

Spatial Structural Change and Labor Mobility*

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Abstract

Structural change influences the demand for different skills and occupations, increasing demand for service-related roles and decreasing demand for manual occupations. Notably, these shifts are not uniform but are spatially concentrated across regions. Consequently, structural change is associated with two forms of labor mobility: occupational mobility, both within and across generations, and regional labor mobility. In this paper, we first empirically document stylized facts that characterize spatial structural change, intergenerational occupational mobility, and regional labor mobility. Second, we quantitatively evaluate the impact of mobility barriers on labor market outcomes, structural change, and overall inequality. The analysis focuses on barriers such as intergenerational occupational persistence and regional mobility costs, assessing their influence on regional and generational labor dynamics.

Keywords: Structural Change, Spatial Economics, Occupational Choice, Social Mobility

JEL: J24, J61, J62, L16

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