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Community leaders and the preservation of cultural traits $\stackrel{\text{\tiny{$\%$}}}{=}$

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Abstract

We explain persistent differences in cultural traits of immigrant groups with the presence of community leaders. Leaders influence the cultural traits of their community, which have an impact on the group's earnings. They determine whether a community will be more assimilated and wealthier or less assimilated and poorer. With a leader cultural integration remains incomplete. The leader chooses more distinctive cultural traits in high productivity environments and if the community is more connected. Lump sum transfers to immigrants can hinder cultural integration. These findings are in line with integration patterns of various ethnic and religious groups.

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1. Introduction

It has been established since the 1960s that cultural integration is not a natural, inevitable process but that it regularly fails along religious lines (Herberg, 1983; Mayer, 1979) as well as ethnic dimensions (Glazer and Moynihan, 1963). Nevertheless, cultural integration seems to be an important goal in many countries, such as the Netherlands, the US, France and Germany (Brubaker, 2001; Schalk-Soekar et al., 2004) who all pursue assimilationist policies. This raises the question of how immigrants adapt. When does cultural integration fail? Why does it often fail along *religious* and *ethnic* lines?

We address these questions and show how cultural and economic differences between immigrant communities and their host country persist in the long run, despite exposure to the culture of the host country and economic gains from assimilation.² We offer a novel explanation for this phenomenon, namely, community leaders who influence the identity of their community and thus act as identity entrepreneurs. Our notion of identity follows (Akerlof and Kranton, 2000, 2010) in that it denotes a sense of self. In the immigration context a higher identity corresponds to stronger identification with the culture of origin. This in turn implies that lower identity indicates greater assimilation. We show in a dynamic model of assimilation how leaders who benefit from a community that identifies with its origin culture prevent complete integration of immigrants.

Community leaders are common in immigrant groups. Despite this, the notion of a leader who creates a cultural identity is new to economics. We therefore shed some light on the leaders we consider, on who they are and in particular on their preferences. We show that they care both about the identity and the economic well-being of their community. Last, we present evidence that leaders are in fact able to influence the identity of their community.

We first turn to immigrant churches as they frequently fill the role of community leaders. As an illustrative example, we argue that in Turkish communities in Germany the leadership role falls to Imams and in particular the "DITIB", an institution of the Turkish government. The DITIB employs the majority of Imams (Yasar, 2012) and can thus be seen as the ultimate leader. This institution follows a Turkish tradition of influencing cultural traits through Imams. Their impact was first recognized by Atatürk who harnessed them for his own political goals. He initially used Imams to mobilize the Turkish people in the Turkish War of Independence and later to shape the beliefs of the Turkish people, in particular emphasizing that a state-conform and moderate Islam was taught, often against the wishes of the Imams themselves. Atatürk achieved this by creating an organization that employed Imams directly and that ultimately led to the change he had aimed for (Ceylan, 2010).

Imams influenced the norms and values of their communities in historic Turkey, and they continue to do so in their communities in modern Germany: through their sermons and teachings they affect the assimilation of Turkish immigrants. According to Ceylan (2010, p. 17), the political and religious orientation and the attitude of Imams towards the German government *decide* whether Muslims will be integrated in German society.³

 $^{^{2}}$ As an example, gains from assimilation are higher earnings if an immigrant conforms to the norms prevalent in the host country, which in turn enables him to be more successful in the native labor market, see Kantarevic (2004).

 $^{^{3}}$ To be more precise about what features of norms and values Imams influence we consider the impact of being part of a Muslim community on the attitude to female labor force participation. Generally, those who identify with being

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