

**Economic Well Being in Old Age:
The Role of International Migration in Mexico**

by

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Abstract

This paper focuses on the socioeconomic differentials in old age, by examining the impact that international migration in the past could have on the current economic well being of individuals in middle or old age. The paper makes a contribution first, because the data used for the analyses represents a first attempt to measure personal wealth in Mexico in a national sample, enabling a comparison between income and wealth inequality in middle and old-age. Second, by focusing on the impact of migration, the paper contributes to the literature on possible explanations of socioeconomic differentials among older persons.

The overarching hypothesis is that, on average, among individuals of middle- and old age currently residing in Mexico, those with past migratory experience to the U.S. will exhibit higher levels of well being than those who have no such experience.

The paper is organized as follows: we present an introductory review of existing literature on the effect of migration on long-run economic welfare; a conceptual framework linking migration with old-age well-being concluding with the empirical hypotheses to be tested; a summary of the data used and methods; a descriptive section of income and wealth distributions; the results of the multivariate analysis; and conclusions. Since there could be unobserved factors that explain past migration as well as the level of current well being, we account for the possible endogeneity of migration by using propensity score matching methods.