Final project report

1. Abstract Executive Summary

Governments across the globe are still struggling to cope with the largest refugee crisis since the Second World War. Since 2015, Europe received more than 2 million asylum seekers and refugees, and a similar number is seeking refuge and shelter in the MENA region. For many asylum seekers and refugees, the refugee crisis has turned into an integration crisis with many still waiting for decisions on their asylum applications and struggling to find jobs and a social network in their new home countries. Against this background, this project conducted much needed and actionable research into the impact of various asylum and integration policies in Europe, and the drivers of public attitudes towards refugees in the MENA region.

2. Executive Summary

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1. The long-term impact of employment bans on the economic integration of refugees
2. Ethnic enclaves can catalyze the economic integration of refugees
3. The effect of dual citizenship laws on naturalization rates?
4. Building a Multidimensional Measure of Immigrant Integration
5. Attitudes towards refugees in Jordan

1. **<u>The long-term impact of employment bans on the economic integration of refugees</u>**

This paper, entitled "The long-term impact of employment bans on the economic integration of refugees" was written by Moritz Marbach, Jens Hainmueller and Dominik Hangartner, and has been published in 2018 in *Science Advances*. Therein, we assess the long term consequences of employment bans. This policy is popular in many European countries that impose employment bans that prevent asylum seekers from entering the local labor market for a certain waiting period upon arrival. We provide evidence on the long-term effects of such employment bans on the subsequent economic integration of refugees. We leverage a natural experiment in Germany, where a court ruling prompted the reduction in the length of the employment ban. We find that even five years after the waiting period was reduced, employment rates were about 20 percentage points lower for refugees who, upon arrival, had to wait an additional seven months before they were allowed to enter the labor market. Figure 1 shows that it took up to ten years for this employment gap to disappear.
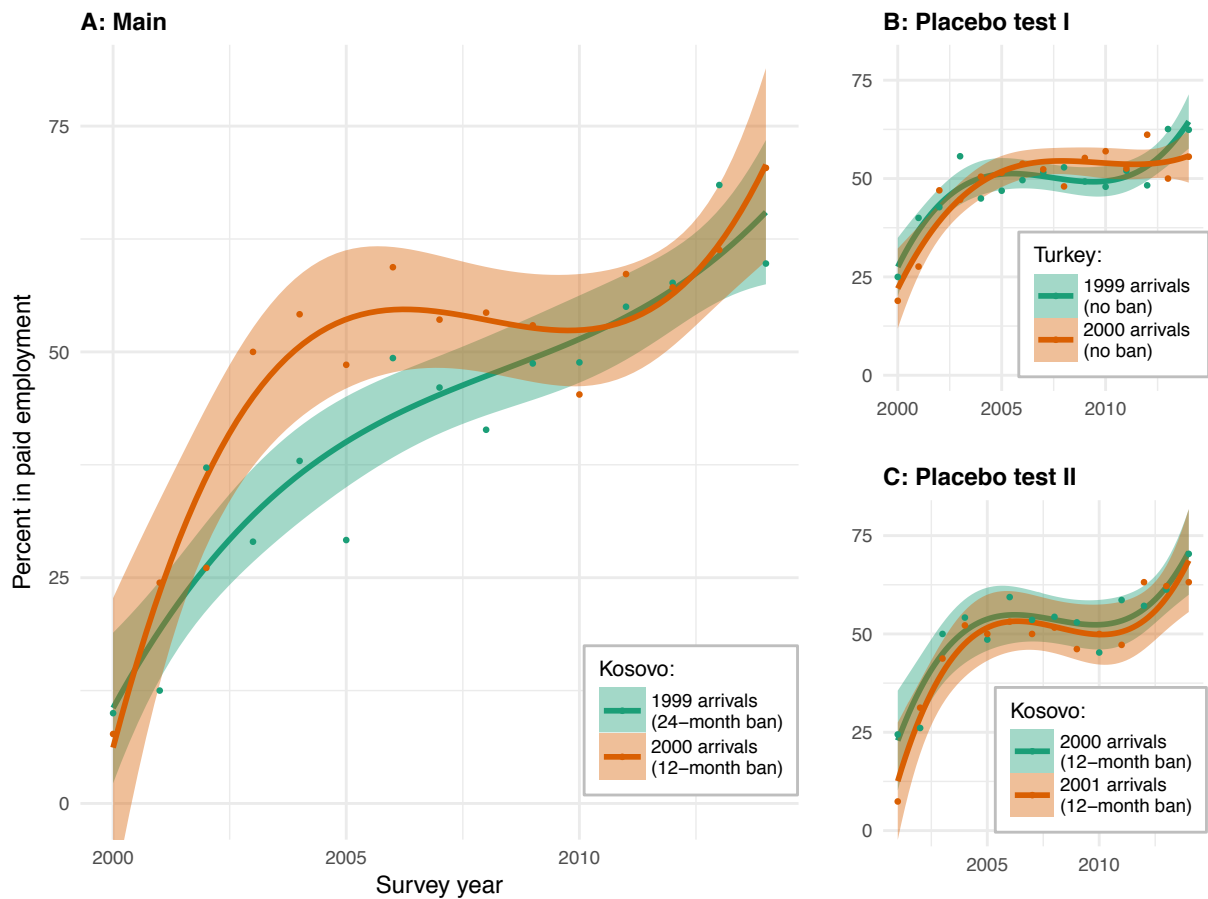
Figure 1: Longer employment bans worsen employment trajectories of refugees. Panel A shows the employment trajectories of FRY refugees who arrived in Germany in 1999 (in green) and in 2000 (in red), (n = 1,748). The 1999 arrival cohort faced a 13–24-month employment ban (depending on their month of arrival), while the 2000 arrival cohort faced a 12-months employment ban. The average difference in the length of the waiting period between the 1999 and 2000 cohort is 7.1 months. The dots indicate the percentage of respondents who are in paid employment by survey year. The curved regression lines and corresponding 95% confidence intervals are a non-parametric approximation of the employment trajectories using regression B-splines. Panel B shows the results of the first placebo test: Turkish immigrants who arrived in 1999 and 2000 but were not subject to the ban experienced very similar employment trajectories (n = 3,712). Panel C shows the results of the second placebo test: FRY refugees who arrived in 2000 and 2001 and were subject to the same 12-month waiting period experienced virtually identical employment trajectories (n = 1,067).

Our findings suggest that longer employment bans considerably slowed down the economic integration of refugees and reduced their motivation to integrate early on after arrival. A marginal cost-benefit analysis suggests that this employment ban cost German taxpayers about 40 million Euro per year on average in terms of welfare expenditures and forgone tax revenues from unemployed refugees.

This paper was covered by several media outlets in Europe and beyond, including the Austrian broadcaster ORF (https://science.orf.at/stories/2937036/) and the SwissInfo

2. <u>Ethnic enclaves can catalyze the economic integration of refugees</u>

This paper entitled "Ethnic networks can foster the economic integration of refugees" was written by Linna Marten, Jens Hainmueller, and Dominik Hangartner and published in the *Proceedings of the National Academy of* Sciences in 2019. The research sheds light on the widespread concern in Europe and other refugee-receiving continents that living in an enclave of co-nationals hinders refugees' economic and social integration. Based on this belief, several European governments have adopted policies specifically designed to disperse refugee co-nationals. While theoretical arguments and descriptive studies on the positive and negative impact of ethnic enclaves on immigrant integration abound, there is little causal evidence that can shed light on this important policy debate. We provide new evidence by studying the economic integration refugees in Switzerland between 1998 and 2015. Leveraging an exogenous placement mechanism and unusually rich registry data, we find that being assigned to live and work in locations with many co-nationals catalyzes refugees' entry into the labor market. As Figure 2 shows, these employment effects peak about three years after arrival and dissipate somewhat with longer residency. We find similar effects for our nationality, ethnicity, and language-based network measures.
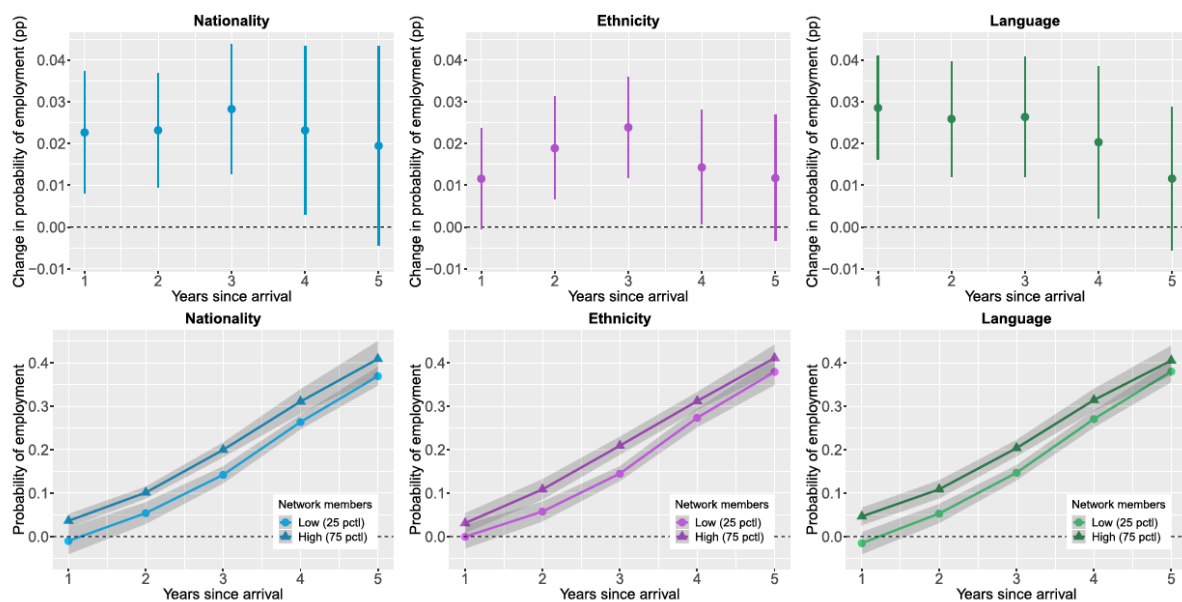

Figure 2: (Top) The estimated marginal effect of being assigned to a canton depending on the log number of network members (based on shared nationality, ethnicity, or language) on refugee employment by year of arrival, with 95% CIs. Year 1 corresponds to the arrival year. (Bottom) The predicted employment rates for refugees assigned to cantons with a low or high number of network members (i.e., 25th vs. 75th percentile), with 95% CIs. Both rows are estimates from the benchmark regression model

In addition, we find that refugees who live in enclaves are able to move to high-skilled jobs more quickly, and that this effect increases and persists for at least five years after arrival. We also explore the the role of network members among coworkers. We find that the share of co-nationals employed by the same firm is disproportionally high compared with the share of co-nationals employed within the same sector (and different companies), which is consistent with the hypothesis that refugees obtain information about jobs through conational networks. Together, these findings contribute to our understanding of the importance of ethnic networks on refugee integration and have direct implications for refugee allocation policies.

This paper was covered by several media outlets in Europe and the United States, including Sverige Radio (https://sverigesradio.se/sida/artikel.aspx?programid=406&artikel=7271333), der Tagesspiegel (https://www.tagesspiegel.de/wissen/bessere-integration-mit-hilfe-der-landsleute-der-positive-effekt-der-parallelgesellschaft/24850096.html) and the Neue Zürcher Zeitung (https://www.nzz.ch/schweiz/syrer-vermittelt-syrer-netzwerke-von-fluechtlingen-erleichtern-berufliche-integration-ld.1500890)

3. Do dual citizenship laws increase naturalization rates?

Building on our previous work (Hainmueller, Hangartner, Pietrantuono 2015, 2017) that shows that citizenship is catalyst for further political and social integration of immigrants, and in particular refugees, Moritz Marbach, Jens Hainmueller, and Dominik Hangartner set out to assess whether the introduction of dual citizenship increases naturalization rates. In order to broaden the evidence base, and pushed by the feedback we received from our colleagues, we decided to include data from the U.S., in addition to Switzerland. Recent studies have argued that these dual citizenship laws considerably increase naturalization rates, but these studies examined reforms from only a small set of origin countries. We re-evaluate the impact of dual citizenship laws using a temporal regression discontinuity design applied to dual citizenship reforms adopted by 38 origin countries between 1992 and 2015. We examine these reforms' effects on 19.7 million immigrants living in the United States and Switzerland, which have some of the least and most restrictive naturalization regimes, respectively, of the world's destination countries. Figure 3 shows that among the effects of these reforms, 59 percent are null, while only 23 percent are positive and 18 percent are negative.
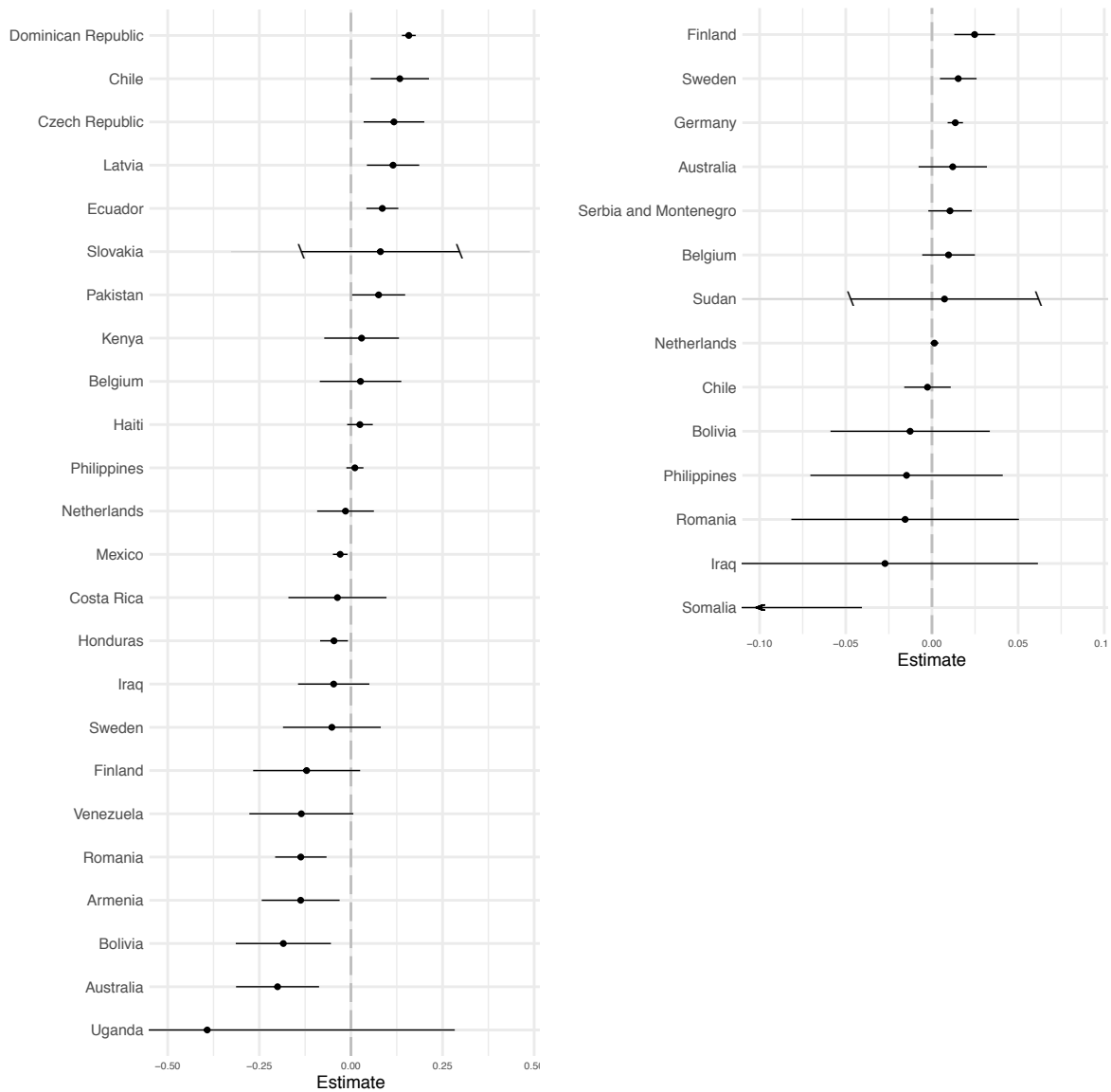
Figure 3: Estimated reform effects in the United States and Switzerland. The point estimates and 95% confidence intervals are based on the difference between the predicted values from a local linear regression to the right and left of the cutoff (the first year after the reform) on the naturalization rates.

In sum, our findings indicate that dual citizenship reforms alone are often not an effective policy tool to increase naturalization rates. This paper is currently prepared for re-submission.

4. **Measuring Immigrant Integration**

In a joint effort involving, to various degrees, PIs and project team members, we set out to to proposes a standard measure of immigrant integration – i.e. the degree to which immigrants have the knowledge and the capacity to achieve success in their host society – that permits the comparison of immigrant communities over time and across contexts.

The starting point for this project was that successful integration of immigrants into a host country's society, economy, and polity has become a major issue for policymakers in recent decades. Scientific progress in the study of immigrant integration, however, has been hampered by the lack of a common measure of integration, which would allow for the accumulation of knowledge through comparison across studies, countries, and time. To address this fundamental problem, we propose the IPL-Integration Index as a pragmatic and multidimensional measure of immigrant integration. The measure, both in the 24-item long form (IPL-24) and the 12-item short form (IPL-12), captures six dimensions of integration: psychological, economic, political, social, linguistic, and navigational. The measure can be employed across countries, over time, and across different immigrant groups, and can be administered through short questionnaires available in different modes. We report on four surveys we conducted to evaluate the empirical performance of our measure. The tests reveal that the measure distinguishes among immigrant groups with different expected levels of integration and also correlates with well-established predictors of integration.
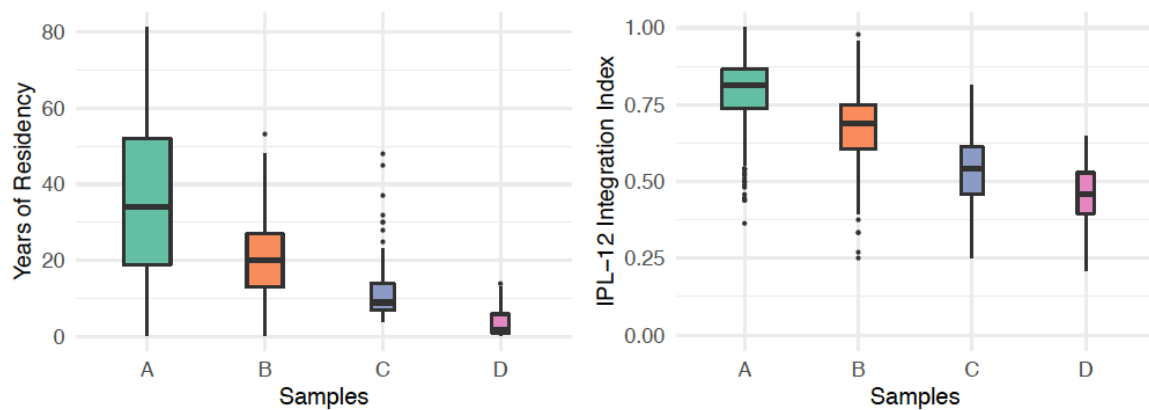
Figure 4: Boxplots show for four immigrant samples A–D the distributions of residency (left panel) and IPL-12 Integration Index scores (right panel). The samples are ordered by decreasing expected levels of integration. The measured integration levels based on the IPL-12 Integration Index reproduce the ordering of the samples from highest to lowest expected levels of integration. Box width is proportional to sample size.
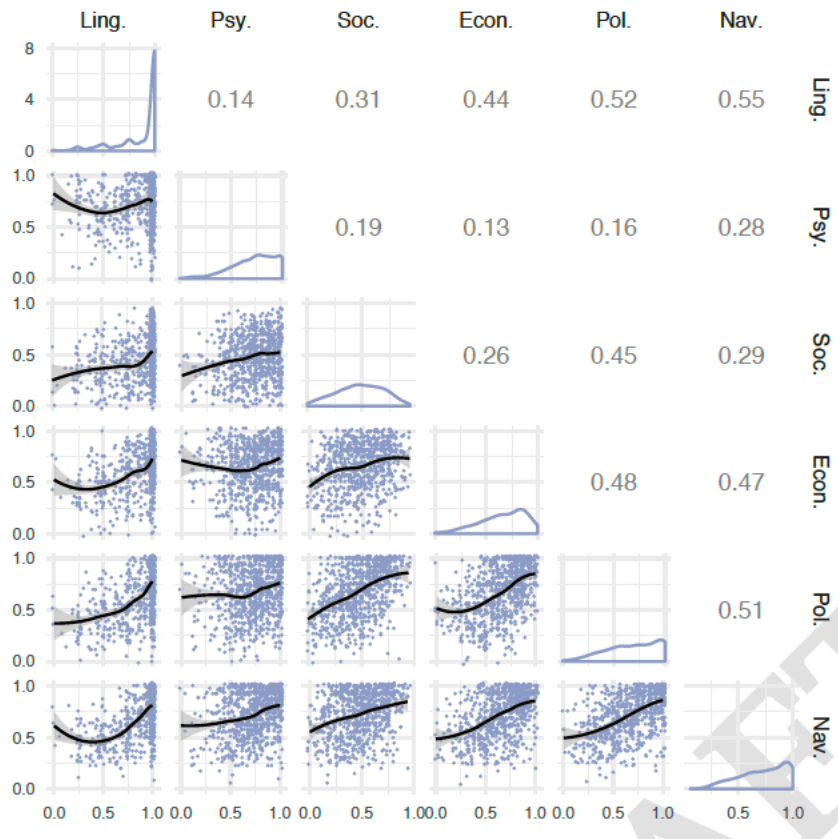
Figure 5: Scatter-plot matrix for the six dimensions of integration as measured by the IPL-24 Integration Index (pooled sample, N=787). The panels in the main diagonal show the histograms of the marginal distributions, the panels above the main diagonal show the bivariate correlation coefficients, and the panels below the main diagonal show the scatter-plots with Loess lines (black).

The paper, entitled "A Multidimensional Measure of Immigrant Integration", was published in 2018 in the *Proceedings of the National Academy of Sciences*. We believe that there are substantial payoffs for the study of immigrant integration if the scientific community were to coordinate on the use of a single common measure like our IPL Integration Index. Our hope is that scholars will take up this proposal and put the measure to good use so that it can be further refined as more data is accumulated across multiple studies and contexts.

5. Attitudes towards refugees in Jordan

With international migration at a record high, a burgeoning literature has explored the drivers of attitudes toward migrants. However, most major studies to date have focused on developed countries, which have relatively few migrants and substantial capacity to absorb them.
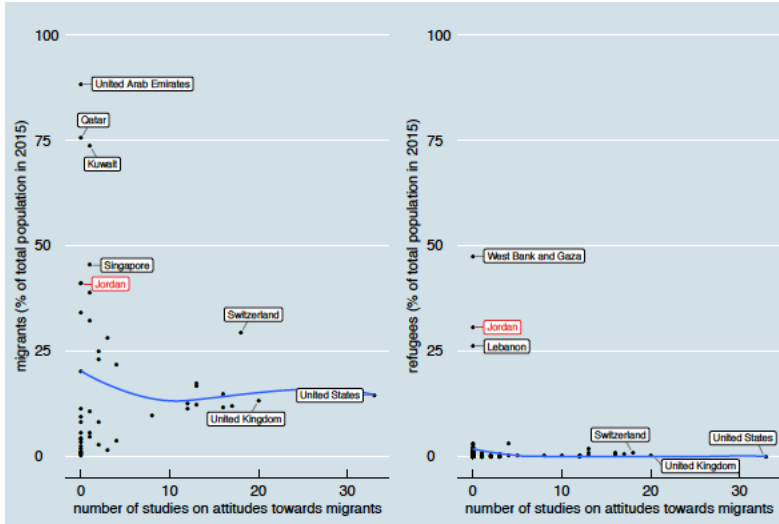
Figure 6: Geographic mismatch between concentration of migrants and literature on attitudes toward migrants.

We address this sample bias by conducting a large-scale representative survey of public attitudes toward Syrians in Jordan, a developing country with one of the largest shares of refugees. Our analysis indicates that neither personal nor community-level exposure to the economic impact of the refugee crisis is associated with anti-migrant sentiments among natives.
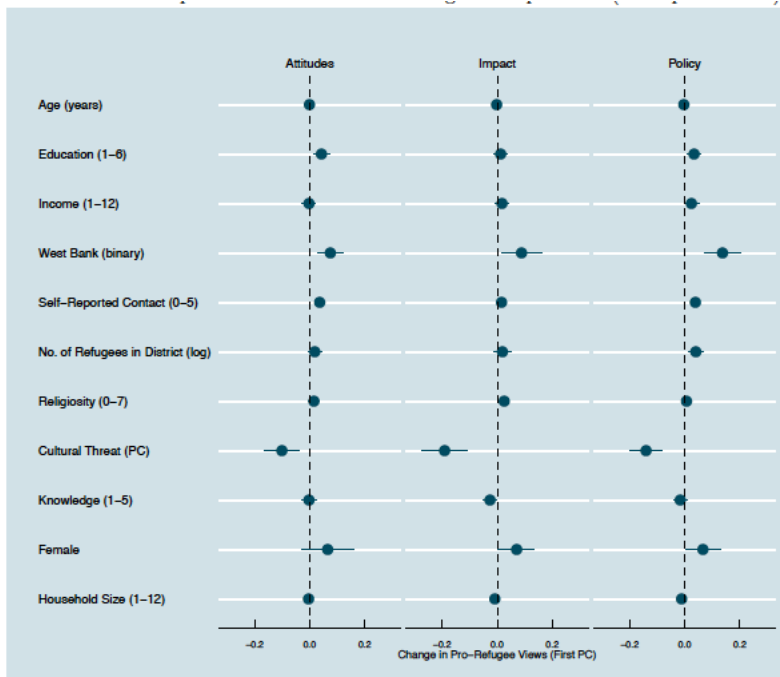

Figure 7: Relationship between respondent characteristics and views of refugees. This figure shows the coefficient plots from a multiple regression of the first principal components of the attitudes, impact, and policy outcomes on the shown covariates.

Further, an embedded conjoint experiment validated with qualitative evidence demonstrates the relative importance of humanitarian and cultural concerns over economic ones. Taken together, our findings weaken the case for egocentric and sociotropic economic concerns as critical drivers of anti-migrant attitudes, and demonstrate how humanitarian motives can sustain support for refugees when

host and migrant cultures are similar. The paper, entitled "Attitudes toward Migrants in a Highly-Impacted Economy: Evidence from the Syrian Refugee Crisis in Jordan" and co-authored by Ala Alrababah. Andrea Dillon, Scott Williamson, Jens Hainmueller, Jeremy Weinstein, and Dominik Hangartner, is currently revise and resubmit at *Comparative Political Studies*.

3. Internal Report

Were the research plan and schedule followed?
Because of a drastic reduction in new asylum seekers and the consequent lack of a sufficient number of arrivals, we were not able to field the first wave of the survey in Summer 2017 and had to unexpectedly make changes to the initial research plan and schedule. We developed an alternative plan and shifted our focus from Italy to Jordan, the country that hosts, as a function of the native population, the largest share of Syrian refugees.

What activities took place during the research period in order to make the best possible use of the information gathered and what is planned for the future to communicate the results to target audiences? If time and resources had permitted, what further action could have been taken to achieve the maximum visibility or other potential benefits?
To achieve maximum visibility and to mitigate the risk of the misuse of research findings, each publication was/will be supplemented with a press release and policy brief presenting the findings in a balanced and easily accessible way. These will be forwarded to media and (political) actors engaged in debates around immigration. If time and resources had permitted we could have created research videos to supplement our publications.

How would you describe the participation of the partners in the project? Do you have advice to offer in view of future collaboration of a similar nature?
Working in a team this sizeable has mainly raised organizational and logistical challenges. We managed to resolve and overcome those, by making sure that the project members, or a core subset thereof, work in the same place (and often room) for an extended period of time. In addition, we approached external scholars who are not part of the research team, to overcome especially vexing problems on which they possess particular expertise. Inviting them to our office and working together with them in the same place helped us advance our project and is recommended in view of future collaboration of a similar nature.

Where will the research results be stored?
All data and research results are be stored on the ETH server on the centralized file storage system managed by our IT department. The access to the data and results is managed through the ETH identity management system which is a secured system following the best practices in terms of identity management. Our has redundancy, mirroring and is monitored.
Access to the data and results is managed by the owner of the volumes through the identity management system of ETH Zurich. Any person who needs access to research results and data has therefore to be a registered and verified user in the identity management system and approved by the PI.

What has the SNIS support allowed you to do, to conclude or to recommend that would not have been possible without its support?
SNIS support allowed us work closely together with all our project members as well as external experts. We could not have worked in the same places and met in person as often as we could – which was extremely valuable for our projects – without the support. In addition, we could

present our research at different conferences and received valuable feedback which helped us advance our projects. Maybe most importantly, the SNIS support allowed us to expand the geographic focus of our research on refugees and immigration attitudes to MENA countries.

How did the interdisciplinary nature of the project affect the results?
The interdisciplinary nature of the project and its team members allowed us to holistically explore the consequences of asylum and integration policies. A case in point is the multidimensional measure of immigrant integration spanning psychological, economic, political, social, and linguistic outcomes.

What follow-up will you give to the project? Do you find it useful to maintain the network that was created? If so, how will you go about doing this?
The network created is very valuable and the goal is to maintain this also in the future. One follow-up project for which this already happened is our survey of Syrian refugees in Lebanon surrounding questions of return that was directly inspired by the SNIS-funded work in Jordan

What is the potential for application of the research results?
Our research results do not only have significant theory but also policy implications:

- We show that dual citizenships reforms alone are often ineffective in motivating eligible immigrants to apply for citizenship. Thus, host countries must look for other avenues to lower barriers to citizenship, for example reducing residency requirements or naturalization fees.
- Our findings suggest that longer employment bans considerably slowed down the economic integration of refugees and reduced their motivation to integrate early on after arrival. By depressing refugees' employment rates for many years after arrival, employment bans not only adversely affect the well-being of refugees but also impose significant costs on the host country's economy.
- We find that refugeed assigned to locations with many co-nationals are more likely to enter the labor market which has implications for the design of refugee allocation policies.
- In addition, with the 'IPL Integration Index', we have developed a pragmatic survey tool to measure immigrant integration. We hope that the survey modules will be used by researchers, policy makers and service providers with the aim of building more comparable knowledge about integration which in turn can inform policy development and programmatic innovation to support the integration of immigrants.

In hindsight, what would you do differently (organization, method)?
One persistent challenge was the changing nature of refugee arrivals. Because arrivals in Italy dwindled such that fielding the survey there was not sensible any longer, we had to redirect our efforts—with the kind permission of the SNIS—to Jordan (see intermediate report for details). This not only required additional efforts, but also caused a slight delay to the research project (hence the delay in submitting this report). Also, this forced us to make some changes to the research team: it necessitated the addition of new team members and co-authors who have worked in and on Jordan before, and this change came at the expense of some other team members for whom we had envisioned a larger role for the project in Italy.

Working paper

Must be submitted with the final report in order to guarantee that research results of projects supported by the SNIS are quickly available for academic and international stakeholders. This paper will be publicly published on the SNIS website (see art. 11.3 of "Regulations Concerning the Rights and Duties of Recipients of SNIS Subsidies 2017").