# Who welcomes them? Determinants of the spatial distribution of asylum seekers in Italy

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#### **Abstract**

This paper investigates the institutional and socio-economic determinants of the location of asylum seekers in the case of Italy where, to face the pressure of arrivals, a complex multi-level system of hosting has been set up. In this system, asylum seekers are allocated to local communities through periodic calls (i.e. with a bottom-up procedure where communities bid for them). This makes it an interesting case, in which local attitudes can be studied as dependent from cultural and political values and economic opportunities. The econometric analysis explores the economic, social and political drivers of such redistribution findings that social capital is negatively related to willingness to host asylum seekers, probably due to the desire to maintain cohesive communities.

Keywords: Refugees, Migration, Social Capital, Italy

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# Who welcomes them? Determinants of the spatial distribution of asylum seekers in Italy

#### **Abstract**

This paper investigates the institutional and socio-economic determinants of the location of asylum seekers in the case of Italy where, to face the pressure of arrivals, a complex multi-level system of hosting has been set up. In this system, asylum seekers are allocated to local communities through periodic calls (i.e. with a bottom-up procedure where communities bid for them). This makes it an interesting case, in which local attitudes can be studied as dependent from cultural and political values and economic opportunities. The econometric analysis explores the economic, social and political drivers of such redistribution findings that social capital is negatively related to willingness to host asylum seekers, probably due to the desire to maintain cohesive communities.

### 1. Introduction

Civil wars, political instability, fear and uncertainty are affecting the lives of millions of people and families in Africa and the Middle East. To escape the fury of these tragic events, an unprecedented mass of refugees, migrants and asylum seekers are fleeing their countries of origin and moving towards Europe. The distinction between the three categories is not straightforward, as economic migrants often apply for asylum, and hence only a part of asylum seekers obtains a form of legal protection and hence officially qualifies as refugees, while another is denied and normally considered as generic migrants (Percoco and Fratesi, 2018).

The UNHCR (2016) estimates that more than 1 million people arrived in Southern Europe by boat during 2015, most of them from Afghanistan, Iraq and Syria. The majority of these arrived through the Aegean Sea from Turkey to Greece, while another important proportion came to southern Italy from Libya. This latter route is affected by the intervention of Italian and European ships under Operation Triton, managed by Frontex (the European Union's border security agency). While southern European countries are generally not the final intended destination of refugees, they are the front-door of Europe and, under current European border legislation, have to identify and manage the process by which the eligibility for asylum is determined. This should in principle last 30 days but de facto spans several months and quite often over one year. In fact, the Dublin Regulation (Regulation No. 604/2013) aims at preventing asylum seekers from submitting applications in different countries at the same time and as such stipulates that the responsible Member State will be the one through which the asylum seeker first entered the EU. Mechanisms of re-allocation are also introduced (European Commission, 2015). For instance, the European Extraordinary Justice and Home Affairs Council of September 22, 2015 decided to relocate 120,000 refugees in two years, but these mechanisms are still little effective and only concern a minority of people.

In a period of significant economic and political uncertainty, which followed the big crisis even and especially within the borders of the European Union, regions and cities of southern European countries are therefore currently facing the challenge of hosting a large number of people. This is combined with the perspective of receiving many more if the political problems in North Africa and the Middle East are not solved in a reasonable amount of time.

In this paper, we study the determinants of the spatial distribution of asylum seekers, i.e. those individuals who apply for asylum after arriving in Europe, before distinguishing between those which are eventually granted protection and those who are eventually denied it and are hence considered as migrants. The selected case is the one of Italy, a country that, because of its baricentric position in the Mediterranean Sea, is among those hosting more asylum seekers in Europe. Moreover, in this country the distribution of asylum seekers across locations is not the outcome of a free choice of these

individuals or a decision by the State. Instead, it is the result of a bargaining process between the central government, local authorities and operators, mainly not-for-profit firms and associations. As a consequence, asylum seekers in the ordinary hosting system are not allocated with a top-down procedure but are instead allocated to those communities which successfully bid for them. This makes for an interesting case study, in which local attitudes, preferences and economic opportunities are all at play.

The location of asylum seekers does not, therefore, depend on their own preferences<sup>2</sup>, but on the attitudes and preferences of Italian local communities towards their hospitality. This is expected to be driven by social, institutional and political settings. However, economic reasons are also likely to be relevant, as the central government pays a daily fee to those who host asylum seekers and this might represent a significant opportunity for places facing economic distress.

Among the factors of various nature, social capital in particular may be thought to play a fundamental role in such processes. Banfield (1954) in fact argued for a positive correlation between pro-social or cooperative behavior and generalized trust or even the willingness to provide help and assistance to others. However, it is possible that social capital, in the notion which is commonly used, is not as wide-encompassing to include people coming from other continents. We assume that the mechanism for the spatial distribution of asylum seekers reveals local attitudes, especially for those provinces completely unavailable at hosting (13 out of 103). This feature in the data, that will be discussed in section 3, also poses issues of truncation in the dependent variable that need to be addressed in the econometric analysis.

Our econometric analysis, conducted at a finer spatial scale (NUTS3), confirms that social capital in Italy is negatively correlated with the decision of local communities (in the forms of local public entities and civil society) to accept asylum seekers.

Taken together, these results cast some doubts about the genuineness of "generalized trust", as the extent of such feelings and propensity is perhaps limited in space and may even impact negatively on some specific pro-social norms.

The paper starts with a review of the literature regarding the evidence available on the environmental, political and economic determinants of mass migration flows, while also considering the impact of refugees on innovation, wage structure and local development in general. The paper then proceeds with an empirical analysis of the spatial distribution of asylum seekers and refugees in Italy, in order to investigate to what extent the different factors are at play in local attitudes towards refugee hosting.

<sup>&</sup>lt;sup>2</sup> Only when their asylum request is accepted do refugees become free to choose their favourite domicile.

# 2. Institutions and the spatial distribution of asylum seekers and refugees

## 2.1 The institutional setup

The literature has primarily focused on the impact of migrants on labour markets and the location decisions of ethnic minorities (Dustman and Preston, 2001; Dustman et al., 2008), while little is known about the location of asylum seekers and refugees across space, especially at a sub-national level. However, obtaining more precise knowledge of national redistribution schemes is becoming essential, since the bargaining among European countries to share the refugees' hosting has also become tighter.

One of the few studies trying to propose corrections for the refugees' redistribution program (which is stated in the European Agenda on Migration (European Commission, 2015a) and still not functioning), is the one by Rapoport and Fernandex-Hertas (2015). In particular, they consider a market for tradable quotas of refugees (with correction on the basis of refugees' and states' preferences), advancing the idea that a competitive market may help to reach an efficient allocation. In this "market", countries would trade quotas previously assigned according to the allocation scheme proposed by the European Agenda on Migration and equilibrium would be reached, while also taking into consideration a combination of refugees' and states' preferences.

Thielemann et al. (2010) present a review of the allocation mechanisms across Europe. According to this work, refugees in the UK were assigned to local authorities on the basis of indicators such as number of refugees per capita. In Germany, the spatial distribution of asylum seekers was decided by the federal government, and local authorities did not play a significant and explicit role. In Sweden and France, refugees chose where to locate almost freely and public funds were allocated consequently.

In reality, national pictures were already more complex in 2010 and are even more complex now than those emerging from the previously mentioned and other comparative works. For example, regarding the situation in the UK, there are many rigorous papers dealing with asylum seekers' dispersal policies which are exclusionary and always more privatized (Darling, 2016; Hynes, 2011; Phillips, 2006 and Robinson et al., 2003). However, there is also evidence from other countries such as Germany and France, where the allocation of refugees involves both national and local administrative units, although with different criteria.

Interestingly, the mechanisms at work at a subnational level in France and Italy also mimic a market mechanism; local authorities participate in hosting calls issued at the national level.

In Italy, basically, there are three phases associated with the arrival and stay of asylum seekers:

- 1. The arrival, at points mainly located, for geographical reasons, in the south of Italy and in Sicily, with first hospitality essentially set up under national government management.
- 2. The geographical distribution of asylum seekers from the moment they are waiting for the verdict on their refugee status until six months after a positive answer to it or the end of their first recourse.
- 3. After successful dismissal from the hosting system, refugees can settle according to their preferences.

In this paper, we consider the allocation mechanism of the second phase, the one between the asylum request and the dismissal from the hosting system, since this period involves several public and private entities and may shed light on the attitudes of territories to hosting asylum seekers, which are not yet officially refugees or denied asylum.

Furthermore, we consider only the ordinary hosting through SPRAR (Sistema di Protezione per Richiedenti Asilo e Rifugiati – Protection System for Asylum Seekers and Refugees) and not the extraordinary one, mainly provided by CAS (Centri di accoglienza straordinaria – Centres for the extraordinary hosting), as the latter are managed more under government supervision.

The SPRAR is organized in the form of a multi-level governance structure, in which local authorities and not-for-profit organizations form a coalition, called *progetto territoriale* (territorial project), to host a given number of asylum seekers.<sup>3</sup>

It should be noted that asylum seekers not only are granted accommodation and food, but also a series of ancillary services with the aim of improving the conditions of their integration in order to achieve an independent and satisfactory post-hosting life.

The Ministry of Interior issues a call for proposals to allocate funds to host asylum seekers. Local authorities apply by proposing drafts of their *progetti territoriali*, which are then selected on the basis of quality indicators for services and hosting capacity.

Our framework relies on the multi-level governance of the system of hosting and spatial re-location of asylum seekers, as schematized in Figure 1.

#### [Figure 1 about here]

The flows of asylum seekers crossing the Mediterranean Sea express a demand for hosting, which the government forwards to local communities. The crucial issue in our analysis, however, is on the

<sup>&</sup>lt;sup>3</sup> For an analysis of multi-level governance in Italy, see Percoco (2016) and Percoco and Giove (2009).

supply side, as expressed by local institutions and local civil society eventually engaging in *progetti territoriali* as expressions of the willingness to host asylum seekers.

In our analysis, we assume that local institutions and bodies of the civil societies (as also not-for-profit organisations) reflect attitudes of residents, expressed through voting and participation. For example, natives, by voting for the centre-left or for the centre-right reveal their preferences for the willingness to host asylum seekers, since this issue is currently very salient and owned by centre-right parties.

#### [Figures 2 and 3 about here]

As can be seen in Figure 2, there has been a dramatic increase in the total number of asylum seekers hosted through the system of *progetti territoriali*, with a threefold increase between 2012 and 2013 and a doubling between 2013 and 2014. Figure 3 shows that, in 2015, provinces involved in the hosting through SPRAR were 92, with the highest per capita number of asylum seekers hosted in Crotone (0.27%), Agrigento (0.26%) and Rieti (0.15%). This illustrates little overlapping with the provinces of arrival. In 2015, there were 430 *progetti territoriali*, involving 376 local authorities (municipalities, provinces, metropolitan areas, mountain communities and a union of municipalities). Interestingly enough, the SPRAR system is an indicator of revealed preferences of territories to host asylum seekers, because of the involvement of several levels of government and the public-private partnership nature of *progetti territoriali*. Furthermore, the sharp increase between 2012 and 2015 shown in Figure 2 makes the spatial distribution of asylum seekers an interesting quasi-natural experiment to study the territorial attitudes of provinces and their determinants.

### 2.2 Social capital and the spatial distribution of asylum seekers

In this paper, we propose and test the assumption that social capital is negatively correlated with the attitudes of residents towards asylum seekers.

Social capital is widely considered as a fundamental ingredient for the well-functioning of modern democracies since citizens of societies with high social capital tend to obey more strictly to laws and social norms (Putnam, 1992). These societies are also characterized by higher levels of economic prosperity and altruism among the members (Akcomak and Ter Weel, 2009; Berggren et al., 2008; De Blasio and Nuzzo, 2009; Knack and Keefer, 2002; Tabellini, 2010; Zak and Knack, 2001).

However, the literature has recognized a dual valence of social capital along two dimensions (Putnam, 2000): bonding and bridging. The first should help individuals by keeping stable links among individuals that strongly feel to be part of the same community. These individuals share values, social

norms and often the territory in which they are located. Bonding social capital, therefore, does not predict openness towards individuals arriving from distant places with very different cultural backgrounds.

Bridging social capital, on the other hand, should help individuals by allowing them to make connections and safely deal with other people they do not know. Bridging social capital is therefore more related to openness, as it makes it easier to see the opportunity of meeting and relating to different people. The presence of voluntary associations is generally linked with bridging social capital in the literature. The engagement of residents in associations and organisations is also a manifestation of pro-social behaviour, although this can be characterised by varying degrees of altruism. In particular, the prevalence of bonding social capital with respect to the bridging component may lead to the participation in associations and organisations dedicated to the provision of services to local communities.<sup>4</sup> As stated by Amin (2005), the prevalence of bonding over bridging or *vice versa* is a matter of how community takes on different meanings in different conditions of economic and social well-being and in different institutional settings.

A feature often highlighted with respect to the density of social capital is reciprocity or the expectation of community members that other members will obey to social norms, will be altruistic and will provide help and assistance. This feature makes community stronger to external threats and resilient to shocks. However, those communities may also be more wary towards strangers with different cultures. There is also a literature observing that, historically, the diffusion of divisive ideas in politics is made easier by stronger social capital (Satyanath et al.; 2013), and that lower acceptance of asylum seekers can be seen as a clear sign of closure. However, it is also interesting to note that, at the time of our analysis in 2015, economic conditions were precarious because of long-lasting crises and that our results are an indication that local communities with strong internal ties tend to increase their closeness in periods of economic downturn. During these times, the allocation of financial and non-financial resources may strongly privilege members of the community over outsiders. In this respect, we think that local communities are crucial in explaining attitudes and preferences of residents towards strangers, especially becasue asylum seekers normally do not settle in an area for long periods, so that the construction of long lasting relationships, a prerequisite for cohesion and integration, is difficult.

The relevance of communities was clearly recognized by the UK Community and Local Government (2008), when stating: "community cohesion is what must happen in all communities to enable different groups to get on well together. A key contributor to community cohesion is integration

<sup>&</sup>lt;sup>4</sup> For an analysis of the interactions between communities and formal institutions, see Rodriguez-Pose and Storper (2006).

which is what must happen to enable new residents and existing residents to adjust to one another" (p. 10).

In our view, the perception of the likelihood of social and cultural integration of asylum seekers once they are accepted as refugees is key in shaping attitudes and preferences of residents. As stated by Saggar et al. (2012), integration depends on the dilution of differences among groups, but in this process, a strong sense of community may be an obstacle. What matters for integration is the extent to which all groups embrace the same values of civicness, rule of law, social norms in general. In this context, members of a community with strong identity and high social capital may perceive as unlikely to happen the integration of asylum seekers and hence they are perceived as a foreign body. The metaphor of the foreign body is useful in the sense that it presupposes the existence of two separate bodies, i.e. societies: the one of residents in the destination country and the one (or many) of asylum seekers (or even migrants). In fact, strong social capital ties in migrants communities may hinder integration and hence acceptance by receiving communities. A vast literature has in fact analysed the impact of ethnic networks on integration, finding a variety of outcomes (Bakens et al., 2013). In some cases, ethnic ties may work as safety nets for low income migrants and hence as devices to be used to find low wage jobs (Danzer and Ulku, 2011), in other cases, those are used for commercial reasons, as in the case of Chinese and Vietnamese communities (Kitching et al., 2009). Social capital among members of a community may also promote self-employment, but very often it is an obstacle to firm growth, so that ethnic firms remain entrapped in a small size status (Anthias and Cederberg, 2009; Jones et al., 2012). Overall, social capital of migrant communities often takes the form of bonding social capital and even in these cases, it acts as deterrence to bridging social capital with the community of residents. However, it should be noted that social capital in ethnic communities requires the formal integration of migrants in hosting communities, that is migrants need to settle before establishing ties with other migrants members of homogeneous communities. In this study, we consider the acceptance of residents for migrants not yet settled, therefore the empirical relevance of ethnic social capital is limited, if not negligible.

The arrival of foreigners can also have an impact on the social capital of residents, increasing the cost of investing in it, with outcomes such as the reduction of volunteering (Freire and Li, 2018).

A period of deep economic crisis may exacerbate anti-asylum seekers attitudes because, in hard times, communities might tend to close with respect to the external world. Italy is in fact one of the countries which most suffered the economic crisis which started in 2007-08, and in particular experienced a second dip with the so called public finance crisis (Moro and Beker, 2016). The country is one of the few which has yet to recover the pre-crisis values in terms of real GDP per person, and this after a long period of stagnant growth (Fratesi, 2017).

In this difficult situation, the provinces with more social capital could, more or less explicitly, tend to devote their resources, which are increasingly limited, to the members of the community itself, rather than opening themselves to people coming from other continents in which they don't see too many similarities. Communities with less social capital, on the other hand, might be less able to gather together, and as such less able to close to people coming from the external.

As a consequence, although in general, social capital is considered to play a crucial role in the determination of institutional collective actions (Percoco, 2016), in this case in the form of *progetti territoriali*, the long-lasting economic crisis might have changed the mechanism for the allocation of resources. Communities with strong social ties may prefer to allocate more resources to its members, as opposed to communities with weak ties among its members. Although we cannot directly test this hypothesis, we will test for the negative sign of the correlation between the number of asylum seekers in Italian provinces and the level of social capital, which may be an indicator of the fact that social capital, as commonly defined and measured, is not including altruism towards people coming from too far and very different communities.

Provinces with more social capital may hence be less likely to harbour asylum seekers. The negative sign can be expected, given the social structure of Italian provinces. Those with more social capital, in fact, also tend to be more internally cohesive, with communities sharing values and (especially) an identity. These tend to be small-city provinces, often in northern Italy, where the arrival of groups of asylum seekers in the middle of the town can be seen as possibly disrupting the social tissue. Since the communities have to apply for a bid in order to host asylum seekers, persons, associations and administrations which bid can be seen as those who disturb a way of living characterized by internal cohesion and peaceful quality of life.

Provinces with less social capital, on the other hand, are less cohesive. In this case, with less fear of reprisal<sup>5</sup>, it is easier for altruistic organizations willing to provide hospitality to asylum seekers to bid, as well as for unconcerned entrepreneurs looking to grasp the economic opportunity to host asylum seekers in otherwise run-down touristic structures.

<sup>&</sup>lt;sup>5</sup> Recently, newspapers recorded protests against hotels hosting refugees in a number of Italian small towns, such as Collio (BS) (http://brescia.corriere.it/notizie/cronaca/15\_agosto\_29/collio-non-vuole-profughi-assediato-l-hotel-che-liospita-brescia-f6247b00-4e25-11e5-a97c-e6365b575f76.shtml), San Genesio (PV)

<sup>(</sup>http://laprovinciapavese.gelocal.it/pavia/cronaca/2014/03/21/news/rifugiati-condotti-a-pavia-all-alba-lega-li-accoglie-con-presidio-di-protesta-1.8893852) San Zeno (VR) (http://www.veronasera.it/politica/prada-manifestazione-lega-nord-contro-rifugiati-lago-garda-15-novembre-2015.html), Cosio Valtellino (SO)

<sup>(</sup>http://www.rainews.it/dl/rainews/articoli/Valtellina-nuove-minacce-a-albergatore-che-ospita-i-profughi-Diamo-fuoco-a-hotel-948de8ff-8fff-4fc2-ae47-7efeb52ecf76.html) and, more recently the working-class Gorino (FE)

<sup>(</sup>http://www.lastampa.it/2016/10/26/italia/cronache/tra-le-barricate-di-gorino-alla-fine-del-po-non-razzismo-abbiamo-paura-tYoV6YB7tFpFZuQgaGmYBN/pagina.html) and the leftist but elitist Capalbio

<sup>(</sup>http://www.corriere.it/cronache/16\_agosto\_13/migranti-cinquanta-profughi-le-ville-vip-anche-capalbio-fa-barricate-efedd9fa-6118-11e6-8e62-f8650827a70c.shtml).

# 3. The determinants of the spatial distribution of asylum seekers: an empirical analysis

# 3.1 Conceptual framework

In this and the following subsections, we analyse empirically the attitude of local communities towards asylum seekers, proxied by their spatial distribution. This analysis is intended to shed light on the determinants of this attitude, and in particular on the role of social capital among its determinants.

The conceptual model considers the attitude of hosting asylum seekers in a province i ( $ATT_i$ ) as a function of economic, political and cultural factors.

$$ATT_i = \alpha Economy_i + \beta Politics_i + \gamma Culture_i$$

In particular, economic factors reflect the opportunities arising from hosting asylum seekers in a system which rewards those who host them by paying for their accommodation with money coming from the central government budget, during the period of time in which these people are waiting for the outcome of their asylum demand and, not being allowed to work, don't have any displacement effect on the locals in the labour market. As such, especially in times of distress, a lagging or stagnant economy is expected to increase the willingness of local communities to host asylum seekers for the time necessary to assess their demand.

Since asylum seekers are not allowed to work until their application is successfully approved<sup>6</sup>, they do not have an impact on the labour market of regions. As a consequence, they don't constitute an increase in the labour supply of regions and, as such, don't affect the ability of local firms to find cheap labour, nor they affect the possibility of local persons to find or lose a job. In this sense, local economic variables are not directly affected by the presence of asylum seekers.

Political and cultural factors also are expected to affect the willingness to host. Among these factors, it is important to single out the role of social capital, because its impact is not trivial and can be negatively related to the attitude towards hosting, as evidenced in the previous section.

Other political and cultural factors are the political orientation of local people. In the case-study

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<sup>&</sup>lt;sup>6</sup> To be precise, from the 30<sup>th</sup> of September 2015, i.e. after the applications to the bid under investigation here, asylum seekers can legally work if they don't receive a reply to their application within a given time. Even after that, de facto, they very rarely enter the labour market.

country, in fact, there is a very important divide between the left-wing parties, which are, with different nuances, pro-immigration and pro-asylum, and the right-wing parties which are, also with different nuances, against.

It is also important to consider to what extent local communities are exposed to foreigners, as this can change, by allowing direct personal connections, the attitude towards foreigners. For example, in the UK case, the constituencies with a higher number of immigrants tended to vote more against Brexit (Crescenzi et al., 2018).

Other variables will be included in the regressions of the next sub-sections as controls in order to reduce, as far as possible, any unobserved heterogeneity.

Two conceptual and methodological aspects deserve mentioning.

The first one is the transition between the actual attitude of a local community and a measurable variable. Indeed, some communities might be very asylum-seekers averse, while others might be very open. It turns out that the attitude variable is not bounded above or below. This is an issue because any measurable proxy variable (e.g. the number of asylum seekers per capita which is used in the paper) has a lower boundary at 0. This is accounted for in the empirical estimations by adopting a Tobit model.

The second aspect concerns the spatial scale on which to measure the phenomenon. Indeed, there is not a perfect one, since these processes involve choices which are often made at the level of municipality, but generally also involve provincial and regional governments, as well as other intermediate public and private bodies. As a consequence, the paper adopts a Nuts3 scale which is not as fine as the one where the locations are finally assigned, but is small enough to be representative of the local community feelings which are expected to be quite homogeneous inside.

#### 3.2 Measurement and variables

The dependent variable measures the attitude of these communities towards asylum seekers. It is proxied by the number of asylum seekers per capita (ASPC) in SPRAR in 2015 in the province (Nuts3 level). Because this number is due to the successful bidding of local communities to host refugees the measured variable is actually a manifestation of the latent variable (ATT) which is not lower-bound to zero, since local communities cannot have lower than zero asylum seekers per capita. This issue will be overcome in the estimations through a Tobit model.

$$ASPC_i(ATT_i) = \alpha Economy_i + \beta Politics_i + \gamma Culture_i + Controls_i + \varepsilon_i$$

The regression test whether economic, political and cultural factors, and social capital in particular, affect the attitude towards hosting asylum seekers in provinces. The included variables, which are expected to be related to the likelihood to host these refugees, are listed in Table 1, with their sources.

#### [Table 1 about here]

Among economic opportunity variables, included are unemployment rate and the value added per capita. In particular, low income and high unemployment provinces should be keener on taking the opportunity of hosting asylum seekers, because hosting them is financed by the state, so that the communities where they stay, and in particular the bodies involved in the hospitality, receive money transfers.

Among political and cultural factors, we first consider a dummy variable indicating the political party ruling in the province. This variable assumes three possible values: right (against hosting), left (favourable to hosting), and extraordinary administration.

Among cultural aspects, social capital is especially relevant, and in this case an index of social capital is used, which encompasses all the measures of social capital which are normally used in the literature. The use of this index has become rather standard in the Italian case since its calculation involved the production of a large number of indicators, whose availability is normally scarce. The index has been calculated by Cartocci (2007) using four different sub-indicators, the first two related to the relationship between the citizen and political life, one active (electoral participation) and one passive (personal information through the diffusion of newspapers); the other two address the presence of networks and the attitude towards the fellow citizens, and include the blood donations and the share of population being member of sport associations. As expected (see Figure 4 in the Annex), this index is clearly correlated to the well-known North-South dualism of the Country, but there are important differentiations within the macro-areas which, together with the use of North-South controls, ensure the reliability of the use of the measure. In addition to this, the index by Cartocci is not directly related to economic variables, as none of the four sub-indicators is the outcome of personal income.

We also control for the past presence of foreign residents, because this might influence the likelihood of wanting to host more foreigners in the region

Finally, the regressions control for a number of other controls not directly linked with economics, politics and culture with other objective regional situations.

The first control is for the population density of regions. Less dense regions, in fact, are naturally a target for asylum structures which may need to be quite large and are difficult to be located in places which are already crowded. The inclusion of this control is due to the fact that the Italian government

explicitly consider it easier to harbour asylum seekers in a dispersed setting, even by setting maximum targets (in practice not binding) and encouraging communities of inner peripheries to host them.

The second control is on whether the province belongs to the Mezzogiorno (the Italian lagging South) or not. In fact, many socio-economic variables in the Italian case have a divide along this line, so failing to include this control would risk getting this rather than the actual variable.

Along the same line of reasoning, also the arrivals of asylum seekers, for geographical reasons, takes place predominantly in the Mezzogiorno. For this reason, the regressions include two dummies, one for the Mezzogiorno provinces with arrivals, and one for those without.

The third control is whether the regional chief-town is located in the province or not, because these provinces tend to assume a larger political relevance as well as a more important presence of different types of formal institutions which are normally only present in regional chief-towns.

Finally, we also control for whether the province is a point of direct arrival for asylum seekers, as this might influence the amount of asylum seekers which are voluntarily hosted in the second phase. This control variable cannot be included together with the Mezzogiorno one because, as already mentioned, all provinces of arrival belong to the South.

## 3.3 Regression results

Table 2 reports the Tobit regression results in six different models, with robust standard errors. All of them share the same dependent variable, i.e. the number of asylum seekers on population which is a trunk to zero proxy for the attitude so that OLS would be biased.

The results are consistent among the different specifications, with only a few coefficients become slightly more significant in some specifications. However, all of them normally hold the same sign and the same magnitude<sup>7</sup>.

The first two regressions include only the economic opportunity variables and the controls, the second two regressions only include the political and cultural factors variables and the controls, while the third two regressions include all regressors. The regressions are presented in couples because we could not use together a control for regions belonging to the Mezzogiorno and for regions of arrival of refugees, since they are clearly correlated.

It is now possible to analyse the results starting from the economic variables (Table 2). There does not appear to be an impact of the value added per capita, but there is a significant and positive coefficient for the unemployment rate. This means that asylum seekers are not seen as an input to the

<sup>&</sup>lt;sup>7</sup> Note that data availability of many variables (especially social capital) prevents to build a panel and hence estimations have to be held to a cross section.

labour market in provinces with high income per capita, but are more likely to be hosted in provinces with high unemployment rates. Although it is not possible to test if the conjecture is correct, it is possible to speculate that, for those provinces with higher economic distress, as measured by unemployment, hosting asylum seekers in the second phase provides opportunities to get additional income and economic activities, linked to the system of hosting.

Politics also has an influence, although one which is lower than expected. Having a right-wing administration tends to decrease the number of hosted asylum seekers, but not as much as expected and only significantly in one of the Tobit models (although the coefficient remains substantially unaffected throughout).

The number of foreign residents, as expected, affects the perception and attitude of local communities towards hosting asylum seekers, as this attitude is influenced by past behaviours and the spontaneous location of foreign immigrants. The coefficient is positive and significant in three out of four regressions, and nearly significant in the fourth one.

The one of social capital is the most evident result of the regressions. The coefficient is negative and significant in all the specifications. The coefficient is higher when economic opportunity variables are not included, signalling that it might be partly collinear to them, but remains negative and significant in all cases.

Some interpretation is helpful for what emerges about the controls.

As expected, less dense provinces tend to accommodate more refugees per resident person, as they have more available space for structures linked to the hosting. The coefficient of density is only significant in two regressions, but is always negative with the same magnitude.

The presence of a regional chief-town does not appear to influence significantly the presence of asylum seekers, although the coefficient is always positive.

Finally, it also emerges that points-of-arrival-provinces are generally less likely to host asylum seekers in SPRAR (with a sort of specialization of provinces, either in the first or in the secondary hosting), although the coefficient loses significance when the economic opportunity variables are not included.

The possibility of having spatial effects in these regressions remains, as the willingness to host asylum seekers might depend on what happens in nearby provinces, In order to check this, in Tables A1 and A2, included in the Annex, the same six estimations of Table 2 are presented using robust OLS and a robust SARAR model, explicitly including spatial lags and spatial errors in the estimations. The results are consistent with those of the Tobit model, in particular, the results on social capital and unemployment rate as most significant determinants are confirmed. Other coefficients, such as of Population density, become more significant, while others such as the share of foreign residents

become less significant, but in all cases conserving the same signs and similar magnitudes to the ones of Table 2.

#### 4. Conclusions

This paper analysed the attitudes and determining the willingness of local communities to host asylum seekers before they are granted or denied refugee status. Some determinants were expected to act in this processes: the economic situation of places, including the unemployment rate; the political attitudes of communities, since some political parties are pro-migration and others are against it; and finally, the social capital of places.

These assumptions, were analysed in the case of Italy, which is interesting because in this country there are three phases asylum seekers must go through during their application process. The first phase is the hosting in the first days and weeks after arrival, in which it is the government which sets up structures to serve as host points for newcomers. During the second phase, asylum seekers need to wait for the outcome of their application. The mechanism set up for this phase is peculiar, since in SPRAR (the scalar fix of the hosting in Italy) it involves bids to provide places for asylum seekers, where participants are local administrations involving entities from civic society. In this way, the distribution of asylum seekers in this phase is not due to centralized planning, nor to a free choice of the asylum seekers, but to a bottom-up process from the local communities. As a consequence, actual distribution can reveal local entities' attitudes towards asylum seekers.

During the third phase, when the asylum demands of refugees are approved, they are dismissed by the hosting system, leaving them free to choose where to locate.

The second phase is, therefore, the most interesting and innovative with respect to the existing literature, since it becomes the result of bottom-up collective action and is the one analysed in the paper.

Results show that, on the one hand, economic variables play a role which is significant and in line with the expectations, with provinces with higher unemployment being more willing to host asylum seekers because this could provide economic opportunities in the hosting system which is financed by the state.

Furthermore, the political variables also play an important role, although not always statistically significant, with provinces administered by the right hosting less asylum seekers.

What is most interesting is that social capital is a very significant factor in explaining why some provinces are hosting more asylum seekers than others, and especially because the sign for this variable is always negative and significant, implying that regions with more social capital are less

likely to host the asylum seekers.

We interpret this as evidence that, firstly, social capital cannot go as far as to connect people from different continents and cultural backgrounds with a high dependence ratio. Secondly, the arrival of asylum seekers may be seen by people as damaging to the social tissue of a community, especially in those places where it is particularly cohesive. Consequently, it is easier to bid to host asylum seekers for private entities and administrations in places with less cohesive communities, as social ties are looser and self-identification is lower.

The literature already shows that there is a correspondence between places attracting more migrants and lower social cohesion (e.g. Huggins and Thompson, 2015, in the case of the UK). However, what is commonly investigated in the literature is the outcome of the spontaneous location of migrants, who find better economic opportunities in some places, whereas in the case of asylum seekers it is the local communities which decide whether they are interested in welcoming them or not. This evidence also integrates the literature on the 'dark side of social capital' (Bowles and Gintis, 2002; Fukuyama 2001; Portes, 1998; Putnam, 2000,) which observes that group solidarity in human communities is often purchased at the price of hostility towards outsiders.

This result is most likely also related to the fact that many local communities do not normally see asylum seekers as providing an economic spark, but more as a group which has to be sustained using the already strained finances of the Italian state. Asylum seekers normally are very different from scientists and other high qualified persons who can boost regional growth by establishing knowledge links with other regions abroad (Trippl, 2013; Fratesi, 2015). Even if the qualifications of asylum seekers are not high, Levie (2007) noticed that immigrants are normally more likely to become entrepreneurs than lifelong residents. However, he also noticed that ethnic minorities are less likely to be as such once their younger age is considered. A very significant part of those seeking asylum in Italy come from African countries, where the perception of social values toward entrepreneurship is higher than world average (Singer et al., 2014). In addition, Italy is a country which, with respect to the rest of the European Union, holds entrepreneurs in higher regard (ibid.). However, it is also a country which has suffered a greater public finance crisis than most parts of Europe (Moro and Becker, 2016) and newly arriving asylum seekers, due to the length of bureaucratic procedures and the normal delay in acquiring linguistic and institutional competences, are not expected to significantly contribute to the local economy for some time.

The evidence presented here comes from a single country, Italy and, even though it is very important in terms of migration because it represents (with Greece) the southern doors of Europe, results cannot necessarily be generalized to other countries. For this reason, we see scope for further research to be pursued in two directions. The first of these is comparison with different European countries that are

internally more homogenous, or have a different cultural background, or a better economic situation (e.g. Germany, which is also the intended final destination of many asylum seekers). Doing this would allow researchers to see whether this this negative correlation between social capital and openness to migration is peculiar to Italy or not.

The second direction for further research is to test whether these attitudes also influence the location of asylum seekers at the next stage, once their asylum demands are accepted and they become free to choose their location and seek employment. Do they find it easier to find a job in communities which showed a positive attitude in the previous stage? Do they make a more positive contribution to the local economies there?

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Table 1: Variables and data sources

Variable	Year	Source						
Dependent variable								
Number of asylum seekers per capita (ASPC) in	2015	Ministry of						
SPRAR		Interior						
Economic opportunity variables								
Unemployment rate	2013	Istat						
Value added per capita	2013	Istat						
Political and cultural factors variables								
Political party ruling in the province	2013	Ministry of						
(dummy with P1=right, P2=left,		Interior						
P3=extraordinary administration or other)								
Social capital (index)	Sub-indicators calculated as	Cartocci						
	of 2001-2002	(2007)						
Share of foreign residents in the region	2011	Istat						
Control variables								
Population density	2011	Istat						
Mezzogiorno dummy	2011	Istat						
Provinces belonging to the Mezzogiorno								
Provinces with regional chief-town	2011	Istat						
Provinces of arrival of asylum seekers	2013	Ministry of						
-		Interior						

Table 2. Tobit regression results

Model	1	2	3	4	5	6
Economic opportunity variables  Value added per capita	0.0152 (0.941)	0.0195 (0.927)			-0.0131 (0.952)	-0.00410 (0.985)
Unemployment rate	0.981 (0.00072 5) ***	0.979 (0.00083 1) ***			0.927 (0.00045 3) ***	0.919 (0.00056 0) ***
<b>Political and cultural factors vari</b> Right-wing administration	ables		-0.175 (0.219)	-0.215 (0.142)	-0.187 (0.116)	-0.213 (0.0835) *
Extraordinary administration			-0.0405 (0.752)	-0.0745 (0.571)	-0.0817 (0.471)	-0.103 (0.381)
Social capital			-0.679 (0.00046 9) ***	-0.606 (0.00269) ***	-0.334 (0.0445) **	-0.293 (0.0827)
Share of foreign residents			0.206 (0.229)	0.292 (0.0769)	0.332 (0.0294)	0.384 (0.0102)
Control variables						
Population density	-0.122 (0.391)	-0.122 (0.391)	-0.160 (0.0565) *	-0.140 (0.0992) *	-0.158 (0.253)	-0.147 (0.288)
Mezzogiorno dummy		-0.425 (0.0346) **		0.170 (0.347)		-0.359 (0.0360) **
Mezzogiorno with no arrivals dummy		0.246		0.0519		0.297
		(0.0266) **		(0.682)		(0.00418) ***
Province with regional chieftown	0.0379	0.0358	0.0931	0.0700	0.0621	0.0456
	(0.660)	(0.677)	(0.228)	(0.341)	(0.463)	(0.584)
Province of arrival of asylum seekers	-0.403		0.0265		-0.426	
	(0.0166) **		(0.879)		(0.00417) ***	
Constant	(0.307)	(0.306)	(7.62e- 06) ***	(0.00034 9) ***	(0.709)	(0.506)
Sigma	(5.52e- 10) ***	(5.93e- 10) ***	(4.55e- 10) ***	(8.60e- 10) ***	(4.56e- 10) ***	(6.72e- 10) ***
Observations Pseudo-R2	103 0.0343	103 0.0343	103 0.0243	103 0.0253	103 0.0407	103 0.0412

F 7.47 6.26 4.37 3.91 4.89 4.49 Prob>F 0 0 0 0 0 0 0

Figure 1: Institutional framework

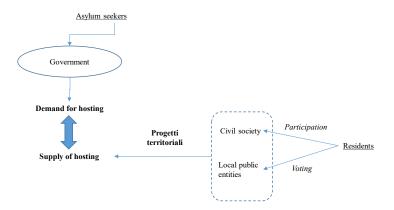


Figure 2 Total number of asylum seekers over the period 2003-2015.

