The impacts of mobile phone coverage expansion and personal networks on migration: evidence from Uganda

Megumi Muto Japan International Cooperation Agency

January 2009

Abstract

Personal networks can help rural workers find urban jobs. Moreover, when the information flow increases due to the mobile phone coverage expansion, the new information flow may strengthen the existing personal networks or bypass them, helping those who were previously outside the networks in the latter case. We examine the combined impact of mobile phone coverage expansion and personal networks by using panel data of 856 households in 94 communities in rural Uganda, where the number of communities covered by mobile phone coverage increased from 41 to 87 communities over a two-year period between first and second surveys in 2003 and 2005, respectively. We first find that, when the household head's ethnicity belongs to a larger ethnic group in Kampala, an individual's chance of leaving his or her rural village to find a job increases while controlling for the distance from Kampala and other variables. The mobile phone network expansion increases the chance of choosing migration to find a job, and this impact is larger for individuals who belong to a larger ethnic group in Kampala. These findings suggest that mobile phone coverage strengthens the existing majority ethnic network with regard to the decision to migrate to find a job.

Keywords: Africa; Networks; Information; Migrants

JEL Classifications: J21 J61 O15

Corresponding author: Megumi Muto

Address: 10-5, Ichigaya Honmura-cho, Shinjuku-ku, Tokyo 162-8433, Japan

Tel: +81-3-3269-2912 Fax: +81-3-3269-2054

E-mail:Muto.Megumi@jica.go.jp