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Migration as cause and consequence of aspirations

Mathias Czaika and Marc Vothknecht

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Abstract

This paper aims to disentangle the relationship between aspirations and migration by analysing why Indonesian internal migrants generally have higher aspirations when compared with non-migrants. We ask whether migrants have higher aspirations for improving their economic well-being, and whether this ‘capacity to aspire’ already existed before migration or is rather the result of the migration experience itself. Based on longitudinal information from three waves of the Indonesian Family and Life Survey (IFLS) between 1997 and 2007, we find robust evidence for migrants having higher individual aspirations than non-migrants already *before* they choose to migrate. About 70 per cent of the aspiration differential between future migrants and non-migrants can be explained by factors such as young age, education, or socio-economic background, which also affect the ‘capacity to realise’ migration; the residual, however, is due to a personal trait, i.e. a certain disposition to have higher aspirations. Beyond these systematic *pre*-migration differences in aspirations, we find that despite the fact that migration is economically beneficial for most migrants, migration further spurs aspiration gaps.

Non-technical summary

This paper is about the connection between an individual’s decision to move from one country to another, and his or her expectations for future well-being. The authors ask whether future aspirations drive migration, or whether migration results in higher aspirations, or both. They use data gathered from three waves of the Indonesian Family Life Survey between 1997 and 2007. The authors compared the well-being and aspirations of people who had migrated recently, and people who hadn’t migrated at all. People with recent migration experience did not rate their own well-being more highly than people who hadn’t migrated at all. Both groups seemed to be equally happy with their current economic situation. However, it was clear that people who had migrated did seem to be much more ambitious about their future well-being. So what explains this difference in aspirations? Is it just that people who have greater aspirations are more likely to migrate? Or does the migration experience itself actually generate higher aspirations?

Keywords: Internal migration, migration behaviour, aspirations, Indonesia

Authors: Mathias Czaika, Research Officer, International Migration Institute, University of Oxford; email: mathias.czaika@qeh.ox.ac.uk; Marc Vothknecht, Research Associate, The German Institute for Economic Research (DIW Berlin); email: mvothknecht@diw.de

Contents

1 Introduction	4
2 Aspirations as a cause and consequence of migration	4
2.1 Hypotheses about the aspiration–migration nexus.....	6
3 Background and data	8
3.1 Local context	8
3.2 Data from the Indonesian Family Life Survey	8
4 Empirical results.....	10
4.1 The determinants of aspiration	10
4.2 Do aspirations change as a consequence of migration?.....	12
4.3 Do aspirations trigger migration?	15
4.4 Is the aspiration–migration relationship non-linear?	18
4.5 Do migrants self-select based on their higher ‘capacity to aspire’?	18
5 Conclusion.....	20
References	22
Appendix	24

1 Introduction

The economic and social science literature has extensively analysed the causes and consequences of internal migration in developing countries (Greenwood 1997; Lucas 1997). Building on this literature, this paper adds new insights on the interaction between the individual decision to migrate and aspirations for the future, by asking whether aspirations are the cause or rather the consequence of migration, or both.

Using longitudinal household survey data from three waves of the Indonesian Family Life Survey (IFLS) between 1997 and 2007, our research is motivated by a puzzle we encountered when we compared the subjective well-being and (economic) aspirations of recent migrants and non-migrants. In terms of current well-being, we found a rural-urban divide, with higher levels of subjective well-being reported in urban areas, which is a known phenomenon also in other contexts (see Knight and Gunatilaka (2010) for China, or Fafchamps and Shilpi (2008) for Nepal). Interestingly, respondents with recent migration experience did not report significantly different levels of subjective well-being compared to non-migrants, either in rural or in urban contexts. However, migrants expressed strikingly higher levels of future aspirations than non-migrants, with only weak differences between rural and urban populations. While migrants are as satisfied with their current economic situation as non-migrants are, migrants are much more ambitious about their future well-being. The key question is what explains this difference in aspirations? Are the recent migrants simply a self-selected group of individuals with higher aspirations? Or, are these higher levels of aspirations rather a consequence of the migration experience itself; that is, does the migration experience generate higher aspirations? And if there is a relationship between aspirations and migration, is it non-linear; that is, do individuals with 'middle-range' aspirations have the highest migration propensities?

Section 2 discusses the concept of aspirations by providing a theoretical rationale for its relevance as an individual-specific cause and consequence of migration decisions, and specifies hypotheses to be tested in this paper. Section 3 provides background information on migration in Indonesia since the Asian crisis in 1997 and describes the panel dataset that we use for the analysis. Section 4 reports the results from our estimates on the determinants of aspirations and the role of migration experience, explores whether aspirations trigger the decision to migrate, investigates whether this aspiration–migration link is non-linear, and finally, assesses the role of migration self-selection in connection with higher aspirations. Section 5 summarises and concludes.

2 Aspirations as a cause and consequence of migration

This study proposes a theoretical frame for understanding migration that goes beyond the standard economic approach of rational and utility-maximising individuals or households. We conceptualise migration as a function of an individual's *capability for migration*, with this capability being a combination of two individual-specific 'capacities', the 'capacity to aspire' and the 'capacity to realise'.

The individual-specific capacity to aspire describes the set of factors that determine the difference between an individual's current level of well-being and the future level of well-being to which he or she aspires. The capacity to aspire, or the aspiration gap, includes

not only the ability to set goals and generate aspirations, but also knowledge of how to achieve those goals (Dalton et al. 2010). In the following, we define the aspiration gap as the motivation to achieve personal economic progress, which can be the result of a conscious or unconscious drive to increase subjective well-being. Psychological research shows that aspirations, or achievement motivation, can be an inherited or acquired character trait, often formed at an early age (Quaglia and Cobb 1996), but is also a product of a stimulating social environment (Collier 1994). Thus, many factors may affect people's aspiration formation, ranging from individual personality, socialisation, education, to access to information and networks, and eventually the migration experience itself. People's awareness of social, economic and political opportunities elsewhere, transmitted through modern mass media, the internet, or social networks, may increase (life) aspirations (de Haas 2010b).

However, aspirations as such do not necessarily enable an individual to leave the social, economic or political context. Potential migrants not only need to have the 'capacity to aspire' (Appadurai 2004; Ray 2006), but also the 'capacity to realise' a migration project (Carling 2004; de Haas 2010a). This capacity to realise migration is the result of being endowed with various extrinsic economic, social, human, or political capabilities (Sen 1985) that may enable migration. A lack of these capabilities constrains the extent to which people can actually migrate.

In general, the capability for migration can be thought of as a necessary condition for a person to be considered a 'potential migrant'. However, people with sufficient capacities to aspire and to realise migration may never migrate if the right opportunities do not come up. On the other hand, if the capability for migration is absent, voluntarily migration is very unlikely.

The question arises whether people, driven by the power of strong aspirations, work on their capabilities to overcome their 'involuntary immobility' (Carling 2002), or whether individuals rather adjust their aspirations downwards to avoid continued unhappiness due to unfulfilled aspirations. Appadurai (2004) calls the latter phenomenon an 'aspirations trap', because without the 'capacity to aspire' people are likely to remain in a 'poverty trap' characterised by a low level of individual capabilities that does not allow people to improve their well-being. On a larger scale, aspiration traps prevent broader economic and social change in a society.

Migration itself may resolve such an 'aspiration trap' by contributing to the formation of aspirations, for instance through the adaptation to new lifestyles or the emulation of role models and new peers ('reference group substitution') (Rao and Walton 2004). The capacity to realise and the capacity to aspire are mutually interdependent. Aspirations can stimulate behaviour leading to an improvement of capabilities, and, at the same time, aspirations are the consequence of inherited and/or socially acquired capabilities.

Migration is thereby an important 'transmission mechanism' linking the 'capacity to aspire' and the 'capacity to realise'. Aspirations are hence expected to be endogenous; the goals aspired to are likely to change (normally, to increase) with the migration experience itself. Migration as an investment in capabilities can widen the set of (known) opportunities, or the 'aspirational window' (Ray 2006), by increasing the 'capacity to aspire'. So, we hypothesise that the decision to migrate is both initiated and perpetuated by an *ex ante*

aspiration gap reflecting individuals' desire to realise economic, social, human or political opportunities which are within their 'aspirational windows'.

However, aspirational windows do not necessarily close with migration, but might even enlarge if the returns on migration in terms of enhanced well-being are lower than expected, or if the migration experience coincides with a rising awareness of even better opportunities that lead to even higher aspirations. This phenomenon, known as the 'hedonic treadmill' may explain our initial finding that migrants do not report significantly higher levels of subjective well-being compared with non-migrants, though they do have significantly larger aspirations. Even if migration has an actual positive impact on capabilities (for instance, through better education, higher income, or improved access to health services), the *post-migration* aspirational window can be larger than before. Awareness about new opportunities combined with stronger feelings of relative deprivation may have a negative effect on a migrant's level of well-being and/or aspirations about the future.

Finally, we claim that the aspiration-migration link is non-linear. That is, very low or very high aspiration gaps lead to significantly lower migration propensities than 'middle-range aspirations', i.e. significant but achievable, and thus, realistic aspirations.

For grounding this hypothesis, we refer to the implications of a model by Ray (2006), which links the formation of aspirations to the way aspirations affect individual behaviour. Let us assume that an individual has a *pre-migration* level of subjective well-being w_t and he considers migration as a way to achieve the future level of well-being to which he aspires $w_t^a = w_{t+1} > w_t$. We call the difference between the actual and the hoped-for level of subjective well-being the aspiration gap g_t , defined as:

$$g_t(w_t^a, w_t) \equiv \max\{w_t^a - w_t, 0\}$$

Generally, a positive aspiration gap creates the impetus for a behavioural action to close it, such as a decision to migrate. However, what size of aspiration gap renders the strongest impetus for migration? Intuitively, we hypothesise that people with low aspiration gaps have low incentives to migrate. On the other hand, people with very large aspiration gaps also have limited incentives to invest in closing the gap, because this gap cannot be significantly closed and will remain large even after investment in migration. In this case, migration may be considered not worth undertaking because of the associated risk of failure. Thus, while a positive aspiration gap is essential to motivate people to migrate, this gap should not be too large, in order to avoid frustration and 'emotional loss'. We therefore hypothesise that future migrants form 'middle-range' aspirations, which give the strongest impetus for closing an 'achievable' aspiration gap through investing in migration. In the following we outline four hypotheses that this paper will test.

2.1 Hypotheses about the aspiration–migration nexus

First, we consider that self-selection is an important explanation for the differences in aspirations between migrants and non-migrants. The fact that migrants have higher aspirations (after migration) might simply be the result of this self-selection process. Many studies show that, on average, migrants are younger, better educated and relatively economically or socially well-endowed compared with non-migrants, all of which are factors that tend to correlate with higher life aspirations. So, we presume that potential future

migrants report higher aspirations before migrating because their ‘capacity to aspire’ and ‘capacity to realise’ migration are affected by similar individual characteristics.

Second, we argue that before the migration experience, (future) migrants already have a unique ‘capacity to aspire’, which goes beyond the effects of some ‘stylised factors’ such as age, education, and socio-economic background. We therefore hypothesise that the differences in aspiration gaps between migrants and non-migrants do not disappear when simultaneously controlling for differences in socio-economic characteristics. We argue that at least part of the difference in aspiration gaps between migrants and non-migrants cannot be explained by measurable characteristics or capabilities such as age, education or endowment with other economic, social or human resources. Put differently, even if the group of permanent non-migrants had exactly the same individual and socio-economic characteristics as the group of future migrants, they would still have smaller aspiration gaps which – as one consequence – makes them less prone to migration. We hence claim that migrants possess certain intrinsic aspirations that go beyond the aspirational levels that can be explained by individual and socio-economic characteristics. However, a discussion about whether such individual traits are genetically inherited or rather socially acquired goes beyond the scope of this paper.

Third, we hypothesise that migration itself leads to higher aspirations. Without excluding the possibility that migrants already have higher aspirations before migrating, there are various reasons for thinking that aspiration gaps may also be driven by the migration experience itself. For instance, as already mentioned, migration may expand the ‘aspirational window’, i.e. the awareness about new opportunities, which most likely corresponds with increasing aspirations. Another possible source for rising aspirations are feelings of relative deprivation as a consequence of social comparisons with new peer groups at the destination site (‘reference group substitution’, see Stark and Taylor (1991)).¹ Migrants may also have significantly higher aspirations than non-migrants because they adapt their aspirations to the level of risks they have already taken to achieve their initial aspiration level (‘aspiration adaptation theory’, see Selten (1998)).

Finally, we inquire whether the hypothesised aspiration–migration relationship is non-linear. In fact, we hypothesise that both very low and very high aspiration gaps lead to lower migration propensities than ‘middle-range aspirations’, that is, significant but achievable aspirations.

The hypothesised non-linear reverse-causal relationship between aspirations and migration behaviour creates an ‘endogeneity puzzle’, which we aim to disentangle empirically for the Indonesian context. To summarise, we will test the following hypotheses:

Hypothesis 1a: *Future migrants have higher aspirations than non-migrants, because future migrants are self-selected according to aspiration-enhancing characteristics such as being young, well-educated, or having a better socio-economic background.*

Hypothesis 1b: *Future migrants have higher aspirations than non-migrants because of a personal trait (i.e. a particular disposition) to aspire.*

¹ Wilson (1987) shows in his study on role models that the effect can also work in the other direction though: He shows that successful individuals who were leaving the inner city did not influence the aspirations of those who stayed; thus, out-migrants were no longer part of the aspirational window of those who stayed (Ray 2006).

Hypothesis 2: *Past migrants have higher aspirations than non- or future migrants because the migration experience itself increases aspirations.*

Hypothesis 3: *Potential migrants with moderate aspiration gaps have a higher migration propensity than individuals with very low or very high aspirations.*

3 Background and data

3.1 Local context

Before describing the data in more detail, we give a brief overview of Indonesia's recent socio-political development and the patterns of internal migration. Indonesia, the fourth most populous nation in the world, has undergone a period of major political, economic, and social transitions after the fall of the New Order regime (*Orde Baru*) in the wake of the Asian financial crisis in 1998. More than a decade later, the country is considered a stable democracy with promising long-term economic prospects (World Bank 2011).

Migration has always played an important role in Indonesia, with around 6 per cent of the total population living outside their province of birth already in 1930 (Volkstelling 1930). Consisting of more than 17,000 islands, the Indonesian archipelago is characterised by an immense cultural and linguistic diversity as well as substantial socio-economic disparities, particularly between the politically and economically dominating main island of Java and the outer islands, mainly those in the Eastern parts of the country. During the autocratic rule of President Suharto from 1967 to 1998, the New Order regime extended the controversial 'transmigration program', which resulted in the (forced) displacement of millions of poor households from the densely populated island of Java to less densely populated regions (Marr 1990). This large-scale resettlement programme, intended to ease population pressure on Java and to foster economic development on the outer islands, has caused ethno-religious tensions in the receiving regions and is considered a major trigger of widespread communal violence in the early post-Suharto period (Østby et al. 2011).

With Indonesia's major transition to a more democratic, decentralised and market-oriented system after the fall of the New Order, the transmigration program was discarded, and existing legal barriers to internal migration were removed. By 2000, the number of inter-province migrants had increased to about 10 per cent (Van Lottum and Marks 2010), with rural–urban migration being the major contributor to intensified urbanisation processes (United Nations 2008).

3.2 Data from the Indonesian Family Life Survey

We study the interrelations between individual aspirations and the decision to migrate using data from the Indonesian Family Life Survey (IFLS), a large-scale, longitudinal household and community survey representative of about 83 per cent of the Indonesian population (Strauss et al. 2009). We employ the third (IFLS3 in 2000) and the fourth wave (IFLS4 in 2007/08) of the IFLS, which provides us with a sample of 34,341 adult respondents from 12,900 households, of which 17,564 individuals are observed in both waves. The community

survey additionally offers detailed information on the characteristics of the 320 communities in the sample.²

The longitudinal data of the IFLS allows a detailed analysis of internal migration patterns. For this study, we particularly focus on (i) exceptionally rich information on the respondent's past migration movements; and (ii) a module on subjective well-being that was included in IFLS3 for the first time. The migration module provides a complete migration history from birth to date for each adult respondent in the survey. The module includes information on the origin location, the destination, the date of moving, the reason for moving, and the co-movers. Migration decisions are mostly work-related, while other important motivations for moving are related to family and education. Where appropriate, we will distinguish these different reasons for migrating in the analysis.³

We link these migration movements to individual aspirations using the respondent's assessments of current well-being and expected future well-being. The IFLS module on subjective well-being effectively allows us to calculate an aspiration gap, i.e. the difference between current and hoped-for well-being in the future, with a one-year horizon in the 2000 survey and a five-year horizon in the 2007 survey.⁴

Table 1: Past migrants and non-migrants: subjective well-being and future aspirations

		2000			2007		
		Rural	Urban	Δ	Rural	Urban	Δ
Subjective well-being	Non-migrant	2.80 [10862]	2.98 [10178]	0.19** (0.01)	2.76 [9416]	2.92 [9450]	0.16** (0.01)
	Migrant	2.81 [1919]	3.00 [2385]	0.20** (0.02)	2.76 [1887]	2.96 [3287]	0.21** (0.02)
	Δ	0.01 (0.02)	0.02 (0.02)		0.00 (0.02)	0.05* (0.02)	
Aspiration gap	Non-migrant	0.27 [10520]	0.33 [9939]	0.05** (0.01)	0.55 [8991]	0.56 [8907]	0.01 (0.01)
	Migrant	0.36 [1841]	0.39 [2325]	0.04 (0.02)	0.64 [1762]	0.66 [3069]	0.02 (0.01)
	Δ	0.08** (0.01)	0.06** (0.01)		0.09** (0.01)	0.10** (0.01)	

Notes: No. of observations in brackets, standard errors in parentheses. ** (*) significant at 0.1% (1%) level. In 2000, survey respondents were asked about their aspirations in the next year, whereas in the 2007 survey, respondents were asked about aspirations regarding well-being in a five-year horizon. The respondents were asked to imagine a six-step ladder with the poorest (richest) people on the first (sixth) step, and to state their current as well as their expected future position.

² An IFLS community/village refers to an enumeration area (EA) that was randomly chosen from a nationally representative sample frame used in the 1993 SUSENAS survey. Each EA includes between 200 and 300 households (Strauss et al. 2004). The fact that we avail ourselves of a representative sample for a large population is important as it is rare in this literature, where most micro-studies are either concentrated geographically or correspond to non-random, small laboratory sets of subjects.

³ Table A1 in the appendix gives an overview of migration movements of IFLS respondents between IFLS2 and IFLS3, and IFLS3 and IFLS4, respectively.

⁴ Table A2 in the appendix reports the average level of the aspiration gap by current levels of well-being.

On average, we observe higher aspiration gaps in 2007, which seems to be related to both the longer, five-year time horizon and the more prosperous economic outlook in 2007, compared with the political and economic turbulence in the aftermath of the Asian financial crisis and the fall of the New Order regime. More than 50 per cent of the respondents perceive their relative economic situation as ‘average’ (i.e. on step three of the six-step ladder), while aspiration gaps tend to decrease with increasing economic well-being.

Table 1 illustrates the puzzle which motivates our research. We compare respondents with and without recent migration experience with respect to their subjective (current) well-being and their aspirations for the future. First, we find a rural-urban divide, with higher levels of well-being reported in urban areas – both for migrants and non-migrants,⁵ while recent migrants do not express significantly different levels of subjective well-being from non-migrants (either in rural or in urban contexts). However, past migrants express much higher levels of future aspirations than non-migrants, with almost no (or only weak) differences between rural and urban contexts. Whether high aspirations are the cause or the consequence of migration, i.e. whether higher levels of aspirations for migrants are independent from, or rather the result of their migration experience, is the guiding question for the subsequent analysis.

4 Empirical results

4.1 *The determinants of aspiration*

Table 2 reports the results for the analysis on the determinants for aspirations. By estimating aspiration gaps, we can identify what observable characteristics of the individual respondent explain the differences between migrants and non-migrants. In the two rounds of the IFLS (2000 and 2007), time horizons for achieving the aspired subjective well-being differ, being one year in 2000 and five years in 2007.

For both time horizons, it turns out that, even after controlling for a multitude of other factors, past migrants have significantly higher aspirations, with their (average) aspiration gaps being between 0.04 and 0.05 points higher than those of non-migrants.⁶ This difference may be driven by the migration experience itself, or by an unobserved migrant-specific disposition for higher aspirations. Beyond this, comparison of the two subsamples of migrants and non-migrants shows that both groups have very similar patterns of other aspiration-enhancing factors.

⁵ This result on levels of subjective well-being differs slightly from other contexts such as China (Knight and Gunatilaka 2010), or Nepal (Fafchamps and Shilpi 2008).

⁶ In comparison with the results in Table 1, these numbers show that the actual aspiration gap between migrants and non-migrants halves when controlling for other possible aspiration-enhancing factors.

Table 2: Determinants of aspirations: differences between migrants and non-migrants

DV: Aspiration gap	1 year aspirations (2000 Survey)				5 year aspirations (2007 Survey)			
	Full sample (1)	Migrants (2)	Non- migrants (3)	Test (2)>(3)	Full sample (4)	Migrants (5)	Non- migrants (6)	Test (5)>(6)
Past Migration	0.04** (0.002)				0.05*** (0.000)			
Age Group: 25-39 Years ^a	-0.02 (0.178)	-0.04 (0.121)	-0.01 (0.481)	(0.153)	-0.09*** (0.000)	-0.07* (0.038)	-0.09*** (0.000)	(0.669)
Age Group: 40-65 Years	-0.13*** (0.000)	-0.14** (0.002)	-0.13*** (0.000)	(0.383)	-0.23*** (0.000)	-0.27*** (0.000)	-0.22*** (0.000)	(0.207)
Age Group: >65 Years	-0.18*** (0.000)	-0.28** (0.002)	-0.17*** (0.000)	(0.126)	-0.38*** (0.000)	-0.41*** (0.000)	-0.38*** (0.000)	(0.393)
Men	-0.01 (0.265)	0.04 (0.143)	-0.02* (0.045)	(0.985)	0.04* (0.011)	0.04 (0.314)	0.04* (0.023)	(0.498)
No education ^b	-0.00 (0.781)	-0.0076 (0.908)	-0.00 (0.762)	(0.485)	-0.08*** (0.000)	-0.16 (0.124)	-0.07*** (0.001)	(0.189)
Junior High School	0.05*** (0.000)	0.03 (0.368)	0.05*** (0.000)	(0.212)	0.06*** (0.000)	0.01 (0.753)	0.07*** (0.000)	(0.121)
Senior High School	0.07*** (0.000)	0.07* (0.024)	0.07*** (0.000)	(0.535)	0.12* (0.000)	0.07 (0.103)	0.13*** (0.000)	(0.097)
Higher Education	0.11*** (0.000)	0.10* (0.026)	0.13*** (0.000)	(0.280)	0.20*** (0.000)	0.15** (0.005)	0.20*** (0.000)	(0.189)
Edu Gap: Own vs. Highest in the HH	-0.00 (0.921)	0.03 (0.115)	-0.00 (0.597)	(0.948)	0.01 (0.060)	-0.00 (0.838)	0.02* (0.034)	(0.196)
Hours worked per week	0.00*** (0.001)	0.00 (0.410)	0.00*** (0.001)	(0.330)	0.00* (0.016)	0.00 (0.166)	0.00 (0.071)	(0.717)
Total monthly income(ln)	0.00 (0.730)	-0.00 (0.433)	0.00 (0.450)	(0.176)	-0.00 (0.947)	-0.01* (0.039)	0.00 (0.318)	(0.013)
Community Participation	0.03** (0.003)	0.01 (0.743)	0.04** (0.002)	(0.218)	0.00 (0.842)	-0.00 (0.907)	0.00 (0.758)	(0.409)
Married	0.03** (0.009)	0.08** (0.003)	0.02 (0.206)	(0.984)	0.02 (0.121)	0.02 (0.575)	0.02 (0.168)	(0.462)
HH Head	-0.03* (0.035)	-0.08* (0.018)	-0.02 (0.264)	(0.038)	-0.07*** (0.000)	-0.07 (0.128)	-0.07*** (0.000)	(0.551)
Age HH Head: 40-65 Years ^a	0.02 (0.135)	0.03 (0.289)	0.01 (0.304)	(0.718)	-0.05** (0.006)	-0.05 (0.198)	-0.04* (0.021)	(0.407)
Age HH Head: >65 Years	0.01 (0.714)	0.02 (0.706)	0.00 (0.956)	(0.624)	-0.05* (0.049)	-0.11 (0.108)	-0.04 (0.166)	(0.146)
HH Expenditure – 1 st Quantile ^c	0.01 (0.357)	0.0 (0.915)	0.01 (0.365)	(0.419)	-0.05*** (0.000)	-0.06 (0.142)	-0.05** (0.001)	(0.383)
HH Expenditure – 4 th Quantile	0.01 (0.200)	-0.01 (0.783)	0.02 (0.118)	(0.181)	0.02 (0.285)	-0.01 (0.738)	0.02 (0.167)	(0.173)
Household with Farm Income	0.01 (0.542)	0.00 (0.952)	0.01 (0.465)	(0.417)	0.02 (0.113)	0.05 (0.175)	0.02 (0.280)	(0.804)
Household with Non- Farm Business	0.02* (0.013)	0.03 (0.260)	0.02* (0.033)	(0.599)	0.04** (0.003)	0.04 (0.178)	0.03* (0.011)	(0.626)
Female headed HH	-0.00 (0.787)	-0.02 (0.484)	-0.00 (0.802)	(0.307)	0.04* (0.018)	0.05 (0.205)	0.04* (0.048)	(0.605)
HH Adults	-0.00 (0.411)	-0.01* (0.024)	-0.00 (0.934)	(0.019)	0.00 (0.492)	0.01 (0.139)	0.00 (0.823)	(0.880)
HH Children Age 0-4	0.01 (0.059)	-0.01 (0.396)	0.02* (0.019)	(0.045)	0.02* (0.045)	0.01 (0.614)	0.02 (0.067)	(0.402)
HH Children Age 5-9	-0.00 (0.538)	0.02 (0.165)	-0.01 (0.221)	(0.962)	0.02* (0.045)	-0.00 (0.875)	0.02* (0.016)	(0.136)
HH Children Age 10- 14	0.00 (0.935)	-0.04** (0.008)	0.01 (0.268)	(0.002)	-0.00 (0.785)	-0.05* (0.047)	0.00 (0.597)	(0.029)
Household with TV	0.01 (0.277)	0.03 (0.244)	0.01 (0.472)	(0.792)	-0.00 (0.801)	-0.00 (0.924)	-0.00 (0.921)	(0.481)

Rural HH	0.00 (0.899)	0.00 (0.886)	0.00 (0.836)	(0.520)	0.01 (0.355)	0.02 (0.612)	0.01 (0.464)	(0.570)
Average HH Asset Value	0.00 (0.868)	0.01 (0.512)	-0.00 (0.750)	(0.770)	-0.01 (0.104)	-0.01 (0.713)	-0.02 (0.079)	(0.751)
Ethnic Fractionalisation	0.04 (0.135)	-0.03 (0.538)	0.06 [*] (0.033)	(0.067)	-0.03 (0.401)	-0.03 (0.685)	-0.01 (0.801)	(0.394)
Constant	0.28 ^{**} (0.003)	0.29 (0.081)	0.32 ^{**} (0.006)		0.96 ^{***} (0.000)	0.92 ^{***} (0.000)	1.01 ^{***} (0.000)	
<i>Province dummies</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<i>N</i>	23109	3747	19362		20717	3598	17119	
<i>R</i> ²	0.043	0.055	0.042		0.085	0.077	0.081	
adj. <i>R</i> ²	0.041	0.043	0.040		0.082	0.065	0.079	
<i>AIC</i>	41654.6	7165.8	34470.2		45748.3	8302.7	37463.4	

Notes: *p*-values in parentheses. Significance levels: * *p* < 0.05, ** *p* < 0.01, *** *p* < 0.001.

Not reported control variables (not significant): Job occupation (private worker, self-employed, unpaid family work, government). The Test-columns present *p*-values of pairwise hypotheses tests on the H0 hypothesis of inequality of coefficients.

First, and maybe foremost, age is a crucial determinant of individual aspirations. For both time horizons (one and five years), young adults aged between 15 and 24 show the highest aspiration gaps, which then continuously decline with age. Differences between migrants and non-migrants are marginal and not significant, implying that young people have higher aspirations, irrespective of their migration experience. Besides age, education plays a key role in explaining aspiration gaps. Less educated respondents appear to have lower aspirations, with no (or only weakly) significant differences in the effects of education on aspirations between migrants and non-migrants. We also find that the level of economic activity, measured in the numbers of hours worked, is positively associated with aspirations for the future.

Furthermore, individuals from poor households (i.e. of the lowest income quartile) have significantly lower future aspirations than do those from wealthier households. This seems to indicate a positive link between the ‘capacity to realise’ and the ‘capacity to aspire’ and provides evidence for the existence of a ‘vicious cycle’ of low aspirations and poverty (Appadurai 2004). Another indication of a positive association between capabilities and aspirations is the robust positive effect of households’ non-farm business activities. Even after controlling for their on average higher income compared with agrarian households, respondents in non-farm households have higher aspirations. This seems to be connected to the better access such households provide to aspiration-increasing resources and networks of information. Interestingly, heads of household show significantly lower levels of aspirations than other household members, also when controlling for age. This can reflect a perceived ‘burden of responsibility’ for securing or achieving a certain level of well-being for the entire household, which is easier to bear when aspirations are less ambitious.

4.2 Do aspirations change as a consequence of migration?

Table 3 provides the results of OLS regressions on *changes* in the respondents’ aspiration gaps between the interviews in 2000 and 2007. On average, the aspiration gap has more than doubled between 2000 and 2007 (see Table A2), which we assume is the result of both the generally better economic prospect in 2007 compared to 2000, and the longer aspiration horizon of five years in 2007 (instead of only one year in 2000). Of key interest is

the binary variable indicating whether an individual had migrated in the seven-year period between the two interviews.

Table 3: Determinants of changes in aspiration gaps between 2000 and 2007

<i>DV: Δ Aspiration gap</i>	Full sample	TYPE OF MIGRATION			
		Economic opportunity	Economic necessity	Education	Marriage
	(1)	(2)	(3)	(4)	(5)
Migrated between 2000 - 2007	0.05*** (0.006)	0.07 (0.209)	0.22** (0.014)	0.19* (0.052)	0.12*** (0.005)
2000: Subjective Well-Being	0.18*** (0.000)	0.18*** (0.000)	0.18*** (0.000)	0.17*** (0.000)	0.17*** (0.000)
2007: Age Group: 25-39 Years ^a	0.04* (0.083)	0.06** (0.010)	0.07*** (0.009)	0.06** (0.013)	0.06** (0.012)
2007: Age Group: 40-65 Years	-0.02 (0.349)	-0.00 (0.842)	-0.00 (0.969)	-0.00 (0.849)	-0.00 (0.858)
Men	0.07*** (0.000)	0.08*** (0.001)	0.08*** (0.001)	0.08*** (0.001)	0.07*** (0.003)
2000: No education ^b	-0.06** (0.035)	-0.04 (0.158)	-0.04 (0.158)	-0.04 (0.188)	-0.04 (0.150)
2000: Junior High School	-0.00 (0.895)	0.01 (0.767)	0.01 (0.796)	0.01 (0.721)	0.01 (0.604)
2000: Senior High School	0.01 (0.590)	0.02 (0.378)	0.01 (0.515)	0.01 (0.533)	0.02 (0.408)
2000: Higher Education	-0.02 (0.608)	0.01 (0.702)	0.01 (0.792)	-0.00 (0.987)	0.01 (0.718)
Higher Education Completed in 2007	0.03 (0.208)	0.00 (0.933)	0.01 (0.816)	0.00 (0.860)	0.02 (0.524)
In 2007 newly employed	0.02 (0.243)	0.02 (0.313)	0.02 (0.293)	0.02 (0.279)	0.03 (0.141)
In 2007 no longer employed	-0.06** (0.014)	-0.05** (0.039)	-0.05** (0.031)	-0.05** (0.030)	-0.05** (0.025)
2000: Total monthly income (ln)	-0.01 (0.951)	0.13 (0.473)	0.10 (0.593)	0.13 (0.483)	0.05 (0.784)
Change in total monthly income	0.24* (0.063)	0.33** (0.018)	0.31** (0.029)	0.33** (0.022)	0.30** (0.033)
2000: Married	-0.08*** (0.000)	-0.07*** (0.001)	-0.08*** (0.001)	-0.07*** (0.001)	-0.07*** (0.001)
2000: Head	-0.10*** (0.000)	-0.09*** (0.000)	-0.10*** (0.000)	-0.10*** (0.000)	-0.08*** (0.001)
In 2007 newly head	-0.04* (0.062)	-0.05* (0.056)	-0.04 (0.125)	-0.04 (0.112)	-0.05* (0.081)
2000: Household Expenditure	0.08 (0.245)	0.11 (0.125)	0.11 (0.139)	0.10 (0.183)	0.12 (0.100)
2000: Household Expenditure squared	-0.01* (0.083)	-0.02** (0.038)	-0.02** (0.044)	-0.02* (0.066)	-0.02** (0.033)

Change in Household Expenditure	0.03*** (0.005)	0.03*** (0.006)	0.03*** (0.006)	0.03*** (0.006)	0.03*** (0.008)
2000: Female-headed HH	-0.01 (0.713)	-0.03 (0.302)	-0.03 (0.338)	-0.03 (0.271)	-0.03 (0.268)
2000: HH Adults	-0.02*** (0.000)	-0.01*** (0.000)	-0.01*** (0.000)	-0.01*** (0.000)	-0.01*** (0.000)
2000: HH Children	0.01** (0.024)	0.02** (0.010)	0.02*** (0.008)	0.02*** (0.007)	0.02*** (0.006)
2000: Rural	0.02 (0.298)	-0.00 (0.880)	-0.01 (0.777)	-0.01 (0.691)	-0.00 (0.903)
Village: Average HH Asset Value	-0.02** (0.025)	-0.04*** (0.000)	-0.04*** (0.000)	-0.04*** (0.000)	-0.05*** (0.000)
Constant	0.10 (0.644)	0.34 (0.166)	0.36 (0.147)	0.38 (0.125)	0.41* (0.087)
<i>Province Dummies included</i>	Yes	Yes	Yes	Yes	Yes
Observations	16949	13983	13757	13751	14134
R2 / Pseudo-R2	0.046	0.048	0.048	0.048	0.048

Notes: *p*-values in parentheses. Significance levels: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

The reference category in each regression are all non-migrants. Migrants for other reasons are excluded in the migration type specific regressions.

Overall, we find that migration between 2000 and 2007 has contributed significantly to the formation of aspirations, with an estimated migration-related increase in absolute aspiration gaps of about 0.05 points. Interestingly enough, the change in the aspiration gap increases significantly with the level of economic well-being in 2000. The better off are therefore found more likely to generate aspirations for the future, reflecting their higher capacity to aspire and, at the same time, supporting the hypothesis of an ‘aspiration trap’ among poor and less economically and socially well-endowed individuals.

In a next step, we run separate estimations on sub-categories of migrants by distinguishing the reasons to migrate. We find a particularly strong rise in aspiration gaps for those migrants who moved out of economic necessity – i.e. those who mention a lack of labour-market options. Whereas migrants who migrated rather for economic opportunities – i.e. those whose main reason for migration was to find a better job – experienced no significant post-migration increase in aspiration gaps.

Migration for non-economic purposes, i.e. for education or marriage reasons, also has a strong positive effect on *post*-migration aspiration gaps. These results generate a mixed picture of the effects of migration on the adaptation of aspiration gaps. Economic migrants with more proactive attitudes towards realising economic opportunities do not experience a significant *post*-migration increase in aspirations, whereas respondents who migrate out of economic necessity increase their ‘capacity to aspire’. The same holds true for migrants who move either for educational or marriage reasons; both types of migration significantly increase aspiration gaps.

Besides these effects of migration itself, some other drivers of aspirations seem similarly relevant. A very strong effect is found for gender, indicating a highly significant ‘gender gap’ in changes in aspiration gaps over time, with men reporting larger increases in

aspiration gaps between 2000 and 2007 than women. Further, we can see that ambitions are significantly higher for younger age cohorts, but this holds true similarly for migrants and non-migrants.

The aspiration-enhancing effects of economic variables such as increasing income per capita or household consumption levels are positive, suggesting a 'hedonic treadmill' effect. The robust and positive effect of increasing household expenditures on changes in aspirations strengthens the assumption that there is a link between the 'capacity to realise' and the 'capacity to aspire'. Increasing economic resources not only provide immediate means to realise aspirations, but may also foster aspirations for personal progress and development.

Along similar lines, we find evidence of a substantially negative effect of unemployment on the affected individuals' capacity to aspire. This might imply that within a rather short period of unemployment with presumably relatively stable aspirations, migration becomes more likely. However, if unemployment lasts longer, aspirations (as well as self-confidence, self-esteem, and even skills) may adjust downwards, and future migration (and any other proactive behaviour) becomes less aspired to (see e.g. Sheeran et al. 1995).

Beyond this, aspirations are also triggered through the effects of social comparisons. Our results show that an overall increase of wealth (as measured by assets) in a community has negative effects on individual aspirations. Feelings of relative deprivation, generated by an independent improvement of the average economic situation of other households, do not only negatively affect subjective well-being, but also individual capacity to aspire. This suggests that there is only a fine line between aspiration-enhancing and aspiration-deteriorating relative deprivation; for some, feelings of relative deprivation may create incentives to improve the own situation, whereas for others they may result instead in resignation. 'Minor' relative deprivation seems to be most 'effective' for triggering strong aspirations about individual progress and development.

4.3 Do aspirations trigger migration?

We now turn to an alternative explanation for why migrants have significantly higher aspirations than non-migrants. We hypothesised that future migrants already show significantly higher aspirations *before* migration. Individuals with a higher capacity to aspire are hence more likely to consider migration as a valuable option to realise their aspirations for increased economic well-being. Table 4 reports the results of the effects of *pre-migration* aspirations on the decision to migrate. We use the longitudinal dimension of the dataset to identify those respondents who migrate in the years after the interview in 2000 (IFLS3).

Table 4: Determinants of future migration and the role of aspiration gaps

<i>DV: MIGRATED IN 2000-02</i>	Full sample	TYPE OF MIGRATION			
		Economic opportunity	Economic necessity	Education	Marriage
Positive Aspiration Gap	0.11** (0.046)	0.30** (0.016)	-0.23 (0.334)	0.20 (0.170)	-0.10 (0.616)
Past Migration Experience	0.82*** (0.000)	0.78*** (0.000)	0.36 (0.146)	0.40** (0.013)	0.13 (0.583)
Age Group: 25-39 Years ^a	-0.46*** (0.000)	-0.84*** (0.000)	-1.31*** (0.000)	-0.52*** (0.006)	-2.07*** (0.000)
Age Group: 40-65 Years	-1.08*** (0.000)	-1.15*** (0.000)	-2.28*** (0.000)	-2.46*** (0.000)	-3.13*** (0.000)
Men	0.03 (0.572)	0.55*** (0.000)	0.87*** (0.000)	-0.66*** (0.000)	-0.01 (0.951)
No education ^b	-0.57*** (0.003)	-0.65 (0.177)	0.58 (0.322)	0.19 (0.680)	
Junior High School	0.32*** (0.000)	0.22 (0.253)	-0.09 (0.763)	-0.12 (0.586)	0.93** (0.050)
Senior High School	0.68*** (0.000)	0.86*** (0.000)	0.25 (0.433)	0.32 (0.138)	2.34*** (0.000)
Higher Education	0.61*** (0.000)	0.79*** (0.006)	-0.70 (0.265)	0.72** (0.014)	1.26** (0.038)
Education gap: own vs. highest education in HH	0.05 (0.261)	0.13 (0.251)	-0.06 (0.756)	-0.02 (0.865)	0.77*** (0.000)
Income (ln)	0.01 (0.329)	0.03 (0.183)	0.04 (0.285)	0.02 (0.517)	-0.04 (0.401)
Participation in Community Meetings	-0.12 (0.137)	-0.13 (0.490)	-0.08 (0.811)	0.15 (0.491)	-0.13 (0.711)
Married	-0.42*** (0.000)	-1.28*** (0.000)	-1.16*** (0.000)	-2.85*** (0.000)	-1.75*** (0.000)
HH Head	0.04 (0.625)	0.32 (0.109)	0.90** (0.014)	0.49** (0.048)	1.48*** (0.000)
Household Expenditure	-0.20 (0.409)	0.26 (0.670)	0.23 (0.821)	-0.13 (0.837)	1.14 (0.293)
Household Expenditure squared	0.01 (0.639)	-0.07 (0.348)	-0.07 (0.590)	-0.01 (0.885)	-0.09 (0.446)
Household with Farm Production	-0.24*** (0.000)	0.04 (0.820)	-0.09 (0.724)	-0.01 (0.941)	0.31 (0.192)
Household with non-farm business	-0.05 (0.386)	-0.02 (0.905)	0.14 (0.535)	-0.09 (0.570)	0.27 (0.183)
Female Household Head	-0.08 (0.288)	0.15 (0.367)	0.37 (0.184)	-0.41** (0.038)	-0.24 (0.425)
HH Adults	-0.03** (0.013)	-0.05 (0.160)	0.02 (0.635)	0.03 (0.256)	-0.08 (0.154)
HH Children	-0.01 (0.660)	0.06 (0.230)	-0.09 (0.311)	-0.04 (0.455)	0.02 (0.848)
Economic Shock in the last	0.01	0.18	-0.04	0.18	0.17

three years	(0.893)	(0.266)	(0.895)	(0.354)	(0.555)
Other Shock in the last three years	0.08 (0.262)	-0.22 (0.266)	-0.24 (0.490)	0.26 (0.173)	0.31 (0.229)
Rural	-0.06 (0.380)	0.42*** (0.007)	0.59** (0.030)	-0.00 (0.994)	0.23 (0.329)
Average HH Asset Value	-0.08*** (0.002)	-0.15*** (0.008)	0.05 (0.697)	-0.09 (0.219)	-0.07 (0.469)
Constant	-0.03 (0.971)	-1.30 (0.408)	-5.45* (0.060)	-1.80 (0.315)	-7.14** (0.014)
<i>Province Dummies included</i>	Yes	Yes	Yes	Yes	Yes
Observations	21512	20428	19017	20368	8755
Pseudo-R2	0.081	0.126	0.151	0.203	0.172

Notes: Reference Category: All Non-Migrants in 2000. Job categories included (private worker, self-employed, unpaid Family work, government).

We use the full sample of respondents for which data from IFLS3 and IFLS4 is available and define all individuals who did not migrate in the first two years after IFLS 3 as the reference group. Importantly, we do control for past migration (before IFLS3) to account for the positive effect of migration experiences on aspirations identified above. Specification (1) in Table 5 estimates the odds-ratios that an individual will migrate within two years, given his or her aspiration gap at the time of the 2000 survey. Overall, we find that individuals with a positive aspiration gap have a significantly higher propensity to migrate compared with individuals without positive aspirations for the near future. By considering different types of migration, we observe that particularly migration for reasons of economic opportunity is driven by aspirations for economic well-being. Individuals with positive aspirations for their future economic well-being are more likely to move in order to reap benefits from job opportunities elsewhere. However, for migrants who are instead compelled to move due to economic necessity, future aspirations do not have a significant effect on the decision to migrate.

Table 5: Future migration and alternative aspiration gaps

	(1)	(3)	(4)	(5)	(6)
	<i>Full sample</i>	<i>Economic opportunity</i>	<i>Economic necessity</i>	<i>Education</i>	<i>Marriage</i>
Panel 1: Migration within 2 years (2000-2002)					
Dummy: Moderate Aspirations (Gap = 1)	0.10* (0.087)	0.31** (0.018)	-0.14 (0.559)	0.22 (0.130)	-0.05 (0.828)
Dummy: High Aspirations (Gap > 1)	0.20 (0.115)	0.26 (0.385)	-1.38 (0.173)	-0.02 (0.954)	-0.79 (0.281)
Panel 2: Migration within 1 year (2000-2001)					
Dummy: Moderate Aspirations (Gap = 1)	0.13 (0.147)	0.37* (0.061)	-0.42 (0.242)	0.18 (0.482)	-0.25 (0.503)
Dummy: High Aspirations (Gap > 1)	-0.07 (0.758)	-0.32 (0.594)	-0.77 (0.454)	-1.18 (0.248)	0.29 (0.701)

Note: Model and other control variables as in Table 4. Reference Category: All Non-Migrants in 2000.

We find strong evidence for migration being an option primarily for young, unmarried and well-educated people. This group has a comparative advantage in the capacities to aspire and to realise, which makes them almost predestined to migrate. Age in particular is an important factor in migration decision-making, not only for economic reasons related to expanding the time available for off-setting migration costs and optimising life-time income, but maybe more for social reasons related to being unmarried and not responsible for accommodating a family.

A substantial positive effect of past migration on the likelihood of future migration decisions seems to confirm a certain self-selection into a (temporary) 'migration lifestyle', which may reflect some path-dependency in individual migration histories, at least until age and family responsibilities counteract this personal inclination for migration. Finally, moving out of rural areas is not a general trend in Indonesia, but only becomes relevant when economic opportunities are lacking and people do not find alternative ways for improving economic-well-being. This interpretation is supported by the negative effect of average wealth in a community on the out-migration propensity of its members. Wealthier communities which provide more economic opportunities experience less out-migration.

4.4 Is the aspiration–migration relationship non-linear?

We now address the question of whether individuals with moderate aspirations have a higher migration propensity than individuals with very low or very high aspirations. In order to test the existence of such a non-linear relationship between aspirations and future migration decisions, we re-run the models presented in Table 4 and replace the single dummy for positive aspirations with two dummies for moderate and high aspirations, respectively. Table 5 presents the coefficients for these dummies (all other control variables are as in Table 4, though they are not reported).

When looking at migration movements in the first two years after the 2000 survey (Panel 1), we observe a non-linear relationship between aspirations and future migration decisions when it comes to moving in order to seek economic opportunities, and moving for educational purposes (though the latter is only marginally significant). The pattern, however, is not particularly clear, and results for the full sample even suggest a positive and linear relationship. We therefore re-run the analysis for migration movements within the first year after the survey to match the time period of the stated aspiration gap (Panel 2). While the number of observed migration movements drops from 1,635 to 840, the effect of future aspirations (which were stated for the next coming year) may be assessed more accurately this way. The drop in observed migration movements causes the expected loss of significance; however, we do find a distinct non-linear relationship between aspirations and migration, with very high aspirations for the future reducing the likelihood of migration (though not significantly). This result seems to corroborate the hypothesis that 'middle-range' aspirations trigger migration propensities most. Low or extremely ambitious aspirations, however, seem to make migration less of an option.

4.5 Do migrants self-select based on their higher 'capacity to aspire'?

Finally, we test whether migrants are a self-selected group of individuals who had larger aspiration gaps before migrating. We therefore decompose the initially identified difference in aspiration gaps between migrants and non-migrants into 'measurable' differences in

characteristics on the one hand and a (non-measurable) disposition for higher pre-migration aspirations on the other. The panel structure of the dataset allows us to analyse the question in this way. We include only those individuals with no migration experience up until 2000, and compare ‘permanent’ non-migrants, i.e. those individuals who did not migrate after 2000, with the group of future migrants, i.e. those non-migrants who migrated *after* the 2000 survey, i.e. between 2000 and 2007.

Table 6: Decomposition of aspiration gaps between future migrants and non-migrants

Differential in Aspiration gaps (Survey 2000)				
Future Non-migrants	0.315 ^{***} (0.000)			
Future Migrants	0.389 ^{***} (0.000)			
Differential	-0.074 ^{**} (0.002)			
	Due to Characteristics	Contribution to differential (in %)	Due to Coefficients	Contribution to differential (in %)
Decomposition of differential	-0.052 ^{***} (0.000)	69.77	-0.022 (0.359)	30.09

Note: *p*-values in parentheses. * *p* < 0.05, ** *p* < 0.01, *** *p* < 0.001. Decomposition includes the same set of explanatory variables as in regression on future migration (Table 4).

Table 6 reports the differences in the average aspiration gap between these two groups, who –what we already know – have on average lower aspiration gaps than those individuals with past migration experience in 2000 (Table 1). Non-migrants, who migrated after the survey in 2000, report, on average, significantly higher aspiration gaps (average gap: 0.315) than respondents with no migration experience at all (average gap: 0.389). In line with the results in Table 4, future migration is associated with higher aspirations than non-migration. However, the decisive question is whether these differences are due to individual characteristics, such as age, education or socio-economic background (or any other variables we control for), or whether these differences are due to a natural, but immeasurable disposition for comparatively high aspiration.

To investigate the relative importance of these two explanations, we decompose the overall difference in the aspiration gap (0.074). We apply a Blinder-Oaxaca decomposition (Blinder 1973; Oaxaca 1973), which divides the differential in aspiration gaps into the part that is explained by the set of observable characteristics, i.e. the set of explanatory variables, and a residual part that cannot be accounted for by differences in these characteristics (Jann 2008). These unobserved predictors reflect a personal trait among (future) migrants involving higher aspirations that go beyond observed characteristics. This decomposition technique allows us to answer the following question about the counterfactual: ‘what would the average aspiration gap for future migrants have been if they had the same observable characteristics as non-migrants?’. Thus, the decomposition follows the following formulation:

$$\widehat{\Delta G}_{N,F} = \bar{X}'_N (\hat{\beta}_F - \hat{\beta}_N) + \hat{\beta}_F (\bar{X}'_F + \bar{X}'_N)$$

Where $\widehat{\Delta G}_{N,F}$ reflects the differential in the average aspiration gaps of future migrants and non-migrants, \bar{X}'_F and \bar{X}'_N are vectors of mean observable characteristics for the two respective groups, and $\hat{\beta}'_F$ and $\hat{\beta}'_N$ are the estimated vectors of coefficients, respectively.

Our estimation results show that about 70 per cent (0.052) of the overall differential in aspirations (0.074) can be explained by the differences in observable characteristics (Table 6). We can identify three main categories in which future migrants have favourable, aspiration-inducing characteristics: age, education, and the geographical location (here, the province) explain most of the larger aspiration gaps among future migrants.

If future migrants had exactly the same observable characteristics as non-migrants, the between-group aspiration differential would have been 0.022, or about 30 per cent of the actual difference. As this residual is due to differences in unobservable, individual-specific dispositions for higher aspirations, we can conclude that (future) migrants are neither representative of the total population nor are they representative of the (sub-)population with favourable 'migration characteristics' such as being young, unmarried, well-educated, and having a decent socio-economic background. Instead, migrants have some (unobservable) qualities that generate higher aspirations before migrating, compared with those individuals who never migrate. So, potential migrants self-select based on their strong 'capacity to realise' *and* a unique 'capacity to aspire'.

5 Conclusion

The main conclusion of this study is that aspirations are a pre-requisite, but can also be a consequence of migration. Aspirations can be a decisive motivational capability to avoid or to escape 'socio-economic traps' such as poverty, unemployment, or social and economic exclusion. However, where do aspirations come from? Our study suggests at least four main sources for aspirations: first, being born with an exceptional 'capacity to aspire'; second, being born into a household providing the economic, social and human resources necessary to develop an aspirational personality; third, being young, having enjoyed some education, and having become independent from the native social context; and fourth, behaving proactively, for example by migrating, which can further increase aspirations for future well-being.

Consequently, the allocation of aspirations is not random across populations, and therefore, migration is a self-selected process with regards to aspiration levels. Migrants have higher aspirations than non-migrants, and we find strong evidence that while these aspirations are partly the result of the migration experience itself, they also already existed before migration. Higher levels of aspirations, according to which migrants are self-selected, are mainly driven (about 70 per cent) by aspiration-enhancing characteristics such as being young, well-educated, and economically and socially well-situated. However, the residual is more or less due to unobservable characteristics which we assume to be captured by an individual disposition for aspirations.

This research has some important policy implications. In general, socio-economic development, including poverty reduction, facilitates individuals' capacity to realise further behavioural actions, such as investment in physical, social or human capital. Moreover, development also spurs the individuals' capacity to *aspire* to individual and societal progress and development. In that sense, development is self-perpetuating as soon as it is initiated.

As far as migration is concerned, we can expect that aspiration-enhancing development also spurs migration intentions, thereby leading to a more mobile society with supposedly more internal and international migration. Migration experience feeds back into individual future aspirations. However, there are limits to migration as a self-enhancing social process. Ageing societies (and Indonesia is one of these) have smaller cohorts of younger people; this reduces the number of potential migrants in the future. Moreover, significant numbers of individuals do not have an aspirational disposition, i.e. in all societies, a significant number of individuals never consider or aspire to voluntary migration as an option for improving their lot.

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Appendix

Table A1: Descriptive statistics

	A. 1998-2000	C. 2000-2007
Number of Migrants	4,504	5,179
Distance moved (in km)	154	105
Reason: Work related	0.22	0.24
<i>To get work at destination</i>	0.59	0.54
<i>Limited opportunities at origin</i>	0.24	0.16
<i>Company transfer/relocation</i>	0.04	0.04
<i>Retirement</i>	0.00	0.01
<i>Job problem</i>	0.05	0.16
<i>Be closer to job</i>	0.05	0.06
Reason: Education	0.09	0.09
Reason: Marriage	0.16	0.13
Reason: Migration with family	0.09	0.10
Reason: To be closer to family	0.13	0.12
Reason: Live with family member	0.06	0.06
Reason: Independent from parents	0.04	0.05
Reason: Like the destination	0.03	0.03
Reason: Transmigration	0.00	0.00
Reason: New housing opportunity	0.05	0.08
Move with family member(s)	0.43	0.49
Number of other family members	2.61	2.71
Moved with partner	0.33	0.39
Moved with father	0.04	0.04
Moved with mother	0.05	0.05

Table A2: Average aspiration gaps by current level of subjective well-being

Current SWB	Aspiration Gap							
	2000				2007			
	N	Mean	Min	Max	n	Mean	Min	Max
1 (poorest)	1148	0.62	0	5	1341	1.10	0	5
2	5117	0.41	-1	4	6604	0.81	-1	4
3	13957	0.32	-2	3	14582	0.65	-2	3
4	4083	0.22	-3	2	4400	0.54	-3	2
5	248	0.05	-4	1	296	0.18	-3	1
6 (richest)	72	-0.31	-4	0	57	-0.63	-5	0
Overall Average	24625	0.33	-4	5	27280	0.69	-5	5