

# How occupational skills influence migration

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What characteristics distinguish people who migrate to a different country for a better income from others in their homeland? The fact that formal education alone is not enough to answer this question has been demonstrated for the first time in the specialist literature by a German-Mexican research team whose members include Prof. Dr Simon

Wiederhold (Chair of Economics/Macroeconomics at the Catholic University of Eichstätt-Ingolstadt/KU) and Prof. Dr Jens Ruhose (Assistant Professor of Economics/Labour Economics and Economics of Migration at Kiel University).

"Research to date has reasoned that people emigrate to a different country if they can earn more for their skills there than in their homeland. In the absence of a standardised data basis, up to now specialist literature has equated migrants' level of [education](#) with all their economically useful skills – because these are easy to observe on an international scale from censuses," explained Professor Wiederhold. This leads to conflicts, however, between the theory and the empirical results, as illustrated by Professor Jens Ruhose: "Various studies show that it is predominantly people with better educations who migrate from developing countries to OECD countries, even though they would be able to expect higher income gains for a higher level of education at home."

In order to examine this contradiction, the research team led by Wiederhold and Ruhose focused on the example of [migration](#) from Mexico to the US. This example was chosen for several reasons. On the one hand, migration from Mexico to the US is the largest migration flow between two countries in the world. A total of 25 million people of Mexican descent now live in the US, including descendants of Mexican immigrants born in the US – this is equivalent to 8.7 percent of the US population. Mexican migration to America in the 1960s tended primarily to be circular migration by men who regularly returned home to Mexico. Since then, the long-term trend has been for entire families to migrate and settle permanently.

On the other hand, the researchers chose to look at Mexico because this country was the first major country of emigration to conduct a representative survey of employees on their occupational skills and the

data from this survey is available for research purposes, including detailed information on staff skill requirements. "If you compare the occupational skills of Mexican migrants with those of non-migrants, Mexican migrants to the US tend to have higher manual skills and lower cognitive and communication skills," explained Professor Wiederhold. "This is because pay for manual skills is comparatively better in America than in Mexico, while the exact reverse is true for cognitive and communication skills."

What is important here is that these results are not solely from migrants with a low level of education already working in heavily manual skills-based employment in their homeland. "Compare a Mexican engineer with a Mexican university lecturer, for example – both have a comparably high level of education and high cognitive and communication skills – the engineer is nearly four times more likely to emigrate to the US because he/she has higher manual skills," added Professor Ruhose. At every level of education, therefore, Mexican migrants to the US are seen to have comparatively high manual skills. Furthermore, Mexican migrants are not only employed in agriculture, but also in many other sectors in which manual skills are in particular demand.

The researchers' findings also suggest how immigration and integration policy affects the type of occupational skills migrants have – for example, as a result of obstacles in recognising educational qualifications as well as language and cultural differences that result in lower pay for cognitive and [communication skills](#). Moving beyond this particular example of Mexico and the US, Wiederhold and Ruhose stress that: "Our findings strongly indicate that knowledge of the migrants' level of education alone is not enough to understand migration behaviour and predict trends. Comparable international data on occupational skills offering a better picture of migration patterns is, however, as rare as it has ever been. It is important to collect this data as a building block

towards a better understanding of emigration and immigration."

**More information:** Alexander Patt et al, International Emigrant Selection on Occupational Skills, *Journal of the European Economic Association* (2020). [DOI: 10.1093/jeea/jvaa032](https://doi.org/10.1093/jeea/jvaa032)

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