



UPWARD MOBILITY STALLS

The late comedian George Carlin famously said: “The reason they call it the American dream is because you have to be asleep to believe it.” Arianna Huffington, author of *The Sleep Revolution*, would contend that sleep is a necessary precondition for success. But it turns out that, historically speaking, not sitting still is the key: migration and economic mobility go hand in hand.

You’ve probably heard the career advice a million times: when a new opportunity is offered, seize it. Move cross-country. Go overseas. Try a new job even if you don’t have the requisite experience. In the long run, you’ll look back and be glad you did. But fewer people, these days, seem to be following that course.

Lyman Stone, a migration researcher, writes that “Migration matters for Americans,” and he notes that while “international migration gets all the press,” interstate and intercity migrations are much more important. Migration provides individuals new opportunities, better jobs, and improved living standards. But, according to Stone, migration rates between the states are in decline and are at the lowest point in nearly a century. A 2016 story in *The Atlantic* put it this way: “Americans are less likely to switch

jobs, move to another state, or create new companies than they were thirty years ago (or one hundred years ago). What’s going on?”

Part of what is going on is that with stagnant wages and job instability, workers are reluctant to jump from the frying pan into the fire. The well-worn guidance to take new opportunities was easier to follow when layoffs were infrequent, companies more stable, and those employers paid the full freight of relocation — and even sweetened the deal.

So when companies complain about a shortage of skilled workers, perhaps they’ve created a business climate that is the opposite of migration-friendly.

What might buck the migration trend? Implementing no-layoff policies as Occidental Petroleum did in 2016 could go a long way.

Raising wages to cover higher housing expenses could also help. *The Atlantic* article points out that “between 1880 and 1980, people generally moved from poor states to rich states, seeking the best jobs But today, not only are families moving less, but also they’re moving in the opposite direction, from rich areas to poorer areas, mainly because of housing costs.” And inequality between states, as a result, is increasing, creating a vicious cycle.

Another solution may also exist. Tapping into the power of technology, more companies could fill skill gaps and boost the economy by allowing workers to migrate virtually to take on job opportunities without relocation requirements.

Clearly, the migration problem must be solved. “Every dimension of declining American dynamism is connected. The slowdown in most areas’ business development comes from a shifting tide in American migration,” according to *The Atlantic*. The 2015 *Scientific American* article that quotes Carlin on the American dream cites statistics that demonstrate that what Carlin was saying is no joke. The bottom 40 percent of Americans own a mere 0.3 percent of American wealth, the article states. The family who founded Walmart, the Waltons, alone “has more wealth than 42 percent of American families combined.”

ELEANOR BLOXHAM (Louisiana State University) is the founder and CEO of The Value Alliance and Corporate Governance Alliance, a board and executive education, information, and advisory firm. Bloxham was admitted to Phi Kappa Phi at Louisiana State, where she graduated with a B.A. in English. She also holds an MBA from NYU’s Stern School of Business. Bloxham is a regular contributor to *Fortune* and the author of two books, *Value-led Organizations* and *Economic Value Management: Applications and Techniques*. She may be reached at ebloxham@thevaluealliance.com.