

Finding Home When Disaster Strikes: Dust Bowl Migration and Housing in Los Angeles*

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Abstract

When natural disasters strike, the impact on housing markets can be far-reaching. This paper explores the unique dynamics of natural disaster-induced migration on the housing market, focusing on the 1930s Dust Bowl migration to Los Angeles—the top migrant destination. We use U.S. Census-linked and geocoded address data to show that the arrival of “Dust Bowlers” significantly impacted the city’s housing market. We show that houses inhabited by Dust Bowl migrants had lower price growth over the decade. Critically, we uncover valuation spillovers within highly granular neighborhoods, where houses inhabited by non-migrants experienced lower price growth modulated by how close they were to Dust Bowl migrants. We also find evidence of flight and residential sorting associated with the proximity to Dust Bowl migrants. Our research contributes to a better understanding of how natural disaster-induced migration shapes housing markets and underscores the dimensions in which climate refugees differ from other migrants.

KEYWORDS: Real Estate, Housing, Immigration, Disaster-induced displacement

JEL CLASSIFICATION: R21; R23; R31; Q54

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