

# Citizenship acquisition and labour market outcomes of migrants

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European University Institute

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| Catalyst v crown | Approaches | Findings | Conclusion |
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# Outline

1 Catalyst v crown

#### **2** Approaches





Citizenship acquisition and labour market outcomes of migrants



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# Conditions for citizenship acquisition differ greatly

#### TABLE 2: MINIMUM PERIOD (INTERRUPTED/ CONTINUOUS) OF RESIDENCE IN THE COUNTRY OF APPLICATION ('STANDARD' CASES)

| Member<br>State | Minimum period of continuous residence in the country of application | Minimum period of residence (that may be interrupted) in the country of application  |
|-----------------|--|--|
| AT              | 6 or 10 years (with exceptions)                                      |  |
| BE              |  | 5 years with max. 6 months interruption  |
| BG              | 3 or 5 years   |  |
| CY              |  | 5 years <sup>53</sup>  |
| cz              | 5 years  | Or 7.5 years with the last 2.5 years without interruption  |
| DE              | 8 years  | Interruptions of max. 6 months permitted. In total, duration of<br>absence may not exceed half of the minimum period required. |
| EE              |  | 8 years, of which at least five years on a permanent basis   |
| EL              | 3, 7 or 12 years   |  |
| ES              | 10 years   |  |
| FI              | 5 years  | Or 7 years with the last 2 years without interruption  |
| FR              | 5 years  |  |
| HR              | 8 years  |  |
| HU              | 8 years  |  |
| IE              | 1 year, immediately prior to the application                         | 4 years during the 8 years prior to the year immediately<br>preceding the application  |
| IT              | 10 years   |  |
| LT              |  | 10 years, interruptions possible   |
| LU              |  | 5 years, including one year of continuous residence immedi-<br>ately prior to the application                                  |
| LV              |  | $5\ensuremath{\mbox{pears}}$ , interruptions possible, but last year prior to applications needs to be continuous              |
| мт              | 6 years  | Continuously for at least one year and for four years out of the<br>preceding six years  |
| NL              | 5 years  |  |
| PL              | 3 years  |  |
| PT              | 5 years  |  |
| SE              | 5 years  |  |
| SK              | 8 years  |  |
| UK              | 5 years  |  |

Source: EMN Study on Pathways to Citizenship in the EU

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NATURALISATION RATE OF EU AND NON-EU NATIONALS IN EU MEMBER STATES

# Cross-sectional differences in 'naturalisation rates'

FIGURE 2.3

|                  | 0.0 | 1.0 | 2.0 | 3.0     | 4.0    | 5.0 |             | 0.0   | 5.0                     | 10.0        | 15     |
|------------------|-----|-----|-----|---------|--------|-----|-------------|-------|-------------------------|-------------|--------|
| Sweden           |     |     |     |         |        |     | Romania     | _     |                         |             |        |
| Latvia           |     |     |     |         |        |     | Sweden      | _     |                         | _           |        |
| Hungary          |     | _   |     |         |        |     | Portugal    | _     | _                       |             |        |
| Portugal         |     |     |     |         |        |     | Luxembourg  | _     | _                       |             |        |
| Romania          |     | _   |     |         |        |     | Belgium     | _     | _                       |             |        |
| uxembourg        | -   | _   |     |         |        |     | Cyprus      | _     | _                       |             |        |
| Finland          | -   | _   |     |         |        |     | Finland     | _     |                         |             |        |
| Malta            | -   | _   |     |         |        |     | Netherlands | _     |                         |             |        |
| UK               |     |     |     |         |        |     | Greece      | _     | _                       |             |        |
| Belgium          |     |     |     |         |        |     | UK          | _     | -                       |             |        |
| Cyprus           |     |     |     |         |        |     | Spain       | _     |                         |             |        |
| Ireland          |     | - 1 |     |         |        |     | France      | _     |                         |             |        |
| Germany          |     |     |     |         |        |     | Ireland     | _     |                         |             |        |
| France           |     |     |     |         |        |     | Italy       | _     |                         |             |        |
| Poland           |     |     |     |         |        |     | Slovakia    | _     |                         |             |        |
| Vetherlands      | -   |     |     |         |        |     | Poland      | _     |                         |             |        |
| Italy            | -   |     |     |         |        |     | Croatia     | _     |                         |             |        |
| Slovakia         | -   |     |     |         |        |     | Malta       | -     |                         |             |        |
| Denmark          |     |     |     |         |        |     | Slovenia    | -     |                         |             |        |
| Croatia          |     |     |     |         |        |     | Germany     | -     |                         |             |        |
| Slovenia         |     |     |     |         |        |     | Bulgaria    | -     |                         |             |        |
| Greece           |     |     |     |         |        |     | Hungary     |       |                         |             |        |
| Austria          | н.  |     |     |         |        |     | Austria     | 100   |                         |             |        |
| Czechia          | н.  |     |     |         |        |     | Denmark     | 1 A M |                         |             |        |
| Spain            | н.  |     |     |         |        |     | Lithuania   | 1 M M |                         |             |        |
| Bulgaria         | н.  |     |     |         |        |     | Czechia     | 1 M M |                         |             |        |
| Estonia          | ÷., |     |     |         |        |     | Latvia      | 1 M M |                         |             |        |
| Lithuania        | )   |     |     |         |        |     | Estonia     | ÷.,   |                         |             |        |
| Share of acquire |     |     |     | ulation | that h | ave |             |       | U nationa<br>citizenshi | l populatio | n that |

Source: Eurostat, 'Residents who acquired citizenship as a share of resident non-citizens by former citizenship and sex [migr\_acqs]', https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=migr\_acqs&lang=en (accessed 29 July 2020).

Source: EMN Ireland, Pathways to citizenship through naturalisation in Ireland [Eurostat]

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| Catalyst v crown    | Approaches        | Findings          | Conclusion |
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| l ong-term differen | ces in cumulative | naturalisation ra | tes        |

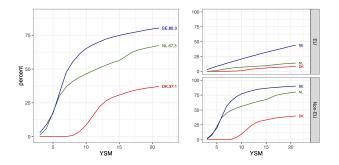


Figure: Long-term differences in cumulative naturalisation rates between migrant cohorts 1994-2001 in Denmark, the Netherlands and Sweden

Vink, M., A. Tegunimataka, F. Peters and P. Bevelander (2021). Long-term heterogeneity in immigrant

naturalisation: the conditional relevance of civic integration and dual citizenship. European Sociological Review.

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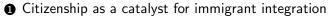
# Catalyst or crown I: political controversy (example: NL)

'Naturalisation is a catalyst for integration, it is a positive welcome.' Linda Voortman, GroenLinks

'Dutch citizenship is the crown on participation and integration into society.' Piet Hein Donner, CDA 'For a Dutch passport you really have to work very hard, and this costs some time.' Klaas Dijkhoff, VVD



#### Catalyst or crown II: main paradigms



- citizenship acquisition should be accesible because fuels the subsequent integration of immigrants
- Ocitizenship as crown for succesful integration
  - citizenship acquisition only under strict conditions because incentivizes immigrants to invest in integration



#### Focus: citizenship premium in the labour market

- 'Immigrant integration' is a multi-dimensional concept (cf. Harder et al 2018)
- Labour market outcomes among the most studied in relation to immigrant naturalisation
- Question: does citizenship acquisition lead to more employment and higher earnings among immigrants?

N. Harder, L. Figueroa, R. M. Gillum, D. Hangartner, D. D. Laitin, J. Hainmueller, Multidimensional measure of immigrant integration. Proc. Natl. Acad. Sci. 115, 11483–11488 (2018)

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#### Theoretical mechanisms I: 'catalyst' perspective

- better access (to public sector jobs)
- **2** positive signaling (to employers)
  - does not eradicate marginalization (e.g. discrimination)

 more incentives to invest in human capital (e.g. education, on-the-job training)

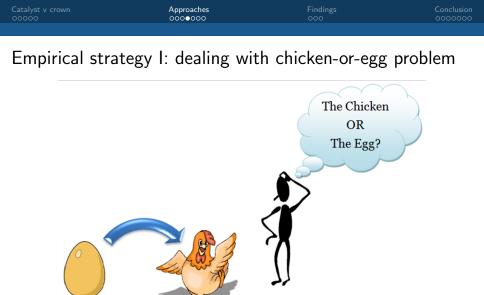
Zschirnt, E. and Ruedin, D. (2016). Ethnic discrimination in hiring decisions: a meta-analysis of correspondence tests 1990–2015. Journal of Ethnic and Migration Studies, 42(7), 1115-1134; Zschirnt, E. and Fibbi, R. (2019). Do Swiss citizens of immigrant origin face hiring discrimination in the labour market? NCCR Working Papers, 2019/20; Becker, G. S. (1964). Human capital: A theoretical and empirical analysis, with special reference to education. University of Chicago press.

| Catalyst v crown | Approaches | Findings | Conclusion |
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#### Theoretical mechanisms II: 'crown' perspective

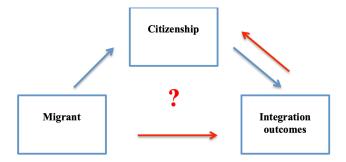
1 no citizenship premium in labour market

- citizenship has limited added value to permanent residence (only symbolical)
- knocks out incentive to further integrate once status has been acquired (e.g. language acquisition)



| Catalyst v crown | Approaches | Findings | Conclusion |
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# Empirical strategy II: conceptual model



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# Empirical strategy III: Longitudinal approach

- Cross-sectional v panel data
- Track performance on labour market outcomes (e.g. employment, income)
- Control for unobserved characteristics (individual fixed-effects)
- Compare outcomes before/after citizenship acquisition

Bratsberg, B., Ragan, Jr, J. F., and Nasir, Z. M. (2002). The effect of naturalization on wage growth: A panel study of young male immigrants. Journal of Labor Economics, 20(3), 568-597.

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# Empirical strategy IV: Quasi-experimental approach

- Randomized trial v natural experiment
- Natural experiment: experimental and control conditions are determined by factors outside the control of the investigators, but the process governing the exposure to treatment resembles random assignment.
- Case of Swiss naturalization referendums (until 2003)
  - Secret vote based on short resumé
  - Exploit the use of 'close referendums' (eg 49/51 percent of votes in favour)

Hainmueller, J., Hangartner, D., and Pietrantuono, G. (2017). Catalyst or Crown: Does Naturalization Promote the Long-Term Social Integration of Immigrants? American Political Science Review, 111(2), 256-276.

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### Results from longitudinal approach I: earnings

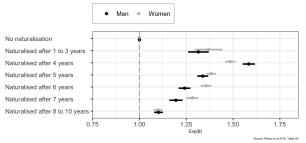
- Wage premium for naturalized immigrants in (e.g.) DE, DK and SE, and NL
- Stronger / exclusive effect among non-EU immigrants
  - NL: migrants from less developed countries: increase of 3.2 and 4.7 percent in log labour income for men and women, resp.
- Evidence of one-time boost in earnings (signalling) and faster development of earnings profile prior to naturalisation (anticipation)

Steinhardt, M. (2012). Does citizenship matter? The economic impact of naturalizations in Germany. Labour Econom. 19, 813–823; Helgertz, J., Bevelander, P., and Tegunimataka, A. (2014). Naturalization and earnings: a Denmark–Sweden comparison. European Journal of Population, 30(3), 337-359; Peters, F., Schmeets, H., and Vink, M. (2020). Naturalisation and immigrant earnings: Why and to whom citizenship matters. European Journal of Population, 36, 511-545.

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# Results from longitudinal approach II: speed matters



Speed of naturalisation and probability of having employment

Figure: The relevance of citizenship is comparatively higher as migrants naturalise earlier

Peters, F., Vink, M., and Schmeets, H. (2018). Anticipating the citizenship premium: before and after effects of immigrant naturalisation on employment. Journal of Ethnic and Migration Studies, 44(7), 1051-1080.

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#### Results from experimental approach

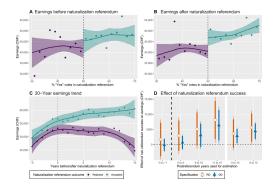


Figure: Winning Swiss citizenship in the referendum increased annual earnings by an average of approximately 5000 U.S. dollars over the subsequent 15 years. This effect is concentrated among more marginalized immigrants.

Source: Hainmueller, J., Hangartner, D., and Ward, D. (2019). The effect of citizenship on the long-term earnings of marginalized immigrants: Quasi-experimental evidence from Switzerland. Science advances, 5(12).

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# What to conclude?

- Relation citizenship and labour market outcomes is empirically complex
  - But there are various strategies to model this complexity
- Relationship is also politically controversial
  - But research suggests that citizenship does function as an incentive for (catalyst of) integration
- Main point: not about whether citizenship matters, but under which conditions, to whom and how?

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#### Want to know more?

http://milifestatus.com

► Link

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# Overview older findings

| Table 1 Review of studies on<br>the effects of naturalization on<br>earnings | Data   | Earned |
|--|--|--------|
|  | Cross-sectional                                      |        |
|  | No control for selection effect                      |        |
|  | Chiswick (1978): USA                                 | 0      |
|  | Bratsberg et al. (2002): USA                         | +      |
|  | Bevelander and Veenman (2006, 2008): The Netherlands | +      |
|  | DeVoretz and Pivnenko (2006, 2008): Canada           | +      |
|  | Akbari (2008): 2008: USA                             | +      |
|  | Cross-sectional                                      |        |
|  | Control for selection effect                         |        |
|  | Bevelander and Pendakur (2012): Canada and Sweden    | +      |
|  | Longitudinal   |        |
|  | Bratsberg et al. (2002): USA                         | +      |
|  | Hayfron (2008): Norway                               | +      |
|  | Scott (2008): Sweden                                 | 0      |
|  | Engdahl (2011): Sweden                               | 0      |
|  | Bratsberg and Raaum (2011): Norway                   | 0      |
| + = positive significant effect,<br>0 = no significant effect                | Steinhardt (2012): Germany                           | +      |

Source: Helgertz, J., Bevelander, P., and Tegunimataka, A. (2014). Naturalization and earnings: a

Denmark-Sweden comparison. European Journal of Population, 30(3), 337-359.

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# Beyond labour market: long-term social integration

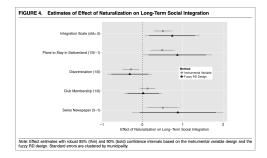


Figure: Receiving Swiss citizenship strongly improved long-term social integration. The integration returns to naturalization are larger for more marginalized immigrant groups and when naturalization occurs earlier, rather than later in the residency period.

Hainmueller, J., Hangartner, D., and Pietrantuono, G. (2017). Catalyst or Crown: Does Naturalization Promote

the Long-Term Social Integration of Immigrants? American Political Science Review, 111(2), 256-276.

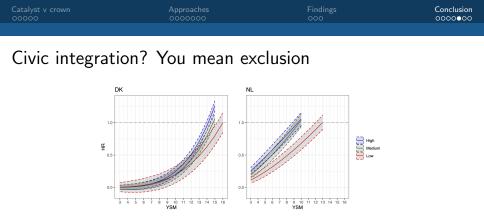


Figure: Lower rates and delayed citizenship acquisition after introduction civic integration requirements in DK and NL, esp. among lower educated migrants

Vink, M., A. Tegunimataka, F. Peters and P. Bevelander (2021). Long-term heterogeneity in immigrant naturalisation: the conditional relevance of civic integration and dual citizenship. European Sociological Review



#### For the sake of my children: intergenerational impact

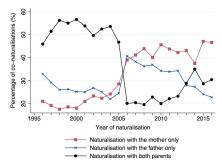


Figure: Children eligible after citizenship law reforms in NL more likely to naturalise with only one of their parents, instead of both.

Labussière, M. and M. Vink (2020). The intergenerational impact of naturalisation reform: citizenship status of children of immigrants in the Netherlands, 1995-2016. Journal of Ethnic and Migration Studies 46(13) 2742-2763.



#### Dual citizenship matters esp for EU and high-HDI migrants

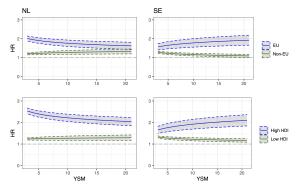


Figure: Dual citizenship especially relevant for EU and high-HDI migrants

Vink, M., A. Tegunimataka, F. Peters and P. Bevelander (2021). Long-term heterogeneity in immigrant naturalisation: the conditional relevance of civic integration and dual citizenship. European Sociological Review