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Economics from the Nova School of Business and Economics.

**NO LONGER A STRANGER:
A CROSS-COUNTRY LONGITUDINAL ANALYSIS OF IMMIGRANT
ECONOMIC AND SOCIAL INTEGRATION**

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ABSTRACT

Migrants' integration has been a hot topic for most countries around the world. Are economic and social integration processes similar across countries? Using a novel collection and harmonization of data from the world's largest and longest-running panel surveys of five countries from 2001 to 2019, we show that an extra year in the destination increases earnings by 6%-12% and the probability of employment by 1.3%-2.5%. We find innovative evidence that one extra year since migration, increases the probability of contacting with neighbors by 0.6%-2.3%, and the likelihood of belonging to community groups by 1.6%-3.7%.

Keywords: International Migration; Immigration; Integration; Australia; Germany, Switzerland; United Kingdom; United States

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1. INTRODUCTION

According to the United Nations (UN), there were around 281 million international migrants in the world in 2020, corresponding to 3.6 percent of the global population.¹ Although migration is seen as an age-old phenomenon that reaches most societies around the world, it is constantly changing over time. It is only by studying such changes in composition, background, and frequency that we begin to understand how migration evolves, and can effectively inform policies, programs, and on-the-ground responses.

The integration of migrants is fundamental for the development and growth of the host countries, not only because of its workforce representation (e.g., 18.4% of the European workforce and 20.0% in North America²) but also, because migrants are a crucial element in reducing demographic imbalances in these countries. Studying the integration process and performance of immigrants in the host communities is important to, not only understand their past and current situation but also to guide informed policymaking in areas such as employment which benefit from migration. Besides, understanding the struggles of the integration of migrants is important to demystify the phenomenon of migration and the role of migrants in the host communities. This is important to tackle anti-immigrant rhetoric that some political parties use and to avoid the increasingly “polarizing” perception of migration in developed countries (Heath and Richards 2020); so, that there is room for a more informed debate.

How immigrants integrate and perform in the host country's labour market has been studied separately in different countries, such international comparisons help assess the impact of differences in immigration policies. Nevertheless, as most of the studies are done on different subsamples of immigrants, in different countries, often using a different methodology, it is difficult to reach a conclusion on the overall process of economic integration and differences

¹ International Organization for Migration. 2021. *World Migration Report 2022*. <https://reliefweb.int/sites/reliefweb.int/files/resources/WMR-2022-EN.pdf>.

² International Labour Organization. 2021. ILO Global Estimates on International Migrant Workers. *International Labour Office*, 1–74. <http://www.europeanmigrationlaw.eu/documents/ILO-MigrantWorkers-Estimates.pdf>

across countries. For this purpose, we performed our customized harmonization of survey questionnaires from the world's longest-running household panel surveys for five countries: Australia (HILDA), Germany (SOEP), Switzerland (SHP), United Kingdom (BHPS and UKHLS), and the United States (PSID).³ In this study, we analyze the integration process of migrants in the destination country, both from an economic and social perspective. Based on the literature, we test the Immigrant Assimilation Hypotheses (IAH) first put forward by Chiswick (1978) that: the longer the migrant stays in the destination country, the more human capital she will accumulate and acquire, for example, knowledge of the host country language, which, consequently, is expected to lead to higher earnings.

While not claiming to provide definite evidence on the integration of immigrants around the world, we fill a gap in the literature by providing a two-fold contribution to this topic. First, by harmonizing panel surveys for some of the biggest immigrant-host countries, we offer a comprehensive evaluation of economic integration following individuals across time, using the same methodology and specification, allowing for comparisons across countries. We are able to analyze the economic performance of immigrants through the lenses of labour earnings and labour force participation. Second, to the extent of our knowledge, we are the first to complement the economic assimilation findings with the study of immigrant social integration, providing evidence of a positive social integration process of the same immigrants into the host countries' communities. We innovate by studying how immigrants integrate into their local community through contact with neighbors, and in the extended community through their participation in community groups.

³(HILDA) Department of Social Services; Melbourne Institute of Applied Economic and Social Research, 2019, "Household, Income and Labour Dynamics in Australia, General Release (Waves 1-19)", doi:10.26193/IYBXHM, ADA; (SOEP) Socio-Economic Panel, data for years 1984-2019, version 35, 2020, doi: 10.5684/soep v35; (BHPS) University of Essex, Institute for Social and Economic Research, NatCen Social Research, Kantar Public. (2019) Harmonised BHPS: Waves 1-18, 1991-2009. (UKHLS) Understanding Society: Waves 1-10, 2009-2019 12th Edition. UK Data Service. SN: 6614, <http://doi.org/10.5255/UKDA-SN-6614-13>; (SHP) Swiss Household Panel, based at the Swiss Centre of Expertise in the Social Sciences FORS. Project supported by the Swiss National Science Foundation; (PSID) Panel Study of Income Dynamics, public use dataset. Produced and distributed by the Survey Research Center, Institute for Social Research, University of Michigan, Ann Arbor, MI (2021)

In this paper, we verify the IAH, finding clear evidence of economic assimilation. We find that an extra year in the destination country increases immigrants' labour earnings between 6%-12% and the probability of participating in the labour force between 1.3%-2.5%. Additionally, by adapting the methodology for social outcomes, we discover a similar integration process. We find innovative evidence that with one additional year in the host country, the probability of migrants contacting with their neighbors increases between 0.6%-2.3%, while the likelihood of belonging to a community group increases 1.6%-3.7%. We also find that, when compared to natives, immigrants have a larger gap in participating in community groups than in contact with neighbors. Combining this result with a stronger integration profile in the broader community, we could argue that, at the moment of arrival, migrants (may) have a harder time belonging to the broader community than to be involved with neighbors. Regarding the profile of immigrants, we discover that family environment is more strongly related to economic performance than social integration and that, when compared to men, immigrant women have a significantly harder conditions at the moment of arrival. Lastly, we find evidence that having a higher education is strongly correlated with both economic and social integration.

2. LITERATURE REVIEW

The adjustment process of migrants into the host countries has found considerable interest since the dawn of the migration economics literature. Chiswick (1978) on the economic assimilation of immigrants in the United States paved the way to an exciting time of lively debate in economics that sharpened our understanding of migration⁴.

During this time, research focused mainly on understanding how foreign workers adjusted to the labor market, for their earnings Chiswick (1978) and participation in the work force (Green 1999). The earlier studies used cross-section data to compare the age-earnings profiles and occupations of immigrants and typically found that immigrants performed very well in host

⁴ For an overview for Europe, see Zimmermann (2005)

countries and converged rapidly to the standard of natives (Chiswick 1978; Carliner 1980). However, from the beginning there was an awareness of the potential biases in using cross-sectional data to infer longitudinal behavior (Chiswick 1980; Borjas 1985) if selectivity in the return migration of immigrants exists (as the least successful migrants move back home) or if there are changes in the unmeasured dimensions of the quality of immigrants over time.

The ideal solution seemed to be longitudinal data, by following immigrants over time rather than matching at points in time different cohorts of migrants arrived in different periods. Nevertheless, longitudinal data on immigrants was scarce, so Borjas (1985) proposed a “synthetic cohort methodology” (SCM), using a series of cross-sections to construct synthetic panel data. The SCM does not effectively compare the same immigrants over time due to re-migration, death, and sampling issues, but it goes some way to controlling for cohort effects.

Several authors, set out to compare the methodologies described above. Hu (2000) using US data, compared SCM against longitudinal estimates and discovered that the assimilation process weakens or even disappears in longitudinal data. Using similar data, Duleep and Dowhan (2002) showed that the assimilation effect reappears if the starting wage is allowed to vary by immigrant cohort. Hum and Simpson (2000; 2004) used panel data on Canadian immigrants to show that immigrant earnings did not grow faster than native earnings. Lubotsky (2007) similarly argued that SCM brings positive bias in immigrant wage growth in the US, while Fertig and Schurer (2007) use longitudinal data for Germany and show that in three out of five immigrant cohorts the assimilation effect disappears.

Additionally, Beenstock et al. (2010) show the importance of controlling for “period effect” (as first raised by Chiswick 1986). Not controlling for such effects may limit what can be learned from longitudinal data as they may construct an illusion that there is no immigrant assimilation effect when the contrary is true. Another important finding is that of Borjas (1991)

and LaLonde and Topel (1992) that suggest period and country of origin effects can explain much of the variation in the assimilation profiles over time.

Although we seem to know quite a lot by now about the economic assimilation, very little is known about the social integration of immigrants. Using cross-sectional data, some papers analyzed factors such as fertility adjustment (Blau 1991, Fernández and Fogli 2009) perceived ethnic and national identity of immigrants (Manning and Roy 2010) or citizenship acquisition and voting (Bueker 2005; Chiswick and Miller 2008). The mixed results from these studies lead us to the realization that immigrant integration is a very complex phenomenon, and that it may be taking place along some, but not all dimensions. Studying the socialization of migrants and natives, de Palo et al. (2007) find that migrants socialize less than natives, but they tend to converge, albeit quite slowly, to the standard of natives.

Fewer papers used longitudinal data to understand the cultural and social integration of migrants on topics such as perceived national identity (Dustmann 1996), fertility behavior (Andersson and Scott 2005), naturalization (Galeano et al. 2021) or acculturation (Abramitzky et al. 2020). Literature on social integration revealed that social integration is strongly affected by variables which are also important determinants for the economic success of immigrant, like education, years of residence, and family environment.

How immigrants integrate and perform in host country's labor market has been studied separately in different countries, namely Australia (Beggs and Chapman 1991; Chiswick et al. 2005); United Kingdom (Chiswick 1980); Germany (Dustmann 1993; Pischke 1992); and the United States (Chiswick 1978; Carliner 1980; Borjas 1985). This paper contributes to both the literatures on economic and social integration of immigrants by, for the first time, testing the IAH longitudinally while also comparing the economic assimilation process in different destination countries. We will focus on the evolution of Labor Earnings and LFP over time and, how the duration in the destination country affects this. Additionally, we complement this

analysis by studying the social integration process of immigrants in the different host communities, on a local and broader level by looking at contact with neighbors and belonging to community groups. Understanding whether both processes occur on different destinations is paramount to understanding what can be done to ease immigrant integration.

3. DATA

3.1. HARMONIZATION OF PANEL SURVEYS

The data used in this paper was retrieved and harmonized from the world's largest and longest-running household panel surveys from five countries: Australia (HILDA), Germany (SOEP), Great Britain (BHPS and UKHLS), Switzerland (SHP) and the United States (PSID). Our harmonization is an expansion of the pioneering work of Burkhauser et al. (2000) on the Cross-National Equivalent File (CNEF) and the built-on approach by Turek et al. (2021) on the Comparative Panel File (CPF). Our harmonization intends to not only extend the range of dimensions studied, but tailor information to our research question, by including evidence on immigrant population economic and social outcomes. To the extent of our knowledge, ours is the first cross-national harmonization of household panel surveys that distinguishes natives from migrants, includes complete information on the region of origin, year of arrival to the host country and most importantly social involvement and community participation.

For harmonization, we explored the surveys' questionnaires and output variables in every source data for comparative potential. Certain questions were postulated homogeneously across every survey, but many differed in wording or answer scale. In this case, we considered the comparative potential and distributions of responses. In all cases, the preferred default was conversion to binary variables to create more harmonious and homogeneous variables. Many of the variables used are derived from several original variables. For example, employment status is based on information about working status, self-reported labor force status, occupation, receiving unemployment subsidy or retirement pension. In all cases, contradictory entries were

analyzed and updated with the most reliable information, filling missing values based on information from previous waves or further variables when possible (e.g., year of birth, marital status).⁵ Full harmonization was not possible in every case, due to data availability, meaning that some variables are only available for a subset of countries in our sample.

3.2. SAMPLE AND KEY VARIABLES

In this subsection, we describe the sample studied as well as provide a detailed description of the key variables used. A more exhaustive description of all variables used, including the original survey question for outcomes can be found in tables 1-5 of Appendix A.

Target Population: A representative sample of individuals born in foreign countries, aged 16 or older, that arrived to one of the host countries (Australia, Germany, Switzerland, United Kingdom, or the United States) between 1945 and 2001 and stayed were in the country throughout the sample period (2001-2019).

Years since migration (YSM) is calculated as the difference between the survey year and the year of arrival to the host country. This variable is measured continuously in years and is winsorized at the 1% level, to minimize the influence of outliers in the case of immigrants that migrated 60+ years ago and may have already completed their assimilation process.

Earnings is measured as logarithm of yearly gross individual labor earnings attained by the immigrant in all jobs performed. The values were winsorized at 1%, to reduce effect of outliers.

Labor Force Participation (LFP) is a binary variable that takes the value of one if the individual was employed at the time of the interview. This information is based on individual's self-reported primary activity and labor force status. An individual is considered in the labor force if reported being in full-time, part-time, marginally employed, performing military/civilian service, on maternity leave, or being engaged in in-company training. If the individual reported not being employed or being unemployed then she is considered to be out of the labor force.

⁵ The precise protocol that was followed in the data preparation is provided in Appendix.

Contact with neighbors is a binary variable that tells us if migrants maintain contact with their neighbors. This information is based on self-reported frequency, duration, or relation of contact with neighbors. Having contact with neighbor is defined as talking or visiting neighbors frequently, having a close relation with neighbors or doing things together with neighbors.

Belonging to a community group is a binary variable that informs us if the migrant is actively involved in a local community group. This information is based on self-reported active membership of groups, associations, or organization (e.g., volunteering, sports, environmental, social action or unions).

3.3. DESCRIPTIVE STATISTICS

As previously mentioned, due to data availability, some variables are only available for a subset of countries in our sample. An example of this is the PSID for the United States that is almost exclusively focused on economic outcomes, and consequently does not collect information on the social involvement and community participation of immigrants.

Hence, we will be conducting our analysis using two different samples: one for the economic assimilation, including every country in our dataset and, another one for the social integration, excluding the United States. Additionally, regarding the frequency of data collected, given the fact that some of our main variables of interest often do not belong to the surveys' main questionnaire, but rather to rotating modules, information on social integration (contact with neighbors and community groups) is collected less frequently and, consequently we have a lower number of waves and fewer observations per individual.

Table 1 gives information on the number of individuals and observations per country for both the economic and social integration specifications. Tables 8 and 9 on appendix A contain the descriptive statistics of the individual characteristics for the samples of migrants and natives for both the economic and social samples.

Table 1: Individual immigrants and observations by country for each sample

SAMPLE DESCRIPTION				
COUNTRY	ECONOMIC SAMPLE		SOCIAL SAMPLE	
	INDIVIDUALS	OBSERVATIONS	INDIVIDUALS	OBSERVATIONS
Australia	2,547	14,721	1,250	7,259
Germany	4,017	31,030	2,734	10,986
Switzerland	2,972	18,583	1,763	7,077
Unites Kingdom	4,265	30,119	2,262	10,536
United States	870	5,168	-	-
TOTAL	14,671	99,621	8,019	35,858

3.3.1. ECONOMIC INTEGRATION

We start by describing the data in terms of economic integration of migrants. Table 8 of the Appendix shows that a higher share of immigrants is employed, 87% on average, compared to 83% for natives. On labor earnings, migrants have, on average, higher yearly earnings than natives (34,088 USD for immigrants vs 32,134 USD for natives).

Furthermore, Table 8 shows that immigrants in our sample migrants are, on average, 43 years old, while natives are, on average, 43.8 years old. Our immigrant sample has almost perfect gender parity with 49.3% females, while natives are represented by 51.6%. Regarding education, the share of migrants that completed higher education is slightly higher than that of natives (86% as opposed to 82% for natives). When analyzing hours worked, both migrants and natives work, on average, 35 hours per week. In terms of household composition, natives and immigrants have on average 3 individuals in the household. In terms of the share of individuals that report having kids, on average, 77% of immigrants have kids, while only 69% of natives do. Finally, 78.9% of migrants report living with their partners while 71% of natives do.

As to the immigrant-specific variables, Table 6 shows that there are some differences in the duration destination of destination across countries. Migrants arrived, on average, to Germany 7.8 years ago, and the United Kingdom 6.8 years, while for the remaining countries these values are lower (with 3.7 years for Switzerland, 2.4 for Australia, and finally 2.1 for the United States). Migrants in our sample have been in the destination country between 0 and 59 years during our period of analysis. Regarding region of origin, a big share of migrants comes from

OECD countries (corresponding to 42%), followed by Eastern Europe (19%), Asia (18%), Africa (11%), Latin America (8%) and Oceania (2%), in accordance with the empirical evidence of low migration from low- and medium-income countries.

3.3.2. SOCIAL INTEGRATION

We now examine the data on social integration of migrants. Table 9 of the Appendix indicates that migrants have, on average, less contact with their neighbors than natives, 76% compared to 78% of the natives. Additionally, we can see that on average, fewer migrants belong to community groups, when compared to natives (45% compared to 50% of the native).

Moreover, we see that immigrants in our sample are almost the same age as natives with 43.6 for immigrants and 42.4 for natives. Regarding gender, both our immigrant and native samples, have great parity around 50% of females. Concerning education attainment, we notice that for both samples, the share of individuals that completed higher education is 85%. When analyzing hours worked, both migrants and natives work, on average, 35 hours per week. In terms of household composition, natives and immigrants have a similar average number of individuals in the household, at 3. In terms of share of individuals that report having kids, on average, 78% of immigrant do, while this is only 70% for natives. Still on household composition, 79% of migrants report living with their partners while only 70% of natives do.

As to the immigrant-specific variables, Table 7 of Appendix A shows that, migrants arrived on average 4 years ago in Australia and the UK, and 7 years ago for Germany and Switzerland. Regarding region of origin, most of our migrants come from within the OECD (corresponding to 53%), followed by Eastern-Europe (17%), then Asia (13%), Africa (11%), South America (4%) and lastly Oceania (2%). Tables 6 and 7 on the Appendix, complement the information described above, by displaying the range of each variable as well as a small description, while tables 8-9 look side-by-side to our selected samples of migrants against the overall migrant population on our dataset and the native population.

4. METHODOLOGY

4.1. THEORETICAL FRAMEWORK

Some of the knowledge and abilities acquired by migrants in the origin country, such as specific training, language skills, certifications, or labor market networks are either not relevant or not recognized in the destination country. Hence, immigrants have an incentive to invest in skills that are relevant at the destination by either adapting existing skills or learning new ones, as proposed by Duleep and Regets (1999). This adaptation process means that earnings and labor force participation are low at the time of migrant arrival for two main reasons. The first is the opportunity cost of time because of the imperfect transferability of abilities, this means that the migrant needs to invest time to learn host-country specific human capital when it could be using that time to find better jobs or develop other skills. The second is that the migrant needs to sacrifice present earnings and employment prospects in order to be able to invest in acquiring the destination-specific skills.

As previously discussed, the literature on the IAH, postulates that immigrants face a penalty compared to natives, that diminishes over time due to a gradual adjustment process to the destination country as years since migration increase. The channel through which immigrants' outcomes converge to those of natives is via gradual integration into society by acquiring knowledge of the language, cultural values, access to labor markets and networks in the destination country. As time goes by, migrants' economic performance improves for two reasons. First, we have the return from the human capital investment made earlier in the post-migration period. Second, as less investment in destination-specific human capital is needed with time, fewer earnings are foregone. As a result, labor earnings and labor force participation increase with the migration duration in the destination countries, thus verifying the IAH.

Our main innovation relative to the existing literature is adapting this proposed mechanism to include the process of social integration into the communities of the host country. A recently

arrived immigrant with small to inexistent networks and unadjusted to the host countries' language and culture will feel more detached and will lack integration in the community. Similarly to what happens in the economic integration process, we expect that the investment in destination-specific skills will facilitate the immigrant's social integration by way of language development making it easier for the migrant to communicate with the local community, as well as to acquire the cultural norms to be able to participate in broader community groups. In the social integration process, we expect that the larger the differences between home and destination country, the harder and longer will be the integration process. Additionally, age at the moment of arrival and the family environment are also expected to contribute to the migrants need to interact with the community.

4.2. ESTIMATION STRATEGY

Following our previous analysis and knowing that migration spell in the destination country has been the cornerstone of the IAH research since its emergence (Chiswick 1978; Borjas 1985), we focus on the variable *Years Since Migration* (YSM) as our main variable of interest to understand the integration process of immigrants in the host country. Similarly to Chiswick (1978) and Borjas (1994), we estimate the following econometric model of integration:

$$Y_{ijkt} = \alpha_{ikt} + \beta_t YSM_{ik} + \gamma_t YSM_{ik}^2 + \lambda_t X'_i + \sum \eta A_{ijk} + \sum \varrho P_{tj} + \tau T'_i + \varepsilon_{ijk}$$

where Y_i is the integration outcome of interest for individual i born in country region j , living in host-country k at time t . YSM_{ik} is the variable that indicates the duration of destination of the migrant in the host country, which we include as first and second-degree polynomials in order to capture quadratic returns; X_{it} is a vector of controls for individual i at time t ; A_{ik} are series par-wise host-country k and year cohort of arrival dummies, organized in intervals of 5 years from 1945 to 2004 for individual i ; P_{ij} is a vector of host-country region variables j ; and T_t is a set of dummy variables for the year of the panels and ε_{ijk} is the error term. This specification

is estimated by Linear Probability Model for all outcome variables except for labor earnings that is estimated through OLS with random effects. Our parameters of interest are β_t and γ_t .

We defined cohorts of arrival (A_{ik}) as binary variables capturing time-fixed effects. This takes with value 1 when: the migrant arrived to country k in the year of arrival belonging to a specific 5-year interval. The arrival cohorts go from 1945-1949 to 2000-2004. We omitted the initial arrival cohort (1945-1949), which serves as reference in our regressions. Cohorts of arrival are paired with the host-country dummies, to account for quality of cohorts and migration waves effects at the country level.

Countries of origin are aggregated into broad groups corresponding to the migrants' regions of origin.⁶

4.3. DETERMINANTS OF INTEGRATION

When discussing the variables used as controls in our regressions, it is helpful to distinguish between different determinants of migration. Controlling for such determinants is not only helpful to get a clear picture of how each trait of the migrant affects integration but it allows us to have a cleaner estimation of the integration as measured by the duration in the destination.

The first group is personal characteristics and human capital, which include: age, age at arrival, a binary variable for having completed higher education, and a gender dummy. We expect the ability to integrate and to absorb knowledge about new environment to decrease over the life cycle, so age at arrival to the foreign country should have a negative impact on integration. Conversely, a higher level of education likely supports acquisition of knowledge and communication. Relating to this, education may help one to perceive advantages in the foreign society and to overcome more easily cultural barriers and restrictions, as well as increase involvement in community groups.

⁶ The regions of origin we use are: OECD; Eastern Europe; Africa; Asia; Latin America; and Oceania. See the Appendix for additional details on the definition of each of these regions.

The second group of determinants are measures of distance between the host country society and the home country society. It is obvious that integration is more easily achieved in a society which is similar in cultural and historical aspects to the own home environment. One measure for distance is simply the origin of the migrant. Country of origin may reflect a variety of factors which affect integration, like the degree of nationalism or nationalistic feelings prevailing in the respective countries, or different religions. In the empirical analysis, country of origin dummies are used as measures of distance.

A third group of determinants describes the family environment of the migrant. Being alone in new environments forces individuals to be more exposed and make new social contacts. Moving with family to the host country might on one hand make it easier to preserve home country values and decrease contacts with natives. On the other hand, having a network at the time of arrival may be a component in the integration of the migrant by providing key initial support (van Meeteren and Pereira, 2018); information on employment prospects to future migrants (Elsner et al., 2018); and job and wages security (Batista and Costa, 2018) that in turn may ease economic integration and contact with the expanded native community. Therefore, the impact of living in large families on integration is unknown. We do expect however that living with a partner should have a positive effect on frequent contact with neighbors, but an unknown effect on community groups. Having children is likely to be a further important determinant in the integration process. If children are enrolled in schools, this encourages parents to become involved with the host country environment, especially at a local level.

A fourth group of variables characterizes the working environment. The mere fact of being employed is therefore likely to affect integration positively, as it not only reflects some economic success which support positive feelings towards the host country, but it also promotes contact between the migrant and coworkers. The hours worked should have a positive effect on the economic integration through earnings and a negative integration into the society.

5. EMPIRICAL RESULTS

Table 2 displays our results for the economic and social integration of immigrants. The first panel of Table 2 describes the economic assimilation as evaluated through labor earnings in column (1), and labor market participation in column (2). The second panel presents the estimates of the social integration profile of migrants in the local community, through contact with neighbors in column (3), and integration in the broader community, through participation in community groups, in column (4).

We will be conducting our analysis based on the full specification model described in Section 4. Tables 10-13 of the Appendix B further describe in detail how the estimation results change by starting with a reduced form of our main regression without any controls, and then gradually include our controls for region of origin, time, country of destination and finally cohort of arrival, thus completing our specification on column (5). One should note that, as described in the literature per Borjas (1985), Duleep and Regets (1999) and (Hu 2000) that only by controlling for such effects can we get the real integration profile.

5.1. ECONOMIC ASSIMILATION

5.1.1. LABOR INCOME

Regarding the economic assimilation process on labor income, as shown in Table 2, we observe that the IAH holds for every country in our sample, with all estimates significant at the 1% level. We can see that for immigrants in Australia, an additional year in the destination country, is associated with a 12.8% increase of the gross labor income, being the fastest assimilation profile on our sample. This value is higher than found in previous literature for other countries, which is likely due to the fact that Australia has a very selective immigration policy that favors highly educated immigration, as discussed by Docquier et al. (2014), and education accelerates integration. Next, immigrants in the United States have, on average, a 9.1% increase in labor earnings, followed by German immigrants (8.5%), Switzerland (7.2%) and then the United

Kingdom with an assimilation rate of 5.6% per year in the destination country. Regarding the concavity of the integration curve, we can see that the labor earnings increase at a decreasing rate (as predicted by the IAH), and very homogeneously across countries, albeit with very small rates but statistically significant at the 1% level.

Looking at the profile of migrants, we see that age is weakly related with labor earnings as one extra year means immigrants receive, all else equal, less 2.4%. Age at arrival has a positive relation with earnings, one extra year means an increase of 3%. We see that female migrants receive 30% less than male at arrival. The premium for high education is an increase of 36% in yearly gross earnings. Individuals that live with partners earn, on average, 15% more. Having kids, means that individuals earn 4.6% more, but one extra person in the household decreases earnings by 3.7%. On our sample, an extra hour of work, is related to 2.93% higher earnings.

5.1.2. LABOR FORCE PARTICIPATION

Moving onto the labor force participation, we verify the IAH for every country in our sample, apart from the United States. We can see that for immigrants in Australia, an additional year in the destination country, increases the probability of being employed by 2.5% being, once again, the fastest assimilation profile on our sample. Next, we have German (with 1.97%), Switzerland (1.83%) and then the United Kingdom (1.32%) with very similar effects of the duration of destination to the labor force participation. Looking at the second-degree polynomial of duration of stay, we see that the labor force participation increases at a decreasing rate (as predicted by the IAH) and, once again, very homogeneously across countries.

Regarding the determinants of assimilation, we start by seeing that conversely to what happens with earnings, the age of the individuals has a small positive effect as one increases the probability of employment, on average, by 0.9%. However, similarly to the findings of previous studies, we find that the older the migrant is at the time of arrival, the less chances she has of participating in the labor force (one extra year since migration, decreases the probability

of participating in the workforce by 1%). Moreover, we find that immigrant women face a penalty in labor force participation since they are 10.5% less likely to participate in the workforce than men. The premium for high education is an increase of 7.9% on the probability of employment. Individuals that live with their partners have, on average, 4.3% more likely to be in the labor force, while having kids, has no statistically significant impact. On our sample, an extra member in the household decreases the probability of being in the labor force by 1%.

5.2. SOCIAL INTEGRATION

5.2.1. LOCAL COMMUNITY – CONTACT WITH NEIGHBORS

Starting with contact with neighbors, we find a positive integration profile, significant at 1% level, for all countries in our sample except Switzerland. We can see that for immigrants in Germany, an additional year in the destination country, leads to an increase of 2.3% on the probability of contacting with neighbors, this being the faster integration profile in our sample. This figure is lower for both the United Kingdom (with 0.6%) and Australia (with 0.9%). Regarding the concavity of the integration curve, we can only observe that for Germany the variable of YSM^2 has a negative rate of 0.009%. For all other countries in our sample, nothing can be observed from the second-degree polynomial in what significance is regarded.

Additionally, we see that older migrants have an easier integration into the local community, as one extra year old means an increase in the probability of contacting with neighbors of 0.1%, statistically significant at the 1% level. Moreover, having higher education increases the probability of immigrants' contact with their neighbors by 1.6%, significant at the 5% level. There are no statistically significant differences in gender on local integration.

Regarding family environment, we find that having children increases the probability of contact with neighbors by 1.6%; and one extra member in the household increases the probability of contacting with neighbors by 1.6%. Additionally, an extra hour worked per week, decreases the probability of contacting with neighbors by 0.1%, significant at the 1% level.

5.2.2. BROADER COMMUNITY – PARTICIPATION IN GROUPS

On our analysis of participation in community groups, we observe clear findings of a stronger positive integration into the broader community, for all countries in our sample. One additional year in the destination country, leads to an increase of 3.7% on the probability of belonging to community groups, for immigrants in Germany and Australia, 3.1% for the United Kingdom, and 1.6% for Switzerland. In what regards a possible concavity on the integration curve, we can only observe that only for Germany the variable of YSM^2 significant negative rate. For all other countries in our sample, nothing can be observed from the significance of the second-degree polynomial of the duration of residence. Nevertheless, unlike in the local community, all coefficients are negative in line with that of Germany, except for Switzerland.

Moving onto the determinants, older migrants have a more difficult integration into broader communities, as one extra year old means a decrease of 2.4% in the probability of participating in groups, statistically significant at 1%. We observe that an extra year at the moment of arrival, increases the probability of participating in community groups by 2.4%, offsetting the ageing effect. Having higher education has a strong effect on broader integration, as it increases the probability of belonging to community groups by 12.3%, significant at the 1% level. We see a small significant difference in gender, with females having, on average, a lower probability of belonging to community groups of 1.4%, significant only at the 10% level.

Analyzing the migrants' family environment, we can see that having children decreases the probability of attending community groups by 2%, significant at the 5% level; and having larger households also contributes to broader integration, with an extra member in the household increasing the probability of belonging to a community group by 0.4%, significant at 10%. Moving on to the working situation of migrants, we cannot observe any effect on the migrant being actively working or in education at any significance level.

Table 2: Economic and Social Integration processes of Immigrants.

	ECONOMIC ASSIMILATION		SOCIAL INTEGRATION	
	(1) LABOR EARNINGS	(2) LABOR FORCE PARTICIPATION	(3) LOCAL COMMUNITY	(4) BROADER COMMUNITY
Australia				
Years Since Migration	0.128*** (0.011)	0.025*** (0.004)	0.009*** (0.003)	0.037*** (0.009)
Years Since Migration Sqr.	-0.001*** (9.84e-05)	-0.001*** (5.00e-05)	1.1e-05 (5.3e-05)	4.03e-05 (5.6e-05)
Germany				
Years Since Migration	0.085*** (0.00973)	0.020*** (0.00412)	0.023*** (0.002)	0.037*** (0.009)
Years Since Migration Sqr.	-0.001*** (5.86e-05)	-0.001*** (3.64e-05)	-8.5e-05** (3.3e-05)	-9.2e-05*** (3.5e-05)
Switzerland				
Years Since Migration	0.072*** (0.0101)	0.018*** (0.00439)	0.001 (0.003)	0.016* (0.010)
Years Since Migration Sqr.	-0.001*** (7.7e-05)	-0.001*** (3.8e-05)	6.6e-06 (4.6e-05)	3.5e-05 (4.6e-05)
United Kingdom				
Years Since Migration	0.060*** (0.010)	0.013*** (0.004)	0.006*** (0.002)	0.031*** (0.009)
Years Since Migration Sqr.	-0.0002*** (5.2e-05)	-0.0004*** (2.4e-05)	7.6e-06 (2.2e-05)	7.1e-05 (4.9e-05)
United States				
Years Since Migration	0.091*** (0.0109)	0.0077 (0.0051)	- -	- -
Years Since Migration Sqr.	-0.001*** (0.0001)	-0.0004*** (6.4e-05)	- -	- -
Determinants of integration				
Age	-0.024*** (0.010)	0.009** (0.004)	0.001*** (0.0003)	-0.024*** (0.009)
Age at arrival	0.031*** (0.010)	-0.010*** (0.004)	-0.001 (0.001967)	0.024*** (0.008)
Female	-0.299*** (0.011)	-0.105*** (0.004)	-0.002 (0.00575)	-0.014* (0.007)
High Education	0.361*** (0.014)	0.079*** (0.00594)	0.016** (0.00745)	0.124*** (0.009)
Living with partner	0.149*** (0.011)	0.043*** (0.010)	0.032*** (0.00730)	-0.004 (0.009)
Has kids	0.047*** (0.013)	-0.008 (0.006)	0.009 (0.008)	-0.019** (0.009)
Household members	-0.037*** (0.003)	-0.011*** (0.002)	0.016*** (0.002)	0.004* (0.002)
Working hours p/week	0.029*** (0.0003)	- -	-0.001*** (0.0001)	-0.0003 (0.0002)
Controls	YES	YES	YES	YES
Observations	99,817	99,817	29,375	35,857
Number of Individuals	14,672	14,672	8,019	8,019

Notes: Estimation is made using Linear Probability Model with random effects. We have four variables of interest, (1) Labor earnings is measured as yearly gross earnings from all jobs, winsorized at the 1% level; (2) Labor Force Participation is a binary variable indicating if the individual is active in the LF. (3) Local community is a binary variable indicating if the migrant has frequent contact with neighbors; (4) Broader community tell us if the migrant is an active member of a community group. Years Since Migration measure the duration of destination, winsorized at the 1% level. The panel for economic integration includes two-year intervals from 2001 to 2019; the social one includes the years: 2001, 2003, 2006, 2008, 2011, 2014, 2017 and 2019. Determinants include age; age at arrival; a gender dummy; a binary variable for higher education; a variable indicating if the migrant lives with the partner; a variable indicating if the migrant has kids; number of members of the household; and hours worked per week (excluded from the LFP specification). Controls include cohort of arrival 5-year intervals from 1944 to 2004; region of origin (grouped into OECD, Eastern-Europe, Africa; Asia, Latin America, and Oceania); time fixed effects; and destination country fixed effects. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

5.3. DISCUSSION

In our paper, we find evidence of a clear economic integration process. We can see that the process of increased earnings with duration in destination is stronger than that of the labor force participation in every country. This may point to the fact that earlier in the post-migration period, as migrants are investing in human capital, they sacrifice higher earnings by working in lower paying jobs. Then, as the return to human capital increases immigrants' earnings increase at a fast rate. In our specification this effect cannot be disentangled from the normal returns to experience, even though the values we find are significantly higher than those expected for the returns to experience in the labor market.

On both earnings and labor force participation, it is in Australia that immigrants fare better. Immigrants in Germany and Switzerland have very similar integration processes in both dimensions, with immigrants in the United Kingdom not far behind. For the United States, we cannot find evidence of economic assimilation in employment, but we can see a strong integration in earnings second only to that of Australia. The case of the US may be explained by low sample size and the high share of undocumented immigrants in its work force experiences.

We find stark evidence of a female penalty as immigrant women receive 30% less than men and have a 10.5% lower probability of being in the labor force when arriving at the destination country. On the flip side, having higher education means that immigrants upon arrival earn, all else equal, 36% higher earnings and have a 7.9 pp higher probability of employment. We find that family environment is associated with better economic conditions upon immigration as individuals that live with the partner have both higher earnings and labor force participation. On the other hand, larger households are associated with poorer earnings and employment upon migrant arrival.

Focusing now on the social integration of immigrants, we find a positive integration process both on a local and broader community level, with the former being strongest. In addition, the

average gap between natives and immigrants in terms of participation in community groups is higher than contact with neighbors, which means that at the time of arrival migrants may have a harder time belonging to groups than becoming involved with neighbors. Because we do not have information on the composition of neighborhoods or share of immigrants, we cannot exclude the hypothesis that migrants may live in ethnic enclaves and so the contact with the immediate community may be describing the relationship between co-ethnics. This means that the participation in the broader community might be a more accurate representation of the social integration in the native community.

Still, regarding local community, we find that it is in Germany that this effect is the strongest with each additional year of duration of destination, increasing the probability of contacting with the neighbors by 2.3%. This speed of integration is weaker (but still significant at the 1% level) for both Australia (0.9%) and the United Kingdom (0.6%). We cannot find evidence of migrant integration in the neighborhood for Switzerland. This may stem from the way migrants were defined, based on nationality rather than country of birth. On the integration into community groups, we find a similar and stronger rate of integration in Australia (3.68%), Germany (3.70%) and the United Kingdom (3.13%). This means that one additional year in the destination increases the probability of belonging to a community group by between 3-4 pp. For Switzerland, unlike as for the local level, we can verify a positive speed of integration, albeit weaker (1.7 pp).

Once again, describing the gaps at arrival, the initial family environment is also related with integration as, having kids decreases the probability of attending a community group by 1.9 pp. Additionally, we see that variables which reflect the work and labor force status of an individual are mostly insignificant for social integration on a broader level.⁷ This is a puzzling result, as it

⁷ Just like Dustmann (1996) found for national identity.

indicates that for the development of social relations and integration, the labor market status plays only a minor role.

One should look together to what happens in the economic and social processes. First, contrary to what we would expect based on existing literature, the family environment is more strongly related to economic performance than with social integration at the time of arrival. Second, we cannot find decreasing returns in the social integration (apart from Germany), which could be due to larger percent migrant-native gap or be pointing to the fact that unlike economic integration, social integration might be a continuous and ever-growing process with duration in the destination. Then, we see that immigrant woman have a significantly harder economic outcomes upon arrival, while this difference is almost non-significant in the social integration. It is also important to note that the cultural gap as measured by the region of origin is a significant determinant of the broader social integration outcomes upon arrival, although not of local integration. Lastly, we see that education is a common thread on economic and social integration having a strong positive relation with both.

5.4. Robustness Checks

In this subsection, we conduct several robustness tests and analyze some of the possible mechanisms driving our results.

First, we conducted the Breusch-Pagan Lagrange multiplier test to justify the choice of a random effects regression over a simple OLS regression. As is presented on table 14-17 of the Appendix B, we reject the null and conclude that we have panel effect, and that random effects are indeed appropriate for our regressions.

We then performed a robustness check to control for possible effects from sudden waves of mass migration from a specific region to a certain country by merging the year-intervals cohort of arrival with the region of origin instead of the destination country. We find that our results are robust to this specification as shown in table 19 of Appendix B.

In our final robustness checks, we reestimate our regressions using logit and probit models. In this paper, we decided to discuss our results using LPM for simplicity. Nevertheless, the coefficient signs, significance of results and broad magnitudes for the logit/probit and LPM estimates are similar, as shown in table 18 of the Appendix.

6. Concluding Remarks

This paper aims at contributing to the literature on understanding the economic and social integration of migrants in the destination countries. We measure the economic assimilation through labor earnings and labor force participation, as well as the social integration analyzed both at the local level, through contact with neighbors, and at a broader level, evaluated by participation in community groups.

Using our own harmonization of data retrieved from the world's longest-running household panel surveys from five countries, we found that there is a clear process of immigrant economic integration in all countries in our sample as labor earnings increase, approaching those of natives, although at a decreasing rate. Additionally, our paper introduces new findings to the literature on the integration of immigrants by documenting a positive social integration process both on a local and on a broader community level.

The integration in the broader community is stronger than the local one. As discussed before, we lack information on the composition of neighborhoods and so we cannot exclude the hypothesis that migrants may be living in ethnic enclaves and so the contact with the immediate community may be telling the relationship among co-ethnics. Consequently, this means that participation in the broader community might be a more realistic token of the social integration in the native community.

We find that family environment is more strongly related to economic performance than social integration and that immigrant women have a significantly harder economic integration

than social, when compared to men. Lastly, we see that education has a strong positive relation with economic and social integration.

From our results, we observe that immigrants in different countries integrate at distinct rates due to the contrasting contexts they experience; for example, the faster economic integration of immigrants in Australia should be contextualized with a political framework to understand what policies are in place and can be replicated for other countries. Regarding social integration, the rate of integration seems to be similar across countries. This may be pointing to the fact that it is a natural integration rate, i.e. even in the case where no policies are in place to promote integration, migrants naturally develop social relationships and integrate to the community at a constant rate. Hence, countries should explore new policies to further increase the integration of immigrants by investing in education and promoting community events. Additionally, based on the results obtained, policies that support immigrant families, especially initiatives that focus on women, are a key tool for reducing inequalities in integration at the moment of arrival.

Given our findings, it would be valuable if future research addressed the interaction between the composition of the local community of the migrant with the process of integration. It would be important to understand if immigrants are living in enclaves and explicitly examine the contact of immigrants with the native population. In this context, complementing our analysis with information on language ability of immigrants, migration motives and citizenship acquisition would further contribute to identifying and understanding clear mechanisms of both economic and social integration. Additionally, a analysis of the specific integration processes of females and highly educated individuals could help us better understand the integration processes of these individuals while contributing to targeted policymaking.

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APPENDIX A – TABLES OF DESCRIPTION STATISTICS

Table 1 – Description of the harmonization protocol for the outcome variable Labor Income

Labor Income			
Questions per country	Options/Scale	Description of the harmonization protocol	
<i>Australia</i>			
Did you receive any income from the following sources in the past calendar year? State those that apply and the corresponding gross amount for the past calendar year.	Gross labor pay from primary job; self-employment; gross second-job pay; income from savings and investments; gratifications; benefits; other sources;	This variable represents individual yearly labor earnings of each individual. Labor Income include wages and salary from all employment including training, primary and secondary jobs, and self-employment, as well as income from bonuses, overtime, and profit-sharing. It is then the sum of income from primary job, secondary job, self-employment, 13th month pay, 14th month pay, Christmas bonus pay, holiday bonus pay, miscellaneous bonus pay, and profit-sharing income. For the US and the UK questions were posed on average monthly, we then converted to yearly by multiplying by the numbers of months worked in the calendar year, excluding 13 th and 14 th months.	
<i>Germany</i>			
Which of the following sources of income did you receive in the past calendar year? For income sources that apply, state how many months you received the income and what the average monthly income amount was.	Wages and salaries from main job; income from secondary employment; income from self-employment; profit-sharing; military service pay; income from commercial activities.		
<i>Switzerland</i>			
Did you receive any income from the following sources in the past calendar year? State how much for each that applies.	Employment all jobs; self-employment; bonuses; gratifications; profit-sharing; 13th and 14th month		
<i>United Kingdom</i>			
How much did you receive on average per month in each of the following categories? State those that apply and the corresponding amount.	Gross usual labor pay; self-employment; gross second-job pay; income from savings and investments; benefits and other sources		
<i>United States</i>			
How much have you received in income from the following sources on average, per month, on the past calendar year? State how much for each that applies.	Business income; farm income; wages, bonuses; overtime; commissions, professional practice; labor part of income from roomers and boarders or business income.	This variable is equivalent to CNEF's variable E11101LL for Australia, Germany and Switzerland. This variable was originally in each country's currency but was converted to USD using OECD (2022), Yearly exchange rates (indicator). ¹ On our model we include the logarithm of labor earnings and winsorized at 1% to reduce the effect of outliers.	

¹ OECD (2022), Exchange rates (indicator). doi: 10.1787/037ed317-en (Accessed on 04 April 2022)

Table 2 – Description of the harmonization protocol for the outcome variable Labor Force Participation

Labor Force Participation		
Question per country	Options/Scale	Description of the harmonization protocol
<i>Australia</i>		
What is your current labor force status? (Detailed)	Full-time; part-time; Unemployed, looking for work; Not in the labour force, marginally attached; Not in the labour force, not marginally attached;	
What is your current occupational status?	International Socio-Economic Index of occupational status (ISEI-08)	
<i>Germany</i>		
What is your current labor force status?	full-time; part-time; marginally employed; short-time; military/civilian service; maternity leave; in-company training; unemployed; out of the LF	This variable is based on the individual's self-reported primary activity at the time of the interview. If the individual reported being full-time, part-time, or marginally employed, having short-time work, performing military/civilian service, on maternity leave, or being engaged in company training then the individual is considered to be working now. If the individual reported not being employed or being unemployed then the individual is considered to be not working now. The preferred original question was self-reported labor force status, when this was not possible, we recurred to occupational status, if had paid work, etc.
What is your current occupational status?	ISEI-08	
<i>Switzerland</i>		
What is your current labor force status?	full-time; part-time; marginally employed; short-time work; military/civilian service; maternity leave; in-company training; unemployed; out of the labor force	This variable is equivalent to CNEF's variable E11104.
What is your current occupational status?	ISEI-08	
<i>United Kingdom</i>		
Did you do any paid work last week? (as an employee or self-employed)	1-Yes; 2-No;	This variable is equivalent to CNEF's variable E11104.
Even though you weren't working did you have a job that you were away from last week? If yes, what was the reason?	1-Yes; 2-No; Reason: maternity leave; leave/holiday; sick or injured; training course; laid off; personal reasons.	
What is your current occupational status?	ISEI-08	
<i>United States</i>		
We would like to know about what you do/are you working now, looking for work, retired, keeping house, a student, or what?	Working now; temporarily laid off; unemployed; retired; disabled; housewife; student; other	
What is your current occupational status?	ISEI-08	

Table 3 – Description of the harmonization protocol for the outcome variable Contact with Neighbors

Contact with Neighbors		
Question per country	Scale/Options	Description of the harmonization protocol
<i>Australia</i>		
How often do you chat with your neighbors?	1-Never; 2-Rarely; 3-Occasionally; 4-Sometimes; 5-Often; 6-Very often	For contact with neighbors, we wanted to capture those individuals that maintained a contact with the local community that goes beyond simple greeting or casual encounters. Hence, we constructed this variable as a binary, to clearly distinguish those that have contact with the neighbours and those who do not. We analyzed the distribution of responses for each scale and coded as following: Has contact with neighbors (=1) if original variable regarding frequency takes values (4-Sometimes; 5-Often; 6-Very often; 3-Monthly; 4-Weekly; 5-Daily; 3-Occasionally; 4-Sometimes; 5-Often; 6-Very often; 3-Once or twice a month; 4-Once or twice a week; 5-Most days), additionally, for the variable regarding agreement with the sentence, we coded frequent contact (=1) if the original variable takes value (4- Agree; 5- Strongly agree).
How often do you and your neighbors do things together?		
<i>Germany</i>		
How often do you visit your neighbors?	1-Never; 2-Rarely; 3-Monthly; 4-Weekly; 5-Daily	
How often do you have contact with Germans in your neighborhood beyond greeting?		
How close is your relationship with your neighbors?	1-Almost no contact; 2-Not so close; 3-Average; 4-Close; 5- Very close	
Do you usually visit your neighbors?	1-Yes; 0-No	
<i>Switzerland</i>		
How often do you have contact with your neighbors?	1-Never; 2-Rarely; 3-Occasionally; 4-Sometimes; 5-Often; 6-Very often	
<i>United Kingdom</i>		
How often do you chat with your neighbors beyond greeting?	1-Never; 2-Less than once a month; 3-Once or twice a month; 4-Once or twice a week; 5-Most days	
I regularly stop and talk with people in my neighborhood.	1-Strongly disagree; 2-disagree; 3-Neutral; 4- Agree; 5- Strongly agree	

Table 4 – Description of the harmonization protocol for the outcome variable Participation in Community Groups

Participation in community groups		
Question per country	Scale	Description of the harmonization protocol
<i>Australia</i>		
Are you involved with a group that is trying to make a difference in the community and get others involved?	1-Never; 2-Rarely; 3-Occasionally; 4-Sometimes; 5-Often; 6-Very often	For the variable of participating in community groups, we wanted to capture individuals that were active members of community groups or organizations in the host-country community. We relied mostly on binary variables when possible and complementing this information with 5/6-point Likert scale ones, always analyzing distribution. We considered the immigrant to be participating in community groups (=1) if: She self-reported as being an active member of a listed organization, club, or group. Additionally, when original variables were on a scale of frequency, we considered the individual as an active member if she responded as participating (5-Often; 6-Very often). Lastly, for the original question posed as a self-reported feeling of belonging to a community group, we considered individuals as participating in community groups if they reported agreeing strongly agreeing with the question posed.
Are you currently an active member of a sporting/hobby/community-based club or association?	1-Yes; 0-No	
<i>Germany</i>		
I feel as if I'm part of community or social groups.	1-Strongly disagree; 2-disagree; 3-Neutral; 4- Agree; 5- Strongly agree	
Are you a member of an environmental interest group?	1-Yes; 0-No	
Are you an active member of an group/organization?	1-Yes; 0-No	
<i>Switzerland</i>		
Do you actively participate in clubs or groups?	1-Never; 2-Rarely; 3-Occasionally; 4-Sometimes; 5-Often; 6-Very often	
Are you an active member of any of the listed organization? (sports or leisure, cultural, political party, environmental, charity, parents' or women organization)	1-Yes; 0-No	
<i>United Kingdom</i>		
Are you an active member of these clubs? (Political party, environmental, parents'/school ass., voluntary, pensioners, scouts, sports, other community group)	1-Yes; 0-No	

Table 5 – Description and short harmonization protocol for the control variables

Control Variables	
Question per country	Small description and harmonization protocol
<i>Age</i>	Number of full years at the date of interview. Variable was corrected in several ways: based on year of birth if it was corrected; missing values filled across waves; inconsistent values of age (e.g. non-incremental increases) were corrected based on <i>yborn</i> . This correction was done only for cases where difference between information based on <i>age</i> and <i>yborn</i> was larger than 1 on each wave.
<i>Age at arrival</i>	This variable was always defined as the difference between the year of arrival and the year of birth. Missing values filled across waves, this value is constant across waves.
<i>Female</i>	Self-reported gender of individuals. Missing values filled across waves, this value is constant across waves.
<i>High Education</i>	Education level was first harmonized across countries in reference to the International Standard Classification of Education (ISCED). Then, we considered as having higher education those with ISCED 5 or higher, meaning: Short cycle tertiary education; bachelor or equivalent; master or equivalent; doctoral or equivalent. Missing values filled across waves. Based on the information of previous and future waves.
<i>Living With Partner</i>	This information was based on the household composition survey. It is based on self-reported status of whether the respondent was living with partner in the household or not.
<i>Has Kids</i>	It tell us if the respondent has currently any own children (also children ever born). Based on self-reported number of children.
<i>Houhsehold members</i>	This variable gives information on the self-reported total number of people living in the household at the time of the interview. This is equivalent to variable d11106 of CNEF.
<i>Working hours per week</i>	This variable gives us the average number of hours the individual works per week. It is based on self-reported number of hours worked last week or the self-reported average of the hours worked per week on the past year. For the US this variable is equal to the hours worked last year divided by 52.
<i>Region of origin</i>	Countries of birth are aggregated into broad groups corresponding to the migrants' regions of origin: OECD; Eastern Europe, including all countries from the formers Soviet Union and Yugoslavia; Africa, including both North and sub-Saharan Africa; immigrants from Asia are mainly from the Middle East and India, with some specific cases of origin countries, like the Philippines to Australia or Pakistan to the UK; Latin American include Central and South America and Caribbean countries; and lastly, we have Oceania countries. An important note here is that, for Switzerland and the United States, we do not have information on country of birth. The way this variable was constructed for both countries was to analyze the immigrant's first nationality and assume region of origin based on that information. In the cases where the individual was foreign born but first nationality mentioned was that of the host country (i.e., Switzerland or the US), we constructed region of birth based on second nationality.
<i>Cohort of arrival</i>	We used the information on the year of arrival to the destination country and grouped them into 5-year intervals; the arrival cohorts are the following: 1945-1949; 1950-1954; 1955-1959; 1960-1964; 1965-1969; 1970-1974; 1975-1979; 1980-1984; 1985-1989; 1990-1994; 1995-1999; 2000-2004; 1975-1980. This value is constant across waves.

Table 6 – Descriptive statistics and description of the outcome, interest, and determinant variables, for the immigrant economic sample²

	Individuals	Obs.	Mean	Std. Dev.	Min.	Max.	Description
<i>Outcome variables</i>							
Labor Earnings	14,671	99,621	34,088.03	32,502.39	0	144,983	Gross yearly labor earnings from all jobs in USD
Log of Labor Earnings	14,671	99,621	10.006	1.111	-0.041	11,884	Logarithm of gross yearly labor earnings from all jobs
Labor Force Participation	14,671	99,621	.9319	.2519	0	1	Dummy indicating whether the migrant is active in the labor force
<i>Main interest variables</i>							
Years Since Migration – Australia	14,671	99,621	2.228	7.751	0	59	Duration of the destination in the host country. It is defined as the difference between the survey year and the year of arrival.
Years Since Migration – Germany	14,671	99,621	7.849	11.870	0	45	
Years Since Migration – Switzerland	14,671	99,621	3.666	10.258	0	50	
Years Since Migration – United Kingdom	14,671	99,621	6.869	13.220	0	57	
Years Since Migration – United States	14,671	99,621	1.239	5.446	0	30	
<i>Control variables</i>							
Age	14,671	99,621	43.0194	11.562	16	88	Defined as self-reported age or the difference between survey year and year of birth
Age at arrival	14,671	99,621	20.929	11.823	1	66	Reported as self-reported age of arrival or the difference between the year of arrival and the year of birth.
Female	14,671	99,621	0.493	0,499	0	1	Female = 1 and Male = 0
High education	14,671	99,621	0.816	0.388	0	1	Dummy which takes value 1 if the immigrant has finished higher education
Living with partner	14,671	99,621	0.788	0.420	0	1	Dummy indicating if the migrant lives with the partner
Has kids	14,671	99,621	0.772	0.419	0	1	Dummy indicating whether the migrant has kids
Household members	14,671	99,621	3.360	1.510	1	16	Number of individuals living in the household
Working hours p/week	14,671	99,621	35.017	14.731	0	132	Hours worked by the migrant in all jobs during a week

² The variable creation and transformation process is duly explained in Appendix B

Table 7 – Descriptive statistics and description of the outcome, interest, and determinant variables, for the social sample

	Individuals	Obs.	Mean	Std. Dev.	Min.	Max.	Description
<i>Outcome variables</i>							
Contact with neighbors	8,019	29,284	0.804	0.591	0	1	1= Has frequent contact with neighbors 0=Does not have frequent contact with neighbors ³
Participation in community groups	8,019	35,857	0.451	1.111	0	1	1= Is an active member of community groups 0=Is not an active member of community groups
<i>Main interest variables</i>							
Years Since Migration – Australia	8,019	35,857	4.129	10.359	0	59	
Years Since Migration – Germany	8,019	35,857	7.266	12.022	0	45	Duration of the destination in the host country. It is defined as the difference between the survey year and the year of arrival.
Years Since Migration – Switzerland	8,019	35,857	7.588	13.735	0	50	
Years Since Migration – United Kingdom	8,019	35,857	4.352	11.261	0	57	
<i>Control variables</i>							
Age	8,019	35,857	43.553	11.638	16	88	Defined as self-reported age or the difference between survey year and year of birth
Age at arrival	8,019	35,857	20.121	11.919	1	66	Reported as self-reported age of arrival or the difference between the year of arrival and the year of birth.
Female	8,019	35,857	0.492	0,499	0	1	Female = 1 and Male = 0
High education	8,019	35,857	0.851	0.356	0	1	Dummy which takes value 1 if the immigrant has finished higher education
Living with partner	8,019	35,857	0.789	0.408	0	1	Dummy indicating if the migrant lives with the partner
Has kids	8,019	35,857	0.777	0.416	0	1	Dummy indicating whether the migrant has kids
Household members	8,019	35,857	3.219	1.510	1	16	Number of individuals living in the household
Working hours p/week	8,019	35,857	35.674	14.345	0	120	Hours worked by the migrant in all jobs during a week

³ In Appendix B, you may find the way the outcome variables were constructed based on the original variables

Table 8 - Comparison between the composition the entire migrant population, our immigrant economic sample, and the native population

	Entire Migrant Population		Immigrant Economic Sample		Native population	
	Observations	Mean	Observations	Mean	Observations	Mean
<i>Outcome variables</i>						
Labor Earnings	155,187	34,014	99,621	34,088	763,018	32,134
Log of Labor Earnings	155,187	10.035	99,621	10.006	763,018	10.048
Labor Force Participation	155,572	0.867	99,621	0.872	763,018	0.834
<i>Main interest variables</i>						
Years Since Migration – Australia	155,578	3.905	99,621	2.428	-	-
Years Since Migration – Germany	155,578	6.026	99,621	7.849	-	-
Years Since Migration – Switzerland	155,578	2.707	99,621	3.666	-	-
Years Since Migration – United Kingdom	155,578	5.567	99,621	6.869	-	-
Years Since Migration – United States	155,578	1.499	99,621	2.139	-	-
<i>Determinants of Migration</i>						
Age	155,578	42.960	99,621	43.019	763,018	43.765
Age at arrival	155,578	21.003	99,621	20.929	-	-
Female	155,578	0.482	99,621	0.493	763,018	0,516
High education	155,578	0.861	99,621	0.816	763,018	0.802
Living with partner	155,578	0.762	99,621	0.788	763,018	0.709
Has kids	155,578	0.739	99,621	0.772	763,018	0.690
Household members	155,578	3.295	99,621	3.360	763,018	2.964
Working hours p/week	155,578	34.748	99,621	35.017	763,018	35.455

Table 9 - Comparison between the composition the entire migrant population, our immigrant social sample, and the native population

	Entire Migrant Population		Immigrant Social Sample		Native population	
	Observations	Mean	Observations	Mean	Observations	Mean
<i>Outcome variables</i>						
Contact with neighbors	73,236	0.826	29,284	0.764	268,753	0.781
Participation in community groups	89,799	0.423	35,857	0.451	268,753	0.499
<i>Main interest variables</i>						
Years Since Migration – Australia	89,799	6.278	35,857	4.129	-	-
Years Since Migration – Germany	89,799	6.814	35,857	7.266	-	-
Years Since Migration – Switzerland	89,799	5.814	35,857	7.588	-	-
Years Since Migration – United Kingdom	89,799	4.684	35,857	4.352	-	-
<i>Determinants of Migration</i>						
Age	89,799	43.487	35,857	43.553	268,753	42.359
Age at arrival	89,799	20.180	35,857	20.121	-	-
Female	89,799	0.489	35,857	0.492	268,753	0.507
High education	89,799	0.852	35,857	0.851	268,753	0.848
Living with partner	89,799	0.769	35,857	0.789	268,753	0.704
Has kids	89,799	0.754	35,857	0.777	268,753	0.703
Household members	89,799	3.193	35,857	3.219	268,753	3.002
Working hours p/week	89,799	35.269	35,857	35.674	268,753	35.493

APPENDIX B – REGRESSION OUTPUTS AND ROBUSTNESS CHECKS

Table 10: The path to the full model – Labor Earnings

	ECONOMIC INTEGRATION				
	LABOR EARNINGS				
	MODEL (1)	MODEL (2)	MODEL (3)	MODEL (4)	FULL MODEL
<i>Australia</i>					
Years Since Migration	0.125*** (0.00949)	0.125*** (0.00949)	0.0986*** (0.0102)	0.0962*** (0.0102)	0.128*** (0.011)
Years Since Migration Sqr.	-0.001*** (6.05e-05)	-0.001*** (6.10e-05)	-0.001*** (7.38e-05)	-0.001*** (7.30e-05)	-0.001*** (9.84e-05)
<i>Germany</i>					
Years Since Migration	0.0542*** (0.00952)	0.0565*** (0.00954)	0.0748*** (0.00976)	0.0769*** (0.00972)	0.085*** (0.00973)
Years Since Migration Sqr.	-0.0001** (4.37e-05)	-0.0002*** (4.52e-05)	-0.001*** (5.19e-05)	-0.001*** (5.15e-05)	-0.001*** (5.86e-05)
<i>Switzerland</i>					
Years Since Migration	0.124*** (0.00962)	0.123*** (0.00962)	0.0646*** (0.0101)	0.0661*** (0.0100)	0.072*** (0.0101)
Years Since Migration Sqr.	-0.0013*** (5.29e-05)	-0.0013*** (5.30e-05)	-0.001*** (6.69e-05)	-0.001*** (6.65e-05)	-0.001*** (7.7e-05)
<i>United Kingdom</i>					
Years Since Migration	0.0573*** (0.00957)	0.0563*** (0.00957)	0.0538*** (0.00953)	0.0528*** (0.00949)	0.060*** (0.010)
Years Since Migration Sqr.	-0.0003*** (3.57e-05)	-0.0002*** (3.59e-05)	-0.0003*** (4.20e-05)	-0.0002*** (4.17e-05)	-0.0002*** (5.2e-05)
<i>United States</i>					
Years Since Migration	0.0797*** (0.00944)	0.0853*** (0.00957)	0.0882*** (0.0109)	0.0883*** (0.0109)	0.091*** (0.0109)
Years Since Migration Sqr	-0.0005*** (7.65e-05)	-0.0006*** (8.08e-05)	-0.0007*** (0.000107)	-0.0007*** (0.000106)	-0.001*** (0.0001)
<i>Determinants of integration</i>					
Age	-0.0309*** (0.00939)	-0.0313*** (0.00939)	-0.0258*** (0.00943)	-0.0295*** (0.00939)	-0.024*** (0.010)
Age at arrival	-0.278*** (0.0118)	-0.279*** (0.0118)	-0.282*** (0.0116)	-0.287*** (0.0115)	0.031*** (0.010)
Female	0.395*** (0.0147)	0.395*** (0.0147)	0.385*** (0.0145)	0.381*** (0.0143)	-0.299*** (0.011)
High Education	0.148*** (0.0114)	0.145*** (0.0114)	0.142*** (0.0112)	0.146*** (0.0111)	0.361*** (0.014)
Living with partner	0.0126 (0.0128)	0.0140 (0.0127)	0.0359*** (0.0125)	0.0417*** (0.0125)	0.149*** (0.011)
Has kids	-0.0367*** (0.00323)	-0.0357*** (0.00324)	-0.0359*** (0.00322)	-0.0369*** (0.00320)	0.047*** (0.013)
Household members	0.0293*** (0.000387)	0.0293*** (0.000388)	0.0294*** (0.000386)	0.0294*** (0.000385)	-0.037*** (0.003)
Working hours p/week	-0.0309*** (0.00939)	-0.0313*** (0.00939)	-0.0258*** (0.00943)	-0.0295*** (0.00939)	0.029*** (0.0003)
Country of Origin Controls		YES	YES	YES	YES
Host Country Controls			YES	YES	YES
Year FE Controls				YES	YES
Arrival Cohort Controls					YES
Observations	99,621	99,621	99,621	99,621	99,621
Number of Individuals	14,671	14,671	14,671	14,671	14,671

Notes: Estimation is made using OLS with random effects. Our variable of interest is Labor earnings measured as yearly gross earnings from all jobs, winsorized at the 1% level; YSM measure the duration of destination, winsorized at the 1% level. The panel includes two-year intervals from 2001 to 2019. Determinants include age; age at arrival; a gender dummy; a binary variable for higher education; a variable indicating if the migrant lives with the partner; a variable indicating if the migrant has kids; number of members of the household; and hours worked per week. Controls are gradually included from column (1) onwards until column (5) and include region of origin; host country fixed effects; time fixed effects; and cohort of arrival 5-year intervals from 1944 to 2004. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

Table 11: The path to the full model – Labor Force Participation

	ECONOMIC INTEGRATION				
	LABOR FORCE PARTICIPATION				
	MODEL (1)	MODEL (2)	MODEL (3)	MODEL (4)	FULL MODEL
<i>Australia</i>					
Years Since Migration	0.125*** (0.00949)	0.125*** (0.00949)	0.0986*** (0.0102)	0.0962*** (0.0102)	0.128*** (0.011)
Years Since Migration Sqr.	-0.001*** (6.05e-05)	-0.001*** (6.10e-05)	-0.001*** (7.38e-05)	-0.001*** (7.30e-05)	-0.001*** (9.84e-05)
<i>Germany</i>					
Years Since Migration	0.0542*** (0.00952)	0.0565*** (0.00954)	0.0748*** (0.00976)	0.0769*** (0.00972)	0.085*** (0.00973)
Years Since Migration Sqr.	-0.0001** (4.37e-05)	-0.0002*** (4.52e-05)	-0.001*** (5.19e-05)	-0.001*** (5.15e-05)	-0.001*** (5.86e-05)
<i>Switzerland</i>					
Years Since Migration	0.124*** (0.00962)	0.123*** (0.00962)	0.0646*** (0.0101)	0.0661*** (0.0100)	0.072*** (0.0101)
Years Since Migration Sqr.	-0.0013*** (5.29e-05)	-0.0013*** (5.30e-05)	-0.001*** (6.69e-05)	-0.001*** (6.65e-05)	-0.001*** (7.7e-05)
<i>United Kingdom</i>					
Years Since Migration	0.0573*** (0.00957)	0.0563*** (0.00957)	0.0538*** (0.00953)	0.0528*** (0.00949)	0.060*** (0.010)
Years Since Migration Sqr.	-0.0003*** (3.57e-05)	-0.0002*** (3.59e-05)	-0.0003*** (4.20e-05)	-0.0002*** (4.17e-05)	-0.0002*** (5.2e-05)
<i>United States</i>					
Years Since Migration	0.0797*** (0.00944)	0.0853*** (0.00957)	0.0882*** (0.0109)	0.0883*** (0.0109)	0.091*** (0.0109)
Years Since Migration Sqr.	-0.0005*** (7.65e-05)	-0.0006*** (8.08e-05)	-0.0007*** (0.000107)	-0.0007*** (0.000106)	-0.001*** (0.0001)
<i>Determinants of integration</i>					
Age	-0.0309*** (0.00939)	-0.0313*** (0.00939)	-0.0258*** (0.00943)	-0.0295*** (0.00939)	-0.024*** (0.010)
Age at arrival	-0.278*** (0.0118)	-0.279*** (0.0118)	-0.282*** (0.0116)	-0.287*** (0.0115)	0.031*** (0.010)
Female	0.395*** (0.0147)	0.395*** (0.0147)	0.385*** (0.0145)	0.381*** (0.0143)	-0.299*** (0.011)
High Education	0.148*** (0.0114)	0.145*** (0.0114)	0.142*** (0.0112)	0.146*** (0.0111)	0.361*** (0.014)
Living with partner	0.0126 (0.0128)	0.0140 (0.0127)	0.0359*** (0.0125)	0.0417*** (0.0125)	0.149*** (0.011)
Has kids	-0.0367*** (0.00323)	-0.0357*** (0.00324)	-0.0359*** (0.00322)	-0.0369*** (0.00320)	0.047*** (0.013)
Household members	0.0293*** (0.000387)	0.0293*** (0.000388)	0.0294*** (0.000386)	0.0294*** (0.000385)	-0.037*** (0.003)
Working hours p/week	-0.0309*** (0.00939)	-0.0313*** (0.00939)	-0.0258*** (0.00943)	-0.0295*** (0.00939)	0.029*** (0.0003)
Country of Origin Controls		YES	YES	YES	YES
Host Country Controls			YES	YES	YES
Year FE Controls				YES	YES
Arrival Cohort Controls					YES
Observations	99,621	99,621	99,621	99,621	99,621
Number of Individuals	14,671	14,671	14,671	14,671	14,671

Notes: Estimation is made using OLS with random effects. Our variable of interest is Labor earnings measured as yearly gross earnings from all jobs, winsorized at the 1% level; YSM measure the duration of destination, winsorized at the 1% level. The panel includes two-year intervals from 2001 to 2019. Determinants include age; age at arrival; a gender dummy; a binary variable for higher education; a variable indicating if the migrant lives with the partner; a variable indicating if the migrant has kids; number of members of the household; and hours worked per week. Controls are gradually included from column (1) onwards until column (5) and include region of origin; host country fixed effects; time fixed effects; and cohort of arrival 5-year intervals from 1944 to 2004. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

Table 12: The path to the full model – Contact with Neighbors

	SOCIAL INTEGRATION				
	LOCAL COMMUNITY – CONTACT WITH NEIGHBORS				
	MODEL (1)	MODEL (2)	MODEL (3)	MODEL (4)	FULL MODEL
<i>Australia</i>					
Years Since Migration	0.006*** (0.001)	0.006*** (0.001)	0.003** (0.002)	0.0030* (0.001)	0.009*** (0.003)
Years Since Migration Sqr.	-7.1e-05*** (1.9e-05)	-6.9e-05*** (1.9e-05)	-3.20e-05 (2.36e-05)	-2.9e-05 (2.4e-05)	1.1e-05 (5.3e-05)
<i>Germany</i>					
Years Since Migration	-0.003*** (0.001)	-0.002** (0.001)	0.012*** (0.002)	0.011*** (0.0003)	0.023*** (0.002)
Years Since Migration Sqr.	7.6e-05*** (2.0e-05)	6.4e-05*** (2.1e-05)	0.0002*** (3.0-05)	-0.0001*** (3.1e-05)	-8.5e-05** (3.3e-05)
<i>Switzerland</i>					
Years Since Migration	-0.009*** (0.001)	-0.009*** (0.001)	0.000799 (0.002)	0.001 (0.002)	0.001 (0.003)
Years Since Migration Sqr.	0.0001*** (2.3e-05)	0.0001*** (2.3e-05)	-1.1e-05 (3.3e-05)	-1.68e-05 (3.3e-05)	6.6e-06 (4.6e-05)
<i>United Kingdom</i>					
Years Since Migration	0.013*** (0.001)	0.012*** (0.001)	-0.001** (0.0005)	-0.002*** (0.0005)	0.006*** (0.002)
Years Since Migration Sqr.	-0.001*** (1.25e-05)	-0.0001*** (1.2e-05)	3.0e-05*** (8.9e-06)	2.9e-05*** (9.5e-06)	7.6e-06 (2.2e-05)
<i>Determinants of integration</i>					
Age	0.001*** (0.0003)	0.001*** (0.0003)	0.001** (0.000314)	0.001*** (0.0003)	0.001*** (0.000315)
Age at arrival	0.0001 (0.007)	0.002 (0.006)	-0.002 (0.007)	-0.001 (0.001967)	-0.001 (0.001967)
Female	0.0002 (0.006)	0.0010 (0.006)	-0.002 (0.006)	-0.002 (0.00575)	0.001*** (0.0003)
High Education	0.022*** (0.008)	0.022*** (0.008)	0.021*** (0.007)	0.016** (0.00745)	-0.001 (0.001967)
Living with partner	0.034*** (0.007)	0.033*** (0.007)	0.033*** (0.007)	0.032*** (0.00730)	-0.002 (0.00575)
Has kids	0.004 (0.008)	0.005 (0.008)	0.013* (0.008)	0.009 (0.008)	0.016** (0.00745)
Household members	0.017*** (0.002)	0.017*** (0.002)	0.016*** (0.002)	0.016*** (0.002)	0.032*** (0.00730)
Working hours p/week	-0.001*** (0.0001)	-0.001*** (0.0001)	-0.001*** (0.0002)	-0.001*** (0.0001)	0.009 (0.008)
Country of Origin Controls		YES	YES	YES	YES
Host Country Controls			YES	YES	YES
Year FE Controls				YES	YES
Arrival Cohort Controls					YES
Observations	29,284	29,284	29,284	29,284	29,284
Number of Individuals	8,019	8,019	8,019	8,019	8,019

Notes: Estimation is made using Linear Probability model with random effects. Our variable of interest is a binary variable of contact with neighbors. YSM measure the duration of destination, winsorized at the 1% level. The panel includes the years: 2001, 2003, 2006, 2008, 2011, 2014, 2017 and 2019. Determinants include age; age at arrival; a gender dummy; a binary variable for higher education; a variable indicating if the migrant lives with the partner; a variable indicating if the migrant has kids; and number of members of the household; and hours worked per week. Controls are gradually included from column (1) onwards until column (5) and include: region of origin (grouped as OECD, Eastern-Europe, Africa; Asia, Latin America, and Oceania); host country fixed effects; time fixed effects; and cohort of arrival 5-year intervals from 1944 to 2004. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

Table 13: The path to the full model – Participation in Community Groups

	SOCIAL INTEGRATION				
	BROADER COMMUNITY – PARTICIPATION IN GROUPS				
	MODEL (1)	MODEL (2)	MODEL (3)	MODEL (4)	FULL MODEL
<i>Australia</i>					
Years Since Migration	0.028*** (0.009)	0.027*** (0.009)	0.033*** (0.009)	0.032*** (0.009)	0.037*** (0.009)
Years Since Migration Sqr.	-6.0e-06 (2.75e-05)	-1.1e-05 (2.78e-05)	2.1e-05 (3.32e-05)	4.6e-05 (3.33e-05)	4.0e-05 (5.6e-05)
<i>Germany</i>					
Years Since Migration	0.002 (0.009)	0.003 (0.009)	0.035*** (0.009)	0.033*** (0.009)	0.037*** (0.009)
Years Since Migration Sqr.	0.0005*** (2.5e-05)	0.0004*** (2.6e-05)	-2.8e-05 (3.0e-05)	-3.3e-05 (3.0e-05)	-9.2e-05*** (3.5e-05)
<i>Switzerland</i>					
Years Since Migration	0.035*** (0.009)	0.033*** (0.009)	0.029*** (0.009)	0.027*** (0.009)	0.016* (0.010)
Years Since Migration Sqr.	-0.0001*** (2.5e-05)	-0.0001*** (2.5e-05)	2.1e-05 (3.5e-05)	1.3e-05 (3.5e-05)	3.5e-05 (4.6e-05)
<i>United Kingdom</i>					
Years Since Migration	0.041*** (0.009)	0.038*** (0.009)	0.033*** (0.008)	0.033*** (0.009)	0.031*** (0.009)
Years Since Migration Sqr.	-0.0002*** (2.5e-05)	-0.0002*** (2.5e-05)	-1.6e-05 (3.2e-05)	4.0e-05 (3.2e-05)	7.1e-05 (4.9e-05)
<i>Determinants of integration</i>					
Age	-0.026*** (0.009)	-0.025*** (0.009)	-0.030*** (0.009)	-0.028*** (0.009)	-0.024*** (0.009)
Age at arrival	0.025*** (0.009)	0.024*** (0.009)	0.029*** (0.009)	0.027*** (0.009)	0.024*** (0.008)
Female	-0.014* (0.008)	-0.014* (0.008)	-0.017** (0.008)	-0.015* (0.008)	-0.014* (0.007)
High Education	0.126*** (0.009)	0.129*** (0.009)	0.129*** (0.009)	0.133*** (0.009)	0.124*** (0.009)
Living with partner	-0.001 (0.009)	-0.001 (0.009)	-0.002 (0.009)	-0.002 (0.009)	-0.004 (0.009)
Has kids	-0.016* (0.009)	-0.017* (0.009)	-0.011 (0.009)	-0.010 (0.009)	-0.019** (0.009)
Household members	0.002 (0.003)	0.003 (0.003)	0.003 (0.00252)	0.003 (0.00250)	0.004* (0.002)
Working hours p/week	-0.0002 (0.000222)	-0.0003 (0.000221)	-0.000319 (0.000219)	-0.000310 (0.000218)	-0.0003 (0.0002)
Country of Origin Controls		YES	YES	YES	YES
Host Country Controls			YES	YES	YES
Year FE Controls				YES	YES
Arrival Cohort Controls					YES
Observations	35,857	35,857	35,857	35,857	35,857
Number of Individuals	8,019	8,019	8,019	8,019	8,019

Notes: Estimation is made using Linear Probability model with random effects. Our variable of interest is a binary variable of participation in community groups. YSM measure the duration of destination, winsorized at the 1% level. The panel includes the years: 2001, 2003, 2006, 2008, 2011, 2014, 2017 and 2019. Determinants include age; age at arrival; a gender dummy; a binary variable for higher education; a variable indicating if the migrant lives with the partner; a variable indicating if the migrant has kids; and number of members of the household; and hours worked per week. Controls are gradually included from column (1) onwards until column (5) and include: region of origin (grouped as OECD, Eastern-Europe, Africa; Asia, Latin America, and Oceania); host country fixed effects; time fixed effects; and cohort of arrival 5-year intervals from 1944 to 2004. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1

Table 14-Breusch and Pagan LM test for random effects of Labor Earnings

LABOR EARNINGS		
PARAMETER	VARIANCE	STANDARD ERROR
<i>Labor Earnings</i>	1.2665	1.1254
<i>Overall error component</i>	0.3139	0.5603
<i>Random-error component</i>	0.2992	0.5470
Test var(u)=0		
$\chi^2= 64644.62$	Probability> $\chi^2=0.0000$	

Table 15-Breusch and Pagan LM test for random effects of Labor Force Participation

LABOR FORCE PARTICIPATION		
PARAMETER	VARIANCE	STANDARD ERROR
<i>Labor Force Participation</i>	0.1626	0.4033
<i>Overall error component</i>	0.1012	0.3182
<i>Random-error component</i>	0.0400	0.2001
Test var(u)=0		
$\chi^2= 63301.60$	Probability> $\chi^2=0.0000$	

Table 16-Breusch and Pagan LM test for random effects of Contact with Neighbor

CONTACT WITH NEIGHBOR		
PARAMETER	VARIANCE	STANDARD ERROR
<i>Labor Force Participation</i>	0.1524	0.3904
<i>Overall error component</i>	0.1057	0.3251
<i>Random-error component</i>	0.0226	0.1504
Test var(u)=0		
$\chi^2= 3298.78$	Probability> $\chi^2=0.0000$	

Table 17-Breusch and Pagan LM test for random effects of Participation in Community Groups

PARTICIPATION IN COMMUNITY GROUPS		
PARAMETER	VARIANCE	STANDARD ERROR
<i>Labor Force Participation</i>	0.1247	0.4973
<i>Overall error component</i>	0.1432	0.3784
<i>Random-error component</i>	0.0481	0.2194
Test var(u)=0		
$\chi^2= 11515.26$	Probability> $\chi^2=0.0000$	

Table 18: Logit and Probit estimations of Social and Economic Integration

	SOCIAL INTEGRATION				ECONOMIC INTEGRATION	
	LOCAL COMMUNITY		BROADER COMMUNITY		LABOR FORCE PARTICIPATION	
	(1) PROBIT	(2) LOGIT	(3) PROBIT	(4) LOGIT	(5) PROBIT	(6) LOGIT
<i>Australia</i>						
Years Since Migration	0.031** (0.0151)	0.0482* (0.0282)	0.133*** (0.034)	0.228*** (0.0577)	0.124*** (0.023)	0.227*** (0.042)
Years Since Migration Sqr.	0.001** (0.0003)	0.002*** (0.0006)	8.0e-05 (0.000)	0.0001 (0.000)	-0.003*** (0.0001)	-0.006*** (0.0003)
<i>Germany</i>						
Years Since Migration	0.103*** (0.011)	0.183*** (0.019)	0.178*** (0.0349)	0.311*** (0.061)	0.080*** (0.022)	0.140*** (0.040)
Years Since Migration Sqr.	-0.0002 (0.0002)	-0.0004 (0.0004)	-0.001*** (0.000218)	-0.002*** (0.000)	-0.003*** (8.9e-05)	-0.005*** (0.0001)
<i>Switzerland</i>						
Years Since Migration	0.006 (0.009)	0.009 (0.016)	0.0531 (0.034)	0.093 (0.058)	0.087*** (0.023)	0.158*** (0.0410)
Years Since Migration Sqr.	-4.6e-05 (0.0001)	-6.2e-05 (0.0003)	0.0001 (0.000)	0.0001 (0.000)	-0.003*** (0.0001)	-0.0056*** (0.0002)
<i>United Kingdom</i>						
Years Since Migration	0.005 (0.017)	0.019 (0.034)	0.113*** (0.034)	0.195*** (0.059)	0.059*** (0.022)	0.109*** (0.039)
Years Since Migration Sqr.	0.0008** (0.0003)	0.002** (0.0007)	0.0002 (0.000)	0.0004 (0.000)	-0.002*** (8.4e-05)	-0.004*** (0.0001)
<i>United States</i>						
Years Since Migration	-	-	-	-	0.023 (0.024)	0.037 (0.044)
Years Since Migration Sqr.	-	-	-	-	-0.002*** (0.0002)	-0.004*** (0.0003)
<i>Determinants of integration</i>						
Age	0.006*** (0.002)	0.010*** (0.003)	-0.088*** (0.033)	-0.153*** (0.056)	0.105*** (0.039)	0.105*** (0.039)
Age at arrival	-0.002 (0.012)	-0.004 (0.057)	0.087*** (0.032)	0.151*** (0.056)	-0.108*** (0.039)	-0.108*** (0.039)
Female	-0.012 (0.032)	-0.028 (0.057)	-0.080** (0.032)	-0.137** (0.056)	-1.186*** (0.045)	-1.186*** (0.045)
High Education	0.091** (0.041)	0.143** (0.073)	0.560*** (0.043)	0.968*** (0.074)	0.666*** (0.045)	0.666*** (0.045)
Living with partner	0.158*** (0.036)	0.278*** (0.065)	-0.019 (0.033)	-0.0344 (0.057)	0.391*** (0.040)	0.391*** (0.040)
Has kids	0.051 (0.041)	0.091 (0.072)	-0.065* (0.034)	-0.114* (0.065)	-0.097* (0.050)	-0.097* (0.050)
Household members	0.099*** (0.012)	0.178*** (0.021)	0.0167 (0.010)	0.027 (0.0174)	-0.096*** (0.011)	-0.096*** (0.011)
Working hours p/week	-0.005*** (0.001)	-0.008*** (0.002)	-0.0007 (0.001)	-0.001 (0.002)	0.105*** (0.039)	0.105*** (0.039)
Controls	YES	YES	YES	YES	YES	YES
Observations	29,284	29,284	35,857	35,857	99,621	99,621
Number of Individuals	8,019	8,019	8,019	8,019	14,671	14,671

Table 19: Regression including interaction between year cohort of arrival and region of origin

	ECONOMIC ASSIMILATION		SOCIAL INTEGRATION	
	(1) LABOR EARNINGS	(2) LABOR FORCE PARTICIPATION	(3) LOCAL COMMUNITY	(4) BROADER COMMUNITY
<i>Australia</i>				
Years Since Migration	0.105*** (0.0102)	0.0189*** (0.00424)	0.00430*** (0.00162)	0.0392*** (0.00882)
Years Since Migration Sqr.	-0.000943*** (7.63e-05)	-0.000503*** (3.50e-05)	-6.65e-06 (2.79e-05)	0.000134*** (3.70e-05)
<i>Germany</i>				
Years Since Migration	0.0840*** (0.00978)	0.0191*** (0.00412)	0.023*** (0.002)	0.037*** (0.009)
Years Since Migration Sqr.	-0.000617*** (5.49e-05)	-0.000585*** (3.23e-05)	-8.5e-05** (3.3e-05)	-9.2e-05*** (3.5e-05)
<i>Switzerland</i>				
Years Since Migration	0.0703*** (0.0101)	0.0156*** (0.00423)	0.001 (0.003)	0.016* (0.010)
Years Since Migration Sqr.	-0.000605*** (6.74e-05)	-0.000522*** (3.19e-05)	6.6e-06 (4.6e-05)	3.5e-05 (4.6e-05)
<i>United Kingdom</i>				
Years Since Migration	0.0607*** (0.00954)	0.0165*** (0.00395)	0.006*** (0.002)	0.031*** (0.009)
Years Since Migration Sqr.	-0.000339*** (4.60e-05)	-0.000455*** (2.10e-05)	7.6e-06 (2.2e-05)	-7.1e-05 (4.9e-05)
<i>United States</i>				
Years Since Migration	0.0921*** (0.0109)	0.00927* (0.00488)	- -	- -
Years Since Migration Sqr.	-0.000760*** (0.000107)	-0.000451*** (5.37e-05)	- -	- -
<i>Determinants of integration</i>				
Age	-0.0286*** (0.00938)	0.00838** (0.00383)	0.00134*** (0.000321)	-0.0284*** (0.00862)
Age at arrival	0.0373*** (0.00942)	-0.00915** (0.00385)	-0.001 (0.001967)	0.0280*** (0.00862)
Female	-0.290*** (0.0115)	-0.104*** (0.00420)	8.51e-05 (0.00583)	-0.0152** (0.00747)
High Education	0.364*** (0.0143)	0.0790*** (0.00596)	0.0171** (0.00754)	0.124*** (0.00939)
Living with partner	0.147*** (0.0111)	0.0471*** (0.00555)	0.0314*** (0.00742)	-0.00187 (0.00868)
Has kids	0.0452*** (0.0125)	-0.00713 (0.00562)	0.0128* (0.00776)	-0.0114 (0.00937)
Household members	-0.0366*** (0.00321)	-0.0115*** (0.00154)	0.0162*** (0.00205)	0.00393 (0.00250)
Working hours p/week	0.029*** (0.0003)	- -	-0.000806*** (0.000187)	-0.000354 (0.000217)
Controls	YES	YES	YES	YES
Observations	99,817	99,817	29,375	35,857
Number of Individuals	14,672	14,672	8,019	8,019

Notes: Estimation is made using Linear Probability Model with random effects. We have four variables of interest, (1) Labor earnings is measured as yearly gross earnings from all jobs, winsorized at the 1% level; (2) Labor Force Participation is a binary variable indicating if the individual is active in the LF. (3) A binary variable indicating if the migrant has frequent contact with neighbors; (4) Broader community tell us if the migrant is an active member of a community group. Years Since Migration measure the duration of destination, winsorized at the 1% level. The panel for economic integration includes two-year intervals from 2001 to 2019; the social one includes the years: 2001, 2003, 2006, 2008, 2011, 2014, 2017 and 2019. Determinants include age; age at arrival; a gender dummy; a binary variable for higher education; a variable of whether lives with partner; a variable indicating if has kids; number of members in household; and hours worked per week. Controls include interaction between cohort of arrival 5-year intervals from 1944 to 2004 and region of origin; time fixed effects; and destination country fixed effects. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1