



**Department of Economics, Presidency University, Kolkata
Presents**

Lecture Series

Reflections on Development Economics

Lecture On

**Expected Benefits and Costs of
Migration for Rural Youth:
Experimental Evidence from
India**

Speaker

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Abstract

This paper quantifies information frictions and non-monetary migration costs in rural-urban migration decisions in India. We implement a survey and an experiment with rural job seekers who enquire about a free vocational training program with guaranteed placement into urban jobs. Prospective candidates are over-optimistic: they expect a job closer to home and a higher salary than the program offers. In a randomized experiment, we provide them with objective information on the distribution of job locations, of salaries, or both. The intervention successfully corrects their beliefs and changes their decision to join the program. Revealed preference estimates suggest that job seekers require a 24% higher salary to compensate for a 10% increase in the probability of being placed outside of their home state. We conclude that in this context, substantial non-monetary costs impede migration, but imperfect information about job opportunities tends to increase it.

18 April 2023 (Tuesday)

7:00 pm IST via Google Meet

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