Income Differences and Interstate Human Capital Mobility

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(based on joint work with James R. Walker)

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Mobility of Human Capital

College graduates born in the midwest

Percentage WORKING outside State of birth

Age

25 30 35 40 45 50 55 60 65 70 75

44 46 48 50 52 54 56 58 60 62
Mobility of Human Capital

College graduates born in the U.S.

Percentage working outside State of birth

Age

Born in Midwest

Born elsewhere
Percentage of native graduates who stay

Percentage of graduates, among those born in each State

Midwestern College Graduates
Ages 25-50
College Graduates

Percentage of native graduates who stay

Percentage of graduates, among those born in each State
College Graduate Proportions

Graduates as percentage of workforce in each State

Percentage of graduates, among those born in each State
College Graduate Proportions

Graduates as percentage of workforce in each State

Percentage of graduates, among those born in each State
College Graduates coming and going

Percentage of graduates coming in vs. Percentage of graduates going out

States: IN, IL, MI, OH, IA, MN, PA, WI
College Graduates coming and going

Percentage of graduates coming in vs. Percentage of graduates going out

Percentage of graduates coming in:

- 20
- 30
- 40
- 50
- 60

Percentage of graduates going out:

- 30
- 35
- 40
- 45
- 50

States:

- AL
- AK
- AZ
- AR
- CA
- CO
- CT
- DE
- DC
- FL
- GA
- HI
- ID
- KS
- KY
- LA
- ME
- MD
- MA
- MS
- MO
- MT
- NE
- NV
- NH
- NJ
- NM
- NY
- NC
- ND
- OH
- OK
- OR
- PA
- RI
- SC
- SD
- TN
- TX
- UT
- VT
- VA
- WA
- WV
- WI
- WY
# Interstate Migration

**NLSY, 1979-94**

<table>
<thead>
<tr>
<th></th>
<th>Less than High School</th>
<th>High School</th>
<th>Some College</th>
<th>College</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of people</td>
<td>677</td>
<td>1576</td>
<td>1300</td>
<td>912</td>
<td>4465</td>
</tr>
<tr>
<td>Movers (age 18-27)</td>
<td>157</td>
<td>362</td>
<td>346</td>
<td>425</td>
<td>1290</td>
</tr>
<tr>
<td>Movers (%)</td>
<td>23.2%</td>
<td>23.0%</td>
<td>26.6%</td>
<td>46.6%</td>
<td>28.9%</td>
</tr>
<tr>
<td>Moves</td>
<td>312</td>
<td>707</td>
<td>678</td>
<td>848</td>
<td>2545</td>
</tr>
<tr>
<td>Repeat moves (%)</td>
<td>49.7%</td>
<td>48.8%</td>
<td>49.0%</td>
<td>49.9%</td>
<td>49.3%</td>
</tr>
</tbody>
</table>

**Return Migration**

<table>
<thead>
<tr>
<th></th>
<th>Less than High School</th>
<th>High School</th>
<th>Some College</th>
<th>College</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Return - Home (%)</td>
<td>34.3%</td>
<td>31.1%</td>
<td>30.1%</td>
<td>23.3%</td>
<td>28.6%</td>
</tr>
<tr>
<td>Return - not home (%)</td>
<td>14.4%</td>
<td>7.9%</td>
<td>8.3%</td>
<td>8.3%</td>
<td>8.9%</td>
</tr>
</tbody>
</table>

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</tr>
</thead>
<tbody>
<tr>
<td>Movers who return home (%)</td>
<td>61.1%</td>
<td>54.4%</td>
<td>52.9%</td>
<td>41.9%</td>
<td>50.7%</td>
</tr>
</tbody>
</table>

**Notes:**

The sample includes NLSY79 respondents who were continuously interviewed from ages 18 to 28, and who never served in the military. The home location is the State of residence at age 14.
Annual Earnings, age 20, high school white men, 1989

Incentives to Migrate
Incentives to Migrate

Welfare benefits in the Midwest, $2008

real TANF benefits, 2003 vs. real AFDC benefits, 1989
Incentives to Migrate
Welfare benefit differences, $2008

real TANF benefits, 2003
real AFDC benefits, 1989
Responses to Wage Changes

Population change (%)

year

IL, -10%  MN, -10%  WI, -10%  IL, +10%  MN, +10%  WI, +10%

-10  -5  0  5  10

1  2  3  4  5  6  7  8  9  10  11  12  13  14  15
Responses to Wage Changes

Population change (%)

year

CA, -10% FL, -10% TX, -10%
CA, +10% FL, +10% TX, +10%

Responses to Wage Changes

Population change (%)

year

CA, -10% FL, -10% TX, -10%
CA, +10% FL, +10% TX, +10%
Responses to Welfare Benefit Changes

Population change (%)

Responses to Welfare Benefit Changes

- CA, -20%
- IL, -20%
- WI, -20%
- CA, +20%
- IL, +20%
- WI, +20%