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## Article

# Happiness and the emigration decision

IZA World of Labor

## Provided in Cooperation with:

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*Suggested Citation:* Ivlevs, Artjoms (2014) : Happiness and the emigration decision, IZA World of Labor, ISSN 2054-9571, Institute for the Study of Labor (IZA), Bonn, <https://doi.org/10.15185/izawol.96>

This Version is available at:

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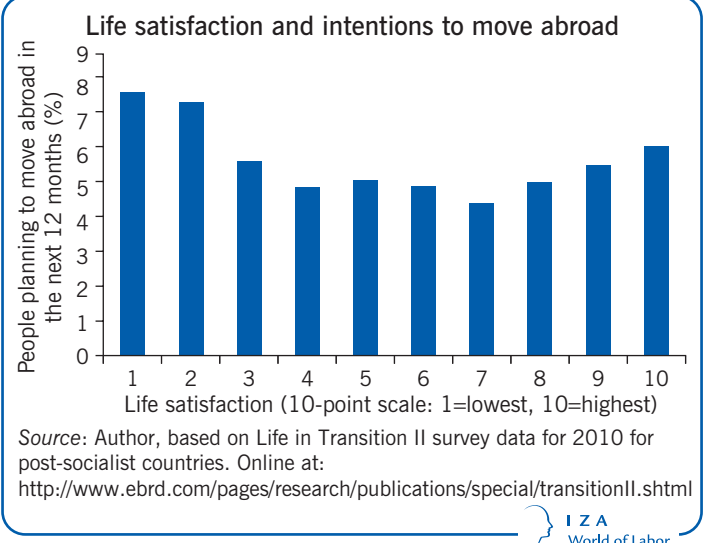
# Happiness and the emigration decision

## Happy people are an asset to society, and happiness may be a determinant of emigration

Keywords: emigration decision, happiness, life satisfaction, happiness drain

### ELEVATOR PITCH

Happy people are healthier and more creative, productive, and sociable. Because of these positive effects of happiness, it is in the interest of countries to attract and retain happy people. With respect to the decision to migrate, the central question becomes whether people who are happier and more satisfied with their lives are more or less likely to migrate. The evidence so far is mixed. Correlational studies find that prospective migrants are less happy than people who are not intending to migrate, while one study controlling for reverse causality suggests that the desire to migrate increases with life satisfaction.



### KEY FINDINGS

#### Pros

- + Higher levels of happiness are associated with better health, higher productivity, and enhanced social skills.
- + In migrant-receiving countries, happy immigrants may rely less on public health services, have better employment prospects, and integrate quicker into society.
- + Happiness is an important determinant of emigration decisions.
- + One study suggests a positive causal effect of life satisfaction on the intention to migrate.

#### Cons

- People expressing a desire to migrate tend to be less happy.
- The literature on happiness and the emigration decision is in its infancy, with most studies providing correlational rather than causal evidence.
- People's level of happiness can fall while they prepare to migrate.
- Migrants' experience in the receiving country can also erode their happiness.
- A major data collection effort tracing migrant happiness before and after migration is necessary to determine causality.

### AUTHOR'S MAIN MESSAGE

Although the literature has yet to establish definitively whether happiness drives emigration, happiness appears to be an important determinate of the emigration decision. Correlational evidence points to a negative association between happiness and the emigration decision, while one study suggests a positive causal effect of life satisfaction on the intention to migrate. Not all people expressing a desire to migrate actually do so, however, and those who do can become less happy in their new home. Policymakers in migrant-sending and migrant-receiving countries might want to include attention to subjective well-being in their migration policy agenda.

## MOTIVATION

Happiness and life satisfaction—measures of individual subjective well-being—are becoming more important policy variables. One rationale for concern with enhancing people's happiness is that happiness is likely to generate a range of positive side-effects [1]. For example, happier people are healthier: they have better functioning cardiovascular and immune systems, recover quicker from illnesses, exercise more, and eat better. Happier people are more productive, creative, and motivated in the workplace; more cooperative in negotiations; and achieve higher incomes during their lifetime. If unemployed, happier people find a new job more quickly than less happy people. Also, happiness is associated with greater social skills and pro-social behavior (such as donating to charities and volunteering), lower likelihood of being involved in a car accident, and better ability to pursue long-term goals.

Because of these positive externalities, happy people are a valuable asset for any society, and the migration of happy people has a number of policy implications. For migrant-receiving countries, it makes sense to try to attract and retain happy migrants: happy, and hence healthier and more productive and sociable, immigrants will put less stress on the welfare system and will integrate quicker into society. The flipside of this happiness gain for migrant-receiving countries is a “happiness drain” for migrant-sending countries. The outflow of happy people would deprive the migrant-sending country of the many positive attributes associated with happiness.

This paper reviews the evidence on the relationship between happiness and migration and what this could mean for policymakers in both migrant-receiving and migrant-sending countries.

## DISCUSSION OF PROS AND CONS

### **What is the expected relationship between happiness and the emigration decision?**

Economists and other social scientists tend to view the emigration decision as an investment: rational, utility-maximizing individuals move abroad if the benefits of doing so outweigh the costs. In this framework, the costs and benefits of migrating are typically represented by the lifetime income streams that can be earned at home and abroad. The main prediction is that poorer people are more likely to migrate because they stand to gain the most from migration. However, income is not the only thing people may wish to maximize. In this framework, if people seek to maximize happiness instead of income and if they believe that they can achieve higher levels of happiness abroad, the prediction is that unhappy people are more likely to migrate because they have the most (happiness) to gain from migration.

In reality, the poorest people often do not emigrate because they do not reach the threshold of income necessary to cover their migration costs. By analogy, one could hypothesize that a certain level of happiness is necessary to trigger migration. To make the decision to cross borders and adapt to new environments, people need to be optimistic, confident, open-minded, and sociable. As these characteristics are closely related to happiness, a positive association between happiness and emigration cannot be excluded. Thus, both a negative and a positive relationship between happiness and emigration can easily be conceived. Which channel fits reality better becomes an empirical question.

## Correlational evidence on the relationship between happiness and the emigration decision

An earlier strand in the happiness and migration literature looked at whether, in migrant-receiving countries, migrants are less happy than other residents [2] and whether migration makes the people who move happier [3]. An emerging strand in the literature—which is the focus of this paper—has turned to the migrants’ countries of origin and sought to understand the relationship between happiness and the emigration decision [4], [5], [6], [7], [8]. These studies have relied on data from large-scale multicountry individual-level surveys, which contain information on both the respondents’ subjective well-being (usually, happiness or life satisfaction) and some proxy of emigration decision (usually, willingness or intention to migrate; see **Capturing the emigration decision**). A typical approach has been to analyze correlations between the two variables, controlling for the effects of other individual factors, such as the respondent’s age, education, and income, as well as country-level characteristics.

### Capturing the emigration decision

From a migrant-sending country perspective, tracing actual migrants in their destination countries is costly. Instead, the emigration decision is usually proxied by questions on the willingness, preparedness, and intention to migrate and by questions on the specific actions taken to realize those intentions. Studies based on data collected for the same people over time have shown that migration plans are good predictors of actual moves. Nonetheless, not everybody who reports a general desire to migrate and has specific migration plans will actually migrate.

## Evidence for Latin America

A large share of the work on the relationship between happiness and emigration intentions has been conducted using survey data for Latin America. One of the pioneering studies in the field, which used data from five waves (2004, 2006–2009) of the Latinbarometro survey (18 countries with more than 90,000 interviews), found that higher levels of happiness were associated with lower willingness to migrate, as captured by a positive answer to the question, “Have you or your family members ever seriously considered moving abroad?” [6]. While holding other factors constant, the study found that a one point increase in happiness on the 1–4 happiness scale (where 1 is least happy and 4 is most happy) was associated with a two percentage point lower probability of reporting that the household had considered moving abroad. The study also revealed that prospective migrants in Latin America had higher levels of wealth but lower levels of happiness. The study characterized them as “frustrated achievers.”

Another study on Latin America used the same Latinbarometro data set but considered life satisfaction (a cognitive evaluation of subjective well-being) rather than happiness (a hedonic evaluation of subjective well-being, based on emotions) as a correlate of emigration intentions [5]. Like the other Latin America study [6], it also found statistically and substantively significant associations between life satisfaction and migration intention: life-satisfied people were two to four percentage points less likely to say that they considered moving abroad than were life-dissatisfied people. In addition, the study

established that highly educated people who are dissatisfied with life are particularly likely to say that they have considered emigration.

## Evidence for the EU

A study looking at 27 EU member countries found a statistically significant negative correlation between life satisfaction and the intention to migrate [8]. An advantage of studying the EU is that the legal barriers to migration within the block are fairly low. This is important because it helps to rule out selection bias in the analysis of the determinants of migration: the legal barriers that may prevent certain groups of people, such as the least educated or the poorest, from migrating are weak or absent in a free-labor-movement area. The study distinguished between intentions to migrate to another country (permanently and temporarily) and intentions to migrate within a country. Using the Eurobarometer survey for 2008 (more than 24,000 interviews), it found that people who were most satisfied with life were about two percentage points less likely to say they intend to migrate abroad than were people who are the least satisfied with life (there was little difference between the intentions to migrate permanently and temporarily) and about three percentage points less likely to migrate internally. The study also compared the relationship between life satisfaction and emigration intentions in the 15 earlier EU member countries (Western European countries) and the 10 more recent members (Central and Eastern European countries), which joined the block in 2004 and 2007. The difference in emigration intentions between the least and the most life-satisfied people was larger in the Western European countries, which would imply that life dissatisfaction is a more important driver of emigration in wealthier countries.

## Global evidence

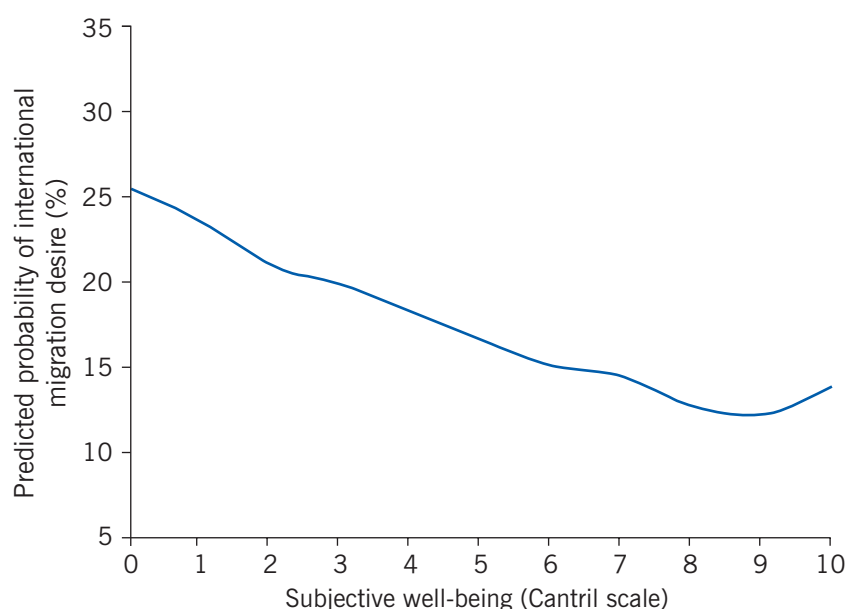
One of the most comprehensive correlational studies addressed the link between subjective well-being and the desire to migrate on a global scale [4]. Drawing on the data from the Gallup World Poll survey covering 161 developing and developed countries for 2007–2012 (more than 400,000 interviews), the study analyzed responses to several survey questions capturing the desire to migrate to another country. The main question captured a more general desire to migrate: “Ideally, if you had the opportunity, would you like to move permanently to another country, or would you prefer to continue living in this country?” Two other questions captured more specific emigration plans: “Have you done anything for the preparation for the move (e.g., applied for a visa, purchased the ticket)?” and “Are you planning to move permanently to another country in the next 12 months, or not?”

Whereas related studies have captured subjective well-being using hedonic or cognitive evaluations of subjective well-being (happiness or life satisfaction), the Gallup study assessed subjective well-being using the Cantril Self-Anchoring Striving Scale. Respondents were asked to imagine a 0–10 step ladder, with the best possible life for them on the top and the worst possible life at the bottom, and to identify which step of the ladder they felt that they were on at the time of the interview. To check the sensitivity of the results to different measures of subjective well-being, the life satisfaction question was also used.

The study revealed a clear negative association between subjective well-being (based on the Cantril scale) and answering “yes” to the question on having a general desire to

migrate. The probability of expressing a desire to migrate decreased with each successive step up the Cantril scale (with the exception of the very top of the scale, where people on step 10 were somewhat more likely to report a desire to migrate than people on step 9). Overall, people with the highest levels of subjective well-being were approximately 12 percentage points less likely than were people with the lowest level of subjective well-being to say that they would emigrate if they had an opportunity (Figure 1). The results were similar when life satisfaction, measured on a 0–10 scale, was used as the measure of subjective well-being instead of the Cantril scale: the most life-satisfied people were about 18 percentage points less likely than the least life-satisfied people to express a desire to emigrate.

Figure 1. The Gallup study found a negative association between subjective well-being and predicted probability of international migration



Source: Table 1 in Cai, R., N. Esipova, M. Oppenheimer, and S. Feng. "International migration desires related to subjective well-being." *IZA Journal of Migration* 3:8 (2014) [4].

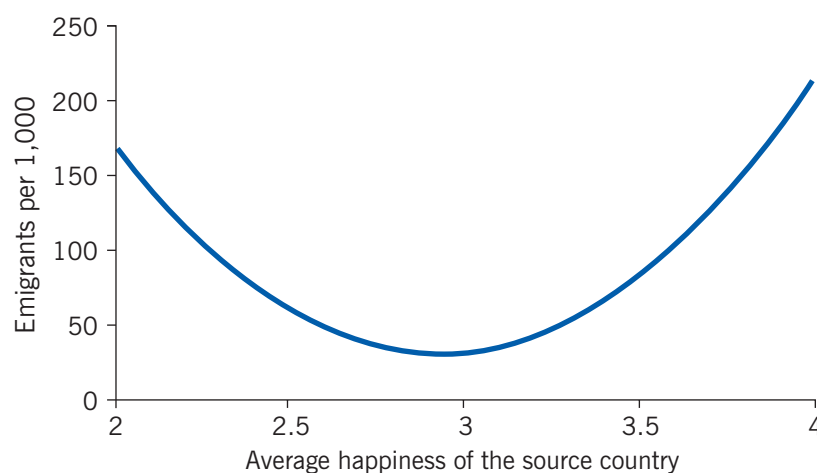
Results were similar for the two more specific migration plan questions (having done some preparation for the move, and having plans to move in the next 12 months). The study found a negative trend in the relationship between subjective well-being on the Cantril scale and emigration intentions, implying that the main finding was robust to different questions capturing emigration intentions. That said, the Gallup study also found that, among people who expressed a desire to emigrate, higher levels of subjective well-being tended to be associated with a higher probability of having taken specific steps toward migration.

In line with the study on 27 EU countries [8], the Gallup study found that subjective well-being was a stronger negative predictor of the general desire to migrate in rich countries than in poor countries. On a regional basis, the negative association between subjective well-being and desire to migrate was stronger in Europe and weaker in other parts of

the world (especially Asia). The Gallup study also established that subjective well-being was a stronger predictor of the desire to migrate than household income, while also acknowledging that income may be an important component of subjective well-being. In conjunction with the finding from the Latin American study that prospective migrants are “frustrated achievers” [6], these findings confirm a key role of household and country income variables in the happiness–emigration relationship.

While most of the literature looks at the happiness–emigration relationship from an individual or household perspective, one study explored the relationship at the country level [9]. Emigration in this study was captured by actual country-level emigration rates. Aggregate country happiness was obtained by averaging people’s reported level of happiness from the World Values Survey (58 countries across the world, with at least a thousand interviews per country-wave between 1981 and 2004). The results revealed a U-shaped relationship between happiness and emigration: The highest emigration rates (150–200 emigrants per 1,000 people) were observed at the tops of the U, in the least and the most happy countries, while the lowest rates (fewer than 50 emigrants per 1,000 people) were observed in countries at the mean level of the happiness distribution (around 3 on the 1–4 scale; Figure 2).

Figure 2. The World Values Survey shows a U-shaped relationship between average country happiness and the emigration rate



Source: Table 4 and Figure 1 in Polgreen, L., and N. Simpson. “Happiness and international migration.” *Journal of Happiness Studies* 12:5 (2011): 819–840 [9].

Thus the emigration rate decreased with average happiness in relatively unhappy countries and increased with average happiness in relatively happy countries. One explanation for the positive happiness–emigration relationship in relatively happy countries is that people in happy countries are more optimistic and willing to take advantage of opportunities abroad. It is important to note that the results of the country-level study [9] are not directly comparable with the individual-level evidence presented earlier. In each country, there will be relatively happy and relatively unhappy people, and it is not clear from the country-level study which category of people, within a particular country, will be more likely to migrate.



## In search of causal evidence for the relationship between happiness and the emigration decision

Most studies examining the relationship between subjective well-being and emigration intentions at the individual level suggest that people with higher levels of happiness have a lower desire to migrate. However, it would be too early to conclude that unhappiness causes emigration. First, even if these results tend to be statistically significant, in several studies the estimated effects are substantively small. Second, the results based on correlational evidence, as reported in [4], [5], [6], and [8], are not sufficient to prove causal effects running from subjective well-being to the emigration decision. Reverse causality and unobserved factors affecting both phenomena are two reasons why the estimated correlations between subjective well-being and willingness or intention to migrate may not reflect true causal effects.

One problem occurs if preparing to migrate changes a person's happiness relative to its usual, long-term level [7]. For example, a prospective emigrant, anticipating separation from friends and family, may become sad or anxious and report a level of subjective well-being that is lower than its average long-term trend. Ideally, a study would want to trace the evolution of the happiness of people as they start thinking about emigration and take specific actions to realize their emigration intentions. While no such evidence is available for international migrants, one study, based on British Household Panel Survey data for 1996–2008, traces the evolution of subjective well-being of internal migrants in the UK over time [10]. It finds that internal migrants' life satisfaction falls significantly before the move but recovers quickly once the move has occurred. This pre-migratory drop in happiness is explained by the anticipation of the negative effects of the move—separating from friends and family members, leaving familiar surroundings, and adjusting to a new environment. If preparing to move within a country makes people less happy, there is good reason to believe that preparing to move abroad has the same, if not larger, negative effects on subjective well-being. Thus it is possible that people preparing to emigrate are generally happy but experience a temporary dip in their normal, long-term happiness levels because of the anticipation of migration.

Unobserved variables affecting both happiness and the desire to migrate represent another problem for estimating the causal effects between the two phenomena. Changes in personal circumstances, such as the deterioration of relationships with family members or problems at work, can make people think about moving abroad and, at the same time, can temporarily reduce their happiness. Also, personal characteristics, such as greater aspirations, ability, motivation, and preference for risk may also affect both happiness and the willingness to migrate. Large-scale surveys and opinion polls rarely collect information on such specific changes in respondents' lives or their personality traits, meaning that these characteristics cannot be accounted for in cross-sectional analyses. Therefore, it cannot be ruled out that the associations between happiness and willingness to migrate are driven by unobserved factors.

In the absence of data that would allow tracing the happiness of prospective migrants over time, one way to establish causal effects is to use instrumental variable analysis. The idea is to find instruments—variables that are highly correlated with long-term, underlying levels of happiness but have no direct effect on the emigration decision—that can be used to predict happiness. The predicted happiness values can subsequently be used to explain the intentions to migrate.



One study, based on data from the Life in Transition II survey conducted in 2010 in 30 post-socialist countries of Central and Eastern Europe and Central Asia (more than 20,000 interviews), used instrumental variable analysis to establish the causal effects of subjective well-being on emigration intentions [7]. The emigration decision was captured with the question: “Do you intend to move abroad in the next 12 months?” Subjective well-being was captured by life satisfaction, measured on a scale of 1–10. Two variables were used to instrument life satisfaction: parental education and the death or injury of someone in the family in World War II. The instrumental variable analysis revealed a large positive effect of life satisfaction on the desire to migrate. A unit increase in life satisfaction (equivalent to about half a standard deviation of the variable) increased the probability of reporting intentions to migrate by about 15 percentage points. This positive effect was explained by the conjecture that people have to be confident, optimistic, risk-loving, and open-minded in order to migrate. As many of these qualities go hand-in-hand with happiness, greater happiness would contribute to a greater desire to migrate.

## LIMITATIONS AND GAPS

The literature on happiness and the decision to migrate is in its infancy, with most studies providing correlational evidence only. Caution is required when using the results of these studies to inform policy. At the moment, only one study has tried to establish causal effects of happiness on the emigration decision [7]. However, that study concentrated on a specific part of the world (the post-socialist countries of Central and Eastern Europe and Central Asia), provided evidence for only one year, and used a particular set of instruments to predict subjective well-being. More empirical work focusing on causal effects, as well as on other parts of the world, should be undertaken to provide a more reliable picture of the effects of happiness on the emigration decision.

Empirical work is necessary to check whether anticipating a move abroad and preparing for it temporarily reduce the happiness of prospective migrants. Evidence for such a happiness-reducing effect exists for internal migration [10]. If it also holds for external migration, correlational evidence on happiness and the intention to migrate will suffer from a downward bias.

Regardless of whether happiness encourages or discourages moving abroad, migrants' level of happiness may remain below that of other residents in the receiving society. It is also possible that the migration experience directly reduces a migrant's happiness [3]. Under such circumstances, it is not clear whether migrants' “happiness capital”—greater productivity, health, and sociability—will fully materialize. An ambitious data collection effort, which would involve interviewing the same migrants before and after the move, is necessary to obtain a complete picture of the happiness–migration connection.

## SUMMARY AND POLICY ADVICE

Happiness is associated with better health, higher productivity, and enhanced social skills. This makes happy people a valuable asset for both migrant-sending and migrant-receiving countries. Whether migration results in a happiness gain or drain depends on whether happier people are more likely than less happy people to migrate. An emerging literature addressing this question has so far provided mixed evidence.

Several correlational studies have suggested that people who want to migrate are less happy than those who do not. This negative association tends to be robust to different measures of subjective well-being and to the decision to migrate. Less happy people are more likely to express a desire to migrate if they live in richer countries or are better educated. There is also evidence that prospective migrants are “frustrated achievers”—they are wealthier but less happy than people without emigration plans [6].

For policymakers in migrant-sending countries, these findings can help identify people who are more likely to move abroad and can guide the design of policies to encourage them to remain. In particular, policies aiming to increase the happiness of relatively unhappy people could help retain people at home and unleash the positive externalities associated with happiness. In migrant-receiving countries, policymakers may want to pay more attention to the emotional needs of migrants, especially since adapting to a new environment may reduce migrants’ happiness even further.

It should be stressed, however, that the results of the correlational studies may not represent true causal effects running from happiness to emigration. That possibility calls for caution when using correlational evidence to inform policy. Ideally, policymakers’ efforts would be guided by the results of studies that explicitly address causality.

One study that attempted to establish causal effects of subjective well-being on the desire to migrate found that an increase in life satisfaction had a positive effect on the intention to migrate. This finding would support the notion of a happiness drain in migrant-sending countries. In theory, it would also place in doubt the value of happiness-enhancing policies, although in reality only a small proportion of happy people will emigrate, so a migrant-sending country’s stock of happiness would not be depleted. The outlook for migrant-receiving countries should be more optimistic: Happy and life-satisfied migrants are healthier and more productive and sociable, implying a potentially lower burden on the state.

Overall, then, happiness appears to be an important determinant of emigration decisions. Decision makers in migrant-sending and -receiving countries might want to take this relationship into account and consider giving attention to happiness in their migration policy. The precise contours of such policy are likely to be country- or region-specific, and will depend on the results of additional research on the question.

## Acknowledgments

The author thanks two anonymous referees and the IZA World of Labor editors for many helpful suggestions on earlier drafts.

## Competing interests

The IZA World of Labor project is committed to the *IZA Guiding Principles of Research Integrity*. The author declares to have observed these principles.

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