

The Outflow of Foreign Born and the U.S. Labor Market, 1908-1957

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Abstract

This paper studies the important phenomenon of return migration from the U.S. during the first half of the 20th century. What was the impact of these workers' outflow on the United States? Who were the immigrants who left after only a temporary stay? This paper shows that out-migration had a positive effect on the wages of remaining US workers (though immigration had the expected negative impact on per capita private earnings at the state level). The paper also demonstrates that during the first three decades of the 20th century the out-migrants were primarily low skilled workers, so out-migrants' selectivity might have implied an overly optimistic view of immigrant assimilation.

1. Introduction

The period that goes from 1815 to 1920 has been defined as the age of mass migration (Hatton and Williamson, 1998). Just from Europe, about 55 million individuals moved to the U.S., increasing the labor force by a third. Scholars have devoted much attention to the causes and consequences of this huge inflow of immigrants on the U.S., the sending countries and the international labor market convergence (Hill, 1971, Hatton and Williamson, 1998, Williamson, 1995, 1996, 1998, Goldin, 1993). Further, researchers have assessed the degree of assimilation and social mobility of these in-migrants, in other words showing how in-migrants fared in the host country (for recent developments, see Ferrie (2004)).

However, while the immigration waves of the nineteenth century seemed to be primarily composed by permanent settlers, at the turn of the twentieth century “as a whole the tendency to become naturalized citizens, *was not great*.... A reason *was* that many *immigrants did not regard their stay in the U.S. as permanent*” (Dillingham Commission, vol. 1, p. 42). As the reversibility of the migration decision was recognized, the out-migration of the foreign born was incorporated into the debate on immigration. “From the point of view solely of immediate economic gain [the US was considered to have] been profited by *immigrants coming*. On the other hand, this profit *was thought to be* much greater in the case of a man

of the same degree of productivity, provided he *took* an interest in this country, *invested* his savings here, *became* identified with U.S. institutions and expecting this to be the permanent home of himself and his children, *planned* his work and *directed* his hopes so as to bring about the best results for the future.” (Jenks and Lauck (1913), p.40). The new immigrants, on the contrary, seemed “of very low order of intelligence ... *and with* their whole purpose being to accumulate by parsimonious, rigid, and unhealthy economy a sum of money and then return to their native land. ... *They were perceived as being* in such numbers, and have been employed in such low wages, that it [had] resulted in their replacing American citizens who formerly performed this class of labor [...]” (United states, 50th Congress, 2nd Session, 1889, House Report No. 3792, To Regulate Immigration.) The press of the time similarly viewed with hostility the tendency to return, considering return migrants as ‘peasants rehabilitating Europe’ with American money: “as soon as the financial flurry makes them believe they might not earn quite so much money here. Such a possibility has sent them scurrying off like a flock of sheep when a strange dog comes into their pasture” (Europe taking its annual toll on America, The New York Times, Dec. 8, 1907). “Too many think of America only as a workshop. They come here to make money; to see what they can get out of us. What are we going to do about it? We are rich and young enough to let the alien carry our millions back to Europe... But will it be always so? Presently the United States will be fully populated and developed; we will need all of our resources” (Immigrants rehabilitating Europe with our money, The New York Times, Sept. 21, 1913).

While most of the debate was then hostile to temporary migration, the ‘birds of passage’ had also some academic sustainers among those seeing out-migration as “*limiting* the rise in the rate of wages [...] and thus *furnishing* grounds for the criticism of labor leaders, but *also reducing* the supply of labor at the very time when the demand is beginning to fall off. Those who return are not the ones who have saved the most money and made the greatest advance [...], but those whose departure is hastened by the insecurity of their position [...]” (Bailey, 1912).

Despite the recognition that immigration can be a reversible decision, and the heated debate that took place at the turning of the XX century, relatively little is known about out-migration and its effects on the U.S. economy. Yet, as acknowledged in the previous excerpts, the presence of a sizable outflow of migrants has important consequences on our understanding of immigration and of its impact on the host country. In particular this paper focuses on two factors. First, if out-migration is selective, it might induce a bias in the estimates of immigrant assimilation. In other words, the first question posed is: who returns? Second, out-migration might reduce the pressure on the labor market during bursts and slumps, and might therefore work as a smoothing mechanism of the business cycle, counterbalancing the impact of immigration. In other words, the second question posed is: what is the impact of in- and out-migration on wages?

This paper answers the previous questions, studying the characteristics and the impact of foreign-born out-migration on the United States economy between 1908-1957. This time period allows studying out-migration during the last waves of the Mass Migration, after the imposition of the immigration restrictions of the 1924, and beyond the two wars. First, it compares the in-migrants with the out-migrants using their demographic and labor market characteristics, trying to investigate how out-migrants are selected from the pool of in-migrants. Then, it disentangles the impact of in-migration from the impact of out-migration on the state per capita private earnings.

The analysis is carried using yearly observations of in and outflows, by demographic, labor market and geographical traits, for a period of fifty years collected from the Immigration and Naturalization Services (INS) Annual Reports. Despite the limitations of the data employed, explained further in the paper, they do constitute a unique source of information on out-migration that has not been explored adequately, and that can complement the limited research in the area.

Immigration authorities do not collect such data nowadays, in fact. Therefore, studies of out-migration have drawn attention to the importance of the phenomenon, but have often been unable to directly observe the out-migrants. For example, in Bandiera et al. (2010) out-migrants are not directly observed in their data, so their selectivity will be studied through demographic exercises based on nationality-age-gender cohorts. Following a different strategy, Abramitzky et al. (2011) have constructed a panel of immigrants between 1910 and 1920 and have compared the assimilation estimates from repeated cross-sections to panel analyses.¹ Such approach has been adopted using contemporary data also in Hu (2000), and Lubotsky (2007), and yields to conclusions on the nature of out-migration by looking at the differential rates of assimilation once attrition - usually interpreted as primarily driven by out-migration - is taken into account.

This paper complements the above literature in the following dimensions. First, in studying out-migrants selectivity, it directly observes the out-migrants' characteristics over a period of 50 years. Selectivity is here not confounded with other forms of attrition in the data, and time-varying changes in it can be highlighted. Second, while a few studies have looked at out-migration over the business cycle (Jerome, 1926, Kuznets and Rubin, 1954, Gemery, 1994), to my knowledge there is no evidence on the impact of out-migration on the local labor market equilibrium. While the weak evidence for the labor

¹ Ferrie (1999) similarly links immigrants but in the 1840-1860 period, although the selectivity of migrants is not the focus of his work.

market effects of immigration has been rationalized by the possibility that the local labor supply shock might induce an outflow of natives or an inflow of capital (Borjas, 2006), little has been mentioned about the alternative possibility that flows of in-migrants are compensated by flows of out-migrants within the periods usually analyzed, therefore implying a weak effect of net-migration on the host country wages. Due to the lack of data on out-migrants, this exercise will hardly be achievable with other sources.

Results show that the out-migrants are demographically similar to the immigrant stayers, but are much more likely to have been engaged in low skilled occupations. These findings not only confirm the evidence presented for the 1910-1920 in Abramitzky et al. (2011), but also are in line with the selection analyses of the 1960-2000 period (Hu, 2000, Lubotsky, 2007). The results, however, also highlight that the selection process has changed over time, with out-migrants progressively drawn from better occupations, probably due to the return flow after World War II. If this finding held also based on unobservable traits and across time periods, fixed-effects estimators would deliver inconsistent results on the selection mechanism of migrants, as they assume stability over time of such process.

Looking at labor market outcomes, out-migration almost completely balances the yearly impact of immigration on state per capita private earnings growth, therefore releasing the downward pressure on wages caused by incoming migrants. The net effect of these flows is almost null or slightly negative, as often found in current analysis. To summarize, out-migration seems to shape the labor market responses to immigration.

The paper is organized as follows. The next section briefly reviews the literature. Section 3 presents the data used. Section 4 analyzes the selection process of the out-migrants: who are the out-migrants? How do they compare with the in-migrants? Section 5 shows the impact of out-migration on the state labor markets. Section 5 concludes with some observations and remarks.

2. Background

Given the heated debate that rose in the 1900s on out-migration, it is not surprising that it is right around the 1910s that out-migration data started to be collected. As explained in further detailed in the next section, the data today appear in the Immigration and Naturalization Services (INS) Annual Reports. Analyses of out-migration using such data sources seem relatively scarce, however, and the questions of who out-migrated and what was the impact on the U.S. of this consistent outflow remain mostly unanswered. This leaves space today to exploring and understanding this phenomenon in the first half of the XX century.

Some contributions have documented the presence of out-migration using the INS data. Others have documented the selectivity of out-migration and its effects on immigrant performance estimates but using other data sources. This paper aims to inspect the INS data, the only direct information we currently have on the composition of the outflow of migrants from the U.S. up to date, using the lens of selectivity and of the impact of this outflow on the U.S. economy.

To the best of my knowledge, the few studies that have extensively presented and used the INS Annual reports are by Jerome (1926), Kuznets and Rubin (1954) and Gemery (1994).² All these authors devote their attention to the inflow of migrants. Inflows have been shown to be procyclical, and have accounted for large swings in labor force and employment (Jerome, 1926, Kuznets and Rubin, 1954, Gemery, 1994). These inflows are constituted predominantly by males, with male immigration exhibiting more volatility than female immigration (Jerome, 1926). Entering the country, immigrants engage in low skilled jobs, subject to stronger cycles (Jerome, 1926). Outmigration is primarily studied by Jerome (1926). Outmigration seem anticyclical and in largest percentage due to the outflow of male immigrants. In terms of occupational groups, the emigrant group of laborers and farmers shows the largest drop during slumps, while little increase during booms. Gemery (1994) reports for the interwar period that all nationalities reacted to the Great Depression by departing the U.S., with the largest shift experienced by Mexican farm workers, whose return was often promoted by U.S. state and local agencies. While these contributions are noteworthy, they do not directly address the question of the self-selection of the out-migrants.

The research on the selectivity of migrants, instead, has often used other data sources. Two recent studies have called for renewed attention to the out-migration of the period. First, Bandiera et al. (2010) have collected comprehensive passengers lists of vessels entering Ellis Island between 1892 and 1924. These authors find that the INS reports might be dramatically underestimating the migration flows of those years. Such work surely revitalizes the interest not only in in- but also in out-migration at that time. Second, Abramitzky et al. (2011) have studied the impact of selective out-migration on the estimates of immigrant performance with a panel constructed using the 1910 and 1920 U.S. Census enumerations. The study finds that assimilation profiles estimated using the panel are flatter than the profiles resulting from repeated cross-sections. This is rationalized by negatively selected out- migration that has caused an overestimation of immigrant wage progress during these two decades.

² Easterlin (1968) provides extensive evidence of the contribution of net-migration to the labor force, and its movements over the business cycle. His work remains an important contribution of our understanding of population changes due to mass migration, but does not directly separates the relative effects of inflows and outflows. Similarly Hatton and Williamson (1998) re-examine Jerome's hypothesis that net-migration serves as a safety valve during the period 1870-1913.

These results constitute the basis for this work. Unlike the existing literature, this paper directly compares the outflow of migrants with the inflow of migrants, based on demographic and occupational characteristics, in the period 1908-1957. To my knowledge, only Suzuki (1995) uses the INS data to study the selectivity of the Japanese return migrants between 1920 and 1940.³ This draws direct attention to the question of the self-selection of this flow, which across origin groups has not been commented in the literature using the INS data, in particular for the years between 1924 and 1957. Furthermore, no study has extensively looked at this topic beyond 1924 and even the analysis of the migration cycles stops until now to the 1940s (Gemery, 1994).

Lastly, the analysis captures the causal link between the outflow of migrants and the local labor market conditions. This link is currently missing not only in the past literature, but also in the current analyses on the impact of migration on the native labor market outcomes. Both the study of the selection of out-migrants, and the impact of inflows and outflows of migrants are fundamental in our understanding, and judgment, of international labor mobility.

3. Data

The research questions of this paper will be answered using several data sources.

3.1. Data on Migration Flows

The first part of the paper uses information on the inflows, outflows, demographic, occupational characteristics of the migrants. This is taken from the INS Annual Reports.

These reports represent the main source of statistics on immigration. The first systematic collection of data on immigration to the United States began as a result of the Passenger Act in 1819. Captains of vessels entering the United States from abroad were required to provide passengers lists to the collectors of customs. The Immigration Act of 1907 required collecting the same information on departing aliens. These data were collected until 1957. Since 1892 the Bureau of Immigration (later Immigration and Naturalization Services) has been responsible for the compilation of immigration statistics, published in the Annual Reports (Hutchinson, 1958). These reports are not widely available, however. For the period till 1924, academicians have therefore relied on the collection of these statistics as published in Willcox

³ He finds that return migrants were negatively selected, so that the improvement in occupational position of these migrants after World War II is simply due selectivity. His results are in line with the evidence provided in this paper and in the rest of the literature cited.

(1929). Summaries of immigration statistics from 1829 to current times are also available in Carter et al. (2006). For the period of interest, these statistics bring together all the official data on the inflows of migrants and their characteristics by age, sex and occupational status. Willcox (1929) reports similar information on the outflow of migrants, but the early publication of his work impeded the collection of the information in the period 1924-1957. For these decades the data in this paper are collected directly from the Annual Reports. The INS Annual reports are available until 1932. From 1933 to 1940 summaries of the INS work appear in the Annual Report of the Secretary of Labor. For 1941 the INS report was published in the Annual Report of the Attorney General, while no report was published in 1942. From 1943 to 1957 the INS published the reports in mimeographed form (Hutchinson, 1958).⁴

The accuracy of the immigration statistics has often been questioned (for example Jerome (1926), Willcox (1929), Kuznets and Rubin (1954), Hutchinson (1958)), due to incomplete collection of ship manifests and of passengers on the vessels. Using a novel dataset, Bandiera et al. (2010) quantify the measurement error in the official statistics by comparing them with the administrative records collected at entry in Ellis Island between 1892 and 1924. Because of the failure of customs collectors to forward passengers lists to the Department of state, and subsequently the failure of the Department of state to include all the passengers abstract in the annual reports, this work suggests that the official INS records underestimates the inflows during the period of Mass Migration by as much as 18%, and the outflows by a factor of 75% to 100%.

The official statistics keep being the main available source of information on migration flows, however. Furthermore, the focus of this paper goes beyond the National Origin Quota Act. Given the paucity of the research that reports the demographic and socio-economic characteristics of in-migrants and out-migrants, and the interest in the full period of the 1920s, 1930s, 1940s, and 1950s this paper wants to give a preliminary contribution to the understanding of these phenomena, although conscious of the limitations of the data sources available. Lastly, by 1907 both steerage and cabin passengers and entry by land should have been included in these series and the error might be smaller for these subsequent years (Hutchinson, 1958).⁵

From the INS Annual Reports, information on inflows, outflows, sex, age, occupational and geographical distribution of in- and out-migrants was collected. Information on demographic and

⁴ For 1940, 1941 and 1942 the tables were obtained from the Statistical Abstract of the U.S.

⁵ Land border arrivals were included since 1904. The Immigration Act of 1907 officially establishes the collection of data at land border and also for Canadian and Mexican immigrants. After 1903 presumably cabin passengers were included in official statistics.

occupational characteristics is available for the full period 1908-1957. On the contrary, information on the geographical distribution of the migrants within the U.S. used is for the period 1929-1957, for which the relative economic outcome of interest is available. Tables on the distribution by state of migration flows could not be located for the years 1933, 1937-1943.

3.2. Data on Outcomes

The last part of this paper explores the impact of migrants on national and local labor markets. To mimic current studies that adapt a spatial correlation approach, a measure of wages in a given locality and of the number of migrants in that locality are needed. The local labor market will be defined at the state level. The INS Reports, as described above, provide information on the intended destination of the in-migrants and the out-going state of the out-migrants. This allows pinning down the inflow and outflow of individuals at the state level in each year.

A concern regarding the use of these data is whether the intended state of residence coincided with the actual state of residence for at least the first year since arrival. In fact, only in that case, the correspondence between immigrant flows and residence state would be correct, and estimating the impact of such flow on the labor market would be meaningful. In a recent study using INS and Census data until 1930 Lafortune and Tessada (2011) show that for the first five years of stay in the U.S. the geographical distribution of the migrants closely resembled the distribution of the migrants from previous migration waves. Since the network effect is predominant at first arrival, we could conjecture that the declared state of intended future residence could have been the state on which immigrants had the most information about, through networks. It would then be unlikely that immigrants would have systematically misreported their first state of residence. Further, for the earlier decades of the 1840-1860, Ferrie (1999) shows evidence of relatively inexpensive travel routes within the U.S., and that these trips often could have been arranged even before departure. Such destinations were usually reached quickly (Ferrie, 1999). Under such conditions we would expect the immigrants to at least temporarily reside in the declared intended state of residence, that could have been chosen previously based on pre-migration information and reached within short time since arrival.⁶ Even if lifetime settlement pattern differ from short run settlement decisions as found in Ferrie (1999), the effects found in this analysis would not be invalid, but should be interpreted as short-run effects of international movements on local labor markets. These effects are still of interest, as in the long run we would expect other demand and supply side considerations in both the labor and capital markets to affect the labor market equilibrium. To summarize, for the analysis to be valid we need to assume a correct correspondence of intended state of

⁶ Note that similarly to Lafortune and Tessada (2011), Ferrie (1999) finds that there is a drastic change in the probability of leaving New York after five years since arrival between 1840 and 1860. This information is unfortunately silent on whether New York would have been the declared state of residence for the immigrants arriving there.

residence with actual state of residence within the first year since arrival. Such assumption does not seem implausible given previous work.

The second challenging element of this analysis is to obtain a measure of wages at the national and state levels, for at least part of the 1908-1957 period. In the mid-1930's, BEA started to construct a series for state personal income. BEA provides also a subdivision of earnings by industry. In particular, it provides a measure of private earnings, i.e. the sum of wage and salary disbursements, supplements to wages and salary and nonfarm proprietors' income in agricultural services, mining, construction, manufacturing, transportation and public utilities, wholesale and retail trade, finance, insurance, and real estate, and services. This last series, therefore, does not include information on farm and government earnings. Private earnings are used in the analysis as the outcome of interest.⁷ In fact, as shown more in detail below, these were the sectors where the immigrants and out-migrants were mostly employed, and were we would expect these flows to have the largest impact. It should be noted that private earnings have been estimated using various administrative-records data, data from censuses or from similar surveys. In particular, the yearly observations were often obtained with linear interpolation as described in Schwartz and Graham (1955).

3.3. Data on Additional Controls

When studying the impact of migration on state labor market, additional controls were added. These are the shares of people employed in agriculture, mining, manufacturing, trade and in personal services, the share of black people, and the share of people between 0 and 14 years old, 15-45 years old and more than 45 years old.

These variables were collected from the ICPSR, n. 02896 and are constructed variables from the Census data between 1790 and 2002 (Haines and Inter-University Consortium for Political and Social Research, 2010). In particular, given that the labor market analysis concerns the period 1929-1957, the 1930, 1940 and the 1950 Censuses were used. Furthermore, to obtain yearly observations a linear interpolation was carried.

Lastly, information on the percentage of republican votes in presidential election was also used in the analysis for reasons described in the rest of the paper. This information was collected from the ICPSR, n.

⁷ Analyses were carried also for personal income, wage and salary disbursement, private earnings in manufacturing. Results are comparable to the one presented, with similar point estimates, but weaker effects.

08611 (Clubb et al., 2006). A linear interpolation was used to obtain yearly observations.

4. The Selection of the Out-Migrants, 1908-1957

This section is dedicated to the study of how out-migrants compare with in-migrants, and how their characteristics change over the business cycle. Understanding the selection process of returnees is consequential for several lines of research: selectivity must be considered in the host country to correctly assess immigrant progress; but the type of migrant that is attracted back to the origin country will also determine the gains and costs to the source country of international migration. These out-migrants can contribute to the development of the origin country not only through remittances but also through accumulated experience and human capital; this will be even more true, the more positively they are selected from the pool of migrants. The novelty of the data of this research is the ability to observe incoming and outgoing migrants and look at their characteristics, not only at a point in time, but also over the business cycle.

Between 1908 and 1924, the U.S. admitted on average more than 600 thousands aliens per year, and more than 200,000 out-migrated in the same period. Therefore on average the outgoing aliens reached 33% of the incoming aliens, and represent a substantial flow of individuals.⁸ Figure 2a shows the outflow as a ratio to the inflow of migrants for the period 1908-1924, and similarly Figure 2b shows the same ratio for the years from 1925 to 1957. Over time, there has been a tendency for the outflow to increase as captured by the positively sloped linear prediction of this series. There is, however, large variation over the years. The high volatility of this series has long been recognized. In particular, two phenomena have captured the attention: the large outflow of aliens in the years after the First World War, and the huge drop in the ratio starting from 1921. In fact, as shown in Figure 1, after the War the outflow ratio peaked to percentages close to 90, and dropped in the mid-1920s to only 10%. Jerome (1926) among others suggests that the large increase in the out-migration ratio was determined to both a late recovery of immigration after the conflict, and to the increase in out-migration due not only to the economic downturn of 1920 but also to the probable postponement of the decision to return caused by the conflict. After that, the restrictions posed to in-migration at the beginning of the 1920s seem to have reduced more the outflow of aliens than the inflow.

Looking at the period after the Immigration Act of 1924 (Figure 2b), immigration never reached the

⁸ Bandiera et al. (2010) show that these are underestimates of the actual flows until 1924.

peaks of the pre-war period, and out-migration experienced a declining trend until the late 1950s, with the exception of the 1930s. This behavior is remarkable. We could conjecture two main reasons for the evolution of these series. First, the strong restrictions posed by first by the Quota law of May 1921 and then by the Immigration Act of 1924 could not only have dumped immigration until the adoption of the Preference System, but also be the cause of this downturn of out-migration, due to the fear of not being able to return to the U.S. or to have other household members arriving to the U.S. Second, undoubtedly economic push and pull factors changed in the late 1920s. The decline in the U.S. economy on one hand and Europe's more generous formal and informal social insurance on the other hand might have reduced the incentives to migrate and increased the incentives to out-migrate from the U.S. (Gemery, 1994). Furthermore, not only the U.S. but also the sending economies themselves imposed barriers to movements that increased the costs of international migration and shifted the traditional routes to new alternative destinations (Gemery, 1994).

Besides focusing on the flows, relatively less is known on the characteristics of these migrants. Who were they? How do the out-migrants compared with the in-migrants? The next few paragraphs will tackle these questions, looking at their demographic and labor market characteristics.

4.1 Demographic and Labor Market Characteristics

Looking at Table 1 for the years between 1908 and 1957, it seems that the outflow of migrants is characterized by a higher percentage of males, mostly in prime age, working as laborers. At first sight, it seems therefore that the outflow is negatively selected compared to the inflow of people. Below I comment further on these characteristics.

Sex. For 1908-1957, Table 1 shows that while both flows are characterized by a large male component, this is even more so on average for the outflow of migrants. Figure 2 shows the outflow to inflow ratio, by sex. For most of the period, the percentage of outgoing male migrants is consistently above the percentage of outgoing female migrants.

Not only the outflow is mostly a male phenomenon, but males and females are differently sensitive to the business cycle. In Figure 2, it is noteworthy the larger variability of the male flows compared to the female flows. Male out-migration peaks in 1915, 1919, 1922, and then again in 1932 and 1945. In these years the number of out-going migrants even overtakes the number of incoming migrants. It seems therefore that male migration has reacted to the two wars and to the new migration restrictions much more than female migration. Given the war, it is possible that the reason to return of this outflow might be family re-conjunction.

Interestingly, over time not only the overall outflow of migrants has stabilized at around 10% of the

inflow of migrants, but the outflow-inflow ratio has stabilized for both sexes in the 1950s around the same rate. It seems therefore that the motives to return have become more similar across males and females towards the end of the analyzed period.

The previous analysis seems to suggest that the in- and out-migration decisions in the early 1900 was very different across genders. Males seem more reactive to economic opportunities and to political conditions compared to females. Over time the percentage of outgoing female and outgoing males is the same over the percentage of incoming migrants. If females are less likely to be in the labor force, out-migration has withdrawn working individuals from the market, and that is even more so during the Great Depression. In the 1950s however, given the similarities and the reduction in the volatility of the flows, out-migrants might be less selected compared to before.

Age. Besides occupation, the age of the migrants is the only other characteristics that can proxy human capital in the available data,⁹ and it is therefore a relevant variable of analysis. Table 1 shows that out-migrants were older than in-migrants, and on average might presumably be more experienced. Whether selective out-migration plays a role in terms of the age of the migrant can be disentangled more effectively by looking at Figure 3 and Figure 4. The first figure better represents the comparison between inflows and outflows, by age. The second figure shows the compositional changes over time within migration category. There are a few peculiarities, when comparing inflows and outflows.

First, the inflow and the outflow of people in prime age (14-44 years old, from our data) are remarkably similar and exhibit very little variation over time. Second, the outflow of young individuals (age below 14 years) is remarkably stable, with a single peak after the war, while the number of younger immigrants exhibits a growing trend over time. Third, the number of older migrants has more than doubled starting from 1916, while the number of old incoming migrants has increased, although it seems to have stabilized around about 8% of the total inflow.

Looking in detail at Figure 4, it is easy to observe how the age composition of inflows and outflows of aliens has changed over time: the outflow of migrants has become increasingly older, although the big bulk of migration still happens during the prime working age.

The similarities in the age composition and behavior over the cycle for individuals between 14 and 44

⁹ While literacy was collected on the inflow of migrants the same information is not available in the INS reports for the outflow of migrants.

years old suggests that, at least in terms of age, the outflow in prime age is neither positively nor negatively selected. In fact, the workers in this category are those more likely to have work motives, human capital acquisition motives, and savings target motives driving their migration decisions. These motives do not cause considerable differences in the age distribution of temporary migrants compared to the age distribution of permanent migrants. It seems on the contrary that, over-time, retirement motives have driven increasingly more the decision to leave the U.S.

Overall, out-migrants seem slightly older than in-migrants, but this is driven, over time, by a larger percentage of them returning above the age of 45. Given the little differences (Figure 4b) for the individuals in prime-age, it is unlikely that the outflow is composed by young workers who ‘failed’ in the U.S. Since the human capital variable is not showing particular differences in the two groups, the next step is to understand whether these migrants differ in terms of their occupational choices. Are the out-migrants more likely to be engaged in low-skilled jobs?

Occupation. From a quick inspection of Table 1, out-migrants fall in low skilled occupations: out-migrants are 28% more likely to be laborers compared to in-migrants. There are a few concerns, however, in the interpretation of this information. First, these results might be driven by the inaccuracy in the reporting of occupations across the two groups. The in-migrants, in fact, are 14% more likely not to have their occupation assigned at the time of their entry.¹⁰ It should be noted, however, that even if we were to assign these differences completely to the laborer category, the out-migrants would still be more likely to be engaged in low skilled jobs compared to the in-migrants.

Second, it is not clear whether the data report the actual occupation of the in-migrant or their anticipated occupation in the U.S. Ferrie (1999) shows how certain occupational groups, such as farmers, tended to report their potential occupation instead of their occupation at origin. If U.S. prospective occupation is reported, assuming that immigrants would be able to be employed in that specific sector, then, again, the out-migrants would be low skilled workers compared to the in-migrants.

Third, if the reported occupations were those in the origin country, the comparison would not be meaningful. Early reports of the Immigration Commission, and their elaboration by Bloch (1921), show that most immigrants employed in the agricultural sector in their origin country ended up working in mining and manufacturing in the U.S. Occupational mobility while in the U.S. could therefore seriously distort the comparison between the out- migrants and the in-migrants. Ferrie (1999) shows considerable

¹⁰ These unreported occupations should mostly be due to the presence of children and women.

downward mobility from white collar to unskilled and from skilled to unskilled jobs, with the Irish having the worst outcome. In this third scenario, more caution is needed before drawing conclusions about out-migrants selectivity.

The ideal data in this last case would allow for a comparison between the occupations of immigrants and the out-migrants with similar length of stay in the host country. Such information can be obtained from the Census enumerations, at the cost of losing the cyclical variation of the occupational distribution, as only five enumerations are available for the period.

Table 2 shows the occupational distribution for the inflow and outflow of migrants, by category and over time.¹¹ From the table it is apparent that for the most part of the period the out-migrants are more likely to be laborers and less likely to work in the industry/commerce and in agriculture. There might still be confounding factors driving the pattern above, and in particular there is still a concern that immigrant occupational mobility and shifts in sending countries are invalidating the conclusions. The INS Reports in 1910, 1920, 1930 and 1950 break down the occupations of incoming and outgoing migrants by place of birth.¹² While looking at the occupational distributions conditioning on both place of birth and length of stay is impossible in the data, it is possible to exploit the fact that most out-migration happens within 10 years since arrival.¹³ Figure 6 shows then the occupational distribution of outgoing Italians and Germans and of Italian and German immigrants who had stayed in the U.S. for at most 10 years.¹⁴ Remarkably, conditioning on nationality and length of stay does not seem to alter the results above.

To summarize, either assuming that the official data report information on prospective occupation in the U.S., or accounting for occupational mobility in the U.S., out-migrants are more likely to fall into low-skilled jobs than in-migrants. The outflow of people in the first half of the XX century is mostly characterized by laborers and servants, and immigrant stayers do not seem equally likely to be employed in these jobs. These results are in line with the analysis on selective Japanese return migration by Suzuki (1995) and with the negative selection found in Abramitzky et al. (2011).

The most interesting feature of the selection of out-migrants is that it does not seem to be a stable

¹¹ The Census categories have been broken down to resemble the INS categories.

¹² The Report in 1940 could not be located and the Statistical Abstract of the U.S. does not report such information, therefore this particular Census year could not be used.

¹³ In fact, from the INS reports 79% of the out-migrants in 1910, 88% in 1920, 84% in 1930. This information could not be located for 1940 and is not present in the Annual Report of 1950.

¹⁴ Unfortunately in 1950 no information was collected on the length of stay in the U.S. therefore for this last year all immigrants were included in the analysis.

process. As the previous section showed that the outflow of migrants has been aging over time, Figure 5 shows great changes in the occupational distribution of the out-migrants over time. Immigrants seem to fall consistently into the same occupational categories (this stability has been reported also in Schachter (1972)), with a few changes due also to the changes in the incoming cohorts of migrants. The occupational distribution of the out-migrants, on the other hand, experiences larger swings over this period. The out-migrants are progressively less likely to be laborers and more and more likely to have been employed in industry or commercial occupations. Furthermore, in the latest decade out-migrants seem to be more likely to be professional workers. This behavior cannot be determined by the secular changes in the U.S. production structure, since similar swings are not observed in the immigrant distribution over time. On the contrary, this flow might be driven by the return of professionals to Europe after World War II. This behavior shows how the selection of the out-migrant is not a stable process over time, and it has been evolving from showing negative selection to middle-positive selection. However, some caution should be exercised when inferring the selection of out-migrants in later time periods, as such behaviors could be specific to this particular period.

4.2 Conclusions on Selection

The first question that this paper asks is how the migrants compare in the period 1908-1957, to understand whether the out-migrants are ‘chutes or ladders’ (Lubotsky, 2007). The answer to this question is relevant for our understanding of immigrant progress in the U.S. From the analysis carried in this section, while little differences were found in terms of human capital, in the first three decades of the century out-migrants were much more likely to engage in low skilled jobs, even after controlling for occupational mobility in the U.S. However, in the 1940s and 1950s out-migrants increasingly came from more skilled jobs compared to the past.

These results are interesting for two reasons. First, they are in line with the recent work by Abramitzky et al. (2011), suggesting that the INS reports at least descriptively provide similar conclusions to the use of longitudinal data. This positive selection of the stayers casts some doubts on the view that migration to the U.S. was represented by people willing and able to ‘Americanize’. Furthermore, it also contradicts the popular concern of the time that out-migrants were crowding out the natives from skilled jobs in mining and manufacturing, with the intention to return after periods of tight savings and “unhealthy life styles”. Second, the results give an idea of the selection process over time. This has value per se given the little availability of data on the out-migrants. Initially the out-migrants were mostly laborers, over time, mostly working in commerce or industrial activities. The presumption that out-migration is a stable process over time might therefore be invalid.

5. The Labor Market Impact of Inflows and Outflows of Migrants

This last part of the paper focuses on the impact of in and out-migration on per capita private earnings at the state level. The analysis will answer the question of how out-migration affects the state labor markets and whether it balances the supply shock represented by immigration. From the INS annual reports, a panel of the inflows and outflows in and out the forty-eight contiguous states¹⁵ was created for the years 1929-1932, 1934-1936, 1943-1957.

Table 3 provides information on the state characteristics and migration flows used in the analysis. The average per capita earnings over the period in constant terms¹⁶ amount to \$3165. On average each state received 3,628 immigrants and about 695 migrants left each state. On average 47% of the state population voted for a republican candidate between 1929 and 1957. Over the period, most of the population in each state seems employed in the agricultural or manufacturing sector. At last, on average about 73% of the population is in prime age.

The geographical distribution of the migrants is shown in Figure 7 for 1945 and 1950. This map highlights the high and low net migration states, and how the geographical distribution of migrants has changed over time. Although some areas, like the Midwest, have been progressively losing their attractiveness for the migrants, and other areas, like the south, have been progressively attracting more migrants, the process has only slowly been evolving. Furthermore, these maps also show that the migrants settled in most states, not only in the traditional well-known areas.

Given the variability in the geographical distribution of the migrants, it is here of interest to understand the impact that these flows had on the state labor market outcomes, as represented by per capita private earnings.

To better understand the relationship of interest, letting w_{it} to indicate the log of per capita private earnings in state i at time t , per capita private earnings are a function of the labor supply in each state, i.e. a function of the stock of net foreign-born workers:

$$w_{it} = \beta_0 + \beta_1 in_{it} + \beta_2 out_{it} + c_i + \mathbf{x}'_{it} \boldsymbol{\alpha} + \eta_t + u_{it}, \quad (1)$$

where in_{it} measures the log of the stock of migrants in state i at time t and similarly out_{it} measures the log of the stock of migrants. c_i represents state-fixed effects, $\mathbf{x}$ is a vector of characteristics, and η_t time effects.

The vector of characteristics includes demographic and labor market characteristics of the population in

¹⁵ The District of Columbia has been excluded from the analysis for its different participation into federal elections.

¹⁶ CPI collected from United States Department of Labor, Bureau of Labor Statistics (1984-05-11).

each state. In particular, it includes the shares of people employed in agriculture, mining, manufacturing, and in personal services, the share of black people and the share of people between 0 and 14 years old, 15-45 years old and more than 45 years old. The productive structure of each state is time variant and a determinant of state level private earnings. Furthermore, the productive structure of the state might be an attractor or a deterrent for migration, and would therefore cause inconsistency if left out. Similarly, the age distribution within each state will determine the labor force and, ultimately, state private earnings. At last the percentage of black people was included to control for the movements of African American workers that characterizes this period and that itself might have had an effect on state private earnings.

There are a few problems in estimating equation (1). The first is the presence of the state-fixed effects c_i : it is possible that time invariant state characteristics might induce higher inflows and outflows of foreign-born. Standard panel data techniques require the elimination of these effects through differentiation, to purge the endogeneity caused by their presence out of the model. The estimated model is therefore:

$$\Delta w_{it} = \beta_0 + \beta_1 \Delta in_{it} + \beta_2 \Delta out_{it} + \Delta \mathbf{x}'_{it} \boldsymbol{\alpha} + \Delta \eta_t + \Delta u_{it}, \quad (2)$$

The further advantage of estimating this model is that, while the original model in equation (1) required the knowledge of the stock of foreign-born in each state, the data available only represents the flows. In equation (2) the change in log per capita private earnings is explained as a function of the inflows and outflows of people at time t , which is available in the dataset.

However, there is a further challenge to correctly estimate equation (2): accounting for the endogeneity of the migration flows due to simultaneous causality. To correct for endogeneity, appropriate variables that determine migration but do not determine state level earnings should be found. In the analysis the five-year lag of both inflows and outflows were used, together with the percentage of republican voters in state i at time $t - 20$. The predetermined inflow and outflow, in fact, should not have an effect on current private earnings, but should be good predictors of the current inflows and outflows of migrants due to the fact that “migration begets migration”. In particular the five-year lag was chosen following the previously mentioned results in Lafortune and Tessada (2011) and Ferrie (1999).¹⁷ Figure 7 shows the distribution of net migration by state in 1945 and in 1950, as an example of the strong persistence in key destination areas in a five years period. Although there has been some variation over

¹⁷ The change in private earnings will be affected only in case of strong time series persistence in this variable. Regressions were therefore run on a subsample of the data, where flows in 1925 or 1929 were used as instruments in the period 1940-1957. Results are comparable with the one presented in this section, but these instruments are weaker than the one proposed in the paper, as expected from results in Lafortune and Tessada (2011) and Ferrie (1999).

time, states that attracted immigration in 1945 are still pulling immigrants in 1950. The past political vote in a state is included to further capture migrant/out-migrant-welcoming sentiments that might have induced previous flows to settle in specific areas and not in other areas. In the meantime the twenty-year lag percentage of republican voters should not affect current private earnings in a state, especially after controlling for state characteristics that have been captured by the fixed effects (for example, rural states versus industrial states).¹⁸ The use of the twenty-year lag is justified by the fact that the first two decades of the 1900s have been the scene of an intense debate about the role played by out-migrants in the U.S. economy. Such debate brought the Congress to authorize the collection of data on return migrants. As discussed in Shumsky (1992), there are numerous episodes of republican congressmen considering returnees as plunders of the U.S. economy, although after the First World War this sentiment was generalized. Immigrants might have therefore responded to such heated debate, while the impact of these issues on state private earnings should be negligible with such a long lag.

Table 4 shows the first stage results of the instrumental variable technique adopted. Three different specifications are used in the analysis, based on the number of controls added. Across all models, a test for over-identifying restrictions, weak instruments and under-identification that account for heteroskedasticity were used to test the appropriateness of the instruments. The instruments are strong predictors of the two migration flows in all specifications. Further, the null of underidentification was rejected at 5% significance level. Weak identification and endogeneity of the instruments were rejected at any conventional statistical levels. The first panel of Table 4 shows that, as found descriptively in the previous sections, there is a strong and positive relationship between current flows and past flows of migrants. This could be due to the persistence in the time series dimension of the process or to the network effects.¹⁹ While the composition of the voters does not affect the inflows of migrant, it does have an impact on the outflows. We could conjecture that, while the in-migrants might have little information on the past political debate before arriving in the U.S., out-migrants will have spent enough time in a state to realize the possible hostility derived by the political views on return migration.

Table 5 shows the results of the estimation of equation (2). The first column reports the analysis from a simple OLS regression that does not account for the endogeneity of the migration flows. Results are

¹⁸ Further instruments tried are source countries characteristics, such as unemployment rates, infant mortality rates, mean temperatures. These measures give similar results to the one presented. Although these instruments might seem more compelling, only the source country characteristics of the main in-coming nationality were used. This makes these predictors weaker than the instruments presented in the paper, and identification is mainly obtained through the lag of the flows. These estimations are however available upon request.

¹⁹ A test for unit root in panel data proposed by Im et al. (2003) was run and rejected at any conventional significance level the presence of a unit root.

not significant, and furthermore they have unexpected signs. The second column reports the results for the instrumental variable (IV) estimation. Controlling for simultaneous causality drastically changes the conclusions. The signs are as expected: a 1% inflow of migrants causes a reduction in private earnings growth by about 0.2% and a 1% outflow of migrants acts in the opposite way by increasing private earnings growth by about 0.18% over the time period. These effects are strongly significant. The rest of the table reports results when additional controls are added. Results are very stable, and adding controls only introduces volatility in the estimation.

As expected, immigrants constitute a positive supply shock that reduces private earnings, while out-migrants represent a negative supply shock that increases private earnings. The outflow of migrants reduces the pressure faced by stayers by weakening the competition in the market. However, these shocks are symmetric and their net impact is small, *ceteris paribus*. International flows smooth the cycle by dumping or rising wage growth as migrants arrive or leave the country.

5.1 Conclusions on the Labor Market Impact of Migration Flows

This section presented evidence on the impact of inflows and outflows of migrants on the state labor market, correcting for the endogeneity of the choice of destination and for the possibility that not only migrants affect the labor market but also the labor market itself might attract the migrants. The ability to distinguish between inflows and outflows is a peculiarity of this analysis.

The impact of international flows on the U.S. labor market is relatively marked during this period. Although, as found in current studies, the net impact of migration is small and negligible, this is due to outflows having an equal and opposite in sign effect on private earnings. Being the average growth rate in real earnings of the period around 2%, a 1% increase in inflows constituted a 10% change in the average real growth, a substantial downward pressure on earnings. Outflows, on the other hand, have released the pressure on earnings, keeping other things constant.

This finding suggests that what accounts for the weak effects of net-migration on the labor market is the fact that migration is a reversible decision, and at each point in time individuals are not only arriving but also leaving the host country. If we were to control out-migration (or immigration), the impact on the host economy would change. As a consequence, policies that act toward a reduction in the mobility of the migrants, either reducing flows or making it harder to take multiple moves from and to the U.S., might result in more marked consequences of net migration on the labor market, especially in case of flows being differently affected by such policies.

Policy makers have been aware of these impacts, and promoted the return of immigrants not only in the 1970s, with the guestworker agreements, but also in recent years: out-migration has been currently advocated as a public policy goal via government intervention. Some European countries such as Spain, Italy and the U.K. are now providing financial incentives and out-migration services to the out-migrants (e.g. the assisted voluntary return program), in order to guarantee a reduction in the competition for the scarce employment opportunities during the current periods of economic turmoil.²⁰ Whether these incentives are necessary and whether out-migration would instead increase anyway in response to a change in wage growth is a question that could be analyzed in the future.²¹

6. Conclusions

The out-migration of foreign-born workers has been at the center of the debate of migration policies in the late XIX century. Unfortunately, the research on who the out-migrants are and what is their impact on the host economy is very limited. This paper provides an analysis of how out-migrants compare to in-migrants and what is their impact on the state labor market, by using the unique information collected in the INS Annual Reports between 1908 and 1957.

Combining the information on demographic and occupational characteristics in the reports, little differences were found in terms of demographic characteristics. However, in the first three decades of the century out-migrants were much more likely to engage in low skilled jobs. The 1940s and 1950s show an improvement in the selection of the out-migrants, who seem progressively drawn from more skilled occupations. Overall, selection is not a stable process over time. These findings challenge the measures of immigrant assimilation that consider the immigrant stayers as the relevant pool of analysis.

The paper also documents that these flows had a relevant effect on state labor markets. The inflow of migrants reduced private earnings, while the outflow of migrants increased them. This analysis provides evidence of the importance of out-migration in understanding the labor market consequences of in-migration. It highlights that in- migration effects are dumped by the outflow of foreign-born workers, fact that could explain the small correlation of immigration and natives wages usually found in the literature.

²⁰ These incentives have been however too low to actually induce a substantial increase in outflows.

²¹ Yang (2006) does find that unexpected changes in opportunities in the host country tend to reduce out-migration.

A Tables

Table 1: Average Demographic Characteristics of Incoming and Outgoing Migrants, 1908-1924

	Inflow	Outflow
	1908-1957	
% Male	0.520	0.700
% < 14 Years Old	0.169	0.072
% 14 – 44 Years Old	0.699	0.680
% > 44 Years Old	0.132	0.245
% Agriculture	0.081	0.038
% Industry/Commerce	0.213	0.177
% Laborer	0.165	0.358
% Professionals	0.058	0.059
% Other/Unknown	0.485	0.374
	1908-1924	
% Male	0.611	0.780
% < 14 Years Old	0.159	0.053
% 14 – 44 Years Old	0.759	0.781
% > 44 Years Old	0.082	0.159
% Agriculture	0.147	0.040
% Industry/Commerce	0.185	0.131
% Laborer	0.274	0.584
% Professionals	0.025	0.016
% Other/Unknown	0.366	0.230
	1925-1957	
% Male	0.445	0.657
% < 14 Years Old	0.174	0.082
% 14 – 44 Years Old	0.668	0.626
% > 44 Years Old	0.158	0.291
% Agriculture	0.047	0.037
% Industry/Commerce	0.228	0.202
% Laborer	0.107	0.238
% Professionals	0.075	0.082
% Other/Unknown	0.548	0.450

Source: Author's elaborations.

Table 2: Occupational Distribution

Occupation	Immigrant Stock	Outflow
1910		
Agriculture	17%	5%
Industry/Commerce	66%	20%
Laborers	15%	73%
Professionals	3%	2%
1920		
Agriculture	14%	7%
Industry/Commerce	69%	14%
Laborers	13%	77%
Professionals	3%	2%
1930		
Agriculture	5%	4%
Industry/Commerce	74%	59%
Laborers	17%	32%
Professionals	4%	5%
1940		
Agriculture	9%	9%
Industry/Commerce	73%	30%
Laborers	13%	48%
Professionals	5%	13%
1950		
Agriculture	8%	8%
Industry/Commerce	77%	55%
Laborers	10%	14%
Professionals	5%	23%

Sources: the outflow of migrants by occupation is collected from Willcox (1929) and the INS Annual Reports for 1920, 1930, 1940 and 1950. The stock of immigrants in each decade, by occupation, is collected from the Integrated Public Use Microsample Census Data.

Table 3: Summary Statistics at the State level, 1929-1957.

	Mean
Per Capita Private Earnings (in 1985 dollars)	3,164.839 (1,550.377)
Average Inflow	3,628 (9,286)
Average Outflow	695 (2,285)
Average % Rep.	47.005 (16.800)
% in Mining	2.433 (3.814)
% in Agriculture	19.520 (13.451)
% in Manufacturing	22.916 (11.830)
% in Personal Services	6.552 (2.171)
% 0-14 Years Old	29.285 (3.829)
% 14-44 Years Old	72.540 (21.582)
% > 44 Years Old	28.399 (5.540)
% Black	4.446 (6.114)
N	766

Standard deviations in parentheses.

Table 4: Determinants of In and Out Migration

	Δin_{it}	Δout_{it}	Δin_{it}	Δout_{it}	Δin_{it}	Δout_{it}
in_{it-5}	0.695*** (0.039)	0.433*** (0.061)	0.711*** (0.038)	0.418*** (0.060)	0.681*** (0.043)	0.432*** (0.057)
out_{it-5}	0.216*** (0.034)	0.531*** (0.060)	0.189*** (0.035)	0.524*** (0.055)	0.203*** (0.037)	0.509*** (0.055)
PercRep_{it-20}	0.000 (0.002)	-0.008*** (0.002)	-0.003 (0.003)	-0.006** (0.003)	-0.006 (0.004)	-0.006* (0.003)
Time Trend	Yes	Yes	Yes	Yes	Yes	Yes
Controls: Labor Market Structure	No	No	Yes	Yes	Yes	Yes
Controls: Demographics	No	No	No	No	Yes	Yes
F-statistic Joint Significance	750.370	750.420	489.96	579.06	459.04	582.330
p-value	0.000	0.000	0.000	0.000	0.000	0.000
Underidentification test	9.858		7.388		6.112	
p-value	0.007		0.025		0.047	
Weak identification test	42.359		38.160		29.246	
10% maximal bias	13.430		13.430		13.430	
Overidentification test	0.331		0.000		0.581	
p-value	0.565		0.984		0.446	

Significance levels: *: 10%, **: 5%, ***: 1%.

Standard errors in parenthesis are robust for arbitrary heteroskedasticity and clustered at the state level.

Labor Market controls include state level occupational distribution in agriculture, mining, manufacturing and personal services. Demographic controls include state level variables for the age distribution and for the proportion of population that is black.

Sources: Inflows and outflows from the INS reports of 1929-1932, 1934-1936, 1943-1957. Information on State annual private earnings was collected from the series published by the Bureau of Economic Analysis. Information on the republican voters at the State level was collected by Clubb et al. (2006). Yearly-State observations are obtained with a linear interpolation and aggregation at the state level. The labor market variables and the demographic variables were collected from Haines and Inter-University Consortium for Political and Social Research (2010), for the Census dates 1930 and 1940. A linear interpolation was then used to predict the yearly variables.

Table 5: Effect of In and Out Migration on Private Earnings, at the State Level, 1929-1957.

	OLS	IV	OLS	IV	OLS	IV
Δin_{it}	0.000 (0.001)	-0.020*** (0.005)	0.002 (0.002)	-0.019*** (0.007)	0.003 (0.002)	-0.019** (0.009)
Δout_{it}	-0.001 (0.002)	0.018*** (0.005)	-0.002 (0.002)	0.018*** (0.006)	-0.003 (0.002)	0.017** (0.008)
Time Trend	Yes	Yes	Yes	Yes	Yes	Yes
Controls: Labor Market Structure	No	No	Yes	Yes	Yes	Yes
Controls: Demographics	No	No	No	No	Yes	Yes
N	766	766	766	766	766	766
$\beta_1 + \beta_2$ se($\beta_1 + \beta_2$)	-0.002*** (0.001)	-0.006*** (0.001)	0.000 (0.001)	-0.002 (0.001)	0.000 (0.001)	-0.001 (0.001)

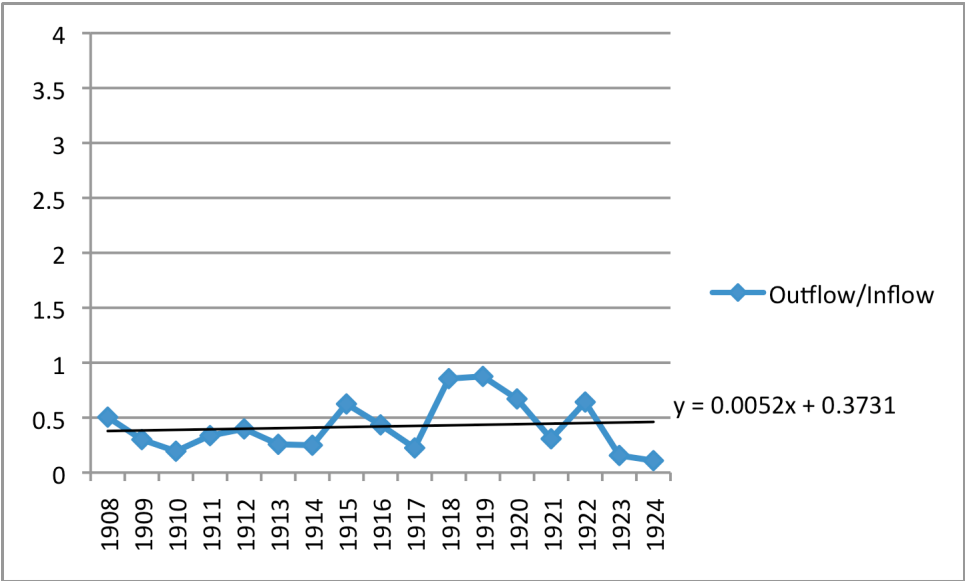
Significance levels: *: 10%, **: 5%, ***: 1%.

Standard errors in parenthesis are robust for arbitrary heteroskedasticity and clustered at the state level. Labor Market controls include state level occupational distribution in agriculture, mining, manufacturing and personal services. Demographic controls include state level variables for the age distribution and for the proportion of population that is black.

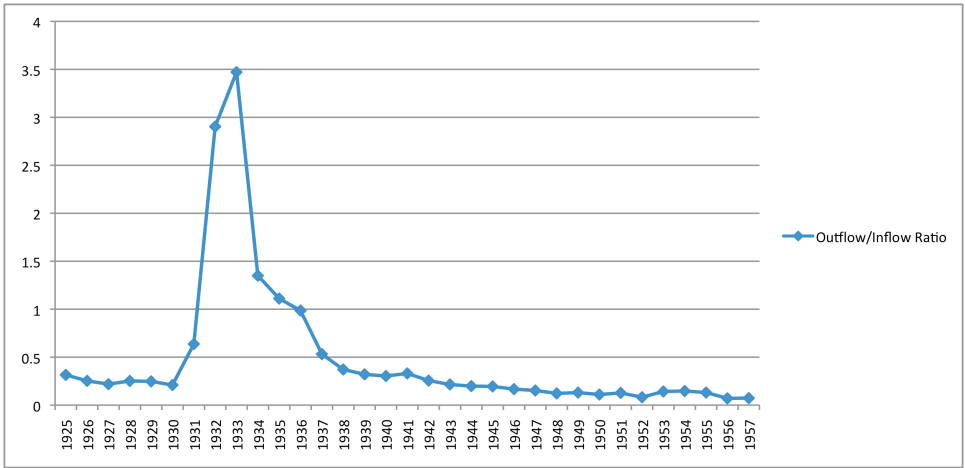
Sources: Inflows and outflows from the INS reports of 1929-1932, 1934-1936, 1943-1957. Information on State annual private earnings was collected from the series published by the Bureau of Economic Analysis. Information on the republican voters at the State level was collected by Clubb et al. (2006). Yearly-State observations are obtained with a linear interpolation and aggregation at the state level. The labor market variables and the demographic variables were collected from Haines and Inter-University Consortium for Political and Social Research (2010), for the Census dates 1930 and 1940. A linear interpolation was then used to predict the yearly variables.

B Figures

Figure 1: Outflow as a Ratio to Inflow of Migrants, 1908-1957



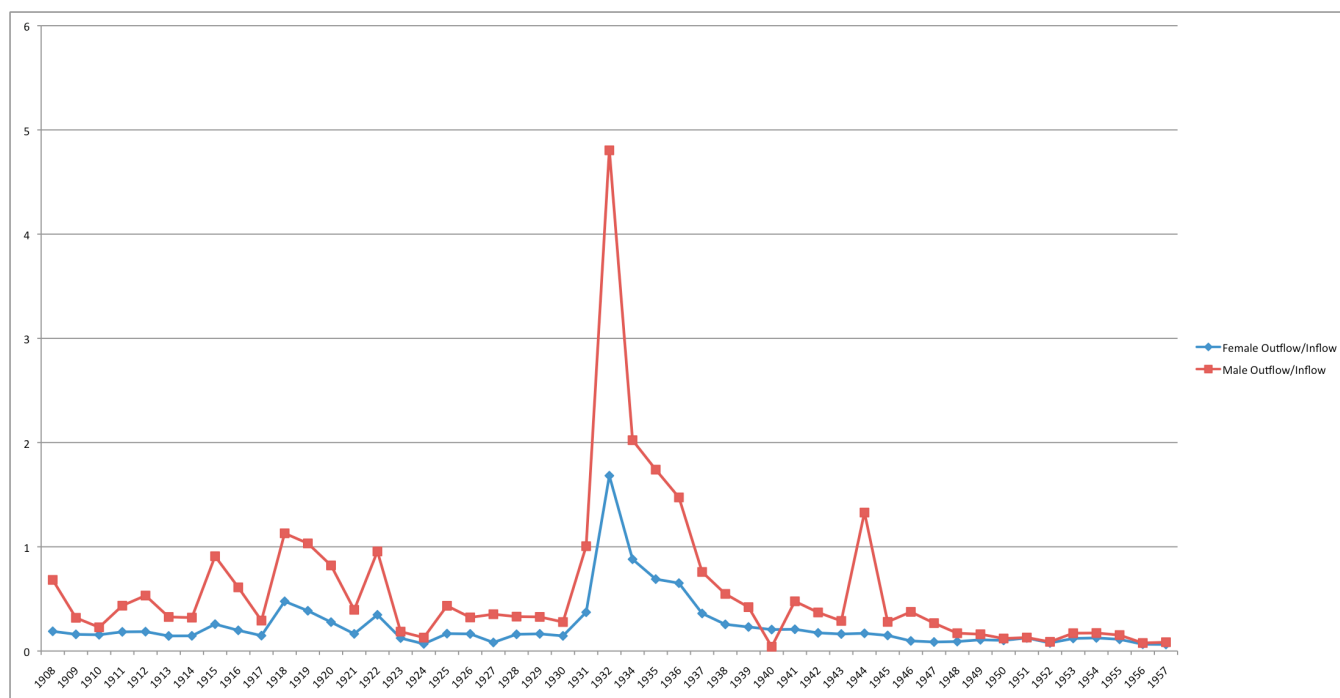
(a) 1908-1924



(b) 1925-1957

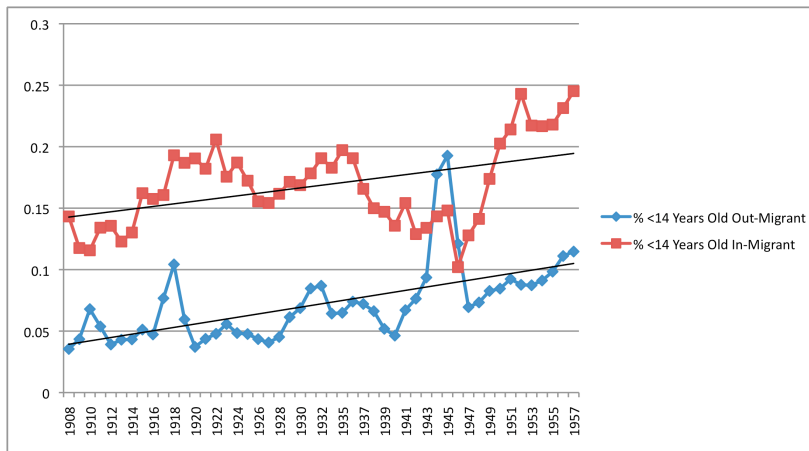
Source: Carter et al. (2006)

Figure 2: Outflow as a Ratio to Inflow of Migrants, by Gender, 1908-1957

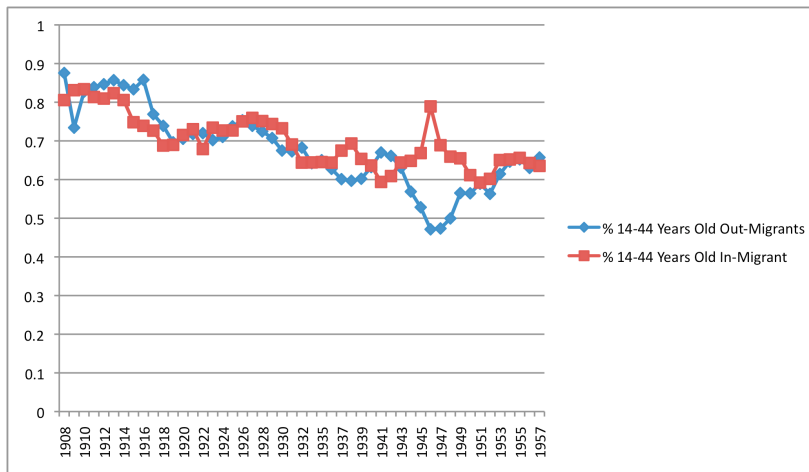


Source: Author's calculations.

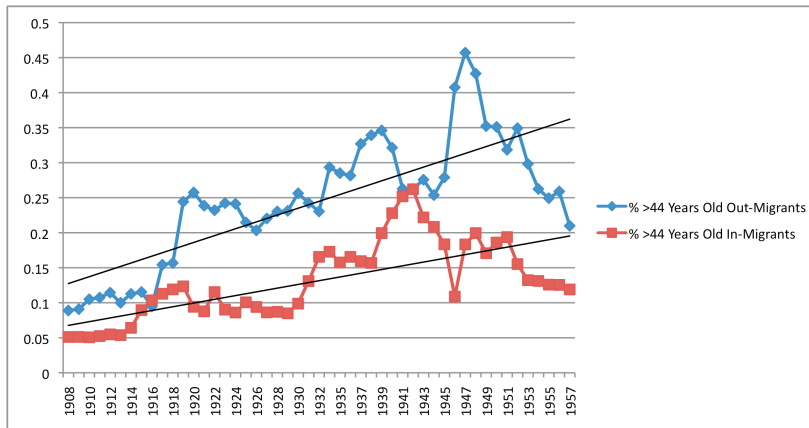
Figure 3: Outflow and Inflow of Migrants, by Age, 1908-1924



(a) % In- and Out-Migrants 0 – 14 Years Old

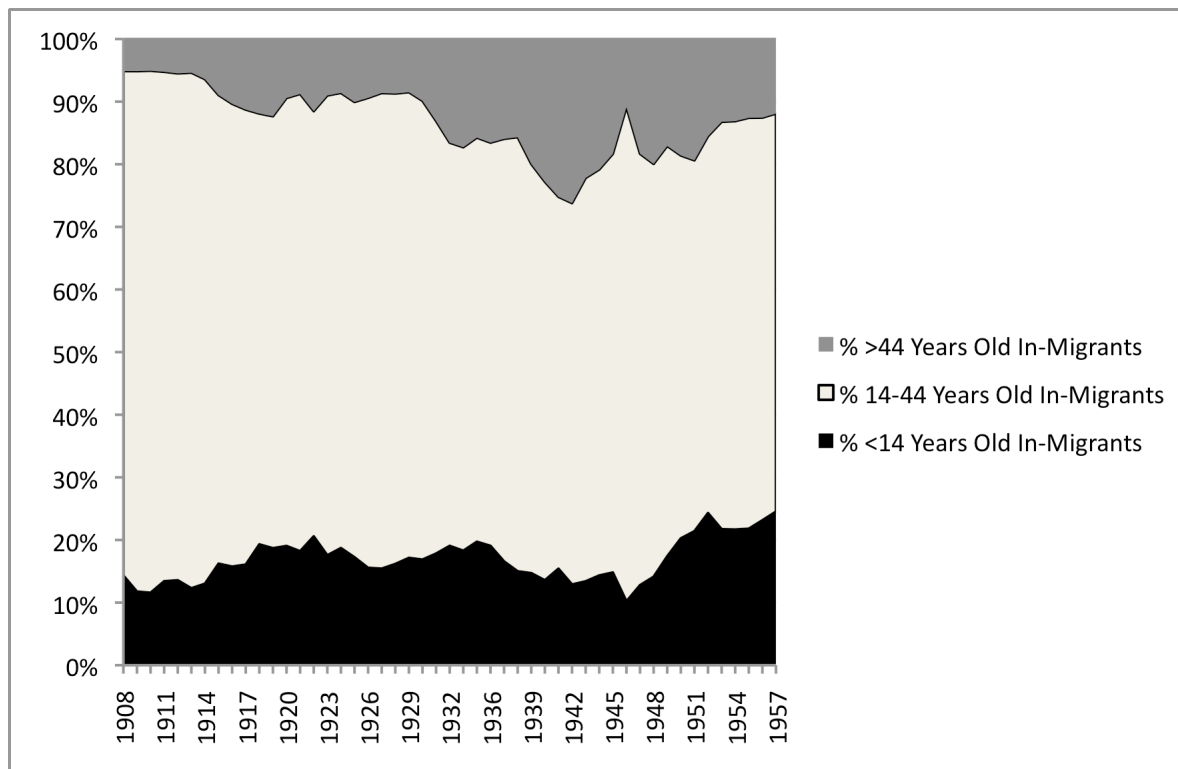


(b) % In- and Out-Migrants 14 – 44 Years Old

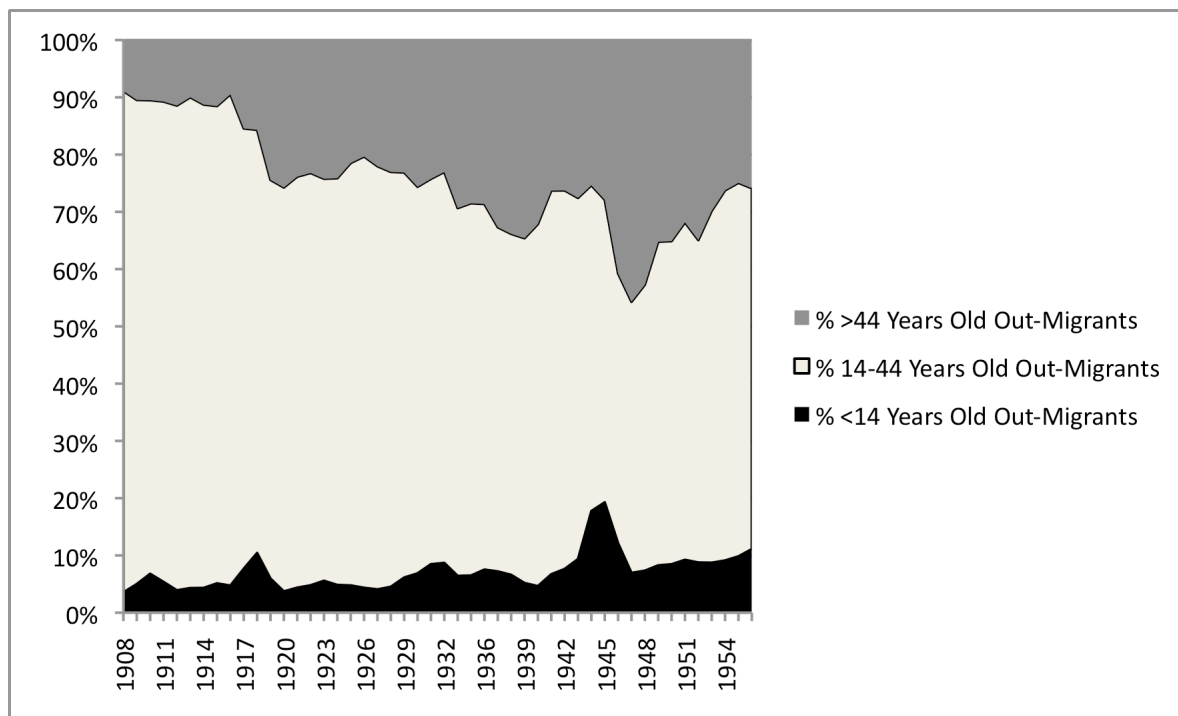


(c) % In- and Out-Migrants > 44 Years Old

Figure 4: Outflow and Inflow of Migrants, by Age, 1908-1957



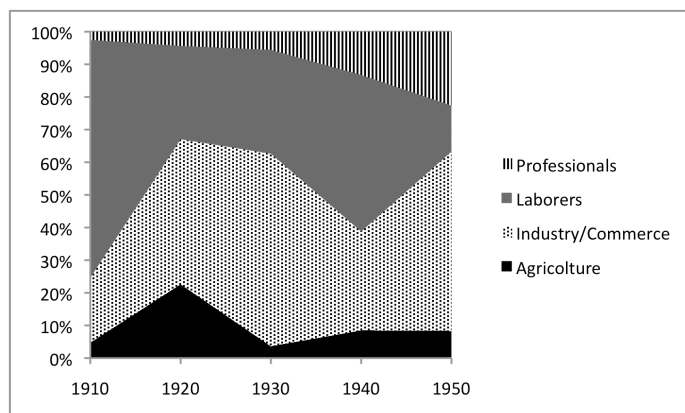
(a) Age Distribution, Incoming Aliens



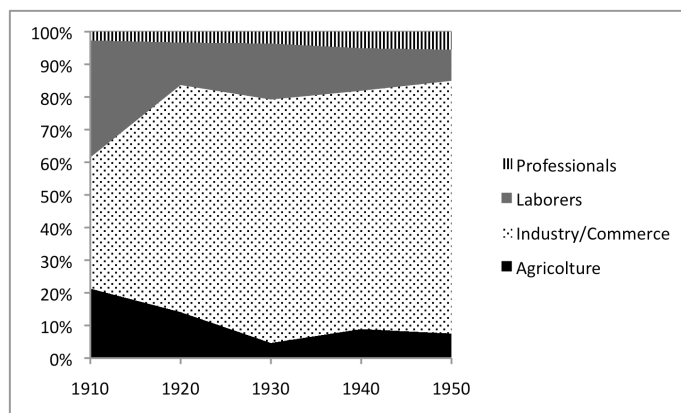
(b) Age Distribution, Outgoing Aliens

Source: Willcox (1929)

Figure 5: Occupational Distribution, over time, 1910-1950

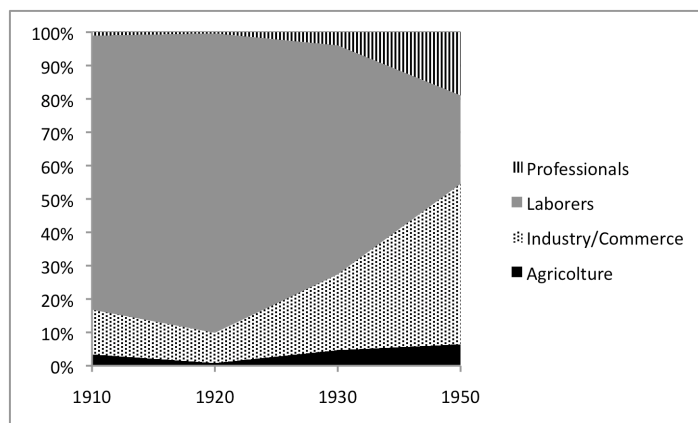


(a) Outflow, over time

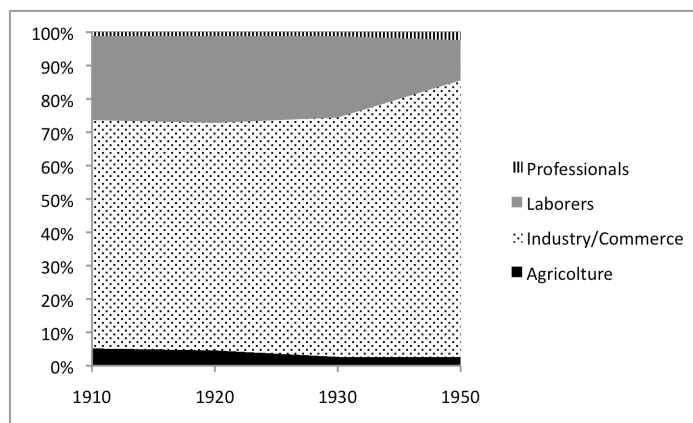


(b) Immigrant Stock

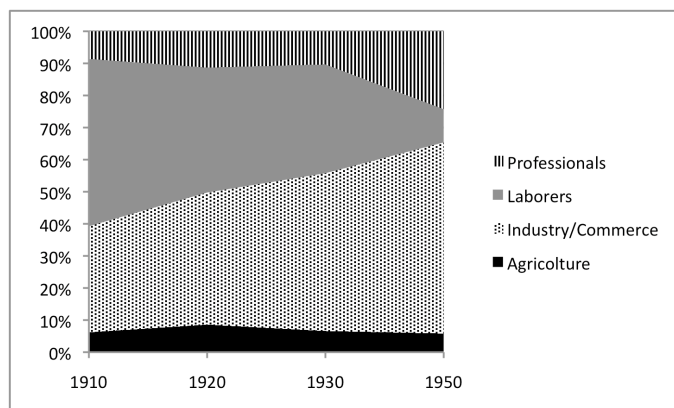
Figure 6: Occupational Distribution, over time, 1910-1950 for Italians and Germans



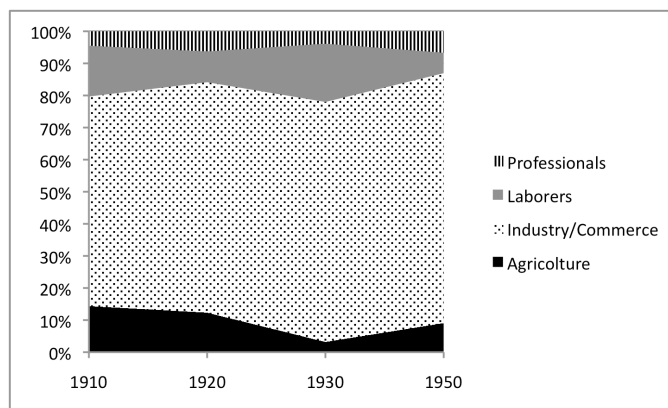
(a) Italian Outflow, over time



(b) Italian Inflow, over time

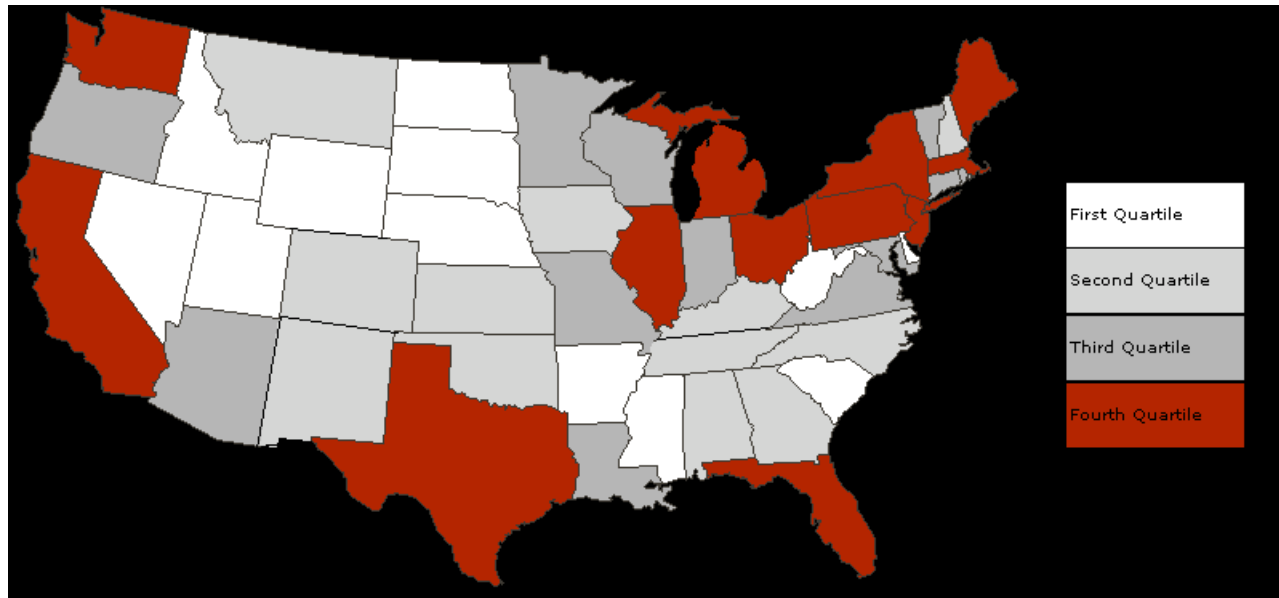


(c) German Outflow, over time

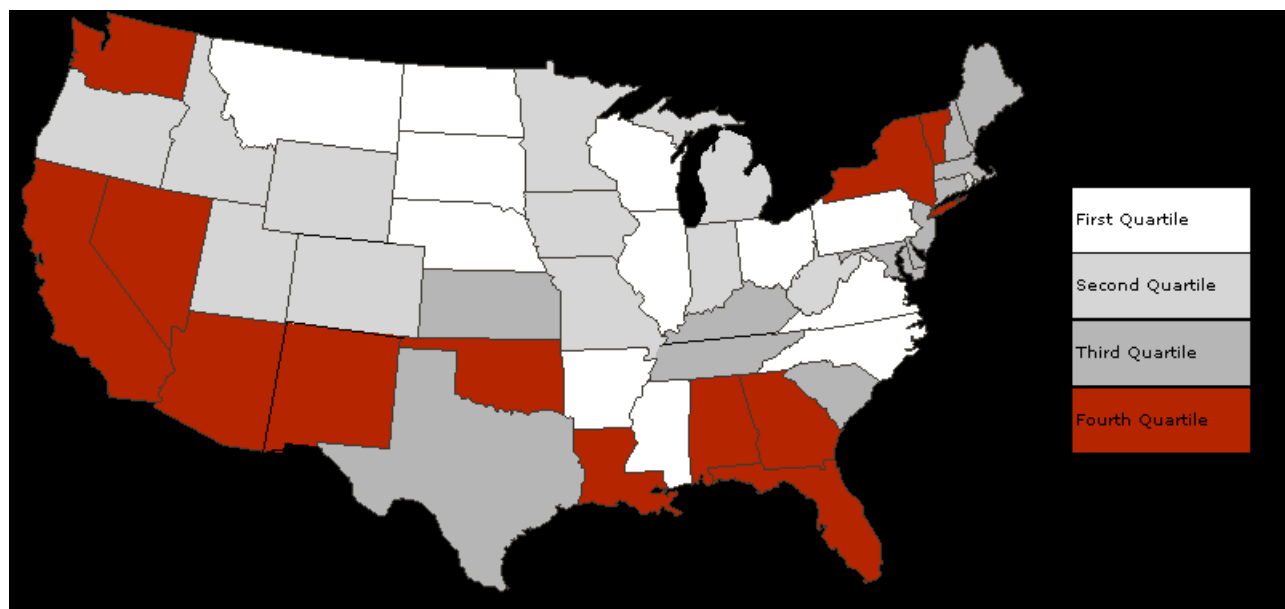


(d) German Inflow, over time

Figure 7: Net Migration Distribution, by state, 1945 and 1950



(a) Net Migration, 1945



(b) Net Migration, 1950

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