



Public Lecture

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Thursday, 10 December 2020

Labor Market Integration of Refugees and Refugee Settlement

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Prof. Anna Piil Damm, Aarhus University

Discussant: Didier Ruedin, University of Neuchâtel

12:15 – 13:45 h

The Public Lecture will be streamed online on the nccr – on the move YouTube channel

Abstract

Immigrants tend to settle in larger cities, and within these in immigrant-dense neighborhoods. Some developed countries, however, spatially disperse refugees across locations upon receipt of asylum. In Denmark, the initial location of settlement of refugees can be regarded as random, conditional on a few observable demographic characteristics. We exploit this natural experiment for investigation of which local characteristics promote labor market integration of immigrants. Our findings are as follows. First, assignment to a municipality with a one percentage point higher employment rate increases the employment probability of refugees by 0.5–0.6 percentage points (elasticities 1.1–1.8) two to four years after arrival. Second, residence-based job information networks of refugees are ethnically stratified at least up to 6 years after asylum and the size and quality of residence-based networks matter for labor market integration of refugees. Moreover, Danish municipalities could neither influence the annual influx of refugees, nor the socioeconomic or other background of refugees allocated to them. This allows us to estimate the causal effect of refugee migration on voting outcomes in municipal and parliamentary elections. We find that in all but the most urban municipalities, allocation of larger refugee shares between electoral cycles leads to an increase in the vote share for right-leaning parties with an anti-immigration agenda. We will discuss the implications of our findings for policies which spatially disperse refugees across locations.

Curriculum Vitae

Anna Piil Damm, Ph.D., is Professor at the Department of Economics and Business Economics and TrygFonden's Centre for Child Research, Aarhus University. She is an external research fellow at CReAM, IZA, GLO and the Rockwool Foundation Research Unit. Her main research fields are Economics of Migration, Economics of Social Interactions, Labor Economics (wages, employment, education and crime) and Urban Economics. She has published on these topics in top journals in Economics, including *American Economic Review* and *Review of Economic Studies* and in top field journals in Economics, including *Journal of Labor Economics* and *Journal of Urban Economics*. Her research has received substantial media coverage, among others by the *Economist*.

Selected Publications

- Azlor, Luz, Anna P. Damm, and Marie Louise Schultz-Nielsen (2020). Local Labour Demand and Immigrant Employment, *Labour Economics* 63.
- Dustmann, Christian, Kristine Vasiljeva, and Anna P. Damm (2019). Refugee Migration and Electoral Outcomes, *Review of Economic Studies* 86, 2035–2091.
- Damm, Anna P. and Christian Dustmann (2014). Does Growing Up in a High Crime Neighborhood affect Youth Criminal Behavior?, *American Economic Review* 104(6), 1806–1832.
- Damm, Anna P. (2014). Neighborhood Quality and Labor Market Outcomes: Evidence from Quasi-Random Neighborhood Assignment of Immigrants, *Journal of Urban Economics* 79, 139–166.
- Damm, Anna P. and Michael Rosholm (2020). Employment Effects of Spatial Dispersal of Refugees, *Review of Economics of the Household* 8(1), 105–146.
- Damm, Anna P. (2009). Ethnic Enclaves and Immigrant Labor Market Outcomes: Quasi-Experimental Evidence, *Journal of Labor Economics* 27(2), 281–314.
- Damm, Anna P. (2009). Determinants of Recent Immigrants' Location Choices: Quasi-Experimental Evidence, *Journal of Population Economics* 22(1), 145–174.