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Timothy J. Hatton, Jeffrey G. Williamson. *The Age of Mass Migration: Causes and Economic Impact.* New York and Oxford: Oxford University Press, 1998. ix + 301 pp. $49.95 (cloth), ISBN 978-0-19-511651-9.

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Between 1850 and 1914, about 55 million Europeans left home for the Americas or Australasia. This unprecedented voluntary redistribution of population was the subject of extensive study at the time and remains of interest to historians and other social scientists today. In this book, Timothy Hatton, Professor of Economics at the University of Essex, and Jeffrey Williamson, Professor of Economics at Harvard University, present the results of their reexamination of the causes and consequences of migration in the late nineteenth and early twentieth centuries. Their approach is quantitative and social scientific, eschewing micro-detail in pursuit of systematic patterns and central tendencies.

Drawing on a broad array of quantitative evidence, Hatton and Williamson provide new support for many hypotheses while overturning quite a few more. The work they report here is important and will be necessary reading for anyone interested in historical or contemporary migration topics or the historical development of labor markets. Although the authors suggest that a better understanding of the era of mass migration will shed new light on contemporary immigration controversies, it is less clearly successful in achieving this goal. An accurate understanding of historical context is almost always valuable, but I doubt that anything in this book would directly alter one's analysis or understanding of contemporary migration phenomena.

After two introductory chapters that lay out the major issues and summarize the key findings, the rest of the book divides into two parts. The first part–Chapters Three through Six–examines the causes of migration. The second part–Chapters Seven through Eleven–focuses on the effects of migration on both receiving and sending regions.

The analysis of the causes of migration opens with an examination of the determinants of variation in long-run gross emigration rates from twelve European countries between 1850 and 1913. A variety of hypotheses about the determinants of migration are first laid-out and then tested using a panel-regression framework. In a major advance over previous work, the regressions make use of internationally comparable real-wage data for sending and receiving regions constructed by Williamson. The strong positive effect of relative real wages provides a compelling confirmation of the importance of economic incentives in encouraging migration. But the regressions also demonstrate that a number of other non-wage factors were important. In particular, they reveal that demographic shocks, the assistance of friends and relatives living overseas, the progress of industrialization at home, and the rate of migration in the recent past all had a significant effect on the rate of emigration.

Overall the model does a good job of accounting for inter-country variations in emigration rates. It appears that differences in the explanatory variables are sufficient to account for both the very high rates of emigration from Ireland and Scandinavia and the very low rates of emigration from France. Only four countries–Italy, Spain, Portugal, and Belgium–require the addition of separate intercept terms to account for their level of emigration. The estimates also illuminate the sources of the characteristic inverted-U shape pattern of emigration rates found for most countries, which appears to have arisen from the systematic evolution of several of the explanatory variables as each country passed through the process of industrialization.

In Chapters Four through Six, the authors extend their model of emigration to account for short-run variations in the timing of migration and apply it to the experience of a range of different countries. Chapter Four elaborates a short-run model incorporating the effects of employment conditions at home and abroad into the general framework developed earlier, and estimates it using data from the United Kingdom and three Scandinavian countries. Chapter Five explores Irish emigration after the famine, while Chapter Six considers the case of Ital-

ian emigration. The results in each case are consistent with those obtained from the panel regressions reported in Chapter Three, while confirming that short-run fluctuations in the timing of emigration were influenced by variations in relative unemployment levels. Because adequate data on unemployment are not readily available in all cases, however, estimation of these models leans heavily on the use of proxies, some more adequate than others. In the case of Ireland, for example, it is necessary to use deviations of agricultural output from its trend. It is not obvious that this measure should be closely related to unemployment rates, however, and no support for this substitution is offered in the text.

Despite the broad similarity in approach for these different country studies, there is no explicit attempt to compare or contrast them in the text. Annoyingly, the regression results in each chapter are reported in slightly different formats, and there is no attempt to assemble the results in a coherent fashion. While the results for the different countries are similar in many respects, I was struck by some of the differences in coefficient estimates. For example, it would appear that the stock of migrants living abroad had an effect on emigration from the United Kingdom and Ireland several orders of magnitude larger than it did for Italy or the Scandinavian countries. Why this should be true is not immediately apparent.

The second half of the book shifts the focus from the causes of migration to its consequences on receiving and sending regions. Two chapters (Seven and Eight) examine the United States, one of the chief destination countries. Chapter Seven explores the progress of immigrant assimilation, a topic that attracted considerable contemporary concern and that has also generated a large historical literature. While a number of recent studies have found little evidence of immigrant assimilation (as measured by the gap in earnings relative to the native born), Hatton and Williamson reach a more optimistic conclusion on this subject. Arguing that the quadratic age-earnings profiles estimated in earlier studies are misspecified, Hatton and Williamson show that once a more realistic specification is adopted wage gaps appear to have closed relatively quickly for older immigrant groups. Although the newer immigrant groups who predominated after 1890 did start at a significant wage disadvantage relative to the native born, Hatton and Williamson conclude that this was due largely to their lower skill levels, and they find that there is nonetheless evidence that wage gaps closed over time.

Chapter Eight considers the impact of immigration on Americans. Here Hatton and Williamson argue that immigrants competed directly with less skilled native-born workers, and, although migration was sensitive to short-run economic fluctuations, it did little to moderate variations in unemployment rates over the business cycle. These facts suggest that immigration should have tended to lower American wage levels. Using a partial equilibrium framework, they suggest that by 1910 American wages would have been 5 to 6 percent higher in the absence of immigration after 1890, or 11 to 14 percent higher if there had been no immigration after 1870.

Chapters Nine and Ten introduce a general equilibrium framework to analyze the impact on sending regions and the contribution of migration to the substantial wage convergence which occurred during the late nineteenth century. The general equilibrium framework allows the authors to assess the relative contributions of factor price equalization and labor mobility in producing wage convergence. Both trade and migration emerge as important factors in explaining the narrowing of international wage gaps, although their relative importance varies from country to country. The general equilibrium framework also helps to highlight the extent to which the impact of migration depends on the counterfactual world against which events are to be compared. In particular, the late nineteenth century was characterized by considerable capital as well as labor mobility, and the fact that capital "chased" labor from the Old to the New World substantially offset the extent of wage convergence. Had capital not been mobile, migration would have produced even more dramatic convergence than it actually did. These findings suggest that, at least for this period, forces of globalization may have been more important than technological convergence, which has figured so prominently in recent discussions of the sources of international differences in real incomes.

On the face of it, these results seem plausible. But it is difficult to adequately assess them, both because of the complexity of the general equilibrium models on which they rest and the fact that many of the details needed to evaluate the models are not explicitly discussed in the book. Rather, curious or skeptical readers will be obliged to refer to a series of other articles to track down these facts.

In Chapter Eleven, the authors consider the impact of population redistribution on inequality. The chapter makes an important conceptual point: that discussions of migration's effects on inequality have generally taken too narrow a view by focusing on a single country. Much more light can in principle be shed on the question by considering the simultaneous effects on both sending

and receiving countries. The chapter is less successful, however, at resolving the empirical question of how migration affected inequality trends in different countries. A priori we might expect that immigration would tend to reduce inequality in labor-abundant Old World countries while raising it in labor-scarce New World countries. Hatton and Williamson argue that this is the case, based on the behavior of wage-land value and wage-GDP per worker hour ratios–both of which tended to fall in destination countries and rise in source countries. But this evidence is not entirely convincing given the large volume of international capital flows. Since Old World capitalists were able to benefit from high rates of return on New World investments, it is not obvious what these ratios reveal about income inequality trends within countries.

As an analysis of the causes and consequences of migration in the late nineteenth and early twentieth centuries, this book is an important contribution to the literature. It offers a comprehensive quantitative analysis that substantially extends and modifies our understanding of this important historical epoch. The conclusions and conjectures here should provide much food for thought and subsequent study.

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