, then why don't more people move? Economic theory would predict a constant flow of migrants, wanting to move ahead in life, to quickly close this growth gap. Clearly one answer could be that material welfare may be a poor measure of overall welfare. People may find the alienation from their original home environment costly in subjective terms. Evidence from India showed how migrants had higher consumption in real terms, but lower subjective well-being compared with those from the same original households who had not migrated; as if a premium in terms of the former is required to compensate for the latter.

Migration may be costly in subjective terms, but there could well be other barriers in place, too. These are obvious for international migration from Africa, but even internal

migration is not costless. Would-be migrants need sufficient economic resources (income, wealth, access to credit), human capital (entrepreneurship, language), networks (contacts and connections) and access to information. These factors determine whether and where one can migrate. Identifying these barriers is important for policy because if migration is good for growth, then barriers to migration are likely to curtail growth.

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### ■ If social norms can prevent migration ...

The economic landscape in Kagera and other regions of Africa has been changing in the past two decades. Growth opportunities are continually being introduced and eliminated across time and space, as the refugee crisis abates, links with war-ridden bordering countries change, and more localised negative and positive shocks manifest themselves with various degrees of severity. People need to be physically (geographically) mobile in order to respond to these opportunities. At the same time, a number of crucial social constraints might be at work. For example, younger people with weaker household ties, unmarried and male, have more freedom to take advantage of opportunities. What is acceptable or safe for a young man might be unacceptable and jeopardise

marriage possibilities for a young woman. Once people are married, or have children, movement may not be straightforward anymore. One needs to be in the right place at the right time of one's life to take advantage of geographic- and time-specific economic opportunities. "Economic growers" are those who don't have social and family constraints in a window of time when physical mobility has large pay-offs. Missing these windows implies being trapped in a low-return environment.

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### ■ ... then why don't norms change?

But culture and norms are not static and so this finding creates a new question: why does society not change in order to unleash the potential of migration? One hypothesis is that the relatively tightly knit and traditional communities in Kagera are protecting their livelihood and survival by setting up subtle exit barriers for their members in the form of norms.

In a model put forward by Karla Hoff and Arijit Sen, the kinship group decides how high to set the exit barrier for its members. They start from the observation that kin who have moved and remain loyal to their kinship group at home will sometimes need to undertake actions with negative consequences for their employers (securing jobs for kin) or landlords (sharing housing), etc. This creates an entry-barrier for anyone with obvious, strong kinship ties to their home village. In order to overcome such entry barriers, an individual may have to sever ties with his or her kinship group, implying the loss of a productive element (from the kinship group's point of view). To avoid this *ex ante*, the kinship group may decide to manipulate exit



Photo: J. de Weerd

*People who migrated fare much better, in economic terms, than those who remained in their home villages.*

### “Today we eat, drink and marry”

In new settlement areas, there is often no trace of the traditional social structure that ordinarily makes Tanzanian society so strong. One new mining settlement area had a ‘chief-commander’ in charge of security. Our own interview team, armed with a mere official government introduction letter, was held captive for a while and threatened to be burnt alive, while tracking a respondent who had moved there. One resident told us: “Here we get gold and we earn millions. Then we are all happy: we eat, drink and marry. Once it is over, we go back to look for more gold.” Another man said: “When a child goes to the mines, forget about him being your son or daughter. They never come back healthy; they sometimes don’t even come back alive. This is a very bad place where everything is possible. They can get money, yes, but the money is useless to them. It will never be seen anywhere else, nor do anything for them except take them straight to the grave.”

barriers – raising them through social norms about migration in order not to lose productive members. It may be in the interest of the kinship group to prevent some of its members from taking advantage of economic opportunities.

### ■ The dark side of migration

Not all migrants are successful and not all movements are motivated from a solid decision basis. The most destitute are

This article is based largely on the following two publications:

- Beegle, Kathleen, Joachim De Weerd and Stefan Dercon (2010): “Migration and Economic Mobility in Tanzania: Evidence from a Tracking Survey” forthcoming in *Review of Economics and Statistics*.
- De Weerd, Joachim (2010): “Moving out of Poverty in Tanzania: Evidence from Kagera”. *Journal of Development Studies*, Vol. 46(2): 331–349.

sometimes pushed into migration. These are often people from remote areas with insufficient physical, human and social capital to build a satisfactory life from; sometimes they are people who have experienced sudden major shocks in their lives that have depleted the basis of their livelihoods (illness, death, theft, fire, run-ins with the law and the like). Lacking preparation and good networks outside the village to find decent income-earning opportunities, they often end up in informal mining sites or at Nile perch landing sites (exported internationally from Lake Victoria). These places have little traditional structure, low social cohesion and rampant crime and alcoholism. Usually, the migrants have, at least initially, the intention to earn the necessary cash to return to the village, buy a good plot of land, build a house and start off in life. While some succeed, others do not (see Box above).

Such places form the backdrop for documentaries such as Hubert Sauper’s *Darwin’s Nightmare*, upsetting Western viewers. While the new settlement

areas do not provide a mode of development many people will subscribe to, they do play an important role in the livelihood of the poor, constituting a fall-back strategy for when things go wrong. With more people finding their permanent residence here and with increased attention to local government leadership, these areas will eventually integrate into normal society.

### ■ Policy Lessons

In order to foster economic growth, policy-makers should consider interventions that break down obstructions to high-return migration. Governments have a role to play in creating the windows of opportunity that are needed to attract potential migrants. Economic growth in the non-agricultural sector will be an important pull factor, but this should coincide with stimulating exposure in the very remote villages. The active fostering of links to economic actors outside the village, otherwise beyond reach, could have large pay-offs. The on-going proliferation of internet and mobile phones in Africa could have an important role to play here.

As some of the barriers relate to social norms, put in place by the home communities to protect themselves, the biggest challenge facing policy-makers will be to marry economic growth with the viability of village life. This word of caution is no call for inertia. With large movements out of the rural areas, those who remain will have more land to farm, fewer mouths to feed and a larger urban market to sell to.

### Zusammenfassung

Mehrfährige Untersuchungen in der Region Kagera in Tansania haben gezeigt, dass Migration sich positiv auf den Lebensstandard der Menschen auswirkt, sogar bei jenen, die immer noch von der Landwirtschaft leben. Andererseits war zu beobachten, dass Migranten oft in ein ungünstiges soziales Umfeld geraten und dass unter Umständen sogar die traditionellen Heimatgemeinden ihr Auskommen und ihr Überleben durch die Einrichtung subtiler Barrieren in Form

von Normen zu schützen versuchen, die die Migration ihrer produktivsten Mitglieder verhindern sollen. Sollte man Migration also unter allen Umständen fördern?

### Resumen

A lo largo de varios años, las encuestas en la región de Kagera en Tanzania han mostrado que la migración tiene un impacto positivo sobre el nivel de vida de las personas, incluso de aquéllas que siguen viviendo de la agricultura. Por

otro lado, hay evidencia de que algunos migrantes terminan viviendo en entornos sociales desfavorables. Incluso existen indicios de que las comunidades originarias tradicionales están protegiendo sus medios de vida y su subsistencia mediante barreras sutiles para prevenir la salida de sus miembros, incluso a través de normativas, con el fin de evitar la migración de sus integrantes más productivos. Por lo tanto, habría que considerar si la migración debe alentarse a cualquier costo.