# The political economy of European asylum policies

Marcus Drometer, Martina Burmann and Romuald Méango  ${\tt Ifo\ Institute} \qquad {\tt MEA}$ 

12 December 2017

ifo Christmas Conference

# Why is the research question interesting?

Dustmann (2016): "the different exposures to refugee inflows and the lack of any effective European-level mechanism to 'spread the burden' of hosting refugee populations, led many countries to implement procedures aimed at reducing inflows into their territories."

### Our research question

To which extent are asylum policies (applications and recognition rates) determined by political factors, i.e., elections and parties.

### Pre- vs. post-election politics

#### Two counter-acting forces

- Ideological parties benefit from implementing favored policies
- Electoral incentives force parties to implement moderate policies

#### Predicted pattern:

Convergence of asylum policies (as measured by the number of applicants) before the election and divergence of asylum policies after the election

### Previous literature

- Asylum policies
   Hatton (2005, 2009, 2016), Gudbrandsen (2010), Neumeyer (2004, 2005), Toshkov (2014)
- Electoral cycles

  Nordhaus (1975), Hibbs (1977), Alesina, Roubini and Cohen (1997), etc.

## Our findings

European asylum policies are affected by the electoral cycle and the identity of incumbent parties

- i) before an election, the inflow of refugees is very similar across left and right cabinets;
- ii) in the quarters following an election, the inflow of refugees diverges substantially, with significantly less asylum applicants under a right-wing cabinet

## Estimation approach

### Main equation

$$\mathbf{Y_{ijt}} = \alpha_1 \mathbf{O_{it}} + \alpha_2 \mathbf{D_{jt}} + \alpha_3 [\mathbf{Q_{j.}} * \mathbf{C_{jt}}] + \tau_t + \sigma_{ij} + \varepsilon_{ijt}, \tag{1}$$

- $Y_{ijt}$  is a measure of migration policy (log of the number of first-time asylum applications per capita by citizens of origin country i in destination country j at time t)
- $\mathbf{Q_j} := Q_{j,bef}, Q_{j,aft}$  is set of dummies for before and after the election
- $C_{jt}$  is a set of dummies for the ruling cabinet's position on a left-right scale (omitted category center)
- $\bullet$   $O_{it}$  are time variant origin specific variables (Political Terror Scale, Freedom House Index, number of battle deaths and real GDP per capita)
- $\mathbf{D_{jt}}$  are time variant destination variables (real GDP per capita, unemployment rate)

### Identification

### Identifying assumption:

Timing of elections is exogenous to the migration flow

- usually the election date is determined by the electoral cycle
- in all cases of early elections there is no idication that the inflow of migrants is in any way related to the decision to call early elections
- $\rightarrow$  We measure the causal effect ? of the electoral cycle on a sylum policies

### Our interpretation:

Governments adjust asylum policies

# Confounding Factors

However, due to confounding factors the underlying mechanism is difficult to identify

- Omitted variable bias
- Reverse causality
- Separation of supply and demand side effects

### Data

Panel of 12 European destination countries and their 51 most relevant origin countries during the time period 2002 to 2014.

### Applications and acceptance rates

Eurostat provides monthly origin-specific first-time asylum applications, quarterly aggregate outcomes of claims, and type of status obtained (full refugee status or some form of temporary protection).

### Election outcomes and party positions

Parlgov database classifies all governments according to a left-right scale and as regards their stance on immigration.

#### Control variables

Eurostat, World Penn Tables, Freedom House, UCDP, etc.

# Asylum applications: Controls

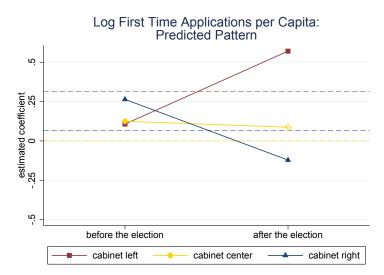
$ \begin{array}{ c c c c c } \hline \text{Political Terror Scale} & 0.435** & 0.445*** \\ (0.123) & (0.123) & (0.123) \\ \hline \text{Civic Liberty (FHI)} & -0.149 & -0.151 \\ (0.127) & (0.127) & (0.129) \\ \hline \text{Political Rights (FHI)} & -0.09325 & 0.0134 \\ \hline \text{Political Rights (FHI)} & 0.0260*** & 0.027*** \\ \hline \text{Battle death (000s)} & (0.0705) & (0.0743) \\ \hline \text{Battle death (000s)} & (0.0367) & (0.0335) \\ \hline \text{Log origin country real GDP per capita} & -0.326 & -0.38* \\ (0.177) & (0.170) \\ \hline \text{Log migrant stock in 2000/1} & 0.237*** \\ \hline \text{Log distance from origin to destination} & 0.622 & 0.629 \\ \hline \text{Log destination country real GDP per capita} & 0.835** & 0.974*** & 0.770** \\ \hline \text{Log destination country real GDP per capita} & 0.835** & 0.974*** & 0.770** \\ \hline \text{Unemployment rate at destination} & 0.839** & 0.0824*** & -0.0797*** \\ \hline \text{Unemployment rate at destination} & 0.0829*** & 0.0824** & -0.0797*** \\ \hline \text{Average past dyadic acceptance rate} & 0.389 & 0.274* & 0.414 \\ \hline \text{Log average past asylum applications at destination} & 0.758*** & 0.751*** & 0.801*** \\ \hline \text{Observations} & 9432 & 9432 & 9432 \\ \hline \text{Adjusted } R^2 & 0.336 & 0.224 & 0.330 \\ \hline \end{array}$		(4)	(2)	(2)
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$		(1)	(2)	(3)
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$				
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Political Terror Scale		0.445***	
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$			(0.123)	
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	Civic Liberty (FHI)		-0.151	
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$		(0.127)	(0.129)	
Battle death (000s) $0.0260^{***}$ (0.00367) (0.00355) $0.0278^{***}$ (0.00355)         Log origin country real GDP per capita $-0.326$ (0.177) (0.170)         Log migrant stock in 2000/1 $0.237^{***}$ (0.0347)         Log distance from origin to destination $0.622$ (0.648)         Log destination country real GDP per capita $0.835^{**}$ (0.262) (0.240)         Unemployment rate at destination $-0.829^{***}$ (0.262) (0.240)         Unemployment rate at destination $-0.0829^{***}$ (0.0175) (0.0171)         Average past dyadic acceptance rate $0.389$ (0.274* 0.414)         Log average past asylum applications at destination $0.758^{***}$ (0.751*** 0.801***         Observations $9432$ (9432 9432         Adjusted $R^2$ $0.336$ (0.224 0.330)	Political Rights (FHI)		0.0134	
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$		(0.0705)		
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Battle death (000s)	0.0260***	0.0278***	
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$		(0.00367)	(0.00335)	
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	Log origin country real GDP per capita	-0.326	-0.388*	
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$		(0.177)	(0.170)	
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	Log migrant stock in 2000/1	0.237***		0.237***
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$		(0.0347)		(0.0347)
	Log distance from origin to destination	0.622		0.629
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$		(0.646)		(0.647)
$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	Log destination country real GDP per capita	0.835**	0.974***	0.770**
		(0.248)	(0.262)	(0.240)
	Unemployment rate at destination	-0.0829***	-0.0824***	-0.0797***
$ \begin{array}{c cccc} & & & & & & & & & & & & & & \\ \text{Log average past asylum applications at destination} & & & & & & & & & & & & \\ 0.758^{***} & & & & & & & & & & \\ 0.758^{***} & & & & & & & & \\ 0.0869 & & & & & & & & \\ 0.0889 & & & & & & & \\ 0.0887 & & & & & & & \\ 0.0887 & & & & & & & \\ 0.0887 & & & & & & & \\ 0.0887 & & & & & & \\ 0.0887 & & & & & & \\ 0.0887 & & & & & & \\ 0.336 & & & & & & \\ 0.224 & & & & & \\ 0.330 & & & & & \\ \end{array} $	• 0	(0.0176)	(0.0175)	(0.0171)
Log average past asylum applications at destination $0.758***$ $0.751***$ $0.801***$ $(0.869)$ $(0.088)$ $(0.088)$ $(0.087)$ Observations       9432       9432       9432         Adjusted $R^2$ 0.336       0.224       0.330	Average past dyadic acceptance rate	0.389	0.274*	0.414
Log average past asylum applications at destination $0.758***$ $0.751***$ $0.801***$ $(0.869)$ $(0.0838)$ $(0.087)$ Observations $9432$ $9432$ $9432$ Adjusted $R^2$ $0.336$ $0.224$ $0.330$		(0.209)	(0.111)	(0.214)
	Log average past asylum applications at destination	0.758***	0.751***	
Adjusted $R^2$ 0.336 0.224 0.330		(0.0869)	(0.0838)	
	Observations	9432	9432	9432
	Adjusted $R^2$	0.336	0.224	0.330
rixed Effects O D X O O X I	Fixed Effects	0	DхО	ОхТ
Destination dummies Yes No Yes	Destination dummies	Yes	No	Yes
Quarter-Year dummies Yes Yes No	Quarter-Year dummies	Yes	Yes	No

# Asylum applications: Coefficients of interest

	(1)	(2)	(3)	
Dependent variable:	Applications (log)			
Cabinet left	0.316***	0.315***	0.309***	
	(0.0848)	(0.0850)	(0.0836)	
Cabinet right	0.0670	0.0679	0.0524	
	(0.0799)	(0.0802)	(0.0745)	
Cabinet left	-0.204***	-0.208***	-0.205***	
x Before election	(0.0423)	(0.0410)	(0.0416)	
Cabinet left	0.257***	0.255***	0.258***	
x After election	(0.0394)	(0.0391)	(0.0394)	
Cabinet center	0.124*	0.125*	0.118*	
x Before election	(0.0530)	(0.0533)	(0.0530)	
Cabinet center	0.0811	0.0870	0.0708	
x After election	(0.0537)	(0.0524)	(0.0553)	
Cabinet right	0.192***	0.196***	0.195***	
x Before election	(0.0404)	(0.0409)	(0.0417)	
Cabinet right	-0.189**	-0.189**	-0.183**	
x After election	(0.0581)	(0.0572)	(0.0565)	

## Asylum applications, yearly

R3: Exclude current refugee crisis - Model 1



## Asylum applications, quarterly

R3: Exclude current refugee crisis - Model 2

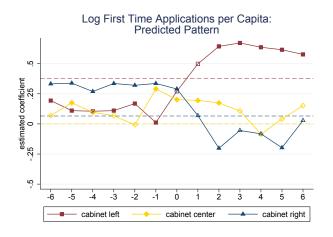
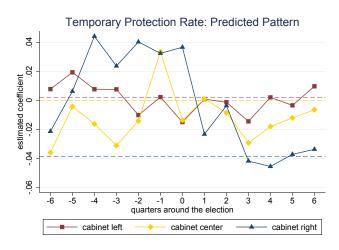


Figure 8: R3: log First Time Asylum Applications per Capita: Predicted Pattern

# Asylum decisions, quarterly

#### Exclude current refugee crisis



### Robustness

- Current refugee crisis excluded
- Cabinets' stance on immigration policy
- All countries and years available included
- Only 4/5 quarters around the election dependent, etc. variable
- Analysis by subgroups based on religion and language

Thank you for your attention!