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Assessing trends and exploring theoretical implications'

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# INTEGRATING TO THE BOTTOM?

Insights into the changing nature of the (Italian) integration model<sup>1</sup>

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#### **ABSTRACT**

In Italy, like in the other southern European countries, the impact of the economic crisis has been particularly severe. We can hence expect that its impact on integration dynamics is also relevant. In this paper, we try to identify possible structural changes in integration patterns in Italy and to highlight the theoretical and conceptual implications by drawing inspiration from American literature on assimilation. Specifically, following Gans' literature review, our analysis starts from theories' lack of attention for the effects of economic downturns and downward mobility on integration and the consequent bias which can hamper the study of integration in the current economic crisis. In order to cope with that, drawing mainly from Portes and Esser's theories, we point out possible paths of integration based on changes in socio-economic conditions and in salience of ethnic boundaries, including those paths which may occur in a context of economic downturn like the current Italian one. We then test these paths on the Italian case using the available data and applying some 'methodological devices' for measuring integration in a country where migrants are largely first generation.

# 1. Studying integration in a context of economic crisis: some conceptual and methodological considerations

This paper aims at investigating the effects of the current crisis on migrants' integration by focusing on Italy, which is among the EU Member States most severely hit by the economic downturn together with the other southern European countries. Indeed, given the severe effects of the current crisis in various fields, we can expect that some relevant changes are occurring also in integration. Therefore, we try to identify possible structural changes in integration patterns in Italy.

This work is not the result of an ad hoc research project but of an exploratory and analytical work. The main aim here is to rise some conceptual and methodological issues concerning the study of integration in a context of deep economic downturn and to formulate some methodological and analytical proposals in this regard, avoiding any causal analysis and being aware that more fine-grained data are needed to provide definite answers.

In doing that, we will mainly draw on American scholarship on assimilation<sup>2</sup>. The latter, initiated long before than European literature, has passed through several immigration waves, significant social, cultural, economic and political changes, deep theoretical revisions and it therefore offers differentiated and articulated tools which are particularly useful to study this peculiar and unusual context of deep economic crisis. The key contribution offered by the American literature to catch what it is now happening in Europe is increased by the longstanding reflection on the relation between changes in economic structures and integration patterns (see, for instance, Portes and Zhou 1993; Massey 1995; Perlamann and Waldinger 1997; Alba and Nees 2005; Gans 1992).

One of the major contributions from the American literature to set a sound analytical framework for the study of integration in the current context of economic crisis comes, according to us, from Herbert J. Gans. In his article 'Acculturation, assimilation and mobility' published in 2007 on 'Ethnic and Racial Studies', he highlights that studies on integration/assimilation began and developed in a period of sustained and widespread upward mobility. As a consequence, researchers generally have taken immigrants' upward mobility for granted. And, even when situations of deep economic crisis occurred (the most relevant one being the Great Depression), according to the author, research apparently had little interest in downward mobility. Only after the recession of the late 1980s some scholars started to consider the interplay between downward mobility and assimilation. Specifically, Alejandro Portes and Min Zhou (1993), as well as Gans (1992) himself, were the first scholars to include downward mobility into their theories and they still remain among the main authors in this regard, becoming for this reason the main source of inspiration for our scheme on integration paths developed in section <sup>2</sup>.

This limited interest of scholarly research for the effects of downward mobility on integration poses some challenges, both empirically and analytically, to the understanding of the current situation which is the object of this paper.

• At empirical level, little is known on what happens to integration in a context of general deep economic downturn. In fact, studies focusing on the effects of socio-economic decline usually concern specific groups or local areas, i.e. socially and territorially specific processes (e.g. deindustrialization of working class neighbourhoods). This lack of studies turns into a weakness of empirically-grounded hypothesis and of analytical frameworks to guide the research. In this paper, we hence adopt an exploratory approach and we use the empirical data to formulate some proposals

<sup>3</sup> For instance, there is a whole line of studies on former white working class neighbourhoods which shows how downward mobility fosters competition over resources and a growing significance of ethnic boundaries (Ray, Hudson and Phillips 2008; Body-Gendrot 2002; Lamont 2000). And also the downward mobility (the assimilation of second generation into the underclass) theorised by Portes (Portes and Zhou 1993) actually concerns a specific context, i.e. the inner city.

<sup>&</sup>lt;sup>2</sup> 'Assimilation' is a much more used term than 'integration' in the United States. As Brubaker (2001) maintains, this difference in terminology does not mean a difference in meaning. On the contrary, they 'refer to much the same thing' (p. 540) especially when 'assimilation' is conceived as a multi-dimensional process and a matter of degree.

for the analysis rather than to provide a definitive empirically-grounded picture of evolving migrants' integration patterns in Italy.

• At conceptual level, the consequence of the situation depicted by Gans is that most studies define and measure integration as an improvement in socio-economic conditions of immigrants who ultimately fill the gaps with natives through a 'catching up' process so that integration has been virtually equated to upward mobility. Though the improvement of immigrants' conditions remains a crucial aspect for assessing integration, in a context of general economic decline to equate integration to upward mobility could lead scholars to rule out a priori integration as a possible outcome. In order to address this bias, in this paper we conceive integration as a convergence between immigrants and natives considering that this can be either upwards or downwards.

Bearing in mind the abovementioned issues, we use the following definition of integration which is largely used by scholars, especially in the United States where the main reference is Alba and Nee (2003) - in Europe this definition has been fully displayed by Bauböck (1994) and Esser (2004).

1.Integration understood as a process through which the socio-economic conditions of immigrants converge towards those of natives – either through amelioration or worsening – so that the level of income, education, employment status and living conditions of migrants approach those of natives.

2.Integration understood as the loss in salience of the ethnic boundaries between migrant minorities and native majority, so that natives and immigrants see themselves as alike; this process does not imply that ethnic elements in defining the self and the others completely disappear but rather that natives and immigrants see themselves as similar in terms of some other factors regarded as more relevant such as social class, territorial belongings, etc.<sup>4</sup>

In most theoretical accounts these two aspects are seen as strongly interrelated (Alba and Nee 2003; Portes and Zhou 1993; Massey 1995; Gans 1992). In general terms, the persisting salience of ethnic boundaries is expected to engender exclusion and hamper socio-economic attainments of immigrants while the decreasing significance of ethnic boundaries promotes socio-economic inclusion; on the other hand, the convergence of socio-economic conditions of immigrants and natives is regarded as a powerful factor in ethnic boundaries blurring.

#### 2. Disentangling integration and mobility: a tentative analytical framework

Starting from the assumptions explained in the above section, we now try to draw possible integration paths defining integration as convergence between migrants and natives and clearly disentangling integration and mobility.

Given that, in the Table below we distinguish:

<sup>&</sup>lt;sup>4</sup> It is worth underlining that in defining integration as a loss in salience of the distinction between migrant minorities and native majority, we refer to Alba and Nee's (2003) approach that rejects the idea of melting pot according to which this change is largely a process of fusing elements from different cultures into a new, unitary culture. On the contrary, according to these authors, when integration occurs, the mainstream expands to accommodate cultural alternatives (e.g. minority religions as part of the national religions, redefinition of the standards of beauty by including phenotypical features of minorities, changes in institutional structures, etc). Assimilation or integration, however we chose to call it, is here regarded as a redefinition of social majority as a majority that is ethnically diverse, where people can keep using ethnic elements to define themselves and others but – this is the key point – characteristics that are achieved count more that those ascribed. In this regard, Gans (1979) coined the term 'symbolic ethnicity' to refer to the tendency of the descendants of immigrants to name themselves as members of an ethnic group after several generations though ethnicity is mainly displayed in a familial and leisure-time ethnicity; the point is that differently from the ascriptive ethnicity of the past, the symbolic ethnicity is a choice.

<sup>&</sup>lt;sup>5</sup> An exception in this regard has been pointed out by Portes and his colleagues (Portes and Zhou 1993; Rumbaut 1997) according to whom selective acculturation, i.e. the preservation of minority's culture, and the integration in ethnic enclaves can be an asset in terms of economic advancement, especially for disadvantaged immigrant second generation who lives in inner city and risk to assimilate to the African American underclass.

- *Immigrant socio-economic mobility*: we use the term 'descending' when mobility is downward and 'ascending' when it is upward
- Trends in gaps between natives and migrants: we speak about 'inclusion' when gaps between immigrants and native decrease and convergence takes place, whereas we speak about 'segregation' when gaps between immigrants and native increase and divergence occurs.

Matching these two different trends, we may observe four possible outcomes:

- 1. Integration to the top. Immigrants' upward mobility and decreasing gaps with natives occur because upward mobility of the former is faster than upward mobility of the latter; this is the kind of path expected by most integration theories
- 2. Enclaves<sup>6</sup>. It happens when immigrants' upward mobility and increasing gaps with natives take place; in fact, tough ethnic enclaves can represent opportunities for immigrants' upward mobility, they may often turn into an 'ethnic mobility trap' (Wiley 1970), i.e. safer alternatives compared to riskier but potentially more fruitful options in mainstream economy.
- 3. Integration to the bottom. The convergence occurs but towards worse conditions for both: we have decreasing gaps because downward mobility of natives is faster than the downward mobility of immigrants.
- 4. *De-integration.* In this case, negative outcomes are registered on both dimensions: immigrants' downward mobility is matched with increasing gaps with natives.

Table 1: Socio-economic integration paths

		Socio-econo between immigra	0 1
		Convergence	Divergence
Immigrants socio- economic mobility	Upward	Ascending inclusion     (integration to the top)	2. Ascending segregation (immigrant enclaves)
	Downward	3. Descending inclusion (integration to the bottom)	4. Descending segregation (de-integration)

By including in the previous Table the other dimension of integration as defined above, namely the *salience of ethnic boundaries*, , we have further options:

- When the salience increases, we have *ethnicized* inclusion and segregation.
- When the salience decreases we have *non-ethnicized* inclusion or segregation since immigrants integrate into the mainstream society as a whole or in specific segments such as the lower class.

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<sup>&</sup>lt;sup>6</sup> Portes and Bach (1985); Portes and Manning (1986)

Table 2: Integration paths

Table 2: Integrat	p	Salience of boundaries between migrants and natives			
Immigrants' socio- economic mobility	Socio- economic gaps between immigrants and natives	Increasing ethnic boundaries	Decreasing ethnic boundaries		
Immigrants'	Divergence	Ascending ethnicized segregation (ethnic enclaves)	2. Ascending non-ethnicized segregation (mainstream inclusion into the lower class)		
upward mobility	Convergence	3. Ascending ethnicized inclusion (ethnic integration to the top)	4. Ascending non-ethnicized inclusion (mainstream integration to the top)		
Immigrants'	Divergence 5. Descending ethnicized segregation (ethnic de-integration)		6. Descending non-ethnicized segregation (mainstream de-integration)		
downward mobility	Convergence	7. Descending ethnicized inclusion (ethnic integration to the bottom)	8. Descending non-enthicized inclusion (mainstream integration to the bottom)		

The pathways depicted in the previous table are not completely new: a large part of those paths echoes theories proposed by Portes and Esser. The paths 1, 2 and 4, indeed, have been somehow theorized by Portes and his colleagues (Portes and Zhou 1993; Rumbaut 1997) in their 'segmented assimilation' theory. The latter identify three possible outcomes of the process of second generation's adaptation to the host society: a) acculturation and assimilation into the middle class which largely correspond to our 'mainstream integration to the top' (path 4 in the Table 2); b) economic advancement with preservation of minority's culture through integration into the ethnic enclaves (path 1); c) acculturation and assimilation into the underclass which resembles 'inclusion into the lower class' (path 2) - the main difference being that we refer to the lower classes (i.e. the working class) while Portes refers to the underclass (i.e. African American minority in the inner city); this is the reason why we classify the path 2 as the upward mobility and Portes as downward mobility.

Also the path 3 has been already highlighted in the literature: it somehow coincides with 'ethnic pluralization' as defined by Esser (2003 and 2004) which occurs when ethnic differences refer not to vertical inequalities but to the horizontal dimension and to traits with equal evaluations, e.g. with respect to lifestyles and professions with similar prestige<sup>7</sup>. In the American literature it is usually exemplified through the case of economically well-performing and upper-middle class Asian minorities in the United States (Alba 2014; Perlmann and Waldinger 1997).

The more unusual paths, that is those that are barely envisaged in most theoretical accounts on integration, are the de-integration and the integration to the bottom, especially in the non-ethnicized versions, i.e. when socio-economic conditions of migrants or of the whole society worsening without an

<sup>&</sup>lt;sup>7</sup> In Esser's theory, "ethnic pluralisation" is juxtaposed to "ethnic stratification" which is characterized by vertical differences in the evaluation of traits, e.g. differences in education and income, or professions with different degrees of prestige, where distribution varies systematically between ethnic groups.

increase in salience of ethnic boundaries. As we will see below, this might be a possible frame to understand the situation in Italy and possibly in southern Europe in general.

### 3. Assessing integration changes on the short run and in new immigration countries

As a rule, integration as defined in section 1 has been theoretically conceived and empirically investigated as an inter-generation process. As a consequence, it has been usually assessed by comparing second and subsequent immigrant generations' convergence with natives to the first generation. On the contrary, here we have to analyse integration changes referring mainly to the first immigrant generation, given that in Italy, like in other southern European countries, most of 2 and 1.5 generations (Rumbaut 1997) are largely too young to be compared with the first.

As of 1st January 2013 foreign resident population in Italy amounted to over 5 million individuals, namely 8.4% of the overall resident population. Most of them are recent migrants who entered Italy in the past 10 years. In fact, the growth of foreign population in Italy has been remarkable since the turn of the century, with an overall increase of 161% between 2003 and 2013.

Table 3: Resident population in Italy, by age and nationality, 2007 and 2013 (000s).

		2007	2013	Change 2007-2013
Italian - Tot		56.040	55.586	-0.8%
Forei	Foreign - tot		5.082	79%
Fore	eign %	4.8%	8.4%	
	Italian	7.760	7.559	-2.6%
Under 15	Foreign	567	958	69%
	Foreign %	6.8%	11.2%	
	Italian	13.139	11.457	-12.8%
15-34	Foreign	1.105	1.748	58.2%
	Foreign %	7.8%	13.2%	
	Italian	23.576	24.038	2%
35-64	Foreign	1.126	2.282	102.8%
	Foreign %	4.6%	8.7%	
	Italian	11.565	12.532	8.4%
Over 65	Foreign	42	94	123.3%
	Foreign %	0.4%	0.7%	

Source: EUROSTAT

Given these trends and the general characterization of Italy as a new immigration country, it is not surprising to see that the migrant population in Italy is overall younger than the non-migrant one. Oldage foreigners, though rapidly expanding their presence, still represent a negligible share of the overall resident population, while foreign children aged less than 15 (either born in Italy or abroad) represent almost a fifth of the total foreign resident population.

<sup>&</sup>lt;sup>8</sup> In this regard, Brubaker (2001) highlights that assimilation can even occur without individual changes but as result of changes throughout generation, since 'the unit within which the change occurs is a multi-generational population' (p. 543).

Given this general picture, before going through the data, we make a proposal to cope with this specific socio-demographic feature of migrant population. Since in Italy - like in the other southern European countries - second generation is largely made up of minors, the usual solution is to compare the (mainly) first generation migrants with natives. In this paper, though maintaining the traditional comparison between immigrants and natives, we propose to include a further unusual comparison in order to enrich the assessment of the impact of the current crisis on integration in countries where adult second generation is small.

In analysing the effects of the economic downturn, we expect that people who hold more secure positions in the society are generally less hit than those who hold weaker, less stable positions. Though these 'positions' can concern several fields, here we focus on housing and work, generally considered as crucial 'goods' for socio-economic integration. In this regard, we can expect that the secure positions have a higher probability to be held by Italian adults since they have longer careers in labour and housing markets than those with shorter careers. On the contrary, the share of secure positions is certainly below the average among first generation immigrants and youth since we can maintain that they are both newcomers in the housing and labour markets: immigrants because of geographical mobility, while Italian youth because they belong to the new generations who are at the beginning of their life careers. Holding weaker positions in the society, these two groups are both expected to be more 'reactive' to the crisis than native adults, especially on the short run.

However, in this line of reasoning, what is even more crucial than the possible comparability of first-generation migrants and Italian youth is the little comparability of first-generation migrants and the whole native population when assessing the short-term effects of the economic crisis on integration. In fact, the large size of the native population, and the rather secure positions held by a large majority of it, certainly produce inertia to changes: its greater resilience to the crisis shown by statistics is a sort of mass, aggregated, average effect of very different situations some of which may be not so different from migrants' ones. By comparing immigrants and Italian youth, beside more traditional ways of comparison, we intend to make a sort of 'experiment': that is to assess the effects of the crisis on populations with more similar size and positions in the housing and labour market. It is also an attempt to take into account, on one hand, the increasing segmentation and differentiation of the contemporary societies and, on the other, the idea of integration as a property of the whole society and not only of immigrants so that also other social groups may suffer from integration problems.

We are aware that this comparison is far from the usual way of comparison – which would be the one between peers, as usually done in older immigration countries – and it is affected by several bias. First, Italian youth and immigrants are hardly homogeneous groups in terms of age structure, education patterns or class positioning. Second, their performances are affected by quite different factors and patterns of behaviour. For instance, the precariousness of migrants and youth may be very different in nature: for the latter the postponement of the entry into the labour market can be the expression of the ability to wait for the best opportunity which would ensure a position suitable to the level of education attained (Savage et al. 2013). Given that, in the following section, we will compare migrants not only with the overall Italian population but, as far as possible, also with the youth hoping that the sum of several 'inaccurate comparisons' can provide a 'almost accurate' assessment of the effect of the crisis on integration.

The analysis of the effect of the crisis on integration has to cope also with another problem which concerns the time span. As we said, in the literature integration is usually understood as a long-term process and, therefore, it has been theoretically conceived and empirically investigated as a process spanning across generations<sup>9</sup>. However, the economic crisis is a rather recent phenomenon and its effects

<sup>&</sup>lt;sup>9</sup> R. Alba and V. Nee, Remaking the American mainstream. Assimilation and Contemporary Immigration, Cambridge, Harvard university Press, 2003; R. Brubaker, R., The return to assimilation? Changing perspective on immigration and its sequels in France, Germany and the United States, in Ethnic and Racial Studies, 2001, vol. 24, No. 4, pp. 531-548; H.J Gans, Second generation decline: scenarios for the

should be measured on the short-medium run. Given the abovementioned time constraints, we have to focus on those indicators that can change significantly in the short run leaving aside those which, in spite of being generally significant in terms of integration, strongly depend on long-term processes and change very slowly, so that they are inadequate to measure crisis' effects.

Concerning the socio-economic conditions, for instance, we cannot expect any radical change in status positions within first immigrant generation and, furthermore, in few years from the beginning of the crisis. Therefore, in this regard it is useful to distinguish between 'social mobility', meant as the movement to higher or lower class or status position, on the one hand, and 'economic mobility', conceived as the mere move to a higher or lower level of income, wealth, education, employment status and standard of living, on the other hand (Gans 2007). In the following sections, when we speak of (upward or downward) mobility, we refer to the second meaning which is in fact the only feasible one for short-term analysis of integration.

Regarding the analysis of the trends in ethnic boundary-making, the most popular indicators in this regard are residential segregation and intermarriage (Alba and Nee 2003; Massey 1981 and 1995; Bauböck 1994). However, these concern slow processes which may change only on the long run so that they cannot be significantly affected by the rather recent economic crisis. Therefore, we should look at other possible indicators such as cognitive frames and attitudes. Obviously, we should be aware that intermarriage and residential segregation concern behaviours which only partially depend on cognitive frames and attitudes. However the latter are far from being irrelevant, not only because the significance of perception and attitudes in integration process has been stressed by several authors (Zincone 2009; Entzinger and Biezeveld 2003) but also because we start from the assumption that ethnicity is first of all a 'cognitive phenomenon, a way of seeing and interpreting the world' (Jenkins 1997; Brubaker 2002, p. 184; Wimmer 2013; Esser 2004). Therefore, in this paper we will look at how public perception of immigrants has changed over the crisis.

### 4. Empirical hints on migrant<sup>10</sup> integration trends in Italy throughout the crisis

In this section, we will present the recent trends observed in the labour and housing markets. In particular, we will look at activity, employment and unemployment rates, on one side, and distribution of mortgage loans and not repayable loans, on the other side, as key indicators of inclusion in these two crucial markets.

As for the comparison between first generation migrants and native youth, we will adopt a broader definition of 'youth' which include all people aged under 35 years. As a matter of fact the transition of youth to adulthood has been continuously postponed to a later age across birth cohorts, relating to an extended duration of education, and a later transition to economic independence, first birth and family formation (Blossfeld et al 2005). As a consequence, scholars and politicians adapt to enlarged time frames when referring to youth: starting with a first definition of youth as up to 24 years (Eurostat), to an extension up to the threshold of 30 years of age (Eurofound and Europe2020), reaching an even broader definition stretching from 15 to 35 years (Galland 2003, 2005; Blossfeld et al. 2008). In Italy, the prolonged transition to adulthood is not a recent phenomenon: thirty years ago some authors had already stressed the difficulty for young Italians in making definitive choices towards adulthood (Garelli, 1984; Scabini and Donati, 1988; Rossi 1997). In order to mirror this trend and the specific Italian situation, we will consider both youths (from 18 to 24) and young adults (24-35).

Finally, the following statistics are not the results of micro-data elaborations but are based on the available published aggregated data. This has produced some limitations and bias in the analysis which

economic and ethnic future of the post-1965 American immigrants, Ethnic and racial Studies, 1992, vol. 15, no. 2, pp. 173-192, New York, Wiley.

<sup>10</sup> Tough the data provided concern foreigners because of data limitations, we believe that theoretically the reference to immigrant population is more appropriate than the reference to foreign population since the acquisition of citizenship, though crucial in integration process, cannot be assumed as an indicator of full integration (Baubock 1994).

are highlighted in the comments to the tables. However, the purpose of this paper is almost theoretical and the following statistics, far from providing a definitive validation of hypotheses, are a sort of first rough implementation of the reflections made in these first sections whose validation calls for further research.

#### Labour Market

In assessing immigrants' and natives' labour market performances throughout the crisis we look here at the main indicators of labour market outcomes, namely activity, employment and unemployment rates.

As far as activity rates are concerned, since the outburst of the crisis in 2008 foreigners have reduced their participation in the labour market (-4%). Conversely, Italians have slightly increased their activity rates (1.3%) between 2007 and 2008. These variations may be interpreted differently. In fact, the reduction in activity observed in the foreign population has mainly to do with the restructuring internal composition of immigrants in the most recent years: given the lessening attractiveness of Italy for economic migrants due to the economic situation, over the period considered the share of family and humanitarian migrants or international students has increased considerably relative to labour migrants<sup>11</sup>. Although asylum-seekers, family migrants or international students are allowed to participate in the labour market, their participation rate is usually lower than that observed among labour migrants. Among Italians, the rise in activity rates is largely due to increased participation of the older generations mainly related to recent reforms that have raised the age of retirement. However, this increase is also more directly related to the crisis since a large number of previously inactive Italian women in their mature age are now searching for jobs to substitute for or compensate income lost by their male partners<sup>12</sup> (ISTAT, 2013). The positive gap between employment rates for foreign and Italian population, has significantly decreased from 9 percentage points in 2007 to only 2.3 in 2013.

Table 4: Activity, Employment and Unemployment rates, by age and nationality, 2007 and 2013.

	2007	2013	Change 2007-2013
		Activity Rates	
Italian	61.9%	62.7%	1.3%
Foreign	73.2%	70.3%	-4.0%
		Employment Ra	tes
Italian	58.1%	55.3%	-4.8%
Foreign	67.1%	58.1%	-13.5%
		Unemployment R	ates
Italian	6.0%	11.7%	95.0%
Foreign	8.3%	17.4% 109.4%	
6 FID 0 07 47			

Source: EUROSTAT

<sup>&</sup>lt;sup>11</sup> The stock of family migrants has increased from less than a third of total permits in 2008 (28.8%) to over half of the whole in 2013 (50.6%). Besides, the share of international students over new immigrants has constantly increased in the period considered (from 4.3% of new permits in 2007 to 11.5% in 2012).

<sup>&</sup>lt;sup>12</sup> The activity rate of Italian women in the age group 35-64 has increased by 10.2% against a 2% increase of their male counterparts.

Looking at general unemployment rates for the national and foreign population in active age (15-64 years) it is straightforward to say that foreigners have been far more hit by unemployment than Italians: while the former have more than doubled their unemployment rates (+109.4%) the increase for the latter has been of 95% between 2007 and 2013. Besides, the gap in unemployment rates between the two populations amounted to 2.3 percentage points in 2007 while it increased to 5.7 in 2013, at the disadvantage of immigrants.

We now introduce our 'tentative comparison' by looking at young Italians. As the table below shows, they have been more hit by the fall in employment rates than foreigners: young Italians' employment rate has decreased by 22% in the past seven years, against 'only' 13,5% for foreigners.

Concerning unemployment, young Italians (under 35) clearly show similar trends in terms of rise in unemployment to foreign workers (15-64) in the years of the crisis: their relative unemployment rate has increased by 107.6%, from 11% in 2007 to over 23% in 2013. The gap between unemployment rates of under-35 Italians and the general foreign population has increased as well: it was 2.8 percentage points in 2007 while it increased to 5.7 percentage points in 2013, at the detriment of the former.<sup>13</sup>

Table 5: Activity, Employment and Unemployment of Italian youth (15-34 years old), 2007 and 2013.

	2007	2013	Change 2007-2013			
	Activity Rates					
Italian youth	56.4%	50.9%	-9.8%			
		Employment Ra	tes			
Italian youth	50.2%	39.1%	-22.0%			
		Unemployment R	ates			
Italian youth	11.1%	23.1%	107.6%			

Source: EUROSTAT

How can we interpret these trends in the analytical framework presented above? In fact, though both immigrants and the Italian youth traditionally displayed higher unemployment rates than the overall Italian workforce, this may be explained by quite different underlying characteristics and labour market behaviours. On the one hand, young Italians have lower labour market participation rates, being often involved in higher or post-graduate education. Besides, the postponement of the entry into the labour market, instead of being the consequence of disadvantaged positions, can be the result of the ability to wait for the best opportunities: research has shown that the likelihood of this strategy among youth grows with the increase of the cultural, social and economic capital the family of origin (Savage et al. 2013). On the contrary, first-generation immigrants, who entered Italy for economic reasons in the vast majority of cases, participate more in the labour market because more constrained by the need to secure an income (and often a regular job contract as a key condition of their legal stay). Hence while high unemployment of young Italians has to do with their relative ability to wait for suitable job positions, immigrants' unemployment may be more related with discrimination or occupational/sectoral position.

<sup>&</sup>lt;sup>13</sup> The fall in employment and rising unemployment rates for immigrant workers is directly related to the differentiated impact of the crisis on economic sectors: the most migrant-intensive sectors, particularly construction and manufacturing, are indeed those most hardly hit by the crisis. A relevant exception here is the sector of domestic and elderly care services, where most migrant women are employed, which has showed a stronger resilience to the economic difficulties brought about by the crisis and where employment has kept growing, though slower than before, until very recently. As a matter of fact, without this balancing effect related to the enduring demand for domestic and care services the impact on migrant workers would have been harder.

Nevertheless, the youth unemployment rate is so high in Italy (and in the other southern European countries) that it is hard to believe that this is the emerging result of rational, long-term individual strategies, except for the very young or upper class people. Rather, their weaker position in the labour market, mainly related to the recent access to it, has a key role in explaining the deterioration of unemployment patterns in recent years. Indeed in the current context of crisis, the principle of "last in, first out" has certainly played a role in explaining at least a part of job losses observed.

To sum up, when considering the main key indicators of labour market impact induced by the crisis we can see that by looking broadly at the overall Italian and foreign population the gap between the two has considerably increased in the past years, with foreigners' labour market performance worsening to a larger extent than Italians'. However, when comparing foreigners with young Italians, the picture changes significantly: the Italian youth has been hit by declining employment harder than their foreign counterparts and to a similar extent as far as unemployment is concerned; the distance between the two populations increased at the detriment of the former and therefore a process of downward convergence (of young Italians towards immigrants) is observed.

# Housing

We now turn to look at the impact of the crisis on housing integration trends. We look in particular at the changes observed in mortgage loans granted across the EU (including Italians) and non-EU resident population in Italy and at the rate of non-repayable loans in the period considered as key variables measuring access to housing.

In general terms, we can observe in the table 6 below that mortgages granted to non-EU citizens have decreased by 57% between the periods 2004-2007 and 2008-2011 while the reduction has been of nearly 19% in what concerns mortgages granted to EU citizens (for the largest part Italian citizens).

Table 6: Mortgages by citizenship and age of the householder, comparison 2004-2007 and 2008-2011

	Loa	% change	
	2004-2007	2008-2011	
EU (including Italians)	244,264	198,268	-19%
Non UE	21,764	9,341	- 57%
Total population	266,044	207,618	-22%

Source: Felici, Manzoli and Pico, 2012

Table 7 shows the percentage of mortgages classified as not repayable. We see that the economic crisis has negatively affected the ability of repaying housing loans of both EU (who include Italians) and non-EU citizens, though to a far greater extent for the latter: difficulties in repaying loans instalments have increased remarkably more in the case of non-EU householders (from 1.61% to 4.67%).

<sup>&</sup>lt;sup>a</sup> Average yearly number of mortgages granted.

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Table 7: Not repayable mortgages by citizenship and age of the householder, comparison 2004-2007 and 2008-2011

	Not repayable mortgages (%)		
	2004-2007	2008-2011	Change
EU (including Italians)	0.39	0.52	33%
Non-EU	1.61	4.62	186%
Total population	0.49	0.71	44%

Source: Felici, Manzoli and Pico, 2012

We now try again our 'tentative comparison' between foreigners and youth. In this case a methodological warning is necessary: given data limitations it was not possible here to disaggregate the data simultaneously by nationality and by age so that the category under-35 in tables 8 and 9 includes both EU and Non-EU citizens. Notwithstanding these important limitations we think that they are not going to substantially change the results of our analysis. The number of mortgages granted to younger householders (including both Italians and not) has decreased by over 30% between the two periods considered<sup>14</sup>: it is more than the average decrease but less than that registered among non EU citizens. Younger householders also show difficulties in repaying their housing loans to a larger extent than what observed in the overall population but not as much as non EU citizens.

Table 8: Mortgages by citizenship and age of the householder, comparison 2004-2007 and 2008-2011

	Loa	% change	
	2004-2007	2008-2011	
Under 35 years	111,004	75,576	-31%

Source: Felici, Manzoli and Pico, 2012

Table 9: Not repayable mortgages by citizenship and age of the householder, comparison 2004-2007 and 2008-2011

	Not repayable mortgages (%)			
	2004-2007	2008-2011	Change	
Under-35	0.54	0.87	61%	

Source: Felici, Manzoli and Pico, 2012

To sum up, when access to and ability to repay mortgages is considered non-EU citizens seem to be the category most hardly hit by the negative impact of the economic crisis on financial markets and incomes. Young people (which here include young migrants too) also show significant difficulties compared to the general population, though to a far smaller extent than as for immigrants<sup>15</sup>.

<sup>&</sup>lt;sup>a</sup> Average yearly number of mortgages granted.

<sup>&</sup>lt;sup>14</sup> It is worth noting that these negative trends have occurred in a context of absolute reduction in the financial market for housing mortgages: between 2008 and 2011 the number of mortgages has decreased by 9.1% every year, after annual increases of 8.5 per year in the 2004-2007 period (Felici, Manzoli and Pico, 2012).

<sup>&</sup>lt;sup>15</sup> This better situation of young compared to their immigrant counterpart may be explained by the availability of their parents (or even grandparents in many cases) to support them in bearing the costs of mortgages access or repayment. As a matter of

# **Perceptions**

As we said in section 1, most of research on integration in a context of general socio-economic decline concerns specific areas such as neighbourhoods under de-industrialization, showing how downward mobility fosters competition over resources and growing significance of ethnic boundaries. Indeed, it highlights a 'racialization of discourse on urban decline' (Ray, Hudson and Phillips 2008): loss of status and downward mobility experienced by native residents nurture racist attitudes; narratives on decline tend to be related with stories about ethnic difference and constructions of majority and minorities are deployed to manage material and symbolic fears about neighbourhood decline and conflicts over scarce resources and space (Ray, Hudson and Phillips 2008; Body-Gendrot 2002; Lamont 2000).

Therefore, we can expect that in a context of deep economic crisis and downward mobility such as those observed in EU southern countries, competition over decreasing resources grows and may easily turn into hostility against immigrants. We now have a look at the data to see if this is the case in Italy.

As anticipated in section 3, here we investigate changes in the salience of ethnic boundaries over the crisis through the analysis of perceptions and attitudes since the traditional indicators identified in the literature are not very reactive to short-term changes. Specifically, our analysis will rely on the Transatlantic Trends (TT) opinion polls survey carried out annually by the German Marshall Fund of the United States. The Table 10 below reports the results collected in 2010 and 2013.

Table 10. Generally speaking, how well do you think that immigrants are integrating into (name of each surveyed country) society?

	,	Well an	d very well	Poorly and very poorly		d very poorly	Refusal to answe	
	2010	2013	Point changes	2010	2013	Point changes	2010	2013
Italy	37%	60%	+23	50%	35%	-15	13%	6%
Spain	54%	63%	+9	40%	33%	-7	7%	4%
Portugal	n.a.	79%	n.a.	n.a.	12%	n.a.	n.a.	8%
Germany	41%	46%	+5	53%	48%	-11	6%	6%
UK	43%	48%	+5	52%	46%	-6	4%	5%

Source: German Marshall Fund (2014)

Note: 2010 data on Portugal are missing in the table because it was not included in the 2010 sample of countries

Not only opinion trends about immigrant integration are positive in all of the countries included the Table 10, but in Italy – like in the other southern European countries - scores evolve even better than in Germany and the UK whose economy appear more resilient to the crisis. Hence, by looking at these data, we can say that the expectations about increasing hostility towards immigrants in the countries more hit by the crisis are not matched<sup>16</sup>.

fact, families play a great role in either offering warranties or helping to pay monthly instalments for their younger members and immigrants have less access to family networks that could play this role (Ponzo, 2009 and 2010).

<sup>&</sup>lt;sup>16</sup> It is well know that the situation is much different in Greece where ethnic conflicts have burnt violently out in the last years. However, the situation of Greece is so peculiar because of its previous immigration experience and the extremely rapid deterioration of the socio-economic conditions of the country that it could be left aside.

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# 5. The impact of crisis on integration paths: a tentative analytical framework and avenue for future research.

We now try to draw some conclusions from the data presented in the previous section. For this purpose, below we report the table on possible paths explained in section 2.

Table 11: Integration paths

	egiation pams	Salience of boundaries between migrants and natives			
Immigrants' economic mobility	Socio- economic gaps between immigrants and natives	Increasing ethnic boundaries	Decreasing ethnic boundaries		
Immigrants'	Divergence	Ascending ethnicized segregation (ethnic enclaves)	2. Ascending non-ethnicized segregation (mainstream inclusion into the lower class)		
upward mobility	Convergence	3. Ascending ethnicized inclusion (ethnic integration to the top)	4. Ascending non-ethnicized inclusion (mainstream integration to the top)		
Immigrants'	Divergence	5. Descending ethnicized segregation (ethnic de-integration)	6. Descending non-ethnicized segregation (mainstream de-integration)		
downward mobility	Convergence	7. Descending ethnicized inclusion (ethnic integration to the bottom)	8. Descending non-enthicized inclusion (mainstream integration to the bottom)		

Considering the data on the labour market and housing loans, we could say that in Italy we observe two main outcomes in term of migrants' economic mobility and gaps with the natives:

- When we compare immigrant and the overall native populations, Italy seems to move towards deintegration
- When we compare immigrants with the youth, some hints of the integration to the bottom emerge, especially when looking at labour market performances.

Therefore, we could say that in Italy the whole population suffer from the economic crisis but immigrants suffer much more than natives, hence the crisis is leading to a de-integration of the society as defined above. However, if we focus on less protected populations which have recently accessed labour and housing markets, i.e. immigrants and youth, we see that crisis is producing huge effects on the latter so that some integration is occurring, though it has the shape of a convergence toward the bottom.

Furthermore, de-integration and the integration to the bottom can be distinguished according to the trends in ethnic boundaries. Given that in Italy, like in Spain and Portugal, deterioration of the socio-economic conditions of natives and immigrants is not turning into a general deterioration of attitudes towards migrants, *mainstream disintegration and mainstream integration to the bottom seem to be the main emerging paths* shifting the country towards the right-bottom area of the Table.

It goes without saying that these are hypotheses based on weak empirical data. To identify integration paths, a complex and wide set of data is needed. Nevertheless, as we said, the main aim of our paper is not to assess integration trends in Italy but to use the Italian case to elaborate on integration theories. Specifically, the current crisis is here regarded as an opportunity to better distinguish socio-economic mobility and integration, following Gans' proposal. Hence, what we did in this paper is to 'unfold

integration paths' using empirical data as stimulus. To draw definitive empirical conclusions in this regard, we have to look forward to further research.

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