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Language and Migration

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12.1 Introduction

Language proficiency is extremely important for international migrants. Better language proficiency means easier assimilation in the host country and greater returns to human capital as well as better job opportunities and job matches, among other things. In addition language skills surely influence a number of non-economic outcomes such as social integration, the size of the migrant’s social network, his or her political participation and civic engagement, as well as educational attainment, health outcomes and family life. Familiarity with the destination language helps to minimize migration costs (both the direct out-of-pocket expenses and the psychological costs of leaving the home country) and serves as an informational channel to learn about other determinants of migration.

Even though language proficiency is clearly important, many immigrants have poor host language skills and struggle to acquire them. Insights on the role of language in international migration, and into the underlying processes and factors that determine migrants’ proficiency, are crucial for the successful design of policy measures that address the hurdles of language acquisition. In this chapter, we review the economics of language with a focus on international migration. Research in the area focuses on (1) the role of language in migration decisions, (2) the determinants of language proficiency among migrants, and (3) the effects of immigrants’ linguistic skills and language acquisition on their labour market and socio-economic outcomes.

12.2 The role of language in migration decisions

Earlier literature on the determinants of migration is based on gravity models derived from Newton’s law of gravity. The main hypothesis is that migration is associated with the sizes of population in origin and destination countries.
and inversely related to distances to destinations. The basic gravity model has been further modified to include a number of additional variables that are expected to influence the decision to migrate. The more recent literature on the determinants of migration flows generally employs a model of human capital investment to motivate its econometric specifications (as in Clark et al., 2007; Ortega and Peri, 2009, 2013; Grogger and Hanson, 2011; Adserà and Pytliková, 2015). Potential migrants decide where to locate among a set of alternative destinations by searching the country with the highest expected net welfare. To do so they take into account their potential earnings and likelihood of employment in their destination as well as the costs they will have to bear to move to that location. The latter can include both a set of direct out-of-pocket expenditures and indirect costs such as psychological costs of leaving their country of birth, family and friends, as well as costs associated with the need to upgrade skills and behavioural norms at arrival to attain the economic benefits of the host country. Large differences between the culture and language of the source and destination countries may constitute barriers to migration.

12.2.1 Linguistic distances and migration flows

Better language proficiency is associated with easier assimilation in the host country and greater return of human capital from the source country, as well as better job matches, among other things. Language also serves as an informational channel to learn about other determinants of migration. For instance, knowing the destination language allows immigrants to acquire information about institutions such as formal labour market access and immigrants’ rights (Palmer and Pytliková, 2015), or to learn about natives’ attitudes towards immigrants (Gorinas and Pytliková, 2016). The significance of language for migration brings to mind the ‘border’ effect identified in trade models. In fact trade theorists such as Melitz and Toubal (2014) use a set of measures to estimate the impact of linguistic proximity in bilateral trade and find that a common language raises it by around 200 per cent.¹ The role of language on trade is reviewed in Chapter 9 in this volume.

As done by trade scholars, researchers on the determinants of migration typically estimate a gravity-type model that includes relative population sizes and distances to destinations. This basic macro-model is combined with variables that appear in the micro-human capital model to obtain an equation of the following form

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\ln m_{ijt} = F(GDP_i, GDP_j, Unemp_i, Unemp_j, Stock_i, D_{ij}, X_{ij}, \delta_i, \delta_j, \theta_t),
\]

¹ See also Isphording and Otten (2013).