Refuge and Refugee Migration: How Much of a Pull Factor are Recognition Rates?

Joseph-Simon Goerlach*1 and Nicolas Motz2

1Bocconi University – Italy
2Universidad Carlos III de Madrid – Spain

Abstract

In many cases, refugees initially migrate to safe low- or middle-income countries close-by before possibly moving on to a desired higher income destination. A key policy parameter determining this choice is the acceptance rate of asylum applications at the preferred final destination. We evaluate the causal effect of changes in this recognition rate on refugee flows, both in a regression framework and by calibrating a dynamic model of Syrian refugees’ location choices. Our estimates suggest an elasticity of about 0.25. Additional insights are provided by the dynamic model: Even though recognition rates are exogenous from a refugee’s point of view, they are a choice for each destination country which may affect refugee flows not only into its own territory, but also into other potential destinations. This leads to a strategic interdependence among countries that we explicitly include in our model. The calibration results indicate that a more generous policy in one European destination generally leads to a higher number of arrivals in other European countries, but the strength of this effect is heterogeneous across regions. Accordingly, changes in recognition rates in one region can lead to policy responses elsewhere. In particular, a small increase in the acceptance rate in Northern Europe can lead to a large decrease in the acceptance rate in South-Eastern Europe.

Keywords: empirics

*Speaker