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# The Political Effects of Immigration: Culture or Economics?

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# The Political Effects of Immigration: Culture or Economics?\*

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July 2021

#### Abstract

We review the growing literature on the political economy of immigration. First, we discuss the effects of immigration on a wide range of political and social outcomes. The existing evidence suggests that immigrants often, but not always, trigger backlash, increasing support for anti-immigrant parties and lowering preferences for redistribution and diversity among natives. Next, we unpack the channels behind the political effects of immigration. While completely separating economic from non-economic forces is impossible, we conclude that the latter are more important than the former. In examining the mechanisms, we highlight mediating factors – such as (mis-)perceptions, the media, and the conditions under which inter-group contact occurs – that can influence natives' reactions in different directions. Throughout the review, we outline promising avenues for future research.

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### 1 Introduction

In recent years, immigration has emerged as one of the most salient political issues in both Europe and the US. It was at the center of the 2016 US presidential elections, while in Europe is one of the factors typically associated with the rise of populist parties. Immigration also featured prominently in the debate surrounding the Brexit referendum. In many European countries, the stance on immigration policies of various parties is a critical point for voters' choices. The salience of immigration and diversity is unlikely to taper off any time soon, and racial animosity, nativism, and border closures might increase steadily in the foreseeable future.

The flow of immigrants from poorer and more politically unstable countries to richer and more stable ones, as well as massive internal migrations within large and diverse countries (like the US), can have two consequences. First, they can have economic effects. Although immigration as a whole is economically beneficial to receiving countries, immigrants may compete with natives for jobs. One recurrent worry among natives is that immigrants may drag down salaries, especially at the lower end of the income distribution, possibly also increasing inequality. While the specific effects depend upon the level of human capital of immigrants, at least in more developed countries, the foreign born are seen as a threat especially for unskilled native workers. Second, immigration can have consequences that we summarize with the word "cultural". These are all the effects deriving from the fact that natives receive an often sudden and large influx of people with different cultures, race, ethnicity, religion, language, and social norms. Although the economic and the cultural effects are in principle separable, they are highly intertwined and often mutually reinforcing. The political consequences of immigration – e.g., which political parties gain or lose from immigration or the policy platforms they propose – depend on some combination of these two effects.

A large literature has studied, without reaching an agreement, the labor market effects of immigration. This debate is discussed in detail in a number of recent reviews (Abramitzky and Boustan, 2017; Dustmann et al., 2016; Peri, 2016), and will not be the focus of our work. The purpose of this paper is, instead, to review and make sense of the growing literature on the political effects of immigration. In the last decade or so, economists have become increasingly interested in the set of issues that we labelled cultural above. The recent surge of immigration has dramatically changed the ethnic and racial profiles of many European countries, which used to be homogeneous until a few decades (or, even years) ago, and have become significantly more heterogeneous. Immigration has also fundamentally reshaped the racial profile of the United States. These patterns have created a host of deep and complex

issues, triggering natives' backlash and fueling a heated debate about immigration and, more broadly, globalization.

In our review, we address a set of related questions. Along what margins (e.g., electoral outcomes, policy preferences, attitudes, or residential choices) are the effects of immigration evident? What are the causes of the political effects of immigration? Do natives' reactions have cultural or economic roots (or, both)? Which parties benefit the most from rising natives' anti-immigrant sentiments, and why? Are natives well informed about immigrants, or are their views distorted by misperceptions and stereotypes? Do media and political entrepreneurs amplify and shape the effects of immigration?

The literature that directly or indirectly addresses these questions is immense, so we need to set clear boundaries. First, we will not cover, but take as given, results on the sociopolitical effect of diversity (Alesina and La Ferrara, 2005). Instead, we focus on immigration specifically, given that the latter may increase actual and perceived diversity in receiving countries. Second, even though we will touch upon the issue of immigrants' assimilation, we will not cover this topic in detail. Third, we will discuss issues about redistributive policies, but we will not cover the broad literature on preferences for redistribution in general (Alesina and Giuliano, 2011). Our work will remain focused on the issue of redistribution only when related to immigration. Fourth, we will not cover the immense literature on racial divisions and racial inequality in the US. Rather, we will present evidence from the Great Migration of African Americans as one "data point" for our discussion on the effects of large migration flows. When extrapolating results from this specific episode to other contexts, however, it is important to consider the uniqueness of race relations, the permanent legacy of slavery, and the pervasive racial (economic, social, political) inequality prevailing in the US. Finally, we will not cover the consequences of emigration from sending countries, or regions in the case of the US South.

We begin, in Section 2, by discussing the political effects of immigration. Many papers focus on support for anti-immigrant parties in national or local elections; others consider a broader set of outcomes – from preferences for redistribution to political ideology to intergroup relations. The "standard" finding is that, on average, immigration triggers natives' backlash, increases support for anti-immigrant, populist parties, and lowers natives' preferences for redistribution. However, this view is often too simplistic, and masks substantial heterogeneity. A growing number of studies have shown that, depending on the characteris-

<sup>&</sup>lt;sup>1</sup>Many papers have focused on the economic assimilation of immigrants (Abramitzky et al., 2014; Borjas, 1985). More recently, a growing literature has studied immigrants' cultural assimilation (Abramitzky et al., 2020; Fouka, 2019, 2020a; Fouka et al., 2021) and the forces that can hinder or foster this process (Abdelgadir and Fouka, 2020; Bandiera et al., 2019; Fouka, 2020b; Gagliarducci and Tabellini, 2021; Lleras-Muney and Shertzer, 2015).

tics of the immigrants and those of receiving areas as well as on the type and the frequency of inter-group interactions, immigration might move natives' attitudes towards a more liberal direction and reduce support for anti-immigrant parties.

In Section 3, we consider another margin through which natives (or, local residents in the case of internal migration) can respond: "white flight" from cities to suburbs, and political separatism based upon racial and ethnic lines. Because these phenomena have been most often (though not exclusively) documented for the Great Migration of African Americans, and due to the peculiarity of race relations in the United States, we treat them separately from the more standard forms of political reactions to international immigration.

Next, we seek to understand the causes of the political and social effects of immigration. Even a journalistic assessment suggests that economic factors are not the only – perhaps not even the main – reason behind the recent surge of anti-immigration sentiments in Europe and the US. President Trump's almost obsessive campaign against Mexican immigration occurred when the US unemployment rate was at historically low levels and, if anything, the main issue was labor shortage.<sup>2</sup> In Europe, the rhetoric of populist, anti-immigration parties is centered around crime, the perceived use of natives' taxes to support "undeserving" foreigners who do not contribute enough, and stereotypes about the negative qualities of immigrants as law-obeying citizens. Similar considerations apply to the Great Migration of African Americans from the South to the North of the US between 1915 and 1970, and to the Mass Migration of Europeans at the turn of the twentieth century. This suggests that many of the anti-immigrant reactions we are observing today are not specific to our times.

In an ideal thought experiment, the researcher would separate the cultural from the economic mechanisms. However, since this is not possible in the real world, we interpret the existing evidence as capturing the *relative* importance of economic and non-economic factors. Our view, which we put at test in this paper, is that cultural forces broadly defined have a stronger political and social impact than purely economic ones, arising from potential labor market competition. In other words, while the economic effects of immigration are likely to be positive, large inflows of immigrants, especially when concentrated within short periods of time, can undermine social and political cohesion, for reasons that go above and beyond strictly economic ones.

In Section 4, we discuss the extent to which the empirical evidence can or cannot be reconciled with either economic or cultural forces. As we argue below, the empirical regularities observed across a variety of settings point towards the higher (relative) importance of non-economic factors. Indeed, without including them into the picture, it would be impossible to rationalize the political and social effects of immigration reviewed in Sections 2 and 3.

<sup>&</sup>lt;sup>2</sup>Moreover, Mexican immigration had plateaued since the late 2000s (Hanson and McIntosh, 2016).

This does not rule out the possibility that economic factors might shape natives' reactions to immigration as well. In fact, short-run economic losses concentrated within specific groups or unequal effects of immigration along the income distribution might explain some of the political and social effects of immigration. It is also possible that economic concerns are channeled through cultural ones by political entrepreneurs and the media, fueling natives' fears and opposition to immigration.

The rest of the paper provides additional evidence in favor of the "cultural hypothesis", and discusses three promising avenues for future research. In Section 5, we highlight what, to us, is a puzzling empirical regularity: anti-immigration sentiments are, at least in recent times, channeled towards support for right-wing parties. Since voters most likely to suffer from immigrants' competition are unskilled, and because right-wing parties have historically been associated with lower redistribution, this pattern cannot be reconciled with a simple economic story for natives' opposition to immigration. We argue that group identification and the emphasis often placed on a specific set of moral values provide one, although certainly not the only, answer to this trend.

In Section 6, we turn to the role of (mis-)information and stereotypes. The existing evidence reveals that natives not only over-estimate the size of the immigrant community, but also believe that immigrants are poorer, less skilled, and culturally or ethnically more distant than they actually are. Why do natives hold distorted views about immigrants? One explanation is that the media and political entrepreneurs shape voters' beliefs by increasing the salience of immigration and the fear of diversity, in order to gain political support. The role of misinformation in driving political preferences has been documented in a variety of settings, and is likely to operate in the context of immigration too. Misperceptions and stereotypes may also interact with and reinforce group identification that relies on non-economic channels, contributing to explain why right-wing parties are more likely to benefit from immigration.

Finally, in Section 7, we discuss why immigration might move natives' preferences in a more liberal direction and increase their openness towards diversity. One explanation is provided by the "contact hypothesis" (Allport, 1954). This theory predicts that, when a set of conditions (common goals, inter-group cooperation, support by social and institutional authorities, and equal status) are satisfied, natives' negative stereotypes fade away following repeated interactions with immigrants. As we highlight below, residential segregation, by determining the conditions under which inter-group contact occurs (and thus, whether the contact hypothesis holds), may be a key factor in mediating the effects of immigration. Another possibility is that the effects of immigration depend on the initial attitudes of natives. When the latter are more open to diversity to begin with, contact with immigrants may have

positive effects on inter-group relations. Lastly, the (actual or perceived) distance between immigrants and natives may decline as the former spend more time in the host country. This might happen either because immigrants assimilate to the local culture or because natives, consciously or unconsciously, absorb part of the social norms and the preferences of the foreign born (or, both).

We conclude in Section 8 by summarizing the main take-aways from our review and highlighting directions for future research.

# 2 The Political and Social Effects of Immigration

This section reviews the papers that study the political and social effects of immigration. Although the standard view is that immigrants trigger natives' backlash, a growing body of works paint a more nuanced picture, suggesting that immigration can, under certain circumstances, increase natives' support for diversity. We organize the discussion by distinguishing between different outcomes. First, we focus on electoral support for anti-immigrant parties (Section 2.1). Next, we turn to political ideology and preferences for redistribution of natives (Section 2.2). Finally, we consider outcomes that are more social in nature, such as attitudes towards diversity, preferences over racial equality, and inter-group relations (Section 2.3).

Table 1 presents a summary of the works that study the relationship between changes in immigrant or minority population and political and social outcomes reviewed in this section.<sup>3</sup> Following the structure described in the previous paragraph, we classify works as belonging to three groups: i) those focusing on electoral outcomes; ii) those examining preferences for redistribution and political ideology; and, iii) those that consider other social outcomes, such as attitudes, donations, or grassroots activism. If the same paper studies the effects of immigration along multiple dimensions, we assign it to more than one category.

## 2.1 Immigration and Voting

Throughout history, in the US, Europe, and other countries as well (upon which we admittedly know much less), immigration has often increased support for anti-immigrant parties. Both the nature and the political platforms of the latter have varied substantially, depending on the context. In some cases, natives' backlash has been channeled into parties whose main policy goal was to introduce anti-immigration measures. In other cases, the anti-immigration stance was picked up by more traditional right-wing, conservative parties. In yet other in-

<sup>&</sup>lt;sup>3</sup>We thus omit from the table any work that presents evidence on natives' attitudes, but does not relate them to the presence of (or the change in) immigrants.

stances, like in Europe today, populist parties, particularly those allied with the traditional right, such as the *League*, *National Rally*, and the AfD in Italy, France, and Germany respectively, have represented voters' demand for anti-immigrant policies.<sup>4</sup>

Higham (1955) is a classic reference for the review of nativism in US history. He describes how, already in the early 1850s, the *Know Nothing Party* gained substantial support running on a strongly anti-Irish and anti-Catholic platform in Massachusetts (see also Alsan et al., 2020).<sup>5</sup> Goldin (1994) discusses the political economy of the 1917 literacy test – the precursor of the Immigration Acts that shut down European immigration in the 1920s.<sup>6</sup> Until recently, however, economists have devoted little attention to the political effects of immigration, focusing instead on its economic impact.

Reversing this trend, in the last few years, work on the political effects of immigration has literally exploded. Halla et al. (2017) exploit cross-neighborhood variation, and show that immigration raised support for the right-wing Freedom Party of Austria (FPO). Identification in this study is based on panel regressions that control for community (the lowest administrative level in Austria) and election year fixed effects. To deal with concerns of endogenous sorting of immigrants across communities due to time-varying local shocks, the authors corroborate their baseline results using an instrumental variable approach. Following the large immigration literature, they construct a version of the "shift-share" instrument (Card, 2001) exploiting the cross-sectional distribution of historical settlements of different immigrant groups, interacted with time-series variation in national migration induced by push-factors.

Halla et al. (2017) find that the inflow of immigrants received by Austrian municipalities can explain up to one tenth of the regional variation in support for the FPO – a party that used to be marginal in 1980, but whose vote share in the 2013 national elections surpassed 20%. In line with these findings, immigration has been shown to generate political backlash, raising support for far and center right parties, in almost every other European country (see Barone et al., 2016, Edo et al., 2019, and Otto and Steinhardt, 2014, for Italy, France, and Germany respectively).

Interestingly, results in Halla et al. (2017) are highly heterogeneous: while unskilled immigrants led to an increase in the FPO vote share, high skilled immigration had no political

 $<sup>^4</sup>$ See Guriev and Papaioannou (2021) and Margalit (2019) for recent reviews on the political economy literature on populism.

<sup>&</sup>lt;sup>5</sup>Only native-born citizens who were Protestant with Protestant parents and who were not married to a Roman Catholic were allowed to become members of the *Know Nothing Party* (Desmond, 1906).

<sup>&</sup>lt;sup>6</sup>Immigration from China, Japan, and other Asian countries had already been banned or restricted in various forms starting with the Chinese Exclusion Act of 1882. The Emergency Quota Act and the National Origins Act of 1921 and 1924 restricted immigration from Europe, and governed the American immigration policy until 1965 (Abramitzky and Boustan, 2017).

effects.<sup>7</sup> Along similar lines, focusing on county-level US presidential elections between 1990 and 2010, Mayda et al. (2021) find that unskilled immigrants increased support for the Republican Party, but the influx of more skilled foreign born individuals had the opposite effect, raising the vote share of the Democratic Party.

Heterogeneous electoral responses to immigration are also documented in Steinmayr (2020), who studies the effects of refugee inflows across Austrian municipalities during the 2015 local elections. In this case, heterogeneity did not depend on migrants' skill levels, but rather on the length of their stay in receiving municipalities. Steinmayr (2020) relies on the local availability of housing, which was arguably orthogonal to refugee inflows. Intuitively, municipalities with a larger number of empty buildings were better able to host refugees when the sudden influx occurred. These places thus hosted migrants for longer, and their residents had the opportunity to interact with refugees multiple times. On the contrary, residents of municipalities characterized by low levels of housing supply experienced only transitory and short-lived contact with refugees. Steinmayr (2020) finds that in places where refugees did not permanently settle but only crossed, exposure to refugees increased the FPO vote share. The opposite happened where refugees settled for a longer period of time.

Another notable study in the contemporaneous European context is that by Dustmann et al. (2019). The authors consider the effects of refugee migration on natives' voting behavior in Denmark. Exploiting a quasi-random allocation policy of refugees across municipalities between 1986 and 1998, the authors find that, on average, refugee inflows increased support for anti-immigrant parties. Not only far-right but also center-right parties gained from the inflow of refugees, whereas left-wing parties – moderate and radical alike – significantly lost support. However, refugee inflows increased support for left-wing, pro-immigrant parties in the most urban and largest municipalities.

In departing from the standard shift-share design, Dustmann et al. (2019) also make an important methodological contribution. While shift-share instruments are commonly used in the migration literature, and in many of the works we review below, their validity has been criticized by several recent studies.<sup>8</sup> Dustmann et al. (2019) overcome these potential limitations by relying on a two-step, exogenous allocation process based on pre-determined rules that could not be influenced by municipalities. First, asylum seekers were allocated to one of the 15 Danish counties proportionally to their populations. Next, refugees were

<sup>&</sup>lt;sup>7</sup>Moriconi et al. (2019) obtain similar, heterogeneous results across European countries.

<sup>&</sup>lt;sup>8</sup>Adao et al. (2019) note that standard errors associated with shift-share designs may be excessively small due to the spatial correlation of shocks. Borusyak et al. (2021) and Goldsmith-Pinkham et al. (2020) show that identification in shift-share instruments can be expressed in terms of their shift (i.e., aggregate migration flows, by origin) and share (i.e., the distribution of initial settlements of migrants from different origins across destinations) components, respectively. Jaeger et al. (2018) argue that serial correlation in migration flows from specific origins to specific destinations may introduce bias in shift-share estimates.

apportioned from counties to municipalities again according to population. Since equal allocation across municipalities was supposed to be achieved within 5 years, the policy generated short-run variation that Dustmann et al. (2019) exploit for identification.

As noted above, natives' reactions to immigration and support for anti-immigrant parties are not new phenomena. Alsan et al. (2020) study the electoral consequences of the massive inflow of Irish immigrants across Massachusetts cities during the early 1850s. The paper assembles a novel dataset from rich historical sources and predicts exposure to immigration by interacting the share of native-born employment in a given occupation across municipalities with state-level changes in occupation-specific employment of Irish immigrants between 1850 and 1855. Separately controlling for a measure of predicted deskilling in manufacturing, Alsan et al. (2020) find that immigration increased support for the *Know Nothing Party* — a party characterized by a staunch anti-Catholic and anti-Irish platform.<sup>9</sup>

Tabellini (2020) studies the effects of immigration in the broader context of the Age of Mass Migration, when more than 30 million Europeans moved to the United States (Abramitzky and Boustan, 2017). The author combines the exogenous shocks of World War I (WWI) and the Immigration Acts with the initial shares of different immigrant groups across cities, to predict decadal changes in immigration between 1910 and 1930 with a version of the shift-share instrument. This strategy – and, in particular, the use of exogenous shocks to migration flows that differentially affected different sending countries over time – deals with the main threats permeating shift-share designs already mentioned above.

Tabellini (2020) finds that immigration increased support for conservative, anti-immigrant Congress members, who subsequently voted in favor of the immigration quotas. As for the more recent period, also during the Age of Mass Migration, the effects of immigration were not uniform. Indeed, political opposition was driven by immigrants from non-Protestant countries and whose linguistic distance from English was higher. The increase in support for anti-immigration politicians was also higher when immigrants originated from "new" sending regions, such as Southern and Eastern Europe or the Russian Empire. "Old" immigrant groups (e.g., from the UK or Northern and Western Europe) did not have any effect.

The studies discussed thus far find that, on average, immigration increases support for anti-immigrant (often populist) parties. These average effects, however, mask important heterogeneity, which depends on the characteristics of receiving areas, on the attributes of the immigrants, and on the type of inter-group interactions. That is, in some instances, immigration can reduce the vote share of more conservative or populist parties that advocate for tighter immigration restrictions. We return to these ideas in Section 7, where we

<sup>&</sup>lt;sup>9</sup>The authors control for deskilling in manufacturing to address concerns that the latter may be correlated with historical Irish settlements across municipalities.

explore the mechanisms, and discuss more systematically why and under what circumstances immigration might reduce support for anti-immigrant parties.

We conclude this section by focusing on an episode of internal migration studied in Calderon et al. (2021), who examine the political effects of the second Great Migration (1940-1970) of African Americans to the North and West of the United States. We consider this study as somewhat distinct from the previous ones because it involves internal – rather than international – migration. Moreover, due to its focus on race relations and preferences for racial equality (and because of the legacy of slavery and the peculiarity of race in US history), results in this work may not be fully applicable to the more general immigration debate.

Calderon et al. (2021) use the Democratic vote share in Congressional elections as their main proxy for voters' – white and Black – demand for racial equality and civil rights in northern and western counties. This choice is motivated by the fact that, in contrast with its segregationist position in the US South, the Democratic Party had become the party that defended Black people's interests and promoted the civil rights agenda starting from the early 1930s in the North and West of the country (Caughey et al., 2020; Wasow, 2020).<sup>11</sup>

Using a version of the shift-share instrument to predict Black in-migration, Calderon et al. (2021) find that the Great Migration had a large and positive impact on the Democratic vote share. The magnitude of the estimates suggests that increased support for the Democratic Party cannot be explained by the behavior of Black voters alone, and that at least some whites changed their preferences in a more liberal direction because of Black in-migration. Calderon et al. (2021) corroborate this interpretation using historical survey data and information about the race of participants in pro-civil rights demonstrations, as we describe in Section 2.3 below.<sup>12</sup>

Mirroring the change in voters' preferences, areas that received more African Americans, over time, elected legislators with a more liberal ideology on racial issues. However, these average effects mask substantial heterogeneity. During the 1940s, the ideology of elected legislators of both parties moved towards a more liberal direction. Moreover, and in line with a between-party adjustment, the probability of electing a (liberal) Democrat increased more than that of electing a (moderate) Republican. Instead, during the 1950s, all changes were concentrated within the GOP, and involved a stark, right-ward shift of legislators'

<sup>&</sup>lt;sup>10</sup>See also Collins (2021) for a review of the literature on the Great Migration.

<sup>&</sup>lt;sup>11</sup>Because such more liberal tendencies were more pronounced within the local fringes of the party (Schickler, 2016), Calderon et al. (2021) consider Congressional, rather than presidential, elections.

<sup>&</sup>lt;sup>12</sup>Results in Calderon et al. (2021) are not due to (selected) out-migration of white voters from counties that received more Black migrants.

<sup>&</sup>lt;sup>13</sup>Legislators' ideology on race related issues is measured using the scores constructed by Bateman et al. (2017), which are based on past voting behavior on civil rights bills.

ideology.

#### 2.2 Political Ideology and Preferences for Redistribution

While electoral outcomes are perhaps the most direct measure to capture the political effects of immigration, natives' reactions may be evident along several other dimensions. In this section, we consider political ideology and preferences for redistribution. A large literature, summarized in Alesina and Giuliano (2011), documents that private and public generosity (redistribution) travels faster within rather than between groups. That is, individuals are more willing to redistribute towards members of their own group. In addition, members of the same group are more likely to have similar preferences over the allocation and the level of public goods. For these reasons, higher diversity in a society is associated with lower levels of public goods provision (Alesina and La Ferrara, 2005). Since immigrants increase diversity, and because they may be perceived as a fiscal burden, immigration might reduce natives' preferences for redistribution. Abundant evidence supports this idea.

The paper by Tabellini (2020) discussed above finds that US cities that received more immigrants were more likely to cut public spending and tax rates in order to limit redistribution. As for electoral outcomes, the effect was driven by non-Protestant immigrants and by Europeans from "new" sending countries. The impact was also stronger when the immigration-induced increase in ethnic diversity was higher. Similar results are obtained by Dahlberg et al. (2012) for Sweden. The authors leverage random variation in the allocation of refugees across Swedish municipalities between 1985 and 1994, and match refugee inflows to survey data from the Swedish National Election Studies Program. Since this survey is taken in the form of a rotating panel, where the same individual is interviewed twice, preferences of the same individual can be compared before and after the inflow of refugees in her municipality. Dahlberg et al. (2012) find that a higher concentration of immigrants reduced natives' preferences for redistribution, especially among high-income individuals.<sup>14</sup>

In recent work, Alesina et al. (2021) study the relationship between preferences for redistribution and immigration across 140 regions in 16 European countries between 1990 and 2010. The paper assembles a novel dataset combining data on immigration across European countries from multiple sources, and matches it with survey responses from the ESS between 2008 and 2016. Alesina et al. (2021) document that individuals living in areas more exposed to immigration hold significantly lower preferences for redistribution.<sup>15</sup> These effects are larger in countries that have a more generous welfare state, for voters at the center or the

<sup>&</sup>lt;sup>14</sup>Eger (2010) obtains similar results using survey data for four repeated cross-sections between 1986 and 2002 across 22 Swedish counties.

<sup>&</sup>lt;sup>15</sup>Similar results are obtained by Senik et al. (2009) using the ESS wave of 2002-2003 for 22 countries.

right of the political spectrum, and among natives who have more negative views about immigrants. They also vary significantly with immigrants' country of origin, and are most negative when the foreign born come from the Middle-East and Northern Africa.

While the studies reviewed above consider the short-run effects of immigration on natives' preferences for redistribution, it is possible for such effects to change over time. Building on this intuition, Giuliano and Tabellini (2020) ask how historical European immigration to the United States during the the Age of Mass Migration shaped American political ideology and preferences for redistribution in the long-run. The authors use a shift-share approach akin to that in Tabellini (2020) to predict historical European immigration across US counties, and rely on nationally representative survey data from the Cooperative Congressional Election Study (CCES). They find that American born individuals living in counties with a higher historical European immigrant share are, today, more likely to hold a left-leaning ideology and to have stronger preferences for redistribution. These effects are quantitatively large, and comparable to those of race and income – the two most important determinants of preferences for redistribution in the US (Alesina and Giuliano, 2011).

Results in Giuliano and Tabellini (2020) are in contrast with those estimated in the same context by Tabellini (2020) for the short-run, suggesting that the long-run effects of immigration and diversity might sharply differ from their short-run counterparts.<sup>16</sup> They are also in contrast with most of the results in the literature on ethnic diversity and preferences for redistribution (Alesina et al., 1999; Alesina and La Ferrara, 2005; Alesina and Giuliano, 2011). We return to the possible explanations for this apparent inconsistency in Section 7.

# 2.3 Natives' Attitudes and Inter-Group Relations

In the context of immigration, individuals' attitudes towards diversity and inter-group relations are important drivers of voting behavior and political ideology. Possibly because of the focus on the economic effects of immigration, the use of survey data to measure natives' attitudes towards immigration has remained relatively rare in economics until recently.

In the past decade or so, building on the political science literature, economists have increasingly relied on surveys. One of the first such examples is the work by Card et al. (2005), who develop a special module in the first wave of the European Social Survey (ESS) to measure natives' attitudes towards immigration. The paper shows that most respondents are in favor of policies that partly, but not completely, restrict immigration. It also docu-

<sup>&</sup>lt;sup>16</sup>Evidence that the short and the long-run effects of diversity may differ is also provided in recent work by Brown et al. (2021) for the US. Linking historical Census records from 1940 to recent voting data, the authors document that early exposure to Black American neighbors raises the probability that white individuals identify with the Democratic Party more than 70 years later.

ments that natives prefer immigrants who come from richer countries and who are ethnically closer to them. Interestingly, less than 60% of respondents who are open to immigration of ethnically or racially similar individuals would also support that of immigrants who do not share the same race or ethnicity. Moreover, Card et al. (2005) find that education, skills, language ability and, above all, willingness to adapt to the host country norms are considered the most important features that immigrants should have, according to respondents. Natives instead view race, religion, and wealth as less relevant.

Since the study by Card et al. (2005), the use of survey data to understand natives' attitudes towards immigration has increased dramatically in economics. In Sections 4 and 6, we summarize works that rely on survey data to identify the causes of the political effects of immigration and examine the role of (mis-)perceptions and stereotypes, respectively. Here, instead, we review the papers that use survey data as another proxy for natives' reactions to immigration. For instance, Dustmann et al. (2019) complement their electoral results with ESS data. They document that residents of the (urban) areas where immigration reduced support for anti-immigrant parties were more likely to have immigrant friends and to view refugees more favorably. Conversely, ESS respondents living in rural areas, where refugee inflows raised the vote share of anti-immigrant parties, held cooler views towards refugees and were less likely to have foreign-born friends.

Another recent example is the work by Calderon et al. (2021). Using the American National Election Studies (ANES), the authors find that white respondents born in states that received more Black migrants between 1940 and 1960 viewed African Americans more favorably and were more likely to consider civil rights as one of the most important issues for the country in 1964, when the Civil Rights Act was passed. To further capture whites' support for racial equality, Calderon et al. (2021) exploit county-level data on the occurrence of non-violent, pro-civil rights protests organized by the Congress of Racial Equality (CORE). These data reveal that, not only the Great Migration increased the frequency of CORE demonstrations, but also whites were more likely to join such events in counties with more Black migrants.<sup>17</sup>

Finally, the paper by Bursztyn et al. (2021) makes an important contribution in studying the effects of long-run exposure to Arab-Muslims on natives' attitudes across US counties. The authors refine the methodology first introduced in Burchardi et al. (2019) that exploits push and pull factors to predict the country-to-county number of immigrants in any given decade from 1880 onwards. This measure is then aggregated up to calculate the overall

<sup>&</sup>lt;sup>17</sup>Calderon et al. (2021) also document that the Great Migration increased the presence of local chapters of the National Association for the Advancement of Colored People (NAACP) – one of the key grassroots organizations promoting racial equality in the United States.

(predicted) long-run exposure to any given group in any given US county. The key innovation of the paper is the large array of datasets assembled and used to measure natives' attitudes and preferences.

First, Bursztyn et al. (2021) show that American individuals living in counties more exposed to Arab Muslims over the long-run hold significantly more positive attitudes and have lower prejudices, as inferred by both explicit questions and Implicit Association Tests (IATs).<sup>18</sup> Second, using data from the CCES, the authors document that exposure to Arab Muslims lowers support for the "Muslim Ban" temporarily introduced by President Trump in 2017. These self-reported attitudes and policy preferences are reflected into tangible and costly actions: long-term exposure to Arab Muslims increases non-Arab individuals' propensity to make charitable donations to Arab countries. Importantly for the external validity of the study, the donation patterns hold even when expanding the sample to all countries, rather than only the Arab ones.

# 3 Voting with the Feet

Up to now, we have focused mostly on political reactions that natives express at the ballot box or in surveys. However, if individuals are dissatisfied with the policies prevailing in their local community or if they dislike their neighbors, they can "vote with their feet", joining or forming a new jurisdiction (Hirschman, 1970; Tiebout, 1956). A large literature, especially for the US, has provided evidence of white flight: when migrants move into a neighborhood (or, a city), natives move away from it, fleeing increasingly diverse areas in search for more homogeneous ones, both in terms of race or ethnicity and in terms of income or economic class.

Boustan (2010) makes an important contribution to this literature, studying the effects of the Black Great Migration to US non-southern cities between 1940 and 1970 on whites' residential decision. Using a version of the shift-share instrument, Boustan (2010) finds that the arrival of each new Black individual led to the departure of 2.7 whites. Since the median city had around 200,000 white residents and received 19,000 Black migrants between 1940 and 1970, these estimates imply that the Great Migration triggered the departure of more than 50,000 white residents, and caused a net decline in the population of central cities of 17% during this period.<sup>19</sup>

<sup>&</sup>lt;sup>18</sup>The IAT is a tool originally introduced in social psychology (Greenwald et al., 1998), which has become widely used in economics to study discrimination in a variety of contexts (Beaman et al., 2009; Carlana, 2019; Glover et al., 2017).

<sup>&</sup>lt;sup>19</sup>Focusing on the first Great Migration (1915-1930), Shertzer and Walsh (2019) document very similar dynamics within cities (between neighborhoods), rather than between cities and suburbs.

Results in Boustan (2010) suggest that the second Great Migration was an important factor behind the process of racial residential segregation in American cities. As noted in the introduction, because of space constraints, we will not discuss the gigantic literature on this topic.<sup>20</sup> We instead focus on other consequences of in-migration, triggered by white flight. In particular, racial residential segregation, caused by white flight, can have a profound impact on local finances. Since a large fraction of local revenues, especially in the US, are collected through property taxes, the decline in property values caused by white out-migration can impair cities' ability to provide public goods.

Using a novel dataset of city finances, Tabellini (2018) studies the effects of the first Black Great Migration (1915-1930) on public goods provision and on tax revenues of northern cities. He documents that, in response to Black inflows, both public spending and tax revenues fell substantially. However, and somewhat in contrast with findings in Alesina et al. (1999) for the more recent period, Tabellini (2018) does not find any systematic change in the allocation of spending across categories. Moreover, and against the idea that cities decided to limit redistribution, Tabellini (2018) shows that Black arrivals were associated with a substantial drop in property values, whereas tax rates were left unchanged. The decline in property values implied that cities' budget deteriorated, forcing them to cut public spending.

The costs of fiscal externality and residential segregation can be high. Derenoncourt (2021) quantifies them by studying the effects of the second Great Migration across northern and western labor markets on intergenerational mobility. Building on the empirical strategy used in Boustan et al. (2010), Derenoncourt (2021) shows that individuals who grew up in cities that received more Black migrants between 1940 and 1970 have, today, a lower probability of being upwardly mobile. This was not due to either the selection of migrants or the fact that southern born African Americans were less educated or upwardly mobile than northern residents. Instead, white flight, the decline in funds available to public schools, the rise in police spending, and the increase in both incarceration and murder rates are, together, the culprit for the negative association between the Great Migration and intergenerational mobility. Findings in Derenoncourt (2021) indicate that about 30% of the current racial gap in upward mobility in northern cities can be explained by the Great Migration.

Although the process of white flight has been studied mostly in the context of race, similar patterns are evident also in the context of immigration across US neighborhoods and school districts. Saiz and Wachter (2011) use a spatial diffusion model to predict the density of the immigrant population within metropolitan areas. They find that, when the immigrant

<sup>&</sup>lt;sup>20</sup>See, however, Logan and Parman (2017a,b) and Cook et al. (2018) for a comprehensive analysis of racial residential segregation in American history, and Boustan (2011) for a review of this literature. See also Cutler et al. (1999) for previous influential work.

share of a neighborhood within a metropolitan area moves from 0 to 10%, house prices are expected to decline by 2%. Since immigrant arrivals should mechanically increase house prices, due to higher demand, these estimates indicate that, as for the Great Migration, natives' residential response to immigration is large. Moreover, since the estimates in Saiz and Wachter (2011) capture the decision of the marginal native, they likely represent a lower bound for the distaste that the average native has for racial or ethnic diversity.

Similar results are obtained in Cascio and Lewis (2012), who use a variant of the shift-share design to study the effects of Mexican immigration across Californian school districts on the school enrolment of non-Hispanic children. They document that, on average, a Californian school district lost 14 non-Hispanic households for every 10 Mexican immigrant kids enrolled in public schools between 1970 and 2000. Consistent with natives' attempt to avoid inter-group interactions in public schools, these patterns are accompanied by an increase in private school enrolment among non-Hispanic white pupils, which is significantly higher in districts with more immigrant kids enrolled in public schools. Interestingly, the magnitude of the effects estimated in Cascio and Lewis (2012) is comparable to those from the literature on white flight in the context of school desegregation (Baum-Snow and Lutz, 2011; Reber, 2005).

Often, majority group members move to jurisdictions that already exist, in order to avoid inter-group contact. However, in some circumstances, they might be able to set up independent communities, separating themselves from the undesirable newcomers. Especially in the US context, setting up an independent jurisdiction might be particularly valuable to native whites who do not want to share public goods with members of the minority group (either a racial minority or immigrants, or both). Alesina et al. (2004) start from this intuition to test if higher heterogeneity in the population causes a higher number of local jurisdictions across US counties. They focus on heterogeneity along the four margins that are considered as the most relevant to shape preferences and potentially generate political conflict in the US: income, race, ethnicity, and religion (Hacker, 2010; Kohfeld, 1989; Wilson, 2011).

Alesina et al. (2004) find that counties with higher heterogeneity along income and racial lines have more local governments – municipalities, school districts, and special districts – whereas no such relationship exists for ethnic or religious heterogeneity. Running a horse-race between race and income heterogeneity, the authors find that the effect of the former is more robust and larger in size than the effect of the latter. In addition, Alesina et al. (2004) show that not only the number of local jurisdictions (including school districts), but also that the number of school attendance areas increases with racial heterogeneity. This result indicates that individuals dislike racial heterogeneity both because they want to avoid redistribution and because they dislike inter-group interactions. Interestingly, for the number

of school attendance areas, all types of heterogeneity – and not only racial and income ones – have explanatory power. Since creating a new district is more costly than creating a new school attendance area within a district, this finding suggests that individuals dislike racial and income heterogeneity more than religious or ethnic diversity.

We conclude this section by noting that most of the literature on white flight is concentrated in the United States, while very little evidence exists for Europe. One reason may be that European countries have remained, at least until recently, more homogeneous than the United States. Another possibility is that European cities are more densely populated, whereas land is not a scarce resource in the US, where suburbanization can take place more easily. Finally, it is possible that the higher level of centralization of public goods provision in Europe, relative to the US, can explain at least part of this puzzle. Exploring these issues, especially now that racial diversity is on the rise in several European countries, is a fruitful avenue for future research.

# 4 Unpacking the Effects of Immigration: Culture or Economics?

As noted in the introduction, the inflow of immigrants can have economic and non-economic consequences. In this section we seek to understand the extent to which each of these two mechanisms explains the political and the social effects of immigration. Since economic and cultural factors are often related, and because it is impossible to fully separate them, one can only assess the *relative* contribution of either force. With this caveat in mind, we first discuss different conceptual frameworks to rationalize the social and political effects of immigration (Section 4.1). Next, guided by such theoretical considerations, we interpret the existing empirical evidence (Section 4.2).

#### 4.1 Theoretical Considerations

Our discussion builds on earlier work by Dustmann and Preston (2007), who classify the determinants of natives' attitudes towards immigration in three categories: labor market considerations, the "welfare magnet" argument, and cultural concerns.

Labor market competition. The first set of concerns is perhaps the most obvious to economists: immigrants might compete with natives for jobs, lowering their wages and worsening their employment prospects. This idea resonates with findings in Borjas (2003), who

argues that immigration has long-lasting, negative effects on employment and wages of natives. However, it is in contrast with most works in the literature, which find either zero (Card, 2001, 2005; Clemens et al., 2018; Manacorda et al., 2012) or positive (Ottaviano and Peri, 2012; Tabellini, 2020) effects of immigration on natives' outcomes, also at the lower end of the income distribution (Foged and Peri, 2016; Peri and Sparber, 2009). Moreover, even when immigration lowers natives' wages or employment, its impact tends to be short-lived and concentrated among low skilled natives (Dustmann et al., 2017; Monras, 2020). Discussing in detail the debate over the economic effects of immigration is beyond the scope of our paper. However, existing reviews indicate that there are stronger reasons to believe that immigrants benefit receiving countries than the opposite (Dustmann et al., 2016; Dustmann and Preston, 2019; Peri, 2016). Furthermore, even though immigration can have redistributional effects, this finding does not appear to be robust across settings, and many studies suggest that, if any, such effects are small.

The "welfare magnet" argument. The second potential driver of natives' attitudes towards immigration is that immigrants may be – correctly or incorrectly – perceived as a fiscal burden. For instance, natives may think that immigrants are more likely to be on welfare, have children enrolled in public schools, and use the public healthcare system compared to natives. If these concerns were responsible for natives' attitudes, one would expect them to be stronger when immigrants are unskilled and poorer, and among voters living in countries with more generous welfare systems. As for labor market effects, economists disagree on the net fiscal impact of immigration, which crucially rests on the assumptions made about patterns of public goods consumption (Orrenius, 2017). Ultimately, however, natives' attitudes are shaped by the *perceived*, and not the actual, impact that immigrants have. We return to natives' perceptions, and how these might shape their views towards immigration, below.

Cultural concerns. Finally, immigration might influence natives' attitudes through non-economic forces. This idea, widely shared in political science and sociology (Citrin et al., 1997; Hainmueller and Hopkins, 2014, 2015; Sniderman et al., 2004), has become increasingly popular among economists as well. A recurrent concern among natives, often emphasized by anti-immigrant politicians, is that immigrants are unable or unwilling to assimilate to the new culture and social norms. Such concern is likely to be stronger when immigrants come from (culturally, racially, or ethnically) far countries. According to the contact hypothesis (Allport, 1954), inter-group contact has the potential to lower negative stereotypes and prej-

<sup>&</sup>lt;sup>21</sup>Card (2009) documents that immigration did not have any discernible effect on income inequality in the United States in the second half of the twentieth century.

<sup>&</sup>lt;sup>22</sup>Similar conclusions are reached by Clemens and Hunt (2019) for refugee migration.

udice, but only when four conditions are met: common goals, inter-group cooperation, equal status between groups, and institutional or authority support. If these conditions are not satisfied, however, inter-group interactions are expected to increase prejudice, stereotyping, and discrimination (Pettigrew, 1998). Notably, feelings of economic and cultural insecurity may interact, further amplifying natives' concerns. As predicted by "Group Threat Theory" (Blalock, 1967; Schlueter and Scheepers, 2010), an increase in the size of an out-group might trigger a generalized feeling of anxiety among members of the in-group (in this context, natives), especially in the presence of scarce resources and slack labor markets (Campbell, 1965; Esses et al., 2001; Sherif and Sherif, 1953).

## 4.2 Empirical Evidence

A large literature in political science has used survey data to understand the correlates of natives' attitudes towards immigration. The common finding in this literature, summarized in Hainmueller and Hopkins (2014), is that socio-tropic factors are more important than economic ones to explain natives' immigration policy preferences. Similar results, within economics, are obtained in Card et al. (2012). Using ESS data from 21 countries, this paper finds that cultural (or, socio-tropic) factors are from 2 to 5 times more important than considerations related to either labor market competition or the fiscal impact of immigrants to influence natives' attitudes.

Card et al. (2012) focus on natives' preferences over immigration policies, and develop a latent-factor approach, combining survey questions in two broad categories – one capturing economic issues and another one representing concerns over compositional amenities, such as the racial and ethnic characteristics of one's own neighbors. Concerns over compositional amenities also have a strong predictive power to explain the attitudinal gap between natives with higher and lower levels of education, who are respectively more and less open to immigration. According to Card et al. (2012), 70% of the skill gap on whether immigration should be increased or reduced can be accounted for by differences in the intensity of concerns over compositional amenities.<sup>23</sup>

These patterns are consistent with those in Dustmann and Preston (2007) for the UK, and with the descriptive evidence presented in Card et al. (2005) reviewed above. They also complement earlier work documenting that, when taken in isolation, concerns over labor market competition and immigrants' fiscal impact are correlated with natives' attitudes towards immigration policies (Facchini and Mayda, 2009; Hanson et al., 2007; Mayda, 2006; Scheve and Slaughter, 2001).<sup>24</sup> Results in Card et al. (2012) are important because they indicate

<sup>&</sup>lt;sup>23</sup>This number is much lower (around 15%) when considering differences in economic concerns.

<sup>&</sup>lt;sup>24</sup>Scheve and Slaughter (2001) present a factor proportion model where the distributional consequences

that economic factors are not sufficient to explain natives' preferences over immigration.<sup>25</sup> While widely accepted in political science, this idea was relatively new to economists. In addition, and more specific to the political science literature, Card et al. (2012) make two contributions. First, they provide a methodological innovation, developing a latent-factor approach; second, they explicitly set out the goal of quantifying the relative importance of economic and non-economic factors.

One potential limitation of survey data is that one cannot tell whether the actual influx of immigrants changes natives' preferences, and if so, in what direction and through what mechanisms. Tabellini (2020) tries to overcome this challenge by testing whether the political effects of immigration depend on immigrants' cultural characteristics, proxying for cultural similarity using linguistic distance from English and religion. As anticipated above, only immigrants who were linguistically far from English and who came from majority non-Protestant countries increased support for the Immigration Acts and lowered redistribution across US cities. Similar patterns hold for "new" and "old" sending regions, in line with historical accounts highlighting that the former, but not the latter, were perceived as culturally far and as a fiscal burden (Higham, 1955; Spiro, 2009).

This evidence is consistent with cultural forces, rather than concerns over labor market competition, being responsible for natives' hostile reactions. Such interpretation is corroborated by the fact that Tabellini (2020) finds that immigration had a positive, large impact on natives' employment and occupational income scores.<sup>26</sup> Also, and importantly, no heterogeneity is detected for economic outcomes: all immigrants – both culturally close and culturally far – had positive effects on natives' employment and occupational income scores.

The patterns of heterogeneity in Tabellini (2020) resonate with those in Alesina et al. (2021). As noted in Section 2.2, the latter paper finds that natives are more opposed to redistribution in countries that have a more generous welfare state (consistent with the "welfare magnet" argument) and among natives who have more negative views about immigrants (consistent with the cultural hypothesis). Also in line with the idea that cultural consider-

of immigration are the main determinants of natives' preferences over immigration policies. Mayda (2006) develops and provides evidence consistent with a model where natives are more likely to support the inflow of immigrants with complementary skills. Facchini and Mayda (2009) and Hanson et al. (2007) augment this framework by including also considerations over immigrants' fiscal impact.

<sup>&</sup>lt;sup>25</sup>Most closely related to Card et al. (2012) is work by Hainmueller and Hiscox (2007), which also uses the first wave of the ESS to show that, in contrast with the predictions of standard (one factor proportion) economic models, high skilled natives are more open towards immigration, irrespective of immigrants' skills. Similar results are obtained in Hainmueller and Hiscox (2010) and Hainmueller et al. (2015) with survey experiments.

<sup>&</sup>lt;sup>26</sup>The US Census did not collect data on wages before 1940. For this reason, the historical literature relies on occupational income scores, which assign to an individual the median income of his job category in 1950, and are used as a proxy for lifetime earnings (Abramitzky et al., 2014).

ations are important drivers of natives' reactions to immigration, immigrants lower natives' preferences for redistribution more when they come from countries that are culturally and racially more distant.

As discussed in Section 2.1 above, both Halla et al. (2017) and Mayda et al. (2021) find that the political effects of immigration depend on immigrants' skills, and that only unskilled immigration leads to political backlash. These results can be interpreted through the lens of labor market competition, if natives perceive only low, but not high, skilled immigrants as an economic threat. For instance, the effects in Halla et al. (2017) are stronger in areas with higher unemployment among natives and where labor market competition between natives and immigrants is higher. An alternative view, which is more consistent with the evidence described in previous paragraphs, is that natives tend to associate unskilled immigrants with crime, undocumented immigration, public goods congestion, and deterioration of compositional amenities. Indeed, both in Europe and in the US, most natives are concerned that immigrants increase crime (Pinotti, 2017). Such concerns, however, are evident only for irregular or undocumented immigrants, who are also significantly more likely to be unskilled.<sup>27</sup> In line with the idea that natives are concerned about the effects of immigration on compositional amenities, Halla et al. (2017) find that (only) unskilled immigration increases the distance that native parents are willing to commute to bring their children to schools and reduces the availability of after-school childcare.

Evidence that natives' opposition to immigration is, at least in part, caused by cultural concerns is also documented in Hainmueller and Hangartner (2013), who assemble a novel dataset on naturalization decisions in Switzerland between 1973 and 2003. A notable feature of this study is that, until 2003, many Swiss municipalities used referenda to decide whether or not to grant citizenship to foreign residents. Thus, the authors are able to measure directly the (immigration) policy preferences of natives towards immigrants of different nationalities and with different socio-economic characteristics. Using data for 44 municipalities and over 2,400 referenda, Hainmueller and Hangartner (2013) estimate the probability that a given application is rejected, controlling for municipality and decade fixed effects and a large set of characteristics of the applicant. Results indicate that immigrants with stronger economic credentials are more likely to be granted citizenship. However, the single most important predictor of an application's rejection is country of origin, which explains more than 40% of the variation in the outcome. Relative to Western and Northern Europeans, immigrants from

<sup>&</sup>lt;sup>27</sup>Interestingly, there is no statistically significant relationship between immigrants and crime (Nunziata, 2015), suggesting that natives hold incorrect views about immigrants. We return to this point in Section 6.

<sup>&</sup>lt;sup>28</sup>The use of referenda also allows the authors to overcome a number of limitations of survey data, such as desirability bias (Berinsky, 1999) and the lack of time-varying measures of natives' attitudes (since the availability of panel-survey datasets is rare).

Yugoslavia and Turkey are 15 and 13 percentage points less likely to see their applications accepted, respectively. A similar, although smaller, gap appears for many other immigrant groups.

Taken together, the evidence reviewed thus far suggests that cultural factors are more important than economic ones in driving natives' preferences and, ultimately, explaining the political effects of immigration. However, it would be incorrect to conclude that economic factors are never at play. First, especially in the short-run, immigration can generate economic losses concentrated within specific segments of the native population (Dustmann et al., 2017; Monras, 2020). Second, even though immigrants produce null or positive economic effects, natives might perceive the opposite. Finally, economic insecurity can be channeled through cultural concerns, for instance due to the actions of political entrepreneurs and the media, who might induce natives to hold distorted views about immigrants and their effects.

In Section 6 below, we expand on the second and the third mechanisms. Before doing so, we return to the work by Alsan et al. (2020) already discussed in Section 2.1, which finds that immigration-induced crowding out raised support for the populist, anti-immigrant *Know Nothing Party* across Massachusetts municipalities during the 1850s. Alsan et al. (2020) interpret these patterns as being driven by economic factors – an interpretation corroborated by the fact that immigration flows were unexpected, extremely large, and concentrated in time. In just ten years, between 1841 and 1851, Boston alone received more than 100,000 Irish immigrants, and by 1855 the Irish accounted for more than one fourth of the city population. Since Irish immigrants were disproportionately unskilled and the US economy was not as dynamic as in the early twentieth century (Fogel, 1994), such a large and concentrated inflow of workers had the potential to negatively impact wages and employment of natives at the bottom of the income distribution.

Because all immigrants came from the same origin, the authors cannot exploit cultural differences across immigrants (as, for instance, in Tabellini, 2020) to test for the importance of non-economic forces. To indirectly assess the relevance of the latter, Alsan et al. (2020) instead interact immigrant-induced crowding out with baseline immigrants' assimilation and the prevalence of foreign-born pauper, failing to detect any pattern of heterogeneity. The lack of systematic differences across towns may reflect the fact that cultural concerns did not play any major role in this context. On the other hand, we suspect that the null results are more likely to capture the absence of appropriate variables to capture natives' cultural concerns (which are admittedly hard to find in this setting).

It is interesting to observe that, even though the magnitudes estimated in Alsan et al. (2020) are small, they indicate that immigration-induced crowding out was nonetheless decisive for the 1855 gubernatorial elections in Massachusetts. This suggests that, even

when economic factors are decisive to "tip" elections, they are quantitatively dominated by non-economic ones (Margalit, 2019).

# 5 Why "Right" Rather Than "Left"?

An intriguing question arising from previous sections is why the anti-immigration rhetoric has become a banner of right-wing parties, rather than left-wing ones. This pattern is puzzling, at least from a standard economic logic: if and when immigrants compete for jobs with and reduce wages of natives, this should happen amongst the unskilled. In addition, precisely unskilled workers are more likely to support left-wing parties, which, especially in Europe, have strong ties to labor unions. One would thus expect left, rather than right, wing parties to adopt an anti-immigrant platform. Instead, they do not.

Why is Marine Le Pen rather than the (extreme or moderate) left opposing immigration in France? Why is the *League* tough on immigrants, instead of the *Democratic Party* in Italy? Interestingly, in Germany, Sahra Wagenknecht – the leader of far-left *Die Linke* party from 2010 to 2019 – openly embraced an anti-immigration stance in 2018, arguing that German workers had to be protected from immigrants' competition. However, she was soon discredited by her own party, and this episode remains an exception.<sup>29</sup>

#### 5.1 Moral Values

One possible answer to the question of why right – and not left – wing parties benefit from immigration is that culture, rather than economics, is the fundamental driver of natives' backlash against immigration. While plausible, this answer is not fully satisfactory. Even if this were to be the case, why would right-wing parties be better suited to address natives' cultural concerns about diversity and immigration? We believe that, in order to make progress on these issues, one has to augment the uni-dimensional right-left framework and the simple "working class versus capitalists" view of the world (of a Marxist nature) with a more nuanced distinction between generalized versus localized trust as in Tabellini (2008). Building on these concepts, Enke (2019, 2020) distinguishes between universalistic and communal values. In this framework, universalistic individuals feel that their moral obligations, altruism, and trust towards others extend equally to everyone, rather than primarily to members of their own groups (where the notion of group varies, depending on the specific

 $<sup>^{29} \</sup>mathrm{See} \ the \ Financial \ Times \ at \ https://www.ft.com/content/b906c3f4-b03d-11e8-8d14-6f049d06439c,$  and the  $New \ York \ Times \ at \ https://www.nytimes.com/2018/02/23/opinion/german-left-merkel-demorats.html.$ 

context). Conversely, communal individuals direct their trust and altruism towards people within their own group.

There is no moral judgement behind the classification of communal and universalistic values or individuals. As stressed in Enke et al. (2020), one way to understand the distinction between universalistic and communal individuals is to think towards whom they extend the same degree of altruism. Communal individuals are more likely to direct altruism and trust towards others within their own group; universalists, instead, are more likely to trust and be altruistic with people outside their kinship ties or their group. As shown in Enke (2020), moral values are highly correlated with political preferences: both voters and politicians on the left tend to be universalistic, while those on the right are more likely to be communal. These patterns extend beyond pure political values, and include also views towards leadership, trust in institutions, and preferences for redistribution (Enke et al., 2020). Examining survey and electoral data for the past 50 years or so, Piketty (2018) finds that in many Western democracies including France, the US, and the UK, more educated individuals have gradually become more likely to support left-wing parties, whereas working class voters have moved to the right.

These empirical regularities suggest that economic incentives may not be the only factor influencing individuals' political preferences. If voters' concerns are predominantly cultural, the extent to which the left is able and willing to adopt an anti-immigration and anti-globalization stance may be limited by the idea of a worldwide working class and a pluralistic culture. Moreover, even when labor unions express concerns against immigration, as in the case of Germany during the 1950s or the UK after 2004, their rhetoric remains centered around the economic threats that immigrants might pose to natives.<sup>30</sup> Conversely, at least in recent times, the right seems to be better able to heighten feelings of fear, alienation, and insecurity. Thus, when voters' preferences are overly influenced by culture rather than by economics, the left might find itself at a disadvantage relative to the right.

## 5.2 Reference Dependence and Group Identification

To explain why, in recent years, cultural factors have become more important for voters' political preferences, Bonomi et al. (2020) extend the framework introduced in Shayo (2009), and present a model of "identity politics" where voters identify with a group according to both economic and non-economic considerations. Such identification is based on the "meta-

<sup>&</sup>lt;sup>30</sup>For instance, during the 1950s, German unions opposed guest workers by arguing that the latter increased labor market competition for native workers. Even when adopting relatively open positions towards guest workers, union leaders always demanded that natives received preference over foreign workers in hiring decisions (Trede, 2012).

contrast" principle, which is a key tenet of social psychology and self-categorization theory, and implies that individuals classify themselves and others in groups so as to minimize within-group differences and maximize between-group ones (McGarty, 1999; Tajfel et al., 1979; Turner et al., 1987).<sup>31</sup>

A key intuition in Bonomi et al. (2020)'s model is that (cultural) shocks like immigration or globalization can change the salience of the features used by individuals for group categorization. For instance, the sudden inflow of immigrants might change the dimension of group identification from economic class to nationality. When the non-economic dimension becomes the driver of group identification, the poor might identify with the nation rather than with their economic class. In addition, as group identification changes, so do beliefs. When identifying with the nation, the poor join the same group as the rich. The former thus adjust their preferences towards the average of the (new) group, becoming less progressive, both economically and socially. This discussion suggests that, following an immigration shock, working-class voters may move away from traditional or populist left-wing parties, which would maximize their economic interests, and instead vote for nationalist parties, which appeal to their national and cultural identity.

Immigration may lead to changes in group identification not only between cultural and economic dimensions. Especially in multicultural societies like the United States (and, increasingly so, Europe), immigrants might also change the definition of in-group and outgroup. As a new (religious, cultural, racial) group enters a society, previous outsiders may be re-classified as members of the majority group. At the same time, by increasing the salience of immigration, new arrivals may trigger widespread hostility among majority group members against all minorities. Fouka et al. (2021) and Fouka and Tabellini (2021) provide evidence consistent with the context dependent nature of social groups, whose boundaries can be shaped by different immigration waves.

Using a methodology similar to that in Calderon et al. (2021), Fouka et al. (2021) find that the inflow of 1.5 million African Americans in northern cities during the first Great Migration (1915-1930) favored the assimilation of previously excluded European immigrants. Europeans residing in cities that received more Black migrants were more likely to intermarry with native whites — a proxy for successful assimilation — and to become naturalized — a proxy for assimilation effort. Data from the historical press indicate that natives' (negative) stereotypes declined more in cities experiencing larger Black inflows. Not only mentions of the "immigration issue" fell in local newspapers, but also the joint frequency of ethnic groups (e.g., Italians) and disparaging terms (e.g., "mafia") fell more where Black inflows were larger. Also in line with a mechanism of changing perceptions among natives, immigrants who were

 $<sup>\</sup>overline{^{31}\mathrm{See}}$  Shayo (2020) for a recent review of the literature on social identity and group categorization.

culturally closer to native whites before the Great Migration were able to fit in the majority group even with little change (or, even a reduction) in effort; conversely, groups that were at intermediate distance from native whites, such as Eastern and Southern Europeans, exerted significantly more effort to become accepted. And yet, not all of them were able to assimilate.

According to Fouka et al. (2021), these patterns are consistent with Black in-migration increasing the salience of skin color as opposed to language or religion. This, in turn, shifted the characteristic used by native whites to classify individuals into in- and out-groups. Fouka and Tabellini (2021) corroborate this idea by studying the effects of 1970-2010 Mexican immigration on whites' attitudes towards Black Americans. As immigration and language, rather than race or color of skin, became more salient, whites living in areas that received more Mexican immigrants viewed Black people more positively.<sup>32</sup> This was reflected not only in survey data, but also in hate crimes against Black individuals, which fell more in places that experienced a larger influx of Mexican immigrants.

If group identification is important to explain voters' demand and their preferences, and if shocks like migration flows or globalization can shift natives' identity or redefine the boundaries of social groups within societies, understanding how immigrants are perceived by natives becomes crucial when studying the political consequences of immigration. We expect universalism to dominate in a more heterogeneous society, characterized by frequent interactions between strangers. Conversely, when interactions occur mostly within a restricted, homogeneous group of individuals, such as in low-density rural areas, communal values are more likely to emerge.

Given this premise, the same inflow of immigrants should turn natives inward more in communal (than in universalistic) societies, where diversity may represent a threat to the cohesion of the group. Also, and crucially, the same immigration shock will not be perceived in the same way in homogeneous and heterogeneous communities. In fact, diversity and immigration will be more salient in the former than in the latter, in turn favoring even more strongly natives' identification with the nation (rather than with the economic class). Together, these forces predict that immigration will lead to stronger support for right-wing parties in more homogeneous societies both because the same perceived immigration shock will move natives inward more in communal societies than in universalistic ones and because the same actual immigration shock will be more salient in more homogeneous societies.

<sup>&</sup>lt;sup>32</sup>This finding holds at different geographical levels, including the state, the county, and the census tract.

#### 5.3 Discussion

We started out this section by asking a question that, to us, is puzzling: why does immigration increase support for parties on the right, rather than for those on the left? This is a puzzle especially because the shift towards the right triggered by immigration is stronger among unskilled and low income natives, who should support left-wing, and not right-wing, parties.

One possible explanation is that immigration transforms the political conflict within the society from the standard economic one (rich vs poor) into a new, cultural one (open vs close). Consistent with the framework in Bonomi et al. (2020) and with results in Fouka et al. (2021) and Fouka and Tabellini (2021), immigration makes more salient features like nationality and citizenship, and induces natives – especially the unskilled and working class ones – to identify with the nation rather than with the economic class. Once the relevant dimension for group identification is no longer purely economic in nature, individuals can rationally choose to vote for a party that does not offer policies that are economically optimal for them (Shayo, 2009). This process is further reinforced by the fact that, as individuals identify with a new group, their beliefs (and preferences) might change accordingly.

Combining group identification theory with evidence on the relationship between moral values and political preferences, one can see why, in response to immigration, even unskilled natives can move to the right. Since both voters and politicians on the right of the political spectrum are communal (Enke, 2020), when immigration makes national identity the relevant feature for group identification, natives that are against immigrants naturally turn to right-wing parties. By the same token, because of their universalistic stance, parties on the left are unable (or, unwilling) to attract voters that demand a more inward and close society. The model in Bonomi et al. (2020) offers an additional insight: once voters identify with a group (in this case, with the nation and with nationalistic parties), they slant their beliefs in the direction of the average belief of members of that group. Thus, because of cultural identification and the related belief distortion, natives' economic preferences may diverge from what it would be optimal for them.

The second reason why immigration increases support for right-wing parties is related to preferences for redistribution. For one, immigrants are often (culturally, religiously, racially) different from natives, and their inflows increase diversity in receiving countries. As a consequence, immigration reduces natives' demand for social welfare, since individuals are less willing to redistribute in more diverse societies (Alesina et al., 1999; Alesina and La Ferrara, 2005). The existing evidence suggests that immigration lowers natives' preferences for redistribution more when immigrants are culturally far from natives. In addition, if immigrants are perceived to be poor and to be a net fiscal burden, natives might oppose public spending

because they do not want to pay for goods that, in their view, are disproportionately consumed by immigrants. Regardless of the exact channel through which immigration lowers natives' demand for redistribution, one prediction is clear: voters will move closer to parties that advocate for a small government, i.e., right-wing parties.

Moral values and group identification on the one hand and preferences for redistribution on the other are forces difficult to disentangle. In fact, we suspect that they are complementary. The more natives identify with the nation rather than with the economic class, the more they perceive immigrants as far. Similarly, the more immigrants increase diversity in the society, the more they raise natives' propensity to identify with the nation. While both mechanisms can independently influence political ideology of natives and their preferences for redistribution, we conjecture that what makes these forces particularly powerful is the interaction between them. We view at least two promising avenues for future research.

First, researchers should seek to isolate the two channels, identifying the interaction effect between them, both theoretically and empirically. When unskilled and working-class natives support a small welfare state (in response to immigration), is it because they identify with the nation rather than their economic class and, once they support right-wing parties, they internalize the idea of a limited government (among other things)? Or, is it because they dislike sharing public goods with members of a different group? How does each of the two mechanisms influence the other? Identifying each of these two forces separately may be particularly daunting with observational data. For this reason, researchers may seek to rely on experimental data, either from online surveys or from the lab.

Second, future work could exploit historical episodes of immigration to test whether natives' shift to the right in response to immigration is a trend specific to our times, as findings in Piketty (2018) may indicate, or whether it is instead a broader empirical regularity that was true also in the past. Adopting a historical perspective might provide valuable also to assess the impact of immigration on the evolution of moral values (Enke, 2019, 2020) in diverse countries such as the United States. Moreover, most of the existing research on the political effects of migration is focused on developed countries. It would be interesting to study whether anti-immigrant parties are on the right of the political spectrum also in emerging economies outside the "Global North", such as South Africa, India, or Brazil.<sup>33</sup>

While the rightward shift of working class voters seems to be a recent phenomenon in Europe, in the US context the Republican Party has been able to attract low-income voters already in the past, despite its (economically) conservative and anti-redistribution stance. Already in the 1960s, southern whites fled the Democratic Party as the party nationally em-

 $<sup>^{33}</sup>$ An exception is recent work by Farina (2021), who studies the effects of immigration on social conflict in South Africa. Yet, the author does not consider either electoral outcomes.

braced civil rights legislation (Kuziemko and Washington, 2018).<sup>34</sup> Choi et al. (2021) provide evidence that another instance of realignment of working class voters away from the Democratic Party occurred during the 1990s, as the NAFTA increased import competition from Mexico and lowered employment, especially in manufacturing and among unskilled workers. Consistent with social attitudes and culture mediating the income shock, these patterns were stronger among (working class) voters who were already socially more conservative and whose values were closer to those of the GOP.

These episodes notwithstanding, we view the appeal of the Republican Party among working class whites in relation to immigration as an interesting phenomenon and, similar to the evolution of the political landscape in Europe, as a promising avenue for future research. Relatedly, and more specific to the US, another puzzle has emerged during the 2020 presidential elections: the increased support for Donald Trump among Hispanic male voters, despite his racist rhetoric. One explanation, again rooted in social psychology and moral values, is that Trump embodies the type of "strong leader" that appeals to young men who face severe economic uncertainty.<sup>35</sup> Clearly, a deeper understanding of this phenomenon is needed.

# 6 (Mis-)information and Stereotypes

In this section, we first review the growing literature documenting that natives hold massive misperceptions about both the number and the characteristics of immigrants (Section 6.1). Then, we explore the causes of such distortions. We begin by considering a psychological mechanism where, as immigration becomes more salient, natives are more likely to make mistakes about immigrants, in particular along the characteristics where natives and immigrants differ the most (Section 6.2). Next, we discuss the role of political entrepreneurs and media in distorting natives' views and influencing their opinions (Section 6.3).

# 6.1 Natives' Misperceptions About Immigrants

A large literature in social psychology, political science and, more recently, economics has documented that misperceptions about social and political groups are pervasive. Focusing on

<sup>&</sup>lt;sup>34</sup>A gigantic literature, which we do not review here due to space constraints, has examined the mechanisms behind the "southern dealignment" (Kousser, 2010; Stimson and Carmines, 1989; Wright, 2013). Relative to this literature, Kuziemko and Washington (2018) find a stronger role for race-related concerns in driving the realignment, whereas, according to their results, income growth or changes in policy preferences unrelated to race relations cannot explain why southern whites fled the Democratic Party.

 $<sup>^{35}\</sup>mathrm{See}$  also the  $New\ York\ Times$  at https://www.nytimes.com/2020/10/14/us/politics/trump-macho-appeal.html.

political ideology and partisanship, Ahler and Sood (2018) show that Americans greatly overestimate the share of party supporters that have characteristics considered "stereotypical" of their party. Stereotyping refers to the tendency of individuals to over-weigh the prevalence of types (or, features) that are more likely in one group *relative to* a comparison group (Bordalo et al., 2016; Kahneman and Tversky, 1972).

If Republicans are wealthier than Democrats, individuals will form their image of Republicans as rich and wealthy, even though the total number of wealthy Republicans in the population is very low. By the same token, if Democrats are more liberal in their attitudes towards minorities relative to Republicans, the Democratic supporter will be stereotyped as a minority member, even if the actual number of Democrats who are members of a minority group is small in absolute terms. This happens because differences in group characteristics are exaggerated for features that are more frequent in a group relative to its comparison. Indeed, even though only 2.2% of Republicans earn more than 250,000 dollars yearly in reality, survey respondents believe that this share is as high as 38% (Ahler and Sood, 2018). At the other side of the political spectrum, the share of Democrats who are believed to be gays, lesbians, or bisexual is more than five times larger than their true share (31.7% instead of 6.3%).

Stereotyping and misperceptions are usually more pronounced when individuals think about the characteristics of members of other groups (Westfall et al., 2015). Hence, if natives view immigrants or minorities as the other group, the former may hold incorrect (and, in particular, exaggerated) views about the latter. Consistent with this idea, Nadeau et al. (1993) show that, in 1990, more than half of the American public estimated the share of Black Americans to be 30% of the US population or more (against the true share of 12.1%), and believed that the Hispanic share of the population was higher than 18% (in reality it was only 9%). More recently, Herda (2010) provides evidence of "innumeracy" in the context of immigration, and documents that natives systematically over-estimate the number of immigrants using ESS data across 21 European countries.<sup>36</sup> On average, natives over-state the immigrant share in their country by more that 11 percentage points, with large variation across countries ranging from a maximum of 16.5 (France) to a minimum of 4.4 (Switzerland).

Theories of racial and group threat predict that innumeracy can worsen majority members' attitudes towards minorities (Blalock, 1967; Blumer, 1958).<sup>37</sup> As a consequence, correcting natives' perceptions about the number of immigrants might ameliorate their views towards immigration. To test this idea, Hopkins et al. (2019) conduct 7 survey experiments

<sup>&</sup>lt;sup>36</sup>Similar results are found for the US in Alba et al. (2005) and Kunovich (2017).

<sup>&</sup>lt;sup>37</sup>Extensive work in social psychology finds evidence consistent with this idea (Craig et al., 2018).

over more than 10 years, examining whether natives change their preferences about immigration once they are provided with correct information on the number of immigrants. After eliciting natives' beliefs about the size of the immigrant population in the US, Hopkins et al. (2019) give natives in the treatment group – but not those in the control group – correct information about the number of immigrants. Although the treatment made natives aware of the true number of immigrants, it did not change their (negative) attitudes towards immigration – no matter how immigration was framed and immigrants were presented.<sup>38</sup>

In the same spirit of Hopkins et al. (2019), Alesina et al. (2018) assemble a novel dataset with around 24,000 respondents to study natives' perceptions about immigrants in six countries (United States, UK, Italy, France, Sweden, and Germany). Alesina et al. (2018) find that natives have striking misperceptions about the number, the composition, and the characteristics of immigrants. In all countries considered in the study, both the average and the median respondents vastly over-estimate the number of immigrants. For instance, in the US, the share of documented immigrants in 2017 (when the study was conducted) was 10%, but the average perception among respondents was as high as 36%.<sup>39</sup> In Italy, the share of legal immigrants was 10%, but the perceived share was, on average, 26%.

Furthermore, natives believe that immigrants come from culturally more distant regions and benefit from the welfare state of receiving countries more than they actually do, and that they are less educated and poorer than they actually are. While both left and right-wing respondents misperceive the share of immigrants to the same extent, a partisan divide arises when it comes to beliefs about the composition of immigrants and their contribution to the welfare state in the receiving country. Specifically, right-leaning respondents are more likely to under-estimate immigrants' skills and education, and to over-estimate the extent to which immigrants are a net burden for public finances of receiving countries.<sup>40</sup> Consistent with an "echo chamber" type of mechanism (Sunstein, 2018), participants with the lowest willingness to pay for information are precisely those who hold the most incorrect views about both the number and the quality (in a negative direction) of immigrants.

Results in Alesina et al. (2018) resonate with the literature on stereotypes and group

<sup>&</sup>lt;sup>38</sup>Similar findings are obtained in previous work by Sides and Citrin (2007). Somewhat more encouraging results are instead obtained in Haaland and Roth (2020) and Grigorieff et al. (2020). The first paper shows that correcting natives' perceptions of the (believed) negative labor market effects of immigration increases their support for immigration. The second one finds similar effects when correcting natives' misperceptions about immigrants' characteristics.

<sup>&</sup>lt;sup>39</sup>Respondents were specifically asked about immigrants who were legal residents in the country. Even if respondents gave their answer, on average, thinking about all immigrants – documented and undocumented one – they would have been quite far from the true share, which in 2017 was 13.7% (Abramitzky and Boustan, 2017).

<sup>&</sup>lt;sup>40</sup>To rule out the possibility that respondents make mistakes in general, Alesina et al. (2018) check that natives are wrong only when thinking about immigrants, but not when they think about about natives.

identity (Bonomi et al., 2020; Bordalo et al., 2016; Kahneman and Tversky, 1972). As the stereotype theory predicts, the differences between the characteristics of immigrants and natives are exaggerated, especially for traits that are stereotypical of the two groups. Indeed, immigrants are on average more reliant on transfers, and the share of low-skilled immigrants is higher than that of natives. However, native respondents tend to inflate the immigrant-native gap, because of stereotyping.

#### 6.2 The Role of Salience

As documented in Alesina et al. (2018) and Hopkins et al. (2019), providing natives with correct information about the number of immigrants does not reduce their propensity to (negatively) stereotype the characteristics of the foreign born. Since both experiments are effective in correcting natives' views about the number of immigrants, these findings cannot be explained by the fact that natives did not pay attention to the information received. One possibility is that, as the salience of immigration increases, natives become more likely to make mistakes about immigrants' characteristics – mistakes that are systematically biased in the direction of negative stereotypes.

Recent work by Bordalo et al. (2020) provides evidence consistent with this idea. The authors exploit the shock to issue salience driven by the end of the Cold War, which made domestic issues suddenly more salient among US voters because of the demise of external threats. Using data from the ANES to measure both actual and perceived position of partisan respondents across socio-economic issues, Bordalo et al. (2020) find that, right after the end of the Cold War, perceived polarization and partisan stereotyping increased. This trend was stronger for issues that, before the end of the Cold War, were more stereotypical. That is, the more voters are concerned about an issue (for instance, immigration), the more they tend to make mistakes about it (for instance, by over-estimating the difference in characteristics between immigrants and natives). Thus, as immigration becomes more salient, natives' misperceptions might grow even larger.

In line with this mechanism, Barrera et al. (2020) find that, once immigration becomes salient, natives turn against a wide range of policies that, in their opinion, would disproportionately favor immigrants. The authors randomly allocate French voters during the 2017 presidential campaign into a control group and three treatment groups. The first treatment group receives fake news (or, alternative facts) on immigration from the far-right candidate, Marine Le Pen, whereas the second and the third treatment groups receive, respectively, correct information and fake news (as the first treatment group) followed by fact-checking. After the various information treatments, individuals were asked about their attitudes to-

wards immigration policy as well as their posterior beliefs about the facts they were presented with.

Barrera et al. (2020) find that fake news had a strong persuasive effect on voters, and that fact-checking was unable to eliminate it. Individuals exposed to the fake news treatment became more likely to vote for Marine Le Pen – a pattern true both for those who were not exposed to fact-checking and for those who were. Interestingly, while voters updated their beliefs after receiving the fact-checking treatment, they did not change their policy views. Barrera et al. (2020) interpret these results as consistent with the idea that alternative facts increase the salience of immigration, and even after fact-checking voters' stereotypes remain strong enough to influence policy preferences.

Similar results are obtained in Alesina et al. (2018), who find that natives who have more incorrect views about immigrants (either in terms of their number or in terms of their quality) are especially opposed to redistributive policies. In the experimental part of the paper, Alesina et al. (2018) randomly assign respondents to different treatment groups: (i) a priming treatment that simply induces people to think about immigrants before asking them about their views on various redistributive policies; (ii) two informational treatments that provide information on the share and on the origins of immigrants present in the country; and, (iii) a treatment where individuals are presented with an anecdotal story about "hardworking" immigrants.

The first treatment, which makes immigration more salient, reduces natives' preferences for redistribution. This effect is larger for respondents who have more negative baseline views on immigrants (mostly, non college-educated individuals who also work in immigrant intensive sectors, and right-wing voters). Treatments (ii) and (iii) should, in principle, provide "positive" information about immigrants, their number, their origin, and their work ethics. At the same time, they also make immigration more salient, because they bring up the issue in the first place. Thus, for respondents in the second and third treatment groups, two forces are at play: on the one hand, the salience effect should turn natives more against redistribution (as for respondents in treatment group (i)); on the other, the correction of (negative) misperceptions and the anecdotal story about immigrants should present the foreign born under a more positive light. It turns out that the first force dominates over the second one, and even treatments (ii) and (iii) reduce natives' preferences for redistribution. As in Barrera et al. (2020), these results indicate that the priming effect prevails over the "positive information" effect.

Evidence on the role of salience in fostering (negative) stereotypes about immigrants is also provided in Gagliarducci and Tabellini (2021), who study the effects of Italian Catholic churches across US counties from 1890 to 1920. Using data from the local press to proxy

for natives' attitudes, Gagliarducci and Tabellini (2021) find that, in the years following the entry of a new church, local newspapers were more likely to jointly mention the word Italian together with disparaging (and stereotypical) words such as "violent" and "crime". Although the authors cannot exclude that churches made Italian immigrants more prone to commit crime, this explanation seems unlikely. Gagliarducci and Tabellini (2021) instead argue that the presence of Catholic churches made the Italian community more visible, raising its salience in the eyes of natives. <sup>41</sup> This, in turn, led to negative stereotyping, possibly reinforced by the rampant anti-Catholicism prevailing at the time (Higham, 1955; Spiro, 2009).

The impact of salience is not limited to natives' attitudes, but can have important political and social consequences as well. Recent work by Cikara et al. (2021) documents that, when a minority group becomes the largest in rank, controlling flexibly for its size, in a US county, the number of hate crimes committed by white offenders against members of that group increases. As the authors note, once size is controlled for, switches in rank are likely to reflect changes in group salience, and, in turn, in the level of threat perceived by the majority group. The effects obtained in Cikara et al. (2021) are substantive: according to their estimates, a group experiences roughly one additional hate crime per 100,000 county residents when moving from the fourth to the first place in the rank distribution. This corresponds to a 107% increase relative to the average county-level victimization rate of a group in the sample period considered (0.9 hate crimes per 100,000 inhabitants).

Focusing on political outcomes, Colussi et al. (2021) exploit variation in the distance between election dates from the Ramadan in German municipalities with and without a mosque to study the effects of changes in the salience of Muslim communities between 1980 and 2013. They document that municipalities whose elections were held shortly after the beginning of the Ramadan experienced a substantial surge in the vote share of far right parties, as compared to municipalities with similar election cycles but without a mosque. Interestingly, not only far-right, but also far-left parties benefited from the heightened salience of the Muslim community, leading to higher political polarization.<sup>43</sup>

Colussi et al. (2021) confirm the idea that the Muslim community became more salient during (or shortly after) the Ramadan using ESS data. In particular, German respondents

<sup>&</sup>lt;sup>41</sup>This interpretation is corroborated by the fact that Italian enclaves became more segregated, socially and residentially, after the arrival of Italian Catholic churches. Especially residential segregation likely increased the salience of the Italian community in the eyes of natives.

<sup>&</sup>lt;sup>42</sup>Cikara et al. (2021) combine US Census data with hate crime records from the FBI between 1990 and 2010, and control for county-decade and minority group-decade fixed effects, in addition to flexible measures of group size relative to county population.

<sup>&</sup>lt;sup>43</sup>Colussi et al. (2021) also show that, within Berlin, the far-right gained in neighborhoods close-by a mosque, while the vote share of left-wing parties increased with distance from a mosque.

interviewed after the Ramadan displayed more extreme political preferences and held more negative views towards Muslims, as compared to German individuals interviewed at later points in time (when the effects of Ramadan had likely faded away). They also had stronger misperceptions about the size and the characteristics of the immigrant population in Germany. These patterns can explain the rise in support for far-right parties, but not that for far-left ones. Colussi et al. (2021) argue that support for the left resulted, instead, from a "second-order" salience effect among more liberal voters, who reacted to the activity of right-wing ones (and not to the higher salience of the Muslim community in itself).

Similar results are provided in Giavazzi et al. (2020), who exploit Twitter data from Germany to test whether voters move towards anti-immigrant parties when the salience of immigration, and the perceived threats arising from it, increases. Using a Natural Language Processing algorithm, the authors construct a daily measure of content similarity of the messages posted by voters and parties. Then, they compare the evolution of such measure before and after the occurrence of terrorist attacks between 2015 and 2017, which likely increased the perception of threat associated with immigration. Giavazzi et al. (2020) find that, following a terrorist attack, the similarity between voters' messages and those of the AfD increases. Interestingly, this is not driven by changes in the rhetoric used by the party (at least as measured by its Twitter messages), but rather by individuals' Tweets becoming more similar to those of the AfD. These shifts are highly correlated with changes in the vote share of the AfD relative to that of other parties, suggesting that heightened voters' concerns can have tangible political effects.

To summarize, the salience of immigration, fueled by the actual inflow of immigrants, by the rhetoric of political entrepreneurs and the media, or by other shocks (such as the arrival of ethnic religious organizations or the occurrence of religious feast days), might influence natives' attitudes, inflate misperceptions and stereotypes, trigger political changes, and lead to higher social conflict.

#### 6.3 Media and Political Entrepreneurs

The idea that politicians can influence voters by emphasizing specific issues and creating narratives around them is far from new (Glaeser, 2005; Murphy and Shleifer, 2004). An immigration shock, through its economic and non-economic effects, can generate a window of opportunity for political parties and their leaders to attract voters and gain support. As noted above, especially right-wing politicians often describe immigrants as a source of cultural and social threat to natives – depicting them as a group that differs from core national values, unable and unwilling to assimilate, prone to commit violence, and a burden

on public finances.<sup>44</sup>

This strategy may be particularly appealing to the right, because it resonates with the core values and activates the fears of its supporters. For instance, right-wing voters are more likely to trust "insiders", are more wary of strangers, and are particularly concerned about law and order (Enke, 2020; Enke et al., 2020). They also oppose the welfare state, especially when immigrants and minorities are perceived to disproportionately benefit from it (Alesina et al., 2018). On the other hand, the diverse nature of the left and its liberal tendencies make it harder for political entrepreneurs to create a narrative based on cultural threats posed by immigrants (Bock, 2020). At the same time, taking an anti-immigrant stance based on purely economic arguments would be complicated for a party that argues for a larger government and for more redistribution. Hence, it seems easier for the right than for the left to send a message (centered around cultural and social issues) that unites its constituency while dividing its opponents (Glaeser, 2005). Recent developments in the political landscape of both Europe and the US suggest that most right-wing parties or conservative politicians became popular precisely after taking an anti-immigrant stance and adopting a heavily anti-immigrant rhetoric.<sup>45</sup>

The rise of social media has given politicians a powerful tool to spread their messages and influence voters. While political entrepreneurs have long used the (traditional) media to gain support among voters and spread anti-minority messages (Adena et al., 2015; DellaVigna and Kaplan, 2007; Wang, 2021), we suspect that social media may be particularly effective in the context of immigration.<sup>46</sup> This is because they are characterized by two, key features (Zhuravskaya et al., 2020). First, their users can share, re-post, and copy messages created by others, making it easy for any idea, including false or extreme ones, to spread quickly. Second, there are low barriers to entry, implying that marginalized groups that hold extremist views can no longer be excluded from the political (and social) arena by more moderate forces.

Absent a systematic process of fact-checking, fake news can spread quickly among voters, especially when they resonate with their pre-existing views and stereotypes. This is possibly reinforced by the fact that, with a higher number of available options, users can choose the outlets that best match their priors, triggering echo chamber effects and confirmation

<sup>&</sup>lt;sup>44</sup>For instance, in January 2018, the leader of the Italian anti-immigrant party the *League*, Matteo Salvini, stated that "We are under attack. Our culture, society, traditions and way of life are at risk" (*Reuters*, January 15, 2018). In 2017, the top candidate of the AfD, Alexander Gauland, echoed that "Islam…is a religion that we can clearly say is not compatible with the Basic Law" (*DW*, August 16, 2017). Along similar lines, during the 2017 presidential campaign in France, Marine Le Pen declared: "We are being submerged by a flood of immigrants that are sweeping all before them...A multicultural society is a society that has multiple conflicts" (*The Times*, April 20, 2017).

<sup>&</sup>lt;sup>45</sup>A few examples of this are the AfD in Germany, the *League* in Italy, and Donald Trump in the US.

<sup>&</sup>lt;sup>46</sup>See DellaVigna and Gentzkow (2010) and DellaVigna and La Ferrara (2015) among others for reviews of the literature on the political effects of traditional media.

bias and leading to higher polarization (Sunstein, 2018). As discussed in Zhuravskaya et al. (2020), the literature disagrees on the extent to which social media can indeed generate echo chambers and increase polarization.

For instance, in a recent study, Levy (2021) conducts a randomized experiment offering participants subscriptions to news outlets with different political orientation on Facebook. He finds that individuals are willing to visit news websites that do not align with their own political views, and that such visits reduce hostility against the opposing political party and its members. At the same time, exposure to political news does not lead to changes in political views. Somewhat different findings are reached in Allcott et al. (2020), who document that Facebook users who chose to deactivate their accounts for one month held less polarized political views and were less likely to pay attention to politics. The apparently contrasting results obtained in the two studies can be reconciled by noting that social media algorithms (which increase the probability of reading ideologically congruent news), rather than users' behavior, are responsible for the polarizing effects of social media.<sup>47</sup>

Regardless of their effects on polarization, social media can be exploited by political entrepreneurs to sway voters' attitudes towards immigration via three distinct, but complementary, channels. First, as discussed above, the mere salience of immigration, possibly manipulated by politicians, can trigger natives' anxiety and reinforce their latent stereotypes (Alesina et al., 2018; Barrera et al., 2020), moving voters closer to parties that rely on an anti-immigrant rhetoric (Giavazzi et al., 2020). Second, social media are particularly suited to the spread of emotionally charged content, which is more likely to activate individuals' fears and direct their hatred against specific (out-)groups, such as immigrants and minorities. Finally, social media can create narratives that reduce the social cost incurred by individuals expressing intolerant views against minorities. 48 Evidence for the last channel is provided in Bursztyn et al. (2020), who randomly vary the information observed by individuals before either assessing if donations to fund a wall at the US-Mexico border should be viewed as an intolerant expression or deciding on whether to make a donation to fund such wall. Consistent with the role of "narratives as excuse", individuals exposed to a study linking immigrants to violent crime were, respectively, less likely to deem the donation an expression of intolerance and more prone to publicly donate money to build the wall.<sup>49</sup>

When social media and strategic politicians amplify natives' misperceptions about im-

<sup>&</sup>lt;sup>47</sup>More broadly, no agreement exists over the polarizing effects of social media. Among others, Barberá (2015) and Boxell et al. (2017) document that social media are not responsible for rising polarization. Opposite results are found in Lelkes et al. (2017) and Enikolopov et al. (2021).

<sup>&</sup>lt;sup>48</sup>Narratives can also lower the private cost, if individuals value their self-image (Falk, 2021).

<sup>&</sup>lt;sup>49</sup>In a third experiment, Bursztyn et al. (2020) find that individuals who saw an anti-immigrant video clip from Fox News were more likely to share a post on Twitter asking to immediately deport all illegal immigrants.

migrants, they might have consequences that go beyond mere support for immigration restrictions. Müller and Schwarz (2021) study the effects of Facebook usage on anti-refugee sentiments and hate crimes in Germany between 2015 and 2016, when the country received the sudden and unexpected influx of almost one million refugees, and the number of episodes of violence against them skyrocketed. The authors construct a novel proxy for the salience of anti-refugee hate speech on Facebook using the number of posts and of users (at the municipal level) of the AfD Facebook page. Next, exploiting the timing of internet outages across municipalities, Müller and Schwarz (2021) document that hate crimes rise when refugee salience increases, but that this correlation disappears for municipalities experiencing an internet outage.<sup>50</sup>

Overall, these papers suggest that the debate over immigration takes place in a world of misinformed voters, where politicians' strategic use of information may affect natives' perceptions and influence elections. Misperceptions and stereotypes may also reinforce identification with the nation rather than with economic class, increasing support for parties whose policy platform is not economically optimal for the working class, but that meets the demand for a more homogeneous and close society. These observations can help reconcile the puzzle of why immigration increases support for right-wing parties discussed in Section 5. We conclude with an interesting implication: misperceptions about immigrants might lower natives' preferences for redistribution precisely among those who would benefit the most from a generous welfare state (Hochschild, 2018).

## 7 Immigration and Support for Diversity

As we already anticipated above, while the conventional wisdom is that immigration triggers natives' backlash, this is not always the case. In light of the previous discussion and of the abundant anecdotal evidence on anti-immigrant backlash, this seems puzzling. However, at least three mechanisms can explain this apparently surprising pattern.

First, immigration might move natives' attitudes towards a more liberal direction when the conditions required for the contact hypothesis (equal group status, common goals, intergroup cooperation, and institutional support) hold (Allport, 1954).<sup>51</sup> In this case, repeated

<sup>&</sup>lt;sup>50</sup>Similar results on the effects of social media are obtained by Müller and Schwarz (2019), who exploit random variation in the diffusion of Twitter across US counties to study the effects of Donald Trump's tweets on anti-Muslim sentiments and hate crimes. In a related study, exploiting variation in social media penetration across Russian municipalities, Bursztyn et al. (2019) show that, in addition to the persuasion effect identified in the studies discussed above, social media can increase the frequency of hate crimes against ethnic minorities via a "coordination" mechanism, proxied for using hate crimes with multiple perpetrators.

<sup>&</sup>lt;sup>51</sup>See Pettigrew (1998), Pettigrew and Tropp (2006), and Pettigrew et al. (2011) for comprehensive reviews. See also Lowe (2021) and Rao (2019) for evidence consistent with the contact hypothesis in India. Schindler

interactions across groups can reduce prejudice and (negative) stereotypes of majority group members against minorities. Second, when immigrants interact with natives with more liberal tendencies, the latter may increase their support for openness and diversity. This scenario is more likely to arise if immigrants come from areas characterized by (economic, political, environmental) threatening conditions, and natives become aware of this. Finally, population sorting within the same jurisdiction may help defuse racial animosity among natives who dislike diversity. Moreover, the prevalence of residential segregation might determine the type of inter-group contact, influencing natives' perceptions about immigrants. Perhaps counterintuitively, in more segregated jurisdictions, where everyday, random intergroup interactions occur less frequently, majority group members may be less likely to view minorities as a threat. When segregation is lower, instead, natives may perceive interactions with strangers as being hard to control, and this might be a source of both anxiety and hostility.

Often, the three mechanisms just described are at play simultaneously, possibly reinforcing each other. For instance, the study by Dustmann et al. (2019) reviewed above provides evidence that residential segregation made the contact hypothesis more likely to operate in some places than in others, by influencing the conditions under which interactions occurred. Specifically, natives residing in rural municipalities lived in neighborhoods with lower residential segregation, where random encounters with refugees were thus more likely. To the extent that rural residents perceived this type of exposure as involuntary and subject to forces beyond their control, they may have reacted with hostility, triggered by anxiety and insecurity. In line with this idea, ESS respondents living in rural areas expressed negative feelings towards refugees.

On the contrary, higher residential segregation in urban areas implied that natives were less directly exposed to the presence of refugees in large cities. Possibly as a consequence of this, urban residents held more positive views about the foreign born; moreover, they reported having more immigrant friends, consistent with a voluntary type of inter-group contact. Dustmann et al. (2019) also find that individual characteristics, such as age, gender or educational attainment, had only limited power to predict natives' views about refugees, and that baseline municipality variables cannot explain the rural-urban divide in either attitudes or political outcomes. Taken together, these results suggest that, at least in the case of Denmark, residential segregation shaped the direction of natives' reactions to immigration, by determining the conditions under which inter-group contact took place.

Additional evidence on the mediating role of residential segregation is provided by Dustmann et al. (2011) for England. The authors conjecture that ethnic residential segregation and Westcott (2021) and Bazzi et al. (2019) document similar patterns in the UK and Indonesia, respectively.

may generate two offsetting forces. On the one hand, natives' hostility may be higher where ethnic enclaves are more concentrated (e.g., because of the higher salience of the immigrant community); on the other, the most intolerant natives may flee more diverse areas in search of more homogeneous neighborhoods. Moreover, if the probability of harassment is increasing in the frequency of inter-group interactions, it will be mechanically lower in more segregated places. Using data from the Fourth National Survey on Ethnic Minorities, Dustmann et al. (2011) document that, consistent with these predictions, higher segregation is associated with lower harassment, but not with lower levels of natives' hostility.<sup>52</sup>

The work by Calderon et al. (2021) reviewed above is another example where the standard view of migrants triggering backlash does not hold. To explain the positive effect of Black in-migration on support for civil rights, prevailing also among white voters, the authors examine different mechanisms. First, as in Dustmann et al. (2019), also in Calderon et al. (2021) support for racial equality was stronger in places with higher residential segregation. One explanation, consistent with the previous discussion, is that racial residential segregation reduced the potential hostility of whites who disliked diversity.

Second, the effects of the Great Migration varied with the baseline characteristics of receiving counties. Black in-migration increased support for civil rights legislation especially in counties with a lower history of racial discrimination, where whites likely held more liberal views to begin with. This finding is consistent with Maxwell (2019), who documents that the more positive attitudes of natives towards immigrants in large European cities are, at least in part, due to the fact that more cosmopolitan (or, using the terminology of Enke, 2020, universalistic) individuals are more likely to live in larger urban centers. Calderon et al. (2021) also find that pro-civil rights demonstrations increased more in counties with more competitive elections, with a higher share of whites employed in manufacturing, and where the Congress of Industrial Organizations (CIO) — a major force behind industrial unionism — was more established. These places were likely more conducive to the formation of a liberal cross-race coalition along both political and economic lines (Schickler, 2016). At the same time, and consistent with group threat theories (Blalock, 1967), whites supported racial equality only when the economy was booming.

Finally, Calderon et al. (2021) test the hypothesis, first proposed by Gunnar Myrdal in 1944 in his influential book, An American Dilemma, that "migration to the North and West is a tremendous force in the general amelioration of the Negro's position...[because] the average Northerner does not understand the reality and the effects of such [Southern]

<sup>&</sup>lt;sup>52</sup>To deal with potential endogeneity of immigrants' residential choice, Dustmann et al. (2011) follow previous work by Dustmann and Preston (2001), and instrument local ethnic concentration with segregation at a more aggregate level, which is more likely to be exogenous as long as minorities do not move "too far" in order to avoid harassment.

discriminations..." (Myrdal, 1944). Compiling a list of all known lynchings perpetrated by whites against Black Americans in the US South from 1940 to 1964, and estimating a series of event studies, Calderon et al. (2021) find that in the weeks after a lynching, local northern (white) newspapers were more likely to report the episode in counties that had received more African American migrants in previous years.

The sensitization of majority group members through contact is a channel also documented in Steinmayr (2020). As discussed in Section 2.1, this work finds that refugee inflows increased support for the far-right party FPO in Austria, but only in municipalities that refugees merely crossed. On the contrary, in areas where refugees resided for a longer period of time, the FPO vote share declined. Steinmayr (2020) argues that prolonged contact between refugees and natives lowered anxiety and increased empathy towards the latter. This process was also favored by the actions of local authorities and NGOs, which took active steps to promote the integration of refugees. Interactions in a non-threatening environment and institutional support made it easier for the contact hypothesis to operate. This explains why, in this setting, refugee inflows reduced the vote share for far-right, anti-immigrant parties.

If the contact hypothesis were at play, one would expect its effect to be stronger in the long-run, as natives gradually get to know immigrants, and as the latter assimilate to the new culture (Abramitzky et al., 2020). Especially when the cultural distance between immigrants and natives is not "too high", immigrants' values may spill over to natives. Evidence on this process is documented in the work by Giuliano and Tabellini (2020) reviewed in Section 2.2. Giuliano and Tabellini (2020) construct a county-level index of historical preferences for redistribution brought about by European immigrants by counting the years of exposure to social welfare reforms that immigrants had in their country of origin before moving to the US. They find that support for redistribution and left-leaning ideology among American born individuals today are higher in counties where immigrants came from countries with a longer history of social welfare programs. Consistent with a mechanism of horizontal cultural transmission (Bisin and Verdier, 2001), these effects are stronger where the frequency of historical inter-group contact – measured with intermarriage and immigrants' residential integration – was higher.

Results in Giuliano and Tabellini (2020) seem to run counter to the standard idea that immigrants are more individualistic (Kitayama et al., 2006; Knudsen, 2019), and that their presence, historically, is one of the reasons why the US never had a strong socialist party (Alesina and Glaeser, 2004; Lipset and Marks, 2000). Two forces were likely at play in the context of European immigrants to the US. On the one hand, immigrants promoted a "frontier spirit", and a set of values emphasizing the importance of effort versus luck (Alesina

and Angeletos, 2005; Piketty, 1995).<sup>53</sup> On the other, immigrants imported a political ideology that was linked to the experience they lived through in their (more redistributive, relative to the US) countries of origin. Findings in Giuliano and Tabellini (2020) suggest that the second force may have prevailed over the first one.

To sum up, the view that immigrants always trigger natives' hostility is too simplistic. A number of recent studies have instead documented that the picture is more nuanced and, at times, immigrants can promote support for diversity among natives and lower the vote share of anti-immigrant parties. This can happen through different mechanisms, which are likely to interact with each other. More research is needed to better understand these dynamics.

As noted by Paluck et al. (2019), future work should focus on the effects of long-run inter-group contact. Giuliano and Tabellini (2020) identify one specific channel through which historical immigration can move natives' preferences towards a more liberal direction. However, different forces are likely to be at play in other settings. In addition, the European experience in the US may be somewhat special, since the distance between immigrants and natives was relatively low. It is possible that, at higher levels of diversity, the convergence process documented in Giuliano and Tabellini (2020) may not operate.

Another promising area for future research is related to the rising number of "climate change" refugees (Kulp and Strauss, 2019). Researchers may study how natives' preferences over environmental policies and their political behavior (e.g., support for Green parties) change, once they enter in contact with individuals displaced by environmental disasters. Also in this case, the conditions under which contact takes place as well as the characteristics of both immigrants and natives are likely to be important in determining natives' responses and the resulting political change in receiving countries.

#### 8 Conclusions

We started the paper by noting that immigration – one of the most salient social phenomena of our times – can produce two different effects in receiving countries. The first one, extensively studied in the labor economics literature, is related to the economic consequences that immigrants have on native workers. The second one falls in the broader category, which we defined culture. In principle, both forces can contribute to determine the political effects of immigration, such as rising support for anti-immigrant parties, changes in demand for welfare policies, and shifts in voters' perceptions.

In response to the unprecedented migration flows, the literature on the political effects of immigration has exploded in the last decade. The standard finding is that immigration, by

<sup>&</sup>lt;sup>53</sup>See also Bazzi et al. (2020) for a study on the long-run influence of the American frontier on US ideology.

increasing diversity, triggers natives' backlash, and typically favors right-wing, conservative parties. However, a number of recent papers provide a more nuanced picture of the effects of immigration, which, in some cases, may move natives' preferences to the left, increasing their openness to diversity. This is more likely to happen when natives and immigrants interact for a prolonged period of time under conditions that support the contact hypothesis, and when natives hold more liberal attitudes to begin with. This process may be accompanied, and perhaps reinforced, by the mutual transmission of culture between groups.

Turning to the causes of natives' backlash, there is broad agreement in the literature that non-economic forces are at least as important as economic ones. First, backlash is more likely to emerge when immigrants are different (ethnically, racially, culturally) from natives. Second, natives' opposition to immigration is largely influenced by stereotypes and misperceptions. Natives greatly over-estimate the size of the immigrant population, and believe that immigrants are poorer, less educated, and culturally more distant than they actually are. Such misperceptions are often fueled by the rhetoric of political entrepreneurs, who depict the foreign-born as a threat to the values and norms of receiving countries. Finally, political backlash emerged even when immigration was economically beneficial, and boosted natives' employment.

One puzzling empirical regularity is that anti-immigration sentiments have been, at least in recent times, channeled towards higher support for right-wing parties. This may seem surprising, especially because those natives who may be economically harmed by immigration are unlikely to benefit from the policies advocated by right-wing parties, such as limited redistribution and lower social welfare. We argued that at least two, non-mutually exclusive, factors can explain this pattern. First, immigration can transform the political conflict within societies from economic to cultural. If native voters identify with the nation (or, their in-group), they may attach lower weight to economic issues, valuing more cultural ones. Second, the political effects of immigration are linked to preferences for redistribution. Since immigrants are perceived – often incorrectly – as poor and culturally far, natives likely demand lower redistribution in response. This may happen either because natives respond to economic incentives (e.g., they do not want to subsidize poorer immigrants' consumption) or because they dislike sharing public goods with strangers.

Regardless of the exact mechanism, if immigration reduces preferences for redistribution among natives, the latter will move towards the party that proposes a more limited role for the government in the economy – namely, the political right. Admittedly, the two forces just described are hard to isolate. In fact, they might interact with each other. The more natives identify with the nation, the more they view immigrants as part of the out-group. At the same time, higher immigration increases diversity in the society, leading natives to identify

more with their own (national) group.

Future research should seek to isolate the interaction effect between the two forces just described. It would also be useful to leverage historical data to examine whether the current rightward shift induced by immigration is a phenomenon specific to our times or is instead a broader empirical regularity. Relatedly, future research should study the relationship between immigration and moral values. We discussed above how the effects of diversity and immigration may vary depending on the set of moral values – universalistic vs communal – prevailing in a society. However, it is unclear if and how migration can itself influence the prevalence of moral values across countries in the long-run.

Finally, it would be instructive to examine systematically the relationship between immigration and political polarization. The vast literature reviewed above has studied the effects of immigration on natives' political preferences, but has not directly considered the potential for immigrant flows to increase political divisions. This analysis would complement the extensive literature that has focused on social conflict triggered by diversity and migration (Alesina and La Ferrara, 2005). Figure 1 plots the evolution of the immigrant share of the US population (solid line) and polarization in the US Senate (black, dotted line) and Congress (grey, dashed line) between 1880 and 2019.<sup>54</sup> While the graph is merely descriptive, the comovement between immigration and polarization in US history is striking. We believe that testing this relationship more formally, and exploring similar dynamics for other countries, is a fruitful avenue for future research.

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<sup>&</sup>lt;sup>54</sup>A similar relationship is also presented in McCarty et al. (2016). We define political polarization as the partisan difference in the first dimension of the DW Nominate scores (Poole and Rosenthal, 1985).

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# Figures and Tables

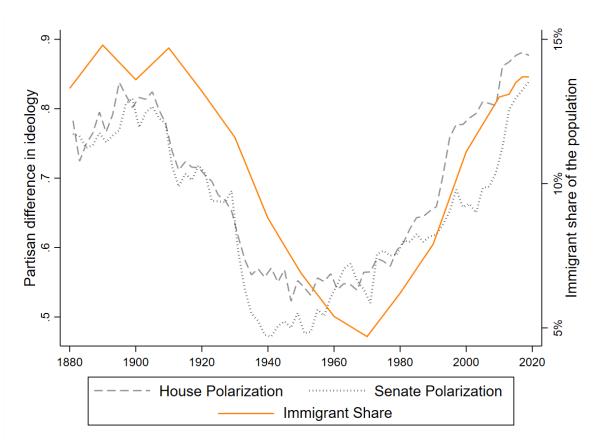


Figure 1. Immigration and Political Polarization in US History

Notes: The figure plots the immigrant share of the US population (solid line; right y-axis) and the ideological distance between Democrats and Republicans in both Chambers (dotted and dashed lines; left y-axis) between 1880 and 2019. The ideology of party representatives is based on the first dimension of the DW-Nominate scores, which measures legislators' liberal-conservative positions using their roll call voting records (Poole and Rosenthal, 1985). Data on immigration and political ideology come, respectively, from Migration Policy Institute (adapted from Ruggles et al., 2019) and Lewis et al. (2020).

Table 1. The Political and Social Effects of Immigration

Paper	Setting	Electoral Outcomes	Preferences for redistribution	Attitudes
Alsan et al. $(2020)$	Massachussetts, towns, 1853-1862	Town-level gubernatorial race vote counts for Know-Nothing Party $(+)$		
Halla et al. $(2017)$	Austria, communities, 1979-2013	Vote share of far-right party in national parliamentary elections $(+)$		
Barone et al. (2016)	Italy, municipalities, 2001-2008	Vote share of center-right coalition in national and mayoral elections $(+)$		
Edo et al. (2019)	France, municipalities, 1988-2017	Vote share of far-right parties in presidential elections $(+)$		
Otto et al. (2014)	Hamburg, Germany, districts, 1987-2000	Vote share of far-right parties in local elections $(+)$		
Mayda et al. (2021)	US, counties, 1990-2010	Republican vote share in presidential elections $(+/-)$		
Steinmayr (2020)	Austria, municipalities, 2009-2015	Vote share of far-right parties in national elections $(+/-)$		
Dustmann et al. (2019)	Denmark, municipalities, 1989-1998	Vote share of right-wing parties in parliamentary and municipal elections $(+)$		
Tabellini (2020)	US, cities, 1910-1930	Election of conservative members of the House and votes on immigration restrictions (+)	Tax rates and public spending (-)	
Calderon et al. (2021)	US non-South, counties, 1940-1970	Democratic vote share in Congressional elections (+)		Civil rights activism and attitudes towards racial equality (+)

Table 1, Continued

Paper	Setting	Electoral Outcomes	Preferences for redistribution	Attitudes
Moriconi et al. (2019)	Western Europe, 114 regions, 2007-2016	Vote share of pro-redistribution parties $(+/-)$		
Dahlberg et al. (2012)	Sweden, municipalities, 1985-1994		Preferences for redistribution (-)	
Alesina et al. (2021)	Western Europe, 140 regions, 2002-2016		Preferences for redistribution (-)	
Giuliano and Tabellini (2020)	US, counties, 2006-2018		Preferences for redistribution and liberal ideology $(+)$	
Eger (2010)	Sweden, counties, 1986-2002		Preferences for redistribution (-)	
Bursztyn et al. (2021)	US, counties, 2010-2021	Support for anti-Muslim candidates in presidential elections (-)		Prejudice against Arab-Muslims (-), support for anti-Muslim policies (-), donations to Arab countries (+)

Notes: Setting column refers to the measurement of outcome variables. Results in Dustmann et al. (2019) are flipped for the most urban municipalities, where the vote share of right-wing parties declines and natives' attitudes towards refugees improve.