

# Migration in Kenya: Beyond Harris-Todaro

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This paper examines the impact of agrarian structures on the migration behavior and destination of rural household heads and individuals in Kenya. To explore the complexity of migration we extend the standard Harris-Todaro framework to account for land inequality and size as well as type of destination. Using probit regressions, we show that Kenyan household heads born in districts with higher land inequality, smaller per capita land and lower per capita rural income are more likely to migrate. We show that for individuals whose incomes are squeezed by larger land inequality, migration from villages to, smaller cities, and villages in different districts could be a preferable strategy to migrating to Greater Nairobi. The impact of land inequality is larger for male than female migration and insignificant for females' rural-to-rural migration. Moreover, the level of education, age, marital status, gender, religion and distance to Nairobi play a role in migration behavior.

Keywords: migration, distribution, agrarian structures, Kenya, education.

JEL Classification Numbers: O15, Q15, O12, O55

## **1. Introduction**

It's widely accepted that the expected urban and rural incomes are important factors in determining rural-to-urban migration. Harris and Todaro (1970) and many others (for example, Cole and Sanders, 1985; Fields, 1975, 2005) have theoretically shown that migration of rural dwellers to urban towns or cities is due to better employment opportunities and/or higher wages. Empirical case studies based on micro data also find that expected urban and rural incomes are crucial determinants of rural-to-urban migration (Zu, 2002; Tunalı, 1996; Bowles, 1970; Fields, 1982; Schultz, 1982). Similar results are shown in empirical studies focusing on migration in Kenya (Agesa, 2000; 2001; Agesa and Agesa, 1999; Bigsten, 1996; Gray, 2011).

Unlike the previous empirical work, this is the first study that examines the impact of land distribution on the migration behavior and destination together with the influence of per capita land holdings in a rural area. Higher land inequality in a region suppresses agricultural income of rural median households and pushes them to other areas (Harris, 1978; De Janvry, 1981; Galeano, 2009; Oyvat; 2016). Using the Kenya Integrated Household Budget Survey conducted for 2005/2006 (KIHBS 05/06) and the Rural Labor Force Survey of 1988 (RLFS 88), we find that the rural dwellers who were born in areas with higher land inequality, lower per capita land and lower per capita rural income are more likely to migrate. In effect transmitting, the poverty and inequality in a village to other areas through the migration process (Oyvat, 2016).

The dominance of the Harris-Todaro model has led to the neglect of the examination of other destinations of migration. With a few exceptions (McCormick and Wahba, 2005), the empirical works on migration within the developing countries focus on rural-to-urban migration and tend to ignore rural-to-rural migration. Further, the urban destination is often treated as being homogenous apart from wage differentials. In reality, we know that capital

cities or large urban centers are very different in terms of opportunities and costs of settlements, and amenities than smaller urban centers. In this study, we show that higher land inequality in rural household heads' home districts increase their probability of migrating to other villages, smaller cities or towns, but not Greater Nairobi<sup>1</sup>. However, due to higher living costs (Mudege and Zulu, 2011; Béguy, Bocquier and Zulu, 2010), uneven distribution of infrastructure and the insecure environment in Nairobi (Archambault, De Laat and Zulu, 2012); a framework based on distribution and expected incomes is weak in explaining the migration from rural villages to Greater Nairobi.

Compared to rural-to-rural and rural-to-smaller urban center migration, the years of education have significantly larger influence on migration from villages to Nairobi. The rural dweller's age only reduces the probability of rural-to-urban migration; it does not significantly decrease the probability of rural-to-rural migration. We also find that distance to Nairobi significantly affects migration destination with the exception of migration to Greater Nairobi.

The paper proceeds as follows: The next section explains migration trends in Kenya and then discusses the factors that would influence rural dwellers' migration towards different areas. The third section contains the empirical analysis testing the theories on migration, and the last section concludes.

## **2. Characteristics of migration in Kenya**

### ***2.1 The Kenyan economy and structures of migration***

Understanding the nature of migration in Kenya requires an understanding of the structure of the contemporary Kenyan economy. The genesis of the contemporary economy is found in the colonial period beginning in the late 19<sup>th</sup> century. Prior to colonialism, the economy in this region of East Africa was dominated by subsistence farming, pastoral production, and

long distance trade. While local markets existed it is safe to assume that in most instances markets were used to trade surplus goods from self-provisioning production with the exception of a few key goods in the long-distance trade, such as ivory which was produced specifically for the market. This type of economy tended to produce few high-density agglomerations apart from the port cities through which the long distance trade was connected to the rest of the world (Ehret, 1984; Matveiev, 1984; Ogot, 1984; Kitching, 2011).

Colonialism reorganized the economy in a number of crucial ways. First, by minimizing access to land for Africans it created a laboring class that needed wage employment to survive. Second, through the creation of areas of capitalist farms and their attendant agro-processing industries and services, it increased the degree of urbanization throughout the economy (Kitching, 2011). Despite these profound changes colonialism and the post-independence 'modern' economy has not completely eradicated the self-provisioning sector. The result is that the Kenyan economy is characterized by enclaves consisting of capital-intensive capitalist farming, a small manufacturing and agro-processing sector and a relatively large administrative and service sector in a sea of smallholder farming (wa Gĩthinjĩ 2010).

This smallholder sector tends to be the primary source and reserve of labor for the economy. During the colonial period, a strict control of migration to the other sectors was put in place through the internal passport or *kipande* system. This policy was put in place both as a control of wages as well as to ensure that there was sufficient labor for the new capitalist enterprises (Anderson, 2000). This control resulted in a heavily male skewed migrant population and established the tradition of male migration with families being left in the rural areas under the wife. This accounts for the high number of female-headed rural households in Kenya, which are about 30 per cent of the rural population (wa Gĩthĩnji, Konstantinidis, and Barenberg, 2014). The process of migration from the rural smallholder sector to the centers

of economic activity in the so-called "white highlands" where the capitalist farms were situated and the new colonial urban centers which housed rudimentary manufacturing and agro-processing industries, as well as a large retail and service sector, continued in the post-independence period. It is in the context of the relatively large movements from the rural smallholder sector to the urban centers after the lifting of migration control in post-independence Kenya that the Harris-Todaro model that became the standard theoretical foundation of migration in developing countries was developed<sup>2</sup>.

**Figure 1 here**

### ***2.2 Contemporary patterns of migration.***

Similar to the majority of the developing countries (UNDP, 2009), Kenya has seen increased levels of migration and urbanization from the 1960's<sup>3</sup>. Although there was a small deceleration during the 1980s in the rate of urbanization (Figure 1), the share of the urban population in Kenya increased in each period. Between 1960 and 2014, the share of population living in Kenyan urban areas rose from 7.4% to 25.2%. As is evident from the figures despite the rapid rate of growth of urban centers, Kenya is still a rural country. Its level of urbanization is lower on average than the level of urbanization in Sub-Saharan Africa and/or lower income countries.

**Figure 2 here**

Unlike many other Sub-Saharan countries, Kenya did not experience a serious wave of first-city bias and agglomeration. The level of agglomeration- share of population living in the cities of more than 1 million population- was only 10.8% by 2014. This includes the share of population living in Kenya's two main cities- Nairobi and Mombasa<sup>4</sup>. As shown in Figure 2,

the level of agglomeration grew slower in Kenya than the Sub-Saharan countries, and over the entire period was roughly the same as that of low income group of countries.

In addition to rural to urban migration, rural-to-rural migration is also a very important and understudied phenomenon in Kenya. Using KIHBS (05/06), Table 1 exhibits the share of final destination of rural-born individuals. According to Table 1, 75.25% of household heads live in the rural areas in their origin district. 11.70% of the rural-born individuals migrated to villages in the other districts. On the other hand, the share of rural-born individuals migrating to urban areas is 13.05%. Migration to Greater Nairobi is only 5.41%. These figures are consistent with Figure 2, and demonstrate that migration to urban areas other than Nairobi is a bigger phenomenon in Kenya than rural-to-Nairobi migration.

**Table 1 here**

As shown above there are differences in migration destinations exemplifying the complexity of migration destination (wa Gĩthũnji 2000). For example, small urban centers which are dominated mainly by trading activities may be different from larger towns and cities that also have large government employment or/and significant employment in manufacturing or agro-processing plants. In rural areas, destinations may differ depending on the kind of agriculture that dominates (for example, plantation versus smallholder farms or pastoral versus farming). These differences would affect the availability of opportunities for different migrants.

Over time there has been a distinct shift in migration patterns. The share of those going to urban areas has increased while those migrating to other rural areas decreased. Within urban areas Greater Nairobi and the other large cities have also over time become more important relative to other urban areas. We should note the jump in rural to urban

migration for the post 1980 period. A fact probably attributable to the rapid expansion of schools immediately after independence in 1963 and the graduation of the first generation of rural Kenyans with access to these schools<sup>5</sup>. Rural-to-rural migration has remained important throughout the period and in 2000-2005 still accounted for over 40 per cent of the total migration. The share of rural born individuals migrating to the larger cities significantly increased following the 1980s (Figure 3). However, rural born individuals' migration to rural areas and smaller urban areas has been more important in Kenya even in 2000s. During the period of 2000-2005, 55.72% of rural born migrants moved to villages and to the smaller urban areas other than the five most populated urban areas; whereas, 26.32% moved to the greater Nairobi area. Last, migration in Kenya is mainly done by younger individuals. Regardless of the migration destination, the majority of migrants moved to their final location between ages 17-40 (Table 2).

**Figure 3 here**

**Table 2 here**

### ***2.3 What influences the migration behavior?***

Several factors including age, years of education, marital status, family relations, culture, access to services, disasters, conflicts etc. may influence migration decisions. Nevertheless, urbanization is mostly stimulated by changing income opportunities in both urban and rural areas. Industrialization has resulted in an increase in opportunities in urban areas relative to rural areas leading to increased urbanization. Historically, the rate of urbanization has accelerated with capitalist development. The percentage of the world population living in cities of 20,000 or more was only 2.4% in 1800. It increased to 9.2% in 1900 and to 20.9% in

1950 (Davis, 1955). Most growth of the world urban population during this period occurred in countries that were early industrializers.

In the underdeveloped world, the growth of industry was slow until the 1950s. During 1925–50 only 10% of the rural population moved to the urban areas in the developing countries for which data are available (Araghi, 1995). From 1950 to 1975, the percentage of the rural population that moved to the urban sector jumped to 25%. This change may be due in part to the emerging industrial policies<sup>6</sup> and the availability of cheap food reducing the costs of labor. In addition, push factors such as the spread of labor-saving technologies in agriculture (De Janvry, 1981 and Köymen, 2008), the destruction of “z-goods” production<sup>7</sup> (Hymer and Resnick, 1969), and an urban bias in national policies (Lipton, 1976 and Williamson, 1988) might have stimulated urbanization in developing economies.

A variety of models (Cole and Sanders, 1985; Fields, 1975, 2005) following the approach of Harris-Todaro (1970) explain the migration through differences in expected incomes. This framework is also supported by several empirical studies (Zhu, 2002; Davies, Greenwood and Li, 2001; Tunalı, 1996; Bowles, 1970; Fields, 1982; Schultz, 1982).

In the Harris-Todaro framework a rural individual’s probability of moving from  $i$  to  $j$  could be written as

$$P_{ij} = f\left(\frac{g_j}{L_j}h_j - S_i\right) > 0, \quad 0 < P_{ij} < 1 \quad (1)$$

where  $h_j$  is an employed migrant’s expected income,  $g_j$  is employment  $j$ ,  $L_j$  is the labor force in  $j$  and  $S_i$  is expected income in the rural area  $i$ .

In parallel to Harris-Todaro, several studies show that the expected urban-rural incomes are important factors behind the migration in Kenya. Agesa (2000, 2001) points out that in Kenya the gap between expected urban and rural wages and higher levels of education create incentives for rural-to-urban migration as the returns for higher productivity are greater in cities. Agesa and Agesa (1999) similarly show that Kenyan females have smaller incentives



for migrating as the urban-rural wage gap is greater for males. Using a probit model, Agesa and Agesa (2005) examine the factors behind rural-to-urban migration in Kenya. They find that the difference between the expected wages for migrants in urban areas and non-migrants in rural areas significantly increase the likelihood of rural-to-urban migration for males; however, rural-urban earnings gap does not have a significant effect on the migration behavior of females.

Another study specifically focusing on circular migration of rural dwellers in Kenya (Bigsten, 1996) finds that high wages in cities influence rural dwellers' migration decision; whereas land ownership does not have a significant effect. On the contrary, Agesa (2001) and Gray (2011) show that greater land area reduces rural dwellers' probability of permanent migration from rural to urban in Kenya. Gray also points that soil degradation in Kenya stimulates rural-to-urban temporary migration.

The influence of expected rural incomes on migration is also shown by the Kenyan data used in this study. For household heads, 80.5% of migration to cities/town and 59.9% of migration to other villages is explained by job and income related reasons such as starting a new business, looking for new work or land (Table 3).

**Table 3 here**

The impact of job and income related on migration behavior is more obvious for male individual than females. 70.8% of rural born adult male migrants left their home districts for job and income related reasons; whereas, this ratio is only 28.8% for adult female migrants. 46.7% of rural born adult females migrated due to marriage and 17.2% of rural born female migrants moved to other areas to live or to move with their parents or relatives. Family reasons could still be highly related with household heads' migration decisions based on job and income related reasons. Although many of the non-household heads migrated to live with

their families, earning higher incomes might be the reason behind the migration of their families.

#### ***2.4 Land inequality as a cause for migration***

The simplified framework in Harris-Todaro assumes that the rural sector is formed by identical agents receiving equal wages<sup>8</sup>; hence, it does not consider land inequality's impact on the migration behavior. A number of studies of Latin America economies point out that the inequalitarian agrarian structure in Latin America reduces the incomes of the peasant masses and pushes the rural dwellers to other areas (mainly cities) thus contributing to the faster growth of urban population (e.g. Harris, 1978; De Janvry, 1981; Galeano, 2009). The urbanization in Latin America increases with the rapid spread of labor saving technologies in the rural sector, which leave the cheap labor in plantations unemployed.

Similarly studies on Korea (Amsden, 1989, 1990) and Turkey (Keyder, 1987) claim that the relatively egalitarian land structure and predominance of family farms in these countries made staying in agriculture a better option for peasant masses and limited mass migration. In summary, for the same per capita urban and rural incomes, there will be greater urbanization in countries whose land distribution is more unequal. This congestion in cities pulls down wages, especially for unskilled urban workers.

Based on Harris-Todaro's (1970) theoretical framework, Oyvat (2016) theoretically shows that a larger land inequality suppresses the incomes of rural poor and pushes them to the urban areas. This creates a larger reserve army of labor in the urban areas thus transforming and transmitting rural land inequality into urban inequality. Oyvat supports his argument with an empirical analysis exhibiting that an increase in the land Gini coefficient leads to higher levels of urbanization and urban income inequality at the cross-country level.

The behavior in migration towards larger cities might be different, because migration is not only a survival strategy for household. The “lights of cities” in Kenya might create extra incentives for migration (Agesa, 2001). The facilities in the larger city centers like Nairobi might pull higher income rural dwellers to those cities. This can be observed in Table 3, which shows that the share of migrants who moves to Greater Nairobi for better healthcare and education facilities is significantly larger (11.1%) compared to migration towards other areas. It may also be the case that the cost of migration and settlement to larger cities is significantly higher. So extremely high land inequality, which tends to be correlated with high rural poverty, may result in lower migration to large urban centers than moderately high land inequality.

Rich and poor migrants do not have equal opportunities to access healthcare, education facilities, and other amenities in the larger cities. Béguy, Bocquier and Zulu (2010) show that households living in urban slums of Nairobi suffer from lacking education, water infrastructure and Archambult, De Laat and Zulu (2012) demonstrate that slums in Nairobi significantly lack electricity and sewage systems<sup>9</sup>. The slum dwellers also face bad health conditions due to the environmental destruction caused by industries around Nairobi (Mudege and Zulu, 2011) and lack of access to health services (Zulu et. al, 2011). Indeed, the infant mortality rates in Nairobi’s slums were greater than the infant mortality rates in both urban and rural Kenya (Emina et. al, 2011)<sup>10</sup>. Moreover, based on interviews, Archambult, De Laat and Zulu (2012) indicate that the overwhelming majority in Nairobi’s slums perceive widespread crime and practices like use of drugs as a strong disadvantage for raising children in Nairobi. Indeed, many of the slum dwellers believe that their home villages provide a more secure environment for their children. Households in the slums of Nairobi also suffer from high living costs and rising rents (Mudege and Zulu, 2011), which makes migration of poorer rural dwellers less desirable. Indeed, Béguy, Bocquier and Zulu (2010) show that the

households who live in Nairobi's slums are more likely to leave Nairobi when they do not own a house. This suggests that the migration of the poor to larger cities is less likely to be permanent.

To examine the impact of land inequality on migration, we extend the Harris-Todaro (1970) model to account for land inequality. In our model, the agrarian structure is formed by  $N_S$  of small farmers ( $S$ ) and  $N_L$  of large farmers ( $L$ ). The total income of small farmers ( $Y^{Si}$ ) in  $i$  is determined by total land ( $T_{Si}$ ), total capital ( $K_{Si}$ ) and total number of small farmers ( $N_{Si}$ ) as:

$$Y^{Si} = a_0(T_{Si})^{a_1}(K_{Si})^{a_2}(N_{Si})^{a_3} \quad (2)$$

where

$$0 < a_0, \quad 0 < a_1, \quad 0 < a_2, \quad 0 < a_3 \quad (3)$$

Similarly total income of large farmers ( $Y^{Li}$ ) in  $i$  is a function of total land ( $T_{Li}$ ), total capital ( $K_{Li}$ ) and total number of larger farmers ( $N_{Li}$ ).

$$Y^{Li} = b_0(T_{Li})^{b_1}(K_{Li})^{b_2}(N_{Li})^{b_3} \quad (4)$$

where

$$0 < b_0, \quad 0 < b_1, \quad 0 < b_2, \quad 0 < b_3 \quad (5)$$

Considering that  $\psi^{Li}$  and  $\psi^{Si}$  are respectively product per land in small and large farms in  $i$ , we can rewrite the total incomes of small and large farms in  $i$  as

$$Y^{Si} = T_{Si}\psi^{Si}(T_{Si}, K_{Si}, N_{Si}) \quad (6)$$

$$Y^{Li} = T_{Li}\psi^{Li}(T_{Li}, K_{Li}, N_{Li}) \quad (7)$$

We assume that the total production in small and large farms equally shared by identical farmers. Therefore, per capita income of small farmers ( $y^{Si}$ ) and per capita income of large farmers ( $y^{Li}$ ) in  $i$  are

$$y^{Si} = \frac{T_{Si}\psi^{Si}(T_{Si}, K_{Si}, N_{Si})}{N_{Si}} \quad (8)$$

$$y^{Li} = \frac{T_{Li}\psi^{Li}(T_{Li}, K_{Li}, N_{Li})}{N_{Li}} \quad (9)$$

Similar to Harris and Todaro (1970), the migration behavior is determined by the expected incomes in the origin and the migration destination. The probability function of moving from  $i$  to  $j$  for a small farmer in  $i$  is

$$P_S^{ij} = f^S \left( E(Y^j) - \frac{T_{Si}\psi^{Si}(T_{Si}, K_{Si}, N_{Si})}{N_{Si}}, C_{ij}, D_{ij} \right) > 0, \quad 0 < P_S^{ij} < 1, \quad (10)$$

$$f_1^S > 0, \quad f_2^S < 0, \quad f_3^S < 0 \quad (11)$$

and for a large landlord in  $i$  is

$$P_L^{ij} = f^L \left( E(Y^j) - \frac{(T_i - T_{Si})\psi^{Li}(T_i - T_{Si}, K_{Li}, N_{Li})}{N_{Li}}, C_{ij}, D_{ij} \right) > 0, \quad 0 < P_L^{ij} < 1, \quad (12)$$

$$f_1^L > 0, \quad f_2^L < 0, \quad f_3^L < 0 \quad (13)$$

where  $E(Y^j)$  is the expected income in migration destination  $j$ . The migration destination can either be rural or urban.  $C_{ij}$  is the cost of migration for moving from  $i$  to  $j$ . The cost of migration for rural dwellers is not only the monetary cost of settling in an urban place but also the psychological cost of the change in lifestyle. Factors such as distance to migration destination or settlement costs in  $j$  might increase  $C_{ij}$  and create a disincentive for migration.  $T^i$  is total agricultural land in  $i$  and the land that is not used by small farmers constitutes the land of large farmers in  $i$  ( $T_i - T_{Si} = T_{Li}$ ).

$D_{ij}$  is the disutility that the households will face in the metropolitan areas due to lack of access to public goods and services and public bads such as high rates of crime and environmental degradation.  $D_{ij} = 0$ , when  $j$  is not a metropolitan area. The disutility of living in a metropolitan area declines with individuals' initial land, since public bads and lack of

access to public goods and services will be a greater problem for poorer households as discussed above. Hence, when  $j$  is a metropolitan area,  $D_{ij}$  is

$$D_{ij} = D_{ij}(S_i), \quad D'_{ij} < 0 \quad (14)$$

where the term  $S_i$  is  $y^{Si}$  for the small and  $y^{Li}$  for the large farmers

If the share of small farmers in total farmers in  $i$  is  $\lambda^i = N_{Si}/(N_{Si} + N_{Li})$  the probability of migrating from  $i$  to  $j$  for a random farmer in  $i$  becomes:

$$P^{ij} = \lambda^i f^S + (1 - \lambda^i) f^L \quad (15)$$

Under the assumption that the total land in  $i$  is constant ( $T_i^*$ ), we can show the impact of increasing land share of small farmers ( $T_{Si}/T_i^*$ ) on initial migration behavior as

$$\begin{aligned} \frac{dP^{ij}}{d(T_{Si}/T_i^*)} = & \frac{T_i^*}{N_{Si} + N_{Li}} \left( f_1^L (\psi_1^{Li} T_{Li} + \psi^{Li}) - f_1^S (\psi_1^{Si} T_{Si} + \psi^{Si}) \right. \\ & \left. - D'_{ij} \left( f_3^L (\psi_1^{Li} T_{Li} + \psi^{Li}) - f_3^S (\psi_1^{Si} T_{Si} + \psi^{Si}) \right) \right) \end{aligned} \quad (16)$$

$e_{Li}$  and  $e_{Si}$  are land size elasticities of land productivity for large and small farms respectively and we define them as

$$e_{Li} = \psi_1^{Li} T_{Li} / \psi^{Li} \quad (17)$$

$$e_{Si} = \psi_1^{Si} T_{Si} / \psi^{Si} \quad (18)$$

Hence, the effect of increasing land share of small farmers on migration behavior is

$$\begin{aligned} \frac{dP^{ij}}{d(T_{Si}/T_i^*)} = & \frac{T_i^*}{N_{Si} + N_{Li}} \left( f_1^L \psi^{Li} (1 + e_{Li}) - f_1^S \psi^{Si} (1 + e_{Si}) + D'_{ij} (f_3^L \psi^{Li} (1 \right. \\ & \left. + e_{Li}) - f_3^S \psi^{Si} (1 + e_{Si})) \right) \end{aligned} \quad (19)$$

Moreover, the relationship between the share of small farmers ( $T_{Si}/T_i^*$ ) and land Gini coefficient ( $G_i$ ) in a district can be written as an identity equation (Appendix 1).

$$\frac{d(T_{Si}/T_i^*)}{dG_i} = \frac{1}{\varphi_i} < 0 \quad (20)$$

where

$$\varphi_i = \frac{dG_i}{d(T_{Si}/T_i^*)} = -\frac{(N_{Li}N_{Si}T_i^*)y^{Si}y^{Li}}{(N_{Li}y^{Li} + N_{Si}y^{Si})^2} \left( \frac{1 + e_{Li}}{T_{Li}} + \frac{1 + e_{Si}}{T_{Si}} \right) < 0 \quad (21)$$

Therefore, the effect of increasing land Gini coefficient on migration behavior is

$$\begin{aligned} \frac{dP^{ij}}{dG_i} = & \left( \frac{T_i^*}{N_{Si} + N_{Li}} (f_1^L \psi^{Li} (1 + e_{Li}) - f_1^S \psi^{Si} (1 + e_{Si})) - D'_{ij} (f_3^L \psi^{Li} (1 + e_{Li}) \right. \\ & \left. - f_3^S \psi^{Si} (1 + e_{Si})) \right) \frac{1}{\varphi_i} \end{aligned} \quad (22)$$

We first discuss the case that the migration destination  $j$  is not a metropolitan area, which would make  $D'_{ij} = 0$ . In this case, the sign of  $dP^{ij}/dG_i$  is ambiguous and depends on the average land productivities, the farm size elasticities of land productivities in small and large farms and changing income's impact on the migration behavior of small and large farmers. The previous empirical work on the land productivity and migration might be suggestive of the sign of  $dP^{ij}/dT^{Si}$  for Kenya. A considerable number of studies (for example, Cornia, 1985; Heltberg, 1998; Masterson, 2007; Ünal, 2012) for various countries find an inverse relationship between land size and land productivity. For Kenya, wa Gĩthĩnji, Konstantinidis and Barenberg (2014) empirically find that smaller farms have significantly higher land productivity. Therefore, we expect the average land productivity of small farms in Kenya to be greater ( $\psi^{Si} > \psi^{Li}$ ).

However, wa Gĩthĩnji, Konstantinidis and Barenberg (2014)'s empirical estimations on Kenya exhibits a convex relationship between land size and land productivity, which suggests that the negative impact of larger land size on land productivity diminishes for larger land<sup>11</sup>. Therefore,  $e_{Si}$  might be smaller than  $e_{Li}$ , which would make the sign of  $dP^{ij}/dG_i$  ambiguous. Although the land productivity for large farms is expected to be smaller, a redistribution towards small farms could still reduce overall productivity. The reason for this

is that an increase in the size of small farms could reduce their land productivity more than an increase in the land productivity of the larger farms.

Nevertheless, using cross-country evidence, Vollrath (2007) points out that the land productivity is greater in countries with smaller land inequality. Vollrath's empirical findings support the claim that a land redistribution in favor of small farms would increase overall land productivity and suggest  $\psi^{Li}(1 + e_{Li}) < \psi^{Si}(1 + e_{Si})$  condition would hold.

The magnitude of the impact of changing expected incomes on large and small farmers' migration behavior ( $f_1^L$  and  $f_1^S$  respectively) is the third factor that determines the sign of  $dP^{ij}/dT^{Si}$ . A number of works (for example, Harris, 1978; De Janvry, 1981; Galeano, 2009; Amsden; 1989, 1990; Oyvat, 2016) that discuss the relationship between agrarian structures and migration associate the changes in agrarian structures with the migration lower income peasants. Agesa and Agesa (2005) and Gray (2011)'s estimations on Kenya reflect the nonlinearities between migration likelihood and land area relationship in Kenya, which might show whether changing expected incomes have a larger influence on the migration behavior of smaller or larger farmers. For male individuals, Agesa and Agesa (2005) exhibit a positive and concave relationship between urban-rural earnings ratio and the probability of rural-to-urban migration. This suggests that an increase in the rural incomes affects the migration behavior of richer farmers less than poor farmers<sup>12</sup>. Similarly, Gray's (2011) estimations on Southwest Kenya also suggest that greater land size reduces probability of migration at a decreasing rate. In summary, both Agesa and Agesa (2005) and Gray (2011) show that changing land size affect the migration of small farmers more ( $f_1^S > f_1^L$ ), which makes a positive sign for  $dP^{ij}/dG_i$  more likely for the case that  $j$  is not a metropolitan area. The conditions that would allow us expect this outcome are summarized in Table 4.

**Table 4 here**



The land inequality might also influence migration behavior through influencing the relative incomes regardless of its impact through the absolute incomes. As shown by D'Ambrosio and Frick (2007) and Luttmer (2005), the relative income position of individuals is an important determinant of happiness. Controlling for individual's own income, higher levels of neighbor incomes reduces individual's self-reported level of happiness. For this reason, the relatively deprived individuals are more likely to start a new life through migrating to another area (Stark and Bloom, 1985; Stark and Taylor, 1991). Moreover, as Stark (2006) shows, higher income Gini coefficient also leads to greater total relative deprivation, which would increase the incentives of migrating in a society. Consistent with Stark and Bloom (1985) and Stark and Taylor (1991), Bhandari (2004) for Nepal and Quinn (2006) for Mexico estimate that the individuals that have less access to land are more likely to migrate within their countries. For Poland, Stark, Micevska and Mycielski (2009) show that the individuals from areas with greater income inequality are more likely to migrate within and out of Poland.

For the condition that the migration is toward a metropolitan area, the sign of  $D'_{ij}$  is positive and the sign of equation (22) becomes more ambiguous due to its second term in parenthesis. Following Béguy, Bocquier and Zulu (2010), Archambult, De Laat and Zulu (2012), Mudege and Zulu (2011) Zulu et. al (2011) and Emina et. al (2011), we expect  $f_3^S$  to be more negative than  $f_3^L$ , and also we expect  $\psi^{Si}(1 + e_{Si})$  to be larger than  $\psi^{Li}(1 + e_{Li})$  as discussed above. Hence, migration towards metropolitan areas might be less preferable for small farmers as they will be more affected by to lack of access to public goods and services and public bads in metropolitan areas.

**Table 5 here**

The empirical evidence on Kenya also supports the claim that those who were born in more unequal rural areas are likely to migrate. Using the land Gini coefficients calculated from RLFS 1988, Table 5 exhibits the migration behavior for rural born household heads and all adults for each range of home district land Gini coefficients. Although the relationship between the share of migrants and home district land Gini coefficient range is not linear<sup>13</sup>, we can observe that the share of rural born adults who stayed in the rural areas in their origin is lower for those who were born in districts with a land Gini coefficient lower than 0.50. This relationship is more obvious for rural born household heads, since a greater share of rural born household heads migrated due to job and income related reasons.

Table 5 shows that a greater proportion of rural household heads born in the most inequalitarian rural areas migrated to villages in the other districts or smaller towns/cities. However, a similar correlation is not obvious for rural born household heads and adults, who migrated to Greater Nairobi for the reasons discussed above.

In summary, migration from rural areas to larger cities might be highly influenced by several different factors that cannot be easily tested. On top of the mechanisms suggested by our inequality-augmented Harris-Todaro model, higher living costs, unequal distribution of infrastructure facilities and higher crime rates might reduce poorer rural households relative desire for migrating to larger cities. This suggests that our inequality-augmented Harris-Todaro equation would explain migration from rural to other rural and smaller urban areas better.

**Table 6 here**

### **3. Empirical Analysis**

#### ***3.1 Data Description***

The analysis below is based mainly on the Kenya Integrated Household Budget Survey (KIHBS) conducted in 2005-2006. The survey covered 13430 households in all 70 districts and 1343 randomly selected clusters<sup>14</sup>. Given that our data on land inequality and per capita land area are available only at the district level, our study examines the factors that affect the decision of the household head who were "raised/brought up" in a village to migrate either to a rural area of another district or to an urban area. According to our model in Section 2.4, there isn't a reason for district based land inequality or per capita land to affect rural dwellers' decision to migrate to a village in the same district. For this reason, household heads who live in the rural areas of their district of birth are not considered to be migrants and we don't test the impact of land inequality and per capita land holding on rural to rural movement within a district. The district-to-district definition of migration is consistent with most national studies of migration in Kenya.

Our augmented Harris-Todaro equation predicts that both higher land inequality and smaller per capita land push rural dwellers to cities or/and other rural areas. Therefore, in our analysis we include the land Gini coefficients and per capita land of each district<sup>15</sup>. To control for differences in the quality and thus potential differences in rural incomes in districts with similar land per capita and land distribution, we also include district level average rural farm and non-farm incomes of home districts. Ideally the measures of land and incomes would be from the year that the person migrated, as this would be a measure of the conditions the migrant faced. Since this is not available we proxy for this by using measures from an earlier data set on household incomes, land and agricultural activities the 1988 Rural Labor Force Survey (RLFS) which is also a national representative data set. We also aim to reduce the

possible problems of reverse causality by using an earlier data for land Gini coefficients and per capita land and per capita rural income of each district.

However, there are some limitations to this approach. Between 1988 and 2005/2006, some of the districts were divided and new districts were formed. We estimated the land Gini coefficients and per capita lands in household heads' home districts in 1988 accordingly to the previous district classification. Moreover, data for a few districts was missing in the 1988 data, which reduced our sample size to 7110 household heads and 16013 adults in the estimations with 1988 data (Table 6). We also report our estimates using data from 2005/2006 values of district level land Gini coefficients and per capita land and per capita rural income in Appendix 3. The district level data for these variables are estimated from the 2005/2006 KIHBS data set. The estimates of our results in Appendix 3 are similar to our initial results especially for land Gini coefficient and per capita land.

Our estimates control for several variables all of which are from the 2005/2006 KIHBS data set. According to many studies (for example Hoddinott, 1994; McCormick and Wahba, 2005; Bowles, 1970) education significantly increases the possibility of rural dwellers' migration. This is because education has greater returns in the urban areas. Hence, we expect the education variable to explain rural-to-urban migration. In this study, we used years of schooling as the measure of education. We also control for household heads' marital status, age and gender. Many studies (for example, McCormick and Wahba, 2005; Zhao, 1999) estimate that older rural dwellers are less likely to migrate, as the returns of migration declines with greater age. The studies on migration (Zhu, 2002; Zhao, 1999) also estimate that married individuals are less likely to migrate to other areas, either since migrating as a family is costlier or split migration is less desirable. Last, Gray (2011) finds that female in Kenya are more likely to migrate than male.

Cultural ties such as religion can also be important in the migration decision. Individuals living in communities with large numbers of their co-worshippers are less likely to migrate. The rural dwellers, who have members from their own religious organizations have stronger intra-community networks at the origin and thus are less likely to migrate (Neodörfer and Dresdner, 2014). To control for this, we calculated the population shares of religions in each district using KIHBS 2005/2006. We expect that the rural dwellers, who were born in districts where their religions are more dominant would be less likely to migrate.

The distance to urban centers is another impediment to rural-to-urban migration. In Kenya the largest single destination is Nairobi, which post-1990s absorbs slightly over 25 per cent of all migration (Figure 3). The cost of going to Nairobi is likely to both influence the overall migration decision and the place to which one migrates. To proxy for this we control for the distance to Nairobi by road. Since roads can be of varying quality and therefore heavily influence the actual cost, we use time taken rather than distance. For example, two individuals in different districts may be equidistant from Nairobi but in the case of one the roads may be tarmacked highways while the other may have to travel a majority of the way on poorly maintained dirt roads. Our measure was calculated using the largest urban center within each district and using Google Maps estimates of the time taken to travel from the closest urban center to Nairobi<sup>16</sup>.

### ***3.2 Empirical results***

We estimate the factors affecting probability of migration using simple and multinomial probit models. Individual  $i$ 's utility of choosing for location  $j$  is given by

$$v_{ij}^* = x_i' \beta_j + \varepsilon_{ij} \quad (23)$$

where  $\beta_j$  is a vector of parameters, which may vary between location choices of  $x_i$  and is vector of characteristics of individual  $i$ . Following this individual  $i$ 's probability of choosing for location  $j$  is given by

$$P(y_i = j|x_i) = P(v_{ij}^* > v_{i0}^*, \dots, v_{ij}^* > v_{iM}^*) \quad (14)$$

where  $y_i$  is a random variable that shows the choice outcome.

Our first estimation focuses on rural-to-urban migration using a simple probit model, where  $j = 0$  is staying in the rural sector and  $j = 1$  is rural-to-urban migration. Our estimates for marginal effects are presented in Table 7. To check for robustness, we estimate the impact of the factors both for household heads and all adults. Our results are mainly consistent with Oyvatt (2016) and the predictions of the augmented Harris-Todaro model we presented earlier. Estimates for both all adults and household heads show that individuals born in districts with more unequal land distribution are significantly more likely to migrate to urban areas. The coefficient for land Gini that was significant at 8% in the regression for only household heads becomes significant at %5 level when a larger sample with all adults is used. Overall, a 0.01 point increase in home district's land Gini coefficient raises the probability of moving from rural to urban by 0.161-0.192 percentage points. Moreover, for both all adults and household heads, higher smaller per capita land and per capita rural income, at 1%, reduce rural dwellers' probability of migrating to urban areas. The negative sign for per capita land and per capita income support the earlier estimations on Kenya that show that greater land area (Agesa; 2001; Agesa and Agesa, 2005; Gray, 2011) and higher rural incomes (Agesa; 2001; Agesa and Agesa, 2005) decrease migration rural-to urban migration.

In addition, consistent with the some of the previous work on migration (Hoddinott, 1994; McCormick and Wahba, 2005; Bowles, 1970; Zhao, 1999), the coefficients of years of education and age are significantly positive and negative respectively. The sign for the share of migrant's religion in migrant's home district is significantly negative, which shows the

individuals are more likely to migrate from places in which they are religiously different. While the results for all adults are consistent with the head of household results, they differ for marriage. For all adults being married is more likely to lead to migration. This result is possibly driven by married women, who migrate to join their husbands.

### **Table 7 here**

We argued earlier that migration in Kenya and elsewhere is complex. It is not only rural-to-urban but can also be rural-to-rural, and further the destinations are not homogenous. To examine this, we will estimate a series of models that take into account different destinations. We will begin with the simplest model including both rural and urban destinations. This will be followed by models that further disaggregate the urban sector.

Our first model examines at the simplest level by differentiating between rural-to-urban migration and rural-to-rural migration. For this, we use a multinomial probit model, where  $j = 0$  is staying in the rural sector and home district,  $j = 1$  and  $j = 2$  are migrating to rural areas in other districts and urban areas respectively. Table 8 reports the factors that influence rural-to-rural and rural-to-urban migration in Kenya. The signs of the land Gini coefficient are mainly consistent with Table 7. Larger land inequality in rural dweller's home district significantly increases possibility of migration both to urban and rural areas. Nevertheless, the magnitude of land inequality is larger for the regression on household heads. Overall, a 0.01 point change in land Gini increases the probability of rural-to-urban migration by 0.168-0.191 percentage points. The marginal effect of a change in land Gini on rural-to-rural migration is significantly higher for the estimates for household heads (0.360 percentage points) than the estimates for all adults (0.159 percentage points). This is possibly because rural-to-rural migration of household heads is mainly driven by income related reasons,

whereas marriage plays a more crucial role on the migration of non-household head adults (Table 3). Only 23.4% of household heads migrated to new rural areas due to marriage; whereas, this share is 48.0% for non-household head adults<sup>17</sup>. Moreover, the coefficients for per capita land and per capita rural income are only significantly negative for rural-to-urban migration.

### **Table 8 here**

On the other hand, age reduces rural dweller's probability of migration to urban areas as the long-term returns for moving to new sectors like industry and services are lower for older individuals. Moreover, the positive coefficient for years of education is greater for rural-to-urban migration, since the returns of education for urban jobs would be bigger. Last, similar to our earlier results, the rural dwellers are more likely to migrate if their religion in their home districts is less dominant.

We next test the behavior of migration to smaller towns/cities and larger city centers which have different structures and employment opportunities. We first use a multinomial probit model where  $j = 0$  denotes staying in the rural areas and home district, and  $j = 1$ ,  $j = 2$  and  $j = 3$  as migrating to rural areas in the other districts, urban areas other than Greater Nairobi, and Greater Nairobi<sup>18</sup>.

Our results are reported in Table 9. Both for household heads and all adults, the land distribution in rural dweller's home district does not significantly explain migration to Greater Nairobi, it only has a significantly positive impact on migration to rural and other urban areas. This suggests that the profile of migrants to Nairobi may be different than that to other urban areas. As noted earlier the better amenities and the high cost of settlement may result in increasing the likelihood of higher income rural families migrating to Nairobi. These factors



make the migration from rural to Nairobi more complicated than our inequality augmented Harris-Todaro equation and possibly weakens the coefficient of land Gini<sup>1920</sup>.

### **Table 9 here**

The years of education has different impact on migration to different urban areas. Education has a significantly larger positive impact on migration to Greater Nairobi<sup>21</sup>, which is consistent with McCormick and Wahba (2005)'s estimates on migration in Egypt. One reason for that might be that skilled jobs are mostly in Nairobi; whereas, migrants who move to other cities/towns mainly work in unskilled jobs in the services sector. The impact of age is negative for all rural-to-urban migration; however, the impact is more negative for Nairobi.

Taken together our results on land inequality and education are quite illustrative of potential differences in the characteristics of migrants going to different destinations. Land inequality and the attendant lack of opportunities may provide the initial motivation for an individual to migrate, but then these factors' influences are dependent on destination. Our results suggest that lower skilled individuals, who are pushed out of their home rural district by the lack of land, migrate to other rural areas or smaller urban centers. Migration to Nairobi, which is more expensive, seems to require higher skills and wealth.

Our estimates for household heads show that being female increases probability of migration only towards other rural areas. Similarly, our estimates for all adults reflect that being female increases probability of rural to rural migration most. This is consistent with our estimates that, rural-to-rural migration includes a larger number of women migrating than rural-to-urban migration. While migration to urban centers/towns is 55.5% female, migration to rural areas is 65.5% female<sup>22</sup>. Also while marriage decreases the possibility of rural heads of households moving to urban areas, it increases the possibility moving to other rural areas

for all adults. This is possible because marriage is a factor that led to migration of %26.0 of non-household head adults to urban areas<sup>23</sup>; while only 4.9% of household heads migrated to urban areas due to marriage. Moreover, distance from Nairobi matters. The further you are away from Nairobi the less likely you are to migrate to Nairobi and more likely to migrate either to another rural area or urban center.

### **Table 10 here**

Our last multinomial probit model reports the factors affecting the migration of male and female separately in Table 10. Compared to the regressions for all adults in Table 9, the coefficient sizes of land inequality are smaller and also only at 10% for adult females' migration to another rural area. Moreover, the coefficient size of land inequality for rural to other rural areas is around three times greater for males compared to females. This is consistent with the finding that, unlike migration of males, income and job related reasons are relatively less important determinants for female migration especially females' rural-to-rural migration. It is also the case that women are unlikely to migrate for land when faced with a shortage of land in their home district as most Kenyan communities are patriarchal and access to land is often through a male member of the family, therefore making it difficult for a woman to migrate solo in search of land. As discussed in Table 3, marriage also is an important reason of females' migration especially towards other rural areas. Nevertheless, our regressions still do not disprove the role of income related factors on female migration as the signs of land inequality, per capita land and per capital income are respectively positive, negative and negative for female migration to urban areas other than Nairobi. Table 10 also shows that the impact of education on migration to rural areas and areas other than Nairobi is only significant for female rural dwellers.

#### 4. Conclusion

This paper examines the factors behind migration in Kenya. Consistent with Harris and Todaro (1970), a number of studies have shown that expected urban and/or rural incomes in Kenya influence the migration of Kenyan rural dwellers (Agesa, 2000; 2001; Agesa and Agesa, 1999; Bigsten, 1996; Gray, 2011). Our study makes a number of contributions to the study of migration in general and in the African and Kenyan cases more specifically. First and foremost, it reaffirms the complexity of migration and the need to break out of the rural-urban duality that has imprisoned much of development thinking (wa Gĩthĩnji 2000). In particular, we note the relatively large rural-to-rural migration that has been given relatively little attention in national studies. Second, unlike the previous studies on Kenya and following the theoretical arguments of Griffin, Khan and Ickowitz (2002), De Janvry (1981), Harris (1978), Galeano (2009), Amsden (1989), Keyder (1987), Oyvatt (2016) and Stark (2006), this study also examines the impact of land distribution on migration behavior. We conclude that both higher land inequality and lower per capita land in the home districts of Kenyan households' heads increase the household heads' probability of migrating. The significance and magnitudes of land inequality and per capita land's impact on migration is different depending on destination. We strongly conclude that higher land inequality pushes rural dwellers to other rural areas, and less populated cities/towns. This movement is driven by the similar type of activities that are available in these destinations for low skilled land constrained individuals. However, the evidence on influence of land distribution on the migration from rural areas to Greater Nairobi is weak. Moreover, the impact of land inequality on rural-to-rural migration loses its magnitude and significance, when we make estimations for only female adults. This is possibly because marriage is also an important determinant of female migration. Third, we show empirically for the first time in the context

of an African country that the time taken to travel as a proxy of the costs of migration matters and strongly affects destination.

Our findings have a number of implications and considerations for policy makers. First, rural poverty and inequality are transmitted through migration to other rural and urban areas. Poverty and inequality in Kenya over time are thus more likely in the future to be an urban dominated phenomenon. Second, the results suggest that migration is a survival strategy for poorer rural households living in areas that are more unequal and that lack land. Therefore, policies like subsidizing small peasantry and progressive land reforms can have a positive long-term influence for reducing poverty, and this effect would spread to a large part of Kenya. This is particularly important in the context of a policy environment that favors land consolidation and large farms and thus accentuates inequality. These kinds of policies are likely to also have an impact on increasing migration. Last, education is central in determining the destination of migration. Those who migrate to Greater Nairobi have significantly higher levels of education. This suggests that the opportunities for the highly educated are not broadly spread. Policies that spread complex economic activities to urban areas other than Nairobi are likely to spread the migration of highly educated people across the country with likely multiplier effects. Here the on-going process of political and therefore economic devolution is of importance. If it is to be successful, then it must create opportunities to attract highly educated migrants to other urban centers other than Nairobi.

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## Endnotes

<sup>1</sup> Over recent years, people working in Nairobi have often had to live outside its administrative boundaries. Therefore, we defined Nairobi as Greater Nairobi, which includes Nairobi district and Thika and Kiambu, which are less than one-hour distance to Nairobi. This is because, Thika and Kiambu increasingly become bedroom communities for Nairobi. While there are other bedroom communities in Kajiado and Machakos districts they were not individually identified in the data and also are only a small proportion of the urban population in those districts, which have other urban centers that are not bedroom communities to Nairobi.

<sup>2</sup> According to a number of studies, the migration behavior is more complex than the Harris and Todaro (1970) model. In the Harris and Todaro model, the expected urban and rural incomes converge to an equilibrium point as an outcome of rural-to-urban migration. On the other hand, Faini (1996) shows that rural-to-urban migration increases the gap between urban and rural incomes, when the factors of production have increasing returns to scale. In addition, Poot (2008) exhibits that migration leads to aging population in smaller areas, which could increase the regional gaps of productivity. In contrast, Stark, Helmenstein, and Prskawetz (1997) show that migration could raise the average income in the relatively backward regions through the human capital gains of return migration. Last, the New Economics of Labor Migration literature (for example, Stark and Bloom, 1985; Stark and Taylor, 1991) explains the migration behavior with relative deprivation rather than absolute incomes, which will also be discussed in this paper. However, the empirical evidence on Kenya (for example, Agesa, 2000, 2001; Agesa and Agesa, 1999; Bigsten, 1996; Gray, 2011) and on other developing economies (for example, Schultz, 1982; Tunalı, 1996 and Zhu, 2002) strongly supports Harris and Todaro's main claim that expected urban and rural incomes' affect rural-to-urban migration. For this reason and also for the simplicity reasons, our model is mainly based on Harris and Todaro (1970). However, we will also consider the direct impact of relative deprivation in our discussion.

<sup>3</sup> In our study as in most studies using cross sectional data we are only able to analyze the most recent migration. We can make no claims as to whether this is a temporary, circular or permanent migration. The respondents in the survey used however have been surveyed at what they presently consider their permanent address.

<sup>4</sup> Our share of agglomeration is from World Bank (2016)'s World Development Indicators(WDI) database. WDI does not explicitly report the cities that were included in their agglomeration classification. Nevertheless, both WDI's share of agglomeration for 2009 and Nairobi and Mombasa total population share in Kenya estimated from KNBS (2012)'s 2009 Kenya Population and Housing Census are consistently 10.5%. Moreover, WDI's

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share of agglomeration data is smooth and continuous, which shows that the estimates in WDI consider the same cities. Following these two outcomes, we can conclude that share of agglomeration values in WDI data considers Nairobi and Mombasa.

<sup>5</sup> Urban migration has been found in the past to be dominated by secondary school educated individuals (wa Gĩthĩnji 2000). In 1960 there were only 91 secondary schools, which increased to 142 on the eve of independence in 1962, by 1968, 5 years after independence there were 601 a more than 6-fold increase from 1960 (GOK, 1969).

<sup>6</sup> Amsden (2001) and Chang (2008) provide good summaries on how import substitution and export-oriented industrial policies stimulated the growth of industry in the developing world.

<sup>7</sup> Z-goods is a term defined by Hymer and Resnick (1969) for non-agricultural traditional activities in an agrarian economy. These activities consist of food processing, handicraft activities and services for local needs.

<sup>8</sup> Similarly, the urban sector is also formed by underemployed agents and agents that receive identical wages.

<sup>9</sup> Based on 1989 and 1999 Kenya Census data, Archambult, De Laat and Zulu (2012) show that only 15.7% and 13.7% of married household heads have an access to electricity and sewage systems respectively.

<sup>10</sup> Emina et. al.(2011)'s work specifically focuses on Korogocho and Viwandani slums of Nairobi.

<sup>11</sup> wa Gĩthĩnji, Konstantinidis and Barenberg (2014) tests the empirical relationship by using the logarithm of land productivity as a dependent and the logarithm of farm size as an independent variable. The empirical analysis based on household data finds coefficients of -0.32 and -0.40 between two variables. By taking the second derivative of land productivity with respect to farm size, we can show that the relationship between the land productivity and farm size is convex.

<sup>12</sup> Using probit model, Agesa and Agesa (2005) test expected earnings' impact on probability of rural-to-urban migration. They find the coefficient for the difference between logarithms of expected wage for migrants in urban areas and non-migrants in rural areas of male as 2.8742. By taking the second derivative of migration probability with respect to ratio between expected urban to rural earnings, we can show that the relationship between expected urban to rural earnings to probability of migration is concave.

<sup>13</sup> Land inequality is associated with differing socioeconomic and geographical characteristics (see Appendix 2, Tables 2.1-2.5). Areas with relatively low land inequality (Gini of lower than 0.50) are found mostly in the west of the country and the coastal area. These areas have both a more equal income and educational distribution. Ecologically they are dominated by a higher proportion of flat land, with a significant proportion of this land having rich or loamy soils. At the other extreme high land inequality areas are dominated by very small and also

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large farms with a relatively thin middle. These districts are found mainly in the former Rift Valley Province in areas dominated by settler farming during the colonial era and pastoral production prior to that. Ecologically these areas are flatter and more amenable to mechanized farming and have less loamy soils. Educational inequality is very high in these areas. Whereas all other areas have more than 30% completing high school or university, the proportion in these areas is only 20% with the proportion completing university being half of that of the areas with lower land inequality. The middle part of the distribution in terms of land inequality is found towards the centre of the country with relatively more equal population shares across income and education distributions. With the educational distribution being quite close to that of areas with low land inequality. The soil distribution has a significant proportion in loamy soils but also have a higher proportion in hilly areas compared both to the low and high land inequality areas.

<sup>14</sup> According to KIHBS 2005/2006, among the 70 districts in Kenya, Nairobi and Mombasa are entirely urban.

<sup>15</sup> The per capita land measure does not measure the population density. It rather reflects the total cultivated land over population in each district. We predict this using 1988 Rural Labor Force Survey (RLFS). First, we attribute a piece of land to each individual in the sample through dividing the total land of household to the household size. Then, we take the weighted average of each individual's land using the population weights of each individual in the sample.

<sup>16</sup> A number studies including Dab and Seck (2009) for Mexico and Indonesia, Gupta and Mitra (2002) for India and Tunalı (1996) for Turkey show that distance to larger cities affect the migration behavior.

<sup>17</sup> Authors' calculations from the Kenya Integrated Household Budget Survey (KIHBS) - 2005/2006.

<sup>18</sup> The urban areas that are less than one-hour distance to Nairobi are regarded as Greater Nairobi.

<sup>19</sup> We also estimated the marginal effects in Table 9 by redefining Nairobi by considering Thika and Kiambu as a part of "other urban" rather than Greater Nairobi. The results are similar to Table 9. For household heads, the coefficients for land Gini, logarithm of per capita land and logarithm of per capita income on migration to Nairobi are also insignificant at 10%. For all adults, the coefficient for land Gini explaining migration to Nairobi is insignificant at 10% and the coefficients for logarithm of per capita land and logarithm of per capita income are negative. Moreover, the land Gini coefficients explaining migration to "other urban" are significant at 1% and are slightly higher compared to Table 9. The coefficients for the land Gini are 0.2334 and 0.2126 for household heads and all adults respectively. The estimates are available upon request.

<sup>20</sup> We also estimated a separate probit model with four categories: no migration=0, migration to rural in another district=1, migration to other urban=2, migration to Mombasa, Nakuru, Kisumu, Nakuru and Eldoret (Uasin

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Gishu) =3, migration to Greater Nairobi=4. We included Mombasa, Nakuru, Kisumu, Nakuru and Eldoret (Uasin Gishu) in a separate category, since they are the largest four urban areas after Nairobi. The estimates reflect that the marginal effects for land, income and education variables are very similar for migration to other urban and migration to Mombasa, Nakuru, Kisumu, Nakuru and Eldoret (Uasin Gishu). For all adults, the difference between the marginal effects of both categories are 0.0128 for land Gini, 0.0014 for logarithm of per capita land, 0.0006 for logarithm of per capita rural income, and 0.0005 for years of education. The estimates are available upon request.

<sup>21</sup> We also estimated the probit regression in Table 9 by taking migration from rural to Greater Nairobi as the base of the regression. For both all adults and household heads, the coefficients for years of education were significantly negative at 1% level. This shows that the education's coefficient in Table 8 is significantly larger for migration to Greater Nairobi. The estimates are available upon request.

<sup>22</sup> Authors' calculations from the Kenya Integrated Household Budget Survey (KIHBS) - 2005/2006.

<sup>23</sup> Authors' calculations from the Kenya Integrated Household Budget Survey (KIHBS) - 2005/2006.

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