

Economics of Migration

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Attitudes Towards Migration

- In many countries that are typical destinations of immigration flows, notably European and North American countries, there exist widespread negative attitudes towards immigration.
- The report “Transatlantic Trends” (UN) is a publication summarizing surveys made in these countries to assess the (perhaps changing) perceptions and attitudes in recent years (see TTS, 2011, 2014).
- In particular, in many countries there is a widespread perception that there are “too many immigrants”, as shown by the chart in Figure 1. Differences exist across countries, though.

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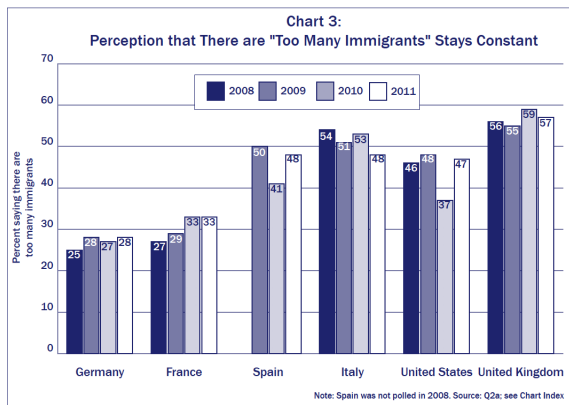


Figure 1: Concern about immigration 1. Source: TTS (2011)

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- In the most recent edition of the survey, when the question posed was: “Can you tell me if you are worried or not worried about immigration from within/from outside the EU?”, we find answers represented in Figure 2.

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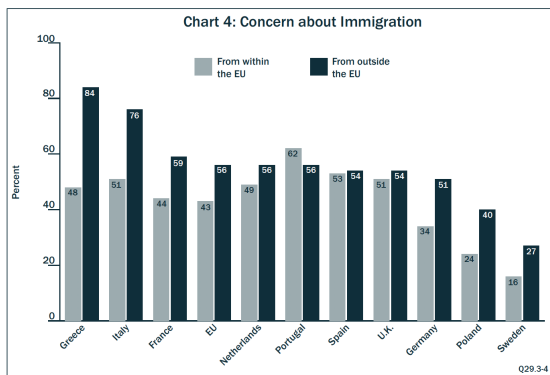


Figure 2: Concern about immigration 2. Source: TTS (2014)

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- Figure 2 suggests that, in EU countries, there is more concern about immigration from countries outside the EU.
- Fasani et al. (2019), on similar grounds, point out that concern about immigration can be related to fear of negative consequences of immigration in the labor market, to fear of increases in taxes to support the raise the resources to support the immigrant population (who is likely to be composed by many low-income/high-fertility individuals), to fear of increases in crime rates.

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- These concerns, however, seem misplaced if one considers that, in the revolutionary changes that characterize the globalization, notably the increase in the volume of trade and of capital flows across countries, the movement of people does not seem so astonishing.
- In particular, it is less relevant than the one that characterized the “age of mass migration”, i.e. the period at the turn of the XIX and XX centuries (see Facchini and Mayda, 2008, p. 654).
- In addition, we know that the net (economic) effect of immigration is not easy to evaluate and that, as it comes to fear of crime, there is no compelling evidence that, indeed, increase in immigration flows causes an increase of crimes.

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- It is likely that the relatively lower flows of immigrants (when compared with past flows) depend on the restrictive policies that many countries adopt.
- These restrictive policies, keeping in mind the efficiency gains that migration can generate, could be not easy to understand.

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- Given that policies are determined by the preferences of citizens/voters, it is important to understand what determines these preferences, in our case preferences (and attitudes) towards migration.
- We know that: “standard economic theory suggests that, whenever migration generates efficiency gains in the receiving country, it has important effects on the distribution of income, creating winners and losers ... Therefore, political-economy factors based on income distribution effects are likely to be key determinants of observed migration policy outcomes.” (Facchini and Mayda, 2008, p. 656)

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- Facchini and Mayda (2008) study countries (West and East Europe, US, Australia, some South American) which were surveyed in 1995 (23 countries) and 2003 (34 countries) by the International Social Survey Program (United Nations).
- One point they examine is the effect of migration, in particular the size and composition of the migrant population in these countries, on the attitudes towards migration.
- Many Western countries in the sample are net receivers of immigrants: i.e. they receive a higher share of immigrants than the share of emigrants they lose.

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- On the other hand, many Eastern European countries are net sources of immigrants.
- In many countries analyzed by Facchini and Mayda (2008) who are net receivers of immigration, the skill level of the population is higher than the skill level of the immigrants.

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- To measure the attitudes towards migration, Facchini and Mayda (2008) utilize the answers given in 1995 and 2003 waves of the ISSP, to the question: “There are different opinions about immigrants from other countries living in (respondent’s country).
- ... By “immigrants” we mean people who come to settle in (respondent’s country). Do you think the number of immigrants to (respondent’s country) nowadays should be: (a) reduced a lot, (b) reduced a little, (c) remain the same as it is, (d) increased a little, or (e) increased a lot?”

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- Answers are then graded from 1 (“reduced a lot”) to 5 (“increased a lot”). In this way, a variable, named Pro-Immig Opinion is built, allowing for a quantitative analysis of the determinants of the attitudes towards migration.
- So high values of the *Pro-Immig Opinion* variable indicate positive attitudes, low values indicate negative attitudes,

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- Results show that there exists a strong cross-country variation in the answers.
- In 1995, the average value of the *Pro-Immig Opinion* was 2.13, while its median was 2. A median value of 2 means the 50% of respondents expressed a value of the *Pro-Immig Opinion* variable less than or equal to 2, while 50% of respondents expressed a value higher than 2.
- “In general, most Central and Eastern European countries are characterized by very low percentages of voters favouring migration (Latvia, Hungary, Slovenia, Czech Republic, Slovak Republic) ... Among Western European countries, Italy .. and Germany .. have the most hostile public opinion to immigration (3.55% and 2.54% are in favor of higher immigration)].”
(Facchini and Mayda, 2008, p. 664)

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- Overall, an average of 7.39% of respondents in 1995 were in favor of an increase in immigration.
- Interestingly, in 1995 in a country like Canada and Ireland this share reaches 20.61% and 19.10%, respectively. “Besides Ireland, Spain is the Western European country whose citizenry is most receptive towards migrants (8.44%). Finally, in the US, 8.05% of the population welcomes increases in migration.” (Facchini and Mayda, 2008, p. 664)

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- In 2003, where the sample of countries is higher, the highest values of the share of respondents favorable to immigration, besides Canada, are in countries such as Australia, Finland and Israel.
- Most of the results are confirmed although, restricting the attentions to the countries there were sampled in both 1995 and 2003, it is possible to detect a slight increase in the percentage of respondents with a positive attitude towards migration. Interestingly, in the US there is a slight increase in the share of respondents with positive attitudes after September 11th.

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- In general, one can distinguish economic and non-economic factors that can drive the attitudes towards migration.
- Among the economic drivers, one can consider the income distribution variables as one can conjecture that those opposing immigration belong to the segments of the working population who fears a worsening of their economic conditions because of immigration.
- Non-economic factors may be related to: “values, cultural and security issues.” (Facchini and Mayda, 2008, p. 668)
- The standard economic model of migration can thus help to make predictions on the attitudes towards migration based on the skill structure of the immigrants' flow.

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- In fact, we know that: “If immigrants are on average unskilled relative to natives, through the labour-market channel they will hurt unskilled natives and benefit skilled ones, as their arrival will induce an increase in the skilled wage and a decrease in the unskilled wage.” (Facchini and Mayda, 2008, p. 668).
- On the other hand: “if immigrants are on average more skilled than natives, the income-distribution effects of migration through the labour market are reversed, i.e., unskilled workers end up benefiting from migration, while skilled workers are on the losing end.” (Facchini and Mayda, 2008, p. 668).

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- Therefore: “in our empirical analysis we expect to find that, through the labour market channel, if migration is unskilled (relative to natives on average), attitudes will be positively correlated with the level of individual skill (i.e. the higher the skill level, the better the attitude towards immigration) while ...,
- ... if migration is skilled, attitudes will be negatively correlated with the level of individual skill (i.e. the lower the skill level, the better the attitude towards immigration).”

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- Another economic channel refers to the “welfare state effects” of immigration. In fact, if immigration is relatively unskilled, the immigrants will probably need more assistance by the State.
- This can increase the taxes paid by the natives or create competition among the unskilled natives and the unskilled migrants to access the welfare state services.
- Finally, the last economic channel refers to the “immigration surplus”. In principle, through this channel all natives should benefit from immigration.

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- The results of the econometric analysis of Facchini and Mayda (2008) show that: “older individuals are less likely to favour migration in 1995. However ... this effect disappears in 2003”.
- “foreigners are more likely to be pro-migration as well as individuals with parents who are foreign nationals”.
- “[when] education and log of real income [are] together in the same specification. We find that both variables have a positive and significant impact on pro-migration attitudes, both in 1995 and 2003”.

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- In general, the higher the education level of the respondent the more favorable s/he is towards migration.
- But, in particular, “education has a positive impact on pro-migration attitudes in high per capita GDP countries - that receive unskilled migrants on average, relative to natives - and a negative impact in low per capita GDP countries - that receive skilled migrants on average, relative to natives”.
- In other words, in “rich” countries, where the skill structure is such that there is a higher share of skilled workers than in the migrants’ population, educated individuals have positive attitudes toward migration, because immigration brings them benefits.

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- On the other hand, in “poor” countries, where the skill structure is such that the share of skilled workers is lower than the share of skilled workers in the immigrants’ population, educated individuals have less positive attitude towards migration because it may worsen their economic conditions.

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- Restricting the analysis to countries with well-developed welfare states (mostly European, from Western and Eastern Europe), Facchini and Mayda (2008, p. 675) find that: “Individual income has a negative impact on pro-migration attitudes in high per capita GDP countries - that receive unskilled migrants on average - and a positive impact on pro-migration attitudes in low per capita GDP countries - that receive skilled migrants on average”.
- In other words, high per capita GDP countries are those with a high share of skilled workers. In these countries, the “rich” (skilled) individuals may have worse attitudes towards migration because they fear increases in taxes to support the (largely) unskilled immigrant population.

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- On the other hand, within this restricted group of countries, in low per capita GDP countries, where the share of the unskilled workers is higher, and it is more likely that they receive a relatively high-skilled-share of immigrants, the high-income individuals will have better attitudes towards migration because they do not fear an increase in welfare state costs.

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- As for the non-economic variables, the results listed in Facchini and Mayda (2008, p. 676) are the following.
- If the respondent thinks that immigration does not increase crime, s/he is more favorable to immigration (i.e. if in another question s/he replied that immigration does not increase crime, s/he has a more positive view in general towards migration).
- If the respondent thinks that: “Immigrants make (respondent’s country) more open to new ideas and cultures”, s/he is more favorable to immigration.
- If the respondent thinks that: “ Immigrants are generally good for (respondent’s country’s) economy ”, s/he is more favorable to immigration (the latter result suggests that, notwithstanding the distributional effects, there is perception that immigration brings widespread economic benefits).

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- In addition: “individuals belonging to upper social classes are more positive towards migration, while political affiliation with a right-wing party is associated with negative views.”
- “Trade union membership does not have a significant impact on attitudes in 1995 but it negatively and significantly impacts migration opinions in 2003.”
- “[more] religious [behavior] has a positive and significant impact on pro-migration attitudes in both years. This result is not surprising and strengthens the existing evidence suggesting that being actively religious is correlated with the degree of tolerance towards others”

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