The spatial analysis of inter-regional labor migration in Japan

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Abstract

Using the spatial econometric techniques, this paper empirically analyzes the determinants of inter-regional labor mobility in Japan. The spatial gravity model is used in this paper. I confirm that a high unemployment rate in the destination prefecture decreases the labor flow, while labor movements from the origin prefecture is not affected by the level of unemployment, and a high GDP per capita in the destination prefecture increases the labor flow, while the labor movements from the origin prefecture is not affected by the level of the GDP per capita. This paper also confirms that the level of the present migration flow is highly correlated with the past flow, and the past migration and goods flows are important factors to determine spatial weight matrices.