

Who leaves and Where Do They Go? The Geography of Internal Migration in the United States

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This is a proposal for an ongoing project.

Abstract

Who leaves and where do they go? In this paper, we extend the recent trends on demographic compositions of internal migration in the U.S. We explore two simple but overlooked explanations: people like to live close to what they call home and where they attend college. Using data from CPS and PSEO, we document: (i) most worker live in their birthplace, but when people migrate, college place influences workers' migration choice; (ii) labor flows are biased towards birthplace and collegeplace; (iii) workers choose locations via income trajectories. Workers make migration decisions based on the pull and push forces from their birthplace, collegeplace and other places. To understand the implications of these findings, we build a dynamic migration model based on [Kennan and Walker \(2011\)](#) and [Zerecero \(2021\)](#) to analyze the migration decisions of college graduates with home bias and college bias.

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1 Motivation

Who leaves and Where Do They Go? The United States has been well-known for its free mobility. However, recent research shows a decline of internal migration across states. Meanwhile, few decisions shape an individual's life more than the migration decision ([Bilal and Rossi-Hansberg, 2021](#)). In this paper, we extend the recent trends on demographic compositions of internal migration in the U.S. Specifically, we take on four key questions. First, why do people become less mobile and stay in economically distressed areas? Second, who is mostly likely to leave areas with weak labor markets? Third, do migrations from those areas tends to move to their birthplaces, collegeplace or other places? Finally, what are the intergenerational effects of internal migration?

To answer these questions, we explore two simple but overlooked explanations: people like to live close to what they call home and where they attend college. Using data from Current Population Survey (CPS) and Post-Secondary Employment Outcomes (PSEO), we document: (i) most worker live in their birthplace, but when people migrate, college place influences workers' migration choice; (ii) labor flows are biased towards birthplace and collegeplace; (iii) workers choose locations via income trajectories. Workers make migration decisions based on the pull and push forces from their birthplace, collegeplace and other places. To understand the implications of these findings, we build a dynamic migration model based on [Kennan and Walker \(2011\)](#) and [Zerecero \(2021\)](#) to analyze the migration decisions of college graduates with home bias and college bias.

2 Related literature

This paper extends several strands of literature. First, it adds to the literature on internal migration in United States. There is a wide decline in migration rates across states ([Molloy et al., 2011](#); [Kaplan and Schulhofer-Wohl, 2012](#); [Molloy et al., 2019](#); [Jia et al., forthcoming](#)).

Second, the paper is related to the empirical evidence of home bias and college bias in migration decisions. [Kennan and Walker \(2011\)](#) shows that half of US people who move to their birthplace. [Zerecero \(2021\)](#) finds the share of migrants who return to their birthplace is almost twice as large as the share of migrants who go to any other locations; on the other hand, a grow literature on the retaining effect of a local college ([Groen, 2004](#); [Bound et al., 2004](#); [Kennan, 2015](#); [Huang et al., 2019](#)). Our work is also related to the quantitative spatial economics literature.

Finally, there is scant literature on intergenerational effects of internal migration. To best of our knowledge, [Derenoncourt \(2022\)](#) provides reduced-form evidence on general equilibrium effects of

Great Migration.

3 Research Design

We first provide a series of reduced-form evidence as motivation. We extend empirical evidence of demographic and time trends of internal migration in United States using CPS. Then, we quantify the existence of home bias and college bias using PSEO data. We employ gravity regression to quantify the pull and push factors across locations. Secondly, we use NLSY79 data to quantify the relative importance of the birthplace and collegeplace in migration decisions. We study the migration decisions during first ten years of graduation of college graduates. Third, we link mothers from NLSY79 to their kids to study the intergenerational effects of internal migration.

To understand the implications of these findings, we build a dynamic migration model based on [Kennan and Walker \(2011\)](#) and [Zerecero \(2021\)](#) to analyze the migration decisions of college graduates with home bias and college bias.

Our plan for the research is as follows.

Data Work (Reduce-formed Evidence)	April 10, 2022
Write Model	April 17, 2022
Estimate Model	April 24, 2022
Write-up	April 29, 2022

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