Social Networks and Migrations: Italy 1876–1913

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The standard neoclassical economic model of migration introduced by Todaro predicts 1) that migration occurs when the expected net present value of earnings from migrating, weighted by the probability of employment in the destination country, is positive; and 2) that migrants choose as their destination country the one with the largest wage premium net of transportation costs. The pattern of Italian migration to the Americas does not conform to the standard model. I propose an alternative model in which the probability of migrating to a country depends positively on the social networks that link the migrant to that country. Econometric evidence suggests that both the timing and the destination of Italian migration between 1876 and 1913 can be explained by the presence of social networks in the destination country.

In the second half of nineteenth century and the early decades of the twentieth, 44 million people left Europe for the New World. The major countries of departure were Great Britain and Ireland (18 million migrants between 1846 and 1932), Italy (11.1 million), Spain and Portugal (6.5 million), Austria and Hungary (5.2 million), Germany (4.9 million), Poland and Russia (2.9 million), and Sweden and Norway (2.1 million). This flood of emigration, which was of course balanced to some degree by a countercurrent of return migration, went primarily to the United States (34.2 million), Argentina and Uruguay (7.1 million), Canada (5.2 million), Brazil (4.4 million), Australia and New Zealand (3.5 million), and Cuba (0.9 million), according to Livi-Bacci (1992).

There is no doubt about the fact that population and labor shifted its center of gravity away from Europe in the nineteenth century. After all, the scarcity of labor in the New World encouraged exactly that kind of supply response. Between 1870 and 1913 immigration accounted for 50 percent of Argentina’s and 28 percent of the United States’ population increase (O’Rourke, Williamson and Hatton, 1994). In the first fifteen years of this century, the annual rate of European emigration exceeded three per thousand, equal to

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