

**Discussion of**

**College Location and Migration: Evidence from China's Higher Education**

**Expansion *by Shu Cai, Xiaozhou Ding, and Rui Du***

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January 3, 2021 @ ASSA 2021 annual meeting

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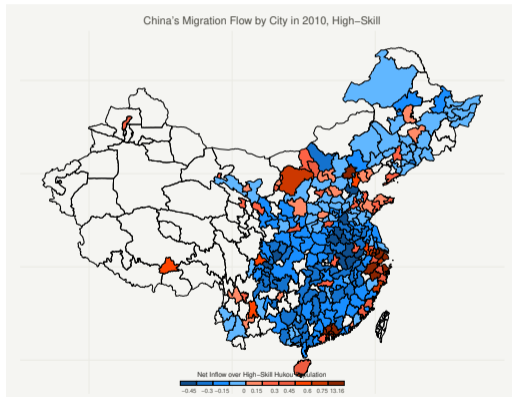
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2. Solution: A Two-step Instrumental Variable Approach
  - Variation: Using the 1999 Chinese college expansion (CE).
  - IV: CE predicted probabilities of attendance and out-of-province attendance
3. Results:
  - a modest negative effect of college education on later-life migration
  - a positive effect of college location on later-life migration

## Comment One: On Across-province vs Across-city

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- High-skill migration is mainly concentrated in certain large cities.
- Higher education opportunity is also mainly concentrated in these same certain large cities.
- If data permits, city-level analysis is potential of even more interest.

## Comment Two: On Identification

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0. The key identification assumption is: *"the sudden changes driven by the college expansion are mainly relevant for the availability of educational resources and hence can hardly be associated with the factors related to post-college location decisions other than college education decisions."*
1. CE is proportional to previous enrollment  $\Rightarrow$  Developed cities explained more
2. Simultaneously, (1).developed cities started to promote more friendly high-skill migration policies; (2).wages in developed cities grew faster  $\Rightarrow$  Developed cities is more attractive

$\Rightarrow$  this may potential cause the identification unclean.

## Comment Three: Negative effect of college education on later-life migration

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### Findings and Explanations:

0. An interesting controversial finding of "higher mobility for non-college-educated workers".
1. Explanations from sensitivity of wage difference, housing costs, and gender wage gap.

### Potential Other Explanations:

1. Within-province but across-city migration is not captured. (may bias the estimates)
2. (Why) Regional wage difference for low-skill is much larger than high-skill?  
For low-skill, it's wage gap from agriculture to modern sector; however, for high-skill workers, they remain more likely in same sectors before and after migration.