



The social lives of blue-collar migrant workers: Evidence from Ethiopia

Florian Grosset-Touba and David Qihang Wu¹

- We study the social lives of blue-collar female workers in urban southern Ethiopia and how these vary with the time they spend in the city.
- Overall, recently hired workers report high rates of loneliness.
- The workers' social networks are similar in size, whether they recently arrived in the factory city from their rural villages or have already spent several years there. However, the composition of their social network varies; those who have recently arrived tend to have more network members who work in the same firm.
- The workers' social ties serve multiple economic functions and are interrelated.
- The social connections that provide outgoing financial assistance stand out from those that provide all other functions (for example, job search assistance, help navigating the urban environment, commuting together, etc.).

These empirical patterns suggest that workers' social lives evolve over time and build relationships at work. However, these additional links appear to replace previous links rather than add to them. Since a given social tie is used for different economic functions, the welfare implications of replacing a given tie with another are ambiguous. As such, while policies that aim to stimulate social interactions among workers can help reduce loneliness and improve workers' mental health, careful design is necessary to avoid negative consequences.

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Introduction

Cities are growing fast across lower-income countries, fuelled by migration from rural to urban areas. Such migration transforms economic lives, a phenomenon widely studied by economists (Lagakos et al. 2023, Hicks et al. 2021, Lagakos 2020). It also disrupts migrants' social lives. In rural areas, social interactions are indeed frequent and widespread, connecting villagers in a dense network of social ties. They support a broad range of functions, including information diffusion, advice provision, and risk sharing. When migrating to the cities, often in search of valuable work opportunities, migrants can find it difficult to maintain these ties and may lose access to these valuable functions.

What are the social lives of recent rural-to-urban migrants? Do they maintain relationships with their home village and the associated network functions, or do they lose them? Do they create new ties in the city, and with whom? What are the economic functions played by these potential new social ties? What is the role of their new urban jobs in shaping the social networks they form?

Network survey of blue-collar workers in Ethiopia

We study these questions in the context of southern Ethiopia. We work in Hawassa Industrial Park (HIP), a landmark hub of textile and garment manufacturing firms that hire hundreds of workers every year. HIP hires workers for blue-collar positions from both the nearby urban Hawassa City and from rural villages in the region. As such, HIP serves as a major pull factor for individuals from rural areas, who come to Hawassa City to work in its factories and often remain in the city even after leaving the park.

In the first phase of our research project, we surveyed nearly 700 blue-collar workers, most of whom were female, who had recently started working at HIP. This survey has indeed been designed to serve as a baseline for future data collection and analysis, as well as to yield insights into the socio-economic lives of these workers. It contains a detailed network module that elicits the social ties workers have with co-workers and other individuals across several dimensions. A preliminary report is available in Grosset-Touba and Wu (2026).

Key findings

Finding 1: The workers report high rates of loneliness

We find widespread reported feelings of isolation: 81% of respondents report lacking companionship at least some of the time, and 70% feeling left out. These rates are higher for workers who recently arrived from a rural village than for those who have lived in the city for several years.

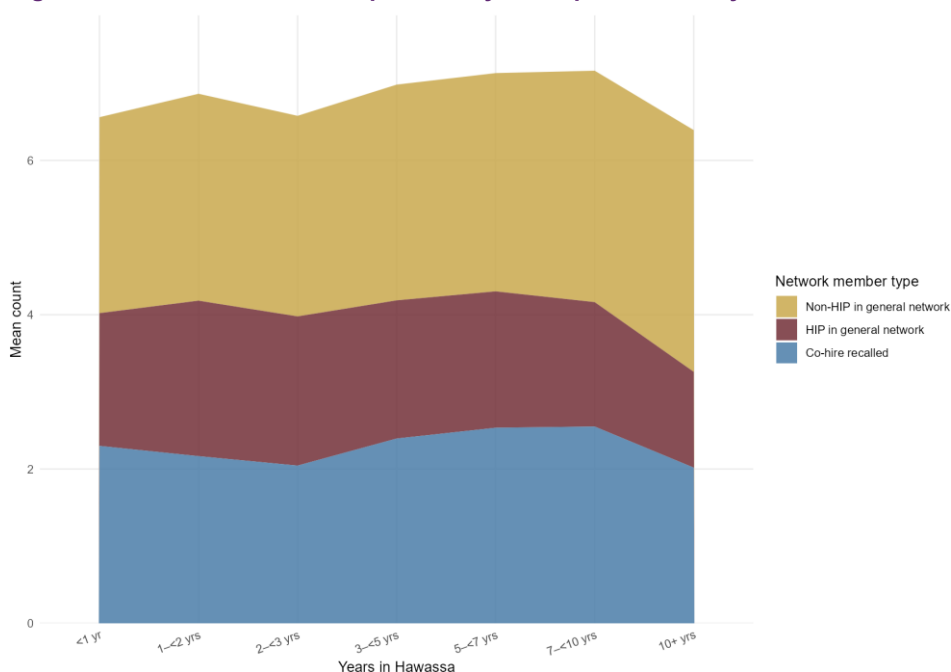
Finding 2: Workers' network size does not vary with time spent in the city, but its composition does

On average, the new HIP workers that we survey report having 6.9 network members. Interestingly, this network size does not vary much with the time workers have spent in the city before starting work in the industrial park: both workers who arrived in Hawassa City for the first time and workers who have been there for over five years report having about 6.9 network members.

The composition of this network varies with the time the workers spent living in the city, though. As shown in Figure 1, workers who recently arrived in the city (for example, recent rural migrants) have more network members who are also workers in the industrial park, whereas workers who have spent several years in the city already tend to have more network members outside the industrial park.

This variation mostly comes from individuals who are not direct co-workers: the number of network members who have been hired and trained together with the survey respondents is similar, regardless of how long the respondent has lived in the city.

Figure 1: Network size and composition by time spent in the city



Note: The Figure shows the number of network members reported by survey respondents, separately for network members hired and trained alongside them (blue), other HIP factory workers (red), and non-HIP factory workers (yellow).

Finding 3: Social ties support a wide variety of socio-economic functions

These network members serve a variety of economic functions. We asked survey respondents about 12 different types of interactions they could have with their network members (including who they commute with, who could provide

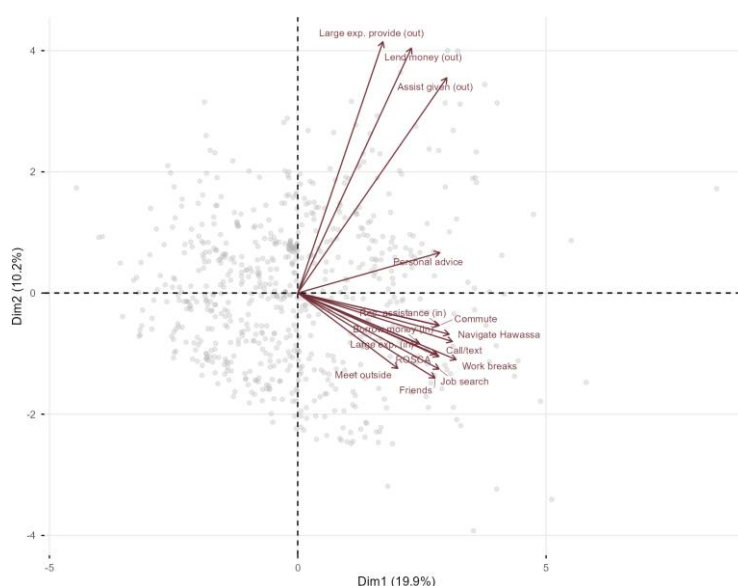
some assistance in navigating the city, who they consider friends, whom they could borrow money from, etc.). Virtually all respondents named at least one person for each category, except for structured savings associations (only 16% of workers responded that they were involved in a rotating savings and credit association) and job search (24% of workers mentioned having no one to help them with their job search).

Finding 4: The network's economic functions are interconnected

The median survey respondent reports having seven network members and interacting with them in 11 different types. This indicates that the same network member performs several different functions. A friend can also be a person providing financial assistance in times of need, while someone one spends work breaks with can also be someone one calls outside of work hours.

This interplay of multiple types of interactions within a network needs to be taken into account when studying how networks evolve and what the consequences of changing social lives are for economic lives. Figure 2 is one way to illustrate this phenomenon. It shows that new workers who tend to have more network members in one category also tend to have more network members in the other categories. It also shows that this is true across all categories except outgoing financial assistance. This suggests that interactions involving outgoing financial transfers are likely to be of a different nature than the other social interactions. Understanding why this is the case is part of our analysis for the next steps.

Figure 2: Different network functions are highly related



Note: The first two components from a principal component analysis of the number of network members in each of the 12 network categories.

Importantly, this strong correlation of network types is strongest for rural individuals: those who have spent several years in the city tend to have less correlated types of network members. Whether this reflects intrinsic differences in who the rural and urban workers at Hawassa Industrial Park are, or the effect of spending time in a city, remains an open question which we will explore in future work. More broadly, the next waves of the workers' survey, as well as the collection of detailed personnel and productivity records, will allow us to refine our understanding of how workers form social ties on the job and the economic consequences of this network formation.

Policy recommendations

- Policymakers should consider avenues to reduce the social isolation and loneliness of new blue-collar workers.
- At the same time, workers' ability to form new social ties may be limited. The stability of workers' network size, combined with the variations in their network composition, suggests that creating new ties may displace older ones. Policymakers should proceed with caution to avoid disrupting valuable existing relationships.
- Recent blue-collar workers appear to be excluded from structured savings groups, while financial arrangements appear to follow a different structure from other economic network functions. Policymakers, therefore, need to be concerned with the ability of recent migrant workers to share risk through informal means.

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