

Macro Roundup Article

Headline: [The Determinants Of Declining Internal Migration](#)

Article Link: <https://www.nber.org/papers/w32123>

Author(s)	William Olney and Owen Thompson
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Tweet: The decline in internal migration in the US has been driven by increasing housing prices; potential wage gains from migration are being offset by housing-related factors.

Summary: A 10% increase in the origin wage is associated with a 3.5% decline in migration, while a 10% increase in the destination wage is associated with a 7.8% increase in migration. For housing, a 10% increase in origin home prices is associated with a 1.4% increase in migration, but a 10% increase in destination home prices is associated with a 2.6% decline in migration. These analyses show that wages on their own would have led to an increase in migration rates, primarily because migrants are increasingly responsive to high earnings levels in potential destination commuting zones (CZs). However, these wage effects have been more than offset by housing-related factors, which have increasingly impeded internal mobility. In particular, migration has become much less responsive to housing prices in the origin CZ, such that many households that would have left in response to high home prices several decades ago now choose to stay.

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Primary Topic: Demographics

Topics: Academic paper, Database, Demographics, GDP, Housing, Important!, Wages/Income, Weekly, Workforce

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