# The Economic Integration of Immigrants in Europe: Old Methodological Issues and New Results

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## 1.1. Early methods – Cross-sections and the liberal optimism of the 1970s

At the time the Quota Act of 1921 was passed, there were already extensive discussions among U.S. statisticians about the pace of the economic integration of new migrants [Douglas 1919]. But the origins of modern identification strategies are found in the late 1970s. The repeal of the Quota Act in 1965 had generated a surge in immigration from Asia and South-America, and modern econometrics was now available to study the phenomenon in full detail.

One of the very early attempts was [Chiswick 1978]. Like most articles of that time, the identification strategy was relying merely on a cross-sectional approach, namely, on the individual data drawn from one year of the Census.

In descriptive statistics, on the microsample of the 1970 Census, the mean disposable income of foreign-born migrants was virtually similar to the one of natives (less than 0.7% below) ; but migrants were a tiny minority (no more than 5%) living mostly in Northern cities, where average wages were far superior. To cleanse that bias, Chiswick's strategy relied on a classical Mincer equation:

$$\ln y_i = \beta_0 + \beta_1 Educ_i + \beta_2 Exp_i + \beta_3 Exp_i^2 + \beta_4 Foreign_i + \beta_5 Foreign_i \times YSM_i + X_i b + u_i \quad (1)$$

The logged disposable income of all men aged 25-64 in the sample[1] was regressed on his education and work experience, plus : 1. A dummy equal to one if the person was born outside of the U.S. $Foreign_i$ ; 2. An interaction between the foreign-born dummy, and the number of years spent in the U.S. since the migrant arrived: $Foreign_i \times YSM_i$[2]. The first dummy was meant to provide the *initial wage gap* between foreign-born and natives, the interacted dummy, the *pace of the convergence* towards wage equality.

Results were straightforward:

- The coefficient on $Foreign_i$ was $-0.164$ (1% significant) and the coefficient on $Foreign_i \times YSM_i$, equal to $+0.0146$ (1% significant). I.e. *migrants arriving in the U.S. had a ceteris paribus earning gap disadvantage of 16.4%, but it took only 13 years on average to close that gap*;
- Chiswick provided the equivalent of an Oaxaca-Blinder decomposition, showing for instance that the return of one year of education on adult wage was +7.2% for a native worker versus +5.5% for a foreign-born one[3].

All in all, Chiswick's results were congruent with the liberal integrationist *ethos* and the optimist mood that had motivated the repeal vote of 1965.

[1] African Americans and people born from American parents abroad were deliberately excluded from the estimation.

[2] Several other controls are included like a dummy for rural areas.

[3] Chiswick attempts to deduce from the age of the person the number of years of education which were acquired in the country of origin, vs. the number of years of education acquired in the U.S. The coefficient obtained on each variable is very similar, and overall slightly superior for the years acquired abroad; Chiswick provides unconvincing explanations of this bias; it is assumed that because of the selection bias, migrants with low education who migrate are highly motivated, while highly-educated migrants have more dispersed levels of motivation ; i.e., the education variable captures a hidden motivation variable which would be superior of low-education workers.

An important dimension of that optimism in Chiswick's work was this idea that cultural factors had little obstructing impact in the pace of economic integration: 1. In his model, holding U.S. citizenship had no significant effect on the coefficients; 2. Being born in a developed English-speaking country had a paradoxical effect ; pre-migration experience and education was more valued, but the convergence of earnings was a bit slower; the two effects were magnified at the top of the education ladder (there's almost no difference in the main coefficients of the Mincer equation between a native high-school graduate and a high-school graduate born in Canada or in the U.K.).

However, Chiswick had the intuition that his strategy was not optimal, and warned the reader against three main biases:

- *Selection at entry* – Estimated alone, without the number of years since migration, $Foreign_i$ indicates that migrant wages are *ceteris paribus* 3% higher than native wages. This might reflect a selection bias; men who migrate are overall healthier, younger, and more motivated[4];
- *Return migrations* – The Census' data does not record return migrations; and we might think that migrants returning back home are people who failed on the labour market. At that time, demographers estimated that 18% of migrants arrived between 1960 and 1970 had returned home, and that the figures might be around 30% for the first 20th c. [Warren and Peck 1980].
- *Cohort effects* – Pooling time periods together might hide the fact that convergence is maybe slower for certain cohorts[5].

However, it would take years for the literature to pay heed to these biases. Chiswick's paper had been highly influential, drawing scores of replications which were all suffused in the same optimistic atmosphere, with that general wisdom that economic integration of migrants in the U.S. was fast-paced, highly efficient, and almost unhindered by linguistic or cultural obstacles. Maybe paradoxically, George Borjas' earliest articles [Borjas 1982] were part of that general atmosphere.

## 1.2. Early methods – Repeated cross-sections and the pessimistic reaction of the 1980s-1990s

Nevertheless, being himself the son of a highly-educated Cuban migrant, Borjas had the intuition that there might have been a decline in the skill level of cohorts since 1965, and that this might have biased upward the estimates of Chiswick.

He tackled the issue in a classical 1985 article [Borjas 1985]. Taking the Censuses of 1970 and 1980, it was possible to match over the decade three main cohorts : those arrived between 1965 and 1970, between 1960 and 1965, and between 1950 and 1960. The formal setting was then simple, replicating the same Mincer equation as Chiswick on the 1980 data, replacing $Foreign_i$ and $YSM_i$ by a set of dummy variables, one for each cohort (taking the last cohort, arrived over 1975-1980, as the base one). The coefficients on each dummy gave an estimate of the pace of the convergence of wages over the decade in a cross-sectional approach. Borjas found that these cross-section coefficients were very similar to the estimates of $\beta_4$ in Chiswick's model. But thanks to the cohorts he had matched over the two Censuses, he was also able to compute the real variation in the average wage over the decade for each wave of migrants ; this is the *within*-cohort variation. Taking the cross-section coefficients minus that *within*-cohort effect yielded a residual that could be interpreted as the *between*-cohort effect. Informally speaking, this *between* effect is the variation in the skill level of the successive cohorts.

With that decomposition, Borjas reached two main conclusions:

[4]There could also be, Chiswick thought, a self-selection in skills, because some cultural capital is country-specific (for instance, a German engineer has much more incentives to migrate than a German lawyer specialized in German public law.

[5]Lubotsky also raised concerns about a 4th flaw in the estimation strategy of former studies, what he called the *wage-structure* bias [Lubotsky 2011]. It's a well-known fact that there has been a rise in the variance of the income distribution in the post-1980 America. Migrants being more likely to be found at the lower tail of that distribution, and natives at the upper tail, the wage differential is mechanically widened. It's a real differential, but in a Borjas-like framework, we would falsely interpret it as a decline in the efficiency of economic assimilation, while it's simply a structural effect.

- The *within*-cohort rise in wages was non-significant in most specifications, except for some specific groups (whites, and post-1965 Asian and Mexican migrants) ;
- The *between*-cohort effect on the contrary was systematically positive and 5% significant ; i.e. compared with the most recent cohort (arrived between 1975 and 1980), former cohorts had higher initial wages[6]. Among some groups, (most notably Black and non-Mexican Latinos), there was no sign of any significant convergence at all between the wages of statistically equivalent migrant and native workers.

But the challenge to the Chiswick-consensus was more profound that a mere econometrical debate. The 1980s had brought a different intellectual atmosphere; there was a renewed concern for cultural and identitarian factors. To many, cross-sections in the way of Chiswick had not only overestimated the pace of economic integration ; they had underestimated the importance of culture. Many articles of 1980s and 1990s therefore reacted with two main tenets: 1. The idea that the economic prospects of new migrants were highly dependent on their country of origin, and on the initial human capital they brought with them (Borjas was one of the first to replicate Chiswick's framework by differentiating the country of origin [Borjas 1987], showing for instance that the integration of Asian migrants was much more fast-paced that the one of South-Americans); 2. An assimilationist *ethos* which stressed the importance of cultural convergence in the process of economic integration ; many empirical settings of that time emphasized that proficiency in English had a huge positive impact on wage convergence [Borjas 1987; Lazear 1999].

## 2.1. Panel estimations on historical data

All in all, the selection and cohort biases had been relatively well cleansed by the literature, but one major problem was still pending : the issue return migrations. No econometrical refinement could ever extract relevant information about this point from the Census. The only way out was to use individual-linked panel data.

On this point, economic historians had an advantage. Very early, they had learned to rely, not only on the Census, but also on more local sources, mainly because the Census did not provide panel data at that time, but also because, for issues prior to WW2, it did not record the wage of the worker, only his occupation, and it was somehow arbitrary to impute the mean wage of the occupation to the each individual[7]. Hence the urge to collect unofficial evidence and data; typically, at the turn of the century, there was an whole literature relying on data from Labor Bureaus of industrial states, which allowed to gather sizeable individual panels, in order to analyze the dynamics of native and migrant wages (the most-quoted article of that vein is [Eichengreen and Gemery 1986]).

Ran Abramitzky, Leah Boustan, and Katherine Eriksson systematized and nationalized this type of approaches, building a better instrument in the form of panel set, first based on Norwegian immigrants arrived between 1900 and 1920, in which each individual was matched over time from its birth (in Norway) till his death (in the U.S.). This set was used in a series of article, especially [Abramitzky, Boustan, and Eriksson 2010], to study the self-selection issue, with two main conclusions:

- 1. If there was a self-selection bias of migrants in the early 20th c., it was a *negative* one ; i.e. young men who were leaving Norway were mostly from families which did not own any farmland and had comparatively low incomes[8];
- 2. Migration was highly beneficial to those who migrated. The authors were indeed able to match brothers together, comparing those who had remained, and those who had migrated, finding that the former had obtained an average wage premium of 70%.

The same team replicated the very same methodology on the Census data of 1900, 1910 and 1920. I.e. they pick over the IPUMS extract of the 1900 Census young migrant men which have a "unique" first name - last name com-

[6]There is only one example of a negative between-cohort effect; it comes from Cuban migrants arrived over 1950-1959 ; i.e. compared with those who emigrated before 1959, Cuban workers which emigrated after the revolution had higher wages and education before moving.

[7][Minns 2000] tried this on the 1900 and 1910 Census (in order to cleanse cohort effects). His overall conclusion was that : 1. The initial wage gap was relatively large, around 35%; 2. There were signs of convergence, but an extremely slow one, half of the gap being eliminated in 20 years of U.S. residence.

[8]This conclusion is not representative of the literature as a whole. [Spitzer and Zimran 2018] for instance, find *positive* selection in the case of late 19th c. Italians migrating to the U.S., with an original methodology relying on the height of migrant men as a proxy of the health and social conditions in which they had been raised; many men immigrating to the U.S. came from the Mezzogiorno, and where therefore below the national average, but within-regions estimates suggest that migrants were above local means.

bination, and attempt to match them over successive Censuses. For smaller sending countries, they have recourse to a genealogy database to find information about individuals living in the U.S. at the end of the period (1920) and for which we have birth records in public registries of a European country. The matching algorithm is very strict (it must find one unique first name - last name combination and a unique birth year, or by default, a birth-date consistent within a 2-years bandwidth) ; the final sample is therefore relatively slight : 20.225 individuals[9]. The authors argue that their setting is able to cleanse the 4 main biases mentionned before : 1. Their previous research on Norwegian migrants has ruled out the existence of a positive *selection* bias ; 2. Panel data discard the *return-migrations* bias ; 3. *Cohort effects* can be accounted for[10]; 4. The income of each worker is not provided by the data but deduced from all the occupations he held in his life; that scoring system, the author argue, allow us to discard any *wage-structure* bias (imputing to each individual the mean wage of his occupation is one way to cleanse a Piketty-like rise in the variance of the income distribution, i.e. a scenario where there's a strong divergence at the two extremes of the distribution).

Their base model is expressed as:

$$w_{ijmt} = \gamma_{t-m} + \mu_m + \theta_t + \alpha_j + \beta_1 Age_{it} + \beta_2 Age_{it}^2 + \beta_3 Age_{it}^3 + \beta_4 Age_{it}^4 + \varepsilon_{ijmt} \tag{2}$$

Where the subscripts indicate the individual ($i$), the Census year ($t$), the country of origin ($j$) and the year of arrival in the U.S. ($m$). The model itself is a classical Mincer equation with a quartic polynomial in job experience and country of origin dummies. But to this, we add two important vector of dummies : a dummy for each cohort $\mu_m$ and a dummy for the number of years spent on U.S. territory $\gamma_{t-m}$ (both being congregated in subgroups of 5 or 10 years, the omitted dummy being the one of the natives). Then:

- Evaluating equation (2) in pooled cross-section on one Census year, without $\mu_m$ gives us a [Chiswick 1978]-like framework;
- Adding the cohort dummies $\mu_m$ gives us a [Borjas 1985]-like framework (we cleanse the cohort effects);
- Evaluating (2) in a panel setting allows us to cleanse the return-migrations bias. If there is more convergence in the cross-section framework than in the panel one, we might deduce that those who migrated back lied in the lower part of the income distribution.

Our figure 1 reproduces their main results. They are clear-cut:

- The cross-section estimates reproduce the usual pattern of Chiswick-like studies : an initial negative migrant wage differential (approximately 7%) and a slow convergence (the gap being closed in more than 30 years);
- The repeated cross-section setting yields results in the spirit of [Borjas 1985]; over the 1880-1900 period, there's has been a decline in skill-level of new cohorts; so once we account for this cohort bias, the estimated convergence is a bit slower but the initial wage gap is much more narrow (about 2%)
- But most important of all, when they use the panel framework, they find an initial *positive* (but not significant) wage gap (of about 2-3%) and paradoxically little variation over time.

From these estimates, two main lessons could be drawn:

- The optimistic picture drawn by Chiswick, congruent with the American national *ethos*, drawing on the idealistic picture of a country of immigrants, which had offered large economic opportunities to the "huddled masses" of Europe "yearning to breathe free", was actually a mere statistical artifact of the cross-section models.
- Over the panel data, the initial wage gaps were barely reduced, meaning that the initial advantage or disadvantage a new-comer migrant had because of his SES status or his country of origin persisted over time, and even beyond generations. We reproduce some of their secondary results in our figure 2. Typically, migrants from the British Isles got a sizeable wage premium when they arrive, and their children got the same premium; conversely, migrants from Portugal have a huge initial disadvantage, which is transmitted to the second generation ;

[9]The sample is restricted to men aged 18-35 y.o. in 1900 ; African-Americans and people living in the South are excluded to ensure perfect comparibility.

[10]Over their panel sample, there is a slight decline in the average skill level of the newcomers as we move forth in time.

Figure 1: Figure 2 from [Abramitzky, Boustan, and Eriksson 2014]

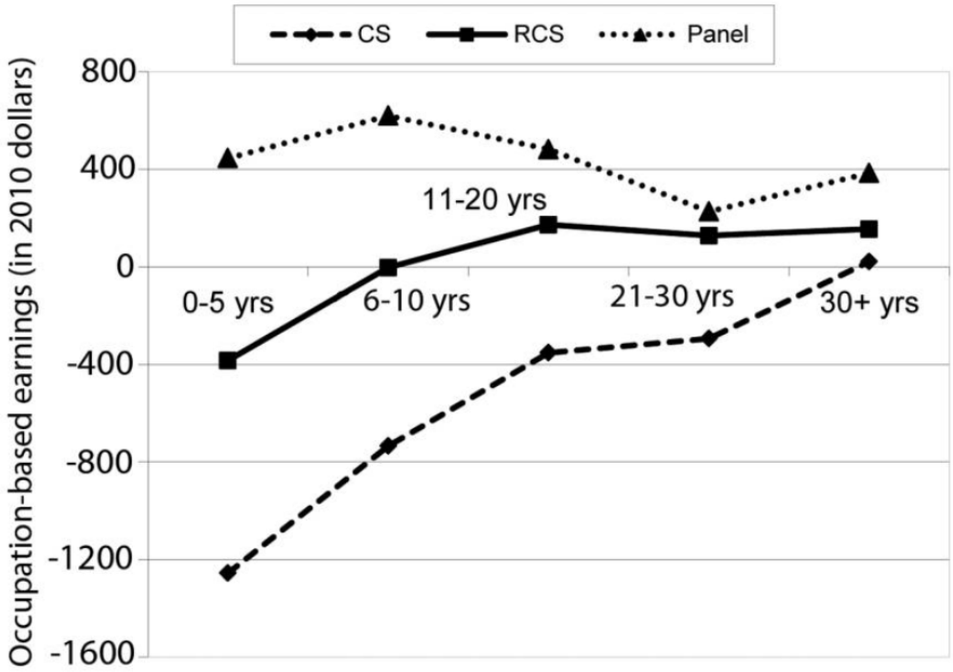



FIG. 2.—Convergence in occupation score between immigrants and native-born workers by time spent in the United States, cross-sectional and panel data, 1900–1920. The graph plots coefficients for years spent in the United States indicators in equation (1). Note that for the panel line, we subtract the native-born dummy from the years in the United States indicators (because the omitted category in that regression is natives in the panel sample).

- The huge difference in estimation between the repeated cross-section and the panel setting allows us to gauge the dynamics of return migrations. For the new-comers, the gap between the two estimates is roughly 800$. If we denote $\overline{P}$ the average initial wage of the migrants who will remain, and $\overline{T}$ the average initial wage of the soon-to-return-home migrants, assuming that the return rate is around 0.25, we should have:

$$800 = \overline{P} - (0.75 \times \overline{P} + 0.25 \times \overline{T}) \iff \overline{P} - \overline{T} = 3200$$

  I.e. those who migrated back had an arrival wage far below those who will remain in the U.S (around 15% less). Robustness checks varying the geographic unit of interest does not change the overall picture of these results.

Figure 2: Figure 6 from [Abramitzky, Boustan, and Eriksson 2014]

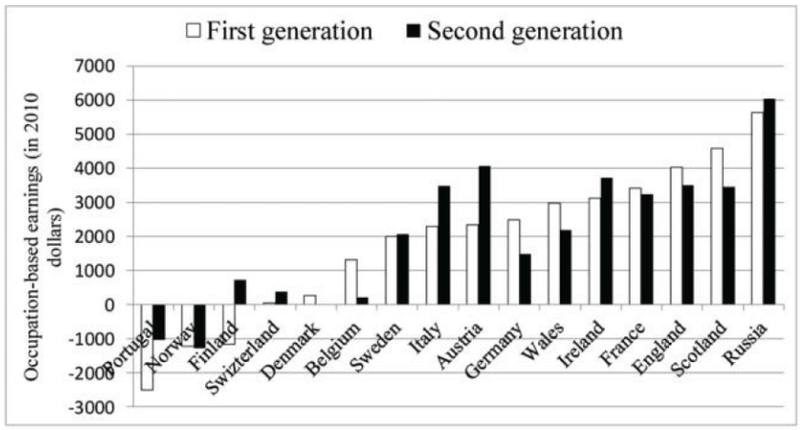



FIG. 6.—Convergence in occupation-based earnings across immigrant generations: first-generation and second-generation migrants versus natives, by country of origin.

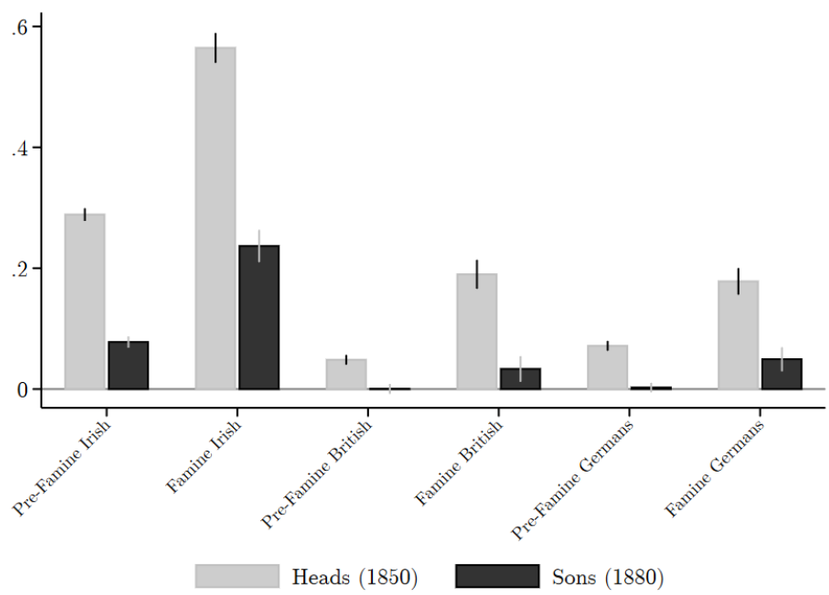
By way of conclusion, it's important to emphasize that this famous series of article by Abramitzky, Boustan and Erkisson are not only an appreciable econometrical progress ; they have huge implications for the historiography of the early 20th c. United States. At the time of the liberal optimism on immigration, historians and statisticians generally assumed that the restriction laws of the 1920s had been an irrational frenzy. It was said that the ill-famed Dillingham Commission, the bipartisan special committee created by the Congress in 1907 to study the impact of

mass migration, had misinterpreted much of the data it had amassed ; i.e. the alarming results of the commission about the inability of migrants from Eastern and Southern Europe to assimilate were statistical artifacts [Higgs 1971].

Recent quantitative evidence suggests more nuanced conclusions : migrants from emerging European economies of that time had indeed difficulties to close the wage gap. Even when some panel studies found signs of a wage convergence (for instance [Eichengreen and Gemery 1986] about the migrant industrial workers of Ohio) it was a very slow one, with wage equality with the natives far beyond the reach of one generation's lifetime. American capitalism was not the perfect integrating machine it was thought to be; the U.S. fared comparatively less well than many other American countries, and migrants chose the U.S., not because they except they'll be assimilated faster there than elsewhere, but mainly because of path dependency to former migrations [Pérez 2019][11]. Besides, there were signs that competition from migrant workers was hurting the prospects of native unskilled workers [Goldin 1994]. Studying the political economy of the 1921 Quota Act, Claudia Goldin emphasizes the fact that the proponents of these restrictions were not using absolutely false facts, but were skillfully putting on the forefront of public debate examples drawn from the worst cases; typically, Southern European unskilled workers living in the crowded ghettos of Northwestern cities, which indeed shew little sign of economic integration, had huge unemployment rates, and were used as a wage compression asset by industrialists.

Replications of these panel setting on early 19th c. U.S. data provides similar conclusions, if a bit more optimistic. [Collins and Zimran 2019] for instance show that the Irish migrants who had fled the Great Famine of 1845 suffered from very high penalties on arrival, that disadvantage being partially transmitted to their children while it had almost vanished for other migrants. Some of their results is reproduced in figure 3.

Figure 3: Figure 3a from [Collins and Zimran 2019] : Extra probability to be an unskilled worker for male migrants to the U.S. (compared to the native base value), per country of origin and per pre-or-post-1845 cohort of arrival, for fathers in 1850 and sons in 1880 (panel estimates).




## 2.2. Panel estimations on recent data

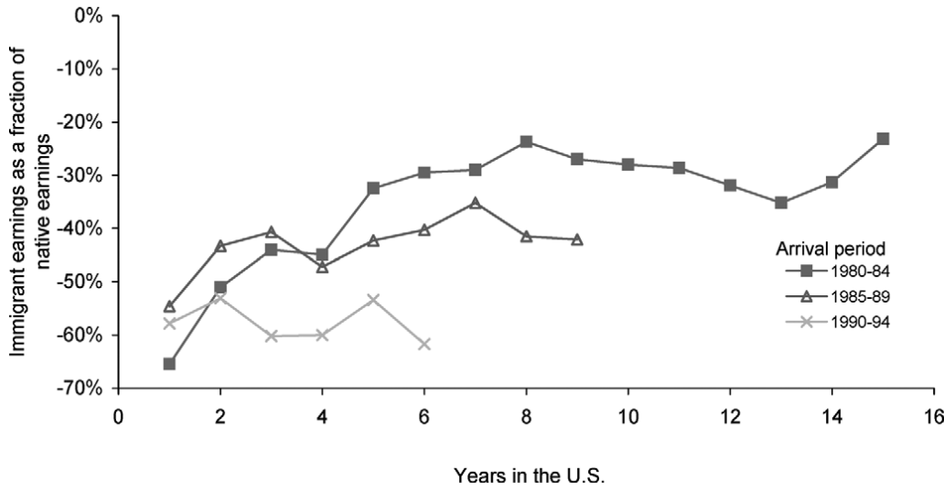
One question then: does using similar panel settings on recent immigration data provide the same pessimistic conclusions? The answer in the literature is usually no.

One early attempt were the works of Darren Lubotsky [Lubotsky 2007; Lubotsky 2011], who used social security numbers to match several surveys over the second 20th c. His main conclusions could be summarized as such:

[11] Pérez 2019 uses a similar panel strategy to study the career prospects of Italians coming to the U.S. and to Argentine on the eve of the 20th c. He finds that overall, Italians residing in the former country were 4% ceteris paribus more likely to end up as homeowner than their U.S. counterparts, 28% more likely to hold an unskilled job. They show that the main driving force which directed Italian migrants to the U.S. rather than Argentina was not the prospect of superior incomes, but simply path dependency (the presence of a similar family name in the place of arrival is a strong predictor of the place the migrant will finally choose).

1. Chiswick-like cross sections were indeed overestimating the pace of integration ; 2. But that Borjas, because he could not treat return migrations[12], had overestimated between-cohorts effects (i.e. he had overestimated the decline in the qualification of the migrant labour force arriving to the U.S. over the late 20th c.). Over different cohorts and with different methods, he generally finds that the estimated wage convergence is two times slower than in Chiswick-like frameworks. Figure 4 gives an idea of the results of his 2011 article.

Figure 4: Figure 1 from [Lubotsky 2011] : Immigrant-Native Gap in Median Annual Earnings, by Arrival Cohort and Time in the U.S.




Data are from Social Security earnings records matched to individuals in the 1990 SIPP, the 1991 SIPP, and the 1994 SIPP. Immigrant-native earnings gaps are based on LAD models that express the log of annual earnings as a function of immigrant status, potential experience, and calendar time.

What about immigration *to* Europe ? I found literature for the most recent decades only; what they provide is in the spirit of the Abramitzky-like frameworks:

- In repeated cross-section, we indeed find a consistent convergence (most study covering, due to data limitation in Europe, not the wage convergence, but the unemployment one). [Ho and Turk-Ariss 2018] for instance use repeated cross-section over very recent data (1998-2016) for 13 European countries, with a strategy based on employment levels: he finds very high initial unemployment gaps, and a slow convergence estimated to be 20 years for male workers and even more for female ones. We reproduce some of their results in our figure 5 to illustrate the convergence of migrants in France, a country noted for his relatively high pace of economic assimilation compared with other EU members[13].

- In panel estimations on the contrary, the convergence is not so obvious. The few existing estimations based on panel data come from Nordic economists [Schultz-Nielsen 2017; Bratsberg, Raaum, and Røed 2017] and draw a relatively consistent picture: huge heterogeneities across countries of origin that persist over time[14], some signs of convergence, but which seem to come to an halt if not to reverse after 15 years : the main results from [Schultz-Nielsen 2017] reproduced in our figure 6, are very representative of this literature.

## Further analysis – Back to the cultural dimension of economic integration

We saw that, from its onset, the literature surrounding the issue of economic convergence has never been a pure econometrical debate, but also a wider discussion of the institutional and cultural factors that were driving the integration process and their purported (un)importance.

[12]The consistent picture drawn by recent U.S. literature on the issue is one of sizeable return rates (40% over the cohorts arrived 2005-2007) driven mainly by short-term negative shocks on the labour market which results in downward mobility for migrant workers [Akee and Jones 2019].

[13]Literature suggests that refugees arrived with higher unemployment gaps that other migrants, but that their integration is relatively fast-paced (with parity reached within 10 years).

[14]One illustrative example drawn from [Algan et al. 2010], even if it's a cross-section study: the wage and unemployment penalty for male MENA migrants in France and male Turkish migrants in Germany has a tendency to rise between the first and second generation, while it stays relatively stable for young female migrants of the same origins.

Figure 5: Annex figure 3 from [Ho and Turk-Ariss 2018]: probability of being employment for a migrant worker in France, as a ratio of the native rate, dependant on the number of years since migration (repeated cross-section, 1998-2016 data)

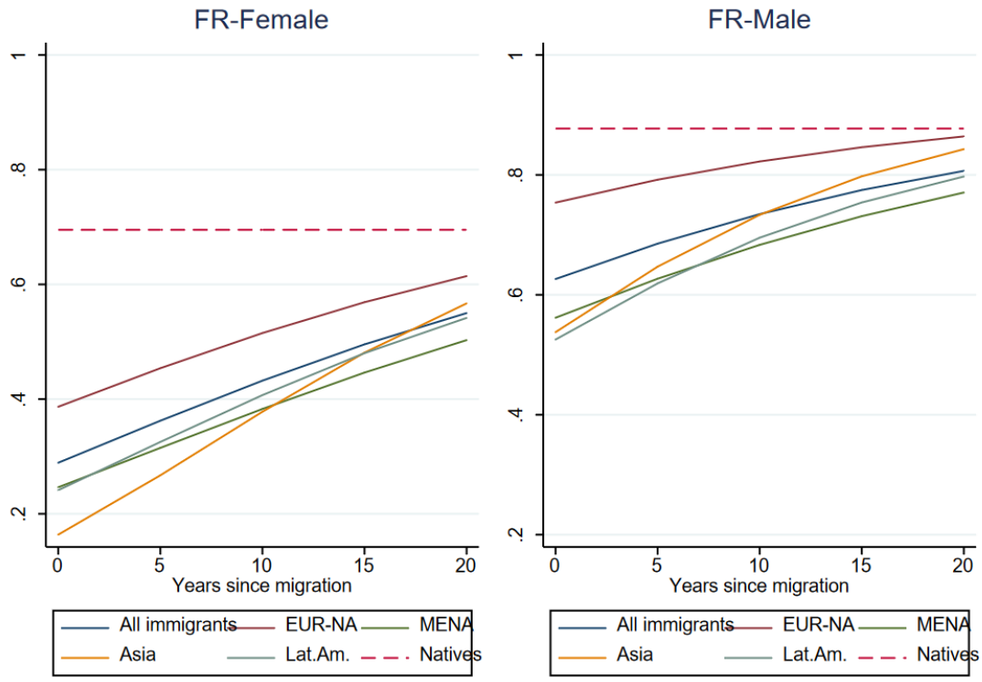
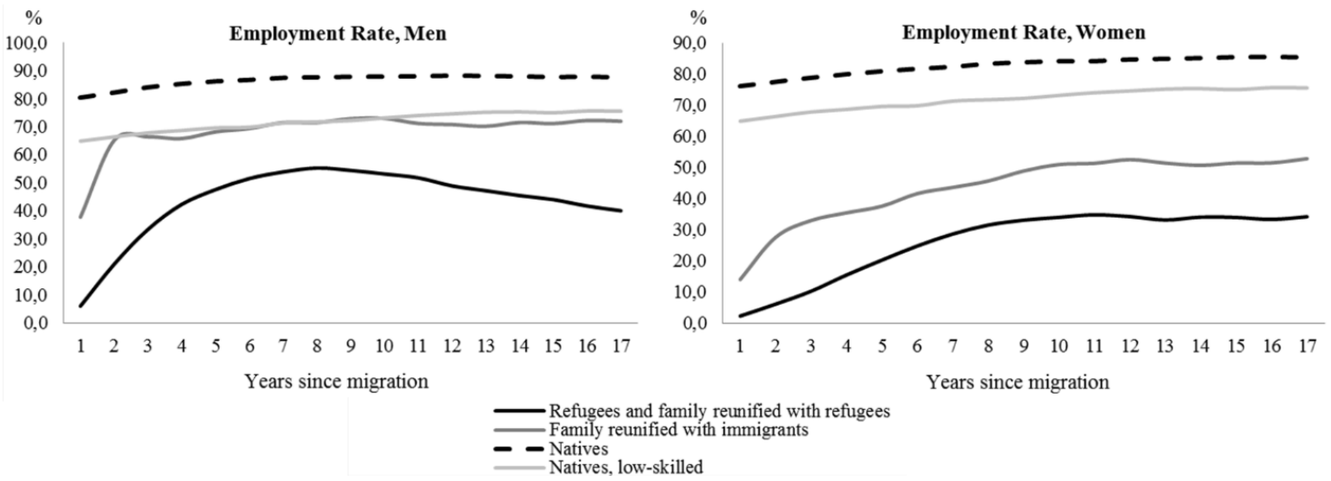



Figure 6: Figure 1 from [Schultz-Nielsen 2017]: probability of being employment for a refugee worker in Denmark, dependant on the number of years since migration (panel data, 1997-2017)




On this, the historical panel studies in the spirit of Abramintzky-Boustan-Eriksson brought subtle new nuances about problems that were already heatedly discussed at the time of Chiswick and Borjas:

- Historically, the initial wage premium or disadvantage seems to be strongly determined by the characteristics of the country of origin. Coming from an English-speaking country, or at least from a protestant one, or from a country with a vanguard education system, systematically provides a sizeable economic premium. It was the case in the mid-19th c. [Collins and Zimran 2019], in the early 20th c. [Abramitzky, Boustan, and Eriksson 2014] and in the 1970s-1980s [Borjas 1987].

- Country-of-origin factors are also powerful drivers in the pace of economic integration. This is the case for fluency in English, on historical and recent data alike [Dustmann, Frattini, and Lanzara 2011]. Another classical approach of this phenomenon consists in exploiting the names of newborn children of migrants, and the process of "name-Americanization". [Abramitzky, Boustan, and Eriksson 2016; Abramitzky, Boustan, and Eriksson 2020] found that, throughout the 20th c., the *first-name gap* between migrants and natives tends to recede very smoothly (by one half in 20 years), that there is almost no difference in pace between the beginning and the end of the century, and that this assimilation process was mainly driven by persons

whose names were distinct from the English linguistic pattern (Russians and South-Europeans in the 1920s, Mexicans today). Another conclusion from this vein of studies is that name Americanization provided huge economic payoffs; [Biavaschi, Giulietti, and Siddique 2017], using Interwar data, estimate that a for migrant children, having a common native name like John or William (compared to a distinct foreign first-name) provided a *ceteris paribus* premium at adult age of about +14%.

A more contested issue revolves around the *port of entry* theory that was propounded by the Chicago school of urban analysis in the early 20th c. [Wirth 1927], namely, the idea that migrants would be better integrated if, on arrival, they found a sizeable community of persons of the same origin, because national communities were acting as buffers of economic and cultural assimilation. Before WW2, Chicago school scholars emphasized the fact that migrant ghettos of the great metropolises (the Italian and Irish ones being the most famous) were not necessarily places of social anomy [Whyte 1943] and might even become a springboard for economic opportunities [Halbwachs 1932]. Recent research is more pessimistic. [Pérez 2019] reviews a wide range of primary sources and recent studies about Italians in the U.S., urging the fact that economic integration of migrants was generally smoother in the West than in the great ghettos of Northwestern cities. Consistently, when [Abramitzky, Boustan, and Eriksson 2014] apply their equation 2 to a restriction on urban centers, the initial wage premium of their 1 become wage penalties; i.e. *ceteris paribus*, urban interstitial districts were not the best places to assimilate economically for a newcomer migrant. The question of whether or not the same conclusions apply to recent data lies at the center a heated debate that is far beyond the scope of this summary.

In recent US and European context, informal hiring networks based on migratory origin are known to be very efficient to find a job [Dustmann, Glitz, et al. 2016; Aslund, Hensvik, and Skans 2014]. Two nuances to this result: 1. There are suspicions that these networks might lock-up migrants into jobs which are mainly unskilled and underpaid [Hellerstein, Kutzbach, and Neumark 2014]; 2. These networks seem to be a sufficient, but not a necessary condition of economic integration ; [Ansala, Aslund, and Sarvimäki 2020] compares Sweden, an old asylum country, to Finland, known for its decade-long policy of migration restrictions, to show that the economic integration of a migrant does not necessarily depends on the existence of a large migrant community of the same origin in the host country.

Little illumination could come from the literature on cultural fractionalization and its impact on economic dynamics. There is an enormous literature on the micro impact of ethnic diversity at the labour place, but it yields inconclusive results [Shore et al. 2009]. Macro diversity papers generally draw a more positive picture, with the general idea that cultural fractionalization is a positive driver of economic activity, but under certain conditions: 1. It's mainly true for the skilled labour force, and might become false for extreme levels of cultural distance [Alesina, Harnoss, and Rapoport 2016] ; 2. The overall conclusion is reversed if cultural diversity means polarization (opposition of two main groups) and not fractionnalization [Ager and Brückner 2013]..

## References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