



# Do family ties with those left behind intensify or weaken migrants' assimilation?

Oded Stark<sup>a,b,c,d,e,\*</sup>, Agnieszka Dorn<sup>d</sup>

<sup>a</sup> University of Bonn, Germany

<sup>b</sup> University of Klagenfurt, Austria

<sup>c</sup> University of Vienna, Austria

<sup>d</sup> Warsaw University, Poland

<sup>e</sup> Warsaw School of Economics, Poland

## ARTICLE INFO

### Article history:

Received 2 June 2012

Accepted 27 July 2012

Available online 13 August 2012

### JEL classification:

D01

D13

D64

F22

F24

### Keywords:

Assimilation of migrants

Acculturation identity

Links with the home country

Altruism

Remittances

## ABSTRACT

Strong ties with the home country and with the host country can coexist. An altruistic migrant who sends remittances to his family back home assimilates more the more altruistic he is, and also more than a non-remitting migrant.

© 2012 Elsevier B.V. All rights reserved.

## 1. Introduction

Summarizing the cross-cultural psychology literature, Nekby and Rödén (2010, p. 36) list the four acculturation strategies identified in that literature: “the first, integration, implies a strong sense of belonging to the ethnic group together with a strong identification to the dominant society. Assimilation implies a strong identification to the majority culture but weakened ties to the culture of origin, while separation is the opposite, a strong affiliation to the ethnic group but weak ties to the majority. Finally, marginalization implies weak ties to both the ethnic group and the majority.”<sup>1</sup> Perhaps the most intriguing “strategy” is the first of these four; after all, it is a widely held perception that strong links

with the ethnic group and the home country hinder identification with the majority culture and the host country.

In this paper we present a model that yields the “integration” strategy as an optimal choice of migrants, namely, we provide conditions under which the intensity of integration (the strength of the links with the host country, which is our measure of the “identification [with] the dominant society”) is correlated *positively and causally* with the strength of the links with the home country (which is our measure of “the sense of belonging to the ethnic group”).

In public debate, strong links with the ethnic community and the home country are often viewed as a hindrance to assimilation. Huntington (2004) expresses concern about migration without assimilation, and considers links with the home country to be one of the root causes of non-assimilation. Huntington (2004, p. 14) states: “Massive migrations, ..., have increasingly intermingled peoples of various races and cultures ... . As a result of modern communications and transportation, these migrants have been able to remain part of their original culture and community. ... For the United States, these developments mean that the high levels of immigration from Mexico and elsewhere in Latin America could have quite different consequences for assimilation than previous waves of immigration.”

\* Correspondence to: University of Bonn, Walter-Flex-Strasse 3, D-53113 Bonn, Germany.

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

<sup>1</sup> In what follows, we do *not* use the term “assimilation” as referring to one of the acculturation identities. Rather, we use the term to indicate the process by which a migrant acquires the culture, norms, and productive attributes of the host country. Specifically, in Section 2 we refer to assimilation as the acquisition of destination-specific human capital.

In the past two decades, the perception in the sociology and anthropology literature that, in the current era, migrants might simultaneously belong to more than one society and maintain strong links with their home country, has evolved into the concept of transnationalism.<sup>2</sup> In the discourse on assimilation,<sup>3</sup> transnationalism is perceived as “an alternative form of adaptation of immigrants to receiving societies that was at variance from what these traditional concepts [assimilation, acculturation, and incorporation] suggested” (Portes et al., 2002, p. 279).

Strong ties with those left behind affect, as well as reflect, the nature of migration (permanent versus temporary), and have an impact on any subsequent decision whether or not to return to the home country. If a migrant has strong ties with the family left behind and considers migration to be temporary, then his incentive to assimilate (for example, to accumulate human capital that is specific to the country of destination, to acquire “language capital”) will presumably be weak. Put differently, ties with the family left behind in the home country might affect the intended duration of the migrant's stay and thereby his effort to assimilate. This reasoning too could lead us to expect a negative causal relationship between the strength of the links with those left behind and the degree of assimilation.

Our framework also identifies an association between two themes in migration research that, by and large, have been studied independently of each other: assimilation and remittances. Interestingly, a factor that for quite some time now has been recognized as motivating remittance behavior, viz. altruism, is shown in this paper also to motivate assimilation behavior.

## 2. Analysis

Consider a migrant whose utility depends on the income that he spends in his host country, and on the income of his family in the home country. Correspondingly, we assume that the migrant's income can be divided between a part spent in the destination country, and a part remitted. The migrant adds to his initial endowment of labor by means of the acquisition of destination-specific human capital, to which we refer henceforth as “assimilation.” The migrant's income depends on the prevailing wage rate per efficiency unit of labor, and on his assimilation-augmented labor endowment.<sup>4</sup> Specifically, because we take the wage rate and the initial labor endowment as given, the migrant's income,  $Y(x)$ , is a function of his effort to assimilate,  $x$ . We assume that the function  $Y(x)$  is twice differentiable, increasing, and strictly concave.

Although a migrant's assimilation into the mainstream culture of his host country is likely to increase his productivity and earnings, it is costly: it requires acquisition of human capital that is specific to the country of destination (McManus et al., 1983; Lazear, 1999), and it intensifies contacts with the natives whose higher incomes give rise to a sense of relative deprivation (Fan and Stark, 2007; Stark and Jakubek, 2012). A migrant's assimilation might require him to undertake actions and assume behavioral patterns that are not in accord with his preformed identity, as in Akerlof and Kranton (2000), causing him distress.<sup>5</sup> We take the function  $C(x)$ ,

which we assume to be twice differentiable, increasing, and strictly convex, to encompass all the costs associated with expending effort to assimilate.

The share of the migrant's income that he remits is denoted by  $s \in [0, 1]$ . The extent to which the migrant derives utility from the wellbeing of his family is measured by the parameter  $\alpha \geq 0$ . The wellbeing of the migrant's family depends on its income,  $\bar{Y}$ , and on remittances received,  $sY(x)$ .

The migrant chooses his optimal effort,  $x^*$ , and the optimal share of his income to be remitted,  $s^*$ , so as to maximize the function

$$U(x, s, \alpha) = V((1-s)Y(x)) + \alpha W(\bar{Y} + sY(x)) - C(x) \quad (1)$$

over  $(x, s) \in [0, \infty) \times [0, 1]$  for a given  $\alpha$ . The utility that the migrant derives from income spent in the host country is represented by  $V((1-s)Y(x))$ , and the utility of the migrant's family in the home country is represented by  $W(\bar{Y} + sY(x))$ . We assume that the functions  $V$  and  $W$  are twice differentiable, increasing, and strictly concave.

In the specification of the utility function  $U(x, s, \alpha)$  in (1) we represent the intensity of altruism by a weight  $\alpha$  attached to the wellbeing of the family. When  $\alpha$  increases, the marginal utility from remitting increases, whereas the marginal utility derived from own consumption remains constant. While we would expect the migrant to remit more when  $\alpha$  is higher, the increase in remittances need not come about from the exertion of more effort.<sup>6</sup>

We assume that there exists an  $M$  such that  $U(x, s, \alpha) < 0$  for  $x > M$  and all  $s \in [0, 1]$ , and that  $U(x, s, \alpha) \geq 0$  for some  $(x, s)$ , which assures us that the utility function in (1) has global maxima.<sup>7</sup> To ensure that at any maximum effort is positive, we also assume that  $Y(0) = 0$ , and that the derivative of the utility function in (1) with respect to  $x$  when  $s = 0$  is strictly positive in the neighborhood of zero, namely, that  $\lim_{x \rightarrow 0} [Y'(x)V'(Y(x)) - C'(x)] > 0$ ; exerting no effort whatsoever to assimilate is not optimal. To exclude the possibility that the migrant remits his entire income, we assume that  $\alpha W'(\bar{Y}) < \lim_{z \rightarrow 0} V'(z)$ .<sup>8</sup> We next formulate two preparatory lemmas.

**Lemma 1.** *The optimal effort to assimilate exerted by the migrant,  $x^* = x^*(\alpha)$ , as well as the optimal share of income to be remitted,  $s^* = s^*(\alpha)$ , are functions of the weight that the migrant attaches to the wellbeing of his family,  $\alpha$ . If  $s^* > 0$ , then the maximum of the utility function in (1) is obtained as a unique solution,  $(x^*, s^*)$ , to the equations*

$$U_x(x^*, s^*, \alpha) = (1-s^*)Y'(x^*)V'((1-s^*)Y(x^*)) + \alpha s^*Y'(x^*)W'(\bar{Y} + s^*Y(x^*)) - C'(x^*) = 0 \quad (2)$$

<sup>6</sup> Building on Stark (1999, Chapter 1), we can consider an alternative specification of the utility function  $U(x, s, \alpha)$  with weights  $1-\alpha$  and  $\alpha$  attached to  $V((1-s)Y(x))$  and  $W(\bar{Y} + sY(x))$ , respectively. Namely, the migrant chooses  $(x^*, s^*)$  so as to maximize the utility function  $U(x, s, \alpha) = (1-\alpha)V((1-s)Y(x)) + \alpha W(\bar{Y} + sY(x)) - C(x)$  over  $(x, s) \in [0, \infty) \times [0, 1]$  for a given  $\alpha \in [0, 1]$ . Under this alternative utility specification, when  $\alpha$  increases, the relative weight on the utility from spending income in the host country,  $V((1-s)Y(x))$ , decreases, and remittances of a given amount,  $sY(x)$ , confer higher utility. It turns out that under this alternative utility function we can derive results akin to the ones reported in this paper, albeit under more stringent conditions. A detailed analysis of this case is available on request.

<sup>7</sup> These assumptions enable us to restrict the maximization of  $U(x, s, \alpha)$  with respect to  $(x, s)$  to a compact set  $[0, M] \times [0, 1]$ .

<sup>8</sup> From the assumption  $\alpha W'(\bar{Y}) < \lim_{z \rightarrow 0} V'(z)$  it follows that  $\alpha W'(\bar{Y} + sY(x)) \leq \alpha W'(\bar{Y}) < \lim_{z \rightarrow 0} V'(z)$  for all  $x$  and  $s$  which, when the migrant remits his entire income, that is, when  $s = 1$ , implies that decreasing  $s$  will yield marginal gains in the utility that the migrant derives from income spent in the host country that are larger than his marginal loss from lowering the utility of his family. Therefore, remitting the entire income cannot be optimal.

<sup>2</sup> See, for example, Glick-Schiller et al. (1992), Portes et al. (1999), Waldinger and Fitzgerald (2004), and Vertovec (2009).

<sup>3</sup> Vertovec (2009), especially Chapter 3, discusses and summarizes views on the relationship between transnationalism and assimilation.

<sup>4</sup> Mason (2001) assesses the impact of variables associated with assimilation, such as English fluency and self-identity, on the earnings of individuals of Mexican origin in the US.

<sup>5</sup> See also Davis (2007). Bénabou and Tirole (2011) attend to the tension between identities, and to how investment in “identity-specific capital” might interfere with assimilation.

Download English Version:

<https://daneshyari.com/en/article/5060324>

Download Persian Version:

<https://daneshyari.com/article/5060324>

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