The effect of COVID-19 'furlough' scheme on Italian skilled migrants in Britain: Inclusive and nonhostile policies improve market integration and skills match

Audrey Lumley-Sapanski,[1] Dotsey Senyo,[3] and Manlio Cinalli[2]

Abstract

The role of the ethnic economy in immigrant arrival and adaptation has been studied extensively with regard to unskilled or low-skilled migrants. However, their role and function for skilled migrants is less well understood. This research explores the use of ethnic economies for 20 Italian skilled migrants in Britain during the cost-of-living crisis (2021-2022). Our research offers two key insights. First, we find that skilled migrants utilize the ethnic economy within London to secure housing and employment. In line with experiences of low-skilled laborers, skilled migrants are limited in their ability to improve their economic or social position due to employment conditions. Yet, we find their dependence on the ethnic economy in this case was undone by the unusual extension of social welfare during COVID-19 to migrants. The British government provided furlough—80% payment in lieu of working—to all eligible workers in the country. This contravenes their normal 'hostile environment 'policies towards migrants, which exclude them from accessing public funds. Their inclusion in this program allowed Italian skilled migrants the time necessary to invest in capital acquisition through education and network building. This was, in turn, leveraged into better-paying work which matched their skills outside the ethnic economy.

Keywords

COVID-19, ethnic economy, skilled migrants, social welfare

[1] Social and Behavioral Sciences Faculty, Colorado Mesa University, Grand Junction, CO 81501, USA
[2] Department of Social and Political Sciences, University of Milan, Via Conservatorio, 7, 20122 Milan, Italy
[3] Interuniversity Department of Regional and Urban Studies and Planning (DIST), University of Turin, Viale Mattioli, 39, 10125 Turin, Italy

Introduction

According to the Office for National Statistics (ONS), the number of Italians in Britain has more than doubled in the last decade. More than 600,000 Italians filed for the post-Brexit settlement scheme, representing 5.7 percent of foreign-born residents, and the fifth largest group by nationality (Vargas-Silva & Rienzo, 2022). Italians are concentrated within London—approximately half—where they are the largest group of foreign nationals (Kantor, 2023).

The attributes of this more recent group of Italian immigrants differ from historic flows of Italians in intention, scale, age, and skills. Italian immigrants began arriving after World War II. This group was historically low-skilled, from southern Italy, and settled in smaller British industrial towns. There, they formed 'tight knit' Italian communities, characterized by both ethnic and economic enclaves (Guzzo, 2024). In contrast to the low-skilled former immigrants, contemporary Italian immigrants arriving post-2008 financial crisis are more diverse in terms of skill and education and include low, medium and high skilled workers from across Italy. These recent waves are also characteristically more temporary, exhibiting back-and-forth migration, enabled by the immigration policies of the European Union. This group tends to be concentrated in and work in London across more sectors than their predecessors, namely hospitality, finance, and economics (Guzzo, 2024).

Contemporary migration policies globally favor skilled migrants, offering privileged access to entry and employment (Boucher & Cerna, 2014; [Author]; European Commission, 2018; Olsen-Medina & Batalova, 2020). These policies favor skilled migrants based on the assumption that skilled migrants serve as engines of economic growth, innovation, entrepreneurship and productivity (Nathan, 2014) and that skilled migrants can and will integrate economically, continuing their careers in reception states (see Hercog, 2017 for discussion). Yet, most work on longitudinal employment outcomes of migrants is of low or unskilled labor migrants, or refugees ([Author]), and to a lesser extent of skilled male migrants (Spadavecchia, 2021; see Shirmohammadi et al., 2019 for exception). Our understanding of the longitudinal outcomes of skilled migrants' living and working experiences is less well understood.

To that end, this research explores the experiences of contemporary skilled migrants from Italy living in Britain. We specifically address the research question: How did the COVID-19 pandemic impact the housing and employment experiences of Italian skilled migrants in London? Findings are based on the analysis of 20 interviews held in 2023 with Italian immigrants who arrived during the Brexit period (primarily 2017). Our key finding is on the positive impact of the interventions of the British government due to the coronavirus pandemic and the cost-of-living crisis. We find that the government's pandemic interventions allowed Italian immigrants to improve their education and living conditions. They capitalized on these improvements to move from jobs within the ethnic economy in hospitality and largely catering, into more administrative and scientific positions within their fields of interest, often with universities. Analysis indicates that the ethnic economy (Logan, Zhang & Alba, 2002) initially trapped migrants in grueling jobs with irregular hours that they struggled to manage alongside their schooling; yet with the help of the government's COVID-19 support, Italian immigrants experienced increased economic stability, and many moved into jobs more aligned with their education and career aspirations. We distill housing and employment experiences into four stages in line with the common pathways taken by interviewees and describe the factors influencing individual progression.

We place these findings within the ethnic economies literature, offering novel insight into the role of ethnic economies in the outcomes of skilled migrants. In particular, analysis identifies dependence on ethnic enclaves in the initial phase of settlement but highlights the ways in which inclusive governmental programs can undo the 'trapping' effect of economic enclaves for skilled migrants. As such, our key contribution is to our understanding of the use of ethnic economies by skilled migrants and the comparative use of the ethnic economy by migrants under hostile versus more hospitable policy conditions.

Following this introduction, the paper is organized as follows: Section 2 contextualizes the research, providing an overview of contemporary migrant settlement patterns in Britain, the case of skilled Italian migration, and the impact of the cost-of-living crisis and the COVID-19 pandemic. Section 3 situates the research within the context of the ethnic economy literature, while Section 4 outlines the research methodology. The subsequent section presents the findings and analysis, followed by a conclusion.

Contemporary migrant settlement patterns in Britain: The case of skilled Italian migration, COVID-19 pandemic and the cost of living crisis

In the last few decades, there has been a notable increase in intra-European migration, and London has become a popular choice for many young graduates and early-career professionals (D'Angelo & Kofman, 2017). Among European cities, London has one of the highest proportions of immigrants and second-generation residents. As of the 2021 census, a significant percentage of London's population comprised non-British born usual residents (40.6%), with a notable portion originating from Europe.[2]

The housing market in London is challenging due to cost, demand and accessibility, which has only been exacerbated by the pandemic (Halifax, 2023). This creates challenges in accommodating the city's diverse and growing population. Large numbers of international migrants, including both wealthy individuals and low-wage workers, contribute to this polarization and put pressure on rental and property prices (Rae & Sener, 2016). Most of the immigrant population live in private rental housing, with much lower access to owner-occupied and social housing than British citizens. Around 80% of recent migrants (in Britain for less than five years) were in private renting (Fernandez-Reino & Vargas-Silva, 2022).

The effect of the housing costs and demand on migrant living is to increase the density of housing within units and between neighborhoods. Migrants in London tend to share apartments with other adults (Maslova & King, 2020). Single and younger migrants can rarely afford to live alone and therefore concentrate in multi-occupancy flats and house shares (Maslova & King, 2020). There are neighborhoods where the foreign-born population comprises over 50 percent of the population as a result of this trend (Meen et al., 2016 in Maslova & King, 2020). This includes migrants from 'wealthier' nations as well as developing economies (ibid.).

According to the ONS, the number of Italian-born individuals residing in Britain has more than doubled in the past decade. As of 2021, there were 280,000 Italian-born residents in Britain, representing a nearly 40 percent increase from 2016, the year of the Brexit vote. ONS data indicates that around half of the Italian population in Britain is concentrated in London, making Italians the most prevalent foreign nationality in the capital, surpassing both Indian and Polish populations (Cuibus, 2023).

Italian migration to Britain is driven by the search for better job opportunities, higher salaries, and a perceived more cosmopolitan culture, among many other draws (see Guzzo, 2022; King et al., 2016). While the British economy faces its own challenges, it is still seen as more attractive than Italy, where unemployment is high, wages stagnate, and there is limited and sporadic economic growth. As of September 2022, the number of Italians in Britain peaked with over 600,000 Italian citizens applying to the EU Settlement Scheme. This scheme allows EU citizens to continue living in post-Brexit Britain, and the number of Italian applicants is the largest among Western European countries.[3]

Most Italians in the recent migration waves are young Italians, many of whom are students, as with the interview pool (McKay, 2015). Concentrated in London, the cost of living is high, especially in

[2] See https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/internationalmigrationenglandandwales/census2021.

[3] See https://www.tradealgo.com/news/despite-brexit-italians-flock-to-london.

juxtaposition to Italian standards. Housing costs combined with the school enrolment fees require that most young people work and share housing, often in low-quality flats (McKay, 2015).

The quality of work available to this group—typically in possession of some schooling and often advanced degrees—is often not commensurate with their income or education (McKay, 2015). As a result, many rely on their Italian networks and dual language skills to find work within the hospitality industry (Guzzo & Pepe, 2023). These jobs typically pay minimum wage, require long work hours, and rarely offer opportunities for upward mobility, given the highly structured nature of the work (Guzzo & Pepe, 2023).

The rising cost of living in Britain began to escalate sharply in 2021, far exceeding household incomes; this period is referred to as the 'cost of living crisis'. In October of 2022, the annual inflation rate reached a 41-year high of 11.1%. Inflation particularly affected the 'affordability of goods and services' for households and co-occurred and was interlinked with steep increases in energy and fuel prices (Harari et al., 2024). For instance, food and drink prices in 2023 were 19.1% higher in March than they were a year prior, and mortgages and rents both increased. The sharp increase in the cost of living was driven by the global pandemic and the related supply chain disruption, and the cost of energy and fuel caused by the Russian invasion of Ukraine. This was further impacted by the reduction in real household disposable income or the aggregated post-tax income across households adjusted for inflation. Real median household incomes decreased 1.5% after housing costs. Individuals had less disposable income, which meaningfully negatively impacted their spending choices, including a reduction in the use of electricity, reliance on public welfare, and spending less (Harari et al., 2024).

In turn, the British government enacted several measures intended to protect households, including the Household Support Fund, the Energy Price Cap, the Coronavirus Job Retention Scheme (CJRS), the Coronavirus Statutory Sick Pay Rebate Scheme (Pope & Hourston, 2022). The coronavirus or pandemic interventions were designed to provide financial support to households and businesses against the effect of the restrictions imposed by the government on financial well-being. The CJRS was a furlough program which paid 11.7 million people (of 28.7m people eligible), in essence, to not work. These individuals were 'paid 80% of the wages 'and 'remained attached to their employer but could not work, up to a limit of £2,500 per month.' Self-employed individuals had a parallel scheme, and the government 'topped up' the amount given to those unemployed or under-employed by 20 pounds through Universal Credit (Pope & Hourston, 2022).

The coronavirus interventions were novel in that they were universally available. This contravenes the state's general policies, which are described as intentionally hostile to migrants (Bowling & Westenra, 2020). These hostile policies are designed to deter dependence on the state and encourage financial independence. The British Government maintains that "The expectation of the UK Government is that in general migrants coming to the UK should be able to maintain and accommodate themselves without recourse to public funds" (UKVI, 2023). Therefore, policies limit the access of most migrants (with exceptions, for instance, for permanently settled migrants and humanitarian migrants) to most public benefits and governmental programs (e.g. Universal Credit) for temporary migrants (ibid).

In sum, the severity of inflation caused a cost-of-living crisis for individuals and families, with substantial impacts on their ability to afford housing, pay for energy, and pay for basic expenses. This, in turn, triggered the government to intervene, which they did by issuing protective interventions designed to reduce the risk of disease as well as stabilize economic loss caused by closing the economy. These interventions were uncharacteristically universal and provided a degree of protection and financial liberty for migrant families.

The role of the ethnic economy and ethnic enclave

An 'ethnic economy' and 'ethnic enclave economy', are sociological terms that emerged to capture two related but distinct phenomena. Bonacich and Modell developed the term 'ethnic economy' to encapsulate self-employed individuals with co-ethnic employees within a city, region or nation (see Light, 2005 for an overview). This definition does not include locational clustering of ethnic businesses within the city, or businesses which are owned by ethnic minorities but not staffed by their co-ethnic peers. Portes and Jensen added to this definition the concept of locational clustering becoming a 'concentrated network of ethnic firms' that creates 'jobs and opportunities' (Portes & Jensen, 1992).

The type of opportunities available within both ethnic economies and ethnic enclave economies are described as more limited based on dual labor market theory: "disadvantaged groups are locked into an inferior, secondary labor market that does not offer access to the more desirable jobs in the primary sector of the labor market" (Beck, Horan, & Tolbert, 1978; Tolbert, Horan, & Beck, 1980). Migrants concentrated in the secondary labor market are typically paid less, may be casualized, and require "long and irregular working hours, and unfair dismissal" (Lewis et al., 2015). Temporary migrants are less likely to organize or self-advocate lest they risk deportation, retribution, or abuse. They are also less likely to be in a sector with labor organization or unions ([Authors]). This means that they frequently do not benefit from unionization, such as through attaining secure positions, wages, and benefits. Because they do not compete with mainstream employers, wages are lower and working conditions poor. The result is that migrants experience economic precarity, which shapes housing conditions and continued use of/reliance on social networks/enclaves.

There are two competing hypotheses regarding ethnic economies and ethnic enclave economies. The first is that enclaves provide an initial landing pad for immigrants. They offer a source of employment and a peer network that provides support (financial and social). In this view, enclaves play a positive role in assisting new immigrant populations in the initial period post-arrival (Chiswick & Miller, 2005; Crowder, 1999; Zhou, 1992).

The competing hypothesis is that the use of ethnic enclaves and ethnic economies limits opportunities for economic or social integration, particularly over time (Alba & Nee, 2005; Majka & Mullan, 2002). Employment opportunities are limited to 'dead end' and low-wage jobs within ethnic economies. This is explained by the quality of information contained by members—structurally excluded from the primary economy, they exist as a separate economy with no upward mobility (Chiswick & Miller, 2005; Glaeser & Vigdor, 2008; Portes & Jensen, 1989). Socially, individuals using ethnic enclave and ethnic economies have limited opportunities to form connections outside of their ethnic network, ultimately restricting the sources of information available to them, whether about jobs, housing, or other opportunities (Bevelander, Hagstrom & Ronnqvist, 2009).

There are expected differences in by-group comparisons wherein less skilled migrants are expected to rely less on enclaves than skilled peers. However, skilled migrants experiences are less analyzed than low skilled or humanitarian migrants (see Damm, 2009 & Zaban, 2022 for exception) and therefore less information is available about the use or utility of enclaves to skilled migrants. The existing work suggests that enclaves are insignificant (Damm, 2009) for skilled migrants or used for locational but less employment decisions (Zaban, 2022). However, the effects of enclaves are mediated by the presence and role of institutions and other factors, making it difficult to measure their causal impact.

Differences in the effect of use are explained by structural inequalities mediated by differences in the population in question and the 'quality' of the enclave ([Author]; Schuller & Chakraborty, 2022). Differences in outcomes can be explained by access to assets, race or ethnicity and the location of the enclave (Crowder, 1999; Logan, Zhang & Alba, 2002; Zhou, 1992). Groups benefit from participation if their opportunities in mainstream society are more limited (Crowder, 1999; Hagstrom, 2009; Portes &

Zhou, 1993; Zhou, 1997). There is evidence that the benefits of enclave residence most impact low-skilled laborers in terms of increasing income and access to employment (Shuller & Chakraborty, 2022). Yet, these benefits are time delimited; continued residence in an enclave may reinforce the marginalized position of refugees or immigrants over time (Bevelander, Hagstrom & Ronnqvist, 2009). The effects for high-skilled migrants are somewhat ambiguous, but empirical evidence suggests that the enclave participation does not offer the same positive effects: enclave residence may negatively impact job prospects and income (ibid.). The quality of information and type of job available within an enclave may be stabilizing initially but is ill-suited for upward mobility of migrants in general.

It is difficult to determine the cause and effects of ethnic enclaves on employment or income given the interrelated structural factors that shape opportunity in host societies for immigrant groups. Shuller & Chakraborty (2022, p.3) summarize:

> *[...] immigrants with relatively unfavorable labor market skills [...] would in all probability have difficulties in integrating into the host country labor market anyway, irrespective of whether they reside in an enclave or not. On the other hand, highly-motivated immigrants might move out of enclaves. Consequently, a naïve comparison of immigrants' labor market success, inside and outside enclaves, cannot determine whether living in an enclave actually causes adverse labor market outcomes.*

The larger societal conditions shape opportunities for skilled migrants in employment and housing sorting. Whether they live in an enclave or work in an ethnic economy or not, their assertion above emphasizes that migrants are likely to face limitations on their options in the labor market be it from discrimination or lack of transferrable capital. Thus, determining whether the enclave represses opportunity or not is difficult to determine.

This is particularly true in a place with hostile environment policies designed to exclude migrants (Cinalli, 2017; Cinalli & Giugni, 2011). Hostile environment policies are designed to deliberately deter settlement and inclusion, and do so by limiting access to public welfare, rights, and denying territorial access (Bowling & Westenra, 2020). Arriving immigrant groups are often ineligible for state entitlements, or the entitlements are conditional upon aspects of status, for instance, on the length of residency (Anderson, 2008; Anderson & Andrejsavic, 2008). Restrictions on access to entitlements associated with status means that migrants are more likely to lack a social safety net and have fewer resources to fall back on and fewer forms of protection (Anderson & Andrejsavic, 2008). Thus, returning to Shuller and Chakraborty (2022), it may not be that the information contained within the enclave is driving poor employment outcomes, but the structural factors inherent in migration policy that influence the options available to migrants more generally.

Thus, this research explores how the use of the ethnic economy changes with structural changes in the provision of aid by the state. Chiefly, when the state included migrants in mainstream pandemic relief, they improved their employment prospects. This, in turn, allowed them to become more financially secure.

Methods

The findings of this study are derived from a qualitative study conducted in Britain. This project encompasses a broader exploration of several dimensions of discrimination among precarious subjects, including migrants, the unemployed, the elderly, fragile people, and youth. The interviews with 20 skilled Italians living in London serve as the basis for the analysis presented herein. The ages of interviewees ranged from 23 to 40. Fifty-five percent were male interviewees and forty-five percent were female. The interviews were conducted in 2022.

Snowball sampling, which relies on insider knowledge to identify participants, was employed. We are aware of the pitfalls associated with this technique, such as the risk of over-sampling well-connected migrants. To reduce distortion, we recruited potential migrants through different gateways, including previously established personal contacts and announcements on the Facebook page and other social platforms for Italians. This diversity of gateways reduces the problem associated with this method and subsequently improves the quality of the data gathered ([Author]).

The interviews were conducted online due to COVID-19 restrictions and were 30-50 minutes long on average. Interviews were recorded and transcribed with the participants' permission. Interviews were translated by the research team. These transcribed transcriptions were manually coded using inductive thematic coding. Here, content analysis was used to analyze the qualitative results. This analysis helped the researchers in grouping, comparing, and examining the study's findings. As examined below, our analysis delineates the experience of Italian skilled migrants to Britain in four stages based on the pattern of themes that emerged from the coding and analysis process. The names of the research participants were assigned pseudonyms to ensure our informants' anonymity. Shared themes are explained and illustrated using quotes from the texts.

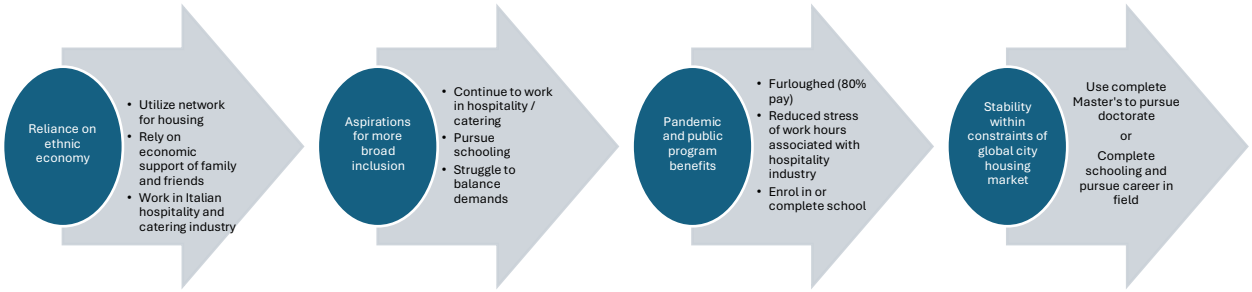
A note on terminology regarding skilled migrants. The authors recognize that the term 'skilled migrant' is a contested term which has broad differences in definition and application in policy (see [Author]; Yeoh & Ramdas, 2014). For the purposes of this research, we use the definition provided by the International Labour Organization (ILO). ILO evaluates the level of skill based on educational attainment, 'skilled or high skilled work is "based on the level of education attainment, highly-skilled workers" are assessed at 8 levels and ascend from tertiary education to doctoral or equivalent" (ILO, n.d.). Those interviewed here had received high school diplomas prior to moving (except one who attended boarding school in Britain) and most had higher education before migrating, which they continued to pursue upon arrival. Five had master's or doctorates.

5. Findings and analysis: stages of Italian experience and the pandemic's impact

Our analysis delineates the experience of Italian skilled migrants in Britain by distinguishing four stages based on the pattern of themes which emerged from the coding and analysis process. The four stages emerged from the thematic analysis and capture the broad economic progression of individuals within the structural realities of their migratory experience. We see the initial period of settlement associated with the use of a landing pad and ethnic economy for job search. This period involved room sharing and doubling up in often low-quality housing. The findings indicate that the initial entrapment created by the constraints of the 'ethnic economy' trap was able to be 'undone' by the furloughing program. While temporary it was enough to help stabilize individuals, permitting them to engage in schooling and find work more in line with their career aspirations.

Of the population of interviewees, 80% started in hospitality jobs found upon arrival, and 20% came with contracts secured prior to arrival (including healthcare and a casino). Of the first group, one student had arrived as a minor and enrolled in boarding school. At the end of the project, 80% had completed some form of additional education and moved up, while 20% were still pursuing school. Two people used their degrees to work in hospitality management—one doing accounting for a shop, another administrating a beer shop. The remainder were working in a range of fields including engineering, music, and real estate.

Image 1. Housing and Employment Pathway and COVID-19/Cost of Living Impact



Phase 1: Structural factors that lead to work in the Italian catering sector and the conditions therein

The skilled migration literature suggests that at least for some highly skilled migrants not entering with a skilled visa, but rather entering with a student or temporary visa causes wage and occupational devaluation or depreciation (Lowell & Avato, 2014). We suggest that this is the case here—because Italians entered through these routes they were more likely to be reliant on ethnic networks and an economic enclave to find initial housing and employment. The London based Italian ethnic economy referred to here is dominated by catering, pizzeria, or restaurant work. The ethnic economy emerged in the 1950s and 1960s and has traditionally been staffed through chain migration – the use of social networks to find work and migration opportunities (MacDonald et al., 1964).[4] In London, Italians this is further encouraged as there are comparatively more opportunities there driven by migratory connections.

These connections fostered settlement patterns; skilled Italians in the interview sample who moved to Britain were supported by an Italian economic enclave, or recruitment agencies in Italy that recruited in bulk, and found them work. In some instances, jobs were procured prior to arrival. This was a common pathway, where work was identified via a social network based on what was available rather than skills match. Roberta, for instance, followed her boyfriend, who left before her. He found work for both, and once it was secured, she joined him.

> *My story was that my boyfriend left first, and after a couple of months, when I had the job secured, I left too. So, I calmly arrived, found this job and started working. (Roberta)*

In other cases, individuals arrived and searched for skilled labor before consigning themselves to the Italian ethnic economy. This was the case for David, who had a degree in engineering. He had hoped to find work within his field and arrived having saved money to give himself time to find engineering work. Unable to do so, and having expended his resources, he turned to the field of hospitality and specifically work in the Italian ethnic economy,

> *I remember that it was very easy to find a job; I spent the first few weeks trying to send—because I studied engineering, I spent them sending resumes as an engineer, looking for a job more in my sector. After a couple of weeks, I still hadn't found anything, and given the cost of living I said that in the meantime I'd look for at least a temporary job in the restaurant industry since it's very easy. It took me a morning of walking around restaurants and bars... in a city like London, hospitality jobs are very easy to find, and it took me a morning. The pay at the time was £ 7.50 an hour, which I think was the minimum. (Davide)*

[4] There is a good discussion of historical 'chain migration' in previous waves of Italian migration that can be found here.

This dependence on the ethnic economy for labor can lead to a mismatch between skills and preferences. Interviewees in this sample moved not to work in catering or restaurants but rather for school or aspirations of upward mobility. Working the hours demanded by catering came to exact a toll on them physically but also can negatively impact career aspirations. Tito, for example, attempted to balance university with work at a pizzeria. Schooling lasted from approximately 9:00 am to 12:00pm and was followed by work from 15:00 till close. Tito found this exhausting and eventually lost the job, because he could not keep up,

> *When I was a waiter in a pizzeria, I went to university from 9 in the morning to midday, then I started work at 3, and I stayed at work until midnight. I got fired after 7 months. I'd rather not be able to pay the rent and still be alive than die or kill myself to maintain these rhythms and go crazy. (Tito).*

Wages in the hospitality industry in London are insufficient on one salary to cover the cost-of-living expenses causing interviewees to work longer shifts and further limiting non-work activities, including school, socialization, and relationship building. Working longer shifts disrupted opportunities for social and spatial incorporation as the experiences of Tito above and Linda below demonstrate. In working in catering, Linda worked exclusively with other Italians. There they socialized, used Italian, and worked long hours. This limited her contact with non-Italians, her ability to attend school, and her acquisition of relevant social capital. Because of the social parameters of the work within the Italian catering industry, she felt constrained in her ability to negotiate these aspects of work-life balance.

There were also implications for pay resulting from the reliance on the ethnic enclave and the substitutability of Italian labor. Linda, quoted below, describes times when she was either unpaid or underpaid. We quote at length from Linda as she covers many of these topics in-depth,

> *I arrived and immediately looked for work; the fastest thing I could do was in catering, so I started working as a waitress, but I also had a second job at the university In catering, it would be from 45 hours upwards, and therefore I worked 45 hours if not more and always, so there was no period in which I didn't work, and then I changed several jobs in catering […] at the time catering didn't pay a lot. Unfortunately, there are many businesses that don't pay you the minimum …wage, and they pay you less and less. I [don't] really like saying that, but I swear to you that all the businesses run by Italians in London in the catering sector, if they know that you are Italian it really is your first experience there, they really exploit you a lot.*
>
> *The first job […] I left after two weeks this Italian but really luxury job in the center, where they paid me by check, of course, and if at the time the minimum wage was 8.50 […] but they paid me not by the hour but by shift […] if you did a mathematical calculation, it would have been around £5 and a half 6 an hour. Working in the restaurant industry full of Italians, it was very common when the shift was over, that is, you leave...it's not like you go home straight away. The next day, you wake up, that is, you sleep for three hours, you wake up, you go to work, you study, it was really a lot, a lot, and I didn't have much time to do anything else. (Linda)*

Linda's experiences suggest that for her, the ethnic or social network-based relationships contribute to employment informality, which in turn leads to underpayment. Yet, interviewees like Linda's case felt limited in their ability to challenge the conditions of work, as the network is a closed network, and they were concerned that complaints would impact future opportunities. When asked about whether interviewees would pursue renumeration for underpayment, or in one case compensation for physical abuse within a

workplace, individuals said no. The resolution would take too long to come, and no one else in the 'Italian' network would hire them. The following quote spoke of the fear of retribution felt by an employee and the impact it had on his subsequent decision not to report on his boss's abuse,

> *They tell me, why didn't you sue them? What do I do? [They would] fire me, and I also have to pay the lawyer, and then they don't hire me in any other restaurant anymore because I'm the one who sued the boss.*

The dependence on the economic enclave is both supportive and limiting in terms of the types of jobs, working conditions, and pay. Cultural norms around workplace behaviors further impact mobility within the economic enclave.

Phase 2: Precarity and methods of stabilization in a hostile environment: house sharing and relocation to periphery

The wages within this sector were insufficient for a full-time schedule to cover the cost of living in the city. As a consequence, individuals lived in housing that was older, with signs of mold and rodents. They doubled up in these units with other Italian migrants. Often these roommates were located prior to arrival, in most cases, or linked up with overtime within the London network.

Most remarked that all housing in London was disappointing. The conditions were ubiquitous, but explained by conditions of life in London (e.g. weather),

> *Unfortunately, mold is always there in England because it is the most humid country. There is no air there, only water. There are mice, oh god, thank God, they aren't in our apartment, but they are in the walls. We hear them scratching […] ok I know that eighty percent of English houses have a mouse problem, so it is a very common problem but damn! […] In general, the heating and the insulation of the house is a disaster. (Alessandra)*

Yet, the degraded conditions were expensive. Given housing costs in London and COVID-19's impact on the cost of living combined with inflation, it is unsurprising that housing was shared and expensive. Costs ranged from £250 to £400 per person per room. While individuals interviewed thought it was reasonable given the cost of living in the city, it was high in comparison to southern Europe and non-London sites. For instance, Alessandra reflected, '*But on the other hand, when you move from another city, especially from another Italian city—well, Milan is expensive in itself—but still you say, am I really going to pay this price?'* (Alessandra). Interviewees remarked they arrived under the assumption that their wages would cover the cost of living. However, living costs exceeded wages, driving their reliance on shared housing and an increase in the number of hours worked. Alessandra commented on the cost of living and the deduction in wages,

> *At the beginning, I look at my friends who also work in Italy I say, 'Oh well I'm a waitress, and I earn as much as a person who has two degrees working as an Assistant Producer in a company that does advertising' or like another friend of mine who works from land lease and does an internship and earns the same…Then little by little you realize that you are actually earning like this because living here is a drain, that is, really if you are not careful it will easily cost you a thousand pounds just in living leaving aside everything, the rent, the bills because here it costs to do everything, transport is a shocking thing, to go to work. I sometimes take the subway, and the journey costs me*

3 pounds and 20, so consider 3 pounds on the way out, £3 and 20 on the way back, it costs you £7 a day. (Alessandra)

The cost of living in London with wages earned in the catering industry made economic stabilization difficult. Commonly employed coping mechanisms included working longer hours, as referenced above, and doubling up in house sharing. In shared units, individuals shared rooms, not just houses. These homes were not in the city center and were instead located commonly in Zone 2, 3, or 4 (of 6 transport zones).[5] Interviewees shared accommodation which prevented individuals from being completely peripheralized—they were able to maintain relatively normal commutes of 30 minutes to 45 minutes.

The combined cost of housing and low wages shaped interviewees' housing experiences characterized by house and room sharing. Alessandro's housing trajectory is a typical experience of interviewees. He initially came with three peers. They shared a house and its amenities for several years. This allowed them to save money and cover costs. After this point, Alessandro moved into improved housing with a girlfriend, where there was only one bedroom but which they split. Finally, he moved close to the university—after COVID-19—and now has a shared home with 7 others. This place has more people, but now that he works at the university (and studies), it is his priority to be close, and he can do so.

We had a house, there were four of us, always in the same one. There were four of us and we had a three-room house, we used one of the rooms as a study and shared it. That is, it was a long and quite intense period. [Did you share the two rooms?] *Yes, two in one room and two in another room.* [So maybe you even amortized the cost like this?] *Yes, exactly, but there was no pre-pay level anyway, which is very rock and roll. It was also a way to pay less, for sure. It was a way to pay less.*

Now it's changed, then I spent a year with my girlfriend, and then we shared a room, plus we had a living room and kitchen together, and now I live alone near the university. The university's priority [is that] I am very close, in a shared space room anyway […] I live with 7 other people (Alessandro).

Others used the ethnic or social network to find housing, preferring to use the network rather than to use the agents or brokerage firms that others in London relied on to find housing. This helped them control the cost and quality, as Linda remarks the housing brokers drove up costs,

So, at the time, you also had to pay for the agency's fees, so if you entrusted yourself to an agency and they found you a home, you paid the agency. Later in 2020, this thing was completely removed because it happened that many agencies found you ugly houses, that is, they were in horrendous condition. (Linda)

It is, however, another example of how Italians used the enclave network relationally. While the use of the ethnic network for locating housing did not result in their spatial concentration, the network did influence their distribution, leading to clustering on the individual level and impacting the apartments chosen.

[5] See https://londonpass.com/en/london-transport/london-travel-zones.

Phase 3 and Phase 4: The pandemic and state interventions: counteracting precarity through universal assistance

COVID-19 occurred for most interviewees about three years after their arrival in London. Most were working in catering/hospitality and enrolled in school simultaneously. As they described in interviews, they struggled to pay their bills, and, mentally, with the toll of the balancing act created by the living and housing situation. Some received help from their parents and others had loans to pay for their schooling costs. Even with external supports, the situation was precarious and drove many to travel back and forth to Italy intermittently.

This situation changed when COVID-19 occurred in perhaps unexpected ways. Individuals initially were concerned that they would lose their jobs due to the reliance on public consumers in the hospitality/catering industry. Yet, the decision to offer a furlough program and to include the migrant population as eligible shifted the calculus. Britain instituted the furlough program 20 March 2020 that paid individuals 80% of their total wages to remain at home; it was offered in some variation for 18 months (until September 2021). Suddenly, individuals were financially able to concentrate on reskilling or finishing their degrees. Mauro talks about the financial impact the decision had on his career,

> *I was in a pizzeria for a year and then the pandemic hit and there was a bit of a mess, because I continued to work, but I still got money by not working, because there was a scheme called furlough. They gave us 80% of our full salary amount. That for me was actually a hand from heaven, because I started university in that period, so I was getting 80% of a full-time job and I had all the time to study good or bad, so it was an incredible year. Last year I started freelancing, because thanks to university I had friendships and connections that led me to do what I wanted to do, which is to do a job, to study, to work in a studio […]. As a freelancer, I can manage my time a bit as I want. (Mauro)*

Mauro emphasizes how the furlough period also enabled social proximity to non-Italian peers, opening the doors to new connections. In turn, he leveraged these to find a job in a field he wanted. He has successfully navigated the transition to a professional occupation of his choosing.

In another case, Sara was working in a casino which was closed by the pandemic restrictions.

> *Practically, I worked at the casino; it was closed obviously. Many businesses were closed, but we received it was called furlough, that is, the government gave money to the companies to pay the employees and we were paid at the 80% of what was our annual or monthly salary. So, I had money coming in and more so when you are a student the State also gives you money to live on, so I had a double income, so on an economic level, I didn't suffer.*

> *I was a little scared because, in any case, the sector I worked in was one of the sectors most affected by COVID-19. Yes, it certainly gave me a bit of anxiety and stress because it was closed for a year and a half, two years and it wasn't clear how the business would react. We had meetings with the general manager where he said that some cuts were going to be made due to this extended closure and not being able to generate revenue for the company. But on the other hand, I felt quite confident because I was undertaking a course of study. I was still training. I think I used the period that I stayed at home well, because I updated myself, I studied a lot. I also studied things for my personal interest such as investments. (Sara)*

Sara explained that since the pandemic she has been financially secure. She was able to leverage that time to improve his marketability. People used the opportunity for 'future building' and were able to take advantage of the freedom from the demands of work. In addition, despite decreased payments, they were actually financially more secure without the cost of commuting or going out .

6. Conclusion

The analysis of Italian skilled migrants in Britain highlights their settlement experience across four key stages, particularly influenced by pandemic-related factors. The findings underscore the complex interplay between migration pathways, labor market dynamics, and personal ambitions among Italian migrants in Britain. We capture this progression through stages of incorporation for skilled migrants, highlighting the role changing use of the ethnic economy and the impactful role of governmental intervention on individual outcomes. More importantly, our findings demonstrate two key things. First, despite unrestricted work visas, the ethnic economy is utilized by skilled and semi-skilled migrants for economic incorporation. In this regard, the ethnic economy has both positive and negative effects. Even while providing an initial security blanket, in line with previous findings ([Author]), we demonstrate that the ethnic economy can trap skilled migrants in the secondary labor market. It does so because of the structure of the secondary labor market—the hours and wages limit the ability of migrants to gain useful capital and pursue recertification or reskilling. Second, the inclusion of migrants into governmental programs is an effective mechanism for combatting the constraining effects of the secondary labor market and the ethnic economy. Inclusion into the government administered social welfare system provided a pathway to more broad structural inclusion, evidenced by improved economic position, educational completion, and reduced financial anxiety and stress.

This group of Italian skilled migrants has had advantages that positioned them well for global mobility. They were able to cross EU borders and find work, largely without barriers. With language and educational capital, they were better positioned to make the leap from the Italian system to that of Britain. Yet, their initial use of Italian social networks and the ethnic economy, in many ways, constrained their ability to do so. The work opportunities in catering were restricted to long hours and little pay, requiring overtime and inflexible schedules. Consequently, they were unable to pursue education and had limited socio-spatial interactions with non-Italians. It took the pandemic to alter this marginality: with the furlough program, Italian skilled workers could suddenly utilize existing capital and add to it. The furlough period changed their precariousness and inched them closer to skilled labor.

The inclusion of migrants within the program was unusual for governmental programs that differentially allocate precarity to migrants (Anderson & Andrijasevic, 2008; Bowling & Westenra, 2020). Normally excluded from state programs, the British government instead folded migrants in, to limit the spread of the disease to the public. In so doing, the state limited the economic precarity faced by individuals and provided an element of stability. Because of the universal inclusion of the group in the program, the state was also successful in building 'sociocultural' bridges. Italian students in graduate school programs formed linkages which they leveraged for employment after graduation. In other cases, they connected with PhD supervisors and pursued doctorates—these bridges towards upward mobility would otherwise not have been possible while engaged in catering work.

Despite the positive impact of the furlough policies for skilled Italian migrants, it is worth noting that the COVID-19 policies were not categorical wins for all migrant groups. Elsewhere, independent analysis of the government's programs has demonstrated that maintaining the No Recourse to Public Funds (NRPF) and prohibitions on healthcare access for migrants during the pandemic increased risks to COVID-19 and had negative economic effects (Public Interest Law Centre, 2022). It is necessary to view the positive outcome of this subgroup attentive to the interrelated factors that contributed to its production, including

the open borders of the European Union and their educational capital. Britain maintained its hostile environment policies more broadly, differentially excluding migrant groups based on perceptions of affinity. The findings underscore the benefits of broad inclusion in social programs for migrant groups.

Acknowledgements

We thank Elisa Farnese for her assistance with data collection during the early stage of the research.

References

Anderson, B. (2008). "Illegal immigrant": Victim or Villain? ESRC Centre on Migration, Policy and Society Working Paper No. 64, WP 08 64, University of Oxford.

Alba, R. D., Nee, V. G. (2005). *Remaking The American Mainstream: Assimilation and Contemporary Immigration*. Harvard University Press.

Anderson, B., Andrijasevic R. (2008). Sex, Slaves and citizens: the politics of anti-trafficking. *Soundings*, 40, 135-145. https://oro.open.ac.uk/12650/.

Beck, E. M., Horan, P. M., & Tolbert, C. M. (1978). Stratification in a dual economy: A sectoral model of earnings determination. *American sociological review*, 43(5), 704-720. https://doi.org/10.2307/2094545.

Boucher, A., Cerna L. (2014). Current Policy Trends in Skilled Immigration Policy. *International Migration,* 52, (3), 21–25. https://doi.org/10.1111/imig.12152.

Bowling, B., Westenra, S. (2020). 'A really hostile environment': Adiaphorization, global policing and the crimmigration control system. *Theoretical Criminology*, 24(2), 163-183. https://doi.org/10.1177/1362480618774034.

Bevelander, P., Hagström, M., & Rönnqvist, S. (2009). Resettled and included? The employment integration of resettled refugees in Sweden. Malmö University, Malmö Institute for Studies of Migration, Diversity and Welfare (MIM).

Chiswick, B., & Miller, P. W. (2005). Do Enclaves Matter in Immigrant Adjustment? City and Community, 4(1), 5-35. https://doi.org/10.1111/j.1535-6841.2005.00101.

Cuibus, M. (2023). EU Migration to and from the UK. The Migration Observatory, Centre on Migration Policy and Society. https://migrationobservatory.ox.ac.uk/resources/briefings/eu-migration-to-and-from-the-uk/.

Cinalli M. (2017). *Citizenship and the Political Integration of Muslims: The Relational Field of French Islam*. Basingstoke: Palgrave.

Cinalli M. and M. Giugni (2011). Institutional Opportunities, Discursive Opportunities, and the Political Participation of Migrants, in Morales L. and M. Giugni (eds). *Multicultural democracy and immigrants' social capital in Europe*, Houndmills: Palgrave.

Cutler, D. M., Glaeser, E. L., & Vigdor, J. L. (2008). When are ghettos bad? Lessons from immigrant segregation in the United States. *Journal of Urban Economics*, 63(3), 759–774. https://doi.org/10.1016/j.jue.2007.08.003.

Damm, A. P. (2009). Ethnic enclaves and immigrant labor market outcomes: Quasi-experimental evidence. *Journal of Labor Economics*, *27*(2), 281-314.

D'angelo, A., & Kofman, E. (2017). UK: Large-scale European migration and the challenge to EU free movement. In Lafleur JM., Stanek, M. (Eds), *South-North Migration of EU Citizens in Times of Crisis,* (pp. 175–192). IMISCOE Research Series. Springer, Cham. https://doi.org/10.1007/978-3-319-39763-4_10.

Fernando-Reino, M., & Vargas-Silva, C. (2022). Migrants and Housing in the UK. The Migration Observatory. Centre on Migration, Policy and Society. https://migrationobservatory.ox.ac.uk/resources/briefings/migrants-and-housing-in-the-uk/.

Guzzo, S. (2024). Crossing borders, pushing margins: Being Italian (im)migrants in the UK and Its Implications. *Margins/Marges/Margini*, (1), 103-132. https://mimesisjournals.com/ojs/index.php/margins/article/view/4133.

Halifax. (2023). How the pandemic reshaped the UK housing market. Lloyds Banking Group, Press Release. https://www.lloydsbankinggroup.com/media/press-releases/2023/halifax-2023/three-years-on-how-the-pandemic-reshaped-the-uk-housing-market.html#:~:text=Semi%2Ddetached%20and%20terraced%20houses%20saw%20their%20average%20value%20increase,%C2%A369%2C094%20for%20terraced%20homes.

Harari, D., Francis-Devine, B., Bolton, P.l., & Keep, M. (2024). Rising cost of living in the UK. Research Briefing, House of Commons Library. https://researchbriefings.files.parliament.uk/documents/CBP-9428/CBP-9428.pdf.

Hercog, M. (2017). The Privileged and Useful Migrant: An Evaluation of Changing Policy and Scholarly Approaches Towards High-skilled Migration. NCCR - on the move Working Paper Series, (16). http://edoc.unibas.ch/57742/.

International Labour Organization. (n.d.) Glossary of Skills and Labour Migration. https://www.ilo.org/resource/glossary-skills-and-labour-migration.

Kantor, A. (2023). Italians Flock to London Despite Brexit. Bloomberg Wealth Living. https://www.bloomberg.com/news/articles/2023-01-10/moving-to-london-italians-defy-brexit-to-seize-uk-job-opportunities?embedded-checkout=true.

Lewis, H., Dwyer, P., Hodkinson, S., & Waite, L. (2015). Hyper-precarious lives: Migrants, work and forced labour in the Global North. *Progress in Human Geography*, 39(5), 580–600. https://doi.org/10.1177/0309132514548303.

Light, I. (2005) 28. The Ethnic Economy. In Smelser N.J., Swedberg R. (Eds.), *The Handbook of Economic Sociology*, (pp. 650-677). Princeton: Princeton University Press. https://doi.org/10.1515/9781400835584.650.

Light, I., Sabagh, G., Bozorgmehr, M., & Der-Martirosian, C. (1994). Beyond the Ethnic Enclave Economy. *Social Problems*, 41(1), 65–80. https://doi.org/10.2307/3096842.

Lowell, B.L., & Avato, J. (2014). The wages of skilled temporary migrants: Effects of visa pathways and job portability. *International Migration*, 52(3), 85-98. https://doi.org/10.1111/imig.12133.

Logan ,J. R., Zhang, W., & Alba, R. D. (2002). Immigrant Enclaves and Ethnic Communities in New York and Los Angeles. *American Sociological Review*, 67(2), 299-322. https://doi.org/10.2307/3088897.

MacDonald, J. S., & MacDonald, L. D. (1964). Chain migration ethnic neighborhood formation and social networks. *The Milbank Memorial Fund Quarterly*, 42(1), 82-97.

Majka, L., & Mullan, B. (2002). Ethnic Communities and Ethnic Organizations Reconsidered: South-East Asians and Eastern Europeans in Chicago. *International Migration*, 40(2), 71–92. https://doi.org/10.1111/1468-2435.00191

Maslova, S., King, R. (2020). Residential trajectories of high-skilled transnational migrants in a global city: Exploring the housing choices of Russian and Italian professionals in London. *Cities*, 96, 102421.

McKay, S. (2015). Young Italians in London and in the UK, La nuova emigrazione italiana: Cause, mete, e figure sociali, a cure di Iside Gjergji, London Metropolitan University. https://edizionicafoscari.unive.it/it/edizioni4/libri/978-88-6969-017-4/young-italians-in-london-and-in-the-uk/.

Nathan, M. (2014). The Wider Economic Impacts of High-skilled Migrants: A Survey of the Literature for Receiving Countries. IZA Journal of Migration, 3(1), 4.

Olsen-Medina, K., Batalova, J. (2020). College-Educated Immigrants in the United States. Migration Policy Institute. https://www.migrationpolicy.org/article/college-educated-immigrantsunited- states-2018.

Pope, T., & Hourston, P. (2022). Coronavirus: what support did government provide for individuals and businesses? Institute for Government. https://www.instituteforgovernment.org.uk/explainer/coronavirus-economic-support-individuals.

Portes, A., Jensen, L. (1992). The Enclave and the Entrants: Patterns of Ethnic Enterprise in Miami before and after Marial. *American Sociological Review*, 54(6), 929-949. https://doi.org/10.2307/2095716.

Rae A., Sener, E. (2016). How website users segment a city: The geography of housing search in London. *Cities*, 52,140-147. https://doi.org/10.1016/j.cities.2015.12.002.

Schüller, S. & Chakraborty, T. (2022). Ethnic enclaves and immigrant economic integration. IZA World of Labor, Institute of Labor Economics: 287-287. https://ideas.repec.org/a/iza/izawol/journl2022n287.html.

Shirmohammadi, M., Beigi, M., & Stewart, J. (2019). Understanding skilled migrants' employment in the host country: A multidisciplinary review and a conceptual model. *The International Journal of Human Resource Management*, 30(1), 96-121. https://doi.org/10.1080/09585192.2018.1511615.

Spadavecchia C., Yu J. (2021). Highly-skilled migrants, gender, and well-being in the Eindhoven region. An intersectional analysis. *Administrative Sciences*, 11(3), 72. https://doi.org/10.3390/admsci11030072.

Tolbert, C., Horan, P. M., & Beck, E. M. (1980). The structure of economic segmentation: A dual economy approach. *American journal of sociology*, 85(5), 1095-1116. https://www.jstor.org/stable/2778892.

United Kingdom Visa and Immigration. (2023). Guidance, Public Funds (accessible) Version 19.0. https://www.gov.uk/government/publications/public-funds/public-funds-accessible#:~:text=The%20expectation%20of%20the%20UK,eligible%20to%20access%20public%20funds.

Vargas-Silva, C., & Rienzo, C. (2022). Migrants in the UK: An Overview. The Migrant Observatory. The Centre on Migration, Policy and Society. https://migrationobservatory.ox.ac.uk/resources/briefings/migrants-in-the-uk-an-overview/.

Yeoh, B. S., & Ramdas, K. (2014). Gender, migration, mobility and transnationalism. *Gender, Place & Culture*, 21(10), 1197-1213. https://doi.org/10.1080/0966369X.2014.969686.

Zaban, H. (2021). Urban ethnic enclaves and migration industries: The urban choices of mobile people. *Urban Studies*, 59(11), 2255-2275. https://doi.org/10.1177/00420980211045494 (Original work published 2022)

Zhou M. (1992). *Chinatown: The Socioeconomic Potential of an Urban Enclave*. Philadelphia, PA: Temple University Press.