



MIGRANTS, MARKETS AND MAYORS: RISING ABOVE THE EMPLOYMENT CHALLENGE IN AFRICA'S SECONDARY CITIES

In our rapidly urbanizing world, mayors often see migrants as a burden to their city's labor market and a threat to its development. Insights from national household surveys and four secondary city case studies in Africa suggest, however, that migrants usually strengthen the urban labor force. They tend to be younger, better educated, and/or complementary to the resident labor force. Unsurprisingly, in secondary cities, labor market outcomes for migrants are on average at least as good as those for residents. Only in big cities are migrants more likely to do worse in the labor market than urban residents.

The Cities Alliance Cities and Migration Programme

This summary highlights the key findings of *Migrants, Markets and Mayors: Rising Above the Employment Challenge in Africa's Secondary Cities*, a research report prepared for the Cities Alliance Cities and Migration Programme by Luc Christiaensen, Lead Agriculture Economist for the Jobs Group at the World Bank, and Nancy Lozano Gracia, Senior Economist for Sustainable Development in the Middle East and North Africa at the World Bank, with funding from the Swiss Agency for Development and Cooperation.



Somewhat surprisingly, agriculture remains a significant sector of employment in towns and secondary cities of sub-Saharan Africa.

This holds particularly true in East Africa, where migrants still contribute substantially to urban population growth, and applies only to rural-urban migrants, not migrants coming from other towns. Secondary cities thus appear well placed to leverage migration. This requires good urban management that develops land and labor markets, prepares for growth, and benefits everyone – new incoming immigrants as well as longtime residents. Migrant-specific interventions are warranted when divisions between longtime residents and incoming migrants are deep. Strengthening the financial, technical, and planning capacity of towns to better integrate migrants is part and parcel of a good jobs agenda.

To explore the potential for better leveraging migration for urban development that benefits migrants as well as existing residents, *Migrants, Markets and Mayors* takes three perspectives: of the migrant, the market, and the mayor, broadly referring to how migrants fare in the urban labor market, how they affect aggregate urban productivity, and how mayors can leverage their potential to benefit all.

THE MIGRANT PERSPECTIVE: HOW WELL DO MIGRANTS FARE?

To address this question, the authors combined insights from national household survey data analysis with those from four case city studies in three African countries – Ethiopia (Jigjiga), Uganda (Juba), and Tunisia (Kairouan and Jendouba).

FINDINGS INCLUDE:

Migrants make up a sizeable part of the urban labor force, with rural-urban migrants somewhat more prevalent and short- and long-term migrants contributing about equally.



Urban migrants are younger, have fewer dependents, and are more educated than urban residents. These gaps are larger for urban-urban migrants and decline as city size increases.

The national experience from eastern African countries during the 2000s and 2010s suggests that migrants integrate well into urban labor markets overall, enjoying similar levels of welfare to residents, even after controlling for differences in human capital (age and education), occupation, and locational choice, regardless of their duration of stay.



Men are more engaged in the labor market at better conditions than women, with male migrants more likely to be employed than male residents.

The experience of rural-urban city migrants in eastern Africa might come closest to the popular notion of “migrant dwellers joining the ranks of the unemployed,” but this cannot be readily generalized.

URBAN MARKET DYNAMICS: DO MIGRANTS CONTRIBUTE TO THE CITY?

How labor markets and cities fare following migration also depends on how migrants affect the broader urban market dynamic.

FINDINGS INCLUDE:



The contribution of rural-urban migrants to population growth remains largest in big cities at low rates of urbanization, as in East Africa. In other areas, urban growth is increasingly driven by natural increase, not migration, mitigating migrants' contribution to the speed of urban expansion and thus congestion, especially outside eastern Africa and in towns.

Declining contributions from migration to urban growth in other urban areas also places towns and secondary cities in a good position to leverage migration.



The potential benefits of migration for the urban economy must, however, be considered against towns' broader financial and institutional capacity to make the necessary complementary investments.

THE FINDINGS IN THIS BRIEF SUGGEST THAT, TO SUPPORT THE INTEGRATION OF MIGRANTS, ONE MUST LOOK BEYOND LABOR MARKET POLICIES AND MIGRANTS AND FOCUS ON HOW CITIES ARE PLANNED AND MANAGED MORE BROADLY.

WHAT CAN MAYORS DO TO BUILD A CITY FOR ALL?

The report brings an important message for mayors: migrants (including rural migrants) are a force that can be leveraged for the economic growth of secondary cities, as they often strengthen the labor supply and economic dynamism of these cities by being younger, better educated, and/or complementary to the existing labor force. Migrants can contribute to building stronger urban labor markets, and it is also in the mayor's remit to facilitate and foster this contribution. Rather than fearing inflows of migrants, who are becoming a less important contributor to urban growth in much of Africa, city leaders can take proactive actions that facilitate their integration into the city and improve the overall quality of life for all urban dwellers.

The findings in the report suggest that, to support the integration of migrants, one must look beyond labor market policies and migrants and focus on how cities are planned and managed more broadly. Some actions must be directed towards the way mayors interact with their cities. As labor market outcomes for migrants in secondary cities do not seem to be worse than those of natives, supporting the integration of migrants into the socio-economic fiber of cities will require looking beyond labor markets and into the functioning of land and housing markets. Successful migrant integration into secondary cities will require good urban management that prepares for growth and benefits everyone, regardless of their origin. Finally, in some cases where divisions between natives and migrants are deep, a focus on migrants may be required.

RECOMMENDATIONS

SUPPORT MARKETS through more information, less red tape for businesses, and forward planning to provide better urban infrastructure, services, and jobs

- Lifting constraints and red tape in the business environment can help create much-needed new employment opportunities.
- Addressing housing and land affordability and adequate mobility can significantly improve migrant success in integrating into a city's economy and society.
- Better information for forward planning and innovative ways to collect it can enhance the availability of serviced land, supporting the fluidity of land and housing markets.

BUILD THE ABILITY OF MAYORS to respond to the needs of urban dwellers through stronger finances and capacities, as well as better citizen engagement

- Strengthening fiscal and technical capacities in secondary cities can provide them the needed instruments to generate employment and create cohesive communities.
- Strengthening overall citizen engagement can contribute to better migrant integration into city participation mechanisms, increase their voice in the city, and build cohesion with local communities.

TARGET MIGRANTS when divisions are strong, with actions that improve living standards for all

- In some cases, a focus on migrant needs through targeted interventions where they live and work may be needed to facilitate integration.
- Better intermediation and support services can fight discrimination and allow cities to leverage the capabilities of migrants and maximize return on the human capital of youth.
- National policies could complement local efforts.