

VIEWPOINT

What matters for internal migration, jobs or amenities?

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Abstract

There is an ongoing debate about whether jobs or amenities matter more for economic growth and by extension for regional migration. We review these debates briefly and point out that amenities are not always well defined and that the “either or” approach neglects the complexity of the migration process and the role that social processes play in the migration decision. While we acknowledge that there is still considerable ambiguity over the role that returns to employment play for internal migration decisions, this does not necessarily mean that the ambiguity can be replaced by calling on amenities as the major force in explaining migration flows.

Keywords: Internal migration; jobs; amenities

Introduction

The debates about interregional growth and the underpinnings of that growth have been brought into sharp focus by recent papers which have begun a re-evaluation of what matters in regional growth and migration (e.g. Storper and Scott, 2009; Niedomysl and Hansen, 2010; Partridge, 2010). The question about whether amenities, or economic opportunities, drives growth and migration is more than a simple debate between opposing academic positions. It is indeed at the heart of how cities and regions should respond in their development strategies to create continuing growth. Where once there was reasonably uniform agreement that building a better economic base would create regional growth, there has been a notable turn to the role of amenities as a force for growth creation.

Given the continuing concern by policy makers to intervene to get regional growth, it is natural that the research community has focused on just how we can understand the relative role of factors in the intersection of mi-

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gration and economic growth. The emerging emphasis on amenities has inspired several local authorities to sharpen their focus on building a cultural and social context, while maintaining a broad economic base so that the majority of potential migrants can secure just the employment they need to realize their goals of material consumption, environment, lifestyle, and family as well as employment. The debate appears to have clear policy implications. If amenities are drivers of growth, policy makers are well-advised to spend more time and money on improving them. But if they are not, such exercises may turn out to be costly in the long run.

In this commentary we re-examine the debate about jobs versus amenities and suggest that this dichotomy is an unfortunate oversimplification that risks more confusion than clarification. We ask and examine two broad questions. First, how well have amenities been defined and investigated in the literature? Second, what does the individual data tell us about the role of amenities in making the migration decision? Specifically, while we acknowledge that there is still considerable ambiguity over the role that returns to employment play in contemporary internal migration decisions this does not mean that the ambiguity can be replaced by calling on amenities as the major force in explaining migration flows.

Background

The role of jobs versus amenities for regional development has been debated for quite some time. The issue was brought to the fore by researchers such as Ullman (1954) and Graves (1976), who pointed out that factors other than employment, notably climate, needed to be taken into account to better understand regional growth. Although a recurring theme over the years, it did not really become an issue of widespread interest in the research community (albeit with notable exceptions in certain fields such as research on counter-urbanization and elderly migration) until Florida (2002) argued the importance of amenities for attracting the creative class (Sternberg, 2012), and Glaeser emphasized the importance of amenities for explaining the resurgence of cities (Glaeser et al., 2001).

To provide a brief context, at the core of regional science and economic geography is the question of why regions grow and what role migration has to play in that economic growth. Much of this research used aggregate migration flows and explanatory models which evaluated the role of wages and measures of the changing mix of industries and occupations (Greenwood, 2006). But the downsizing of the industrial heartland of the US and the shift in manufacturing offshore tended to emphasize the role of non-economic forces in creating regional changes. The research which emphasized both the decline in manufacturing in the old industrial core centres in Michigan, Indiana and Ohio and the rise of the service industries and the high-tech industry in the West further emphasized the contrast between a focus on economic growth generated by jobs and the ubiquitous distribution of jobs which might bring

population growth to areas which were attractive for reasons other than jobs alone (Bluestone and Harrison, 1982). Thus, the rise of a non-economic explanation for regional growth came about just at the time that the basis of regional growth was changing.

The return to an emphasis on amenities has generated a debate between opposing views of growth generation – jobs versus amenities. On the one hand there is support by a range of regional scientists for the traditional link between job motivated migration and growth (e.g. Storper and Scott, 2009; Niedomysl and Hansen, 2010; Scott, 2010; Liu and Shen, 2013). On the other there is an emphasis on the cultural and amenities of cities and the larger role of cities (e.g. Glaeser et al., 2001; Florida, 2002). In a review of the debate, Partridge (2010) argues that on balance, growth across space is heavily driven by amenity considerations. For Partridge the moves to natural amenities fuelled regional economic growth over several decades but especially in the most recent decades. By emphasizing the role of natural amenities rather than job opportunities and regional growth more largely, Partridge throws into sharp relief just the question that is the motivation for this commentary – is it jobs, or is it amenities that create interregional migration. In the Partridge paper, he goes so far as to declare that amenities have won a “runaway victory” as the explanation for regional growth and development and suggests that amenity migration is not only the major driver in the US, it will become increasingly important in Europe as well.

Despite the opposing views on the relative importance of jobs versus amenities for growth, we believe it is possible to throw light on the debate and in fact to alter the focus to a more nuanced discussion. To do so, we turn to our two questions.

What is meant by amenities?

To start, it is appropriate to note that while jobs are by no means easy to grasp in the context of migration (Greenwood, 1997), in comparison to amenities, jobs appear simple. For example, Partridge (2010: 518) defines amenities in the following way: “Amenities are simply anything that shifts the household willingness to locate in a particular location. By definition, they are broadly defined and include weather, landscape, public services, public infrastructure, crime, ambience, and so on...”. With such a broad definition, possibly also including jobs, it is little wonder that amenities are found to be of importance. But even if we were to exclude jobs, essentially saying that amenities are everything else but jobs, it begs the question of what kind of amenities are more important. Arguing that factors other than jobs are important is unlikely to entice much interest. In fact, such a definition implies that jobs are extremely important as it appears to be the sole factor against which everything else can be measured. In addition, “jobs” are not homogeneous but also likely to vary in terms of attractiveness (e.g. low- versus high-pay, part- or full-time) and geographical distribution.

However, reading the literature gives little guidance as to what kind of amenities matter more. In fact, it raises some validity concerns, because many studies, if not most, in this field seem to use quite different variables without paying much attention to which variables other research include or exclude and their relevance for migration decision making. The list of varying amenity/dis-amenity variables is diverse and could be made very long (e.g. Glaeser et al., (2001) use bowling alleys per capita, Whisler et al., (2008) use the violent crime rate, Buch et al., (forthcoming) use the number of hospital beds per capita, etc.). In that respect, amenities resemble a black box, with the possible exception of climate which seems to have considerable support as an amenity icon, but if amenities mean “nice weather” it really should be spelled out more clearly. When attempting to measure other types of amenities, relevant and reliable data are not always cited in the studies on amenities. While we do not wish to dwell too much on the ambiguity of amenities we would like to emphasize and raise the question of whether it really is likely to advance our thinking by comparing jobs with everything else (amenities)?

Further, while it may be easier to try and gauge amenity values indirectly via e.g. house prices, this is also difficult (not only because house prices relate more to residential mobility than to migration); house prices are determined by a range of different factors, including amenities and jobs, but also reflect willingness and ability to pay and is not very useful for policymakers who are more likely to be interested in the relative importance of various factors to be able to influence them. This latter aspect also relates to the time-dimension, because, for example, the climate is not going to change very much, the business structure of a region might be possible to change within some decades, but crime rates or the cultural supply might perhaps be possible to change within just a few years. Rappaport (2007) is a good example where the time-dimension is taken into account, although from the perspective of climate and population growth, not migration. Needless to say perhaps, some amenities are within reach of policymakers’ agency to influence; others are not, but either way, knowledge about which ones that really matter is arguably a crucial matter.

Having made the point that more conceptual and empirical rigor is needed when it comes to determining the importance of amenities on regional growth, it might be useful to also consider what amenities are supposed to have an effect upon and by extension economic growth. Some of the research advocating the importance of amenities uses population growth as the dependent variable, but since population growth is determined also by fertility and mortality, factors for which there is no obvious relation to amenities, it seems quite natural to focus solely on migration. But deciding which measure of migration to be used (in-, out- or net-migration?) presents a non-trivial task, requiring careful consideration, and, of course, a focus on migration would need to take into account the origins of migrants or else it will be difficult to conclude anything about the relative importance of amenities (or jobs for that matter) at the aggregate level.

When the dependent variable is selected, it is furthermore appropriate to consider what the relevant spatial units of analysis are. Some amenities likely have large areas of influence, such as climate, whereas others are very local (e.g. crime-rates). For a policymaking perspective this is of course highly relevant. For example, what is the influence field of a highly localized amenity?

In addition, the time-dimension warrants further discussion. First, most research in this field has a quite narrow time-frame, but while some amenities may change within a few years, others will not (and migration flows might of course also change). Second, the short- and long-term swings of the economy need more appreciation. For example, the business cycle might induce migration to amenity areas when times are good and jobs are plentiful to choose among, but in bad economic times people will have fewer destinations to choose. The case of Spain might serve as an example. Spain had large inflows of migrants up to the recession when the flows appear to have changed dramatically (OECD, 2013). The climate did not change, only the economy. Indeed, this resembles a natural experiment – what happens if you remove the jobs – but it should not be taken to imply that amenities are necessarily unimportant, people may return once the economy recovers, but it should nonetheless be taken into account.

In this regard, the recommendations by Fielding (2012) to consider the relevance of both short- and long-term changes in the economy for migration are instructive. Here it might perhaps be useful to draw an analogy to investing in the stock market. In the short term, investing at the right time (when the market is on the rise) might be more important than the kind of stocks you select. In the longer term (when the markets fail), however, the kind of stocks selected are more important. In the long run, though, it is more likely to be the sector that matters, rather than the specific stocks. The question is whether such an analogy also applies to migration and the jobs versus amenities debate?

So far, much of the debate is taking place in the US, where the main support for the role of amenities appears to be found. The recent European experience tells a quite different story and drawing conclusions from one country to many others is problematic. Even so, more comparative work is emerging in Europe (e.g. Rodríguez-Pose and Ketterer, 2012), but European scholars seem more reluctant to draw any firm conclusions on the issue so far (it may also be useful to look beyond the experiences of the US and Europe as, for example, recent research from China suggest that amenities do not play any significant role (Liu and Shen, 2013), which, again, may underscore the importance of the time-dimension and the wider levels of economic development). Possibly, this is due to the fact that most research on amenities and migration in Europe has largely focused on those that have left the labour market or are approaching retirement age (e.g. King et al., 1998).

This latter point raises the issue of whom amenities are supposed to be attractive for. It is easy to get the impression that much of the inflows to sun-

shine states is driven by elderly snowbirds, which might cause economic problems in the long run (e.g. the dependency ratio) but it may also turn out to spur economic growth (e.g. people are more likely to start new firms at older ages, see Bönnte et al., 2009). Even so, most of the amenity migration literature does not seem to take into account that different age-groups have different preferences (Niedomysl, 2008), select different types of destinations (Chen and Rosenthal, 2008), and, of course, a focus on migration implies that people can act on their preferences, which may not necessarily be the case.

What does the individual data tell us?

In the preceding section we were mainly concerned with the weak link between conceptualization and the macro measurement of amenities, arguably showing that it is premature to conclude that gross patterns are simply the outcome of amenity led migration. In short, if we do not have a precise notion of what we are measuring it is not clear how we can draw causal links. Since most of the literature investigates the jobs versus amenities issue from a macro perspective, complementary insights may be gained from considering other sources of information.

There is a rich body of data which might be used to inform our understanding of the jobs vs. amenities debate and indeed may provide a more nuanced understanding of the complexity of understanding migration and regional growth. However, before turning to the evidence provided from micro approaches (interviews and surveys), we need to recognize that there are problems with this data source as well. First, the answers obtained when asking people questions are likely to be influenced by a range of critical issues. These answers can be biased in a number of ways –face-to-face interviews may be different from “anonymous” questionnaires, the phrasing of questions and response alternatives are other factors to be recognized. For example, open-ended response alternatives, which are common in interviews, might yield different results from a questionnaire with fixed response alternatives. Second, there is a concern that what people say sometimes cannot be trusted. While this may be true, there is nothing to suggest that people would be more prone to overemphasize the importance of jobs in relation to amenities, in fact the opposite seems more likely.

Even with these technical issues there is a strong argument to be made that the survey data has been under-analysed and may be no more problematic than the methodological concerns typically raised when employing macro approaches. However, considerably fewer papers on jobs versus amenities using interview- or survey data have been published in the main journals. Nonetheless, the findings provide quite different insights. For example, in a unique study where artists, dominant in the creative class thesis, were interviewed to investigate the factors influencing their choice of location, Borén and Young (2013) found that jobs rather than amenities stand out as more

important. Little evidence for the central thesis that the creative class moves for amenities has been found (Hansen and Nedomysl, 2009).

In general, micro level evidence tends not to support macro arguments. Survey research shows that a multitude of factors are important, but to call everything other than jobs “amenities” is clearly misleading. Drawing on survey evidence from Australia, New Zealand, United Kingdom and Sweden (Morrison and Clark, 2011; Dixon, 2003; Nedomysl, 2011), rather than a dichotomy between jobs and amenities, a rough estimate of this research shows that jobs account for about one third of stated reasons, various place related factors that perhaps may be bundled together as amenities account for another third, and social reasons (being close to family and friends) the remaining third. It should be noted that when moving distance is taken into account, longer moves increase the shares of job movers, but perhaps more important for this discussion, the shares that provided social motives as main reasons for moving remain about the same across distance (Nedomysl, 2011). Social reasons do not fit well into the amenities definition, but stand out as distinctively different also from jobs. While it is no surprising finding that friends and family are important for migration decision making, in the jobs versus amenities debate, it is largely missing (but see e.g. Dahl and Sorenson, 2010).

All of this suggests that we might profitably think of the appropriate models as having three dimensions rather than an either or, that is jobs or amenities. It is a three dimensional structure of jobs, “amenities” and social ties which influences regional migration. To ignore the increasing strength of social ties, extended family links and changing gendered migration is to take out one of the important dimensions of migration and by extension the growth explanation. Thus, it may be premature to conclude a “winner” in the debate on the importance of amenities.

Conclusions

It is always easier to point out the shortcomings of research than to provide new and innovative analyses. That said, we believe this commentary can show the way forward for new research on the issues of the relative contributions of jobs and other factors in both the migration process and for economic growth. By way of conclusion, we make three points which we think are important for future thinking about the relative nature of economic growth and its implications both for regions and cities.

First, we believe it is important to provide much greater attention to the results of survey- and interview data and what we can learn from that data about both migration and economic growth. There is a tendency, particularly by regional scientists and economists to downplay what people say and to emphasize rather the “revealed” preferences of their behaviour. However, the research, based on survey analyses increasingly indicates that there are strong linkages of what people say and what people do. This is especially true in the instances of migration and the logic underlying these important decisions.

Either alone or in combination with economic modeling the tentative evidence suggests that there is much to be learned from survey data.

Second, we believe that it is premature to conclude that amenities are the clear winners in the debate between jobs and amenities. Before we accept that finding we need to know much more about amenities and which ones are important and indeed to clarify their measurement and relationship with migration and growth. Indeed are they in many instances little more than associations rather than true generators of migration and economic change? In our view, one of the main weak points of the current debate is the failure to properly approach amenities. However, even if more rigor would be welcomed, a number of other unresolved issues remain. Some problems relate to data and measurement issues, others to time-frame and policy relevance.

Finally, we believe that it is more fruitful to think about the process of migration, at the least, as the outcome of multiple factors. Simply by referring to a limited number of studies¹, we have shown that rather than an either or (jobs or amenities), it may perhaps be more fruitful to consider a three dimensional structure which influences regional migration and not to ignore the increasing strength of social ties, extended family links and changing gendered migration. It is quite possible that the relative importance of these three dimensions vary over time, between periods of economic recession and prosperity, and for different types of migrants. Not until evidence collected from a range of sources, and seen from different perspectives, point in the same direction will it be possible to conclude in which combinations jobs, amenities and social ties matter for migration and regional growth.

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¹ We have not attempted to include a full panoply of the multiple studies of the jobs and amenities but rather to select those most current and in which the debate is posed.

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