UNIVERSITÀ DEGLI STUDI DI CAGLIARI

Economics Seminars

Friday 20 March 2026 at 12:00

Aula Magna Edificio Baffi

Facoltà di Scienze Economiche Giuridiche e Politiche - Viale Sant'Ignazio 74

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Networks, Diversity, and the Economic Performance of Migrants: Evidence from the Pontine Marshes (1932-41)

Abstract. This paper exploits a historical quasi-natural experiment to provide causal evidence on how networks and diversity affect migrant economic outcomes in a rural setting. Between 1932 and 1941, the Italian government relocated about 4,000 families to the Pontine Marshes, a previously uninhabitable area undergoing a massive reclamation project. The settlers came from different provinces of Italy and were quasi-randomly assigned to plots of land, generating exogenous variation in neighborhood composition. Using comprehensive data on the universe of settlers, we find that larger networks of common-origin neighbors significantly increased the likelihood of long-term settlement and land purchase. This effect operated, at least partially, through an increase in productivity, resulting from higher cooperation and solidarity among network members. Symmetrically, by reducing the scope of network externalities, greater neighborhood diversity hindered economic performance, except for isolated settlers who benefited from a fragmented environment. We document the crucial role of shared experiences and geographical proximity in strengthening networks effects, while we find no evidence of a transfer of agricultural knowledge among neighbors.