



Social networks and the intention to migrate

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ABSTRACT

Using a large individual-level survey spanning several years and more than 150 countries, we examine the importance of social networks in influencing individuals' intention to migrate internationally and locally. We distinguish close social networks (composed of friends and family) abroad and at the current location, and broad social networks (composed of same-country residents with intention to migrate, either internationally or locally). We find that social networks abroad are the most important driving forces of international migration intentions, with close and broad networks jointly explaining about 37% of variation in the probability intentions. Social networks are found to be more important factors driving migration intentions than work-related aspects or wealth (wealth accounts for less than 3% of the variation). In addition, we find that having stronger close social networks at home has the opposite effect by reducing the likelihood of migration intentions, both internationally and locally.

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1. Introduction

Social networks in the migrant's destination have been shown empirically to play an important role in explaining international migration flows (see [Munshi, 2014a](#) for an overview). However, identification of the network's role is difficult due to potential endogeneity. In addition, there is scarce empirical evidence on the relative importance of networks compared to other factors at individual level, on the channels through which these networks work, and about the role of different types of networks. Moreover, little is known about the role played by social networks at the origin location in explaining individual migration decisions. The role of networks and the channels through which they influence migration decisions can be manifold ([Munshi, 2014b](#)). Networks abroad are expected to facilitate migration through several channels, ranging from simple information sharing to direct financial help or assistance in finding work, e.g. [Boyd \(1989\)](#) and [Massey et al. \(1993\)](#). The role of social networks at home can also be complex. Having closer ties with friends and family at home can facilitate migration through financial and other support, but can also reduce

the intention to migrate due to financial or psychological reasons ([Munshi & Rosenzweig, 2016](#)).

In this paper we take advantage of a large, repeated cross-section, individual-level dataset covering more than 150 countries over several years to explore the importance of different types of social networks for the intention to migrate both internationally and domestically compared to other factors. The main contribution of this paper is the empirical analysis of the role and relative importance of different types of social networks (close and broad, local and international) for both local and international migration intentions.

We investigate the influence of close social networks (composed of family and friends) not only at the destination but also at the origin location, and the importance of broad social networks abroad (the number of people from the same country intending to out-migrate), together with local and country-level amenities, work related factors, wealth, income, and individual characteristics.

In order to better understand the role and the different channels through which social networks matter we further differentiate between close social networks abroad and at home based on whether the network provides financial support. Distinguishing social networks with and without financial aid allows us to better understand the channels through which social networks might influence migration intentions. In order to shed further light on

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how these different types of networks influence migration intentions we run regressions using interactions based on individual's income and education.

The dataset used in the paper is Gallup's World Poll, which contains numerous questions on how the respondents feel about the quality of local and country-level amenities, as well as a series of questions on the respondent's economic and demographic characteristics, including information on remittances and social networks abroad and at the current location. The survey also contains information on the intention to move away from the current location, and we combine responses to distinguish between the intention to migrate domestically and internationally. This allows simultaneous analysis of international and domestic migration intentions using the same data source, something that was not explored in the previous literature. The actual internal migration is estimated to be about three times larger than actual international migration (Bell et al., 2015; UNDP, 2009), thus better understanding the drivers of local migration and how those compare to international migration is also important.

We analyse the intention to migrate and not actual migration. Several authors have shown that there is a high correlation between intentions and the actual migration (Creighton, 2013; van Dalen & Henkens, 2013). Compared to most of the existing studies, we use a stricter definition of migration intention, using a combination of questions which identify individuals who are more likely to act upon their intentions (the sample of individuals with a less strict definition of intentions is about 11 times greater than the sample of individuals with intention). The correlation between our data on international migration intentions and the actual migration flows for OECD countries is about 0.36 for the year 2010.¹

A considerable empirical challenge of investigating the importance of network effects is to identify what drives the correlation between individual migration intentions (or decisions) and peers' migration (social networks). In particular, there could be prior similarities between individuals and those belonging to the network of the individual, resulting in similar behaviour as they face a common environment (re: "correlated effects" in Manski, 1993). Unless these factors, which simultaneously influence peers' and the individual's intention to emigrate, are controlled for, this leads to an endogeneity problem stemming from an omitted variable bias.

To reduce the likelihood of this omitted variable problem, we include country and time fixed effects in our regressions. There could still be certain factors, which are not country- or time-specific, that would influence both the individual and the peers' migration intention. Hence, we also undertake an instrumental variable regression approach to establish the likely causal direction. Since both close networks abroad and broad networks could potentially be endogenous, we use instruments for all these variables.

As instruments we use variables which are likely to be the most important factors influencing peers' migration decisions, while separately controlling for the individual's own perception of these factors, which would directly influence the individual's decision to migrate. Specifically, for close networks abroad we use the two-year lagged value of the region-level average per-

ception of main factors influencing migration intentions. The members of the individual's close network abroad (close friends and relatives who have already emigrated abroad) were most likely based in the same region as the individual prior to moving abroad. Hence, the past average perception of the level of amenities and the past average income at region-level are external factors which are expected to be the main drivers behind the individual's close networks abroad. On the other hand, what matters for the individual's current migration intention is their own perception of these factors, so we control for these directly in the regressions as explanatory variables.

Similarly, broad social networks abroad are likely to be highly correlated with country-level average perception of the determinants of out-migration, such as perception of labour markets, economic and political conditions and amenities in the country of origin. We use the two-year lagged value of the country-level average perception of these factors as instruments for broad networks while simultaneously controlling for the individual's own perception of these factors. Finally, for broad social networks locally, we use the two-year lagged value of country-level average perception of local infrastructure (more precisely, perception of city safety, city housing, city healthcare).²

Our results indicate that social networks abroad and at home are the most important factors influencing migration intentions. Having close friends or family abroad significantly increases the probability of international migration intention, explaining about 18% of the variation in the intention to migrate internationally. In addition, broad social networks explain about 19% of the variation in the probability of the international migration intention, and more than 20% in the case of domestic migration intention. Other factors explain significantly less in the variation of migration intentions: satisfaction with local amenities explains about 8% and work-related factors explain about 7%, while wealth and the standard of living explain only a very small fraction of the variation, amounting to less than 2–3%. Furthermore, we find that close networks at the current location reduce the likelihood of the intention to migrate both internationally and locally, albeit these networks are much less important for international migration intention than social networks abroad.

We also find that while close networks abroad with remittances are more important than those without remittances for all groups, they are relatively more important for highly-educated individuals. For highly educated individuals, social networks with remittances increase the likelihood of international migration intention by about 2.8 times more than social networks without remittances. The corresponding figures for the individuals with low and medium education are 1.7 and 2.1 times, respectively. These results could indicate that close networks abroad which provide remittances play a role in reducing migration costs. We also find that close local network from which the individual receives financial assistance is less of a restraining force for migration intentions. This could be because in networks from which they do not receive remittances, the individual is more likely to have others relying on them, making out-migration more difficult. In addition, while all kinds of social networks matter for low- and medium-educated individuals (including broad and close social networks), for individuals with high education only close networks abroad have a significant impact on their migration intentions, and, most importantly, close networks abroad with financial assistance.

¹ To obtain this correlation we matched our data to actual bilateral migration stock data from which we calculated yearly average flow data for OECD countries as destination countries from Brucker et al. (2013). There are two main potential caveats to note here. First, while our data should be compared to actual migration flows, the data reflected on the figures are 'constructed' flows from stocks recorded every five years. Second, our dataset covers many more destination countries than the OECD. Nevertheless, the correlation is significant, and reasonably strong.

² We also explored other possible instruments, including questions related to perception of safety, infrastructure, corruption (business and government), healthcare, confidence in elections and country leadership.

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