Economics of Migration

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- Unquestionably, the attitudes towards immigration are shaped by people's <u>perception</u> of immigration.
- In other words, it is relevant to check first of all <u>what people know/believe about immigration</u>. Recent surveys and academic work addressed this question.
- For example, TTS (2014, p. 9) reports that, if survey respondents are informed about the actual numbers of immigrants from official statistics, it is less likely that they claim that: "there are too many immigrants".

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- The recent article of Alesina Et Al. (2018), addresses this question in a systematic way.
- The authors note that: "in the U.S., the actual number of legal immigrants ... is 10%, but the average perception is 36%; In Italy, the true share of immigrants is 10%, but the perceived share is 26%." (Alesina Et Al., 2018, p. 3)
- A key aspect to investigate is therefore the "misperceptions" about immigration.
- The article by Alesina Et Al. (2018) also aims at understanding the connections between the perceptions of immigration by the natives, and their preferences for redistribution, i.e. the natives' preferences about how much the State should pay for the welfare state, how taxes should be determine, etc.

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- The article is divided in two parts.
- In the first part a survey is conducted in six countries (France, Germany, Italy, Sweden, the U.K., and the U.S.).
- The survey is divided in two parts: i) an "immigration" block of questions, to assess respondents' perceptions about immigration, and a ii) "redistribution" block, to understand respondents' preferences for redistribution.

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- In the second part, some experiments are made on the respondents.
- The first experiment consists in making immigration more salient, i.e. the immigration block questions are made before the redistribution block questions.
- The second experiment consists in giving correct information about immigration.
- The third experiment consists in providing anecdotal evidence about how hard-working an immigrant woman is, i.e. a treatment explicitly aimed at eliciting a positive opinion about the immigrants.

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- The sample contains approximately 4,000 respondents per country (except for Sweden, with approx. 2,000), for a total of approx. 22,000 respondents. The samples are representative of the corresponding populations.

- In the survey, which is proposed online, background information on respondents is collected on: gender, age, income, education, sector of occupation, employment status, marital status, number of children, place of residence, and political orientation.

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- The information on the sector of occupation allows to identify respondents as belonging to "high-immigration" sectors (i.e. in which the share of immigrants is above the national average) or not.

- After collecting information on the respondents, three "treatments" (through videos from Youtube) are randomly proposed: "two are information treatments providing, respectively, the correct information about the share and the countries of origin of the immigrants in the respondent's country; the third is an anecdotal treatment, narrating a 'day in the life' of a hardworking immigrant." (Alesina Et Al., 2018, p. 8).

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- Then the two "blocks" of questions are proposed: the "immigration" block and the "redistribution" block.
- The order of the presentation of the blocks is randomized on the respondents, to represent the first experiment.

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- Immigration Block The first question is about the share of (legal) immigrants the respondent believes live in his/her country.
- Then the respondent is asked to indicate the region of origin of the immigrants (South America, Africa, etc), and the religion of the immigrants.

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- Then the survey asks questions about the: "economic circumstances of immigrants, namely, their unemployment levels, their likelihood of having a college education or of not having completed high school, the share living below the social poverty line, and the government transfers they get relative to the average native" (Alesina Et Al., 2018, pp. 10-11).

- Important: the same questions about the economic circumstances are asked also about the natives.

- Then the survey asks if the success/failure of an immigrant/a native depends on his/her effort or on other circumstances and how much taxes the respondent believes the immigrant/native pays and how much State support s/he receives.

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- "The next set of questions asks about <u>views on immigration policy</u> and cover four areas: 1) the number of immigrants the respondent believes should be allowed to enter the country and whether or not the current number is problematic; 2) when immigrants should be eligible for transfers such as welfare payments; 3) when immigrants should be allowed to apply for citizenship and vote in U.S. elections (for U.S respondents); 4) when the respondent would consider an immigrant to be 'truly American'" (for U.S respondents) (Alesina Et Al., 2018, p. 12)

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- <u>Redistribution Block</u> "This block of questions is about general redistribution towards low-income individuals. It never makes any reference to immigrants." (Alesina Et Al., 2018, p. 13)
- The first question is about the opinion of the respondent about the percentage <u>taxes</u> that an individual should pay, should s/he belong to the top income recipient, medium income, the bottom (i.e. the poorest).
- The second question is about how the respondent thinks that <u>spending</u> should be allocated among a number of categories, such as: "1) Defense and National Security, 2) Public Infrastructure, 3) Spending on Schooling and Higher Education, 4) Social Security, Medicare, Disability Insurance, and Supplementary Security Income, [etc.]" (Alesina Et Al., 2018, p. 13)

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- Note that some categories imply redistribution, e.g. schooling and health spending, while others do not, such as defense and infrastructure.

- Other questions are about the respondent's view of the Government, such as: do you think the Government should care about differences between rich and poor, do you trust the Government, etc.

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- "To end the redistribution block ... we tell respondents that they have been automatically enrolled in a lottery to win $1,000. Before they know whether they have won or not, they need to commit to donating none of it, part of it, or all of it to one or two charities." (Alesina Et Al., 2018, p. 15)

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- The way the survey is conducted (a group sees first the immigration block and the other sees first the redistribution block) and the information the respondents receive, in particular about the actual shares, origin country and the "hard-working immigrant" anecdote, originates eight groups of respondents.

- The two "control groups" are those who did not receive any "information treatment": one control group sees the redistribution block as first, the other sees the immigration block before. The group that sees the immigration block first is the group for which immigration issues are made more salient.

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TABLE A-1: RANDOMIZATION GROUPS

	Treatment/Control	Saw redistribution block before/after immigration block
Group 1	Control	Before
Group 2	Control	After
Group 3	Treatment 1	Before
Group 4	Treatment 1	After
Group 5	Treatment 2	Before
Group 6	Treatment 2	After
Group 7	Treatment 3	Before
Group 8	Treatment 3	After

es: "Before" and "After" refer to whether the redistribution block was seen before or after the immigration block.

Figure 1: Treatment and control groups. Source: Alesina Et Al. (2018)

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- Results
- Figure 2 reports the results of the survey on the perceived share of immigrants.

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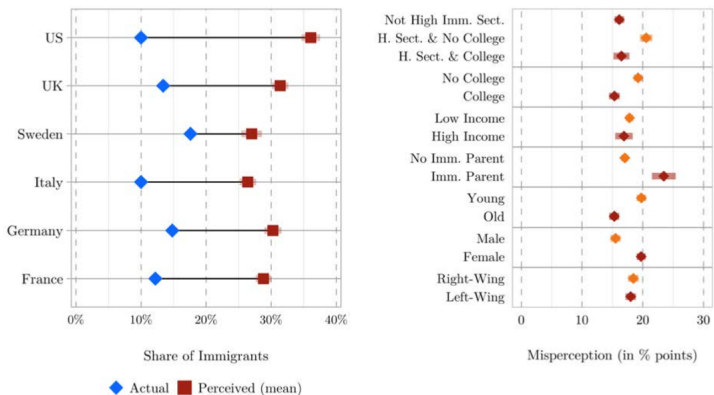FIGURE 6: PERCEIVED VS. ACTUAL SHARE OF IMMIGRANTS

Figure 2: Perceived and actual shares of immigrants. Source: Alesina Et

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- Summing up, the three main results are: "First, respondents in all groups think there are substantially more immigrants than there actually are - in no group is the average misperception lower than 15 percentage points.

- Second, some groups of respondents have substantially higher misperceptions than others. These are respondents who are low educated in high immigration sectors, the non college-educated, those with an immigrant parent, the young, and women.

- Third, there is no difference in the average perception of the share of immigrants for left and right-wing respondents." (Alesina Et Al., 2018, p. 18)

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- An interesting question then becomes: why do people overestimate the share of immigrants?
- Although Alesina Et Al. (2018) do not provide definitive answers, they provide some conjectures: i) people are simply badly informed; ii) people confuse legal and illegal immigrants; iii) people consider "immigrants" also the second/third/etc. generations, i.e. "minorities", so they consider as immigrants citizens that are actually born in their countries; iv) people are influenced by the media, who report immigration issues with very high frequency.

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- As it comes to the country of origin and religion of the immigrants, the findings of the survey are: "Respondents misperceive ... their origins and religions ... Respondents in all countries think that immigrants come disproportionately from non-western countries, such as the Middle East, Subsaharan Africa, or North Africa, often branded 'problematic' in the public debate. They underestimate the share of immigrants coming from countries that are culturally closer to theirs" (Alesina Et Al., 2018, p. 18)

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- "In all countries except France, respondents also very significantly overestimate the share of Muslim immigrants ... In all countries, without exception, respondents strongly underestimate the share of Christian immigrants ...
- These misperceptions are systematic: there is no group of respondents that does not overestimate the share of Muslim immigrants and underestimate the share of Christian immigrants
- ... Those who have the largest misperceptions are the non college-educated, especially if they also work in an immigration-intensive sector, and the older, the female, and the right-wing respondents." (Alesina Et Al., 2018, p. 19)

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- As it comes to perceived education levels: respondents believe there are more educated individuals among the natives and less educated individuals among the immigrants, than in reality: "respondents overestimate ... the share of highly-educated natives ... or underestimate the share of highly-educated immigrants .." (Alesina Et Al., 2018, p. 19)

- While for perceived unemployment levels: "In all countries, respondents vastly overestimate the share of immigrants and natives that are unemployed ... But although respondents vastly overestimate both immigrants' and natives' unemployment, they always perceive a larger unemployment rate for immigrants." (Alesina Et Al., 2018, p. 19)

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- As it comes to the work effort of the immigrants, in some countries (e.g. France and Italy), the percentage of respondents who believe that immigrants are poor because they put little effort is higher than the percentage of people who believe that this is true for poor people in general: "In France and Italy people have a more negative attitude towards poor immigrants than they do towards poor people in general".

- Interestingly, a very high share of right-wing respondents believe that if immigrants are poor, it's because of their lack of effort.

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- On the other hand, views are more consistent across countries as it comes to positive economic success of immigrants. In all countries of the sample, respondents believe that if an immigrant is rich, it is because of his/her merit.
- Interestingly, in Italy the share of people who, in general, believe that if someone is rich is for his/her own merit is very low (approx. 17%)
- This depends on the fact that, in Italy, many people believe that individual success depends on, e.g., personal connections and non on individual effort.
- Perhaps, since they think immigrants do not benefit from these connections, Italians think that if they are rich it is because of their effort.

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- As it comes to the <u>perception about the welfare state</u>: "in all countries, a significant proportion of respondents believe <u>that an average immigrant receives more than twice as much in government transfers as an average native</u>."

- In addition, when the nationality of the beneficiary is specified to the respondents such as "John" and "Mohammad": "In all countries except Sweden, <u>a substantial share of respondents say that Mohammad receives more transfers and/or pays less taxes,</u> especially in France, Italy, and the U.S." (Alesina Et Al., 2018, p. 20)

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- Finally, as it comes to the perception of poverty of natives vs the perceived poverty of immigrants, results show that: "respondents overestimate the share of natives that live in poverty to a greater extent than they do for immigrants" (Alesina Et Al., 2018, p. 20)

- Summing up the results on perception of immigrants: "it seems that respondents think that immigrants are less educated than natives, work less (are more 'unemployed'), and yet end up less poor at least in part because they are ... favored by the welfare system and benefit more from government redistribution.

- Consistent with this, it is the same groups that hold more negative misperceptions about immigrants that also overestimate the poverty rate of natives more relative to the one of immigrants." (Alesina Et Al., 2018, p. 20)

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- A corollary, interesting result, is based on the willingness to pay to receive correct information. The authors select a randomized group of respondents and offered a price to pay to receive correct information about the data they were asked to (personally) estimate.
- Interestingly: "... right-wing respondents, women, non college-educated, and younger respondents are less willing to pay for correct information.
- To some extent, these results could provide some explanation for why stereotypes about immigrants persist. Respondents with more incorrect views, i.e., with more negative stereotypes, are the least interested in learning the truth, whatever the reason for this may be." (Alesina Et Al., 2018, p. 20)

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- Finally, as it comes to evaluation of immigration policies, that were measured with questions such as: "do you think immigration is a problem?", "do you think immigrants should get citizenship soon?", etc. the summary of the results is: "Overall, the U.S. is the country that is most supportive of immigration and France, Italy, and Germany are the least supportive ones." (Alesina Et Al., 2018, p. 23)

- "The groups with more negative perceptions of immigrants also hold the more negative attitudes towards immigration policies ... Left-wing respondents are the most favorable to immigration, right-wing respondents the least favorable. The non college-educated are consistently less supportive than the college-educated, across all dimensions. Those without college in immigration-intensive sectors are more averse to immigration" (Alesina Et Al., 2018, p. 23)

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- Experimental results 1) Those who are shown the immigration questions first become more averse to redistribution, as captured by their preference for a less progressive income tax system and less budget allocated to the social safety net. They also believe inequality is less of a serious problem and donate less to charity." (Alesina Et Al., 2018, p. 23)
- As it comes to giving the respondents correct information about immigrants' shares: "The 'Share of immigrants' treatment reduces respondents' misperception of the share of immigrants", but it does not eliminate it completely. In particular: "some types of respondents - namely those with extreme initial responses - maintain their extreme opinions. Thus the respondents with the most extreme misperceptions may also be less prone to being convinced about the truth." (Alesina Et Al., 2018, p. 24)

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- "The 'Origin of immigrants' treatment significantly reduces some of the misperception on the origins of immigrants", but it does not eliminate it completely.
- "The anecdotal 'Hard Work' treatment makes treated respondents 5 percentage points less likely to say that lack of effort is the reason why poor immigrants are poor, which represents a 14% reduction relative to the control group." (Alesina Et Al., 2018, p. 24)

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- In addition, in a study of the persistence of the treatment effect, consisting in surveying again a subsample of respondents three weeks later (only in the US): "the anecdote treatment displays very strong persistence, with a treatment effect on respondents who took the first and follow-up survey that is almost identical in the first and follow-up surveys. Thus, it seems that narratives can stick in people's minds for longer than hard facts." (Alesina Et Al., 2018, p. 24)

- "Overall, it seems that views on immigration are more sensitive to salience and narratives, rather than to hard facts" (Alesina Et Al., 2018, p. 28)

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- An important source of narratives, perhaps more than of hard facts, are the media.
- There is a large literature on how the media affect the political orientation of citizens, and a recent literature that analyzes if and to what extent the media can affect the attitudes towards immigrants and the policies that are connected to them.
- It goes without saying that a negative attitude towards immigration brings with it more support for restrictive immigration policies and for less redistributive policies, as long as they are targeted (or imply by construction, as being targeted to the poor, the unemployed, etc), to immigrants.

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- The recent article of Facchini Et Al. (2017) finds that, with respect to *illegal* immigration in the US: "Controlling for other economic and noneconomic drivers, we find that media exposure plays an important role in shaping public opinion on illegal immigration. According to our estimates, respondents watching Fox News are 9 percentage points more likely to oppose the [more pro-immigration] Senate plan (relative to CBS viewers)."

- Notice that, in the US, Fox News are typically considered a conservative media channel, with respect to CBS.

- The problem is that, if negative attitudes towards immigrants are not based on hard facts but on stereotypes, this can bring in vicious circles in which (negative) stereotypes can be self-fulfilling.

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- For example, if a minority (or immigrants from a certain ethnic group or a certain nationality) feels that they are negatively evaluated by, say, the natives, they may respond with negative behaviors, such as low productivity, propensity to crime, etc., which can eventually confirm the negative stereotype.

- In a study of French grocery stores, for example, Glover Et Al. (2017) find that when employees belonging to a minority worked in shifts under the supervision of biased managers (i.e. with negative attitudes), their productivity (measured in different ways, such as absence at work, speed of work, etc.) diminished.

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- So, what to do? An interesting possibility is suggested by Alesina Et Al. (2018b).
- In a study of Italian schools, Alesina Et Al. (2018b) find that many teachers are biased towards immigrant children: for similar performances from similar students, they tend to give lower grades to the immigrants.
- To measure "biased views", the teachers were administered an *Implicit Association Test*, which measures the association that individuals make between, e.g. names clearly associated to a nationality (e.g. "Luca" or "Fatima") to adjectives (e.g. "smart", "lazy").

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- In particular, the test measures the speed at which associations are made, under the assumption that if an association takes time, the person's mind is not immediately ready to make it.
- Evidence of bias occurs, for example, if associations between immigrants' names and "positive" adjectives takes more time than associations between natives' names and "positive" adjectives takes more time (see Alesina Et Al., 2018b, pp. 8-9, for more details).

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- As a possible policy intervention, in the study, <u>some teachers were informed about their biases view towards immigrants</u>. <u>Those who received this information before the grading session, increased the grading given to immigrants</u>. (Alesina Et Al., 2018b)

- An alternative approach, which received a great deal of attention, is the "contact hypothesis", according to which interpersonal contact among individuals of different group reduces prejudices and negative attitudes.

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- The survey provided by Paluck Et Al. (2019) suggests that, after hundreds of studies, the hypothesis still does not find unambiguous support in the data.
- In the case of attitudes towards immigration, the recent study by Finseraas and Kotsadam (2017) study the case in which, in Norway, soldiers were randomly allocated to rooms with a minority soldier, therefore generating intergroup interaction.

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- Finseraas and Kotsadam (2017, pp. 713-14) find that: "sharing a room with a soldier with a minority ethnic background did not change views on whether immigrants should have the same rights to social assistance as natives, ... [but] contact improves views on the work ethics of immigrants ... the contact effect [therefore] does not spread further to the policy preference. ... views on work ethics are not a major driver of differences in preferences on welfare dualism."

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