

Institute for Labour Law and Industrial Relations in the European Union

TriEcon Workshop on Migration and Labour Markets

Institute for Labour Law and Industrial Relations in the European Union | Trier University

TriEcon Workshop on Migration and Labour Markets

July 10th - 11th, 2025

Venue: Institute for Labour Law and Industrial Relations in the European Union (IAAEU) Trier University, **Campus II** Behringstraße 21 54296 Trier

Welcome to the

Institute for Labour Law and Industrial Relations in the European Union

The Institute for Labour Law and Industrial Relations in the European Union (IAAEU) was established as a public foundation in 1983 and is funded by the state government of Rhineland-Palatinate. While being a public foundation, the IAAEU is also a research institute of Trier University and is situated in the heart of the Petrisberg Technology Park on Campus II. The IAAEU comprises two working groups of which one engages in research in the area of European labour law (Legal Team) and one engages in the theoretical and empirical analysis of personnel and labour economic issues (Economics Team). Since January 2012 Laszlo Goerke is one of the directors of the IAAEU and head of the Chair of Personnel Economics at Trier University. He is also a research fellow of the Institute of Labor Economics (IZA) and the CESifo Group Munich.

For detailed information have a look at our website: http://www.iaaeu.de/en

About TriECON

TriECON is a workshop series initiated and conceptualized by the Institute for Labour Law and Industrial Relations in the European Union (IAAEU) in cooperation with the Chair of Personnel Economics at Trier University. Each workshop is designed to offer a platform for scientific exchange on a particular topic. The workshop series supports the networking among scientists and promotes the exchange of research ideas and results with other scientists as well as with the wider, interested public.

We hope you will have a pleasant event and gain some new insights!

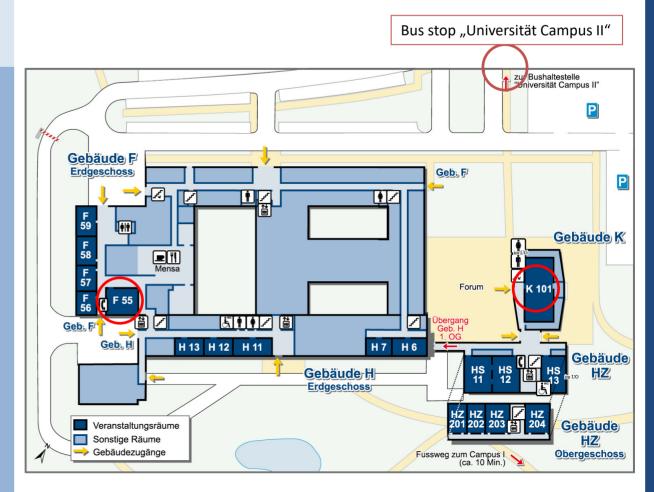
For information about the upcoming workshops, we invite you to visit the corresponding website.

Venue & Social Programme

Trier University, Campus II (Building H) Behringstraße 21 54296 Trier Room of registration: F55

Transfer to dinner location: 17:30 scheduled end of workshop day 1 Transfer to city centre with public transport (Bus 14 or 4)

Dinner: 19:00 Das Weinhaus Brückenstraße 7 54290 Trier



Schedule – TriEcon Workshop on Migration and Labour Markets

Thursday, July 10th, 2025

- 12:30 13:00 Registration (Room: F55)
- 13:00 13:05 Welcome (Room: F55)
- 13:05 14:35 Session I (Room: F55)
- 14:35 15:00 Break
- 15:00 17:15 Session II (Room: F55)
- 17:30 Transfer to city centre with public transport
- 19:00 Conference Dinner

Friday, July 11th, 2025

- 08:30 10:00 Session III (Room: K101)
- 10:00 10:20 Break
- 10:20 12:35 Session IV (Room: K101)
- 12:35 12:40 Farewell (Room: K101)

Programme – Thursday, July 10th

12:30 – 13:00	Registration, Room:	F55
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- 13:00 13:05 Welcome and Opening, Room: F55
- 13:05 14:35
 SESSION I: UNIONIZATION, Room: F55 (Chair: open)

 Pablo Zarate: Migration, the Diffusion of Ideas and the Rise of the Labor Movement: Evidence from the American Civil War

Cinzia Rienzo: The Union Wage Mark-up for Immigrants in the United States

- 14:35 15:00 Coffee Break
- 15:00 17:15 SESSION II: MIGRATION AND SKILLS, Room: F55 (Chair: open)

Michel Beine: The Contribution of Foreign Master's Students to US Start-Ups

Elisabetta Lodigiani: Immigration and Adult Children's Care for Elderly Parents: Evidence from Western Europe

Emanuele Forlani: How Migration Reshapes Job Tasks for Native Workers in Italy

- 17:15 Transfer to the city centre
- 19:00 Dinner

Programme – Friday, July 11th

08:30 – 10:00 SESSION III: INTEGRATION POLICY, Room: K101 (Chair: open)

Salvatore Carrozo: The Labor Market Effects of an Unexpected Amnesty for Undocumented Workers **Julio Garbers:** Arriving LATE: Access to Citizenship and Economic Integration

10:00 – 10:20 Coffee Break

10:20 – 12:35 SESSION IV: MIGRATION POLICY, Room: K101 (Chair: open)

Ignat Stepnok: Endogenous Migration in a Schumpeterian Model of Growth

Andreas Vortisch: The Impact of a Possible Trump Reelection on Mexican Immigration Pressures in Alternative Countries

Sumit Deole: Economic Preferences and Self-selection of Immigrants

12:35 – 12:40 Farewell

Session I

Pablo Zarate: Migration, the Diffusion of Ideas and the Rise of the Labor Movement: Evidence from the American Civil War I study the effects of the migration of particular German revolutionaries, the *Fourty-Eighters*, on the start of the Labor Movement in 19th Century US. I start by relying on OLS with a rich set of controls. I find a positive association between counties that received revolutionaries and the number of Knights of Labor Unions established. This relationship is robust to the exclusion of big cities, different definitions of *Fourty-Eighter* counties, and analyzing only small counties. Moving towards causality, I leverage the increasingly random assignment of soldiers to Union Army companies to test horizontal diffusion of ideology. Using soldier-level data, I construct a measure of exposure to 48er counties through having shared Civil War enlistment-a unique setting where men from diverse counties lived together for years. I find a robust effect of 48er exposure on subsequent unionization, with strong effects concentrated among counties with the highest exposure levels. This paper provides evidence for horizontal diffusion of socialist ideas across the Atlantic and highlights how the American Civil War created unprecedented ideological exchange, contributing to the development of the American labor movement.

Laszlo Goerke & Cinzia Rienzo: The Union Wage Mark-up for Immigrants in the United States

Using data from the Current Population Survey (CPS) for 1994-2023, we show that the union wage mark-up for immigrants averages about 0.1 log points, 0.04 log-points less than that for natives. Therefore, unionization is less beneficial for immigrants than natives in the United States. The difference is most pronounced for males and low-skilled blue-collar workers. It cannot be observed for white-collar workers, individuals born in Mexico, and second-generation immigrants. An IV-approach indicates that the wage effects can be interpreted causally. Our results suggest that differences in the union wage mark-up may be due to disparities in bargaining power or result from discriminatory trade union objectives. Our findings point to the importance of labor market institutions in shaping the economic assimilation of immigrants.

Session II

Michele Beine, Giovanni Peri & Morgan Raux: The Contribution of Foreign Master's Students to US Start-Ups

In this paper, we estimate the effect of increasing the share of foreign-born Master graduates on the creation of innovative start-ups in the US. We combine information on international students graduating from Master's programs by university cohort with data on start-ups created in the US between 1999 and 2020 by graduates of those cohorts. To establish a causal link, we use idiosyncratic variation in out-of-state relative to in-state fees charged by universities across Master's cohorts, resulting in differential foreign students' enrollment. We also use changes in the share of foreign students predicted by a shift-share instrument, based on university-level past networks, as an additional identification strategy. For each additional ten percentage points of foreign students graduating in a Master's cohort, we find 0.4 additional start-ups in that cohort. Then, using a name-based attribution of the origin of creators of start-ups, we find that between 30 and 45% of the total start-up creation effect is attributable to a positive spillover of foreign-born on start-up founders of US origin.

Andrea Berlanda, José Escarce, Elisabetta Lodigiani & Lorenzo Rocco: Immigration and Adult Children's Care for Elderly Parents: Evidence from Western Europe

This paper uses the Survey of Health, Ageing, and Retirement in Europe (SHARE), expanded with register data on the share of the foreign population in the European regions, to examine the effects of migration on the level of informal care provided by children to their senior parents. Our main results show that migration decreases informal care among daughters with a university degree, while it increases care among daughters with low-to-medium levels of education. Vice versa, migration has (almost) no effect on sons' care provision. These results depend on the combination of two mechanisms. First, as migration increases the supply of domestic and personal services, making them more affordable and available, the elderly are more likely to purchase these services, thereby reducing their reliance on daughters' help. However, second, as immigrants compete with low-to-medium-educated native workers on the labor market, the less educated daughters may reallocate their time from paid work to caregiving.

Session II

Emanuele Forlani, Elisabetta Lodigiani, Luca Nunziata: How Migration Reshapes Job Tasks for Native Workers in Italy Using comprehensive employer-employee data from the Italian Institute of Social Security (INPS) covering the period from 2013 to 2019, we analyze how changes in the labor supply of migrants across local labor markets affect the job tasks performed by Italian workers. We assess the routineness of occupations across 796 5-digit ISCO occupational groups using data from the unique Inapp-Istat Survey on Italian Occupations (ICP), an O*NET-type dataset.

Our analysis reveals that increased migrant labor supply produces occupational adjustments among native workers. Less-educated natives tend to shift toward less routinized occupations, while workers across all education levels reduce their effort in manual tasks. This pattern is consistent across genders. The effect is particularly pronounced among workers who change employers within their local labor market. We observe that this transition primarily occurs among workers in relatively more efficient firms. These firms appear to effectively leverage the benefits associated with the presence of migrants and exploit the advantages of worker complementarity.

Session III

Salvatore Carrozzo: The Labor Market Effects of an Unexpected Amnesty for Undocumented Workers

This paper studies the labor market effects of regularization programs on the competitors of the amnestied migrants. Exploiting the 2002 unexpected Italian program, I find that the least productive job competitors have a lower probability of being regularly employed in the months immediately following the amnesty. To explain this finding, I develop a theoretical model in which bundling strict application requirements and new penalties for hiring undocumented workers decreases the regular employment of amnestied workers' job competitors.

Christina Gathmann & Julio Garbers: Arriving LATE: Access to Citizenship and Economic Integration

We analyze whether faster access to citizenship fosters the economic integration of immigrants. Our empirical setting is Germany, which went from a strict concept of citizenship based on 'jus sanguinis' to a more open citizenship policy. We make use of discontinuities in residency requirements faced by first-generation immigrants to estimate LATEs based on Local Randomization and Fuzzy RDD approaches. We find that a more liberal citizenship policy acts as a catalyst for integration, especially for immigrant women. Women's labor force participation increases by 8.9 percentage points and their earnings by 21.3%. We do not find any significant effects on immigrant men.

Session IV

Ignat Stepanok: Endogenous Migration in a Schumpeterian Model of Growth

In this paper I study how international migration affects innovation, economic growth and welfare. I introduce endogenous migration of high- and low-skilled workers in a Schumpeterian model of growth. Migrants move from a lower wage imitating South to the higher wage innovating North and have the option to invest in education or to remain low skilled. The education option is available also to those who stay in the South. Lowering the cost to migration increases Northbound migration and leads to higher innovation and economic growth rates. The welfare of Northern natives, migrants and those who remain in the South depends on the interplay between the positive growth effect caused by migration and the higher number of more expensive Northern-produced varieties on the market, which in turn reduces welfare. In a low real interest rate environment the growth effect dominates and the welfare of all groups increases. Reducing only the high-skill migration cost increases high-skilled and decreases low-skilled migration, the welfare of natives and migrants increases unambiguously. Decreasing only the low-skill migration cost on the other hand increases the number of low-skilled and decreases the number of high-skilled migrants, the welfare of natives and migrants is reduced.

Michel Beine, Michel Bierlaire, Evangelos Paschalidis, Silvia Varotto & Andreas Vortisch: The Impact of a Possible Trump Reelection on Mexican Immigration Pressures in Alternative Countries

We address the question of the impact of a possible Trump reelection on the location choices of potential Mexican migrants. We use migration aspiration data from the Gallup World Poll Surveys which provide the preferred location choices of Mexican respondents before, during and after the Trump Presidency. We show that Trump presidency led to an increase in disapproval rates about the US leadership among Mexican respondents, which in turn led to a reduced level of attractiveness of the US location. Using a Cross-Nested Logit model that allows to account for the heterogeneity in the substitution patterns between alternative locations to the US, we simulate the impact of a possible reelection of Donald Trump based on different scenarios about these disapproval rates. We find that such a reelection would lead to an increase in the number of stayers in Mexico but would also create heterogeneous immigration pressures from Mexico across potential foreign locations. In particular, countries such as Canada, the UK, Germany, Spain, and France would face significantly higher increases in Mexican immigration pressures. We also show that the reelection of Donald Trump would lower the skill content of Mexican potential immigrants in the US and would induce an opposite effect in destinations that are perceived as close substitutes.

Session IV

Crystal Zhan & Sumit Deole: Economic Preferences and the Self-Selection of Immigrants

We investigate how economic preferences—risk appetite, altruism, and trust—influence international migration decisions. Using data on migrants and stayers from world origin and European destination countries, we analyze the self-selection of immigrants to European countries based on these preferences. Our findings reveal that more altruistic and trusting individuals have a higher propensity to migrate. Risk appetite, however, exhibits a nuanced effect: immigrants are positively selected on risk from low-risk countries, while adverse selection is observed from high-risk countries. We demonstrate that the degree of selectivity varies with demographic factors and origin-country characteristics. This study contributes to migration research by performing a theoretically founded empirical investigation of how distinct economic preferences shape international migration decisions.

Participants

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Garbers	Julio	University of Luxembourg
Geißler	Theresa	IAAEU
Goerke	Laszlo	IAAEU
Hartmann	Sven	IAAEU
Huang	Yue	IAAEU
Lodigiani	Elisabetta	University of Padua
Rienzo	Cinzia	Brighton University
Sadowski	Dieter	IAAEU
Stepanok	Ignat	IAB; Institut für Arbeitsmarkt- und Berufsforschung
Vortisch	Andreas	IAB; Institut für Arbeitsmarkt- und Berufsforschung
Zarate	Pablo	University of Mannheim

Notes

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