

Refugee Flows and Culture
as Factors for EU Regional Resilience:
The Neo-Pirenne Thesis
Abstract
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The Belgian historian Henri Pirenne hypothesized that the only resilient cities in Europe during the fall of the Roman Empire were those who continued to trade with the Arab world (Pirenne 1939). Inspired by his work, the current study suggests the Neo-Pirenne thesis that the EU regional economic resilience in our turbulent times might be related to the cultural openness to the recently arriving refugees from the Arab world. In specific, economic resilience in times of destabilizing international unions among the western countries might depend, with a growing importance, on the trade with the Arab world, where certain countries keep accumulating economic wealth and market power (such as Saudi Arabia, Kuwait etc.). We also know that trade flows are highly sensitive to home bias and cultural proximity. Hence, we assume that welcoming the refugees from the Arab world will accumulate cultural capital of higher proximity with the Arab world, based on feelings of altruism and gratitude among other Arab nationals, who feel associated on a cultural basis with the refugees. Thus, Arab countries will feel higher cultural proximity and higher propensity to trade with countries that have welcomed more Syrian refugees. Furthermore, we know that past migration flows and tourist flows predict trade flows with the country of origin of the inflowing human masses. Therefore, we seek to uncover the relationship between migration flows and tourist flows from Syria and the recent concentration of Syrian refugees. Our assumption here is that any human flow (immigrants, tourists or refugees) are associated with information exchange between people and narrowing the cultural distance between sending and receiving countries. We compile a unique dataset, using some novel data on refugees in the EU, collected by UNHCR, and Eurostat data on asylum seekers and immigrants by country of origin as well as other relevant socio-economic indicators; we combine this data with CEPII data on trade flows between the EU and the Arab world and UNWTO data on tourist flows. Employing panel data analysis and Granger causality tests, we find that: (i) Syrian refugee flows and Syrian asylum seekers are both associated with the trade flow volumes with the Arab world, yet (ii) it seems that past trade flow with the Arab world predicts the concentration of the refugees and not the other way around; (iii) Syrian immigrants and tourists clearly predict the concentration of the refugees. In a nutshell, the Neo-Pirenne thesis regarding the EU resilience in times of refugee crisis from the Arab world seems highly plausible.