Who’s gonna take my job – Exposure to global economy and perceived economic threat of immigration

A large body of literature has provided evidence that the distributional effects of globalization, technological change and deindustrialization shape people’s values and policy preferences. Although it is widely accepted that these structural changes create winners and losers, there is some debates as to who these winners and losers actually are, and the mechanisms through which labor market and status changes manifest.

In this paper, we aim to shed light on these mechanisms by studying the link between job vulnerability and attitudes toward immigration in Western Europe. We draw influence from two fairly recent approaches in labor economics – task routineness and offshorability of occupations. Briefly speaking, the former is a proxy for worker’s risk to be displaced by a machine or a computer and the latter measures whether a task requires face-to-face interaction or must be performed on-site.

The two theories suggest that workers in low (high) routine occupations benefit most (least) from economic globalization and trade liberalization. Previous empirical studies in political economy have shown that individuals’ policy preferences echo these redistributive effects of globalization: high routine workers are most worried about their job market prospects and least supportive of free trade.

We find that attitudes toward immigration become considerably more negative as occupational task routineness increases. We do not find similar association with occupational offshorability and immigration attitudes. Direct exposure to global competition does not in general increase workers’ worries about the economic effects of immigration. However, offshorability seems to be associated with polarization of attitudes between the routine and non-routine workers.