



Community cohesion and assimilation equilibria [☆]

Oded Stark ^{a,b,*}, Marcin Jakubek ^c, Krzysztof Szczygalski ^b

^a University of Bonn, Germany

^b University of Warsaw, Poland

^c Institute of Economics, Polish Academy of Sciences, Poland



ARTICLE INFO

JEL classification:

D70
J15
J24
J61
J70
O12
Z10

Keywords:

Community cohesion
Social proximity
Interpersonal comparisons
Relative deprivation
Migrants' assimilation behavior

ABSTRACT

We study the assimilation behavior of a group of migrants who live in a city populated by native inhabitants. We conceptualize the group as a community, and the city as a social space. Assimilation increases the productivity of migrants and, consequently, their earnings. However, assimilation also brings the migrants closer in social space to the richer native inhabitants. This proximity subjects the migrants to relative deprivation. We consider a community of migrants whose members are at an equilibrium level of assimilation that was chosen as a result of the maximization of a utility function that has as its arguments income, the cost of assimilation effort, and a measure of relative deprivation. We ask how vulnerable this assimilation equilibrium is to the appearance of a “mutant” – a member of the community who is exogenously endowed with a superior capacity to assimilate. If the mutant were to act on his enhanced ability, his earnings would be higher than those of his fellow migrants, which will expose them to greater relative deprivation. We find that the stability of the pre-mutation assimilation equilibrium depends on the cohesion of the migrants' community, expressed as an ability to effectively sanction and discourage the mutant from deviating. The equilibrium level of assimilation of a tightly knit community is stable in the sense of not being vulnerable to the appearance of a member becoming better able to assimilate. However, if the community is loose-knit, the appearance of a mutant will destabilize the pre-mutation assimilation equilibrium, and will result in a higher equilibrium level of assimilation.

© 2018 Published by Elsevier Inc.

1. Introduction

Urban areas are spatial structures, and to a large extent study of them has been that of geographical space. In this paper we conceptualize urban spaces as social spaces. In a city inhabited by natives and migrants, we inquire how considerations of social proximity of the migrants to the native inhabitants impact on the degree to which migrants' assimilate. There has been considerable interest in how the presence of migrants affects the earnings of the native inhabitants (for example, whether migrants with a particular skill level enhance or depress the income of the native inhabitants),¹ but little research has been done on how the (relatively high) incomes of a city's

native inhabitants affect the incomes of the migrants, with migrants' assimilation being the intervening variable.

A question that is at the heart of economic research on the assimilation of migrants is this: if integration and assimilation increase the productivity of migrants and, consequently, their earnings, why is it that migrants are quite often reluctant to assimilate, or if they do assimilate, why do they do so only partially? Specifically, why do migrants choose to exert a particular level of effort to assimilate, and what governs their choice of this or that level of effort?²

In an earlier look at this subject, Fan and Stark (2007) considered the issue of limited assimilation from the perspective of the assimilation decision of a single migrant in a homogeneous community of migrants.

[☆] We are indebted to two Referees for insightful comments and constructive advice, and to William Strange for guidance, encouragement, and kind words. Marcin Jakubek gratefully acknowledges the support of the National Science Centre, Poland, grant 2014/13/B/HS4/01644.

* Mailing address: ZEF, University of Bonn, Walter-Flex-Strasse 3, D-53113 Bonn, Germany.

E-mail address: ostark@uni-bonn.de (O. Stark).

¹ A review of the related evidence is provided by Blau and Kahn (2015).

² Lazear (1999) sought to explain the low level of the assimilation of migrants by building a model in which migrants who form clusters are reluctant to assimilate because in concentrated migrant communities, the returns from learning the host country's language are low. However, this reasoning does not explain why migrants are reluctant to assimilate even if a low proficiency in the host country's language negatively affects their earnings to a significant degree (refer, for example, McManus et al., 1983; Tainer, 1988). In our approach, this reluctance is attributed to a fear of comparison with the richer natives, which prevails even when greater assimilation confers a gain in earnings.

That analysis drew on two building blocks. First, from the perspective of the theory of social proximity and group affiliation (as per Akerlof, 1997), the assimilation of a migrant was understood to reduce his social distance from the native population. Second, noting the large amount of evidence that income comparisons influence people's wellbeing, this influence was quantified by means of a measure of relative deprivation, which in turn was incorporated in a utility function that is additive in income, cost of assimilation effort, and the measure of relative deprivation.³ Fan and Stark inquired how closely migrants choose to align themselves with the native inhabitants (henceforth referred to as natives), who, being more productive and wealthier than the migrants, expose the migrants to relative deprivation. The equilibrium assimilation level of the migrants was shown to be lower than the level that would have been chosen had the utility function not incorporated a relative deprivation component.⁴

In this paper, we expand that analysis and, in addition, we expand the unit of analysis, beyond that starting point, addressing the question why are there stark differences in the extent of assimilation of different communities of migrants. Divergence is evident across different ethnic groups of migrants even in the same host country (Gordon, 1964; Alba and Logan, 1993; Iceland and Nelson, 2008); across migrants with different levels of education (Gijssberts and Vervoort, 2009; van Tubergen and Kalmijn, 2009); and across different generations of migrants from a given country of origin (Gans, 1992; Portes and Zhou, 1993; Perlmann and Waldinger, 1997, for migrants in the US; and the references provided in Thomson and Crul, 2007, for migrants in European countries). The variation between “total acculturation” and “rigid segregation” (Alba and Nee, 2003) has been particularly well documented in the case of migrants to the US (Massey and Denton, 1987; Kroneberg, 2008; Telles and Ortiz, 2008; Jiménez, 2010).

Consider the link with evidence that migrants who live in highly concentrated urban communities (that is, in communities with a great many fellow migrants) do not assimilate much; for example, their proficiency in the host country's language stays low, which in turn has a negative effect on their earnings (McManus et al., 1983; Tainer, 1988; Shields and Price, 2002; Chiswick and Miller, 2002, 2005; Cutler et al., 2008). Then, migrants' segregation and lowered incomes can cement into a “culture of poverty” (Wilson, 1987). A concentration of poor migrants can have adverse effect on the urban native inhabitants; for example, an increase in poor people in a central city location can cause an outflow of richer native inhabitants and deterioration of the center area (Kanemoto, 1980). A different effect is identified by Ottaviano and Peri (2005). Drawing on US census data for 1970–1990, they report that the productivity of US-born workers was higher in cities with richer linguistic diversity, and that the presence of assimilated non-natives (who speak English and who have been in the US for a long time) had the most beneficial effect on the productivity of US-born workers. Especially when the extent of the assimilation of migrants bears meaningfully on the wellbeing of the native inhabitants, policy makers will want to understand what governs assimilation behavior.

Usually, migrants are not compelled to live in high-concentration areas; rather, they choose to (Bartel, 1989; Dunlevy, 1991; Bauer et

al., 2005). We maintain that “fear” of social proximity to the native inhabitants causes migrants to live in (or move into) neighborhoods with large concentrations of migrants, thereby increasing their concentration; the choice of geographical space springs from preferences with regard to social space. Migrants live in concentrations because of their fear of assimilation or failure to assimilate, rather than fail to assimilate because they live in concentrations of migrants. Our view is not that concentration explains non-assimilation, but rather that non-assimilation explains concentration: migrants elect not to assimilate and consequently they concentrate. Whereas the line of reasoning of the conventional approach is that a low level of assimilation is the result of living in concentrations (Chiswick and Miller, 1995; Lazear, 1999, 2005), our approach is that both a low level of assimilation *and* concentrated living are the result of a reluctance to assimilate. This perspective is not based on the notion that patterns of concentration reflect diversity in (an exogenous) ability to assimilate, with low-ability migrants choosing high concentrations; rather, the intensity of assimilation and the intensity of concentration are both taken as matters of choice.

Recent research on assimilation, concentration, and segregation recognizes the importance of social and cultural considerations. For example, Verdier and Zenou (2017) who study assimilation, employ the concept of networks as a representation of social space; the outcomes of their modeling depend on the shape (density) of the network, and on the cost of expending effort to assimilate. Bezin and Moizeau (2017), who present a model of neighborhood formation in the context of cultural dynamics, link ethnic urban segregation with a preference for the preservation of certain cultural traits. However, these studies do not consider distaste of social proximity as a determinant of assimilation.

In order to explain why different communities of migrants exhibit different degrees of assimilation, we study the inner workings of the communities, asking how the characteristics of a community of migrants influence the community's equilibrium level of assimilation. Rather like in evolutionary biology, we “stress test” the prevailing equilibrium when a “mutant” migrant appears. The mutation takes the form of a migrant who has an enhanced ability to assimilate, brought about exogenously. The superior ability is expressed as a cost of assimilation that is lower than that of the other migrants. Henceforth we refer to this migrant as a mutant migrant.

We find that if undeterred, a mutant migrant will assimilate more than the other members of his community. When the mutant migrant acts on his enhanced ability to assimilate without impediment and obtains higher earnings, he exposes the other migrants in his community to more relative deprivation. The community will therefore have an incentive to safeguard the prevailing assimilation equilibrium and dissuade the mutant member from acting on his enhanced ability. The community's success in preserving the prevailing equilibrium depends on its ability to impose a sanction on the mutant so as to discourage him from acting on his enhanced ability; we refer to this ability as cohesion. The community's sanction takes the form of shunning, namely curtailing its affinity with, the mutant member. The sanction will harm the mutant member because it will push him further “into the arms” of the native population, increasing his proximity to the natives, which will exacerbate his relative deprivation.

Our model tracks the stability of the pre-mutation assimilation equilibrium as a function of the strength of the sanction / the degree of cohesion of the community. A tightly knit migrant community is able to impose an effective sanction to discourage a mutant member from acting on his enhanced ability to assimilate. Such a community can preserve the stability of the assimilation equilibrium. On the other hand, a loose-knit community will not be able to marshal the discipline and level of enforcement of a sanction that will render its sanction powerful enough to discourage the mutant from deviating. Unimpeded, the mutant member will then act on his enhanced ability to assimilate. But then, in response to the relative deprivation inflicted by the mutant's behavior on the “normal” members, these members will follow in his

³ The idea that relative income influences the individual's wellbeing dates back at least to Veblen (1899), who has shown that higher earnings of others can depress one's utility. Becker (1974) and Yitzhaki (1979) lay down theoretical foundations of a relative deprivation approach to comparisons between individuals. Recent empirical studies have demonstrated the importance of relative deprivation: Walker and Smith (2002), Eibner and Evans (2005), Luttmer (2005), and Clark et al. (2008). Cole et al. (1992, 1998), and Postlewaite (1998) explore the microeconomic foundations of the role of relative income in the determination of individuals' welfare.

⁴ The distaste for relative deprivation is not the only possible explanation for non-assimilation. For example, for migrants who derive utility from interacting with others who share the same culture or speak the same language, non-assimilation has a consumption value even if it reduces labor productivity. However, we do not consider this specific line of reasoning particularly revealing because, in and of itself, it is subsumed by our argument: as shown in subsequent sections, it is the fear of loss of this value that renders sanctions against a deviant migrant effective.

Download English Version:

<https://daneshyari.com/en/article/10127769>

Download Persian Version:

<https://daneshyari.com/article/10127769>

[Daneshyari.com](https://daneshyari.com)