IZA DP No. 8520

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October 2014

Forschungsinstitut zur Zukunft der Arbeit Institute for the Study of Labor

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Discussion Paper No. 8520 October 2014

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IZA Discussion Paper No. 8520 October 2014

ABSTRACT

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The extant literature has focused on migration's consequences for the receiving countries. In this paper, we ask a different but important question: how much do migrants gain from moving to another country? Using Gallup World Poll data and a methodology combining statistical matching with difference-in-differences, we assess migration's effects on the wellbeing of migrants from transition economies. We contribute to the literature by showing that in addition to increasing household income, migration enhances subjective well-being and satisfaction with freedom. The results are robust to sensitivity checks. Understanding the causal effects of migration on perceived and actual well-being is crucial for an informed public policy debate and has direct implications for social cohesion and integration policy.

JEL Classification: F22, I31, J61, O15

Keywords: migration, transition economies, subjective well-being

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1. Introduction

The recent economic crisis not only increased the demand for social protection but also revived the immigration debate by emphasizing the distributional consequences of immigration on natives in advanced economies.¹ In this study, we address a related but under-studied question: do the migrants gain from moving to another country? About three percent of the world's population lives outside its country of birth and most migrants move from developing to advanced societies, both to maximize their earnings and achieve a better quality of life (Hanson, 2010; Stillman, Gibson, McKenzie, & Rohorua, 2015). While migrants improve their material well-being in destination countries (Abramitzky, Boustan, & Eriksson, 2012; Clemens, Montenegro, & Pritchett, 2008; McKenzie, Stillman, & Gibson, 2010), the cross-sectional evidence on the effects of migration on subjective well-being (SWB) and quality of life is ambiguous. For example, while the majority of studies find that migration is associated with unhappiness (Simpson, 2014), immigrants from Western Europe are happier than those from the former Soviet countries in Israel (Amit, 2010; Amit & Litwin, 2010). In another study, Bartram (2013) finds that movers from Central and Eastern Europe have the same happiness levels as stayers, although migrants form Russia, Turkey, and Romania are happier, and Polish migrants are unhappier than stayers.

While existing studies have looked at the happiness consequences of migration, most of them rely on cross-sectional data and simple OLS frameworks, which fail to deal with endogeneity (Simpson, 2014). Ideally, we would like to have a dataset tracing international migrants before and after the move and allowing us compare the very same migrants with similar

¹ See De Haas (2010) for a historical perspective of the immigration debate and Grether et al. (2001) for a political economy perspective on immigration. Following the policy discourse, labor economists have investigated immigration's economic and fiscal consequences for the host countries (Blanchflower & Shadforth, 2009; Borjas, 1994, 2001; Card, 2005; Dustmann, Frattini, & Halls, 2010; Ottaviano & Peri, 2012) while development scholars have studied immigration's effects on development in sending countries (Bhagwati & Hamada, 1974; Stark & Wang, 2002).

individuals before and after. In the absence of an experiment and panel data tracing international migrants and stayers before and after migration, we rely on statistical techniques in order to retrieve the causal effect of migration or at least mitigate biases coming from observational data. In particular, we employ an empirical approach combining statistical matching and difference-in-differences (DID) to explore the consequences of migration on movers' incomes, subjective well-being, and freedom satisfaction.

Our main results show that migration improves the incomes, life satisfaction, and the satisfaction with freedom of movers from transition economies. The average household earnings gain from migration is about 21,000 international dollars (ID), while the mean life satisfaction benefit is about 1.0 -1.2 on a scale of 0-10. Migration also positively affects perceptions of freedom, implying that it presents new opportunities and choices for movers from transition economies. While our results can in principle be interpreted as causal, readers should exert caution when doing so. Being non-experimental, our empirical strategy is subject to several biases and limitations, discussed in Section 8.

We study migrants from transition and post-transition societies as they are quantitatively the most significant migration source for the European OECD countries (OECD, 2007) and are key sources of high-skilled migrants for advanced economies in general.^{2,3} For example, Poland and Romania were among the top three sources of OECD migrants in 2012 (OECD, 2013). The ex-socialist countries are also geo-politically significant as they border China, Iran, and Turkey, and some are European Union members. Studying transition economies as a group is appropriate

² This paper uses the list of advanced economies from the International Monetary Fund (IMF) Appendix Table B (2014). This comprises the following 30 countries: Austria, Australia, Belgium, Canada, Cyprus, Denmark, Finland, France, Germany, Hong Kong, Greece, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Malta, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, Taiwan, United Kingdom, United States. Gallup does not poll San Marino. While the IMF considers the Czech Republic, Estonia, Latvia, Slovakia, and Slovenia advanced economies, we include them in the source countries list.

³ Over 10 million migrants from these post-socialist nations (about 14 percent of all migrants) live in the advanced OECD countries (OECD, 2008).

as many of them have similar economic conditions and face comparable migration regimes and restrictions.⁴ While migrants from transition economies are a rather homogenous group, we exploit the variation in migrants' experiences in the destination countries to analyze the well-being consequences of migration.

Studying the well-being consequences of migration is policy-pertinent for several reasons. From the destination governments' point of view, immigrant quality of life is instrumentally important for social outcomes such as public health and productivity (De Neve, Diener, Tay, and Xuereb, 2013). For example, positive affect and happiness have beneficial impacts on labor market productivity (Oswald, Proto, & Sgroi, 2009), income (De Neve & Oswald, 2012; Graham, Eggers, & Sukhtankar, 2004), and health (Graham, et al., 2004). Happier immigrants are therefore less likely to be dependent on the host nations' welfare and healthcare systems and may integrate more easily (Ivlevs, 2014). Immigrant life dissatisfaction may, however, be symptomatic of lack of assimilation or social exclusion (Safi, 2010; Sen, 2000). From the sending countries' perspective, emigrant well-being is important not only for issues related to brain drain but also as migrants send remittances and contribute through investments, the spread of ideas, and technology.

This study makes several contributions to the extant literature. First, instead of focusing on a single quality of life dimension, it estimates migration's effects on three well-being metrics,

⁴ Transition economies share a common socialist past, recently underwent or are still going through transitions to democracy and market economy, are geographically close, and culturally similar. While severely restricted during socialism, emigration from Central and Eastern Europe (CEE) and the Former Soviet Union (FSU) rose after 1989. Opening the borders, combined with political and economic instability, and ethnic conflict in some countries, induced many transition citizens to vote with their feet. While about 130,000 emigrants left these socialist states to live in advanced economies between 1980 and 1987, more than 1 million emigrated each year between 1990 and 1994 (UN, 2002). The transition countries are: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kosovo, Kyrgyz Republic, Latvia, Lithuania, Macedonia FYR, Moldova, Mongolia, Montenegro, Poland, Romania, Russian Federation, Serbia, Slovak Republic, Slovenia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan. Post transition-countries are the ten member states which joined the EU between 2004-2007 (EU-10): Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia. Croatia joined the EU in July 2013.

namely income (PPP-adjusted), life satisfaction, and freedom satisfaction. As such, this paper recognizes that measuring the causes and consequences of migration relying on objective measures (such as income, wages, and employment) provides an incomplete perspective of the true socio-economic impacts of this phenomenon. Second, it studies migration from transition economies to advanced countries. Third, it employs a methodology combining propensity score matching (PSM) and difference-in-differences (DID) to discern, to the extent possible, well-being changes caused by migration. Our results imply that by voting with their feet, migrants from transition economies achieve higher perceived and actual well-being and quality of life.

Though not specific to transition economies, research suggests that migrants positively affect destination countries' fiscal outcomes (OECD, 2013) and natives' subjective well-being (Akay, Constant, & Giulietti, 2014; Betz & Simpson, 2013). In addition, Dustmann et al. (2010) show that Central and Eastern European migrants from the 2004 EU enlargement are almost 60 percent less likely than natives to receive various forms of public assistance in the UK. In conjunction with our findings, these results imply that migration from transition economies might present substantial development opportunities for both receiving and sending countries.

2. Literature and Theory

2.1.Well-being and Migration

We build on scholarship related to well-being measurement and on the literature on the well-being effects of migration. First, SWB studies have burgeoned amidst the growing consensus that income-based metrics are insufficient to understand all aspects of the human condition, especially given that objective well-being can coexist with un-happiness and frustration (Stiglitz, Sen, & Fitoussi, 2009). While economists prefer studying revealed choice and income as opposed to self-reported subjective states, Easterlin's seminal study (1974) used

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self-reported happiness data to examine their relationship with economic growth and income. Building on early contributions to happiness economics (Morawetz et al., 1977; Oswald, 1997; Tinbergen, 1991; Winkelmann & Winkelmann, 1998), Ng (1996, 1997) proposed that happiness is measurable while Kahneman et al.'s (1997) paper furnished an axiomatic defense of experienced utility and suggested applications to economics (Di Tella, MacCulloch, & Oswald, 2001). Several decades of research have demonstrated that the key SWB determinants are consistent across different societies and levels of development (Dolan, Peasgood, & White, 2008; Graham, 2009; Helliwell, Barrington-Leigh, Harris, & Huang, 2010). There is, moreover, a consensus that SWB metrics are valid and reliable, psychometrically sound, and comparable across respondents (Diener, Inglehart, & Tay, 2013; Diener, Suh, Lucas, & Smith, 1999; OECD, 2011, Helliwell and Barrington-Leih, 2010). Specifically regarding comparability, DiTella and MacCulloch (2006) conclude that problems related to interpersonal comparisons of SWB scores are mitigated or eliminated when considered in groups and Durand and Smith (2013) explain that as they are "self-anchoring," life evaluation scales are less sensitive to how people use measurement scales. Finally, data from 160 countries from around the world show that people's SWB scores are determined by similar circumstances and in the same way (Graham, 2009; Helliwell and Barrington-Leigh, 2010).

Second, the income increases due to migration could be as high as 260-270 percent (Clemens, et al., 2008; McKenzie, et al., 2010). Despite this, studies using cross-sectional data show that internal and international migrants experience unhappiness (Bartram, 2011; De Jong, Chamratrithirong, & Tran, 2002; Knight & Gunatilaka, 2010; Safi, 2010; Stillman, et al., forthcoming).⁵ Comparing the outcomes of migrants and stayers is misleading, as well-being

⁵ In one exception, Erlinghagen (2012) finds that German movers are happier and more satisfied with their lives than stayers.

gains (or losses) may actually reflect unobserved differences in ability, risk tolerance, and motivation (McKenzie, et al., 2010). Obtaining causal estimates is difficult in the absence of experiments and panel data tracing migrants before and after leaving. In addition, because SWB studies predominantly use cross-sectional data to compare migrants and natives in destination countries (Baltatescu, 2007; Bartram, 2010; Safi, 2010) or movers and stayers in the sending countries (Bartram, 2013; Erlinghagen, 2012), they cannot adequately demonstrate migration's causal impacts.⁶

Immigrants are unhappier than natives in destination countries, but the result varies by country of origin and the comparison gorup (Simpson, 2014). First, in Israel, immigrants from Western Europe are happier than those from the former Soviet countries (Amit, 2010; Amit & Litwin, 2010). First generation immigrants are happier than their second-generation counterparts (Safi, 2010; Senik, 2011). Second, migrants are less happy than natives in Europe (Baltatescu, 2007; Safi, 2010; Senik, 2011) and the United States (Bartram, 2011). Third, research on internal migrants shows that East-to-West German migration is associated with happiness (Melzer, 2011) while research on Thailand (De Jong, Chamratrithirong, & Tran, 2002) and Finland (Ek, Koiranen, Raatikka, Järvelin, & Taanila, 2008) show the opposite result. Using panel data on British internal migrants, Nowok et al. (2011) demonstrate that before migration, migrants experience unhappiness, then they experience happiness during the process of migration, but their happiness declines post-migration. Some of the divergent findings in the literature could be due to timing – i.e., measuring migration's effects on well-being at different points in time.⁷

Birth country is also pivotal for explaining differences between the earnings of migrants with the same skills but coming from different political and economic conditions (Borjas, 1987).

⁶ For an exception, see Stillman et al. (2015).

⁷ Bartram shows that migrants from Northern (Belgium, Switzerland, France, Germany, Britain, and the Netherlands) to Southern Europe (Spain, Portugal, Greece and Cyprus) are less happy (Bartram, 2014).

Bartram (2013) also finds that after controlling for selection into migration, Central and Eastern European (CEE) migrants are not happier than stayers, though there is a positive effect of migration on happiness among migrants from Russia, Turkey, and Romania, and a negative effect for Polish migrants.

Furthermore, the consequences of migration depend on the well-being outcome. Based on experimental data from an immigration lottery of Tongans leaving for New Zealand, Stillman et al. (2015) find that movers' hedonic well-being declined despite income improvements in income, mental well-being, and income adequacy perceptions. Building on the extant literature, this study assesses migration's effects on three well-being outcomes: real annual household income, subjective well-being (i.e., global life evaluation), and satisfaction with freedom.

2.2. Migration Theories

International migration theories generally assume that income maximization motivates the migration decision. For example, *micro-level theories* view moving as the resultant of a costbenefit calculation by rational actors seeking to maximize the net monetary gain from migration (Massey et al., 1993). An extension of the classic Roy model predicts, for instance, that if earnings in the source and destination countries depend on a single factor which is transferable across borders and there are no migration costs, a worker will move to a destination country which maximizes his or her earnings (Borjas, 2014).⁸ In addition, *macro-level models* predict that international migration is due to the wage differentials between countries and that labor markets are the most important drivers of migration (Massey, et al., 1993).

A large empirical literature has examined migration policies and push- and pull- factors determining the global movement of people (Beine and Parsons, 2012; de Haas, 2011; Hatton

⁸ The relative skill transferability across borders and country-specific knowledge and experiences are also relevant when selecting a host country (Danzer & Dietz, 2014).

and Williamson, 2002; Mayda, 2010; Zimmermann, 1996). The drivers of economic migration include absolute and relative poverty (Czaika & de Haas, 2012; Stark & Taylor, 1989), (dis)satisfaction with public goods (Dustmann and Okatenko, 2014), institutions (Bertocchi & Strozzi, 2008), the income gap between origin and destination countries and the destination's immigration laws (Ortega & Peri, 2009), among others. In addition, migrant networks furnish information, help, and ethnic goods to movers (Bauer, Epstein, & Gang, 2000). These results suggest that while important, economic concerns are not the only drivers of the international movement of people. Non-economic factors and quality of life aspirations are also relevant. For instance, Graham and Markowitz (2011) were the first to show that respondents from Latin America with higher than average incomes but lower than average happiness scores are more likely to express emigration intentions.

Specifically for transition economies, Polish movers migrate to improve their household's relative income position in the community (Stark, Micevska, & Mycielski, 2009).⁹ The children of former Latvian migrants are more likely to migrate, meanwhile (Ivlevs & King, 2012b). More educated respondents from Kosovo and Albania are also more likely to emigrate (Ivlevs & King, 2012a; Papapanagos & Sanfey, 2001) and so are male Albanians, and free market supporters (Papapanagos & Sanfey, 2001). Blanchflower and Shadforth (2009) discover that the migration propensity from the ex-socialist countries which joined the European Union in 2004 is, unsurprisingly, inversely correlated with GDP per capita in the origin country, as well as with life satisfaction. They also find that migration propensity is positively associated with unemployment rates.

⁹ Inequality, population density, and the net interregional migration rate are positively related to Polish emigration; unemployment has a negative association but absolute income and poverty have no influence (Stark et al., 2009).

2.3.Analytical Model

We posit that the migration decision is motivated by a desire to enhance one's quality of life, defined and measured using a range of perceived and actual well-being indicators. This section presents a simple model of the individual migration decision (Sjaastad, 1962). Let U_{it} be the individual utility at time t, $U_{it'}$ be the expected utility after migration at time t', and $C_{it,t'}$ be the monetary and psychological costs of migration. Moving costs include: *direct expenses* such as transportation costs, language courses, and visa fees; *opportunity costs* of foregone earnings and opportunities at home, and *psychological costs* related to separation from family and friends. In each time period, U_i is a function of income and consumption (I), subjective well-being (H), and freedoms and opportunities (F). Specifically:

$$U_{it} = U_t (u_1 (I_{it}), u_2 (H_{it}), u_3 (F_{it}))$$
 and

$$U_{it'} = U_{t'} (u_1 (I_{it'}), u_2 (H_{it'}), u_3 (F_{it'}))$$

where u_1 (.), u_2 (.), and u_3 (.) are the respective sub-utility functions for consumption, subjective well-being, and freedom, respectively, and are increasing at a decreasing rate in their argument. Each sub-utility in each time period is conditional on individual characteristics.

An individual *i* living in a transition economy considers whether to relocate to an advanced economy if the expected utility from migration exceeds its pecuniary and psychological costs $U_{it'} - U_{it} > C_{it,t'}$. The probability of migration $Pr(M = 1|X_i) = Pr(U_{it'} - U_{it} - C_{it,t'} > 0|X_i)$.

3. Estimation Strategy 3.1.Empirical Challenges and Objectives

Self-selection, i.e., the fact that migrants differ from stayers in terms of risk tolerance, skills, motivation, and wealth, is the main challenge for assessing the causal impact of migration on well-being (McKenzie, 2012). For example, migrants have higher aspirations (Czaika & Vothknecht, 2014) and may be less risk-averse than non-migrants and risk preferences may also be correlated with well-being outcomes. Reverse causality is another methodological concern. For instance, while migration may affect happiness, those dissatisfied with their lives are more likely to migrate (Cai, Esipova, Oppenheimer, & Feng, 2014; Chindarkar, 2014; Graham & Markowitz, 2011; Otrachshenko & Popova, 2014).¹⁰ Moreover, if migration is costly, relatively well-off individuals will be more likely to migrate and a cross-sectional comparison would simply pick the effect of pre-migration status on post-moving income.

While studies have dealt with selection and reverse causality in several ways, including assuming selection on observables, using instrumental variables, and matching, only experimental data can establish causality.¹¹ In the absence of an experiment and a panel tracing migrants before and after moving, we use available pooled cross-sectional data and statistical matching to create a two-period synthetic panel of observably similar migrants and stayers. We then employ DID to assess the effects of migration on well-being. To our knowledge, this is the first paper employing this methodology in the context of international migration.¹²

¹⁰ In one exception, using instrumental variables, Ivlevs (2014) discovers that potential migrants from transition economies are positively selected on life satisfaction.

¹¹ Under certain conditions, non-experimental methods such as difference-in-differences (DID) produce results that are reasonably close to experimental findings (McKenzie et al., 2010).

¹² Sandi and Winters (2014) apply a similar methodology in the context of internal migration.

Let $M_{it} \in \{0,1\}$ be an indicator for whether transition country migrant *i* moved to an

advanced country in time period *t*. Let Y_{it} be the well-being outcome before migration and $Y_{it'}$ be the well-being outcome post-migration. The causal effect of migration is:

$$Y_{it'} - Y_{it} \tag{1}$$

Because the counterfactual outcome Y_{it} is unobserved, the estimation focuses on the average treatment effects (ATT) (Caliendo & Kopeinig, 2008):

$$E\{Y_{t'} - Y_t | M=1\} = E\{Y_{t'} | M=1\} - E\{Y_t | M=1\}$$
(2)

As they are unobserved, the counterfactual mean outcomes $E{Y_t | M=1}$ (i.e., the wellbeing outcome of migrants had they not migrated) must be constructed using statistical methods. Using the well-being outcomes of those who did not migrate $E{Y_t | M=0}$ as a counterfactual will not deal with selection problems as factors that influence selection into migration likely also affect the well-being outcomes (Caliendo & Kopeinig, 2008). In summary, our empirical strategy comprises two major steps: (i) identifying migrants and stayers before and after migration (i.e., four analysis groups in total) and (ii) computing the DID for their well-being outcomes (i.e., household income, evaluative well-being, and satisfaction with freedom).

3.2.Analysis Groups

Based on a discussion in Blundell and Costa Dias (2000), for each migrant after migration, we use PSM to find an observably similar migrant counterpart before migration, and then apply PSM again to find observably similar stayers for before and after comparisons, with the end-goal being the creation of a synthetic panel with the following analysis groups (see figure 1 and table 1).



Source: Authors.

	Table	1.	Anal	vsis	Groups
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Time period/Location	Before	After
In home country	 Group 2 (identified in the sample of transition economies, among those expressing a desire to move; in a separate analysis, among those with a plan to move; statistical matching with Group 1) Group 3 (identified in the sample of transition economies, among those expressing no desire or plans to move; statistical matching with Group 1) 	Group 4 (identified in the sample of transition economies, among those expressing <u>no</u> desire or plans to move; statistical matching with Group 2)
In destination		Group 1 (identified in the sample of advanced economies through a survey question on country of birth)

Source: Authors.

Group 1. This group comprises migrants from transition countries after they moved to advanced economies (i.e., the treatment group after migration at time t'). GWP asks respondents whether they were born in the country of interview, and if not, in which country they were born, allowing us to identify immigrants from transition countries.

Group 2. This group comprises migrants before leaving at time *t*. For each migrant in Group 1, we identify a "migrant before migration" using probability matching combined with exact matching. Specifically, we match migrants in Group 1 with respondents who expressed a desire to move permanently to another country using age, age squared, gender, religion, education, country of origin, and destination country. We use exact matching to ensure that the match is from the same country of origin, will move to the same destination country, is of the same gender and religion, and has the same educational attainment. After matching, we deleted matched pairs if the match's age is greater than the migrant's.

Group 3. This group comprises non-migrants observed at time t' identified by matching Group 1 with stayers based on age, age squared, gender, religion, education, and country of origin. We imposed exact matching by country of origin, year of interview, gender, religion, and education.Group 4. This group comprises non-migrants at time t (i.e., before migration) matched with migrants before migration in Group 2 using an identical procedure as the matching of Groups 3 and 1.

3.3.Creating Synthetic Cohorts with Matching¹³

Let *X* be a vector of pre-migration characteristics (i.e., the conditioning variables). The propensity score P(X) is the conditional probability of migrating given the conditioning

¹³ For detailed overviews of the theoretical, practical, and methodological aspects of PSM, see (Blundell & Costa Dias, 2000; Caliendo & Kopeinig, 2008; Dehejia & Wahba, 2002; Rosenbaum & Rubin, 1983; Shadish & Steiner, 2010; Smith & Todd, 2005; Stuart, 2010; Todd, 2006).

variables. Given the assumptions of unconfoundedness and common support, the propensity score, or the conditional probability of migrating, is: P(X) = Pr(M = 1|X).

We explain the matching of migrants and non-migrants as the procedure is analogous for matching potential with actual migrants.¹⁴ We first estimate the propensity scores using a logit model:

$$\mathbf{M}_{i} = \boldsymbol{\alpha}_{1} + \boldsymbol{\beta}^{M} \mathbf{X}_{i} + \mathbf{u}_{i} \tag{3}$$

where M = 1 if the individual from a transition economy migrated to an advanced economy and 0 if he or she stayed in the home country. We excluded stayers in the sending countries who were foreign-born and those who wanted or planned to move. Prior to matching, we also excluded respondents with missing observations for any of the covariates or the outcome variables. X_i is a vector of socio-demographic characteristics predicting migration: age, age squared, gender, indicators for religious affiliation, country of origin, indicators for whether the respondent has elementary, secondary, or tertiary education, year of interview, and country of origin. Note that the treatment (i.e., migration) cannot influence the matching variables (Heinrich et al., 2010; Smith & Todd, 2005), which is why the matching covariates exclude marital and

¹⁴ Groups 1 and 2 (migrants and potential migrants before migration) are considered the "treatment" and groups 3 and 4 (stayers) are considered the "controls." Group 1 are actual immigrants observed in the host country of interview. The other groups are obtained by statistical matching. As a first step, we matched immigrants with potential migrants using observations from the entire sample regardless of the year of interview. At this stage, to ensure age comparability, we deleted matched pairs if the immigrant was younger than the potential migrant. We acknowledge that there could be timing issues since the exact year of migration is unknown. Specifically, a potential bias could be due to the fact that the matching is done with age while ideally, it should be done with age at migration. Unfortunately, we do not have detailed information about when the migrant migrated. We only have information on whether the migrant arrived in the host country 5 years ago or more. Due to the limited number of observations, we do not distinguish between migrants who arrived in the host country in the past five years or later. It is difficult to understand the size of this bias but it is a function of the average years since migration. As a second step, we combined migrants and their matched potential migrants in a merged data file. We created indicator variables for group 1 and group 2. By construction, group 1 is observed in the period after migration and group 2 is observed in the period before migration. Both these periods span the survey period of 2008-2013. In the third step, we used this merged data file of "migrants" to match it with non-migrants. In the next step, we used year as one of the covariates for exact matching (in addition to age, gender, education, and religion) to ensure that the migrant and the stayer are observed in the same year. We checked that this condition was satisfied. The matches for group 1 (i.e., group 3) by construction belong to the period after migration and by construction, the matches for group 2 (i.e., group 4) belong to the period before migration.

employment status, and income. While education may not be independent of migration, we included it as it is an important proxy for ability, intelligence, and skills.

After computing the propensity score, we used one-to-one nearest neighbor matching without replacement with a caliper (i.e., maximum allowable distance between the propensity scores) of 0.01.¹⁵ We excluded migrants without a match within the caliper, which increases the confidence that the matching is balanced but reduces the number of observations. Since the goal is to create matches that are as similar as possible, we use exact matching by country of birth, year, gender, religion, and education.

Next, we checked whether the balancing property was satisfied using *t*-tests for the equality of means in the treated and non-treated groups after matching. The differences are statistically insignificant for all matching covariates, indicating that the balancing property is satisfied. Migrants and non-migrants have identical values for education, gender, and religion. Finally, we only kept exact matches to create a balanced synthetic panel of migrants and non-migrants before and after migration. Each group includes 167 observations (see tables 2 and 3).

¹⁵ We used the -psmatch2- module in Stata developed by Leuven and Sianesi (2003).

Birth Country	Freq.	Percent	Residence Country	Freq.	Percent
Poland	28	16.770	Germany	28	16.770
Romania	27	16.170	Greece	27	16.170
Albania	21	12.570	Austria	21	12.570
Russia	14	8.380	Italy	20	11.980
Serbia	12	7.190	Spain	17	10.180
Lithuania	10	5.990	Ireland	12	7.190
Croatia	8	4.790	Sweden	8	4.790
Slovenia	7	4.190	Australia	8	4.790
Bosnia and Herzegovina	6	3.590	Switzerland	8	4.790
Bulgaria	6	3.590	Finland	5	2.990
Georgia	5	2.990	United States	2	1.200
Moldova	5	2.990	France	2	1.200
Kosovo	5	2.990	Denmark	2	1.200
Hungary	4	2.400	Canada	2	1.200
Ukraine	2	1.200	United Kingdom	1	0.600
Latvia	2	1.200	Belgium	1	0.600
Macedonia	2	1.200	New Zealand	1	0.600
Czech Republic	1	0.600	Luxembourg	1	0.600
Kazakhstan	1	0.600	Norway	1	0.600
Montenegro	1	0.600			
Total	167	100.000	Total	167	100.000

Table 2. Analysis Sample, Source and Destination Countries

Source: Authors' calculations based on the Gallup World Poll, 2008-2013

	Migrants After		Migra	nts Before	Stayers After		Stayers Before	
	G	roup 1	G	roup 2	Gi	oup 3	G	roup 4
Variables	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Outcome Variables								
Household Income (in 1,000s ID)	34.203	30.447	14.084	15.898	14.106	11.363	14.326	17.429
HH Income Per HH Member (in 1,000s ID)	15.816	14.494	5.334	5.249	5.935	4.899	6.150	6.502
Best Possible Life (BPL) (1-10)	6.305	2.085	5.096	2.226	5.485	1.894	5.389	2.292
Satisfaction with Freedom	0.832	0.375	0.575	0.496	0.713	0.454	0.695	0.462
Matching Variables								
Age	40.305	12.815	38.353	13.355	40.557	13.458	39.581	13.034
Female (1=Yes)	0.563	0.498	0.563	0.498	0.563	0.498	0.563	0.498
Catholic (1=Yes)	0.359	0.481	0.359	0.481	0.359	0.481	0.359	0.481
Protestant (1=Yes)	0.018	0.133	0.018	0.133	0.018	0.133	0.018	0.133
Orthodox (1=Yes)	0.449	0.499	0.449	0.499	0.449	0.499	0.449	0.499
Muslim (1=Yes)	0.144	0.352	0.144	0.352	0.144	0.352	0.144	0.352
Muslim: Sunni (1=Yes)	0.012	0.109	0.012	0.109	0.012	0.109	0.012	0.109
No religion/Agnostic (1=Yes)	0.018	0.133	0.018	0.133	0.018	0.133	0.018	0.133
Elementary Education (1=Yes)	0.072	0.259	0.072	0.259	0.072	0.259	0.072	0.259
Completed Secondary Education (1=Yes)	0.749	0.435	0.749	0.435	0.749	0.435	0.749	0.435
Some College Education/								
College Graduate (1=Yes)	0.180	0.385	0.180	0.385	0.180	0.385	0.180	0.385

 Table 3. Summary Statistics, Analysis Sample

Source: Authors' calculations based on the Gallup World Poll, 2008-2013.

Notes: The number of observations in each group is 167. All statistics are for 2008-2013 and show the number of observations, means, and standard deviations for each variable and for each migrant and non-migrant group. The means of the binary variables show the proportion of respondents in each category. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. The variable "Household Income Per Household Member" is constructed by dividing total household income (in 1,000s ID) by the number of household members.

Of course, labeling respondents expressing a desire to move permanently to another country "migrants before migration" requires that they will in fact subsequently move to the destination they indicated. Research suggests that this assumption is plausible as intentions are good predictors of actual migration (Creighton, 2013; van Dalen & Henkens, 2008, 2013). We also offer a robustness check by matching actual migrants with respondents with concrete migration plans.

3.4.Parametric Difference-in-Differences Estimator

After creating the synthetic panel, we calculated the parametric difference-in-differences (DID). The parameter of interest is:

$$(Y_{t'}^{M} - Y_{t}^{M}) - (Y_{t'}^{S} - Y_{t}^{S})$$
(4)

where the superscripts ^M and ^S designate migrants and stayers, respectively. We obtain the DID estimate using the pooled cross-sectional synthetic cohort data from the following regression:

$$Y_{it} = \beta_0 + \beta_1 M_i + \beta_2 T_t + \beta_3 M_i * T_t + X_{it} \pi + \varepsilon_{it},$$
(5)

where *M* is a binary indicator for migrant or stayer, *T* is an indicator for period before or after migration, and *X* is a vector of individual characteristics (age, age squared, gender, education, religion, and country of origin). Note that β_2 is the difference in outcomes between movers and stayers pre-migration, while $\beta_2 + \beta_3$ is the difference in their outcomes postmigration. The DID (or the causal effect of migration on the outcome) is measured by β_3 . All equations are estimated using OLS with robust standard errors and the Gallup-provided survey weight. OLS is appropriate as the interpretation of the interaction term in non-linear models with a monotonic transformation functions is problematic (Ai & Norton, 2003). In addition,

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estimating ordinal SWB data using OLS or ordered logits and probits produces similar results (Ferrer-i-Carbonell & Frijters, 2004; Frijters & Beatton, 2012).

The DID estimator's main assumption is that changes which occurred for reasons other than migration impacted migrant and non-migrant groups in the same way (Abadie, 2005). One such factor was the global economic crisis and to the extent that it affected all analysis countries similarly, the DID estimation allows one to separate its influence from the effect of migration.¹⁶ While the pre-treatment characteristics for the mover and stayer groups are observably similar, the effect of the global crisis likely varied across the countries in the analysis sample. Note also that the DiD estimator assumes that the costs of migration are constant across Groups 1 and 2, so that they can be netted out through the differencing. We are constrained by data limitations and the DID estimator is the best available alternative.

4. Data and Summary Statistics

4.1.Data

The data are from the Gallup World Poll (GWP), which is an annual survey conducted by the Gallup Organization in about 160 countries, representing about 98 percent of the world's adult population. GWP polled all 30 transition countries at least three times during the 2005-2013 period. GWP is probability-based and nationally representative (of populations aged 15 and over), polling about 1,000 individuals per country and over-sampling some countries such as Russia. While not specifically designed to study migration, GWP's comprehensiveness enables the analysis of immigrants and their experiences (Esipova, Pugliese, Ray, & Kanitkar, 2013). In addition, Gallup researchers weight the data, so that they are comparable between migrants and

¹⁶ The parallel trends assumption is unrealistic when pre-treatment characteristics associated with the outcome are un-balanced between the treatment and control groups (Abadie, 2005), which is not the case here.

stayers.¹⁷ The data are collected using telephone or in-person interviews using the same survey methodology across countries, ensuring comparability across countries and over time. In most transition countries, the interviews are face-to-face and in most advanced countries, the data are collected via landline or cell phone interviews. We emphasize that since Gallup polls different individuals each year, we have pooled cross-sections rather than a panel, which is a limitation that we acknowledge.

4.2.Outcome Variables

First, our objective well-being variable is *household income*, which is calculated in international dollars, allowing comparisons across countries and over time. Specifically, Gallup constructs the household income variable by dividing income in local currency by 2011 PPP ratios. As such, the income metrics take into account cost of living differentials and are therefore comparable across individuals, communities, and over time. Second, the SWB indicator is the Cantril ladder question on the *best possible life* (BPL), which asks respondents to compare their life to the best possible life they can imagine, based on an eleven-point scale (Cantril, 1965). Third, *freedom perceptions* is a binary indicator for whether or not the respondent is satisfied with his or her freedom to choose what to do with his or her life.

4.3.Summary Statistics

The analysis sample spans 2008-2013 representing migrants from 20 of the 30 transition economies, including both EU and non-EU members. The top three sending countries are Poland, Romania, and Albania, while the most common destinations are Germany, Greece, and Austria (see table 2). Migrants and stayers are on average in their very late 30s or early 40s, about 56 percent are female and about 45 percent are Christian Orthodox (see table 3). Across

¹⁷ First, the data are weighed using base sampling weights to correct for oversampling and household size. Then, post-stratification weights are constructed - population statistics are used to weight the data by gender, age, and in some instances, education and socio-economic status. In the DID estimations, we use the Gallup-provided weight.

the board, 75 percent of migrants and stayers have secondary education, while 18 percent are college-educated.

Table 3 also demonstrates that migrants earn considerably more than comparable potential migrants (Group 2) and non-migrants (Groups 3 and 4). Specifically, while the unconditional mean incomes (PPP-adjusted) are about 34,000 ID after migration, they are only about 14,000 ID for the other groups. Migrants also report higher subjective well-being (BPL) and satisfaction with freedom than any other group. The *potential* migrant group (Group 2) has the lowest BPL score of 5.1 and the lowest percentage of respondents satisfied with freedom (58 percent). We next examine whether these unconditional differences in well-being hold after we implement the DID estimation.

5. Results

5.1.Main Results

Table 4 shows the DID estimation results. Models (1)-(4) are estimated without additional covariates. The baseline findings are robust to including the individual-level controls and country of origin indicators in (5)-(8). Specifically, migration leads to an unequivocal increase in material well-being: the household income premium (with and without controls for observable characteristics including education) is about 21,000 ID (10,500 ID per household member).

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Table 4.	Main	Results
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	F	ull Sample No	Covariates		Full Sample With Covariates				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
		HH Income				HH Income			
	Household	Per HH			Household	Per HH			
	Income	Member	BPL	Freedom	Income	Member	BPL	Freedom	
Migrant (1=Yes)	0.815	-0.278	-0.073	-0.121**	0.098	-0.586	-0.199	-0.134**	
	(1.966)	(0.647)	(0.279)	(0.061)	(1.933)	(0.639)	(0.259)	(0.059)	
After Migration									
(1=Yes)	-0.034	-0.056	0.134	0.016	-0.420	-0.402	0.093	0.012	
	(1.743)	(0.628)	(0.290)	(0.060)	(1.798)	(0.643)	(0.264)	(0.057)	
Migrant*After	21.226***	10.470***	1.043***	0.261***	20.900***	10.515***	1.171***	0.276***	
	(3.564)	(1.504)	(0.400)	(0.082)	(3.371)	(1.388)	(0.372)	(0.078)	
Birth Country									
Dummies	No	No	No	No	Yes	Yes	Yes	Yes	
Individual Controls	No	No	No	No	Yes	Yes	Yes	Yes	
Ν	668	668	668	668	668	668	668	668	
Adjusted R ²	0.181	0.214	0.043	0.043	0.292	0.341	0.135	0.096	

Source: Authors' calculations based on the Gallup World Poll, 2008-2013

Notes: Difference-in-Differences estimation using robust standard errors and the Gallup-provided survey weight. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. The variable "Household Income Per Household Member" is constructed by dividing total household income (in 1,000 ID) by the number of household members. Best Possible Life (BPL) measures the respondent's assessment of her current life relative to her best possible life on a scale of 0 to 10, where 0 is the worst possible life, and 10 is the best possible life. "Freedom" is binary variable coded as 1 if the respondent is satisfied with his or her freedom to choose in life and as 0 otherwise. The individual control variables include: age, age squared, gender, religion dummies, and education.

*** p<0.01, ** p<0.05, * p<0.1

Migrants from transition economies not only earn more but also realize SWB gains. The evaluative well-being (BPL) benefit from migration is between 1.0 and 1.2 on an eleven-point scale (when accounting for individual characteristics and country of birth); as such, this "happiness premium" from migration is substantively significant. In addition to boosting incomes and well-being perceptions, migration affects movers' satisfaction with freedom to choose. Movers are about 26-27 percent more satisfied with their freedom due to migration.

Table 5 shows the main results excluding (only using) the top five sending and destination countries. The top part of Table 5 indicates that when we exclude migrants from the most common origin countries (Poland, Romania, Albania, Russia, and Serbia), the household income premium from migration drops slightly to 19,000 ID (9,500 ID per household member), the happiness premium increases to 1.9, and the satisfaction with freedom benefit is comparable to that in the main specification. Similarly, when we exclude the top five destination countries (Germany, Greece, Austria, Italy, and Spain), the income premium is over 27,000 ID (about 15,000 ID per household member) and the happiness premium is positive but marginally significant. There is a large and significant positive change in the satisfaction with freedom outcome, moreover.

When we focus only on the results based on the top five destination countries, the income premium is smaller in magnitude than that in the main results. The happiness increase is slightly larger in magnitude than the results in Table 4, and the perceptions of freedom DID is smaller and only marginally significant. When we consider only the top five sending countries, the income premium rises to about 22,000 ID, although the BPL DID is less than one (and only marginally significant), despite the improvements in freedom satisfaction. Table 5 indicates that

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the main results shown in Table 4 are generally robust and that migration leads to income and SWB premiums.

	Exc	luding Top 5 Sendiı	ng Countries	5		Only Top 5 Sending	Countries		
	(1) Household	(2) HH Income	(3)	(4)	(5) Household	(6) HH Income	(7)	(8)	
	Income	Per HH Member	BPL	Freedom	Income	Per HH Member	BPL	Freedom	
Migrant (1=Yes)	2.257	-0.032	-0.448	-0.100	-1.509	-1.058	-0.036	-0.168**	
	(2.094)	(0.800)	(0.363)	(0.086)	(2.975)	(0.946)	(0.337)	(0.077)	
After Migration (1=Yes)	1.341	0.210	0.156	0.085	-1.858	-0.891	0.016	-0.035	
-	(1.961)	(0.910)	(0.388)	(0.082)	(2.731)	(0.925)	(0.353)	(0.075)	
Migrant*After	19.203***	9.517***	1.895***	0.261**	22.085***	11.237***	0.644	0.282***	
	(3.809)	(1.723)	(0.521)	(0.111)	(4.960)	(1.978)	(0.491)	(0.105)	
Birth Country Dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Individual Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Ν	260	260	260	260	408	408	408	408	
Adjusted R ²	0.404	0.420	0.297	0.193	0.244	0.312	0.064	0.060	
	Exclu	ding Top 5 Destinat	tion Countri	ies	Only Top 5 Destination Countries				
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
	Household	HH Income			Household	HH Income			
	Income	Per HH Member	BPL	Freedom	Income	Per HH Member	BPL	Freedom	
Migrant (1=Yes)	2.961	0.297	0.227	-0.225**	-1.161	-0.932	-0.386	-0.095	
	(2.729)	(1.053)	(0.396)	(0.105)	(2.504)	(0.787)	(0.328)	(0.069)	
After Migration (1=Yes)	2.763	0.107	0.366	-0.005	-1.229	-0.462	-0.029	0.029	
	(2.359)	(0.961)	(0.393)	(0.099)	(2.347)	(0.793)	(0.338)	(0.068)	
Migrant*After	27.295***	15.158***	1.009*	0.466***	16.352***	7.752***	1.207**	0.171*	
	(5.569)	(2.571)	(0.555)	(0.132)	(3.786)	(1.365)	(0.474)	(0.094)	
Birth Country Dummies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Individual Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
N	216	216	216	216	452	452	452	452	
Adjusted R ²	0.395	0.425	0.103	0.112	0.246	0.309	0.122	0.118	

Table 5. DID Results Excluding Top Sending and Destination Countries

Source: Authors' calculations based on the Gallup World Poll, 2008-2013

Notes: Difference-in-Differences estimation using robust standard errors and the Gallup-provided survey weight. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. The variable "Household Income Per Household Member" is constructed by dividing total household income (in 1,000 ID) by the number of household members. Best Possible Life (BPL) measures the respondent's assessment of her current life relative to her best possible life on a scale of 0 to 10, where 0 is the worst possible life, and 10 is the best possible life. "Freedom" is binary variable coded as 1 if the respondent is satisfied with his or her freedom to choose in life and as 0 otherwise. The individual control variables include: age, age squared, gender, religion dummies, and education. See Table 2 for the top sending and destination countries.

*** p<0.01, ** p<0.05, * p<0.1

6. Robustness Checks

6.1. Matching with Respondents with Emigration Plans

As a robustness check, we matched migrants in Group 1 with respondents in the source countries with concrete migration plans (as opposed to those expressing willingness to leave in the main analysis sample). We employed the same matching covariates and procedures. Gallup started asking the question about migration plans in 2010, which limits the number of observations.¹⁸ Therefore, we used a less strict caliper of 0.5 to ensure about 50 observations per group. The sample includes 53 observations per group (212 observations total). Eighteen transition countries are represented, compared with 20 in the main analysis. The top sending countries are Romania, Poland, Bulgaria and Croatia, and the most common host countries are Italy, Germany, and Austria (see table A.1).

Table A.2 demonstrates that the matching produced observably similar migrant and stayer groups. In the "post" period, migrants and non-migrants are on average 42-43 years old, while their counterparts pre-migration are in their early-to-mid thirties. A little under a third of respondents in all groups are college-educated (compared with 18 percent in the main analysis sample). Across the board, about two thirds are female, about a third is Catholic, and 47 percent are Christian Orthodox. Immigrants (Group 1) have the highest household incomes, SWB scores, and are more satisfied with their freedom than any other group. Note, however, that the BPL score of those planning to migrate (Group 2) is very similar to that of immigrants, suggesting that those with concrete emigration plans may receive a life satisfaction boost due to having made the emigration decision. In general, Table A.2. shows that the mean outcomes of migrants and stayers with respect to BPL and freedom perceptions are very similar.

¹⁸ Between 2010-2013, about 19 percent of citizens from transition countries expressed a desire to emigrate, only 1.39 percent made emigration plans for the next year, and 0.69 percent prepared for this move.

Table 6 shows the DID results for the robustness check, with Models (1)-(4) presenting the findings without country of birth and individual controls, and Models (5)-(8) adding these covariates. Despite the small sample size, the results are generally robust and similar across the two sets of models. We focus on the results including the full set of controls. First, the income premium from migration is larger than that in the main model and is 29,800 ID (the income premium per household member is about 11,000 ID). The satisfaction with freedom DID is positive but not statistically significant. Moreover, the BPL DID is statistically insignificant. The summary statistics showed that while migrants' evaluative well-being is slightly higher, it is not statistically different from that of the other groups. The freedom perceptions were also similar across groups (Table A.2). These results indicate that migration has a positive causal influence on income, although the evaluative well-being and the freedom gains are statistically insignificant, likely due to the small sample size or the possibility that those with concrete emigration plans have received a life satisfaction boost from making the decision. Experimental findings show that expectations affect hedonic happiness even before the outcomes are revealed and that the expectations related to making decisions affect happiness (Rutledge, et al., 2014).

Tuble of Thirdysis Sumple, Matering With Those Thanning to Move, Bib Results											
	Fu	ll Sample No (Covariates	6	Fu	ll Sample With	Covariates				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)			
		HH Income				HH Income					
	Household	Per HH			Household	Per HH					
	Income	Member	BPL	Freedom	Income	Member	BPL	Freedom			
Migrant (1=Yes)	-0.762	-0.117	1.071**	-0.123	-2.523	-0.420	0.929**	-0.172*			
	(3.875)	(1.429)	(0.503)	(0.111)	(3.898)	(1.412)	(0.416)	(0.099)			
After Migration (1=Yes)	-2.500	-0.600	0.575	0.005	-0.398	0.698	0.648	-0.032			
	(2.540)	(1.101)	(0.566)	(0.108)	(3.115)	(1.284)	(0.475)	(0.100)			
Migrant*After	29.962***	11.631***	-0.537	0.140	29.807***	11.027***	-0.510	0.164			
-	(8.114)	(2.950)	(0.728)	(0.157)	(7.981)	(2.782)	(0.625)	(0.141)			
Birth Country Dummies	No	No	No	No	Yes	Yes	Yes	Yes			
Individual Controls	No	No	No	No	Yes	Yes	Yes	Yes			
Ν	212	212	212	212	212	212	212	212			
Adjusted R ²	0.190	0.215	0.027	0.001	0.285	0.336	0.192	0.129			

Table 6. Analysis Sample, Matching with Those Planning to Move, DID Results

Source: Authors' calculations based on the Gallup World Poll, 2009-2013

Notes: Difference-in-Differences estimation using robust standard errors and the Gallup-provided survey weight. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. The variable "Household Income Per Household Member" is constructed by dividing total household income (in 1,000 ID) by the number of household members. Best Possible Life (BPL) measures the respondent's assessment of her current life relative to her best possible life on a scale of 0 to 10, where 0 is the worst possible life, and 10 is the best possible life. "Freedom" is binary variable coded as 1 if the respondent is satisfied with his or her freedom to choose in life and as 0 otherwise. The individual control variables include: age, age squared, gender, religion dummies, and education.

*** p<0.01, ** p<0.05, * p<0.1

6.2.EU-10 Migrants

Of particular interest to national governments and EU policymakers alike is how migrants from the recent EU enlargements fare in the destination countries. To examine this question, we focus on EU-10 immigrants in the advanced EU countries.¹⁹ We performed the matching and DID steps again only for this subsample (see Tables A.3-A.4 for the summary statistics). Only Slovakia is not represented among the EU-10 migrants and the top origin countries are Poland, Romania, and Lithuania, and the top destinations are Germany, Spain, and Ireland. Migrants appear to have higher incomes, SWB, and perceptions of freedom in the destination countries (see table A.4).

Table 7 shows the results from this alternative specification. The main results and conclusions still hold, albeit with some nuances. First, while the household earnings premium is still sizeable and statistically significant, it is smaller in magnitude.²⁰ This is unsurprising as EU-10 migrants are leaving countries that are wealthier, on average, than the non-EU transition countries. The SWB benefit from migration is still sizeable – 1.3 on average compared with 1.2 in the main results. There are also sizeable gains in satisfaction with freedom, which are larger than those in the main analysis sample. When Bulgaria and Romania – the poorest and unhappiest EU members – are excluded from the source countries, the household income premium rises to 21,000 ID (12,700 ID per household member), the evaluative well-being gain is 1.8, and satisfaction with freedom increases by 44 percent on average.²¹

¹⁹ See footnote 4 for the list of transition countries that are EU members. Croatia is excluded from the sending countries as it only joined the EU in 2013. The advanced EU countries include the EU-15 and Malta and Cyprus. ²⁰ The earnings premium per household member of 9,100 ID is similar to that in the main sample (10,500 ID).

²¹ Results available upon request.

	F	ull Sample No (Covariates		Fu	Ill Sample With	ith Covariates		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
		HH Income				HH Income			
	Household	Per HH			Household	Per HH			
	Income	Member	BPL	Freedom	Income	Member	BPL	Freedom	
Migrant (1=Yes)	1.775	0.133	-0.675*	-0.124	1.092	-0.256	-0.687*	-0.135	
	(2.351)	(0.896)	(0.401)	(0.088)	(1.959)	(0.727)	(0.363)	(0.084)	
After Migration									
(1=Yes)	1.508	0.146	-0.085	-0.035	1.144	-0.255	0.076	-0.020	
	(2.019)	(0.765)	(0.440)	(0.087)	(2.069)	(0.749)	(0.428)	(0.085)	
Migrant*After	15.475***	9.172***	1.432**	0.377***	14.866***	9.093***	1.325**	0.354***	
	(5.055)	(2.010)	(0.572)	(0.116)	(4.180)	(1.718)	(0.546)	(0.113)	
Birth Country									
Dummies	No	No	No	No	Yes	Yes	Yes	Yes	
Individual Controls	No	No	No	No	Yes	Yes	Yes	Yes	
Ν	316	316	316	316	316	316	316	316	
Adjusted R ²	0.132	0.189	0.037	0.064	0.276	0.326	0.096	0.110	

Table 7. EU Sample, DID Results

Source: Authors' calculations based on the Gallup World Poll, 2008-2013

Notes: Difference-in-Differences estimation using robust standard errors and the Gallup-provided survey weight. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. The variable "Household Income Per Household Member" is constructed by dividing total household income (in 1,000 ID) by the number of household members. Best Possible Life (BPL) measures the respondent's assessment of her current life relative to her best possible life on a scale of 0 to 10, where 0 is the worst possible life, and 10 is the best possible life. "Freedom" is binary variable coded as 1 if the respondent is satisfied with his or her freedom to choose in life and as 0 otherwise. The individual control variables include: age, age squared, gender, religion dummies, and education.

*** p<0.01, ** p<0.05, * p<0.1

6.3.Return Migration

Return migration poses a validity threat as it is possible that because of the economic crisis or some other circumstances, those with the lowest SWB, satisfaction with freedom, and/or the least skilled immigrants returned back to their home countries.²² Return migration may also be undertaken to correct errors in the initial migration decision or because the migrant has acquired human capital valued at home (Borjas, 2014). While not causal, research finds that Romanian returnees are unhappier than stayers (Bartram, 2012).

While GWP does not explicitly inquire about return migration, two questions could be used to shed some light: (i) whether respondents have lived in a foreign country for more than six months (asked in 2009-2012 in all transition economies except Mongolia) and (ii) whether the respondent went abroad in the past five years to make money (asked in 2007 in several transition economies). We do not have information on the country of residence prior to return, duration of stay, or reason for return. However, a follow-up question specifically asks respondents whether their social status increased, fell, or did not change as a result of going abroad to make money in the past five years. Of the 624 respondents who gave valid answers to this question, social status fell for about a third (34 percent) and did not change for about 43 percent.

To examine whether return migration biases our results, we matched returnees in transition economies (the treatment group) with immigrants from transition countries still living in the advanced countries (the controls). We used PSM and the following matching covariates: age, age squared, religion, education, country of birth, and year. We forced exact matching by

²² There have been no large outflows of migrants due to the economic crisis as migrants may actually be unwilling to return to their home countries because they fear barriers to coming back or dread bleak job prospects at home (Awad, 2009; Fix et al., 2009; Green & Winters, 2010).

country of birth and year. When "Went Abroad to Make Money" is the treatment variable, religion and year are excluded from the matching covariates due to missing observations and the fact that the data are for 2007 only, respectively.²³

We used nearest neighbor matching without replacement with two calipers – 0.01 and 0.001 (see table 8), which provides results that generally satisfy the balancing property (tables A.5-A.7). The results suggest that return migration is associated with lower incomes and SWB (BPL) regardless of the matching procedure and the treatment variable used. Taken at face value, the results in Table 8 imply that the household income penalty due to return migration is between 14,500 and 18,700 ID, depending on the model, while BPL declines are between 0.7 and 1.7. The results regarding satisfaction with freedom are not robust, however.

These results should be treated with caution as we do not know whether the lower earnings and SWB are because of return migration or because of selection issues. In this instance, total bias reduction is impossible as we cannot include a large number of covariates (due the restriction that the treatment cannot influence the matching variables). Thus, while return migration may be a validity threat, it is unlikely that it is driving all the results in this paper.

²³ While return migration as a result of the crisis has been limited, there have been returns from Russia to Tajikistan, Uzbekistan, and Kyrgyzstan (Green & Winters, 2010), Poles returning from the UK, and some forceful deportations from the US, Italy, and France, including those of Bulgarian and Romanian Roma from France (Papademetriou, Sumption, Terrazas, Loyal, & Ferrero-Turrión, 2010). There is little information on the demographic profile of those who left, however.

	0, 0		0 1	<u> </u>	0					
Treatment: Lived Abroad for More than 6 Months; Nearest Neighbor Matching without replacement, caliper=0.01										
			Average	Average						
	Ν	Ν	Outcome	Outcome	ATT	S.E.	t-stat			
Outcome	Treatment	Control	Treatment	Control						
Household Income	252	1,245	13.639	29.479	-15.840	1.869	-8.480			
Best Possible Life (BPL)	252	1,245	5.480	6.155	-0.675	0.195	-3.470			
Satisfied with Freedom in Life	252	1,245	0.655	0.821	-0.167	0.039	-4.330			
Treatment: Lived Abroad for More than 6 Months; Nearest Neighbor Matching without replacement, caliper=0.0001										
Household Income	76	1,245	12.710	27.175	-14.465	3.630	-3.980			
Best Possible Life (BPL)	76	1,245	5.145	6.395	-1.250	0.350	-3.570			
Satisfied with Freedom in Life	76	1,245	0.645	0.776	-0.132	0.073	-1.800			
Treatment: Went Abroad to Mak	ke Money; Ne	arest Neigh	bor Matching	without repla	cement, ca	liper=0.	01			
			Average	Average						
	Ν	Ν	Outcome	Outcome	ATT	S.E.	t-stat			
Outcome	Treatment	Control	Treatment	Control						
Household Income	42	700	10.042	28.732	-18.690	2.967	-6.300			
Best Possible Life (BPL)	42	700	5.405	7.143	-1.738	0.422	-4.110			
Satisfied with Freedom in Life	42	700	0.595	0.762	-0.167	0.101	-1.640			

Table 8. Return Migration and Well-being, Average Treatment Effect using Propensity Score Matching

Source: Authors' calculations based on the Gallup World Poll.

Notes: ATT=Average Treatment Effect. The data are for 2009-2012 when the treatment is whether the respondent lived abroad for more than 6 months, and for 2007 when the treatment is whether the respondent went abroad in the past 5 years to make money. Summary of results from propensity score matching. N refers to the number of observations in the common support region. The treatment group is return migrants. The control group is immigrants from transition economies in advanced countries. The matching variables include: age, age squared, religion, education, country of birth, and year. We force exact matching by country of birth and year (year is excluded when the treatment is "Went Abroad to Make Money"). When "Went Abroad to Make Money" is the treatment variable, religion and year are excluded from the matching covariates. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. Best Possible Life (BPL) measures the respondent's assessment of her current life relative to her best possible life on a scale of 0 to 10, where 0 is the worst possible life, and 10 is the best possible life. "Freedom" is binary variable coded as 1 if the respondent is satisfied with his or her freedom to choose in life and as 0 otherwise. Balancing tests available in Tables A.5-A.7.

7. Channels

This paper's empirical strategy explicitly allows us to explore the well-being consequences of migration but not the pathways leading to them. Theoretically, several mechanisms could be enhancing the well-being of migrants from transition economies. As the channels affecting income are straightforward, we focus on the SWB and freedom dimensions.

First, migration could enhance SWB through the positive income gains. For example, Olgiati, Calvo, and Berkman (2013) show that income is associated with higher global life evaluation and life satisfaction among immigrants in 16 advanced countries. Moreover, income and SWB are positively correlated in transition economies (Easterlin, 2009). In addition, CEE migrants move to the EU-15 for employment (Kahanec, 2013). Therefore, they likely migrate because of better employment and income opportunities and freedoms, which may also enhance their SWB. The consistently positive effect on the satisfaction with freedom outcome in this paper highlights this channel.

Second, while the majority of the studies find a negative association between happiness and migration, the results depend on country of origin (Simpson, 2014). Research using GWP data shows that North-to-North migrants experience gains in various perceived well-being dimensions, unlike migrants moving from other contexts (Esipova et al., 2013). The countries from which the migrants in this paper moved are relatively advanced and culturally similar to the destination countries, which likely facilitates their assimilation and adaptation.

Third, there are several mechanisms that could also decrease migrant SWB. Psychological distress from separation from one's family and friends (i.e., loss of social capital), culture shock, loss of cultural identity, changing reference norms, and rising expectations likely

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lower the perceived well-being of migrants. While these same issues are also likely to affect migrants from transition economies to the EU, they face far fewer barriers to returning to their home countries to visit than, for example, South-to-North migrants. Finally, time-use data on migrants from Central and Eastern Europe living in the UK and New Jersey demonstrate that immigrant men spent much time working and limited time with their families and immigrant women from Poland spent much time working in low-skilled jobs and less time socializing, leading to isolation (Ribar, 2013). Despite these opposite effects of migration on SWB, it seems that the positive channels dominate in this analysis sample.

8. Limitations

We acknowledge several limitations. First, despite the use of matching and DID, our results could suffer from selection bias. While movers and stayers are similar based on observable characteristics, a non-experimental technique cannot fully address selection bias from unobservables. Although we match on education, which is a proxy for ability, unobservable factors such as motivation and skills likely positively bias our results. While we cannot provide a precise estimate of the size of this bias, one study's findings imply that the migration gains we find are likely overstated by at least about 20 percent (McKenzie et al., 2010).²⁴

Second, while our empirical strategy explicitly addresses selection, it does not deal with endogeneity. Since we only have cross-sectional data, we cannot establish whether the positive well-being effects are because of migration or because respondents with greater a priori wellbeing are more likely to migrate. The research shows, however, that lower levels of life satisfaction are correlated with the migration decision for migrants from transition economies (Otrachshenko & Popova, 2014) and Latin America (Graham and Markowitz, 2011). The SWB gains from migration, therefore, are unlikely to be due to the positive SWB selection of migrants.

²⁴ Moreover, the empirical strategy is based on assumptions, some of which are untestable.

Third, since GWP is not specifically designed to study migrants, it has several limitations. GWP does not distinguish between voluntary and involuntary migrants, lacks information on year of arrival in the destination country and detailed information on return migration, which is problematic. Due to the limited number of observations, we do not distinguish between migrants who arrived in the host country in the past five years or later. Since the majority of immigrants are established, they could have simply adapted to living in the destinations. Fourth, caution is necessary when extrapolating these results to other countries and contexts. The well-being effects of migration likely differ depending on the migrant cohort studied, the destination countries, and the well-being metrics employed.

9. Policy Implications and Conclusion

This study asked whether migration improves the well-being of immigrants from transition economies who moved to advanced economies. Using cross-sectional data from the Gallup World Poll (GWP) and a methodology combining statistical matching with difference-indifferences, we show that migration enhances well-being. The mean household earnings premium is about 21,000 ID and the average life satisfaction benefit is about 1.0 -1.2 on a scale of 0-10. Movers from the EU-10 to the rest of the EU realize even larger SWB gains of up to 1.4 (1.8 when we exclude Bulgarians and Romanians). Moreover, migration increases freedom satisfaction by about 26-28 percent on average. The results are generally robust to several robustness checks.

The "happiness and migration" literature suggests that increases in income post-migration may be accompanied by declining happiness because of adaptation and rising aspirations. While migrants' (absolute) incomes increase, so do their expectations as they compare themselves to high-earning natives in the host countries. We find, however, that migrants from transition

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countries are in fact happier after they go abroad. This suggests that even if their reference norms and aspirations change, movers' objective and subjective quality of life improves post-migration. The relevance of these results for immigrants from other world regions is an empirical question for future research.

Although migration may have positive well-being effects while also allowing movers to escape the opportunity constraints at home, it is not a comprehensive development strategy. It does not solve deeply-rooted social problems such as corruption, misguided economic policies, and other market and government failures in the sending countries (De Haas, 2010). And while it may enhance individual well-being and autonomy, as we find, it may have negative consequences for the happiness of family members left behind (Borraz, Pozo, & Rossi, 2010; Jones, 2014). Future research is needed to understand if migration can enhance individual well-being without negative effects on the "common good" in the sending countries.

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Appendix

Birth Country	Freq.	Percent	Residence Country	Freq.	Percent
Romania	13	24.530	Italy	10	18.870
Poland	8	15.090	Germany	9	16.980
Bulgaria	4	7.550	Austria	7	13.210
Croatia	4	7.550	Spain	5	9.430
Estonia	3	5.660	Greece	5	9.430
Lithuania	3	5.660	Finland	3	5.660
Kosovo	3	5.660	France	2	3.770
Czech Republic	2	3.770	Sweden	2	3.770
Russia	2	3.770	Australia	2	3.770
Albania	2	3.770	Ireland	2	3.770
Serbia	2	3.770	Switzerland	2	3.770
Hungary	1	1.890	Netherlands	1	1.890
Georgia	1	1.890	Denmark	1	1.890
Moldova	1	1.890	Canada	1	1.890
Bosnia and Herzegovina	1	1.890	New Zealand	1	1.890
Macedonia	1	1.890			
Slovakia	1	1.890			
Slovenia	1	1.890			
Total	53	100.000	Total	53	100.000

Table A.1. Analysis Sample, Matching with Those Planning to Move, Source and Destination

 Countries

Source: Authors' calculations based on the Gallup World Poll, 2009-2013.

	Migrants After		Migrants	Before	Staye	rs After	Stayers Before	
				Std.				Std.
Variables	Mean	Std. Dev.	Mean	Dev.	Mean	Std. Dev.	Mean	Dev.
Outcome Variables								
Household Income (in 1,000 ID)	39.358	32.295	15.950	25.566	14.093	11.720	15.855	12.986
Household Income Per Household Member (in 1,000 ID)	18.052	14.136	7.499	8.436	6.777	6.792	6.898	5.752
Best Possible Life (BPL) (1-10)	6.245	1.890	5.981	2.414	5.981	2.374	5.302	2.180
Satisfaction with Freedom	0.717	0.455	0.585	0.497	0.698	0.463	0.698	0.463
Matching Variables								
Age	42.943	13.226	32.547	10.451	43.491	15.298	35.736	11.746
Female (1=Yes)	0.660	0.478	0.660	0.478	0.660	0.478	0.660	0.478
Catholic (1=Yes)	0.340	0.478	0.340	0.478	0.340	0.478	0.340	0.478
Protestant (1=Yes)	0.075	0.267	0.075	0.267	0.075	0.267	0.075	0.267
Orthodox (1=Yes)	0.472	0.504	0.472	0.504	0.472	0.504	0.472	0.504
Muslim (1=Yes)	0.075	0.267	0.075	0.267	0.075	0.267	0.075	0.267
No religion/Agnostic (1=Yes)	0.038	0.192	0.038	0.192	0.038	0.192	0.038	0.192
Elementary Education (1=Yes)	0.038	0.192	0.038	0.192	0.038	0.192	0.038	0.192
Completed Secondary Education (1=Yes)	0.660	0.478	0.660	0.478	0.660	0.478	0.660	0.478
Some College Education/College Graduate (1=Yes)	0.302	0.463	0.302	0.463	0.302	0.463	0.302	0.463

Table A.2. Summary Statistics, Analysis Sample, Matching with Those Planning to Move

Source: Authors' calculations based on the Gallup World Poll, 2009-2013.

Notes: The number of observations in each group is 53. All statistics are for 2009-2013 and show the number of observations, means, and standard deviations for each variable and for each migrant and non-migrant group. The means of the binary variables show the proportion of respondents in each category. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. The variable "Household Income Per Household Member" is constructed by dividing total household income (in 1,000s ID) by the number of household members.

Birth Country	Freq.	Percent	Residence Country	Freq.	Percent
Poland	26	32.910	Germany	21	26.580
Romania	25	31.650	Spain	15	18.990
Lithuania	9	11.390	Ireland	12	15.190
Hungary	6	7.590	Italy	10	12.660
Slovenia	6	7.590	Austria	10	12.660
Bulgaria	4	5.060	Greece	3	3.800
Czech Republic	1	1.270	France	2	2.530
Estonia	1	1.270	Sweden	2	2.530
Latvia	1	1.270	Denmark	2	2.530
			Belgium	1	1.270
			Finland	1	1.270
Total	79	100.000	Total	79	100.000

 Table A.3. EU Analysis Sample, Source and Destination Countries

Source: Authors' calculations based on the Gallup World Poll, 2009-2013.

Table A.4. Summary	y Statistics.	EU A	nalysis	Sample
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	Migrants After		Migrants Before		Stayers After		Stayers Before	
	Group 1		Group 2		Group 3		Group 4	
Variables	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.	Mean	Std. Dev.
Outcome Variables								
Household Income (in 1,000s ID)	31.337	26.658	14.578	16.114	14.573	9.625	15.706	18.609
HH Income Per HH Member (in 1,000s ID)	16.139	15.574	5.902	5.995	6.250	3.820	7.319	7.090
Best Possible Life (BPL) (1-10)	6.405	1.971	4.848	2.248	5.557	2.459	5.797	2.127
Satisfaction with Freedom	0.886	0.320	0.595	0.494	0.671	0.473	0.658	0.477
Matching Variables								
Age	41.937	12.504	40.139	13.068	43.241	11.340	40.848	12.356
Female (1=Yes)	0.557	0.500	0.557	0.500	0.557	0.500	0.557	0.500
Catholic (1=Yes)	0.582	0.496	0.582	0.496	0.582	0.496	0.582	0.496
Protestant (1=Yes)	0.025	0.158	0.025	0.158	0.025	0.158	0.025	0.158
Orthodox (1=Yes)	0.354	0.481	0.354	0.481	0.354	0.481	0.354	0.481
No religion/Agnostic (1=Yes)	0.038	0.192	0.038	0.192	0.038	0.192	0.038	0.192
Elementary Education (1=Yes)	0.089	0.286	0.089	0.286	0.089	0.286	0.089	0.286
Completed Secondary Education (1=Yes)	0.747	0.438	0.747	0.438	0.747	0.438	0.747	0.438
Some College Education/								
College Graduate (1=Yes)	0.165	0.373	0.165	0.373	0.165	0.373	0.165	0.373

Source: Authors' calculations based on the Gallup World Poll, 2009-2013.

Notes: The number of observations in each group is 53. All statistics are for 2009-2013 and show the number of observations, means, and standard deviations for each variable and for each migrant and non-migrant group. The means of the binary variables show the proportion of respondents in each category. Household income is in 1,000s of international dollars (ID), which allows comparisons across countries and time. The variable "Household Income Per Household Member" is constructed by dividing total household income (in 1,000s ID) by the number of household members.

Mean								
Variable	Treated	Control	% Bias	t-stat	p-value			
Age	43.083	43.325	-1.400	-0.170	0.869			
Age Squared	2150.000	2119.900	1.800	0.210	0.832			
Female	0.683	0.635	9.700	1.130	0.260			
Elementary Education	0.075	0.083	-2.800	-0.330	0.742			
Completed Secondary Education	0.575	0.579	-0.800	-0.090	0.928			
Some College Education/College	0.240	0.227	2 (00	0.200	0.770			
Graduate	0.349	0.337	2.600	0.280	0.779			
Lungom	0.048	0.043	0.000	0.000	1.000			
Hungary	0.012	0.012	0.000	0.000	1.000			
Czech Republic	0.028	0.028	0.000	0.000	1.000			
Romania	0.052	0.052	0.000	0.000	1.000			
Belarus	0.008	0.008	0.000	0.000	1.000			
Georgia	0.067	0.067	0.000	0.000	1.000			
Kazakhstan	0.040	0.040	0.000	0.000	1.000			
Kyrgyzstan	0.008	0.008	0.000	0.000	1.000			
Moldova	0.063	0.063	0.000	0.000	1.000			
Russia	0.282	0.282	0.000	0.000	1.000			
Ukraine	0.063	0.063	0.000	0.000	1.000			
Albania	0.111	0.111	0.000	0.000	1.000			
Armenia	0.028	0.028	0.000	0.000	1.000			
Bosnia and Herzegovina	0.028	0.028	0.000	0.000	1.000			
Bulgaria	0.044	0.044	0.000	0.000	1.000			
Croatia	0.012	0.012	0.000	0.000	1.000			
Estonia	0.024	0.024	0.000	0.000	1.000			
Latvia	0.012	0.012	0.000	0.000	1.000			
Lithuania	0.016	0.016	0.000	0.000	1.000			
Macedonia	0.016	0.016	0.000	0.000	1.000			
Serbia	0.020	0.020	0.000	0.000	1.000			
Slovakia	0.008	0.008	0.000	0.000	1.000			
Slovenia	0.004	0.004	0.000	0.000	1.000			
Uzbekistan	0.008	0.008	0.000	0.000	1.000			
Catholic	0.190	0.187	1.100	0.110	0.910			
Protestant	0.135	0.083	17.200	1.860	0.063			
Christianity: Orthodox	0.393	0.488	-20.600	-2.160	0.031			
Islam/Muslim	0.111	0.095	4.600	0.580	0.559			
Judaism	0.008	0.008	0.000	0.000	1.000			
No Religion/Agnostic	0.147	0.111	14.400	1.200	0.232			
Christian	0.016	0.028	-6.900	-0.910	0.361			
Year 2009	0.111	0.111	0.000	0.000	1.000			
Year 2010	0.143	0.143	0.000	0.000	1.000			
Year 2011	0.587	0.587	0.000	0.000	1.000			
Year 2012	0.159	0.159	0.000	0.000	1.000			
Mean Bias	Before After	21.488						
	131101	1.000						

 Table A.5. Balancing Tests, Return Migration Matching, Nearest Neighbor Matching Without Replacement, Caliper=0.01

Mean						
Variable	Treated	Control	% Bias	t-stat	p-value	
Age	40.711	40.474	1.400	0.100	0.921	
Age Squared	1884.000	1842.600	2.500	0.180	0.854	
Female	0.711	0.684	5.300	0.350	0.726	
Elementary Education	0.053	0.053	0.000	0.000	1.000	
Completed Secondary Education	0.632	0.632	0.000	0.000	1.000	
Some College Education/College Graduate	0.316	0.316	0.000	0.000	1.000	
Poland	0.053	0.053	0.000	0.000	1.000	
Romania	0.026	0.026	0.000	0.000	1.000	
Georgia	0.132	0.132	0.000	0.000	1.000	
Kazakhstan	0.013	0.013	0.000	0.000	1.000	
Kyrgyzstan	0.013	0.013	0.000	0.000	1.000	
Moldova	0.066	0.066	0.000	0.000	1.000	
Russia	0.368	0.368	0.000	0.000	1.000	
Ukraine	0.053	0.053	0.000	0.000	1.000	
Albania	0.039	0.039	0.000	0.000	1.000	
Armenia	0.079	0.079	0.000	0.000	1.000	
Bosnia and Herzegovina	0.039	0.039	0.000	0.000	1.000	
Bulgaria	0.013	0.013	0.000	0.000	1.000	
Estonia	0.026	0.026	0.000	0.000	1.000	
Latvia	0.039	0.039	0.000	0.000	1.000	
Lithuania	0.026	0.026	0.000	0.000	1.000	
Slovenia	0.013	0.013	0.000	0.000	1.000	
Religion: Other	0.013	0.000	29.500	1.000	0.319	
Catholic	0.105	0.118	-3.800	-0.260	0.799	
Protestant	0.079	0.079	0.000	0.000	1.000	
Christianity: Orthodox	0.579	0.658	-17.100	-1.000	0.320	
Islam/Muslim	0.079	0.079	0.000	0.000	1.000	
Buddhism	0.013	0.000	52.500	1.000	0.319	
Judaism	0.013	0.013	0.000	0.000	1.000	
No Religion/Agnostic	0.066	0.039	10.600	0.720	0.471	
Christian	0.053	0.013	22.900	1.360	0.175	
Year 2009	0.066	0.066	0.000	0.000	1.000	
Year 2010	0.158	0.158	0.000	0.000	1.000	
Year 2011	0.618	0.618	0.000	0.000	1.000	
Year 2012	0.158	0.158	0.000	0.000	1.000	
Mean Bias	Before	21.488				
	After	2.912				

Table A.6. Balancing Tests, Return Migration Matching, Nearest Neighbor Matching Without Replacement,
Caliper=0.0001

Mean								
Variable	Treated	Control	% Bias	t-stat	p-value			
Age	38.310	38.238	0.500	0.030	0.979			
Age Squared	1629.100	1600.500	2.100	0.130	0.899			
Female	0.405	0.429	-5.000	-0.220	0.827			
Elementary Education	0.000	0.024	-15.700	-1.000	0.320			
Completed Secondary Education	0.738	0.810	-15.300	-0.780	0.440			
Some College Education/College								
Graduate	0.262	0.167	20.700	1.060	0.293			
Georgia	0.286	0.286	0.000	0.000	1.000			
Kyrgyzstan	0.095	0.095	0.000	0.000	1.000			
Russia	0.286	0.286	0.000	0.000	1.000			
Ukraine	0.214	0.214	0.000	0.000	1.000			
Armenia	0.048	0.048	0.000	0.000	1.000			
Azerbaijan	0.071	0.071	0.000	0.000	1.000			
Mean Bias	Before	46.597						
	After	3.488						

Table A.7. Balancing Tests, Return Migration Matching, Nearest Neighbor Matching Without

 Replacement, Caliper=0.01