

## **Conversation between Professor Mushfiq Mobarak (Yale University) and Alexander Berger (GiveWell) on 11/08/2012**

**Summary:** GiveWell spoke with Professor Mobarak in order to learn more about potential giving opportunities in the area of migration, both within low-income countries and from low- to high-income countries.

**Note:** This is a set of summary notes compiled by GiveWell in order to give an overview of the major points made by Professor Mobarak in conversation; it is not meant as a word-for-word transcript.

### **Replication of Professor Mobarak's study on seasonal migration in Bangladesh**

We are pursuing opportunities to replicate our studies in other geographic areas. AusAID has expressed an interest in doing a similar study in Indonesia, and we've had early conversations with a foundation about funding a replication in a couple countries in Southern Africa, which also have hunger seasons, though those conversations have been more preliminary.

We could also look for longer-term effects in location of the original study. We've collected some data on longer-term effects over the last year (about 3 years from baseline)—but it hasn't been analyzed or written up yet. If the effects continue to be large, hopefully this would show up in future years in nutrition outcomes for children.

### **Other avenues for experiments on migration**

BRAC now has a support program for international migration, and we're starting a new program with them to try to get people to take advantage of labor markets in the Middle East. They also have a migration advocacy program to go to villages and tell people about the opportunities, and a loan program so that people don't need to sell land in order to finance the trip. I'm working with BRAC to evaluate something along those lines. I'm more interested in the loans than the advocacy program.

### **Scaling within Bangladesh**

In Bangladesh, the program from the original study was implemented in partnership with the Palli Karma Shohayok Foundation (PKSF) – the umbrella organization for micro-credit NGOs in Bangladesh. PKSF has a very positive approach to all of this because it has their stamp on it. The microfinance groups are generally busy with their main business of doing microcredit with frequent repayment, which forces borrowers to stay at the origin rather than migrate. The kinds of loan programs we're talking about, with less regular repayment periods, are outside of their regular way of doing business, so I think it will require a little more pushing.

On the government side, I haven't seen as much interest.

### **General equilibrium effects of migration**

Conceptually, it's possible that wages might drop if there's a shift in the supply of labor. Migrants are actually a much larger part of the rural economy where they come from than the destination

urban economy, so it's more likely you'd see an increase in wages at the origin than a decrease at the destination. Our study isn't large enough to observe those effects. Literature from China suggests positive general equilibrium effects at the origin, but we're less confident in what's going on at the destination.

### **Details about districts where the migration study was conducted in Bangladesh**

The reason that region was chosen was that there was a famine that had a name—monga—that happens every year. Other parts of the country have seasonality, but not a famine situation. The idea here is that there is a spatial mismatch between people and jobs in particular months, but that is very general across the world.

People are also risk averse in the context of our original study. This might not be the case in other areas.

### **Other researchers working on migration issues**

Dean Yang and David McKenzie are doing some experimental research on international migration, which has potentially larger returns than domestic migration. I'm not aware of anyone else doing experiments on domestic migration.

In the non-experimental realm, Kathleen Beegle and Stefan Dercon found that returns to moving in Tanzania are 36% of consumption, and other researchers have found similar effects in India.

### **Other areas that GiveWell should consider exploring**

I think both the practice and research of development might be too focused on rural areas. Poor people do tend live in rural areas and work in agriculture, so it might make sense to focus there, but that takes a static view of the world. It's important to think about how to help people move to opportunities, not just fix their current situations. So I think that one area that might need more work is urban development related to migration.