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On the political economy of urbanisation: Experimental evidence from Mozambique

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- This policy brief explores findings from a field experiment that studies the political outcomes of a programme to integrate rural migrants in Quelimane, an expanding city in Mozambique.
- The programme consisted of face-to-face coaching of migrants, job matching, mobile money education, and information about the city, its public services, and voting. Importantly, in the programme's main variation, local leaders actively participated in programme delivery.
- Although the programme's labour market effects were limited, it increased electoral turnout among migrants, as well as political mobilisation.
- Involving local leaders in programme delivery increased their political mobilisation and campaigning efforts for the incumbent party. It also improved residents' overall positive views of migrants.
- Promoting urbanisation by supporting the integration of rural migrants in urban settings can be in the political interest of local governments.

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Policy motivation

Urbanisation has increased in Mozambique over the last twenty years. In 2004, 30% of the population lived in urban areas; by 2023, this figure will rise to 39%. However, the proportion of the population living in urban areas still lags behind the sub-Saharan African (43%) and the global (57%) averages (World Bank Group, 2024).

Mozambique has been ruled by the same party since independence in 1975, pursuing a development strategy favouring rural development over urbanisation. This strategy also has a political logic: in rural areas, the ruling party exerts power over the population through incentives mediated by appointed local leaders who determine the allocation of land-use rights, but this approach is less effective in urban areas. The ruling party only allows municipal elections to happen in large cities, and only in a few of those has the opposition made some ground and won elections.

Quelimane is one such city, as it has been held by the opposition since 2011. The city has grown in recent decades, driven largely by the natural arrival of rural migrants looking for better economic opportunities, and it is currently the 7th largest city in Mozambique (World Population Review, 2024).

Informed by this phenomenon, this study attempts to answer an essential question for the political economy of urbanisation: What are the political effects for a local government of a policy aiming to integrate rural migrants, thus supporting urbanisation?

Overview of the research

Economists have established that urbanisation and structural change are essential features of economic development. While the world has urbanised unprecedentedly in recent decades, this process has lagged behind in sub-Saharan Africa (United Nations, 2018). This is despite the visible benefits of migrating to urban areas (for example, positive wage gaps between urban and rural areas, long-term human capital benefits, and climate change pressures). The possibility that existing frictions may impede these flows opens the stage for thinking about the right policies to overcome them.

At the same time, urbanisation is related to politics, both at the origin and destination of rural-to-urban migrants. In sub-Saharan Africa, it is likely that urbanisation improves democracy by facilitating collective action and accountability. However, perhaps for that reason, there are strong frictions to urbanisation imposed through policies in the region. It is, therefore, important to

align political interests with effective policies that promote development through urbanisation.

This research studies the political effects of a city government's policy to integrate rural migrants. The policy was implemented in the municipality of Quelimane, Mozambique, one of the few cities where the opposition party has gained ground over the long rule of the party that has governed since independence. The policy consisted of an integration package to support recent rural migrants in the city, sponsored by the corresponding municipality and known as *Quelimane trabalha com todos* ("Quelimane works with everybody" in Portuguese).

The programme entailed face-to-face coaching of migrants in several rounds of home visits. Its main component was to match migrants with opportunities in the city. Migrants also received information on how to operate mobile money services to facilitate transfers to their rural households. Finally, they received information about the city, public services, and voting. Most importantly, in its main variation, the programme was implemented with the active participation of local leaders at the lowest administrative level (the "block").

The experiment took place in 497 blocks across the city, with up to eight rural migrants sampled from each. Each of these blocks was randomly allocated to one of three comparison groups:

- The integration programme with the participation of the block leader;
- The integration programme without the block leader's participation;
- A pure control group receiving no intervention.

Main findings

Involving local leaders in programme implementation improved their views and understanding of migrants.

In blocks receiving the "leader" treatment, the social proximity of leaders to the migrants in their jurisdictions increased substantially. The treatment increased leaders' view that migrants are unfairly treated (by nine percentage points) and that migrants are positive for the community (by 12 percentage points). These results extended to the residents in these blocks, who similarly increased their views that migrants are positive. Leaders in this treatment group are also more acquainted with the migrants living in their blocks, as they are six percentage points more likely to know the migrants sampled for the programme. The leader treatment also increased the probability of contact between the migrant and the block leader by six percentage points in the eight months following the beginning of the programme, as reported by migrants themselves.

Leaders became more mobilised in campaigning.

All leaders in the study received 40 stickers bearing the name of the incumbent mayor and the integration programme and were instructed to distribute them among households in their blocks prior to the municipal election. The percentage of programme stickers found with households increased by four percentage points, which is statistically different from the number found in the basic treatment. Leaders were also 11 percentage points more effective at mobilising participation in political rallies in favour of the incumbent mayor. These results suggest that leaders deemed the programme to be a useful campaign opportunity when they were involved in it. Alternatively, it may illustrate how the treatment made leaders more effective amongst voters. It is possible that the programme was used as a component of the usual clientelist engagement with voters through which the continuation of benefits (such as those in the integration programme) is made contingent on electoral support.

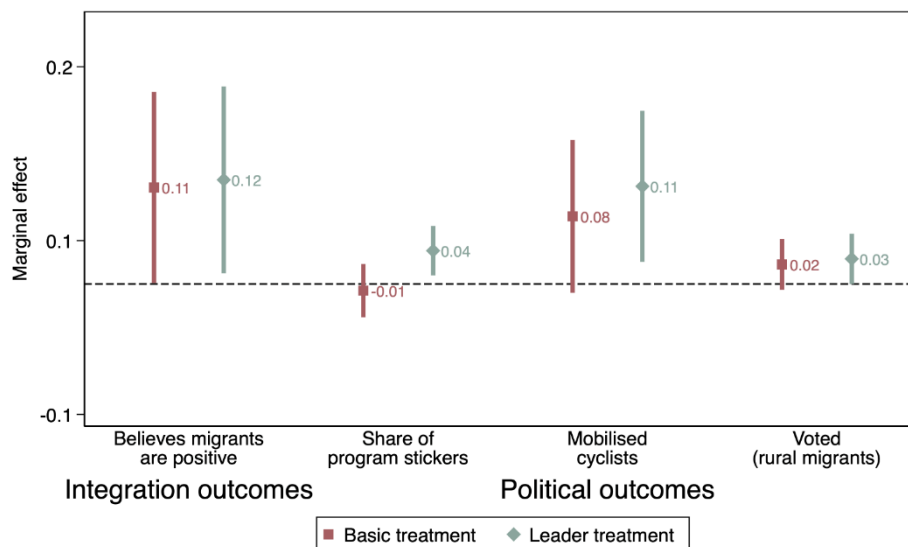
Migrants increased their political participation.

Treatment also raised participation in the election by three percentage points, as measured by checking participants' fingers for the indelible ink used to mark voters at polling booths. While only the effect in the "leader" treatment is statistically significant ($p < 0.1$), it is indistinguishable from the effect in the basic treatment. Both treatments effectively mobilised migrants for campaigning, and political objects were more likely to be observed by enumerators in migrants' homes after the election by 2-3 percentage points.

The effect on migrants' labour market outcomes was less significant.

In treatment blocks, migrants were exposed to more job opportunities, but around one year after the beginning of the intervention, they were not more likely to be working. They were, however, working more hours in cases when the programme was implemented with the collaboration of local leaders.

FIGURE 1: Marginal effect of policy variations on integration and political outcomes



Policy implications

The study shows that involving local leaders in delivering an integration policy raises leaders' awareness of rural migrants and heightens their political mobilisation. Migrants' political participation also increases.

These findings have important implications for policy design in contexts where large majorities still live in rural areas and where increased urbanisation is likely:

- The political effects of policy are separate from its direct effects – while labour market outcomes did not respond as expected, this policy supported urbanisation through its political effects on both leaders and migrants.
- Involving local leaders in public service delivery may raise its effectiveness and enhance the leaders' role among residents.
- Leaders also seem to play a role in politicising migrants by getting them to vote.
- Supporting the integration of rural migrants – which is sometimes seen as a political hazard – can be politically viable for city governments.

References

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