Discussion for "Economic Shocks and Internal Migration" Joan Monras

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Comments on the empirical strategy

- IV:
  - Change in propensity to migrate may be correlated with change in debt propensity: is one year lag enough? Use at least 2-3 years before recession
  - Have you tried to implement at different local levels? Exclude any big municipalities? Which are the municipalities captured?
- How big are the municipalities: are you capturing all the migration flows? Is migration happening within states or across states? More information on migration rates at different level would be interesting
- The migration rates of 5%: higher than Molloy et al (2011) for MSA; why? Have you tried to do the analysis at state level? Have you tried to use the SIPP? By age groups?
- Are international migrants included in the wage computation? Have you tried excluding them?

Comments on the calibration of the model

- Assumption of perfect substitutability between migrants and natives
  - More discussion on this would be interesting
  - Is this implying also that migrants productivity is the same in all locations?
- Using 5% of migration rate: the share is decreasing over time. Have you tried different shares? High level of household indebtedness may be caused by house mortgages: home owners are less likely to migrate. This may slow down adjustment.
- Have you tried to use different initial conditions? 2004 or 2006?
- When TFP is computed do you include international immigrants as well?
- Internal migration response by age groups?

General comments

- Stronger motivation
  - What’s the real contribution of the model: more discussion on the higher weight put on home location as compared to cost of migration
  - Who are the ones that move? Are they the most or lets productive individuals?