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**Politico-Economic Analyses of
Immigration and Integration**

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Many governments face the challenge of designing policies that catalyze the integration of immigrants and sustain the social cohesion of host communities. Against this background, we want to know to what extent open labor market access regulations as well as immigrant voting rights foster economic and political integration. We further question how the presence of immigrants, attitudes towards them and policy preferences are interlinked.

Messages for Decision-Makers

- **As a tendency, immigrants avoid moving to municipalities where the local population holds negative attitudes towards them.**
- **Cantons with more liberal labor market access regulations facilitate the early economic integration of asylum seekers.**
- **Giving immigrants voting rights has an integrative effect. A study in Denmark finds that the possibility to vote reduces the number of petty offenses of non-EU male immigrants, at least for some time.**

Immigrants Tend to Avoid Municipalities Where Citizens Hold Strong Reservations Towards Them

Attitudes of the native population towards immigrants influence the interaction between the two groups in many ways. In particular, these attitudes are related to the success of the integration process, to the formation of policy preferences and to the establishment and evolution of public institutions. However, little is known about the effects immigrants' presence has on policy preferences and on citizens' support of the welfare state in general.

We address these two issues considering the bidirectional relationship between attitudes and immigrants' presence. On the one hand, the presence of immigrants may affect natives' preferences and attitudes. Getting to know immigrants better may reduce prejudices, as postulated by the so-called "contact hypothesis". By contrast, the presence of immigrants may aggravate negative attitudes: natives may fear pressure on the labor market and the welfare system, or they may expect that immigrants' presence increases the crime rate or endangers the local culture. On the other hand, attitudes of natives towards immigrants may also affect the presence of this latter group. Fewer immigrants might move to areas where residents have reservations about them, where they fear discrimination or even physical abuse.

In order to better understand how natives' attitudes influence immigrants' location choices, we study the consequences of the initiative against the construction of new minarets in Switzerland, which was surprisingly approved with a majority of 58% in November 2009. Specifically, we capture to what extent immigrants shun municipalities that revealed an unexpectedly high approval of the initiative (compared to how they had voted in the past on immigration questions). We find that the probability of foreigners moving to a municipality with an unexpectedly high approval of the initiative decreases initially by about 60 percent.

Liberal Labor Market Access Regulations Increase Asylum Seekers' Work Participation

Against the backdrop of recent refugee migration, the early integration of asylum seekers into the labor market has been proposed as a key mechanism for easing their economic and social lot in the short as well as in the long term. However, little is known about the policies that foster or hamper their participation in the labor market, in particular during the initial period of their stay in the host country. In order to evaluate whether less restrictive labor market access policies increase the labor market participation of asylum seekers, we exploit the variation of asylum policies in Swiss cantons, to which asylum seekers are randomly allocated. During our study period from 2011 to 2014, the employment rate among asylum seekers varied between 0% and 30.2% across cantons. Our results indicate that labor market access regulations are responsible for a substantial proportion of these differences. In cantons characterized by an inclusive regime labor market participation increases by 11 percentage points. The marginal effects are larger for asylum seekers who speak a language that is linguistically close to the one in their host canton.

Immigrant Voting Rights Have an Integrative Potential

Voting rights for immigrants offer a means for their inclusion in the democratic process, and are a potentially important determinant of integration. So far, the pros and cons have primarily been discussed on theoretical and normative grounds. We want to better understand the empirical effects of immigrants' political participation rights on various dimensions of integration.

Immigrant voting rights are hypothesized to reduce perceptions of social exclusion, to motivate immigrants to invest in their competencies and connections, and to better integrate in the host society. Thereby, formal democratic participation rights for immigrants come in many forms and can be more or less extensive. For example, they might be granted after a few or only after many years of residence in the host country. Or they might refer only to the municipal or also to the cantonal level. For this reason, we analyzed immigrant voting rights in different contexts. In order to identify the effect of the opportunity to participate in the political process, we compared immigrants who had been staying for a slightly longer period than necessary to be eligible to vote in the host country with immigrants who had arrived slightly later and were thus not allowed to vote. In a first application, we studied the effects on norm compliance in Denmark. In this country, non-EU citizens have the right to vote in municipal and regional elections after three years of stay. Relying on register data, we find causal evidence that the first possibility to vote considerably reduces the number of legal offenses of non-EU male immigrants in the period after elections. This

effect is primarily due to fewer petty offenses, such as traffic offenses, and holds at least up to 1.5 years after the elections have taken place.

In two follow-up projects, we are currently studying the experience in the canton of Geneva and in Sweden. In the canton of Geneva, immigrants have the right to vote in local ballots and elections after eight years of stay. In Sweden, non-EU immigrants have the right to vote after three years of stay in the country.

Key Publications

- Slotwinski, Michaela, and Alois Stutzer. "The Deterrent Effect of Voting Against Minarets: Identity Utility and Foreigners' Location Choice." *IZA Discussion Paper*, no. 9497 (2015).
- Slotwinski, Michaela, Alois Stutzer, and Cédric Gorinas. "Democratic Involvement and Immigrants' Compliance with the Law." *IZA Discussion Paper*, no. 10550 (2017).
- Slotwinski, Michaela, Alois Stutzer, and Roman Uhlig. "Are Asylum Seekers More Likely to Work with More Inclusive Labor Market Access Regulations?" *WWZ Discussion Paper*, no. 2018/08 (2018).