

The journey to a safe country, conditions upon arrival, and the early integration of adult refugees

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1. Motivation

UNHCR predicts that the total number of forcibly displaced people worldwide reaches 100 million in 2022. The majority is internally displaced. Many, however, continue their journey to seek temporary protection or to create a better future in another country. Europe currently accommodates 7.8 million people displaced by the war in Ukraine.¹ Denmark hosts 31,000 of them (see Figure 1).² More might come as temperatures drop and many internally displaced live in accommodation not suitable for the winter.

Figure 1. Refugees and displaced people in Denmark 1990 to 2022



Source: <https://us.dk/tal-og-statistik/tal-vedr-saerloven/>

The displaced Ukrainians arrived in Denmark within an unprecedented short period, mainly in the second quarter of 2022. Their number exceeds any historical refugee admission, including the total number of Bosnians in 1995 and Syrians around 2015. An early poll suggests that 80 percent plan to return to Ukraine (UNHCR, 2022), but this is likely to change as the war drags on, generating an immense and urgent need to understand the challenges and integration potential for this group.

We want to contribute to this by showing how the early integration outcomes depend on labor market experience and exposure to violent conflict in the country of origin, the journey to a safe country, return

¹ UNHCR (2022) <https://data.unhcr.org/en/situations/ukraine> [accessed November 22, 2022].

² 35,244 had applied for a temporary residence permit under the special scheme for people displaced from Ukraine as of November 13, 2022. 30,807 cases had been approved as of November 12. Rejections are negligible. The difference is due to applications still in process and due to applications from people who have left Denmark before their case has been approved.

intensions, and conditions and experiences around the time of arrival. Moreover, we want to analyze how Ukrainians differ from earlier refugee inflows in terms of their initial characteristics and early linguistic and economic assimilation. The Ministry of Immigration and Integration sent out a survey to all displaced, adult Ukrainians registered in Denmark by September 18, 2022. The survey closes this week (week 47) and has an impressive response rate of 45 percent so far. With our application, we propose to combine responses to this survey with monthly information on employment, earnings, and progression in Danish language training. Such data on the time from the outbreak of the war to the arrival in a safe country and early integration outcomes are unique in the quantitative literature on refugee integration and allow us to address previously unanswerable questions about factors influencing early integration outcomes of refugees.

2. Literature and contribution

A large literature estimates the initial employment and earnings gap and subsequent convergence between refugees and natives and between refugees and other immigrants (Brell, Dustmann, and Preston, 2020; Fasani, Frattini, and Minale, 2021). A more recent literature has evaluated policy experiments to understand how to improve refugees' labor market performance (see Foged, Hasager and Peri, 2022, for an overview and a comparison of policies).

The initial gap and subsequent assimilation differ across admission cohorts and countries of origin.³ Little is known, however, about the deeper determinants of the differential integration success, because likely factors determining the integration potential are unobserved in usual data sources.⁴ The ambitious survey sent to the full population of adults displaced by the war in Ukraine provides such information. We propose to combine this survey with high-frequency data on employment, earnings, and participation in language classes through "Forskerordningern" at Statistics Denmark. We plan an analysis in two parts. First, we will explore how early labor market performance and progression in language training interact with the following information available from the survey:

- **Human capital at arrival:** Measured by labor market status and education from the country of origin. While education is sometimes registered in the host country later on, we generally do not know about individual labor force participation prior to arrival in the host country.
- **Return intensions:** Theoretical work has highlighted that return intensions affect incentives to invest in local human capital and integrate into the host country (Adda, Dustman, Görlach 2022).
- **Refugees' personal experiences:** Exposure to war in the area of residence prior to fleeing, separation from close relatives, the journey to a safe country - including the role of networks during the journey and at arrival in the host country, whether the placement after being granted residency align with wishes of the individual, and integration of children in Danish daycare and schools.

Second, we will compare people displaced from Ukraine to earlier refugee inflows and natives. We can do so unconditionally and conditional on demographics and education levels.⁵

The analysis will create valuable knowledge on the integration prospects of people displaced from Ukraine and shed light on some of the deep determinants of the early performance gap of refugees vis-à-vis natives and other immigrants. We expect people from Ukraine to be more diverse in terms of their journey to asylum and early experience as a refugee compared to other refugees. People from Ukraine do not have refugee status in Europe. Some of them would likely not qualify neither following the Geneva Convention

³ See Chiswick (1978) and Borjas (1985).for classical references on this, and Schultz Nielsen (2017) for recent evidence on Denmark.

⁴ Information prior to asylum is generally not available. One exception is processing times for asylum applications which have been analyzed by Hainmueller, Hangartner, and Lawrence (2016) and Hvidtfeldt et al. (2018). Ukrainians are technically not granted asylum. They are granted a temporary (2 year) residence permit under a special law designed to accommodate the large inflow from Ukraine in 2022.

⁵ Information on education of Ukrainians is available from the survey, while education of existing refugee stocks is available with a few years lag in from the registers. Data on immigrants' education from the registers are a combination of survey and imputation.

(i.e. individually persecuted) or subsidiary national rules (e.g. violent conflict in their hometown), because they left non-destroyed areas where there were no incidences of torture or violence against the residents. This gives us a wider spectrum of experiences. The variation in proximity to the conflict before fleeing, for example, allows us to draw conclusions about the role of exposure to conflict for early integration outcomes.

3. Policy relevance and output

The aim of the project is to create important knowledge for policy makers in Europe by combining information about displacement, journey, and conditions at arrival that has previously not been available to researchers and policy makers with key integration outcomes and compare the early performance of Ukrainians to previous refugee inflows and natives. This will shed light on the challenges and integration potential of the Ukrainians in Europe.

This knowledge is likely to be important within the next year. We think it would be interesting to share our knowledge with ministries in the process, for instance in SIRI's "Vidensnetværk for beskæftigelsesrettet integration". Moreover, we will commit to a relative tight time plan: publish a working paper with our results and submit it to a field journal within labor/migration/policy around December 2023 / January 2024.

We aim to write a brief popular version of the findings for CEPR's policy portal VoxEU and disseminate our gained insights to stakeholders.⁶ We also consider organizing a half day conference for policy makers and a few high-profile academics on integration of people displaced from Ukraine early in 2024.

4. Detail on data and methodology

More than 45 percent of the 17000 adults displaced from Ukraine, who had been granted temporary residence in Denmark between March 16 (the first day of the special law to accommodate people displaced from Ukraine) and September 18, responded to the survey created by the Ministry of Immigration and Integration.⁷ We compare them to people born in Denmark and to previous immigrants, which includes the large inflow of refugees from Syria. From the comparison with Syrian refugees, in particular, we will see how differences in characteristics at arrival in Denmark between the two groups influence subsequent employment, earnings and language training outcomes.

We will analyze how average outcomes, such as employment, earnings and language skills, of refugees depend on refugee characteristics and experiences from the survey. This allow us to shed light on deeper determinants of early integration outcomes than previously analyzed. Next, we will estimate average outcomes by months since admission relative to other immigrants and relative to natives. We will estimate the initial gaps and subsequent convergence to natives. Again, we can interact register data with information from the survey (such as exposure to conflict and separation from close family) to understand better what determines the refugee-native and refugee-immigrant performance gaps.

5. Project participants and plan

The project is carried out by Mette Foged (KU, IZA and CReAM), Edith Zink (KU) and Giovanni Peri (UC Davis, NBER, IZA, CESIf). Together we represent exceptional expertise and skills with respect to the relevant literature, data, and institutional setting.

⁶ No guarantee of a VoxEU column can be given at this stage as this is by invitation. However, the topic should be of interest to them and Mette and Giovanni currently have written or been invited to write a VoxEU column about each of their existing working papers on refugee integration. These columns increase the changes of media coverage.

⁷ The cumulated number of displaced people from Ukraine granted residence reached 30.000 in September and has grown very little since then (see Figure 1 in the Supplementary Information). Everyone above 18 years of age was included in the survey (17,000 individuals). Hence, the survey targeted the full population of adults displaced from Ukraine and with a residence permit in Denmark towards the end of September and the population has grown very little since then.

The project will run from February 1 to January 31, 2024. The primary cost is the salary for Edith who will be the main responsible for cleaning and preparing the data sets for analysis and for implementing the empirical analysis that we design in close collaboration. Mette Foged and Giovanni Peri will lead the writing process. We will order the data before Christmas if we get a positive response to our application. We have been in contract with the relevant ministries and DST about release dates for the very recent data we need. It should be possible to have it by February, possibly towards the end of the month. Edith will work part time on this data during the spring and we will draft the first part of the analysis (see section 2). During the summer, she will work full time and we will set up the basic empirical framework and estimate the differences across time since admission and across groups in early integration outcomes. In September-October 2023, we will update the outcome data such that we can follow all individuals twelve months after asylum/registration in Denmark.

Please, find the gantt chart and budget in the Supplementary Information (in Danish) submitted with this application.

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