Abstract. The paper analyzes the case of Belgium to provide insight into the relations among ethnic heterogeneity, voting participation and local economic growth. We find that heterogeneity, external and internal mobility reduce immigrants’ voting participation, while data analysis does not support the hypothesis that voting participation is directly related to local economic growth. This finding is interpreted as evidence that the decline of social capital implied by the increase of ethnic heterogeneity is a leading factor for local economic growth.

Keywords: ethnic heterogeneity, voting, political participation, local economic growth, Tiebout model.

JEL Codes: D72, H4, H7, N4, R1.