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The labor market competition hypothesis revisited in a comparative perspective: Insiders and outsiders on the labor market

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Abstract

In the study of anti-immigrant sentiment one of the leading theories is the labor market hypothesis. The labor market hypothesis states that persons oppose immigrant workers who have the same skill level as they have because they are seen as competitors on the labor market. High skilled natives would prefer low skilled immigrants and low skilled natives would prefer high skilled immigrants. This theory is widely debated and studies are not unanimous in their results. By taking a different perspective, this paper revisits the topic of the labor market hypothesis by investigating the relationship between the labor market position (insider-outsider framework) and attitudes towards immigration. For this analysis the European social survey is used, a dataset containing data on 14 European countries. An ordinal logistic regression is used to fit the data. The empirical results showed outcomes opposite to the labor market hypothesis because high-skilled workers should prefer low skilled immigrants who do not compete with them, but the results showed that they prefer high skilled immigrants. Regardless of the skill level of the respondent, high skilled immigrants were always preferred, possible explanations for this are discussed in the paper. Secondly regardless of the skill level of the immigrant, high skilled respondents were always more open towards immigrants than low skilled respondents. The insider-outsider framework gave new insight but also showed results that were not in line with the labor market hypothesis. Outsiders had a higher preference for immigrants, regardless of the skill level of the immigrants. Persons who have an 'atypical' labor contract (part-time or fixed term contracts) or persons who are unemployed and looking for a job are considered as outsiders in the paper. The use of the insider-outsider division showed that there are significant differences between insiders and outsiders, both in the high skilled as well as in the low skilled group, that impact the anti-immigrant attitudes.

Foreword

This thesis is written under very special conditions. The biggest part of this thesis are written during the Covid-19 lockdown period. This required some changes in the writing as well as the supervising process. I would like to thank Dr. M. van Lent very much for the supervision he gave in the process of writing my thesis. Even during this peculiar period where normal supervision was not possible Dr. M. van Lent was always available when I had questions or remarks and produced feedback very fast. This feedback was very valuable and helped in constructing this paper. I would also like to thank Jorik Boelaert for reading and controlling this thesis on spelling and grammar. This thesis marks the ends of my master public administration: economics and governance. This is the endpiece of a very interesting, educational and fun year in The Hague at the University of Leiden.

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1. Introduction

Immigration is a hot topic these days. The debates about immigration are often very present in today's politics. Since the migration crisis in Europe, that started in 2015, a renewed attention came to the effects of immigration on the country of destination. Research and debate about the effects on the welfare state, which social and cultural consequences immigration caused, gained a lot of attention but even before the migration crisis of 2015 a lot of research was done about the economical and societal effects that arise due to migration flows. This research takes a look at how attitudes of natives are formed towards immigrants considering labor market effects. The main subject will be the labor market hypothesis which will be tested using a different approach, making use of the insider-outsider division on the labor market.

To understand and evaluate immigration policymaking, models of immigration sentiment need to be constructed. Immigration preferences play a big part in explaining the political conflict that exists in the subject of immigration. For a good immigration model, it is important to study the individual preferences towards immigrants. What causes the differences between individuals, which characteristics play a role, how are the attitudes shaped and influenced,... These are all important questions when thinking of policy making in the domain of immigration. How these individual preferences are constructed has fascinated many scholars in the past. An especially important part of policymaking about immigration is the labor market. The attitudes and opinions of native workers towards immigration have been the subject of a great deal of studies. In most studies the results show that high skilled workers are more wanted than low skilled workers. Helbling & Kriesi (2014) gave an overview of these studies. In the literature there are three explanations for this preference. The first explanation is the welfare state model. This model states that low skilled immigrants are a higher cost to the state since they draw more benefits than they contribute through taxes. Their net fiscal position is negative in comparison with high skilled immigrants or native workers (Hinte, 2014). This is why according to the welfare state model high skilled immigrants are more preferred by natives than low skilled immigrants. The second explanation leans on the deservingness theory: this model talks about who deserves welfare provision (Reeskens & Van Der Meer, 2019). Who deserves it is often based on reciprocity. Reciprocity is the idea that the deservingness of welfare provisions depends on how much one has earned this welfare provision, in other terms, how much one has contributed to the welfare system (Van Oorschot, 2000). In the light of these reciprocity criteria, immigrants have an immigrant penalty and are often seen as not deserving of the welfare benefits (Van Oorschot, 2006). Comparing between immigrants of low and high skill, it seems logical that this penalty will be more severe for low skilled immigrants since they often contribute less. High skilled migrants, who contribute more to the welfare state according to the welfare state model, will have a higher deservingness level than low skilled migrants. This is why high skilled migrants will be more preferred than low skilled migrants. The last theory is the labor market competition theory. This hypothesis states that natives oppose immigrants with the same skill levels because they are seen as competitors on the job market. Low skilled native workers will prefer high skilled immigrants more than low skilled immigrants because the high skilled immigrants are not seen as competition on the labor market. In turn, according to this theory high skilled native workers will prefer low skilled immigrants more because they are no threat. The underlying assumptions where this theory is based upon will be further explained in the theoretical part of this paper (factor proportions model etc.). The interesting thing about this theory is the contradiction with the other two theories that are mentioned above, because if high skilled workers

prefer low skilled immigrants more then it goes against the welfare state model and deservingness model which states that native workers always prefer high skilled immigrants.

This contradiction has been the subject of different studies in the past. The labor market competition hypothesis is a much discussed subject with studies showing different results. There is still much debate if the hypothesis holds or if other theories are better fitted to explain how immigration sentiment is shaped. This research will contribute to the debate by testing the labor market hypothesis from a different point of view. This research follows the path of Mellon (2019) and Jeannet (2018) who revisited the labor market hypothesis by looking at certain other characteristics. Mellon (2019) focused on the sort of occupation and direct competition in one's occupation while Jeannet (2018) tested the labor market hypothesis by focusing on retirement. This research will use another widespread theory in political economics, the insider-outsider theory. The insider-outsider theory will be used as an approach to test the labor market hypothesis. How this will be done concretely is discussed below. First, an overview of recent studies considering the labor market hypothesis will be given.

The labor market hypothesis is a topic that is debated a lot in the last years. Different studies looked at certain characteristics of native workers and the effects on the attitude towards immigrants. Kunovich (2016) looked at the occupation of the native worker, Lancee and Sarrasin (2015) studied the impact of the educational level of the native, while Dancygier and Donnelly (2013) analyzed the effects of the sector in which the native worker worked and which effect this had on the attitudes towards immigrants. This paper focusses specifically on the skill level of the native worker and the labor market position. Some other studies also looked at the skill level (Gerber et al., 2017; Mellon, 2019; Polavieja, 2016).

This study differs from the ones mentioned above because it will analyze the labor market hypothesis on a cross-national level. Many of the above mentioned studies only focused on one country like Great-Britain (Mellon, 2019) or the US (Gerber et al., 2017). A cross-national level study increases the external validity. The more countries that are included in the research, the more lessons that can be learned for different countries (or even cross-national policymaking). It is for example possible that a country with a higher proportion of immigrants already living in the country would render different results than a country with a small share of immigrants. A cross-national study can take these country factors into account. Polavieja (2016) also did a cross national analyses but the data in her research were collected in 2004 (European social value survey round 2 (2004)) so this study gives a more recent view. What this study also distinguishes from some other research is that it will make use of survey data which focusses specifically on the competition that a native workers experiences from immigrant workers. Former research focusses often on voting behavior linked to anti-migration sentiment (Newman, Hartman & Taber, 2012) or it analyzed the impact on the broader picture a native has towards immigration (Pecoraro and Ruedin, 2016) while this study will only focus on the competition faced by immigration, not voting behavior or other aspects of the native-immigrant interaction.

The big distinguishing fact of this study will be the insider-outsider approach to test the labor market hypothesis. This has not been done before and could possibly add value to the already existing literature about the labor market hypothesis.

The Labor market competition hypothesis is not widely accepted. There are different studies that show that the LMC hypothesis does not hold, the studies show that competition on the labor market does not influences the opinion and attitudes towards immigrants. Research concluded that both high skilled and low skilled native workers are more favorable towards high skilled immigrants (Bansak, Hainmueller, & Hangartner 2016; Lee, Vyas & Chou, 2017; Goldstein & Peters, 2014). Hainmueller and

Hopkins (2014, pp. 214) summarized and reviewed the recent studies about the LMC hypothesis and they concluded that the LMC hypothesis is “something of a zombie theory”.

All these studies made a binary distinction on skill level: the native workers were either low skilled or high skilled and treated those groups as homogeneous groups. Mellon (2019) showed that the LMC hypothesis cannot be dismissed so easily when focusing on the possible threat and competition native workers could face. He analyzed the anti-migration sentiment when making a distinction between high skilled immigrants from the same industry as the high skilled native worker and high skilled immigrants that are in a different industry. His results showed that high skilled natives are less favorable towards immigrants who are employed or looking to get employed in the same industry than other high-skilled immigrants who are not in the same industry. For the low skilled natives he found no difference in sentiment, it did not matter in which industry the low skilled immigrant worked, they always felt competition. These results of Mellon (2019) showed that the LMC hypothesis cannot be dismissed so easily and that labor market competition can lead to anti-immigration attitudes and sentiment. The big differences between Mellon (2019) and the previous studies that did not find evidence for the LMC hypothesis is that Mellon did not treat the high skilled immigrants as a homogeneous group but put them in different groups according if they were in the same industry or not as the native respondent.

This research will go further down the same path as Mellon (2019) did by looking more closely to in-group differences and not assuming that the high skilled native workers or low skilled native workers are a homogeneous group. To test the LMC theory the native workers will be divided in insiders and outsiders and it will be analyzed if there is a difference in effect of labor market competition between insiders and outsiders on their attitudes and sentiment towards immigrants. Insiders are those persons who have a ‘standard’ employment contract, while outsiders are the workers in atypical employment (temporary and/or part-time contracts) or are unemployed and looking for a job. The concrete operationalization of the insider/outsider division will be discussed more broadly in the data and methods section. For each skill level, the insiders and outsiders will be compared and their attitudes towards immigrants and possible competition will be tested. There will also be a comparison between insiders and outsiders of the different skill levels. This research is situated in the quantitative research design. The data that will be used in this experiment comes from the European social survey (ESS) of round 7 (2014) which specifically focusses on immigration and attitudes towards immigration. The survey is organized in 14 Western European countries. This survey was completed a year before the big migration crisis started (2015) but can still provide valuable insights in the discussion around the labor market competition hypothesis.

The data will be analyzed using an ordinal logistics regression method where the dependent variable (attitudes towards migration) will be predicted using multiple independent variables (insider/outsider group; skill level).

In this paper, first the theory regarding the two used frameworks (insider-outsider framework and labor market hypothesis) will be discussed. Next the operationalization of the data and method will be explained. A descriptive and explanatory analysis will follow where the results are discussed. After that, the limitations of the research will be shortly stated, to end with the conclusion of this paper.

2. Theory

In the following section the two theoretical frameworks on which the research is based, will be discussed. First the insider-outsider framework will be outlined and the terms insider and outsider will be conceptualized. Secondly the existing literature and theory about attitudes towards immigrants will be reviewed with focus on the labor market competition theory.

2.1 Insider – Outsider framework

The insider-outsider distinction received the last couple of years more and more attention in economics and sociological studies. This distinction found its origins a few decades ago when the labor market shifted to a post-industrial market which caused further segmentation of the market. This segmentation indicates the difference between the standard jobs and the atypical jobs; atypical jobs are jobs which deviate from a standard full-time employment contract. Examples are part-time or temporary employment contracts. Outsiders can be seen as people in these atypical jobs or who are unemployed (Hausermann & Schwander 2010).

The shift to a post-industrialized society elevated the frequency of these atypical jobs. This shift has to be situated at the start of the 1980's. Oesch (2006) analyzed this shift and gives multiple triggers why this change in employment structure happened and why it did happen in that period. The first trigger was the growth in the service industry. This tertiarization occurred due to higher productivity in the service sector, made possible by technological change. Secondly Oesch (2006) points at the rising female participation rates. Emancipation of women caused a big increase in female participation rate, the old household model where men worked and women stayed home with children disappeared, causing a mass influx of women on the labor market. The last trigger he identified is the increased educational attainment in Western society. More and more people studied longer and followed higher education resulting in technological improvement and also contributing to this shift to a post-industrialized society because the supply in high skilled labor increased. This evolution from an industrial society to a post-industrial society went hand in hand with a more segmented labor market. A big increase in atypical employment occurred. Next to that unemployment started to rise. In most OECD countries unemployment rates stayed higher in the 80's and 90's (Esping-Andersen 1999). The shift to a service economy started and with it, there was a clear rise in temporary and part-time jobs. Kalleberg (2000) saw a significant increase in the number of these atypical jobs, Standing (1993, pp. 403) even spoke of an annual rise of 15% since the 1980's in atypical jobs. It is clear that in most OECD countries the shift to a post-industrialized, service based economy caused a more wide spread segmentation on the labor market between insiders (typical full time jobs) and the outsiders (unemployed people and atypical jobs).

Häusermann and Schwander (2010, pp. 6) conclude that this division in outsiders and insiders *"is a socio-structural dividing line that may indeed result in structural disadvantages with regard to economic, social and political outcomes"*. There is a big difference in risk between insiders and outsiders and Erikson and Goldthorpe (1993) found that there is little social mobility between both groups. Even though there are clear identifiable social groups who are more frequented in the outsider group (Häusermann and Schwander 2009) and high skilled people are more often insiders, there are still a lot of high skilled and highly trained people who can be considered as outsiders. This is why it is important to point out this in-group difference when looking at the labor market competition

hypothesis. It is possible that there is a difference in effects between insiders and outsiders when talking about the labor market competition hypothesis. Insider or outsiders could react differently to immigrant laborers coming into the country due to their different positions on the labor market.

To apply this insider-outsiders viewpoint, a clear definition is needed of who counts as an insider and who is considered an outsider. Two pioneers in the study of outsiders and insiders are Emmenegger and Rueda. The definition that will be used in this research is the definition they use in their different studies. Outsiders are those people who spend most of their working career in atypical employment (part-time and temporary employment) and unemployment, this is based on the definition used by those important researchers in the field of insiders and outsiders (Rueda 2006; Emmenegger 2009). Häusermann and Schwander (2009) used the risk factor to decide who would count as an insider or outsider. They looked at different risk profiles and measured the risk of falling into atypical employment or unemployment. Most other literature like Rueda (2006) and Emmenegger (2009) did not measure the risk of being an insider or outsider but looked at the actual labor status of the individual at the time of their research. This research will follow the route that is most used in similar research by looking at the actual labor status of the respondent at the time of the survey to determine who to code as an insiders or outsider. In the studies of Rueda (2006) and Emmenegger (2009) the insider-outsider theory is used as a theory of employment and unemployment to look at the preferences of the different groups considering the welfare state and active labor market policies. The insider-outsider divide is linked to different electoral politics where social democratic parties would be more in favor of supporting policies that are in the interest of insiders (Rueda, 2006) and that insiders have a higher likelihood of supporting these social democratic parties. Emmenegger (2009) disagrees and found in his research that an outsider also can be expected to support social democratic parties and have preferences for job security regulations. The underlying mechanism of this insider-outsider theory of policy preferences regarding social policy are very interesting but are not that important for this research. The political, voting and policy preferences of insiders and outsiders are not discussed but the framework of the insider-outsider theory to look at the labor market competition hypothesis is used. It is important to understand the implications of this dualization. Outsiders who are in atypical jobs or unemployment have an increased social and labor market vulnerability (Häusermann and Schwander, 2009), while insiders can be considered to be more “secure”. Häuserman and Schwander stated the risk for outsiders as follows: *“For the outsiders, this deviation from the industrial blueprint may potentially result in specific disadvantages, such as poor job perspectives, poverty, welfare losses and a lack of social and political integration”* (2010, pp. 2).

2.2 Theoretical frameworks of Labor Market Competition

A lot of political economy studies regarding immigration attitudes took place in the last couple of decades. A very important and impactful study in the political economy approach to migration was the study of Scheve & Slaughter (2001). They took a more economical approach and linked immigration attitudes with material self-interest. Non-economical motivations also play a role in attitudes towards migration but they pointed out that material self-interest also influences the attitudes greatly. Their findings were consistent with the factor proportions model and lay the fundamentals for the labor market hypothesis model.

2.2.1 factor proportions model

The labor market competition hypothesis states that immigrants are seen as competitors for jobs by natives. This renders negative feelings towards immigrants because natives see this competition as a negative impact on their wages or their chances at employment. Most work in economics follows the

factor proportions (FP) model (also known as The Heckscher-Ohlin model) of immigration's effect on native workers situation (Mellon, 2019). This model posits that the input in an economy can be divided in different factors of production (labor and capital). When there is an increase in one factor for example capital (an investment), there will be an increase in productivity of the other factor (labor) and an increase in demand for labor. Labor is split into two different factors, high skilled workers and low skilled workers. It works the same as with the different factors of production, an increase in one factor of labor, increases the demand and productivity for the other factor. When there is an influx of low skilled workers there are two consequences. The first is the decrease in wages for the low skilled workers. An increase in the supply of low wage workers results in an over-supply of low wage workers (supply exceeds demand) thus rendering downwards pressure on the low skilled wages. An increase in the total supply of labor (by an influx of low skilled workers) could also affect the high skilled jobs because the total supply of labor increases but these effects will be very small in comparison to the effects on the low skilled wages, the low skilled workers will suffer the most of an influx of extra low skilled workers. According to the factor proportions model the average productivity of the high skilled workers will increase (Borjas, Freeman & Katz 1996) because there is an increase in the other factor (low skilled workers). This increase in average productivity (for high skilled labor) happens because there is a complementary factor of production (low skilled labor) while the average productivity of the low skilled labor decreases due to the higher supply. When productivity increases, the wages increase. The same goes for the situation when there are a lot of high skilled immigrants: the supply of high skilled workers increases which results in a less strong situation for the high skilled workers when negotiation about their loans due to a big amount of competitors. The presence of a complementary factor of production (high skilled labor) also increases the average productivity for low skilled workers. Extra supply of high skilled workers would then render higher wages (or no effect) for low skilled labor and a reduce in the high skilled labor wages (because there is more supply and a decrease in average productivity), thus an increase in high skilled labor supply is worse for the high skilled native workers.

This FP model is an important part to understand the LMC hypothesis effects. When using this FP model it is clear why the LMC hypothesis states that low skilled natives rather see high skilled immigrants coming to their country than low skilled migrants and vice versa for the high skilled natives.

The used economic theory where the labor market hypothesis is built on is the factor productions model (FP) but this is not an unchallenged model. Some academics say that the FP model is too simplistic and when more sophisticated models are used, it is more difficult to see the effects on wages and taxes induced by immigration (Gaston & Nelson, 2000). In a more open economy model, for example the advanced Heckscher-Ohlin model, the effects of trade can cancel the effects of immigration when the output mix of tradable goods changes in line with changes in factor supplies (Hainmueller & Hiscox, 2010). There is "factor price insensitivity" and the net wages will not be affected. Other models even predict that immigrants can increase the real wages of natives with the same skills as the immigrants when there is an economy of scale (Brezis and Krugman 1993).

2.2.2 Labor market competition criticized

There are also studies that challenge the labor market hypothesis model as a whole. There is no consensus about the real economic effects of migration on the wages of the natives. Hainmueller & Hiscox (2007) give an overview of studies where different results have been found depending on which factors that are been taking into the research towards the real economic effects of migration. Hainmueller & Hiscox (2010) concluded in their later research that wage effects of immigrants on the wages of the natives are not significant or very small. It is still very much possible that natives do base themselves on material self-interest and that they think that immigrants have an impact on their wages (based on FP model) but that this assumption is not based on the economic reality. According to

different studies (Hainmueller & Hiscox, 2007; Hainmueller & Hiscox, 2010 ; O'Connell, 2011) the labor market competition hypothesis does not hold for high skilled natives. Hebling and Kriesi (2014) also reject the labor market competition hypothesis and conclude that in general high skilled immigrants are more often preferred over low skilled immigrants by high skilled natives, but not in every case. They tested the other hypotheses that are mentioned above (welfare state hypothesis and deservingness model) and found that the welfare state model only holds for natives who have a high income in regions with low taxes. Attitudes on deservingness explain preference of high-skilled immigrants in their study but only if the respondents have a high income. They point at different cultural and sociologic factors to explain the other differences in preferences of migration. Hainmueller & Hiscox (2007) drew the same conclusion. They did not find evidence to support the labor market competition hypothesis, the income and employment effects of immigration were very small in their study. There was still a link between educational level of the native and the preferences towards immigrants but they account this to different cultural values and beliefs. In a lot of these studies the results showed that there is no clear evidence that high skilled natives prefer low skilled immigrants over high skilled immigrants and they conclude that the labor market competition hypothesis does not hold. However they find no clear evidence either that high skilled immigrants are then more preferred. The results of these studies (Hainmueller & Hiscox, 2007; O'Connell, 2011; Lee, Vyas & Chou, 2017) show mixed results for the preferences of high skilled natives. They account these differences between the high skilled natives to cultural and sociological factors and only acknowledge little or no effects of economic factors. Although the importance of sociological and cultural factors in shaping one's attitudes towards immigrants is widely recognized, there is still a big group of researchers that still believes that attitudes are also highly influenced by material self-interest and thus economic reasons.

2.2.3 Different approach to the labor market competition hypothesis

A recent group of researchers (Mellon, 2019; Malhotra, Margalit & Mo, 2013) criticized the rejection of the labor market hypothesis by the former studies due to the fact that they treated the high skilled natives as one homogenous group in economic terms and looked only at the in-group differences for cultural and sociological factors. A lot of these studies testing the LMC hypothesis used the division of labor into high skilled and low skilled workers (Hainmueller & Hopkins, 2014). In recent years a lot of critique was placed on this rather simplistic division of labor into only two categories for testing the LMC hypothesis. Most studies (for example, Helbling & Kriesi, 2014 ; Lee, Vyas & Chou, 2017) just looked at the skill level of migrants as low skilled or high skilled (as in the FP model). They then analyzed if an increase in the supply of one factor of production, for example when there are relatively more high skilled migrants than low skilled migrants, had an impact on wages, displacement rates and how natives reacted to those immigrants. Dustmann, Schönberg and Stuhler (2016) give an overview of these studies of migration and why they often differ in results. As Mellon (2019) showed, this dual division will incorrectly estimate the effects of the material self-interest that induces attitudes towards immigrants. There are important in-group differences that affect how a native worker reacts on the LMC hypothesis. Mellon (2019) showed that there is a big difference how high skilled natives look at the competition of high skilled migrants depending on which occupation the natives and the migrants have. When the high skilled migrants are not in the same occupation as the native himself, the native will not fear competition and will prefer high skilled immigrants over low skilled immigrants in that branch of work. His results showed that when a high skilled native was faced with immigrants who would work in the same occupation, that the LMC hypothesis does hold and that the native prefers low skilled immigrants over high skilled immigrants in their occupation sector. This shows that the dual division into low and high skilled workers is too simplistic to test the LMC hypothesis correctly. This research goes further on the work of Mellon by exploiting the in-group differences to test the LMC hypothesis. The two groups will be divided further into outsiders and insiders so that the differences

between high skilled insiders and high skilled outsiders can be tested or between low skilled insiders and high skilled insiders etc.

This approach to look at the economic vulnerability of natives to test the role of labor market competition in shaping immigration attitudes has been taken in some recent studies. Malhotra, Margalit and Mo (2013) looked at the LMC hypothesis and concluded that the reason why in most studies there is only a small or no effect at all to support the hypothesis is that most people are not threatened economically by immigrants. They are less vulnerable to the possible negative effects that immigrants have on their material self-interest and are thus less opposed towards immigration. Malhorta et al (2013) did their study in the United States where they looked at sectors who are very open and vulnerable for example the high tech sector and found that the natives working in those sectors are significantly more opposed to giving working visas to migrants than natives working in more protected and less vulnerable sectors. This study of Malhotra et al. (2013) took place in the US, Dancygier & Donnelly (2013) did a similar research in the EU. They used data from the European social survey (ESS) from 2002 until 2009 and focused on differences between sectors. Sectors with more growth were significantly less opposed towards immigrants. Natives working in sectors where there is little or no growth were more opposed against immigrants coming to their country. This could be explained by the assumption that sectors where there is little or no growth are more vulnerable to an increase in the labor force. If there are not many jobs, extra competition from immigrants is seen as even more threatening. In a sector where there is much growth and thus a bigger demand for labor, an increase in the supply of labor by an influx of migrants is less threatening because there are plenty of jobs. Natives working in those slow growing sectors are more vulnerable to replacements effects of immigrants and pressure on the wages (due to a small demand and an increase in the supply of labor). On the assumption that the vulnerability of the persons labor market position plays a big role in how the native workers looks at the competition and threat faced by immigrants, will the main hypothesis of this research be build.

As seen above, outsiders can be considered the more vulnerable group. They are in atypical forms of employment or even in unemployment and can be expected to face most “nuisance” of the extra competition induced by immigrants coming to work in the native’s country. It’s safe to assume that most of the workers would prefer to be in a regular employment contract instead of atypical employment, except for the people who deliberately choose to work part-time (for example to raise their children). Emmenegger (2009) also points out that most outsiders want to become insiders in the future. The bargaining power and labor conditions are often better in regular employment than for people who work with fixed or part-time contracts. People in fixed or part-time contracts are often also more vulnerable to ending up in unemployment (Schwander, 2012). When the labor market is volatile the outsiders will be the first victims. In most countries it is often more easy to lay off people in atypical employment than employees with a regular contract. For workers with fixed contracts there is always a risk of ending up in unemployment when their contract ends and is not extended. Outsiders are already much more vulnerable and have less market power due to their position in the labor market (Schwander, 2012) so an increase of extra competition for the better “regular” jobs could make their situation more precarious. Immigrants coming to work in the native’s country cause extra competition for the “good” jobs while the outsiders are already struggling to move to the insider-group. They will face a higher level of competition than the insiders do. Even high skilled persons can be in a vulnerable position when they belong to the outsider group, so vulnerability does not only occur with low skilled workers (Schwander, 2012). Our hypotheses are formulated on the above assumptions:

H1: high skilled native outsiders are significantly more opposed towards high skilled immigrants than high skilled native insiders are.

H2: low skilled native outsiders are significantly more opposed towards low skilled immigrants than low skilled native insiders are.

H3: high skilled native outsiders are significantly more opposed towards high skilled immigrants than low skilled native outsiders are.

H4: low skilled native outsiders are significantly more opposed towards low skilled immigrants than high skilled native outsiders are

2.2.4 fiscal impact of immigration

Another aspect in the whole discussion about material self-interest and how this influences the attitudes towards immigration is the fiscal impact of immigration. This has less to do with the labor market competition hypothesis but is worth mentioning because it could also play a role in a native's process of forming opinions and ideas about immigration and their economic impact. The fiscal impact of migration can be placed in the welfare state hypothesis that is mentioned above. Hanson, Scheve and Slaughter (2007) used the above mentioned FP model and adjusted it with a base fiscal tax model to be able to also analyze the fiscal effects of migration. They assumed that low-skilled immigrants are a net burden for public finance and that they have an impact on the net post-tax income of natives because they have a negative impact on the public budget (so less transfers for the natives or more taxes for the natives). They hypothesized that higher incomes should be more opposed to low-skilled immigrants than natives with a lower income. Higher incomes are most of the time high skilled workers so this would go against the LMC hypothesis that assumes that high skilled natives have more favorable attitudes towards low skilled immigration than towards high skilled migration. They found differences between states in the United states for this effect where natives who lived in highly taxed states or states with a high tax exposure are more opposed towards immigration. Hanson et al (2007) concluded that these negative feelings originated in the material self-interest because they feared that migration (mostly low skilled migration) could induce higher taxes. Gaston and Rajaguru (2012) studies the impact of migration on the public budget and concluded that more migration led to more social expenditure. However, the effect of migration depends on the net fiscal position of the migrant. When migrants receive more benefits than that they contribute they are net-receivers and they put upwards pressure on the expenditures. Boeri (2010) showed that it differs from country to country if immigrants are net-receivers. Where Hanson et al (2007) found evidence that a fiscal threat due to migrants played a role in the sentiment towards migration, Tingley (2013) found no significant effect of this fiscal threat. He used different surveys in the US and didn't see a difference in anti-immigration sentiment in more tax-exposed states or with native workers with a high income. He called the connection between fiscal and public finance effects and immigration preferences a lost connection. It is because of this disagreement about the fiscal contributions of immigrants that Hainmueller & Hiscox (2010) warn to be careful to draw conclusion about how anti-immigration feelings and attitudes are induced by tax effects of the immigrants. They found no evidence of the labor market competition hypothesis or the fiscal burden model and concluded that economic self-interest does not explain voting behavior towards migration. The study looked at voting behavior so it is a bit harder to compare this study with the research of Mellon (2019) or this research because this does not look at voting behavior but at the attitudes towards immigrants directly without linking voting behavior to it. Using survey question about feelings and opinions towards immigrants could render a different results than looking at voting behavior linked to anti-immigrants sentiment. Voting behavior is not induced by anti-immigrant sentiment only, a lot of other factors play a role when deciding who to vote for. You often do not vote for one specific topic but you vote for the package deal the party offers or for a certain candidate you

like or trust. That is why asking directly at the attitudes and opinions could lead to different results than looking at the voting behavior.

2.2.5 Education as a driver for positive migration attitudes

There is much debate about the validity of the labor market hypothesis, some studies find proof to support the hypothesis, some studies find results that rejects the propositions of the thesis. One observation that often comes back in these studies is that high educated or high skilled natives are more favorable towards migration in general. The higher the educational level of the respondent, the more favorable attitudes he will have towards migration in general regardless if it's low or high skilled immigration. This occurs in research that found evidence to proof the labor market hypothesis (Mellon, 2019; Malhorta et al, 2013) as well as research that didn't support the labor market hypothesis (Hainmueller & Hiscox, 2007). This does not have to implicate the labor market hypothesis. High educated natives can still prefer low skilled immigrants over high skilled immigrants while on general they are more favorable towards migration than their low educated counterparts. In studies that disproved the labor market hypothesis results showed that high skilled immigration is always preferred by both high and low educated natives but that the attitudes towards migration in general also increased when the educational level of the native rises. Both low and high educated natives favor high skilled immigrants over low skilled immigrants but the high educated natives favor them more than the low educated natives. There is a positive relationship between education and support for immigration (Hainmueller & Hiscox, 2010). This positive relationship was the subject of many different studies before. Education causes the racial tolerance of individuals to go up and be more favorable to an open world. This is because of the socializing effects of going to college or university which gives student more open world, progressive attitudes. Many scholars found these effects, Hainmuller and Hiscox (pp. 405, 2007) give an overview of these studies. A special study was the research of Gang, Rivera-Batiz, and Yun (2002) who claimed that it was inherent to the Western-European schools and universities to have a more open world view and give these views to their students. They said that one of the goals of education in Western-European countries is to socialize their students and increase their social tolerance. The reasons why education has these effects are multiple. Higher education focusses on critical thinking, people who have had an education are trained in critical thinking which has a positive effect on their attitudes towards immigration. With higher education often comes better knowledge of foreign cultures through learning in school or through contacts with foreigners. Universities and colleges are often more international than a middle school or high school. This mix of students brings natives into contact with people from other nationalities and often other cultures which increases the open world view and declines the fear of other cultures (Dustmann & Preston, 2001 ; Chandler & Tsai, 2001). Knowing other cultures and people from other cultures diminishes the fear of other cultures. Humans are often more open to things, people or cultures which they know.

2.2.6 Other explanations for attitudes towards immigration

As previously mentioned, there are different researchers who reject the labor market hypothesis or even reject every economic explanation for attitudes towards immigrants. This is the debate between ego-tropic considerations and socio-tropic considerations. Hainmuller and Hiscox (2010) are one of the leading voices in this debate and reject the ego-tropic considerations. In their studies they found results that economic self-interest does not explain the native's attitudes towards immigration. They tested both the labor market competition hypothesis and the fiscal burden theory (welfare state theory) and found no evidence for either of these theories. They give two alternative explanations to explain what could shape attitudes towards immigrants based on more socio-tropic and ethnocentric considerations. The first is based on ethnocentric reasons. They concluded that their results fit well with previous work that focusses on cultural and ideological factors, such as nationalism, ethnocentrism and also racism. For an overview of these studies, see Hainmuller and Hiscox (2010, pp

79). The other argument they give on how to explain the attitudes is more socio-tropic. Attitudes are shaped by people perceptions of the impact of immigration, for these perceptions they base themselves on collective info and common perceptions rather than economic self-interest and personal experience. They link these common perceptions with a clear preferences for high skilled immigrants over low skilled immigrants because the common perception is that high skilled immigrants contribute more to the welfare system than they take and that they are better for the local economy while this is less the case for low skilled immigrants. The nation as a whole is seen as the perspective point and combined with those perceptions, high skilled immigrants are better for the nation and are thus preferred.

The various economic reasons that influence the attitudes towards migration are discussed above. Of course there are also non-economic factors that play a role in shaping how people look at immigrants. Some people are just more tolerant than others or have a higher fondness of cultural diversity. The media and politics also play a defining role in how immigrants are being perceived. As stated above, people often do not know the real economic impact of immigrants but they base their assumptions and attitudes on the perceptions of the effects that immigrants have on the economy. Role models and the social media play an important role in shaping these perceptions. In addition, certain demographic characteristics also play a part in the position one takes about immigration. Different studies showed that age is negatively associated with fondness of immigration. Older people tend to be more opposed towards immigration (Jeannet, 2018 ; Gang, Rivera-Batiz & Yun, 2002 ; Malhorta, Margarit & Mo, 2013). Gender is also important, women tend to be less supportive of immigration than men (Hainmuller & Hiscox, 2007 ; Gang, Rivera-Batiz & Yun, 2002). When persons are not born in the country they currently live in but are born abroad they seem to be more supportive of immigration. They were newcomers themselves once so they are more open towards other newcomers (Jeannet, 2018, Hainmuller & Hiscox, 2007). The same counts for members of minority groups, they are also more supportive towards immigration. The area where a person lives also affects the attitudes towards immigration although there is some discussion on this topic. Some studies showed that living in areas with more immigrants or more cultural diversity improves the open world view, coming into contact with other cultures and immigrants would improve the way they think about immigrants. People that are living in rural areas where there is less immigration would be more opposed towards immigrants (Jeannet, 2018) because they know so few immigrants and people are more afraid of something when they do not know it. Other studies showed that living in areas with more foreigners and more immigrants would have a negative impact on the attitudes towards immigration (Gang, Rivera-Batiz & Yun, 2002). Finally persons with more right wing and conservative political preferences are likely to be more opposed towards immigration than persons who identify themselves as left wing (Jeannet, 2018 ; Malhorta et al, 2013 ; Hainmuller & Hiscox, 2007).

To account for these different non-economic reasons that could affect the attitudes towards immigration, certain control variables are included into the analysis (see below).

3. Data & methods

For this study the data from the European social survey database are used. The European Social Survey (ESS) is an academically driven cross-national survey. It has started in 2001 and there is an additional round every 2 years. It makes use of face-to-face survey interviews. Up till now 9 rounds of data have been released. This study will make use of round 7 that was conducted in 2014. Each round has a specific focus, round 7 was chosen because the focus of this round of interviews was on immigration. An extensive part with questions regarding migration was involved in this round. The sample consists of 14 Western European countries. These are: Austria; Belgium; Denmark; Finland; France; Germany; Ireland; Netherlands; Portugal; Spain; Sweden; the United Kingdom; Norway; and Switzerland. The sample is selected by strict random probability methods.

In total there are 17412 cases. These are all the respondents of the survey who belong to the labor force. Respondents who do not belong to the labor force like retired persons or students are not included (see further). This research is situated in the quantitative research.

3.1 Independent variable

There are two independent variables. The position on the labor market the respondent belongs to (insider or outsider group) and the skill level of the respondent.

There is no question that asks directly at the skill level of the respondents so the educational level is used to determine the skill level. The same method previous research used to determine the skill level based on education (Hainmueller and Hopkins 2015; Hainmueller and Hiscox 2010; Mellon, 2019) is followed. As Liu and Grusky (2013) showed, education is a good measure for the skill level. The survey works with the International Standard Classification of Education (ISCED). ISCED works with 9 levels of education (0 to 8). ISCED 0: Early childhood education ('less than primary' for educational attainment)

ISCED 1: Primary education

ISCED 2: Lower secondary education

ISCED 3: Upper secondary education

ISCED 4: Post-secondary non-tertiary education

ISCED 5: Short-cycle tertiary education

ISCED 6: Bachelor's or equivalent level

ISCED 7: Master's or equivalent level

ISCED 8: Doctoral or equivalent level

ISCED 0 until 4 is only primary or secondary education. From ISCED 5 and onwards there was tertiary (higher education). A dichotomous variable is created for skill level (Hebling & Kriesi, 2014) where ISCED up to level 4 is coded in the low skill level and the ISCED 5 up to 8 is coded as high skill level.

It has to be acknowledged that the relationship between educational qualifications and skills is imperfect and that other factors also play a role (OECD, 2013) but as stated in previous research, education is the best option to determine the skill level when the skill level is not stated explicitly in the survey.

The focus lies solely on the working population so students and retired persons are not included. To determine who are insiders and who are outsiders two survey-questions are used. The first is the main activity. 8 different answers are possible:

1. Paid work
2. Education
3. Unemployed, looking for job
4. Unemployed, not looking for job.
5. Permanently sick or disabled
6. Retired.
7. Community or military service
8. Housework, looking after children, others.

People who are in education (2), permanently sick or disabled (5), retired (6), and looking after children (8) are not included in the sample. The people who are unemployed and not looking for a job (4) can be considered as inactive and do not belong to the working population so they are not taken into the sample. The definition of working population/ labor force that is used, is the definition the OECD (2020) gives: “the labor force, or currently active population, comprises all persons who fulfil the requirements for inclusion among the employed (civilian employment plus the armed forces) or the unemployed. The unemployed are defined as people without work but actively seeking employment and currently available to start work.”

In this paper only the currently active population is included in the analysis. It's debatable to include the students in the sample because persons who are in education are going to be on the labor market soon. There are two main reasons why there is chosen to not include people who are still in education in the analysis. The first reason is that respondents who are in education are very hard to classify in the two main independent variables. It's not yet possible to determine if a student will have a future insider job or an outsider job. The current occupation (student) does not allow to classify the respondent on the labor market position (insider-outsider) and the skill level is also hard to determine. Based on the current educational level it is hard to say if a person will become a low or a high skilled laborer. A person could be studying at a lower level, seemingly becoming a low skilled laborer but it is possible that some persons will study on and achieve higher levels of education. The definite level of education can only be determined with certainty when a person enters the labor market and is finished with studying. For persons who are in the middle of their education it is not possible to determine their final educational level and thus is it impossible to classify them into low and high skilled workers. The second reason to not include persons in education is that this group is rather small in comparison to the amount of people who are the currently active population. For the average effect including persons in education would have little effect.

The persons who responded 7, community or military service will be considered insiders. Persons who responded 3, unemployed and looking for a job are coded as outsiders. For the persons who answered 1, paid work, the other survey question is used: Employment contract of unlimited or limited duration? The persons with a unlimited contract are considered as insiders, the persons who have a contract of limited duration are considered as outsiders.

This way the persons with limited contracts and persons who are unemployed and looking for a job are coded as outsiders. As noted above, outsiders were considered people who are unemployed, in a contract of limited duration or in part-time work (the last two being the atypical employment). The people in part-time jobs would still be in the category of persons with paid work with an unlimited contract. To filter the part-time workers from the full time workers the survey question “Total contracted hours per week in main job overtime excluded” is used. The Bureau of Labor Statistics (2020) regards workers who work 35 hours or more a week as full-time, part-time workers are those who usually work fewer than 35 hours per week. This is used to code the people that work less than 35 hours as part-time (and thus outsiders) and the people who work 35 hours or more as insiders (regular workers/ full time contract). This method where the splitting point lays at 35 hours worked

per week is also used in former research considering part-time and full-time employment (Mandal, Roe, Fein, 2010 ; Conway, Briner, 2002).

To conclude what is said above, there are two main explanatory variable/independent variables, the first one is whether a person is an insider or an outsider. A dummy is constructed with 0 for insiders and 1 for the outsider. The second independent variable is the skill level, a dummy for skill level is constructed where cases with a low skill level are given the value 0 and cases with a high skill level the value 1. Next to the explanatory variables, there are also control variables added to the analysis. The included control variables are discussed below.

3.2 Dependent variables

To analyze a person's view and attitudes towards migration different survey questions are used. To test the hypothesis it has to be analyzed if there is a difference in attitudes towards immigrants from different skill levels. In the survey a lot of different question about immigration attitudes are formulated. Most of them are more general about immigration itself. To test the labor market hypothesis the focus lies on the questions where immigration is linked to the labor market. In the survey there are various questions about the topic of immigration. For the questions regarding immigrants on the labor the survey made a distinction between two groups of immigrants. Immigrants can either be professionals or unskilled laborers. Immigrants who are professionals are described as high skilled laborers, this group will be the high skilled immigrant group in the paper. The other group of immigrants that are mentioned in the survey are the unskilled laborers. They are described as unskilled/low skilled immigrants. The survey used a dualization into professionals and unskilled laborers while this paper used the terms high skilled and low skilled but the groups have the same meaning, only the naming differs. The paper will refer to the professionals used in the survey as high skilled immigrants and will refer to the unskilled laborers as low skilled immigrants.

The following survey-questions are used:

High skilled immigrants:

- "please tell me to what extent you think [country] should allow professionals from [poor country outside Europe providing largest number of migrants] to come to live in [country]?" respondents can answer the following 4 answers: 1 Allow none to come and live here. 2 Allow a few to come and live here. 3. Allow some to come and live here. 4. Allow many to come and live here.
- "please tell me to what extent you think [country] should allow professionals from [poor European country providing largest number of migrants] to come to live in [country]?" respondents can answer the following 4 answers: 1 Allow none to come and live here. 2 Allow a few to come and live here. 3. Allow some to come and live here. 4. Allow many to come and live here.
- We will construct a new variable that combines both questions into one variable that reflects the views on professional/ high skilled immigrants.

Low skilled immigrants:

- "please tell me to what extent you think [country] should allow unskilled laborers from [poor country outside Europe providing largest number of migrants] to come to live in [country]?" respondents can answer the following 4 answers: 1 Allow none to come and live here. 2 Allow a few to come and live here. 3. Allow some to come and live here. 4. Allow many to come and live here.

- “please tell me to what extent you think [country] should allow unskilled laborers from [poor European country providing largest number of migrants] to come to live in [country]?” respondents can answer the following 4 answers: 1 Allow none to come and live here. 2 Allow a few to come and live here. 3. Allow some to come and live here. 4. Allow many to come and live here.
- The same method as with the questions above will be used, a new variable will be constructed that combines both questions into one variable that reflects the views on unskilled/low skilled immigrants.

The survey used a split ballot design for these questions. The respondents of the survey are randomly allocated to two different groups which are asked a survey question. The survey question is the same except for the economic status of the immigrants. The respondents had to give their immigration policy preferences on a 4 point Likert scale. The economic status of the immigrant could be professional (high skilled immigrant) or unskilled worker (low skilled immigrant). The country of origin of this immigrant is different according to the country of the respondent, it's based on the most important country of origin of immigrants in the native's country. For natives in the same country, the country of origin of the immigrant is always the same. Because of this split ballot design it is not possible to compare in the two groups considering low and high skilled immigrants, instead the responses of group 1 for the low skilled immigrants with the responses of group 2 for the high skilled immigrants needed to be compared. Applying to the law of large numbers, these groups are statistically similar. The statistical similarity has been tested before the analysis and can be confirmed.

3.3 Control variables

Different control variables are included in the analysis based on the literature and previous similar research. The usual demographic variables as age, gender and marital status are included. A dummy per country is also created to anticipate on certain intercountry differences. A variable if the respondent has children, and a variable if the respondent is born abroad are also included. Next to that the income decile of the household income is taken into the analysis. The selection of the control variables is based upon the control variables used in previous research (Mellon, 2019 ; Jeannet, 2018 ; Hainmuller & Hiscox, 2007). The available data also played a role in selecting the control variables. For example an extra interesting variable that is often included is the area of living of the respondent (if one lives in a city or in a rural area). Unfortunately there is no question included in the survey that asks at the area of living.

In some previous work (Jeannet, 2018), the left-right political orientation is also included in the analysis as a control variable. It is chosen not to include this because there is considerable reason to think that this control variable is an outcome variable of one of the independent variables (insiders/outsider group) so it's better not to include this variable to not bias our findings.

3.4 Method

The study will make use of a data analysis program and use an ordinal logistic regression to test the formulated hypothesis. The ordinal logistic regression allows to predict an ordinal dependent variable given one or more independent variables. Since there are multiple independent variables (insiders/outsiders and skill level) and a ordinal depend variable (4-point Likert item from “allow none” to “allow many”) this method is fitted to analyze the data.

Next to that we the data are also analyzed with a linear probability model. For this method a new variable is created so that the outcome variable is a binary variable: 0= allow some, a few, or none, and =1 allow many). The ordinary least squares (OLS) are estimated for this model.

4. Results

4.1 Descriptive analysis

First some descriptive statistics are analyzed to give a more general view of the sample and variables used in the analysis. There are in total 17412 cases when all the respondents who are not in the labor force are excluded.

In table 1 the division of the respondents in insiders and outsiders is showed. Overall 67,1 % are insiders and 32,9 % are outsiders. The ratio of insiders/outside is in line with the results found in previous research (Häusermann & Schwander, 2009). They did an extensive research and the ratio insiders/outside they found in their analysis is close to the ratio in this research. Our sample is a good representation of the reality.

Most countries come close to this overall division but there are some cases that show outliers. In Estonia for example there are 81,6 % insiders, which is remarkably more than the overall mean. Hungary (with 79,1%) and Lithuania (with 81,6%) also have proportionally more insiders. The other remarkable country is the Netherlands which is the only country that has more outsiders than it has insiders (40,3% insiders vs 59,7% outsiders). These differences were also found in previous research. Häusermann & Schwander (2009) found that Nordic countries have a higher proportion of insiders, which is in line with our findings where Nordic countries like Lithuania, Estonia, Norway and Sweden have a higher proportion of insiders. They also found that continental countries most of the time have a higher percentage of outsiders, which could explain why countries like Belgium, The Netherlands, Germany and Spain have more outsiders proportionally.

Table 1: insider-outsider ratio by country					
Country			Group		Total
			Insiders	Outsiders	
	Austria	N	656	253	909
		% within Country	72,2%	27,8%	100,0%
	Belgium	N	466	293	759
		% within Country	61,4%	38,6%	100,0%
	Switzerland	N	495	263	758
		% within Country	65,3%	34,7%	100,0%
	Czechia	N	795	266	1061
		% within Country	74,9%	25,1%	100,0%
	Germany	N	892	535	1427
		% within Country	62,5%	37,5%	100,0%
	Denmark	N	496	239	735
		% within Country	67,5%	32,5%	100,0%
	Estonia	N	832	187	1019
		% within Country	81,6%	18,4%	100,0%
	Spain	N	452	364	816
		% within Country	55,4%	44,6%	100,0%
	Finland	N	664	241	905
		% within Country	73,4%	26,6%	100,0%
	France	N	586	290	876
		% within Country	66,9%	33,1%	100,0%

	United Kingdom	N	510	338	848
		% within Country	60,1%	39,9%	100,0%
	Hungary	N	637	168	805
		% within Country	79,1%	20,9%	100,0%
	Ireland	N	367	345	712
		% within Country	51,5%	48,5%	100,0%
	Israel	N	424	302	726
		% within Country	58,4%	41,6%	100,0%
	Lithuania	N	821	186	1007
		% within Country	81,5%	18,5%	100,0%
	Netherlands	N	328	486	814
		% within Country	40,3%	59,7%	100,0%
	Norway	N	580	189	769
		% within Country	75,4%	24,6%	100,0%
	Poland	N	382	262	644
		% within Country	59,3%	40,7%	100,0%
	Portugal	N	297	171	468
		% within Country	63,5%	36,5%	100,0%
	Sweden	N	652	236	888
		% within Country	73,4%	26,6%	100,0%
	Slovenia	N	344	122	466
		% within Country	73,8%	26,2%	100,0%
Total		N	11676	5736	17412
		% within Country	67,1%	32,9%	100,0%

When looking at the overall attitudes and sentiment towards migrant workers, it can be seen from figure 1 and 2 that professionals (high skilled migrants) are more preferred than unskilled laborers (low skilled migrants). This is the case for both high skill and low skill respondents, they both prefer high skilled migrants more. This points in the direction of the welfare state model and the deservingness-model where high skilled immigrants are always preferred because they are better for the welfare state (net contributors) or because they are seen as more deserving than their low skilled counterparts. The results of these figures are clashing with the predictions of the labor market competition hypothesis that claimed that concerns about labor market competition are a driving force in shaping attitude toward immigration. If labor market competition was the driving force there should be differences in the patterns between how low and high skilled respondents answered. What can be seen here is that both low and high skilled respondents would allow more migrants when the migrants are high skilled. For low skilled migrants 6,24% of the low skilled respondents and 13,30 % of the high skilled respondents answered that many were allowed to come. For both types of respondents there is a clear increase in how many migrants are allowed when looking at high skilled migrants, even more, the answers of allow many are doubled when comparing high with low skilled migrants. Of low skill respondents 16,50% answered that many professionals are allowed and with the high skilled respondents, this number is 28,79 %. The second noticeable result of figures 1 and 2 is that high skilled respondents are more likely to favor immigration than low skilled respondents. This is consistent with previous research that found that most of the time people with higher education are more open and

favorable towards migration (both low and high skilled) compared to people with low levels of education (Hainmueller and Hiscox 2007; Hainmueller and Hiscox, 2010; Lancee & Sarrasin, 2015). This because of different economic and non-economic reasons (see above in the theoretical part). A statistical test is performed to test whether the above differences in distribution that can be seen are based on a statistical significant different distribution. It is tested if the two samples (high skilled and low skilled respondents) have a significant different distribution. The Kolmogorov-Smirnov Z test is used to test the distributions. The full results are shown in Appendix 1. For both survey questions (how many low skilled and how many high skilled immigrants are allowed) the p value of significance of the test is 0,00 meaning that the distribution between the two samples (between low and high skilled respondents) is significantly different.

Figure 1 : How many low skilled immigrants allowed

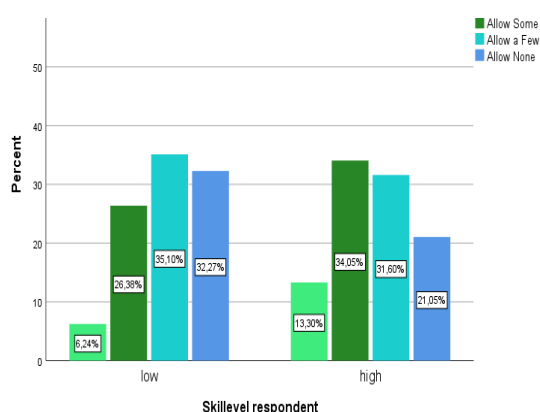
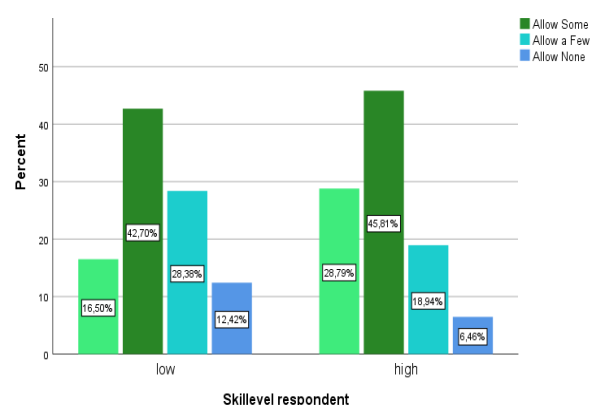


Figure 2 : How many high skilled immigrants allowed



The next table presents the mean results for the survey questions that are presented in the figures above. The answers to the survey question “how many migrants should be allowed” have to be interpreted as following: 1= allow none. 2 = allow a few. 3 = allow some. 4= allow many. The higher the number on the 4 point Likert scale, the more favorable the respondent is towards (low/high skilled) immigration.

Table 2: Mean and standard deviation

	Total sample	Insiders	Outsider	High skilled respondents	Low skilled respondents
How many high skill immigrants allowed	2,758 (0,899)	2,804 (0,869)	2,823 (0,884)	2,969 (0,857)	2,632 (0,900)
How many low skill immigrants allowed	2,186 (0,945)	2,251 (0,933)	2,245 (0,949)	2,395 (0,962)	2,065 (0,912)

Mean (standard deviation)

In table 2 similar results as in figure 1 and 2 can be seen, overall high skilled immigrants are preferred over low skilled immigrants. For high skilled immigrants most respondents tend to be more open and allow some (3) or even many (4) while for the low skilled immigrants, the trend is more towards restrictive measures (this is a statistical significant difference, see appendix 1). The differences

between insiders and outsiders are rather small while the differences between high skilled natives and low skilled natives are more clear. As can be seen in appendix one, there is no statistical significant difference in distribution between insiders and outsiders (tested with Kolmogorov-Smirnov Z test). In the table can be seen that the mean of the high skilled natives tends to be more open towards both low and high skilled immigrants compared to the mean of the low skilled natives. In every category the standard deviation for the survey question about 'how many low skilled immigrants should be allowed' is bigger than the standard deviation for the high skilled immigrants question. This could point at more divided attitudes about low skilled immigrants while the attitudes about high skilled immigrants are a bit more similar (although the standard deviation is still big).

4.2 Explanatory analysis

4.2.1 Ordinary Least Squares

The first step in the explanatory analysis is to predict the Ordinary Least Squares (OLS). A linear probability model is estimated. To analyze the data with an OLS regression the dependent variable is transformed. The current dependent variable is an ordinal dependent variable (4-point Likert item from "allow many" to "allow none"), is transformed into a binary variable where 0= allow none, allow a few and allow some and 1 = allow many. This analysis is done twice, once for the question about how many low skilled immigrants should be allowed and once for how many high skilled immigrants should be allowed. The respondents of the survey are randomly allocated to two different groups which are asked a survey question. The survey question is the same except for the economic status of the immigrants. The respondents had to give their immigration policy preferences in a split ballot design. The economic status of the immigrant could be professional (high skilled immigrant) or unskilled worker (low skilled immigrant). The country of origin of this immigrant differs according to the country of the respondent. It is based on the most important country of origin of immigrants in the native's country. For natives in the same country, the country of origin of the immigrant is always the same. Because of this split ballot design a comparison between the two groups considering low and high skilled immigrants is not possible but the responses of group 1 for the low skilled immigrants with the responses of group 2 for the high skilled immigrants need to be compared. Applying to the law of large numbers, these groups are statistically similar. The statistical similarity has also been tested. For all the control variables there are no statistically significant mean differences between the groups.

The two independent variables are included in the analysis: Skill level as a dummy variable with 0= low skill level and 1 = high skill level. Insider-outsider group as a dummy variable with 0= insider and 1= outsider. The included control variables are age, gender, living with partner, dummy for country, children living at home, born abroad. The household's income in deciles is also included.

Table 3 presents the OLS estimations predicting support for allowing low skilled immigrants coming into the native's country. As shown in the table both independent variables are significant. The skill level of the respondent is highly significant (on the $p < 0,001$ level). Persons with a high skill level have 8,4 percentage points more support for low skilled immigrants coming into to the country (on a scale from 0 to 1) compared to persons with a low skill level. The second independent variable, the insider or outsider group is also significant (on the $p < 0,05$ level), although it is a bit less significant than the first independent variable. As can be seen in the table, outsiders have 1,7 percentage points more support for low skilled immigrants coming into the country than insiders. All the other variables are not significant.

Table 3: Ordinary least squares linear regression model: low skilled immigrants

	coefficients
(Constant)	0,054* (0,023)
Insider/Outsider ¹	0,017* (0,008)
Skilllevel ²	0,084*** (0,007)
Born abroad ³	0,009 (0,012)
Gender ⁴	-0,008 (0,007)
Age of respondent	0,000 (0,00)
Living with partner	-0,005 (0,008)
Children living at home or not	-0,001 (0,007)
Households income	-0,001 (0,001)
N	6481
R ²	0,143***

Note: includes country dummy variables. Country dummy variables were not significant and are not shown here

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$. Standard errors are robust.

1: 0 = Insider. 1= Outsider

2: 0= Low skill level. 1= High skill level

3: 0= Born in country. 1= Born abroad

4: 0= Male. 1= Female

The same analysis is now done for the support for high skilled immigrants coming into the country. The independent variables and control variables stay the same.

Table 4 presents OLS estimates predicting support for allowing high skilled immigrants into the native's country. For the support to allow high skilled immigrants the results show that the two independent variables are also significant. The difference with the support for low skilled immigrations is that the effects shown in table 4 are bigger. The insider-outsider group is highly significant ($p < 0,001$). Being an outsider renders 4,8 percentage points more support for high skilled immigrants than insiders do. Compared with the support for low skilled immigrants as can be seen in table 3, the increase in support for high skilled immigrants is higher if insiders become outsiders. While the increase in support for low skilled immigrants was small (only 1,7 percentage points and slightly significant), the increase in support for high skilled immigrants is 4,8 and highly significant. This means that the effects of being an outsider are more noticeable for high skilled immigrants than low skilled.

Table 4: Ordinary least squares linear regression model: high skilled immigrants

	coefficients
(Constant)	0,117** (0,038)
Outsider ¹	0,048*** (,011)
High Skill level ²	0,142*** (0,10)
Born abroad ³	,066*** (0,016)
Gender ⁴	-,028** (0,010)
Age of respondent	-,001** (0,000)
Living with partner	-,011 (0,011)
Children living at home or not	,021 (0,011)
Households income ⁵	,001 (0,002)
N	6526
R ²	0,195***

Note: includes country dummy variables. Country dummy variables were not significant and are not shown here

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$. Standard errors are robust.

1: 0 = Insider. 1= Outsider

2: 0= Low skill level. 1= High skill level

3: 0= Born in country. 1= Born abroad

4: 0= Male. 1= Female

5: Income reported in income deciles with 1 being lowest decile and 10 highest decile

In table 4 it is demonstrated that the high skilled natives are 14,2 percentage points more supportive of allowing high skilled immigrants than their low skilled native counterparts. This is almost double of the increase that is seen when asking for the support for low skilled immigrants (8,4 percentage points). The conclusion from both tables is that high skilled respondents and outsiders are always more supportive of immigration regardless of the skill level of the immigrants. When comparing low skilled with high skilled immigrants it can be seen that both groups, high skilled respondents and outsiders, have higher increased support. The difference in support is higher when looking at the high skilled immigrants.

Both table 3 as table 4 showed that outsiders are significantly more positive towards immigrants, high as well as low skilled immigrants. This is quite a remarkable result that wasn't expected when looking at the theory and the hypotheses. Possible explanations for this are given below in the discussion of table 5.

A remarkable difference between both OLS regression tables are the control variables. In table 3 none of the control variables were statistically significant. When looking at the support for high skilled immigration in table 4 it is shown that gender, the age of the respondent and if the respondent is born abroad are significant. The effect of age is very small, one year older renders 0,1 percentage points less support. Women are 2,8 percentage points less supportive than men. Both these results are in line with previous research that found the same effects of these variables (Jeannet, 2018 ; Hainmuller &

Hiscox, 2007). People who are born abroad of their current native country are more 6,6 percentage points more supportive towards high skilled immigration. This is also a logical result which is in line with previous research and is also intuitively easily understandable. People who were a newcomer themselves once are now more supportive themselves towards newcomers. These findings are not unusual but what is remarkable is when this is compared with table 3 where none of the control variables are statistically significant. It seems like it does not matter what the gender or age of the respondent is, it does not change how supportive they are towards low skilled immigrants while it does have an effect on how much high skilled immigrants they would allow in their country.

4.2.2 Ordinal logistic regression

With the above analysis a general overview is given but to test the hypothesis further analyses are needed. An ordinal logistic regression design is used. The original dependent variable is an ordinal variable, which can be best analyzed with an ordinal logistic regression model. With this design the hypothesis can be tested by taking 1 group as the treatment group: the respondents that got the survey question about the professional immigrants (high skilled immigrants). The control group are the respondents with the survey question about the unskilled laborers (low skilled immigrants). A full sample analysis will be done but also some models will be build where a restricted sample is used, for example only high skilled native respondents, to test the differences between high skilled outsiders and high skilled insiders. That way, the different hypotheses can be tested. The answers to the survey question “how many migrants should be allowed” have to be interpreted as following:

1= allow none. 2 = allow a few. 3 = allow some. 4= allow many. The higher the number on the 4 point Likert scale, the more favorable the respondent is towards (low/high skilled) immigration. Positive coefficients sign that this variable leads to a higher preference for immigrants while negative coefficients point at a favor for more restrictive attitude towards immigrant.

Table 5 reports the results from the ordinal logistic regression. There are 6 models presented. In the table the attitudes towards low skill and high skilled immigrants are presented in different models. One model looks at the full sample, the other models only look at the high skilled respondents and only the low skilled respondents. In general it can be seen that persons with a high skill level are always more open towards immigrants, regardless of the skill level of the immigrant. High skill level respondents prefer low skill level natives 0,68 points more (on a 4 point likert scale) than their low skill level counterparts. This is already a clear difference, if looked at the attitudes towards the high skill level immigrants it is noticeable that this difference even goes up. High skill level respondents answered 0,815 points higher (on a 4 point likert scale) towards allowing more high skilled immigrants. Both these results point out that high skilled natives are more favorable towards immigration and go against the assumptions that the labor market hypothesis stated. The general assumption of the labor market hypothesis was that high skilled natives would prefer low skilled immigrants over high skilled immigrants, this could already be seen in figure 1 and 2 (above) that this was not the case. When following the labor market hypothesis the results should have shown that low skilled respondents would prefer high skilled immigrants more than the high skilled level respondents but these results show the opposite: high skilled respondents are even more favorable towards high skilled immigrants compared to low skilled respondents. These are the conclusions that can be drawn for the general view of the labor market hypothesis when looking at the dual division into high and low skilled native groups. The hypotheses from this research are focused on in-group differences, the comparison between insiders and outsiders to find evidence for some assumptions the labor market hypothesis made (the competition argument). The following takes a look at the results concerning the hypotheses that were formulated above based on the existing theory and literature.

When looking at the difference between insiders and outsiders in model 1 and model 4 one can conclude that in general outsiders are more open towards immigrants. They score 0,108 points higher than insiders when asked how many low skilled immigrants should be allowed and 0,225 points higher when they are asked about high skilled immigrants. Both are significant differences between insiders and outsiders. This means that in contrast to what was expected from assumptions of the labor market hypothesis, insiders are more reluctant towards immigrants, as well towards high as low skilled immigrants.

H1: high skilled native outsiders are significantly more opposed towards high skilled immigrants than high skilled native insiders are.

To confirm or reject this hypothesis table 5 model 5 is needed. High skilled native insiders are significantly more opposed towards high skilled immigrants than high skilled outsiders. The outsiders score 0,152 points higher on the 4 point Likert scale (significant on the $p < 0,05$ level), meaning that they are more open towards high skilled immigrants. The first hypothesis has to be rejected based on these results. The results show the opposite direction of what the hypothesis predicted. Possible explanations are formulated below.

H2: low skilled native outsiders are more significantly opposed towards low skilled immigrants than low skilled native insiders are.

The second hypothesis also has to be rejected. The results in table 5 model 3 show that there are no significant differences between low skilled native outsiders and low skilled native insiders considering how many low skilled immigrants they would allow. There is no significant difference between the groups so hypothesis 2 can be rejected. The results cannot confirm the hypothesis but they also do not show the opposite direction of what the hypothesis predicted like with hypothesis 1. In this case, low skilled native outsiders are as good as equally supportive of low skilled immigrants as the low skilled native insiders are.

It's also interesting to look at model 2 and 6 of table four, although these do not apply to any of the formulated hypotheses. The results of model 2 are in line with the general results that outsiders are more open to immigrants. In model 2 is shown that high skilled outsiders answered 0,181 points more towards allowing more low skilled immigrants than the high skilled insiders. In model 6 the results show the comparison of the attitudes of low skilled outsiders and low skilled insiders considering high skilled immigrants. The results show a highly significant difference between those two groups. Low skilled native insiders are 0,288 (significant on the $p < 0,001$ level) more reluctant to letting high skilled immigrants come to their country than the low skilled native outsiders are.

Table 5: Survey experiment results, ordinal logistic results on Immigration preferences

Variable		Attitudes towards low skilled immigrants			Attitudes towards high skilled immigrants		
		Full Sample	High skill level respondents	Low skill level respondents	Full sample	High skill level respondents	Low skill level respondents
		Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
	Outsider ¹	0,108* (0,049)	0,181* (0,072)	0,050 (0,066)	0,225*** (0,050)	0,152* (0,74)	0,288*** (0,067)
	High Skill level ²	0,686*** (0,046)			0,815*** (0,048)		
	Living with partner	0,016 (0,052)	-0,112 (0,076)	0,140 (0,072)	-0,082 (0,052)	-0,073 (0,076)	-0,093 (0,072)
	Age	0-,001 (0,002)	0,000 (0,003)	-0,001 (0,003)	-0,007*** (0,002)	-0,004 (0,003)	-0,009*** (0,003)
	Gender ³	-0,022 (0,046)	-0,024 (0,067)	-0,019 (0,064)	-0,143** (0,047)	-0,089 (0,069)	-0,189* (0,065)
	Born Abroad ⁴	0,290*** (0,072)	0,087 (0,101)	0,509*** (0,102)	0,323*** (0,073)	0,028 (0,104)	0,619*** (0,104)
	Household's ⁵ Income	-0,018* (0,009)	-0,031* (0,013)	-0,004 (0,012)	-0,008 (0,009)	0,006 (0,013)	-0,020 (0,012)
	Children at home	-0,072 (0,051)	0,018 (0,073)	-0,156* (0,070)	0,032 (0,051)	0,092 (0,074)	-0,014 (0,037)
	N	6482	3035	3447	6527	3057	3470
	Pseudo R ²	0,041	0,005	0,011	0,058	0,003	0,025

Note: includes country dummy variables. Country dummy variables were not significant and are not shown here

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$. Standard errors are robust.

1: 0 = Insider. 1= Outsider

2: 0= Low skill level. 1= High skill level

3: 0= Male. 1= Female

4: 0= Born in country. 1= Born abroad

5: Income reported in income deciles with 1 being lowest decile and 10 highest decile

4.2.3 positive significance of outsiders

The results (table3, table 4 and table 5) point out that outsiders are significantly more favorable towards immigration, regardless of the immigrant's skill level. This goes against the assumptions that were made and go against the formulated hypothesis. The assumption was that outsiders would be more restrictive towards immigrants because outsiders are more vulnerable. People in part-time, fixed term or unemployed status are already in a more insecure position in the labor market so they would rather not see extra competition that could worsen that competition. It seemed logical that persons who are unemployed or have fixed term contracts would rather move to the 'good' jobs, the full-time standard employment. Immigrants would cause extra competition for these 'good' jobs. The results point in the opposite direction of this argumentation. It seems that outsiders are less restrictive. The

reasons behind this are unclear but there are some possible explanations. The first possible explanation is that people do not act out of ego-tropic behavior but rather out of socio-tropic behavior so they do not think about the possible effects of immigrants coming into the country on their own position in the labor market. They look at socio-tropic reasons.

The second possible explanation is a more ego-tropic explanation. It's possible that outsiders care less about their position than the insiders who are already in the wanted position. The fear of losing that position could be greater for those insiders than the fear of the outsider for extra competition to gain a better position. This is stated by the negativity bias, which says that things of a more negative nature have a greater effect on the psychological state than neutral or positive things/events. If people think that immigrants can worsen the position of the native's labor market by replacement effects or downwards pressure on the wages than insiders would have a greater fear that their position could be worse off. Insiders could fear downwards pressure on the wages or extra competition for their jobs while outsiders, those who are unemployed, have less to lose. They do not fear replacement effects or downwards pressure on their wages in their current status.

The last possible explanation that will be discussed is based on the factor proportions model. As discussed above this theory implied that when there is an increase in one factor of production, an increase in productivity and demand for the other factor will follow. Labor is split into two different factors, high skilled workers and low skilled workers. An increase in supply of high skilled workers would then increase productivity and demand for low skilled workers, thus a better situation for low skilled workers. The results in table 5 fit into this explanation. In model 3 it can be seen that low skilled outsiders compared with low skilled insiders are significantly not more favorable towards low skilled immigrants. If the question is asked about high skilled immigrants (see model 6), low skilled outsiders are 0,288 points more favorable than the low skilled insiders, this difference is highly significant (on the $p < 0,001$ level). Outsiders rather see the high immigrants come to their country because based on the factor productions model this would increase the demand for low skilled labor and thus increase the chances of getting an 'insider' job. This explanation does work for the high skilled respondents. As can be seen in model 2 and 5, high skilled native outsiders compared with high skilled native insiders are significantly more favorable towards both low and high skilled immigrants. If the factor production model were true, it would only work for the low skilled respondents.

4.2.4 Control variables

The control variables of table 5 also show some interesting results. Some household grid variables like living with a partner and children at home are not significant (except for children at home in model 3). Age also seems to be less important, but for this variable it has to be pointed out that only the labor market population is included so elder people who are retired are not included in the sample. Gender is only significant when the survey question is asked about the high skilled immigrants, concerning high skilled immigrants women are more open. The height of a person's household income is only significant when the survey question was asked about low skilled immigrants and only for the high skilled native respondents. Based on the welfare state hypothesis low skilled immigrants are seen as a burden for the welfare state while high skilled immigrants are more seen as contributors. It could be the case that persons with a high income are less restrictive for the low skilled immigrants who could put pressure on the welfare state because they would experience less change. If the welfare state is under pressure and the taxes go up or the benefits fall, then it will not be the high incomes who experience trouble but it will mostly be the low and middle incomes who will feel this first. This is a possible explanation why high incomes care less if more low immigrants come into the country because they will experience less discomfort from pressure on the welfare system.

The variable born abroad is highly significant. Respondents who are born abroad are 0,290 points more favorable towards low skilled immigrants and 0,313 points more favorable towards high skilled immigrants. This is in line with previous research. The explanation for this is that people who once were newcomers themselves are more open towards the current newcomers. What is remarkable is when low and high skilled native respondents are compared, the born abroad variable is only significant for the low skilled respondents. For high skilled respondents there is no significant difference between persons who were born in the country or abroad, as well as towards low and high skilled immigrants. In the theory it was stated that high skilled persons often are less restrictive towards immigrants because their higher education gave them more knowledge of foreign cultures and often came more into contact with foreigners. People who were born abroad could also have more knowledge of other cultures often because they came from another culture. Born abroad could mediate the same effects as high education did for low educated people. Low educated people who were born abroad have less 'fear' of the unknown foreigners and cultures because they came more into contact with them or know more about them. For high educated persons this was already the case, that is why it does not matter that persons were born abroad or not.

4.2.5 Insiders VS outsiders

In table 5 high skill respondents are compared with low skill respondents. To test hypothesis 3 and hypothesis 4, a comparison between insiders and outsiders is needed.

In general table 6 shows results that are similar to the results discussed above. High skilled respondents are less restrictive of both low and high skilled immigrants.

H3: high skilled native outsiders are significantly more opposed towards high skilled immigrants than low skilled native outsiders are.

Hypothesis 3 has to be rejected. In table 6 model 4, it is shown that high skilled outsiders are significantly less opposed towards high skilled immigrants than low skilled native outsiders. The high skilled outsiders score 0,707 points higher on the 4 point Likert scale. High skilled insiders are also more favorable towards high skilled immigrants than low skilled insiders, the difference is even bigger, high skilled insiders score 0,877 points higher (model 3)

H4: low skilled native outsiders are significantly more opposed towards low skilled immigrants than high skilled native outsiders are

Hypothesis 4 cannot be rejected. In table 6 model 2 the results shown that indeed low skilled native outsiders are significantly more opposed towards low skilled immigrants than the high skilled native outsiders. In model 1 the results show that the same effects apply, low skilled native insiders are also more opposed towards low skilled immigrants than high skilled native insiders. This result does not have to mean that there are effects of the labor market hypothesis because a higher skill level always leads to a more open attitude towards immigrants, regardless of the skill level of the immigrant. Table 6 only gives extra evidence that high skilled/high educated persons are less restrictive towards immigrants, as well as the high skilled insiders as the high skilled outsiders.

When analyzing the results of the control variables similar results can be seen as in table 5. Persons who are born abroad are more open towards immigrants. This effect seems to be stronger for the outsiders than for the insiders, especially regarding high skilled immigrants. A remarkable result is that age is only significant in model 4, for the outsiders regarding high skilled immigrants. The older the outsider gets, the more open he is towards high skilled immigrants. A possible explanation is that people who are unemployed or have fixed term contracts and are getting towards the pension age care less about extra competition from immigrants. They could have decided that when their contracts

end, they will retire so they do not have to go into competition again. The reason why this is only the case when allowing high skilled immigrants into the country and not for the low skilled immigrants could be the welfare state hypothesis. Older people who are soon to be retired think about their pensions and thus hope that the welfare system will be able to pay their pensions. Higher immigrants are then more welcome since they are seen as less of a burden for the welfare system.

Table 6: Ordinal logistic results on immigration preferences: insiders compared with outsiders

		Attitudes towards low skilled immigrants		Attitudes towards high skilled immigrants	
		Insiders	Outsiders	Insiders	Outsiders
		Model 1	Model 2	Model 3	Model 4
Variable	High Skill level ¹	0,659*** (0,057)	0,741*** (0,078)	0,877*** (0,059)	0,707 *** (0,081)
	Living with partner	-0,044 (0,065)	0,098 (0,088)	-0,084 (0,065)	-0,086 (0,089)
	Age	0,001 (0,002)	-0,004 (0,003)	-0,002 (0,002)	-0,013*** (0,003)
	Gender ³	-0,111 (0,057)	0,156 (0,081)	-0,134* (0,058)	-0,164* (0,082)
	Born Abroad ²	0,274** (0,092)	0,307** (0,115)	0,198* (0,093)	0,514*** (0,121)
	Household's Income ⁴	-0,037** (0,011)	0,018 (0,016)	-0,006 (0,011)	-0,015 (0,016)
	Children at home	-0,105 (0,063)	0,003 (0,087)	0,019 (0,063)	0,066 (0,088)
	N	4206	2273	4269	2258
	Pseudo R ²	0,040	0,051	0,059	0,058

Note: includes country dummy variables. Country dummy variables were not significant and are not shown here

* $p < 0.05$; ** $p < 0.01$; *** $p < 0.001$. Standard errors are robust.

1: 0= Low skill level. 1= High skill level

2: 0= Born in country. 1= Born abroad

3: 0= Male. 1= Female

4: Income reported in income deciles with 1 being lowest decile and 10 highest decile

5. Limitations

There are some limitations to the research and the design that are used. These will be discussed below. Knowing and recognizing the limitations is an important factor to be able to interpret the results in a good way.

The first limitation is the construction of one of the independent variables, the insider-outsider groups. Persons who work full-time with a normal contract can be recognized easily as insiders and persons who are unemployed or in fixed term contracts can be placed in the outsider-group without trouble. With the people who work part-time it is more difficult. This paper chose to define all the people who work part-time as outsiders as seen in the definition of outsiders and in previous research (Häusermann & Schwander, 2010 ; Kalleberg, 2000). In the study of Häusermann & Schwander (2009) it became clear that proportionally more women are in part-time work. This does not have to influence the results because gender is included in the analysis as a control variable. The underlying proposition of the effects of the outsider-group is that most people who are in the outsider-group would rather be in the insiders group. Contracts are better, there is more security, better protection etc. For most outsiders this is the case, for example people who are unemployed and looking for a job are most often looking for a full-time job which would put them in the insider group. This is not the case for a certain sort of outsiders, the women or men who freely chose to work part-time to take care of their children, elders or other different reasons. They chose to work part-time and do not want to make a shift to a full time contract and are happy with their current situation. The underlying theory was that outsiders are more insecure, have less safety and feel more threatened by immigrants because that means extra competition for the good jobs (insider jobs) or could threaten and worsen their already precarious position in the labor market. The persons who chose to work part-time often have less to worry about, it seems logical that they would feel less threatened and feel less competition because they do not want to compete for the “good jobs”. Immigrants would have less impact on them than on other outsiders who go into competition with the immigrants. This could imply that some effects of the labor market competition hypothesis, do not apply to these outsiders who chose to work part-time out of free will. To test if this limitation could influence the results severely, the regression was done again excluding the part-time workers from the sample. The results of this regression can be seen in table 9 (Appendix). These results have to be compared with the results from table 5, model 1 and 4 (the full sample ordinal regression results). Excluding the part-time workers has little influence on the results considering the attitudes towards high skilled immigrants. Outsiders are still more favorable towards high skilled immigrants than insiders and the coefficient are largely the same 0,225 (on the $p < 0,001$ level) for the whole sample and 0,214 (on the $p < 0,01$ level) for the sample excluding the part time workers. The variable gender also stays the same. When looking at the how many low skilled immigrants the respondent should allow, there is a difference. In the full sample (table 5, model 1) outsiders were significantly more favorable towards low skilled immigrants (only significant on the $p < 0,05$ level). In the sample excluding the part-time workers there is no significant difference between outsiders and insiders. This could point at the effects of the limitation that is discussed above but it would seem that this only applies considering the attitudes towards low skilled immigrants. For the attitudes towards high skilled immigrants, excluding the part-time workers does not imply any effects.

The second limitation is related to the first limitation. One of the main assumptions of the hypotheses was that outsiders experience more job uncertainty. Häusermann & Schwander (2010) showed that outsiders often have less well protected jobs and are fired more easily. They are also the first victims when the economy hits a crisis but there is too little research done to be able to say with certainty that outsiders do feel more insecure and more threatened. This can be expected due to less job protection, less favorable job situations etc. but it cannot be excluded that some or even many outsiders are happy

with their current situation. Maybe they do not need a high level of job security and do not worry about losing their jobs. People in fixed term contracts are often used to going from contract to contract and switching between different jobs (Häusermann & Schwander, 2009). They could be less afraid of losing their jobs because they are used to the uncertainty. Emmenegger (2009) showed that most of the outsiders have the goal and expectations to become insiders in the future. Insider jobs are the most wanted jobs on the labor market but knowing more about how outsiders, in particular part-time and fixed contract workers, view their situation and how much they experience the job insecurity is important to improve the current research.

The third limitation can be found with the other independent variable, the skill level. The skill level itself was not directly observable so the educational level of the respondent (based on ISCED educational measurement) is used to determine the respondent's skill level. This is a common limitation in similar research. This research followed the same method most of the previous studies used to determine the skill level based on education (Hainmueller and Hopkins 2015; Hainmueller and Hiscox 2010; Mellon, 2019). As Liu and Grusky (2013) showed, education is a good measure for the skill level, but it's not perfect. An extensive study of the OECD (2013) showed that the direct link between education and the skill level on which a person works is not perfect. Some high educated people end up in jobs for low skill levels or some low educated persons are working in high skilled jobs. This is not common and these cases are exceptions but it's important to note that the link from educational levels to skill levels is not 100%. As stated and done in previous research, education is the best option to determine the skill level when the skill level is not directly observable. In 2017 Finseraas, Røed and Schøne wrote a paper discussing the most important problems with the operationalization of labour market competition in the existing literature. They argue that the labor market hypothesis does hold and found results to prove their statements. They give critique on previous research that didn't find results that supports the labor market hypothesis because their operationalization was not good. The labor market competition has to be considered as two-dimensional and should depend on the combination of experience in the labor market and the educational level. They argue that previous research found biased results because they only looked at the educational level. In their approach they used the Borjas' skill-cell approach and by doing so, acquiring a precise measure of each skill-cells' exposure to immigration and testing the labor market hypothesis on those skill-cells. This critique could also be given on this paper since it also only used the educational level. The approach Finseraas et al (2017) used is a very extensive approach to measure the skill-cells precisely, they only focus on Norway which made it possible to take that approach. This research is a cross-national analysis of multiple countries (most of them Western European) which makes it very hard to take the Borjas skill-cell approach and using this two-dimensional method of combining education and experience in the labor market.

A last limitation is the absence of the type of industry or sector where the native worker is employed in. As shown in previous research from Dancygier and Donnelly (2013) the type of industry does matter for how much competition the laborers experience from immigration. More open industries with low entry requirements are more vulnerable compared to protected industries where there is a lot of job security. It could also be the case that in industries where there is already an excess in supply of labor the native workers are more fearful of even more competitors while it seems likely that in bottleneck jobs where there is still a lot of demand and not much supply of laborers the current workers would care less about extra laborers. In typical bottleneck jobs like nursery jobs or construction workers where there is still much demand for laborers but not enough workers, there is a big pressure and workload for the current workers because they are understaffed. Maybe workers in those situations would even be very open towards immigration workers because they are extra workers which are needed very much and could release some of the work pressure due to the shortage of workers. In the

research of Mellon (2019) the results showed that both the sector of the respondent as well as the sector of the immigrant mattered when analyzing the labor market competition hypothesis. More research is needed to uncover how the type of industry and the situation of that industry has an impact on the attitudes towards immigrants.

6. Conclusions

The goal of this research was to empirically test the labor market hypothesis in a cross national study based on the European social survey. The analysis comprehended 14 different countries. The labor market hypothesis was revisited from a specific point of view, to look at the in-group differences of the skill groups by comparing insiders with outsiders on the labor market. The research wanted to test two things; If the results showed any evidence of the labor market hypothesis in general. Secondly if any evidence that could support the labor market hypothesis can be found when focusing on insiders and outsiders separately. It was expected that if any evidence to support the labor market hypothesis was found that this would be bigger for the outsiders. Outsiders were theorized as more vulnerable and have a less secure position on the labor market so if there were any labor market hypothesis effects, these would be clearer in the outsider group.

The results found no evidence to support the labor market hypothesis. All the results showed that firstly high skilled immigrants are always preferred over low skilled immigrants regardless of the respondents skill level. These results go against the labor market hypothesis and point in the direction of the alternative explanation: the socio-tropic understanding of how attitudes towards immigrants are shaped. This is consistent with previous research (Jeannet, 2018 ; Hainmuller & Hiscox, 2007 ; Hainmuller & Hiscox, 2010) that explained this preference for high skilled immigrants by the socio-tropic point of view that people think of the society as a reference frame if immigration would be good or bad instead of economic self-interest (on which the labor market competition is based). When the benefits and costs of immigration for the economy are taken as deciding factor, it is logical that high skilled immigrants are preferred since they are more seen as contributors to the welfare state while low skilled immigrants are more seen as a burden (welfare state hypothesis).

The results also showed that high skilled native respondents are always less restrictive towards immigrants, regardless of the skill level of the immigrants, compared with low skilled natives. Since the skill level was mostly based on the education level, this fits in the line of research that found that higher education improves the attitudes towards immigrants (Gang et al, 2002; Malhorta et al, 2013). When taking a look at the analysis where the insider-outsider framework was applied it has to be concluded that there is also no evidence to support the labor market hypothesis. In both insider and outsider groups, the same conclusion as before stayed valid. High skilled immigrants are still more preferred by both low and high skilled natives, both insiders and outsiders. The educational effects also applied in both insider and outsiders groups.

The interesting result from the insider outsider point of view was that there was in fact a significant difference between insiders and outsiders. Just not in the way that was expected in the hypotheses. Outsiders were seen as the more vulnerable groups, based on previous work about the outsiders-insiders framework. Because they are seen as more vulnerable, they would fear the extra competition and the possible negative effects of immigrants more. The results show that this is not the case. Outsiders are more open towards immigration (both low and high skilled immigrants) than the insiders. This could be one of the biggest arguments against the labor market hypothesis. If outsiders who are not in a strong position on the labor market are more open towards immigrants it could be a signal that persons indeed do not think out of economic self-interest (ego-tropic) considerations but look at the society as reference framework to determine if immigrants should be allowed. They don't take their own less strong position as reference point but the society. When talking about insiders and outsiders, the framework that is referred to is the labor market. When society or a state is seen as a framework the natives of a country could be regarded as the insiders while the immigrants are the outsider group. It seems then that the outsiders on the labor market are more welcoming towards the outsiders of the society. An important note on this subject is the role of the part-time employees in

the outsider group. As stated, part-time workers are also seen as outsiders. This could bias some of the outsider results because one of the assumptions in the insider outsider theory is that most of the outsiders want to become insiders or are expecting to become insiders in the future. This does not apply for some of the people who work part-time. Parents often start working part-time when children are born to take care of the children. They go into an outsider position willingly. As stated in the limitations this could bias the results slightly because they think different than other outsiders. They choose willingly to become part-time workers and thus are not concerned with trying to get an insider position again, which could transfer into different opinions towards immigrants. They worry less about their position and are thus less opposed towards immigrants. This would only play a role when people think out of ego-centric considerations and take their own position as the framework, which is highly doubtful. Additionally, most part-time workers are women and the results showed that women compared with men are a bit more reluctant to letting immigrants in while outsiders compared with insiders are in fact more open. It's doubtful then to expect that the part-time workers are the big driving factor behind the more open attitudes registered for the outsider group.

When looking closer at the results and combined skill level and labor market position status (insider-outsider) the results showed that from the high skilled respondents the outsiders prefer immigrants regardless of their skill level, a bit more than high skilled insiders. For the low skilled respondents there is a remarkable difference. The attitudes towards low skilled immigrants do not differ significantly between insider and outsider respondents. When looking at the attitudes towards high skilled immigrants, it became clear that there was a big significant difference between insiders and outsiders, the low skilled outsiders are more favorable towards high skilled immigrants than low skilled insiders. The labor market hypothesis is built on the factor proportions model that stated that when there is an influx in one factor (the high skilled laborers), this will result in an increased demand in the other factor of production (low skilled laborers). Outsiders are more eager that high skilled immigrants come into the country, maybe hoping that the influx of high skilled workers could increase the demand for low skilled workers so that those outsiders could profit from the extra low skilled jobs to get a job (when unemployed) or find a 'good' job (insider job). In contradiction to what was concluded above, this could be a signal that those low skilled outsiders do think out of economic self-interest and the ego-tropic consideration rather than socio-tropic considerations shape their attitudes towards immigrants. Although it has to be noted that it's only one result that points in this direction and the effect is only there for the low skilled outsiders while most of the other results lead to conclude otherwise, in the direction of socio-tropic considerations.

As said, most of the results speak against the labor market hypothesis but it would be too short-sighted to discard the whole theory. The reason why the labor market hypothesis was revisited in this research is to look at more in-group differences between high skilled and low skilled respondents. New subgroups were created by using the insider outsider framework. The results showed a significant difference between those subgroups when the attitudes towards immigrants were compared. This is also what Mellon (2019) found in his research, namely that the dual division between high and low skilled natives is too simple. He found evidence to support the labor market hypothesis by focusing on these in-group differences, were some subgroups showed the effects that could be the result of the labor market hypothesis effect. The research did not find substantial evidence to support the labor market hypothesis but it did find that when going further than the dualization, different results can be found. This is why research about the labor market hypothesis and more general on how the attitudes towards immigrants are shaped should go further. It would be good to take the same approach as Mellon (2019) did and this research tried to do by looking at differences in the high skilled and low skilled groups. It may be possible that for some high skilled immigrants the labor market hypothesis does affect their attitudes while for other it doesn't depending on the situation, characteristics, job

position,... The type of industry and the situation of the industry the native worker is employed in could also play a part in shaping attitudes towards immigrants, further research in that domain is also needed. An important factor to look at is the job security and vulnerability. It would be good to look at the differences between persons who feel very secure in their job, who have confidence in their boss and their company compared with people who feel more afraid and more insecure in their job. Research that focusses on these aspect could provide valuable insights in the labor market hypothesis and in the general study of attitudes towards immigrants. The conclusion from this research would not go as far as Hainmuller and Hiscox (2007) to say that the labor market hypothesis is a dead theory because there are still some aspects that are not analyzed enough but it can be agreed that the life is slipping away out of the theory. Future research could deliver the final blow or possible revive the labor market theory once again.

7. References

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8. Appendix

Table 7: Kolmogorov-Smirnov Z test difference in distribution between high and low skilled respondents

		Attitudes towards Low skilled migrants	Attitudes towards high skilled immigrants
Most Extreme Differences	Absolute	0,147	0,154
	Positive	0,000	0,000
	Negative	-0,147	-0,154
Kolmogorov-Smirnov Z		9863	10350
Asymp. Sig. (2-tailed)		0,000	0,000

Differences in distribution between low and high skilled respondents

Table 8: Kolmogorov-Smirnov Z test difference in distribution between insiders and outsiders

		Attitudes towards Low skilled migrants	Attitudes towards high skilled immigrants
Most Extreme Differences	Absolute	0,010	0,011
	Positive	0,010	0,008
	Negative	-0,006	-0,011
Kolmogorov-Smirnov Z		0,449	0,457
Asymp. Sig. (2-tailed)		0,988	0,985

Difference in distribution between insiders and outsiders

Table 9: Ordinal logistic results on Immigration preferences excluding part-time workers

		Attitudes towards low skilled immigrants	Attitudes towards high skilled immigrants
Variable	Outsider ¹	-0,020 (0,068)	0,214** (0,070)
	High Skill level ²	0,680*** (0,053)	0,820*** (0,054)
	Living with partner	0,017 (0,060)	-0,096 (0,059)
	Age	-0,002 (0,002)	0,006 (0,002)
	Gender ³	-0,066 (0,052)	-0,141** (0,053)
	Born Abroad ⁴	0,392*** (0,083)	0,296*** (0,084)
	Household's ⁵ Income	-0,018 (0,010)	-0,003 (0,109)
	Children at home	-0,104 (0,057)	0,004 (0,058)
	N	4993	5031
	Pseudo R ²	0,042	0,056

Note: includes country dummy variables. Country dummy variables were not significant and are not shown here

*p < 0.05; **p < 0.01; ***p < 0.001. Standard errors are robust.

1: 0 = Insider. 1= Outsider

2: 0= Low skill level. 1= High skill level

3: 0= Born in country. 1= Born abroad

4: 0= Male. 1= Female

5: Income reported in income deciles with 1 being lowest decile and 10 highest decile