

Social Housing and Location Choices of Immigrants in France

IZA- Bonn - In the context of increasing ethnic and racial tensions in several European countries and growing influence of far right political parties in some of these countries, welfare use by immigrants (and more generally, the cost of immigration) is gaining importance in both the political and scientific debates. Research on this topic has emerged in the 1990s' in the USA leading to some controversial findings (Borjas (1990); Borjas (1999); Kaushal (2005)). In Europe, and particularly in France, such studies remain very rare. Recently, some empirical research tried to measure immigrants' responses to differences in welfare systems across European countries. The idea is to measure the extent to which the choice of a destination country within the European continent is correlated with the more or less generosity of its welfare system. Research on this topic finds little empirical

support to the welfare magnets hypothesis elaborated by Borjas (Brucker, Epstein, McCormick, Saint-Paul, Venturini, and Zimmermann (2002); Nannestad (2007)). Moreover, several studies address the issue of the validity of the welfare magnets approach in the European context. Immigration legislations and policies are so different across European countries, on the one hand, and the process of legal immigration is so difficult in the context of restrictive policies widespread all over the continent, on the other hand, that speaking of immigrants' choices of their destination country is quite unrealistic. Evidence has been more convincing on immigrants' responses to geographical differences in the sizes of the foreign-born populations, or co-ethnics populations, rather than to welfare differentials (Card (2007); Edin, Fredriksson, and Åslund (2003); Zavodny (2005)). Network effects seem to be more powerful than welfare magnets.

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