Naturalisation: A Passport for the Better Integration of Immigrants?

OECD

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Foreword

Record-high numbers of immigrants have recently acquired the citizenship of EU and OECD member countries, and the demand for naturalisation is unlikely to abate in the future. Indeed, it may well increase if immigration flows continue to rise in response to ageing populations and workforces in OECD countries. This is one reason why the links between the acquisition of the host-country nationality and immigrants' integration into the economy and society have become of key importance.

The conditions under which access to citizenship is granted vary widely across EU and OECD countries, and many countries have recently enhanced the role of naturalisation in the integration process through the development and extension of tools such as naturalisation tests and citizenship ceremonies.

One key finding from recent OECD reviews on the labour market integration of immigrants and their children (*Jobs for Immigrants, Vol. 1 & 2*) is that naturalised immigrants often tend to have better labour market outcomes than their peers who do not opt for host-country nationality, even after controlling for observable factors such as education, country of origin, and length of stay. But little is known about the driving factors which underlie this finding.

Indeed, until recently there has been relatively little research on the socio-economic implications of naturalisation. This is now gradually changing, with new longitudinal data becoming available in some EU and OECD countries. There are many different dimensions associated with naturalisation. One particularly important area concerns the labour market aspects such as access to employment, especially to public sector employment or regulated professions, the impact on wages, and occupational mobility. Naturalisation also has potentially important implications for immigrants' social integration. In particular, it provides them with voting rights. Large-scale naturalisations can thus have an important impact on the political landscape. Naturalisation also has links with other domains of immigrants' integration such as language, access to housing, and the like.

To shed more light on these issues, the European Commission and the OECD jointly organised a seminar on *Naturalisation and the Socio-Economic Integration of Immigrants and their Children* under the Belgian Presidency of the European Union, on 14 and 15 October 2010 in Brussels. This seminar was the first time that the many different dimensions of this topic were discussed in depth at an international forum bringing together policy makers, experts, observers from international organisations, and representatives of immigrant associations.

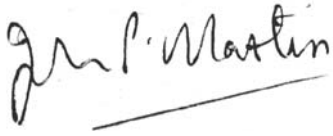
This publication reproduces the papers presented at this joint seminar. It takes stock of the current knowledge regarding the links between host-country nationality and the socio-economic integration of immigrants and their children, building on novel evidence on this issue. It also discusses the role of naturalisation as a tool in the overall framework for immigration and integration policy, with the aim of identifying good practices from

the different experiences of EU and OECD countries. In this latter task, it was particularly interesting to contrast the experiences of the European OECD countries with those of the non-European OECD countries which have been settled by migration.

While naturalisation can be a useful integration tool in some contexts, it is clearly one that has to be used with caution, not least because host-country citizens may disapprove of what they perceive as a "devaluation" of citizenship.

There also seems to be more to the issue of citizenship for the immigrants themselves. The evidence presented in this publication points strongly to a positive impact of citizenship on labour market integration outcomes. This is notably the case regarding access to the public sector and to better-paid and higher-skilled occupations. Although the exact channels through which this positive impact occurs are still not known, the apparent benefits associated with host-country nationality immediately raise the question: why do not all immigrants take up citizenship once they become eligible? This may be due to lack of information or institutional obstacles, notably those related to the origin countries – and here dual citizenship seems to help, although it is not a silver bullet. There also seems to be a case for raising awareness among immigrants who are eligible for citizenship of the potential positive impacts of citizenship acquisition on labour market outcomes. Finally, the public discourse has to be considered in this context, as it can have an impact both on immigrants' willingness to take up host-country nationality, and on their integration outcomes.

It is our hope that this publication will contribute to a balanced and informed debate on integration in general, and on naturalisation in particular, to the benefit of both host countries and immigrants themselves.



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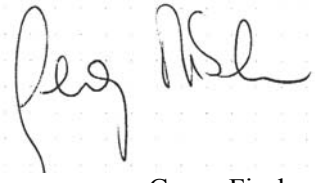

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ACRONYMS

ACS	American Community Survey (United States)
ANR	Agence Nationale de la Recherche (France)
CDA	Christian-Democratic Party (Netherlands)
CNRS	Centre National de la Recherche Scientifique (France)
CPS	Current Population Survey (United States)
CREST	Centre de Recherche en Economie et Statistique (France)
DFG	Deutsche Forschungsgemeinschaft (Germany)
DRL	Democratic Republic of Congo
ECHR	European Convention on Human Rights
EDP	Echantillon Démographique Permanent (France)
EFTA	European Free Trade Association
ESOP	Equality, Social Organisation, and Performance (Norway)
GDP	Gross Domestic Product
HWWI	Hamburg Institute of International Economics (Germany)
IAB	Institute for Employment Research (Germany)
INS	Immigration and Naturalisation Services (United States)
IRFAM	Institut de Recherche, Formation et Action sur les Migrations (Belgium)
LdA	Centro Studi Luca d'Agliano (Italy)
LINDA	Longitudinal Individual Data (Sweden)
MAM	Migration, Asylum, Multiculturalism Centre (France)
MP	Member of Parliament
NLSY	National Longitudinal Survey of Youth (United States)
NOK	Norwegian Krones
PISA	Programme for International Student Assessment
PVV	Party for Freedom (Netherlands)
SEK	Swedish Krones
SLFS	Swiss Labour Force Survey (Switzerland)
SPF	Service Public Fédéral (Belgium)
TTTA	Trans-Tasman Travel Arrangement
VVD	People's Party for Freedom and Democracy (Netherlands)
YSM	Years since immigration

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Main findings of the joint EC/OECD seminar on Naturalisation and the Socio-economic Integration of Immigrants and their Children

Thomas Liebig, OECD

Main findings of the joint EC/OECD seminar
on Naturalisation and the Socio-Economic Integration of Immigrants

Introduction

Access to the host-country nationality is an important instrument of integration policy. The conditions under which this is granted vary widely across EU and OECD countries, and many countries have recently enhanced the role of naturalisation in the integration process through the development and extension of tools such as naturalisation tests and citizenship ceremonies.

In spite of the growing importance of naturalisation, there is still a lack of research on its implications for the socio-economic integration of immigrants and their families. With the availability of longitudinal data, this research gap is being filled gradually. Naturalisation has potentially important consequences for immigrants' integration in many domains such as the labour market, housing, language, civic participation in elections, etc.

The joint one-and-a-half day seminar of the European Commission and the OECD, held on 14 and 15 October 2010 in Brussels under the Belgian Presidency of the European Union, shed some new light on these issues, by contrasting the breadth of different experiences and policy approaches in EU and OECD countries.

Trends in migrants' access to citizenship

In 2008, the most recent year for which data are available, citizenship take-up in the OECD area exceeded 2 million for the first time. With the large inflows of immigrants prior to the recent economic recession in 2008-2009 and the expected ageing-related labour shortages which are likely to enhance the demand for labour migrants, naturalisation requests are likely to increase in the future. The question of the links between the acquisition of the host-country nationality and immigrants' integration into the economy and society is thus of key importance for EU and OECD countries.

The criteria for access to citizenship vary considerably across OECD countries. For example, minimum residence requirements for ordinary naturalisation range from three years in Australia, Belgium and Canada to ten years in Austria, Italy, Slovenia and Spain and twelve years in Switzerland. There are some indications of a convergence of policies, with many countries moving to a range of between five and eight years of residence. In European OECD countries with large and longstanding immigrant populations, there has recently been a trend towards more restrictive policies, which is partly attributable to the

perception that the integration outcomes of immigrants who had obtained the host-country nationality have not always been satisfactory. The countries of Southern Europe, for whom immigration is a more recent phenomenon and where access to naturalisation has been rather restrictive in the past, have tended to move towards liberalisation. In Central and Eastern European countries, policy concerns which are not directly linked with the integration of immigrants – such as the status of nationals living abroad and as well as that of long-standing ethnic minorities in the country – have been among the driving factors of naturalisation policies.

In most OECD countries, in addition to duration-of-residence requirements, a minimum level of proficiency in the host-country language is required. Citizenship tests, which assess immigrants' knowledge about the history and institutions of their country of residence, now exist in many countries, including Australia, Denmark, France, Germany, the Netherlands, the United Kingdom, and the United States. The introduction of these tests has generally been associated with lower numbers of applicants for citizenship. The impact of these tests on immigrants' integration remains unclear – that is, whether they help to improve outcomes or not, and even if they do improve outcomes, whether this is due to the fact that they simply introduce more selectivity or whether they incite immigrants to invest more into acquiring host-country-specific human capital. The impact which they may have on the self-identification of immigrants with the host country is also uncertain.

As obtaining citizenship is a significant event, there is a view that this should be celebrated in a meaningful way, namely through so-called "citizenship ceremonies" which stress the symbolic and emotional importance of the act of obtaining citizenship. These have been implemented in a growing number of countries in recent years, namely in Germany, France, Sweden, and the Netherlands. In other countries such as Australia they are longstanding.

An important consideration for many immigrants is whether or not they can maintain their original citizenship when they naturalise. Recently, there has been a tendency to accept *dual nationality*, especially when giving up the origin-country nationality has negative consequences for immigrants, in particular those who have maintained links (including physical investment) with their countries of origin. Indeed, legislation in origin countries concerning dual nationality seems to be often just as important a determinant of migrants' take-up of host-country nationality as the conditions for access to citizenship in the destination countries.

Naturalisation trends tend to follow migration flows with a time-lag. Meaningful comparisons of immigrants' citizenship take-up across countries thus have to account for such lags, and thus should focus on immigrants who are eligible for naturalisation – that is, long-term residents. The percentage of immigrants with long-term residence who take up the nationality of the host country varies widely across OECD countries: Canada, Sweden, the Netherlands, and Norway have relatively high rates, whereas in Luxembourg, Switzerland, and Germany few immigrants naturalise. On average across the OECD, about half of immigrants with more than ten years of residence have acquired the nationality of the host-country. Immigrants from low-income countries, in particular refugees, as well as women and immigrants with high educational attainment are more likely to be naturalised. Immigrants within free-movement zones, such as foreign-born from one EU country who live in another EU country, have the lowest propensity to naturalise. This is hardly surprising since the advantages which host-country citizenship conveys for this latter group tend to be limited.

The impact of naturalisation on the labour market outcomes of immigrants

In any analysis, it is important to keep in mind that naturalised and non-naturalised immigrants differ in many ways, because naturalisation is a selective process. Immigrants have to apply for naturalisation, and they have to meet a number of criteria before they become naturalised. Therefore, naturalised immigrants tend to have better outcomes than immigrants who have remained foreigners. To study the *impact* of naturalisation, one can thus not merely compare immigrants who have naturalised with those who have not. Instead, longitudinal data are needed which compare the outcomes of immigrants over time. The longitudinal research presented at the seminar suggests that naturalisation tends to improve labour market outcomes, in particular for the most disadvantaged immigrants, although the extent to which this is actually the case varies a lot across countries and migrant groups. One common observation is that generally the immigrants who tend to gain most from naturalisation in terms of better outcomes are also those most likely to naturalise.

The improvements in outcomes mainly relate to a higher probability to be employed in highly-skilled occupations and in the public sector. Among the five countries for which longitudinal data on the impact of naturalisation on immigrants' labour market outcomes were presented at the seminar (France, Germany, Norway, Sweden and the United States), positive effects could be discerned for a main immigrant group in all countries except Norway. Likewise, although the longitudinal studies for Sweden show a positive impact of naturalisation on immigrants from low-income countries, no impact was observed for immigrants from other EU countries. Thus, the positive impact of naturalisation on immigrants' outcomes is somewhat selective in that not all migrants who opt to naturalise gain from it.

The positive effect of naturalisation on the labour market outcomes of some migrants seems to be due to a mix of factors. First, employers face lower administrative costs if they wish to employ a naturalised person rather than a foreigner, for example, because there is no need to verify work rights.

Second, naturalisation seems to function as a signalling device for the employer for better "integration", which in turn may be associated with higher productivity (for example, because of better language mastery or higher motivation). For example, testing studies have shown that immigrants who have naturalised get more frequently invited to a job interview than otherwise equivalent immigrant candidates who have not. The degree to which naturalisation can exert a signalling function depends in part on whether or not it is common to mention one's nationality in the application process (if it is not required for the job itself, which is rarely the case). Practices seem to differ across countries – it is common to state nationality in applications in, for example, Germany and Austria, whereas this is rarely done in Norway or Sweden. This could be the reason for the apparent lack of a "naturalisation premium" in Norway.

The degree to which signalling can take place will influence immigrants' bargaining power – both vis-à-vis the current employer and potential future, alternative employers. One option that becomes available with naturalisation involves jobs that require citizenship status, notably in the public sector, although the number of jobs that formally require citizenship seems to be limited in many countries.

In addition, immigrants tend to increase their investment in host-country human capital (notably language) when they decide to naturalise or thereafter, for example because they feel more strongly attached to the host country or because they expect

higher returns to this investment after naturalisation. Employers may also be more willing to invest in employees who have the host-country nationality, since the latter reduces uncertainty about the migrants' intention to stay in the country for good. Having the host-country nationality can also facilitate access to higher educational institutions and to scholarships.

Finally, there are also indirect effects of naturalisation, such as better access to housing and to credit. These can enhance immigrant mobility and hence expand the range of opportunities on the labour market (especially regarding higher-skilled and better-paid jobs).

In summary, there are different mechanisms at play regarding the impact of naturalisation on the labour market outcomes of immigrants: naturalisation removes institutional barriers, it fosters changes in employer behaviour with regard to immigrants, and naturalisation tends to be associated with a higher investment in host-country human capital.

The links between naturalisation and social integration

One needs to look at the issue of naturalisation from a broad perspective, taking into account not only immigrants' access to the labour market, but also the implications for health, housing, and social integration. In all of these areas, knowledge is limited, in part because of the lack of longitudinal data. To date, only the impact of naturalisation on immigrants' voting behaviour has been the object of in-depth empirical analysis, with data from Sweden showing that naturalisation has a direct and generally strong impact on the latter.

Naturalisation provides immigrants with more rights in the host country. By enabling full (formal) participation in political and civic life, it may contribute to strengthening identification with the host society. To which degree this is actually the case is admittedly not known.

In the domain of social cohesion, the exchanges at the seminar between the OECD countries that have been settled by immigration (Australia, Canada, New Zealand and the United States) and the European OECD countries were particularly fruitful. In the former, immigration and integration policy tends to reflect the perception of newly arrived immigrants as future citizens. Immigrants obtain permanent residence upon entry and are both expected and encouraged to naturalise after their initial settlement period. This expectation differs from the perspective of most European OECD countries where some proof of "integration" tends to be a precondition, not only for naturalisation but increasingly also for obtaining permanent residence. Naturalisation may then be perceived as the last of a series of exams or evaluations of immigrants' "integration", starting at times with pre-admission selection, and including acquisition and possibly also renewals of permanent residence. The increasing obligation for immigrants to prove their integration prior to obtaining permanent residence implies that the line between permanent residence and naturalisation becomes blurred, with immigrants who are eligible for the former also automatically fulfilling the requirements for the latter.

Policy implications

Naturalisation policy reflects the host-country's perceptions about the nature of immigration and of the integration process. As such, the role that naturalisation is seen to play in integrating immigrants varies widely – not only between countries, but also over

time. For example, the recent liberalisation of access to citizenship in Portugal and Greece mirrors the self-perception of these countries as (new) countries of immigration, where more liberal access to citizenship is seen as an element in the overall welcoming of immigrants. Likewise, until recently, successive liberalisations of access to citizenship in Belgium were introduced with a view to promoting better economic and social integration of immigrants. They have resulted in one of the most liberal naturalisation policies in the OECD area.

More generally, however, restrictions in access to citizenship tend to be on the rise, in parallel with a trend towards making immigrants' participation in integration activities compulsory. Both seem to be a response to the feeling that immigrants' integration outcomes have not always been satisfactory. A particularly interesting example is the evolution of Dutch naturalisation policy which in many ways mirrors the changing stance of Dutch integration policy over the past two decades. In the 1990s, access to citizenship was seen as a way to promote integration. Since 2003, a more restrictive stance towards naturalisation, and indeed in integration policy in general, has been taken in the Netherlands. Australia, where naturalisation has historically been seen as a logical step in a permanent migration pathway, has also tightened access to citizenship, although it still remains very liberal relative to other OECD countries. The recently introduced qualifying conditions intend to reflect an evolution in the perception of what it takes for a new immigrant to succeed and fully participate in Australian life.

A particularly challenging issue in this context is to avoid that tightened access criteria for naturalisation become implicitly discriminatory against lesser-skilled migrants. Here, alternative ways of demonstrating knowledge of the host-country language (*e.g.* oral instead of written) and other measures of "integration" are one possible solution that has been discussed in some countries. More promising, however, would be to provide specific literacy and other training to enable otherwise eligible candidates to pass the required exams.

Indeed, in the criteria for granting naturalisation and the efforts which countries make to help immigrants meet these requirements, naturalisation policy overlaps with integration policy. Where the expectation is that immigrants in their own interest will want to obtain host-country human capital (in particular the national language and knowledge of the host-country society and its institutions), support is generally offered, through support or subsidies for language and citizenship courses. Such support is generally not directly aimed at the naturalisation test, but rather at improving integration outcomes more generally. The expectation is that immigrants will want to naturalise once they have acquired a sufficient amount of host-country human capital. In contrast, when policy perceives immigrants as reluctant to invest in host-country human capital, immigrants will be required to provide proof of this investment prior to naturalisation. The prospect of the latter will then aim at encouraging acquisition of these skills and competences. In this case, preparatory courses are not necessarily subsidised, and in some cases access to permanent residence status or certain welfare payments may even be contingent on participation in such courses.

One group of migrants for whom host countries are increasingly competing are the highly-skilled, and facilitated access to nationality could help in attracting and retaining these. Nevertheless, this should be seen more as a side-effect of a liberal access to citizenship rather than an active policy to be pursued, for a number of reasons. First, many other issues play a role both for the formulation of naturalisation policy and for the attractiveness of the host country. Second, few immigrants are selected on the basis of

their skills, and seminar participants agreed that naturalisation requirements should be the same for all migrants, and not discriminate along skills levels.

One particularly important question is whether naturalisation should be seen as a boost to integration or rather a certification of the successful completion of immigrants' integration process. On the one hand, in all countries immigrants have to fulfil a number of criteria linked with integration before they can naturalise. On the other hand, it is evident that the integration process does not end with the naturalisation act. Although naturalisation practices in all countries reflect elements of both perspectives, OECD countries which have been settled by immigration tend to see naturalisation rather as a boost to integration, whereas many European OECD countries view it essentially as a certification of the successful completion of the integration process.

Conclusion

The findings regarding the positive association between naturalisation and integration outcomes for the most disadvantaged groups in the labour market need to be considered when governments consider whether to facilitate (or restrict) access to citizenship, for the children of immigrants as well as immigrants themselves. These findings have also potentially important implications for integration policy more generally. However, more needs to be known about the exact nature of the channels through which the improvements in labour market outcomes occur.

There is clearly more to the issue of citizenship than immigrants' labour market outcomes. Naturalisation has potentially important implications for immigrants' social integration. It notably provides them with voting rights, and easier access to naturalisation can thus eventually have an important impact on the political landscape. On the other hand, little is known about the impact of naturalisation on immigrants' social integration, in particular via a better access to housing.

While naturalisation can be a useful integration tool in some contexts, it is one that has to be used with caution, not least because host-country citizens may disapprove of what they perceive as a "devaluation" of citizenship.

Given the observed positive impact of citizenship on labour market integration outcomes, one could ask why not all immigrants take up citizenship as soon as they become eligible. One reason may be the lack of information about the benefits which citizenship conveys. The findings summarised here regarding the favourable impact of naturalisation thus need to be made more widely known, both to immigrants themselves and to policy makers. Institutional obstacles, notably those related to origin countries, are another explanation – and here dual citizenship seems to help, although it is not a magical solution.

Finally, the general public discourse on migration also has to be considered in the context of naturalisation, as it can have an impact both on immigrants' citizenship take-up, on employer perceptions and attitudes and on immigrant outcomes. The public discourse around migration and citizenship thus needs to be a balanced one.

PART I.

NATURALISATION AND THE LABOUR MARKET OUTCOMES OF IMMIGRANTS: AN OVERVIEW

Chapter 1.
Citizenship and the Socio-economic Integration of Immigrants and their Children*

An Overview across European Union and OECD Countries

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Access to the nationality of their host country is an important part of immigrants' integration process. This chapter looks at the available evidence on immigrants' take-up of host country citizenship and the extent to which this affects their socio-economic outcomes.

* A previous version of this chapter has been published as Part IV of the *International Migration Outlook 2010*. This chapter updates and extends this material with information on self-employment, training and the children of immigrants and now also includes data on Australia and Canada, as well as additional calculations for the United States.

Introduction

Access to the host-country nationality is an important element of integration policy. It provides immigrants with the full range of rights and duties that host-country nationals enjoy. By legally entitling immigrants to full participation and membership in the host-country society, the acquisition of nationality is generally seen as a manifestation of "belonging" to the host country.

In recent years, there has been a renewed interest in the impact of this process on the broader issue of immigrants' socio-economic integration, for a number of reasons. First, in many OECD countries immigrant populations have grown significantly over the past decade, with a number of countries having emerged as new destinations for immigration. The fact that a large proportion of recent immigrants have settled for good in destination countries almost inevitably raises the question of their access to the citizenship of the host country.[2]

The issue is also of importance in the context of the role that labour migration is expected to play in helping to fill, in conjunction with other policies, the shortfall in labour supply in many countries as a result of the retiring of baby-boomers and of the fact that fewer young people are entering the labour markets. Access to citizenship can be expected to play a role in the capacity of host countries to attract and retain immigrants.

Gaining access to the host-country nationality is also seen by many as promoting immigrants' identification with the host country. In line with this view, many OECD countries have recently strengthened the role of access to citizenship in the overall integration policy mix, for example by providing host-country nationality in the framework of formal citizenship ceremonies.

The OECD settlement countries have traditionally favoured a relatively quick access to citizenship for new arrivals, by providing permanent residence status for all new, non-temporary migrants upon arrival and by combining this with short required residence periods until naturalisation is possible. This approach to citizenship is generally considered part of the national heritage. Australia, for example, has since 1949 held large-scale citizenship ceremonies on Australia's National Day (26 January), and actively encourages migrants to take-up Australian citizenship (see OECD, 2007).

Likewise, some European OECD countries, such as Belgium, have liberalised their citizenship policy in recent years with the objective of promoting immigrants' integration into the labour market and society as a whole.[3] Indeed, a key observation from the OECD reviews on the labour market integration of immigrants (OECD, 2007, 2008b) has been that immigrants with the host-country nationality often tend to have better labour market outcomes than foreign-born foreigners.[4] However, little is known about the driving factors behind the observed link between host-country nationality and immigrants' integration.

Perhaps the most controversial question in the political discussion about host-country citizenship is whether it is or should be an instrument for enhancing integration or rather the certification of a successful integration into the country. A look at the citizenship laws across countries demonstrates that policy lies somewhere between these conceptions. On the one hand, immigrants have to fulfil a number of integration-related requirements before they are allowed to take-up host-country nationality. On the other hand, as will be seen below, citizenship take-up can accelerate the integration process *ex post*.

This chapter takes stock of the available evidence on immigrant take-up of the host-country nationality and its links with labour market outcomes. It seeks to shed light on the following key questions: First, how do naturalised immigrants fare in the labour market compared with their counterparts who have not taken up the nationality of their host countries? Second, for those migrants for whom better outcomes are observed, is it because they were already better integrated prior to naturalisation or do the improvements materialise after naturalisation? Third, if outcomes improve after naturalisation, why is this the case?

The definition of "naturalisation"

The acquisition of nationality may occur automatically (mainly at birth) or upon application. Naturalisation is generally understood as the non-automatic acquisition of citizenship by an individual who was not a citizen of that country when he or she was born. It requires an application by the immigrant and an act of granting by the host country.[5] In a more narrow sense, naturalisation does not refer to cases in which an individual receives another citizenship by declaration or automatic acquisition (*e.g.* through marriage, birth, or upon becoming an adult).[6] Whereas citizenship acquisition at birth or upon adulthood generally refers only to native-born children of immigrants, citizenship acquisition through marriage is an important and common channel by which foreign-born persons obtain the nationality of the host country. For example, in 2008 in Germany, 21% of all citizenship acquisitions were attributable to marriage or an extension of nationality to relatives of the principal applicant.[7] A similar result is found for Switzerland, where almost 18% of all citizenship acquisitions took place via so-called simplified naturalisation procedures, which apply in the case of marriage and for children of Swiss citizens (Steinhardt *et al.,* 2009). Likewise, in the United Kingdom, 22% of all citizenships were granted on the basis of marriage (Home Office, 2009).

Ideally, one would like to distinguish between "naturalisation" as defined above and other forms of citizenship take-up which are automatic. This would allow one to better capture the different ways by which having the host-country nationality affects immigrants' integration. In practice, it is generally not possible to identify the way by which immigrants have obtained the nationality of the host country. In administrative data sets the identification of immigrants who have acquired the host-country nationality is often impossible, because such data sources normally do not include any information on the acquisition of citizenship. Labour Force Survey data, on the other hand, contain information on the respondents' citizenship and country of birth, but generally not how or when nationality was acquired. Indeed, even in longitudinal studies which follow immigrants over time, it is generally only possible to identify immigrants' citizenship take-up, but not to distinguish between the different ways of obtaining citizenship. Because of these obstacles, empirical studies are generally based on a broader definition of naturalisation – including all foreigners who have obtained the citizenship of the host country.[8]

Where one has to rely on labour force survey data, such as in the internationally comparative empirical analysis below, "naturalised" immigrants are defined as foreign-born persons who have the citizenship of the host country. This group includes foreign-born persons who already had the host-country nationality prior to entry into the host country, *e.g.* the foreign-born children of expatriates. In most countries included in the empirical analysis below, this latter group tends to be small, with the exception of France which had large-scale return migration of former emigrants and their children following

the independence of its former colonies. The French Labour Force Survey has a question on the nationality at birth. For France, foreign-born persons who had French nationality at birth have therefore been excluded from the analysis.

1.1. Citizenship take-up among immigrants

This section provides an overview of immigrants' citizenship take-up across the OECD and compares the socio-demographic characteristics of naturalised and non-naturalised immigrants.

In 2008, the total number of acquisitions of the host-country nationality in the OECD area exceeded for the first time 2 million (see Annex Table 1.A2.1). With 1.05 million (the highest since the beginning of the national statistical series in 1907), naturalisations in the United States accounted for about half of this figure.[9] Canada (176 000) was the second main country in terms of citizenship acquisition, followed by France (137 000), the United Kingdom (129 000) and Australia (121 000).[10]

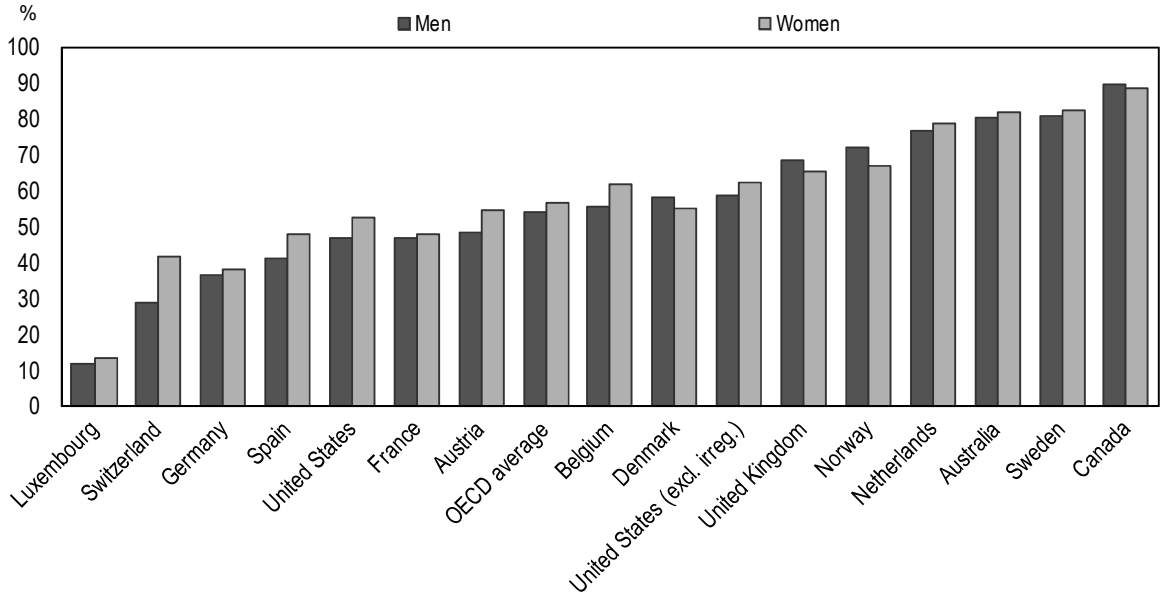
It is important to keep in mind that immigrants generally need to have been resident in the host country for a number of years before they can naturalise. Indeed, in light of the growing number of immigrants who have entered OECD countries prior to the economic crisis, the number of naturalisations can be expected to increase further in coming years.

In most OECD countries, citizenship take-up is possible after about five to eight years. Since the objective is to compare naturalised immigrants with non-naturalised immigrants who are also eligible for acquiring citizenship, the analysis below is limited to immigrants of working-age (15-64 years old) who have at least ten years of residence in the host country.[11] There are no data available for Australia and New Zealand, two countries which have been settled by immigration and where the vast majority of immigrants take-up host-country nationality in the first five to ten years after arrival. In addition, only OECD countries in which the share of immigrants was 5% or above at the time of the 2000 census are included. Portugal and Greece have been excluded from this group because the available data does not allow one to identify the foreign-born children of expatriates. This group is sizeable in both countries and tends to resemble, in their labour market outcomes, more closely the native-born populations than other immigrants (see OECD, 2008b). Since the focus of interest is on the link between naturalisation and labour force characteristics, the analysis below is furthermore limited to immigrants aged 15 to 64 who are not attending an educational institution.

As Figure 1.1 shows, among the OECD countries for which data are available, there is wide variation in the percentage of immigrants who have naturalised. The largest share of naturalised immigrants can be found in Canada, where almost 90% of immigrants of both genders have naturalised, followed by Sweden.[12] At the other end of the spectrum is Luxembourg, where only about 12% of immigrant men and 13% of immigrant women have obtained the nationality of the host country.

On average across the OECD, just over half of all immigrant men are naturalised. Among women, the percentage is higher in all countries with the exception of Denmark, Norway and the United Kingdom. The fact that women are generally more often naturalised could be partly linked with the fact that they are overrepresented among those who migrated because of marriage to a citizen. As mentioned above, a facilitated naturalisation procedure generally applies for this group.

Figure 1.1. Share of foreign-born who have been resident for at least ten years and who have the host-country nationality, selected OECD countries, by gender, around 2007



Note: The OECD average is the unweighted average of all countries included in the figure.

Unites States (excl. irreg.): Excludes immigrants from Mexico, El Salvador, Guatemala and Honduras because of the high level of irregular migration from these countries (see below).

Source: See "Methodology" in Annex 1.A1.

There are fewer labour market restrictions for immigrants from high-income countries (notably within areas of free movement such as the European Union). Insofar as it reduces barriers in the labour market, naturalisation tends to be more beneficial for immigrants from lower-income countries (see Bevelander and DeVoretz, 2008). In addition, immigrants from high-income countries are more prone to return migration (OECD, 2008a), which may prevent them from taking the host-country nationality if they have to give up their original nationality. Indeed, the loss of the original nationality tends to be associated with higher costs (in terms of forgone opportunities) for migrants from high-income countries than for immigrants from lower-income countries. One would thus expect immigrants from lower-income countries to be more likely to take-up host-country citizenship.

Table 1.1 shows that the observed naturalisation rates – that is, the share of immigrants who have naturalised – generally follow the expected pattern. Immigrants from high-income countries are less often naturalised than the average immigrant. While on average for the OECD as a whole 59% of immigrants are naturalised, the share of naturalised immigrants from high-income countries is only 49%. Only four OECD countries, Austria, Canada, the Netherlands and Sweden, have naturalisation rates among immigrants from high-income countries exceeding 50%.

Immigrants from Africa and Asia tend to have the highest naturalisation rates. On average, the naturalisation rates for these groups are about 14 percentage points higher than for immigrants as a whole. This seems to be due to the fact that migrants from these countries are often refugees and their families, for whom return migration is not an option.

While this is less the case for migrants from Northern Africa, these are nevertheless one of the most disfavoured groups in the labour market. Spain is an exception to the observed pattern. The only group in Spain which has significantly higher naturalisation rates is migrants from Central and South America. Because of their historical, cultural and linguistic ties with Spain, this group has often benefited from facilitated access to Spanish citizenship. The low naturalisation rates of immigrants from Africa in Spain seem to be attributable to the fact that immigrants from these countries were often labour migrants who initially arrived through irregular channels, and often may not have acquired a sufficient number years of legal residence to get naturalised. Another notable exception to the general pattern is the low naturalisation rates of immigrants from Latin America in the United States. This is attributable to the fact that many immigrants from these countries are irregular in the United States and thus not eligible for US citizenship. Overall, according to the most recent estimates of the Department of Homeland Security (Hoefer *et al.*, 2010), there were about 11 million unauthorised immigrants in the United States in 2009, and 63% of these had at least nine years of residence. Of all unauthorised migrants in the United States, 62% were from Mexico and a further 12% from the Central American countries of El Salvador, Guatemala and Honduras. Unauthorised immigrants accounted for more than half of the immigrant population from all four of these countries. Indeed, excluding these four countries from the analysis for the United States changes the picture quite significantly, as will be seen below. In the following analysis, the tables and figures are therefore shown separately for the United States, both with and without foreign-born from these four countries.

Table 1.1. Naturalisation rates by region of origin, around 2007

Percentage

	Total	High-income countries	Non-EU/EFTA European countries	Central and South America and Caribbean	East and South-East Asia	North Africa and near Middle East	Other African countries
Austria	52	56	**45**	*(58)*	72	**86**	**73**
Australia	81	73	97	*89*	91	98	94
Belgium	59	37	*78*	**74**	**79**	**77**	**83**
Canada	89	83	96	*90*	93	95	95
Switzerland	35	35	*27*	**63**	**44**	**64**	**46**
Germany	37	35	29	*40*	37	48	..
Denmark	57	49	*41*	**..**	**64**	**65**	**..**
Spain	44	46	25	*60*	32	26	29
France	47	36	*40*	**59**	**87**	**50**	**55**
Luxembourg	12	11	..	..	(35)	..	(33)
Netherlands	78	55	*74*	**96**	**90**	**75**	**82**
Norway	70	47	84	*77*	90	99	96
Sweden	82	65	*94*	**87**	**91**	**97**	**96**
United Kingdon	67	44	59	*73*	79	75	81
United States	50	47	*78*	**40**	**65**	**80**	**60**
OECD average	61	51	*63*	**71**	**73**	**75**	**74**

Note: Share of naturalised immigrants in percentage. "..": value does not exceed the reliability limit for publication. Values in parentheses are of limited reliability. OECD average: unweighted average of the countries in the table, except Denmark and Luxembourg because of insignificant values in some categories. Figures in bold indicate that the naturalisation rate of this group is higher than the naturalisation rate of all other migrants, figures in italics indicate that the naturalisation rate of this group is lower than the naturalisation rate of all other migrants. In all other cases, the differences with other migrant groups are not significant at the 5% level. Central and South America includes Mexico.

Source: See "Methodology" in Annex 1.A1.

There is some evidence that citizenship take-up among longer-term residents has increased recently, notably for immigrants from lower-income countries.[13] Table 1.2 compares the percentages of long-term resident immigrants (more than ten years of residence) who have the host-country nationality, for the limited number of countries for which this information is available, currently and about ten years ago. In Belgium and Sweden, there have been large increases for immigrants from non-EU countries, following the introduction of measures to liberalise access to citizenship and/or facilitate dual nationality (see Box 1.1). In most other countries, with the exception of Denmark (which recorded a drop in naturalisation), the naturalisation rates were broadly unchanged over time).

Table 1.2. Percentage of foreign-born who have the nationality of the host country, 1999/2000 and 2007/08, by region of origin, selected European OECD countries

	All immigrants 1999/2000	All immigrants 2007/08	Immigrants from EU countries 1999/2000	Immigrants from EU countries 2007/08	Immigrants from non-EU countries 1999/2000	Immigrants from non-EU countries 2007/08
Austria	52	52	66	56	48	49
Belgium	40	59	33	37	48	78
Denmark	64	57	65	46	64	61
Luxembourg	13	12	11	11	29	25
Netherlands	75	78	51	53	81	84
Norway	68	70	47	46	80	85
Sweden	71	82	61	65	79	93
United Kingdom	65	67	40	42	74	76
OECD average	56	59	47	45	63	69

Note: For 1999/2000 "EU" refers to the EU15, whereas for 2007/08 it refers to the EU27 and the EFTA. Data limitations did not allow the definition of a common geographic group for the two periods. Results refer to immigrants aged 15-64, not in education and with ten or more years of residence. See also Annex 1.A1 "Methodology".

Source: European Community Labour Force Survey.

Box 1.1. Dual citizenship

A special aspect of naturalisation is dual citizenship. When migrants naturalise, they are either obliged to renounce or allowed to retain their former citizenship, which leads to either a single or dual citizenship in the host country. Dual citizenship may also arise due to *jus sanguinis*, when a child is born to parents of different citizenships, or by the combination of *jus sanguinis* and *jus soli*, where the person receives both the parents' citizenship and that of the country of birth. Less frequent is the application of *jus matrimonii*, under which persons automatically receive the citizenship of their spouse upon marriage and the reacquisition of citizenship by ethnic minorities migrating to the country of their ancestors, a special case of *jus sanguinis* that has nevertheless been an important channel in some countries such as Germany just prior and after the fall of the Iron Curtain.

Dual citizenship generally implies reciprocal recognition. Both the destination and the origin country must allow dual citizenship. Where dual citizenship is not permitted, anyone applying for citizenship in another country automatically loses the original citizenship (*e.g.* in Japan), at least in principle, or the renunciation of the former citizenship is a requirement to obtain the passport of the host country (*e.g.* in Germany; renunciation can also be requested in Italy). If, however, the person has involuntarily acquired dual citizenship, such as in the case of *jus solis,* or as a child of parents with two different citizenships, dual citizenship is generally allowed until the age of majority. Within the European Union, citizens of one EU member country are generally allowed to hold the citizenship of another EU member country; this rule, however, does not necessarily apply to citizens of third countries.

Box 1.1. Dual citizenship *(cont'd)*

In recent years, an increasing number of countries have eased their regulations on dual citizenship, albeit there remains substantial cross-country variation. Differences can be seen with respect to both the acquisition of a second citizenship by a national of the host country and the acquisition of host-country citizenship by immigrants.

Many OECD countries allow both immigrants and emigrants who naturalise abroad to keep the citizenship of the origin country, especially countries with a long history of immigration, such as the United States, Canada, the United Kingdom and France. Other countries have also recently liberalised their citizenship laws to allow multiple citizenship. Examples are Sweden (2001), Australia (2002), Finland (2003) and Belgium (2008). Other countries maintain restrictions on dual citizenship but increasingly admit some flexibility, such as Austria and Germany. Exceptions in the regulation of non-tolerating countries have been growing *e.g.* in cases when release from the former citizenship is refused or is coupled with prohibitive conditions, or when the applicant can argue that he or she would incur a loss of property, etc. The Netherlands made access to dual nationality more restrictive in 1997, but in practice the majority of immigrants still keep their original nationality (van Oers *et al.*, 2006). More generally, the *de facto* tolerance of dual citizenship may often differ from the *de iure* situation. People may keep both passports even when required to renounce one, particularly where there is no bilateral administrative verification, which is generally the case.

The debate over whether or not to permit dual citizenship when naturalising is extensive and multidisciplinary. Legal concerns are primarily related to potential administrative conflicts caused by dual citizenship, especially concerning military conscription and, in some cases, tax liability. Multi- and bilateral agreements may address these concerns. Socio-political and cultural discussions relate to issues such as multiple voting rights or the impact on "loyalty" and migrant networks, whereas the main economic concern is whether integration is fostered or hampered by the acquisition of a second citizenship. In spite of this ongoing debate, as seen above, the overall trend is in practice towards tolerating multiple citizenships (see *e.g.* Brøndsted Sejersen, 2008; Blatter *et al.*, 2009).

What might be the economic impact of allowing dual citizenship? Since the possibility of holding dual nationality tends to lower the costs of naturalisation (for example, because the emotional costs of losing the original citizenship vanish), one would expect higher naturalisation rates. To the degree that naturalisation favours integration, one would a priori expect that the right to hold dual citizenship has a positive impact on immigrants' integration outcomes. However, for those migrants who would have naturalised anyway (*i.e.* without the option of dual nationality), it is also possible that dual citizenship rights could increase return migration, and in turn affect investment in host-country human capital. On the other hand, dual citizenship may be perceived as a way for the host country to attract and retain migrants, particularly those who are highly-skilled. The extent to which this is the case is not known.

Data on dual citizenship status are scarce and empirical evidence on its effects is thus rare. The scarce empirical studies deal with the political integration of dual citizens (Staton *et al.,* 2007) or other social aspects (Bloemraad, 2004). The results provide a rather mixed picture. Bloemraad (2004) showed that dual citizenship was negatively correlated with ties to the host country (Canada), but at the same time a strong positive correlation between dual citizenship and the level of education was observed. Staton *et al.* (2007) observed a lack of "political connectedness" of Latino dual citizens to the United States, as measured by their self-identification as "Americans" and electoral participation, among others. This has to be weighed against the fact that facilitated access to dual nationality tends to increase naturalisation. Increased naturalisation rates when dual citizenship was introduced were observed in the United States for immigrants from Latin America and in the Netherlands (Mazzolari, 2009; Bevelander and Veenman, 2008; OECD, 2008b).

In summary, to the degree that it enhances the propensity to naturalise which in turn is associated with better outcomes, the overall impact of dual citizenship appears to be positive, at least in economic terms.

Access to host-country citizenship tends to be selective, not only because migrants have to decide whether or not they apply for it, but also because host countries often impose some pre-requisites, such as mastery of the host-country language or self-sufficiency. Table 1.3 shows that this selection is strongly biased towards more qualified immigrants, in particular for those who were not born in a high-income country. In the United States, the difference in the prevalence of tertiary attainment among these two groups is especially large: 20% of non-naturalised immigrants from lower-income countries have a tertiary degree, compared with 44% of naturalised immigrants. This seems to be due to the high level of irregular migration, which tends to be concentrated among the low-educated. Indeed, the figures for the United States excluding immigrants from Mexico, El Salvador, Guatemala and Honduras show differences which are more similar to those observed in the OECD average.

In all countries, immigrants from lower-income countries who have taken up the host-country nationality have a higher educational attainment on average than their non-naturalised peers.[14] On average, 26% of naturalised immigrants from lower-income countries are highly-educated, almost twice the share observed for their non-naturalised counterparts.

At the bottom end of the qualification spectrum, the differences are particularly large in Germany. While 54% of non-naturalised immigrants are low-educated, this is only the case for 26% of naturalised immigrants.

Table 1.3. Share of low- and high-educated immigrants by citizenship status and origin, around 2007

	Percentage of low-educated individuals among immigrants						Percentage of high-educated individuals among immigrants					
	Total		High-income countries		Other countries		Total		High-income countries		Other countries	
	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*
Austria	41	*-7*	11	*(3)*	53	*-9*	13	*3*	30	*(-5)*	6	*5*
Australia	27	*-3*	30	*-4*	13	*9*	15	*8*	11	*9*	37	*-10*
Belgium	50	*(-4)*	46	*(-4)*	60	*-13*	24	*(1)*	26	*(-1)*	18	*6*
Canada	22	*-6*	19	*-3*	26	*-11*	17	*9*	18	*5*	15	*12*
Switzerland	42	*-21*	39	*-23*	46	*-19*	17	*15*	22	*14*	10	*15*
Germany	54	*-28*	42	*-23*	63	*-26*	12	*8*	19	*4*	8	*9*
Denmark	33	*(-3)*	(11)	*9*	48	*-14*	26	*(3)*	41	*(-1)*	16	*9*
Spain	48	*-10*	29	*13*	60	*-25*	23	*10*	40	*(-6)*	12	*20*
France	68	*-24*	65	*-17*	71	*-27*	11	*12*	13	*3*	10	*16*
Luxembourg	44	*-15*	45	*-17*	32	*(-2)*	23	*(0)*	23	*(-1)*	27	*(1)*
Netherlands	42	*-5*	21	*(2)*	59	*-19*	23	*(0)*	37	*(-4)*	11	*10*
Norway	19	*12*	13	*(4)*	45	*(-7)*	53	*-19*	59	*-15*	..	..
Sweden	26	*(-3)*	23	*(-3)*	35	*-11*	27	*(-1)*	30	*(-3)*	..	..
United States	38	*-22*	8	*(0)*	43	*-26*	24	*22*	47	*(3)*	20	*24*
United States (excl. irreg.)	15	*-7*	8	*(0)*	18	*-9*	42	*13*	47	*(3)*	39	*16*
OECD average	41	*-12*	32	*-5*	47	*-15*	19	*8*	27	*2*	16	*9*

Note: The share of non-naturalised immigrants is reported in percent. ".." means that the underlying value is not statistically significant. Values in parentheses refer to small samples and are of limited reliability. The difference between naturalised and non-naturalised is reported in percentage points. Differences which are not statistically significant from zero (probability >= 10%) are reported in parentheses. Because of lack of publishable data in some columns, the OECD average does not include Norway and Sweden. Low-educated refers to ISCED levels 0, 1 and 2; high-educated refers to ISCED levels 5 and 6.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

There are a number of empirical case studies based on microdata which confirm these findings for individual OECD countries (see the overview in Bevelander and DeVoretz,

2008). The selectivity concerns not only education, but also other observed characteristics such as age and previous work experience (*e.g.* DeVoretz and Pivnenko, 2008), not to mention unobserved characteristics such as innate ability or motivation. In sum, there is ample evidence that immigrants from lower-income countries who have naturalised tend to be higher educated than their peers who have not.

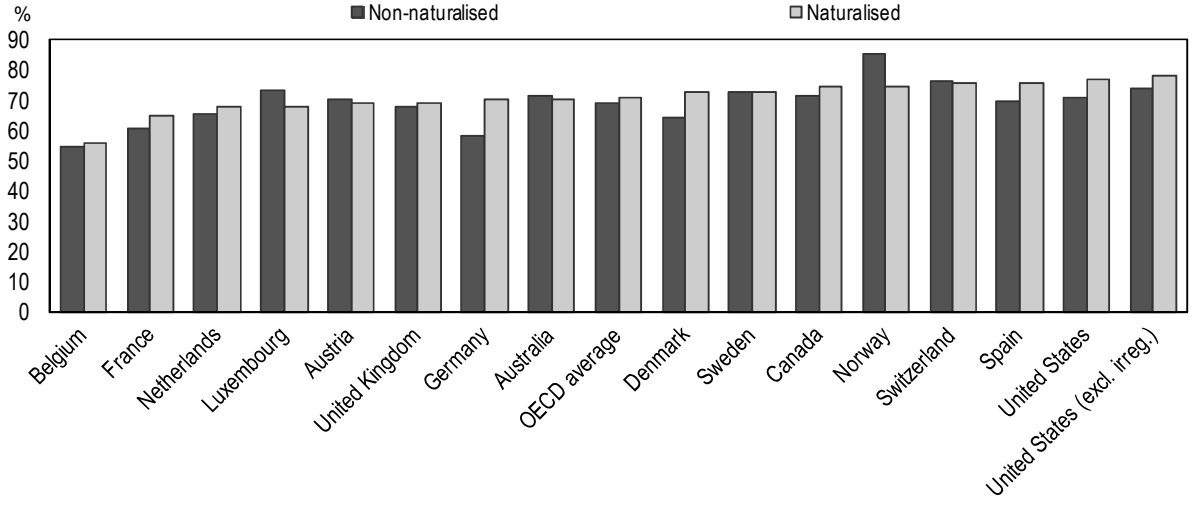
1.2. The labour market outcomes of naturalised and non-naturalised immigrants

This section provides an overview of the labour market outcomes of immigrants who have naturalised compared with their non-naturalised counterparts for three labour force characteristics – employment, occupational skill level, and wages. In addition, because of its importance in the context of naturalisation, the issue of access to the public sector is also addressed.

Employment

Figure 1.2 provides an overview of employment rates for naturalised and non-naturalised immigrants across OECD countries.[15] This aggregate picture shows a tendency towards higher employment rates for naturalised immigrants, although the differences are not large – with the exception of Germany and Denmark, where they are on the order of 10 percentage points. By contrast, in Austria, Luxembourg and Switzerland, naturalised immigrants have slightly lower employment rates than their non-naturalised peers; in Norway the figure is about 10 percentage points lower for the naturalised. On average, for the OECD countries included in this overview, naturalised immigrants have employment rates that are about two percentage points higher than those of non-naturalised immigrants. Given the rather large differences in educational attainment, these small differences are surprising.

Figure 1.2. Employment rates for immigrants by citizenship status, around 2007



Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Note and *Source:* See "Methodology" in Annex 1.A1.

As has been seen in the previous section, citizenship take-up varies significantly by both host and origin country, as well as by gender. Women and immigrants from lower-income countries are more likely to find themselves among those who have obtained the host-country nationality. Since these two groups tend to have lower employment rates in most countries, one would *a priori* expect differences between naturalised and non-naturalised immigrants to be larger if one looks separately by gender and by region of origin. Table 1.A2.1 in the Annex 1.A2 shows the results of such disaggregations. Among men, the discrepancies between naturalised and non-naturalised immigrants from high-income countries tend to be small and not statistically significant. On the other hand, large and in most cases statistically significant differences are observed for immigrants who were not born in a high-income country. 79% of naturalised immigrants from low-income countries are employed in contrast to 71% of immigrants who are not naturalised. The differences are particularly large for Sweden, Germany, Belgium, France and Denmark where they exceed 12 percentage points. Disaggregating immigrant men from lower-income countries by region, one observes large differences for immigrants from African countries, in particular North Africa. However, in many cases the differences are based on small samples and are often not statistically significant.

The picture is similar for women, although the differences in labour market outcomes between naturalised and non-naturalised women from lower-income countries are somewhat higher than for men (63% of those women with host-country nationality are employed compared with 52 for those without host-country nationality). The differences are particularly large in the Netherlands, Denmark and Germany where they are 18 percentage points or more. They are also large in Belgium (16 percentage points) and the United States (14 percentage points).

The analysis can be refined further by accounting for other observable characteristics of migrants such as age and education. For this, linear probability models were estimated by country and gender. This method allows one to estimate the percentage-point difference in the probability of being in employment for naturalised and non-naturalised immigrants, while holding constant the educational level, the region-of-origin group and age. As mentioned above, immigrants from high-income countries tend to have little to gain from acquiring the host-country nationality, and the descriptive statistics bear this out. There does not appear to be a measurable link between naturalisation and employment for migrants from these countries.[16] These immigrants are therefore excluded in the following regression analysis. The naturalisation coefficients of the linear probability model (with employment as the dependent variable) are shown in Table 1.4. A positive and statistically significant coefficient on the naturalisation variable means that naturalisation is positively correlated with the probability of being in employment, controlling for differences in education, age and country of origin. In most cases, the coefficients are significant and have the expected signs. The correlation is particularly strong in Belgium, Denmark and Germany for both genders, and for men in Sweden. The exception from this pattern is immigrant men in Austria.

Table 1.4. Estimated higher probability to be in employment associated with naturalisation, around 2007

Percentage points

	Men	Women
Austria	-4***	6***
Belgium	14***	10***
Canada	4***	6***
Switzerland	6**	(4)
Germany	12***	11***
Denmark	12**	14***
Spain	(3)	(2)
France	5***	5***
Luxembourg	(3)	(7)
Netherlands	(1)	10**
Norway	(1)	(-9)
Sweden	20***	(-4)
United Kingdom	3*	6***
United States	(1)	8***
United States (excl. irreg.)	(1)	6***

Note: Dependent variable: employment; control variables are host-country nationality (yes/no), origin (origin groups as in the "Methodology" in Annex 1.A1), age (ten-year age groups) and education (three levels). Differences which are not statistically significant from zero (probability >= 10%) are reported in parentheses. */**/***: significant at the 10%/5%/1% level, respectively. The sample is restricted to migrants from lower-income countries.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

In order to analyse whether higher employment rates are observed for all migrant groups, an additional model with interaction variables was estimated.[17] For men, migrants from North Africa and the Middle East show the largest difference in employment rates between those who are naturalised and those who are not, followed by immigrants from the other African countries. For immigrant women, it is the latter origin group which shows the largest difference. More generally, for migrant groups which have particularly low employment rates, the observed increase in the employment probability which is associated with naturalisation is higher.[18]

Occupational level

How do the types of jobs which immigrants occupy differ between naturalised and non-naturalised immigrants? Table 1.5 shows the share of naturalised and non-naturalised immigrants in high-skilled occupations by gender and origin. For men, on average over the OECD countries for which data are available, the share of employed in high-skilled occupations is eight percentage points higher among naturalised than among non-naturalised migrants.[19] Again, the differences are mainly observed for immigrants from lower-income countries, for both genders.

Table 1.5. Share of employed immigrants who are in high-skilled occupations, by gender and citizenship status, around 2007

Percentage

	Men							
	Low occupational level		High occupational level					
	Total		Total		High-income countries		Other countries	
	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*
Austria	21	*(-4)*	21	*9*	47	*(-1)*	10	*13*
Australia	10	*-2*	38	*8*	36	*11*	38	*8*
Belgium	10	*(3)*	43	*(-4)*	46	*(-2)*	33	*(4)*
Canada	13	*-4*	59	*5*				
Switzerland	8	*-4*	27	*20*	36	*(23)*	16	*20*
Germany	13	*(-1)*	24	*(2)*	32	*(-3)*	13	*9*
Denmark	21	*-8*	35	*12*	46	*(12)*	(26)	*16*
Spain	15	*-5*	29	*12*	48	*(-9)*	18	*24*
France	12	*-2*	23	*14*	26	*17*	21	*15*
Luxembourg	10	..	40	*(5)*	40	*(6)*	(40)	..
Netherlands	16	*-4*	37	*(2)*	56	*(-2)*	20	*15*
Norway	..	..	57	*-16*	65	*(-9)*	..	..
Sweden	..	..	39	*(-5)*	44	*(0)*	..	..
United Kingdom	13	*(-2)*	50	*(3)*	54	*(-1)*	44	*7*
United States	8	*-4*	20	*16*	44	*(4)*	17	*18*
United States (excl. irreg.)	6	*-3*	37	*8*	44	*(4)*	34	*10*
OECD average	13	*-3*	33	*8*				

	Women							
	Low occupational level		High occupational level					
	Total		Total		High-income countries		Other countries	
	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Difference between naturalised and non-naturalised immigrants*	Non-naturalised	*Difference between naturalised and non-naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*
Austria	44	*-13*	22	*(3)*	42	*(-5)*	10	*8*
Australia	9	*0*	39	*4*	37	*7*	39	*4*
Belgium	18	*(-1)*	40	*(-1)*	43	*(-3)*	(24)	*14*
Canada	16	*-4*	48	*4*				
Switzerland	22	*-11*	26	*20*	33	*(19)*	17	*22*
Germany	28	*(-7)*	25	*(8)*	31	*9*	15	*10*
Denmark	24	*-14*	33	*8*	50	*(1)*	..	..
Spain	33	*-13*	31	*(5)*	46	*(-9)*	20	*15*
France	46	*-22*	18	*12*	19	*9*	16	*14*
Luxembourg	34	*-22*	38	*(8)*	38	*(7)*	(33)	..
Netherlands	22	*(-5)*	45	*(-5)*	54	*(-3)*	28	*9*
Norway	..	..	66	*-22*	71	*(-11)*	..	..
Sweden	..	..	40	*(-3)*	44	*(3)*	..	..
United Kingdom	11	*(-3)*	48	*(-3)*	52	*(-3)*	38	*5*
United States	14	*-8*	26	*15*	45	*(5)*	22	*18*
United States (excl. irreg.)	7	*-2*	37	*8*	45	*(5)*	34	*11*
OECD average	24	*-9*	33	*5*				

Note: Shares for non-naturalised immigrants are shown in percent. "." indicates that the value is not statistically significant. Differences between naturalised and non-naturalised are reported in percentage points. Differences which are not statistically significant from zero (probability >= 10%) are reported in parentheses. The sample is restricted to employed individuals. Because of insignificant values in some categories, the OECD average does not include Luxemburg, Norway and Sweden. "High" occupational level refers to legislators, senior officials and managers, professionals, technicians and associated professionals (ISCO 1-3). For the occupational classification in the United States, see "Methodology" in Annex 1.A1.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

These results could in part be driven by the fact that immigrants who have naturalised tend to be higher educated on average, and by origin-country effects. To isolate these effects, a linear probability model has been run, with "employed in a high-skilled occupation" as the dependent variable. The results are shown in Table 1.6.

Table 1.6. Estimated higher probability of employment in a high-skilled occupation associated with naturalisation, around 2007

Percentage points

	All immigrants		Immigrants from high-income countries		Immigrants from lower-income countries	
	Men	**Women**	**Men**	**Women**	**Men**	**Women**
Austria	5***	(-1)	9***	-11***	5***	4**
Belgium	(-4)	(-1)	(-4)	(-2)	(1)	8**
Canada	1***	2***				
Switzerland	9***	5**	8**	(2)	10***	7**
Germany	-2***	3**	-8***	4**	3***	4***
Denmark	12***	8**	13**	(0)	12***	12***
Spain	6*	(0)	(2)	(-5)	11***	(4)
France	7***	3**	10***	(3)	5***	(3)
Luxembourg	(1)	(-4)	(0)	(-6)	(7)	(1)
Netherlands	(0)	(-2)	(-2)	(-2)	5**	(1)
Norway	(5)	-12***	(4)	(-8)	17**	-19**
Sweden	(-1)	(1)	(2)	(5)	11***	(-1)
United Kingdom	(2)	(2)	(3)	(2)	5**	(2)
United States	(2)	5***	(1)	(4)	2*	5***
United States (excl. irreg.)	(1)	4**	(1)	(4)	-1	4**

Note: The sample is restricted to employed individuals. The table shows the naturalisation coefficients in percentage points for a linear probability model. The dependent variable is the dichotomous variable "employed in a high-skilled occupation". The variable "highly skilled occupation" is differently defined in the data for the United States (see "Methodology" in Annex 1.A1). The regression includes control variables for origin country, age and education. */**/***: significant at the 10%/5%/1% level, respectively.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See Annex 1.A1.

Indeed, for immigrant men from lower-income countries, all of the correlations have expected sign, and the association is often quite strong. For example, in Sweden, Spain and Denmark the probability of being employed in a high-skilled occupation is about 10 percentage points higher for naturalised immigrant men than for their non-naturalised counterparts with the same observable characteristics. For women, the results are also as expected, with the exception of Norway.

Other empirical studies have obtained similar results. Fougère and Safi (2008) find that immigrants who are naturalised are more likely to be employed as managers, in intermediate professions and as office workers in France. Akbari (2008) shows that among migrants from developing countries in the United States, the share of naturalised immigrants working in professional or managerial occupations is higher than among non-naturalised. For migrants from developed countries, he finds no difference in the occupational skill level by naturalisation status.

Wages

Wages are probably the labour market outcome that has been the most extensively studied in the context of naturalisation. In his seminal study, Chiswick (1978), using cross-sectional data from the US census for the year 1970, investigated the economic assimilation of immigrants by comparing the earnings of native- and foreign-born men. He found a positive association between naturalisation and earnings which, however, became insignificant after controlling for years of residence. Chiswick therefore concluded that there was no earnings premium for naturalised immigrants after accounting for their longer period of residence.

Bevelander and Veenman (2008) analysed the relation between naturalisation and wages with cross-sectional data for the Netherlands, for seven migrant groups from lower-income countries. They also find that naturalised immigrants generally earn more than non-naturalised immigrants, with the exception of men from Turkey and women from Afghanistan. The largest wage gap observed was for naturalised men from Somalia who earned 23% more than non-naturalised migrants. However, they also find that the naturalisation coefficient generally becomes insignificant after accounting for differences in demographic and labour market characteristics between naturalised and non-naturalised immigrants. Nevertheless, they find slightly higher wages for immigrants from the former Yugoslavia, Iran and Iraq who have naturalised (Bevelander and Veenman, 2008).

The wage gap between naturalised and non-naturalised migrants seems to be to a large extent driven by differences in average educational attainments. This can be tested by a Blinder-Oaxaca decomposition (Oaxaca, 1973; Blinder, 1973). By this method, the wage differential of groups (in this case, between naturalised and non-naturalised immigrants) is decomposed into a part explained by human capital endowment (such as education and experience) and an unexplained part due to unobserved factors. This decomposition analysis has been used by DeVoretz and Pivnenko (2008), among others, to explain wage differences between non-citizens and naturalised immigrants in Canada. They calculate, on the basis of Canadian census data from 2001, that the overall wage gap between immigrants with and without Canadian citizenship is about 29% for migrants from lower income countries, and 10% for migrants from OECD countries. About half of the wage differential for immigrants from non-OECD countries can be explained by a higher human capital endowment of immigrants who acquire citizenship status. For immigrants from OECD countries, the wage difference becomes negligible after accounting for this.

The Blinder-Oaxaca decomposition has also been applied by Akbari (2008) who finds, based on data from the US 2000 census, a substantial wage premium for naturalisation for immigrants from developing countries. Within this group the relative gap in annual earnings between immigrants with and without citizenship is about 11% for men and 9% for women, after controlling for other factors such as duration of residence, age, education and occupation.[20] In general, after controlling, he finds no evidence that the wages of immigrants from OECD countries differ by citizenship status. However, for professional occupations, there seem to be significant differences between naturalised and non-naturalised immigrants from OECD countries. Interestingly, in parallel, the differences between naturalised and non-naturalised immigrants from non-OECD countries are smaller in these occupations than for lesser-skilled jobs.

Calculations for Germany (Steinhardt, 2008) indicate that naturalised employees have on average 5% higher wages than employees with foreign citizenship. Nevertheless, the wages of naturalised employees are on average still lower than those of native German employees. Using the same method as DeVoretz and Pivnenko (2008), almost 40% of the

wage gap between naturalised and foreign employees is explained by differences in educational attainment. Likewise, in Switzerland there is a wage gap between naturalised and non-naturalised employed men of about 7% (Steinhardt *et al.*, 2009). Again, the wages of naturalised employees are on average lower than those of employees who are native-born citizens. As much as 80% of the wage differential between naturalised and foreign employees can be explained by differences in socio-economic characteristics.[21]

In many of the above studies, an important part of the wage differences between naturalised and non-naturalised immigrants remains unexplained. None of the studies above control for possible differences in the *origin* of the qualification. It may be that the higher returns to education which are observed for naturalised migrants could be attributable in part to the fact that they are more likely to have acquired their qualifications in the host country, which provides higher returns (see OECD, 2008b), but there is no evidence on this. In addition, as mentioned above, naturalised and non-naturalised immigrants may also differ by other, non-observable characteristics such as innate ability or motivation.

For several countries, namely France, Germany, Switzerland, the United Kingdom and the United States, information on naturalisation and wages is available from the national labour force surveys. As expected, on the aggregate one observes a positive association, with the exception of the United Kingdom (Table 1.7).[22] Again, the differences are largest for immigrants from lower-income countries. The differences are particularly large in the United States where they exceed 20 percentage points for both gender. The differences are generally explained by the more favourable socio-economic characteristics of naturalised immigrants. After controlling for this, one observes a positive association only for immigrant men in Germany and for immigrant women in Switzerland.

Table 1.7. Estimated higher wage associated with naturalisation, by origin, selected OECD countries, around 2008

Percentage points

		All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries
		(1)		(2)		(3)		(4)	
Men	Switzerland	(2)	(6)	-1	(0)	(-1)	(-1)	(-1)	(-1)
	Germany	8***	11***	6***	8***	4***	6***	4***	6***
	France	8**	12***	(4)	(4)	(1)	(2)	(1)	(2)
	United Kingdom	-8**	(3)	(-4)	(-1)	(-4)	(-3)	(-4)	(-3)
	United States	29***	35***	(3)	(6)	(0)	(3)	.	.
	United States (excl. irreg.)	(12)	21**	(3)	(6)	(-1)	(2)	.	.
Women	Switzerland	17***	17*	(0)	(-13)	(6)	(-7)	(6)	(-9)
	Germany	6**	8**	(2)	(2)	(1)	(0)	(1)	(1)
	France	(6)	(5)	(0)	(-2)	(0)	(-2)	(0)	(-2)
	United Kingdom	-8***	(-1)	-9***	(-6)	-8***	(-5)	-8***	(-5)
	United States	19***	22***	(4)	(4)	(3)	(2)	.	.
	United States (excl. irreg.)	13*	16*	(4)	(5)	(4)	(3)	.	.

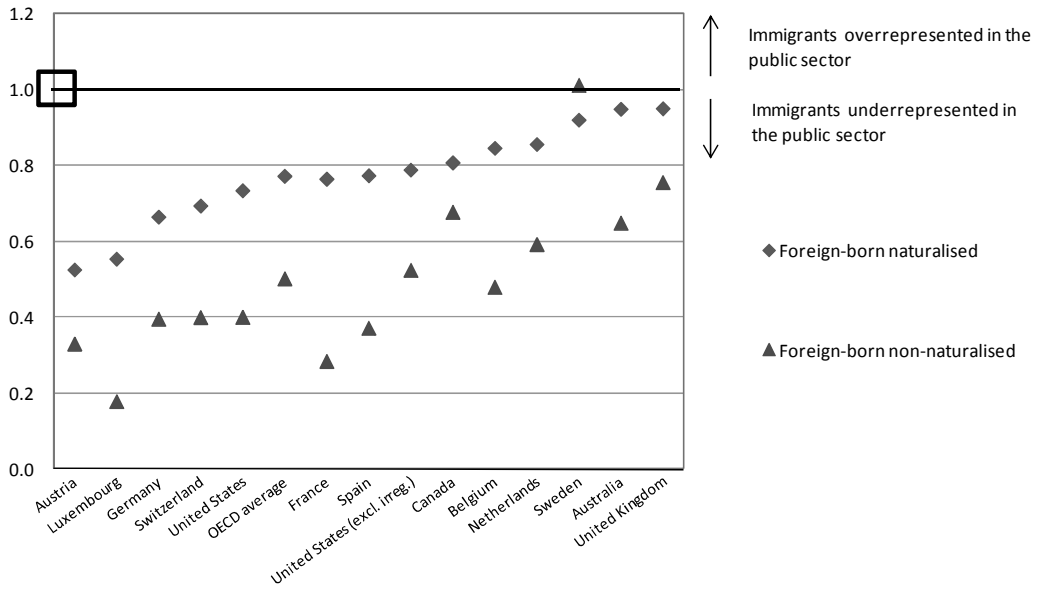
Note: The figures show the differences in log hourly earnings between naturalised and non-naturalised immigrants in employment, estimated for a linear probability model. A positive result indicates higher wages for naturalised immigrants. The sample excludes part-time workers and the self-employed. Model (1) shows the overall difference. Model (2) includes control variables for education, potential work experience and potential work experience squared, duration of residence and origin groups; Model (3) includes additional control variables for tenure, tenure squared and occupational level; Model (4) adds a control variable to Model (3) for the origin of the highest educational attainment. Due to data limitations it was neither possible to include tenure/tenure squared in the analysis for the United States nor to calculate Model (4) for that country. */**/***: significant at the 10%/5%/1% level, respectively.
Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.
Source: See "Methodology" in Annex 1.A1.

Public sector employment

One sector where access to employment tends to be linked directly with citizenship is the public sector. All OECD countries restrict certain positions in the public sector to nationals, although the degree to which this is the case varies considerably. Many non-statutory positions tend to be open to non-nationals, but the rules on this may be unclear since information on restrictions of access to public sector jobs is difficult for immigrants to obtain. Facilitated access tends to exist for nationals of countries participating in free-movement agreements such as the European Union. Even though nationals of a member country of the European Union are in general allowed to work in the public sector of other EU member countries, each country has the right to "restrict public sector posts to their nationals if they involve the exercise of public authority and the responsibility for safeguarding the general interest of the State".[23] Whether a specific job fulfils these criteria or not is evaluated on a case-by-case basis.

Figure 1.3 shows the share of public sector employment in total employment of foreign-born naturalised and non-naturalised relative to the native-born. In all countries shown with the exception of Sweden, immigrants with a foreign nationality are underrepresented in the public sector. Again with the exception of Sweden, naturalised immigrants have a higher share of public sector employment than immigrants with a foreign nationality. Yet, in all countries naturalised immigrants remain underrepresented in the public sector. The differences are particularly large in France, Spain and Luxemburg, where naturalised immigrants are more than twice as likely to be employed in the public sector as immigrants with a foreign nationality.

Figure 1.3. Public sector share of total employment, naturalised and non-naturalised immigrants, as a proportion of the public sector share for native-born persons, around 2007



Note: The public sector covers the following: public administration and defence, compulsory social security and education. The sample is restricted to employed individuals.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

The regression results summarised in Table 1.8 show that these results also broadly hold after controlling for different observable characteristics (age, gender and education). In all countries with the exception of Sweden, naturalised immigrants are more likely to be employed in the public sector than immigrants who have not naturalised and the differences tend to be large.

However, in most countries even naturalised immigrants have a lower probability to be working in public sector than the native-born. This is particularly the case for immigrants from lower-income countries. Sweden and the Netherlands are the two exceptions. Both of these countries have longstanding policies to promote immigrants' employment in the public sector which seem to have contributed to this result (see OECD, 2007 and 2008b).

Table 1.8. Estimated probability to be employed in the public sector associated with naturalisation, around 2007

Percentage points

	Native-born vs. naturalised immigrants						Naturalised immigrants vs. non-naturalised immigrants					
	All immigrants	Immigrants from high-income countries	Immigrants from lower-income countries	All immigrants	Immigrants from high-income countries	Immigrants from lower-income countries	All immigrants	Immigrants from EU/EFTA member states	Immigrants from non - EU/EFTA member states	All immigrants	Immigrants from EU/EFTA member states	Immigrants from non - EU/EFTA member states
	Model 1a			Model 2a			Model 1b			Model 2b		
Austria	-6***	(-2)	-8***	-6***	-5*	-7***	3***	5**	2**	3**	4**	2**
Belgium	(-3)	(3)	-6**	(-3)	(2)	-5**	7***	13***	3*	8***	12***	(2)
Switzerland	-4*	(0)	-7***	-4*	(-2)	-6***	6***	9***	4***	4***	6***	2**
Germany	-7***	-4***	-9***	-5***	-3***	-6***	6***	9***	4***	4***	8***	3***
Spain	(-3)	(-3)	(-3)	-4**	(-3)	-6**	5***	(1)	8***	4***	(2)	4***
France	-6***	-5***	-6***	-6***	-8***	-5***	12***	12***	11***	10***	12***	10***
Luxembourg	-14***	-14***	-14***	-16***	-15***	-17***	12***	12***	13***	12***	12***	12***
Netherlands	(-2)	(-1)	(-2)	(-1)	(-3)	(0)	4***	(3)	5***	2*	(4)	(2)
Sweden	(-1)	(0)	(-1)	(-1)	(-2)	(0)	(-1)	(-1)	(1)	(0)	(-1)	(1)
United Kingdom	(-1)	(4)	(-2)	(-3)	(3)	-4*	3**	6**	4**	5***	7**	4**
United States	-4***	(-2)	-4***	-5***	-5***	-5***	6***	..	..	3***	..	..
United States (excl. irreg.)	-3***	(-2)	-4***	-6***	-5***	-6***	4***	..	..	3***	..	..

Note: The figures show the naturalisation coefficient in a linear probability model for persons in employment. Models 1a and 2a include immigrants and native-born individuals, Models 1b and 2b only immigrants. Dependent variable: Public sector employment. Models 1a and 1b show the percentage-point differences without any control variables. Model 2a controls for age (ten-year age-groups), gender and education (three levels). Model 2b includes controls for age (ten-year age-groups), gender and education (three levels) and dummy variables for origin country groups for non-EU/EFTA countries. */**/***: significant at the 10%/5%/1% level, respectively.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

In order to look at whether a higher probability to be employed in the public sector for those who are naturalised is also observed for immigrants within free-movement areas, regressions were run separately for immigrants from the EU/EFTA, for the European OECD countries. Even for this group, the probability to be employed in the public sector is significantly higher for those who are naturalised, and this difference is just as high (if not higher) as for migrants from outside of the EU/EFTA.

Even though access restrictions may explain the low share of non-naturalised migrant employees in the public sector in many countries, the reason for the difference between the share of native-born and naturalised immigrants is *a priori* puzzling. There are in principle no institutional barriers and no uncertainty that would prevent naturalised

migrants from applying for a job in the public sector because they are generally eligible for the same jobs as citizens. However, a number of factors could help to explain the persistent underrepresentation of immigrants who have naturalised that is observed in several countries.

Firstly, public sector jobs are rarely first jobs for newly arrived immigrants (even when they are eligible). Since immigrants are eligible to naturalise only after having spent a certain time in the host country, most of them will have already chosen a career path at the time of naturalisation, and this can influence their choices even when they change jobs. To the degree that entry into the public sector is generally at the beginning of the career, the underrepresentation could partly be due to the fact that many immigrants have entered private-sector employment upon arrival, and there may be a lock-in effect for this kind of employment. In addition, even though host-country nationality is often not required for entry-level jobs in the public sector, the more limited career perspectives for non-citizens may be an incentive to look elsewhere.

Another reason could be the existence of requirements for certain public sector jobs, which immigrants find it harder to meet. Degrees in a very country-specific field of study (for example administrative or public law) could be one such requirement. In such a case, the transferability of human capital might be more limited than in other high-skilled jobs (for example, IT specialists). In any case, the fact that even native-born children of immigrants remain underrepresented in the public sector in a number of countries (Liebig and Widmaier, 2009) suggests that there are other issues involved than the country of origin of qualifications.

Different preferences for public-sector employment between natives and naturalised immigrants are another possible reason for the discrepancies in the shares of public sector employees. Other potential explanations for the underrepresentation even of naturalised immigrants are that the public sector attaches a higher value to education in the host country or to other characteristics which are more often found among the native-born (such as mastery of the host-country language), and/or that access to the public sector requires more often networks and tacit knowledge than jobs in the private sector. Further studies would be needed to test these hypotheses.

Other issues

Entrepreneurship

In recent years, growing attention has been paid to the issue of immigrant entrepreneurship.[24] To the best of our knowledge, there has been no empirical study to date that has looked into the links between naturalisation and entrepreneurial activities. The business creation of immigrants can be influenced by the nationality of the founder in several ways. On the one hand, there is ample evidence that entrepreneurship, and notably small-scale self-employment, is often chosen by immigrants as a means to overcome marginalisation in the host-country labour market (see OECD, 2007 and 2008). To the degree that naturalisation enhances immigrants' access to better-paid jobs, one would expect that the incidence of this type of self-employment would decline for people who have naturalised. On the other hand, immigrant entrepreneurs often face credit constraints (see Mestres, 2010). These may be lower for immigrants who have naturalised as banks may be more willing to provide credits to nationals, for example because of enforcement difficulties if the foreign migrant defaults and returns to the origin country.[25] The impact of naturalisation on migrants' entrepreneurship is thus *a priori* ambiguous. Indeed, there is no clear pattern of association between the two (Table 1.A2.3).

Training

Tables 1.9a and 1.9b look at the association between immigrants' citizenship and their participation in "on-the job" training over the past year for the limited number of countries for which this information is available from labour force surveys. With the notable exception of Germany, immigrants – whether naturalised or not – tend to participate less in on-the-job training than the native-born, with the gaps being particularly large in Switzerland. In all of these countries, immigrants who have the host-country nationality are almost twice as likely to participate in on-the-job training. About half of this is attributable to differences in socio-economic characteristics.

Table 1.9a. Share of native- and foreign-born who participated in on-the-job training, by citizenship status, around 2007

	Native-born	All immigrants		Immigrants from low er-income countries	
		Non-naturalised	Naturalised	Non-naturalised	Naturalised
Sw itzerland	43	23	36	19	32
Germany	8	6	9	4	8
France	11	4	7	(3)	7

Note: The figures show the percentage of employed persons who participated in on-the-job-training during the last year (France: during the last three months).

Source: See "Methodology" in Annex 1.A1.

Table 1.9b. Estimated higher probability associated with naturalisation to have participated in on-the-job-training, by origin, around 2007

	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries
	(1)		(2)		(3)		(4)	
Switzerland	14***	13***	7***	6**	7***	6**	6***	(4)
Germany	3***	4***	1*	(1)	1*	(1)	(1)	(1)
France	4***	4***	3*	(3)	3*	(3)	(2)	(2)

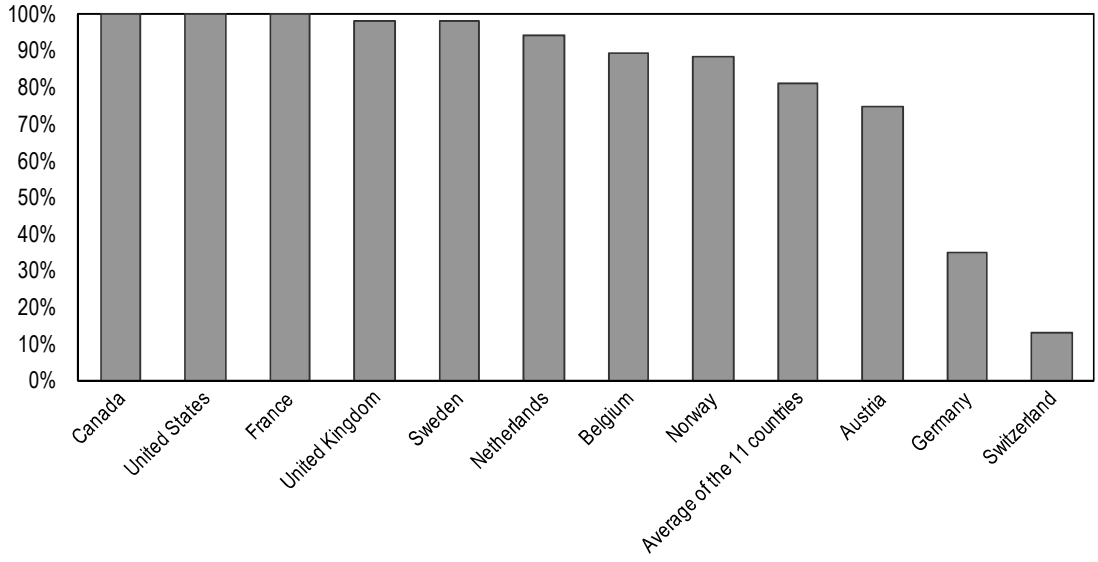
Note: The figures show the differences in the probability of participation in on-the-job-training during the last year (in France: during the last three months) between naturalised and non-naturalised immigrants in employment, estimated by a linear probability model. A positive result indicates a higher probability for naturalised immigrants. The sample does not include self-employed. On-the-job training is defined as job-related training or training of employed persons for occupational purposes. Model (1) shows the overall difference. Model (2) includes control variables for gender, origin, education, age, ages squared and years of residence. Model (3) additionally includes a control variable tenure and tenure squared. Model (4) additionally includes a control variable for occupational level and different industries.

Source: See "Methodology" in Annex 1.A1.

1.3. Labour market outcomes of children of immigrants and the association with host-country nationality

Of particular interest in the context of the impact of nationality on outcomes are the links between host-country nationality and the integration outcomes for children of immigrants who have been raised and educated in the host country. As Figure 1.4 shows, the percentage of native-born children of immigrants who have the host-country nationality varies widely across the OECD, reflecting in particular the different legislation with respect to birthright citizenship.[26] Not surprisingly, in countries which have *jus soli* (Canada and the United States; the same is likely to be true for Australia and New Zealand for which no data are available) or a modified version thereof (France and the United Kingdom), virtually all native-born children of immigrants have the host-country nationality. In Sweden and the Netherlands, more than 90% of the native-born children of immigrants aged 20-29 have the host-country nationality. The lowest percentages of native-born children of immigrants with host-country nationality are found in Austria, Germany and Switzerland, which generally adhere to *jus sanguinis* even though some elements of *jus soli* have been introduced in their legislation. In Switzerland, only about 13% of the native-born children of immigrants from lower-income countries have Swiss citizenship.

Figure 1.4. Percentage of native-born children of immigrants from lower-income countries who have the host-country nationality, aged 20-29 and not in education, around 2007



Source and Note: See Liebig and Widmaier (2009). The average is an unweighted one.

For these latter three countries, the link between host-country nationality and labour market outcomes can be studied for the native-born children of immigrants. In addition, for France, the United Kingdom and the United States, comparable information is available on the children of immigrants who are foreign-born but have had at least part of their education in the host country and who are eligible for naturalisation. Table 1.10 summarises the results.

Table 1.10. Higher (+) or lower (-) probability for key labour market outcomes for naturalised compared with non-naturalised, children of immigrants aged 15-34 and not in education, around 2007

Men		Native-born children of immigrants				Foreign-born children of immigrants (arrived before the age of 16 and at least 10 years of residence)			
		All		Parents from lower-income countries		All		Parents from lower-income countries	
		Without controls	Including control variables	Without controls	Including control variables	Without controls	Including control variables	Without controls	Including control variables
Employment	Austria	(-6)	-12***	-8*	-11***	-7**	-10***	-8**	-11***
	Switzerland	(-1)	(-3)	(1)	(-3)	(4)	(2)	(4)	(2)
	Germany	6*	5*	9**	(5)	12***	10***	13***	10***
	France	.	.	.	.	(0)	(-1)	(9)	(4)
	United Kingdom	.	.	.	.	8*	(3)	(5)	(-2)
	United States	.	.	.	.	(-2)	-8***	(-1)	-6**
	United States (excl. irreg.)	.	.	.	.	-(2)	-10**	(2)	(-6)
High-skilled occupation	Austria	21***	19***	24***	22***	7**	(2)	6*	(1)
	Switzerland	22***	15***	29*	(18)	20***	13***	24***	18**
	Germany	6*	(4)	9*	(4)	7*	(0)	9**	(1)
	France	.	.	.	.	12**	(5)	11**	(3)
	United Kingdom	.	.	.	.	(3)	(2)	(3)	(-3)
	United States	.	.	.	.	16***	(-3)	17***	(-4)
	United States (excl. irreg.)	.	.	.	.	15***	(-2)	15***	(-3)
Public sector employment	Austria	6***	6***	6***	7***	4***	4***	3***	3**
	Switzerland	(4)	(4)	-2*	(-1)	(2)	(1)	(2)	(2)
	Germany	7***	7***	5**	5*	(3)	(4)	(3)	(3)
	France	.	.	.	.	14***	15***	10**	10**
	United Kingdom	.	.	.	.	15***	13***	11***	10***
	United States	.	.	.	.	6***	(2)	6***	(1)
	United States (excl. irreg.)	.	.	.	.	5*	(2)	6*	(2)

Women		Native-born children of immigrants				Foreign-born children of immigrants (arrived before the age of 16 and at least 10 years of residence)			
		All		Parents from lower-income countries		All		Parents from lower-income countries	
		Without controls	Including control variables	Without controls	Including control variables	Without controls	Including control variables	Without controls	Including control variables
Employment	Austria	(6)	(-1)	(3)	(-3)	(4)	7*	(3)	(6)
	Switzerland	(2)	(3)	(6)	(1)	(0)	(0)	(2)	(-2)
	Germany	(-1)	(3)	8**	(4)	(-2)	(0)	(4)	(2)
	France	.	.	.	.	(6)	(6)	12*	(5)
	United Kingdom	.	.	.	.	(4)	(-4)	(7)	(-7)
	United States	.	.	.	.	15***	8**	16***	9**
	United States (excl. irreg.)	.	.	.	.	11***	7*	12**	9*
High-skilled occupation	Austria	(9)	(1)	(6)	(-1)	(3)	(3)	(-1)	(-1)
	Switzerland	21***	17**	(19)	(20)	27***	20**	33***	30***
	Germany	(2)	(3)	(3)	(0)	(6)	(2)	(7)	(0)
	France	.	.	.	.	14**	(6)	23***	(8)
	United Kingdom	.	.	.	.	11*	(5)	(14)	(1)
	United States	.	.	.	.	19***	(6)	20***	(5)
	United States (excl. irreg.)	.	.	.	.	14***	(4)	13**	(2)
Public sector employment	Austria	13***	10***	11***	10***	(2)	(1)	7**	(3)
	Switzerland	(6)	7*	(6)	4*	(-1)	(-1)	(0)	(1)
	Germany	(0)	(1)	(3)	(2)	7*	(6)	7*	(3)
	France	.	.	.	.	18***	15***	26***	24***
	United Kingdom	.	.	.	.	10**	9*	15**	(11)
	United States	.	.	.	.	4*	(1)	5*	(1)
	United States (excl. irreg.)	.	.	.	.	(2)	(2)	(3)	(2)

Note: The figures show the estimated percentage points differences (from a linear probability model) in the employment probability; and for those employed the probability of having a high-skilled occupation and the probability to be employed in the public sector, respectively, between naturalised and non-naturalised children of immigrants. The respective second specifications include control variables for country of origin, age and age squared as well for the educational level. The employment analysis controls furthermore for the marital status. The naturalisation coefficient is given in percentage points. */**/***: significant at the 10%/5%/1% level, respectively.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

With respect to employment, overall there does not seem to be a strong association between having the host-country nationality and the probability to be employed for the children of immigrants.[27] By contrast, there seems to be a link between naturalisation and the chances of having a high-skilled job. The association is particularly strong for young immigrants of both genders in France, Switzerland and the United States, as well as for male native-born children of immigrants in Austria. In many of these cases, children of immigrants with host-country nationality, when employed, are more than twice as likely to be in a high-skilled occupation as those who do not have the citizenship of the host country.[28] Controlling for socio-economic characteristics lowers the differences between the two groups, but the association remains strong in Austria and Switzerland. Likewise, having the host-country nationality is generally associated with a much higher probability to be employed in the public sector. Here the differences between those with and without host-country nationality are even more pronounced. For France and the United Kingdom, the differences imply that young immigrants who have the host-country nationality are about three times as likely to be employed in the public sectors as their peers with the same characteristics who have a foreign nationality.[29]

1.4. The impact of naturalisation on immigrants' labour market outcomes

All of the evidence presented above has been based on cross-sectional data, that is, immigrants who have the host-country nationality are compared with immigrants who do not have it. It is conceivable that naturalised and non-naturalised immigrants (and also their children) differ along a range of other factors that are not captured by *observable* cross-sectional characteristics such as education and age. For example, as mentioned above, those who opt to naturalise may have higher innate ability or greater motivation than those immigrants who do not naturalise. Of particular policy relevance is to know whether the more favourable labour market outcomes of immigrants who have naturalised are merely a result of the different selection processes involved in gaining access to host-country nationality, or whether there is a measurable direct impact of naturalisation itself.

Possible channels by which naturalisation can have an impact on immigrants' labour market outcomes

In which ways could host-country nationality boost immigrants' labour market outcomes?[30] First, naturalisation might reduce labour market barriers. For example, some jobs tend to require citizenship status, such as certain jobs in the public sector or in certain regulated professions such as, for example, notaries.[31] As a result, immigrants who naturalise are able to enter jobs which were previously unavailable to them without citizenship.

Second, having the host-country nationality can decrease administrative costs to employers associated with employing foreigners, such as the verification of work rights.[32]

Third, and linked with the second point, the act of naturalisation might work as a *signaling device* for employers. The fact that a job applicant has naturalised may convey a signal such as possession of appropriate language skills or a certain minimum duration of stay, or other (unobserved) capacities associated with obtaining host-country citizenship (*e.g.* more ambition). This means that naturalisation may be used by employers as a sign of "integration", an indication of investment in host-country human capital. Likewise, naturalisation may decrease uncertainty on the part of the employer about the immigrant's expected length of stay in the host country and/or return intentions. The information

transmitted through the host-country nationality thereby reduces uncertainty about the expected productivity of the job applicant. Since such uncertainty is one of the main causes of statistical discrimination, having the host-country nationality could also have the effect of limiting the latter.[33]

Fourth, individuals may increase their investment in human capital when they decide to naturalise or following naturalisation, for example because of a stronger attachment with the host country or because they expect that the return on investment in further education and training is greater for persons who have naturalised – for example because of reduced discrimination in hiring, as seen above. Employers might also be more likely to invest in an employee's human capital after naturalisation if the take-up of host-country citizenship is interpreted as a long-term residential decision and indeed, as seen above, there is a strong association between citizenship and on-the job training. Having the host-country nationality can also facilitate access to host-country higher educational institutions. In Switzerland, for example, some universities have introduced upper limits on the share of foreigners that they accept. Access to scholarships is also often linked with nationality. Related with this, having the host-country nationality may facilitate immigrants' access to financial credits and thereby help them to finance their education or training and/or enable the start-up or expansion of a business (see above).

Finally, there may also be indirect channels. To the degree that citizenship strengthens immigrants' position in the housing market (because of less credit constraints, fewer administrative obstacles or less discrimination), it could enhance their mobility and thereby the accessibility of employment in different geographical areas.

Empirical evidence

To study properly the impact of naturalisation on the labour market integration of immigrants one needs to have data that compare immigrants' labour market outcomes before and after naturalisation. This is the advantage of longitudinal data. Cross-sectional surveys can also have longitudinal information in them, for example those which collect data on work history and the time of naturalisation. Both of these can be used to investigate whether having the host-country nationality really improves the labour market outcomes of immigrants, or whether the persons who have naturalised already enjoyed more favourable outcomes prior to naturalisation with no additional impulse given by the host-country nationality. However, there are relatively few empirical studies to date on the impact of naturalisation on immigrants' labour market outcomes which make use of such data (see the overview in Table 1.A2.4 in the Annex 1.A2).

Bratsberg *et al.* (2002) were the first to use longitudinal data to estimate the effect of naturalisation on the wage growth of foreign-born men who are in employment. With data from the US National Longitudinal Survey of Youth (NLSY), they demonstrate that wage growth for young male immigrants in the United States accelerated after the acquisition of citizenship.[34] They estimate an impact of naturalisation on wages in the order of 6 percentage points. Most of this is due to higher returns for each year of experience after naturalisation – they observe an increase of almost 3 percentage points after controlling for a whole range of factors including education, occupation, sector and prior experience. In addition, there is a movement into higher-paid jobs after naturalisation, namely into the public sector and into white-collar occupations.[35]

For example, after five years of citizenship, an immigrant is about 3 percentage points more likely to be in the public sector than his or her counterpart who has not naturalised. This indicates that the enhancement of upward job mobility and employment in the public

sector are important mechanisms through which naturalisation can affect the labour market integration of immigrants.

A similar methodological approach is used by Steinhardt (2008). His estimates using administrative panel data on employed individuals in Germany confirm that the acquisition of citizenship has a virtually immediate positive effect on the wages of employees and that wage growth is accelerated in the years after the naturalisation event. Wages increase immediately after naturalisation by 1%, and the wage growth in the years following naturalisation is about 0.3 percentage points higher per year for those who eventually naturalise.[36] It also seems that the immigrants with the lowest earnings benefit most from the wage increase associated with naturalisation. Hayfron (2008), in his analysis of the impact of naturalisation on wages in Norway, also finds higher returns to experience after naturalisation.

Ohlson (2009), using longitudinal data on earnings for Sweden, finds evidence for what he calls a "motivation effect" of naturalisation already in the years preceding the acquisition of Swedish citizenship. Earnings of both employed women and men start to increase on average by about 3.5% four years before the acquisition of citizenship and continue thereafter. He thus argues that immigrants who intend to naturalise invest more in human capital that is specific to the host country, and therefore enjoy higher earnings already prior to naturalisation. Scott (2008), also using longitudinal data on employed individuals in Sweden, estimated the changes in wages after naturalisation. Overall, he finds a positive impact for men, but the impact does not appear to be very large.[37]

The above estimates of wage increases following naturalisation generally do not account for the fact that these can only occur among job changers. It is highly unlikely that an employer will reward an immigrant through higher wages for taking up the citizenship of the host country. This implies that there are two categories of naturalised persons –those who changed jobs after naturalisation and those who did not. It would be of interest to look at, in addition to their wage changes, what else differs in these two populations. It might provide some further insight about why naturalisation conveys the benefits it does.

Only two studies have compared immigrants' employment prior to and after naturalisation. Fougère and Safi (2006) use the *Echantillon Démographique Permanent* (EDP), a dataset that makes it possible to track individuals using the information gathered during the 1968, 1975, 1982, 1990 and 1999 French censuses. They compare persons with the same labour market status, education and age prior to naturalisation and look at the differences at subsequent census waves between those who have naturalised and those who have not. Their estimates of the premium that is associated with getting French nationality are very large, about 23 percentage points for both men and women. They also find that naturalisation appears to have a very high impact on the employment of the most disadvantaged immigrants, that is, those with the lowest employment probability.[38] The large increases could in part be due to the fact that immigrants who naturalise behave differently from those who do not acquire citizenship despite having a comparable labour market status at the beginning of the observation period.

To circumvent this problem, Scott (2008) analyses only migrants who at some point take up Swedish citizenship and uses the variation in the naturalisation date to measure the impact of having Swedish citizenship.[39] Indeed, he finds for Sweden lower values for the impact of naturalisation on immigrants' employment. The largest premium is observed for immigrant women from Iran, who enjoy a higher employment rate of nine percentage points. For immigrants from most other lower-income countries, the average

impact is estimated at around five percentage points, for both genders. In contrast, there is generally no premium following naturalisation for immigrants from high-income countries.

Some evidence that having the host-country nationality reduces discrimination has been provided by so-called "testing" experiments in which otherwise "equivalent" CVs in which the candidates only differ by nationality and name (to "signal" the immigrant origin to potential employers) are sent to employers offering jobs. The studies generally show that having the host-country nationality reduces discrimination, but the impact differs among occupations. Duguet *et al.* (2007), for example, show for France that having French nationality reduces the number of applications necessary to obtain a job interview by a factor of about five for an accounting position but only by about a quarter for a job as a waiter.[40] This indicates that the signalling related with naturalisation tends to be more important in the higher-skilled regulated professions.[41]

1.5. Conclusions

This chapter has attempted to shed light on three key questions related with naturalisation and immigrants' labour market integration:

How do naturalised immigrants and naturalised children of immigrants fare in the labour market of countries compare with their counterparts who have not taken up the nationality of their host countries?

The analysis above has shown that having the host-country nationality is generally associated with better labour market outcomes for immigrants. Naturalised immigrants enjoy substantially better labour market outcomes across a whole range of indicators such as a higher employment probability, better occupational status and access to the public sector, and higher wages. In general, the differences between naturalised and non-naturalised are larger for immigrants from lower-income countries. Such immigrants seem to gain most from having the nationality of the host country because labour market barriers tend to be larger for them. Immigrants from these countries are also more likely to take-up the citizenship of the host country.

A positive association between host-country nationality and labour market outcomes is also observed for the children of immigrants, in particular regarding their probability to be in high-skilled employment and to be employed in the public sector.

The observed better outcomes are partly driven by the fact that there is some positive selection of migrants into citizenship – for example, immigrants who take up the host-country nationality tend to be higher educated and to have better labour market outcomes already prior to naturalisation. This, in turn, is partly due to self-selection of "successful" immigrants and partly due to the requirements set for naturalisation by host countries. These tend to favour immigrants who have acquired some knowledge about the host country and its language, and who have better employment outcomes already prior to naturalisation. This "selectivity" is most pronounced for immigrants from lower-income countries. At the same time, at least in the European OECD countries for which comparable data are available, there has been an increase in citizenship take-up among immigrants from lower-income countries.

Are the better outcomes for those who have naturalised merely due to the fact that immigrants who eventually naturalise were already better integrated prior to naturalisation, or are there improvements in outcomes after naturalisation?

On the basis of the limited data and the scarce longitudinal studies available, there are a number of results which indicate that having the host-country nationality can, by itself, have a beneficial effect on immigrants' labour market outcomes. It does not only seem to enhance the general likelihood to find employment, but also its quality and the associated wages. It also contributes to a better representation of immigrants in the public sector which is often seen as crucial for integration, as it promotes the visibility of immigrants in daily life and can contribute to enhancing the understanding of immigrants' needs by public institutions. These effects are observed virtually immediately after naturalisation which suggests that naturalisation has immediate pay-offs. In addition, the effects appear to be strongest for the most disadvantaged immigrants in the labour market.

Why do the outcomes of some immigrants improve after naturalisation?

The improvement in the outcomes of some immigrant groups seems to be attributable to a mix of factors involving immigrants themselves, the removal of labour market barriers, and employer behaviour. Immigrants move into the public sector after naturalisation, which suggests that the removal of labour market barriers is one channel by which labour market outcomes improve. Likewise, having the host-country nationality reduces discrimination, as employers appear to interpret host-country nationality as a signal for higher expected productivity and, more generally, better integration. This seems to be particularly important in higher-skilled occupations and indeed, a large part of the improvement in labour market outcomes appears to be attributable to the fact that these jobs become more accessible after naturalisation. One study has provided evidence that the improvements linked with naturalisation start materialising already somewhat prior to the naturalisation act, which suggests that the prospect of a forthcoming naturalisation also may have a motivation effect for immigrants, for example by inciting them to invest more in human capital that is specific to the host country.

However, little is known about the relative contribution of these factors to the observed improvement. More in-depth longitudinal studies are clearly needed to better analyse these contributions and to measure their impact.

Policy lessons

Whatever the ultimate driving factors, the combined impact of naturalisation on the different labour market outcomes seems to be large in many countries, in particular for those migrants who tend to be most disfavoured in the labour market. Naturalisation thus appears to be an effective integration tool with respect to labour market integration. On the basis of the evidence that is available to date, there seems to be a rather strong case for encouraging citizenship pick-up by migrants and/or for making access less restrictive, where this is an issue. It enhances immigrants' access to employment and contributes to a better utilisation of migrants' human capital. These effects appear to be strongest for those immigrants who are most disfavoured in the labour market. At least on the basis of economic considerations, OECD countries would thus seem to achieve considerable gains from facilitating access to the host-country nationality.[42] Likewise, those countries which have not yet introduced *jus soli* could contribute to improving integration outcomes by giving birthright citizenship to the native-born children of immigrants.

Some OECD countries such as Australia, Canada and New Zealand have for many years pursued an active policy to encourage naturalisation among recently arrived immigrants, as a means to rapidly integrate immigrants into the society as a whole. Some of these countries have also branded rapid access to citizenship as a means of attracting and retaining highly-skilled immigrants.[43] In Australia, Canada and New Zealand, the vast majority of immigrants have naturalised within five to ten years after arrival.

In contrast, in the European OECD countries included in this overview, only a little over half of all migrants with more than ten years of residence have taken the nationality of their host countries. It is possible that this is at least partly due to the fact that both the host-country society and the immigrants themselves are not aware of the economic benefits involved with immigrants taking the host-country nationality, this notably concerns those foreigners who have a permanent residence permit which generally conveys them exactly the same rights as nationals in the labour market. The benefits clearly merit to be made more widely known, both to policy-makers and to migrants themselves.

In some of these countries, where access to host-country nationality is particularly difficult, the barriers may be too high – lowering such barriers could help improve immigrants' labour market outcomes in the aggregate. Likewise, for some migrants the cost associated with giving up the nationality of the origin country may be a major obstacle, and facilitating dual nationality would help to overcome this barrier. It appears that OECD countries have more to gain than to lose from such a strategy and indeed, the number of OECD countries which allow dual nationality has been on the rise. These possibilities should be made more transparent for migrants.

Finally, the findings imply that statistics that measure integration outcomes on the basis of the foreign population are becoming less and less representative for the immigrant population as a whole.[44] Any progress that will be made in integrating immigrants will thus tend to be underestimated by "monitoring" only the foreign population. Indeed, it is even possible that – given the observed selectivity and the trend increase in citizenship take-up which are both particularly pronounced for the most disfavoured immigrants – outcomes for "foreigners" from lower-income countries appear to decline over time, despite real improvements if one looks at the same people over time. This demonstrates that progress in "integration" needs to take into account all of the foreign-born population and not only those who retain the nationality of their countries of origin.

Notes

1. Friederike Von Haaren thanks the Agence Nationale de la Recherche (ANR) and the Deutsche Forschungsgemeinschaft (DFG) that supported part of her contribution under the joint ANR-DFG project "Integration of First and Second Generation Immigrants in France and Germany".
2. In some countries such as the United Kingdom and the United States, a legal distinction is made between nationality and citizenship, with nationality being a broader concept. It encompasses, for example, persons whose only connection to these countries is through birth in an outlying possession. In the settlement countries, it is "citizenship" that is the preferred term, which suggests that one is undergoing a legal process; in European OECD countries the preferred term tends to be nationality, which has ethnic/cultural as well as legal connotations. In this chapter, the terms "nationality" and "citizenship" will be used interchangeably.
3. In 2010, however, legislative changes were introduced making naturalisation more restrictive in Belgium.
4. The terms "immigrants" and "foreign-born" are used synonymously in this chapter.
5. This comprises both cases in which an applicant foreigner may be legally entitled to citizenship and cases in which there is a discretionary decision by the host-country authorities.
6. A comprehensive glossary on definitions related to citizenship and naturalisation in Europe is provided by the European Union Democracy Observatory on Citizenship (*http://eudo-citizenship.eu/citizenship-glossary/89*).
7. The latter refers to a case where the spouse and/or the children of an applicant acquire citizenship simultaneously with the person who naturalises (Federal Statistical Office Germany, 2009).
8. The only exception is Fougère and Safi (2008) who use the French Echantillon Démographique Permanent (EDP) from which information on the channel for citizenship acquisition can be obtained.
9. This peak was probably associated with an increase in citizenship fees in 2008, and with immigrants having naturalised in order to be able to participate in the 2008 presidential elections. The number fell back down in 2009, to 774 000, but is still higher than the 660 000 in 2007.
10. Naturalisations in that year were about as large as the level of permanent inflows in the United States, but only about 80% of the level in France, 2/3 of the level in Australian and Canada and 1/3 of the level of inflows in the United Kingdom, respectively.
11. Among the countries included in the analysis, only Switzerland has a longer required period of residence (12 years) for the ordinary naturalisation procedure.

12. As will be seen below, the US figures are more strongly biased than in other countries, because of the large unauthorised population.

13. The term "lower-income countries" is used in this chapter synonymously with "other than high-income countries".

14. Note that it is also conceivable that naturalised immigrants are more likely to invest in higher education after naturalisation (*e.g.* because they may have better access to scholarships). However, this is unlikely to explain much of the observed differences in educational attainment between naturalised and non-naturalised immigrants.

15. The term "employment rate" is used in this chapter synonymously with the employment/population ratio.

16. The results of a separate regression analysis confirm that, for immigrants from high-income countries, naturalisation almost never shows a statistically significant link with the probability of employment. It would be of interest to analyse to which degree these results are associated with the fact that these migrants often benefit from free-movement provisions, notably within the European Union. Unfortunately, due to small sample sizes, such an analysis is currently not possible.

17. The results are not included in Table 1.4 but are available upon request.

18. It is also possible that the naturalisation coefficient differs between high- and low-educated immigrants. Further analysis shows, however, that there is, for most countries, no measurable difference for persons with different education levels. Again, the results are not included in Table 1.4 but are available upon request.

19. The notable exception to this pattern is Norway.

20. The relative wage gap is measured as the wage difference between immigrants with and without citizenship as a percentage of the wage of immigrants without citizenship.

21. The authors include a number of additional individual and sector-specific characteristics which might explain the large part of the differences that is explained by control variables. These include characteristics such as labour market experience, occupation, duration of residence, and industry.

22. This curious result is driven by the fact that immigrants from high-income countries who have British citizenship have lower wages than their counterparts without British citizenship.

23. *http://ec.europa.eu/youreurope/nav/de/citizens/working/public-employment/index_en.html* (14 October 2009).

24. On 9-10 June 2010, the OECD co-organised, with the financial support of the Swedish authorities, the Turkish authorities and the Dutch-Turkish Businessmen Association, a conference on entrepreneurship and the employment creation of immigrants in OECD countries which shed some light on this issue. The proceedings of this conference have been published as OECD (2010b), *Open for Business*.

25. Access to public support for entrepreneurial activities may also be restricted to nationals.

26. Figure 1.4 refers to children of immigrants from lower-income countries, but the picture can be expected to be very similar for all children of immigrants.

27. However, in addition to the countries in Table 1.10, there are some basic data from registers available for Norway and Sweden (data provided by Statistics Norway and Statistics Sweden and available upon request) which show that in these two countries native-born children of immigrants who have the host-country nationality have higher employment rates, for both genders.

28. The absolute values are not included in Table 1.10 but are available upon request.

29. Again, this result is derived using the absolute values which are not shown in Table 1.10, but available upon request.

30. It is a priori also possible that naturalisation can have a negative impact on labour market outcomes, for example if access to certain out-of-work benefits that could reduce work incentives is conditional on host-country nationality. This could be one reason for the observed lack of "naturalisation premium" for some groups in some countries (*e.g.* for immigrants from some high-income countries in Sweden, see below and Scott, 2008). Nevertheless, as will be seen in more detail below, this effect is not visible in the aggregate result where one observes a substantial improvement in labour market outcomes attributable to naturalisation, in particular for immigrants from lower-income countries.

31. In Germany, medical doctors with a non-EU nationality may also face certain restrictions (Yamamura, 2009).

32. Naturalisation also enhances migrants' cross-border employability (*e.g.* for international assignments or business travel) which is required in some high-skilled occupations. However, this is likely to be a relatively minor phenomenon.

33. Statistical discrimination occurs in the presence of information deficiencies, that is, when the employer judges an applicant not on the basis of his/her expected individual (marginal) productivity, but rather on preconceptions about the average productivity of the group to which the person belongs.

34. This is also the only study that has focused on young immigrants. To date, there has been no study of the impact of citizenship on the labour market chances of the native-born children of immigrant, for the countries for which this is an issue (that is, countries which do not automatically confer their citizenship to all persons who are native-born).

35. Bratsberg *et al.* (2002) also observe higher unionisation rates following naturalisation.

36. Note that such modest increases in wage growth on a per-year basis nevertheless result in substantial differences over the horizon of the entire working-life. Already ten years after naturalisation, a naturalised immigrant earns on average a higher wage of 3.2% compared with an immigrant who does not naturalise. Note also that this average wage growth is generally only observed at the micro level among immigrants who change jobs, so that the impact for such immigrants is certainly greater.

37. In addition, the impact seems to differ significantly between immigrant groups – for immigrants from some countries (Greece, Chile, Norway and Italy), the estimated impact is negative.

38. Unfortunately, to date there has been no study that looks at where the observed increases in employment are coming from; *i.e.*, whether they are observed because the individuals concerned are having an easier time finding jobs, or are finding more stable jobs, or from inactive immigrants entering the labour force, etc.

39. Scott (2008) also runs an alternative longitudinal specification with all migrants (both those who take-up citizenship at some stage and those who do not) and indeed finds a much larger "naturalisation premium". He therefore argues that in standard longitudinal analyses the naturalisation premium tends to be overestimated since other factors than citizenship are at play. This is partly circumvented by looking only at immigrants who naturalise at some stage.

40. In both cases, naturalised immigrants nevertheless had to write more applications than the native-born.

41. Note that these tests control for educational level and the origin of education; they generally concern immigrants who arrived in the country quite young and were fully educated in the country. The impact may be different for persons who arrived as adults and have acquired at least part of their qualifications abroad.

42. Clearly, there are also non-economic issues to be considered and host-country citizens may resent any "devaluation" of their citizenship.

43. Along the same lines, some European OECD countries have facilitated access to citizenship for international students who stay in the host country after graduation.

44. As seen above, in some European OECD countries, the foreign population even includes substantial numbers of native-born children of immigrants, for whom the issues involved differ as they have been fully raised and educated in the host country (see OECD, 2010).

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Annex 1.A1. Methodology

The estimates in this chapter are based on pooled data from the European Community Labour Force Survey (LFS) of 2006 and2007 and restricted to persons aged 15-64, not in education and to those foreign-born with more than ten years of residence. Microdata were used for Germany (*Mikrozensus*, 2005), France (*Enquête Emploi*, 2007) and the United States (Current Population Survey, March Supplement 2008). Data for Canada are from Statistics Canada.[1] Data for Australia refer to the year 2007 and have been provided by the Department of Immigration and Citizenship. For the regression analyses, microdata were also used for Austria (*Mikrozensus*, 2008), Switzerland (*Enquête suisse sur la population active*, 2008) and the United Kingdom.[2] The UK Labour Force data were pooled over the years 2006, 2007 and 2008 and only the first interview of each individual was kept.

For Germany, ethnic Germans (*Aussiedler* and *Spätaussiedler*) have been excluded from the analysis, to whom German citizenship was generally granted directly upon arrival. Immigrants for France include only foreign-born persons with a foreign nationality at birth. Following the discussion of Section 1.1, additional analyses for the United States were made, which exclude migrants from Mexico, El Salvador, Guatemala and Honduras. These are referred to as "United States (excl. irreg.)" in the tables and graphs.

For the analyses of wages, self-employment probability and access to training of the first generation as well as the analyses concerning the second generation, French Labour Force data (*Enquête Emploi*) was pooled over the years 2006, 2007 and 2008, and only the first interview was kept.

As mentioned in Section 1.3, the analysis of naturalisation of native-born children of immigrants is only possible for Austria, Germany and Switzerland. The comparable group of young immigrants is defined as foreign-born persons who migrated before the age of 16 and have lived at least ten years in the host country. Analyses for the children of immigrants (both native-born children of immigrants and young immigrants) are restricted to people aged 15-34 and not in education.

Immigrants are grouped by their country of birth and native-born children according to their parent's country of birth. North America (excluding Mexico) and Oceania are grouped with EU and EFTA member countries in the group of "high-income countries". Due to data limitations it was not possible to include Japan and Korea in this group. They are included in the group of immigrants from East and South-East Asia. Mexico is included in the group of Central and South America.

Origin countries in the French and German microdata differ slightly from those used for the remaining countries. In the German data, Iceland, Liechtenstein and Norway are not included in the category of "high-income countries". Due to data limitations it was also not possible to include immigrants from North America in that group, they are included in the group of migrants from Central and South America. Furthermore, no

distinction between migrants from different African countries was possible for Germany, therefore the group "other African countries" is not shown for that country. All migrants from Africa are included in the group "Near Middle East and North Africa" in Germany.

In France, immigrants from Algeria, Tunisia and Morocco form the group "Near Middle East and North Africa". The group "East and South-East Asia" only includes immigrants from Laos, Cambodia and Vietnam.

Immigrants from countries other than "high-income countries" are referred to as "other countries", "remaining countries" or "lower-income countries".

In the data for the United States, "high-skilled occupations" relate to management, business and financial occupations, as well as professional and related occupations; "low-skilled occupations" include cleaning and helping occupations.

In the data for the European OECD countries, "high-skilled occupations" cover legislators, senior officials and managers, professionals as well as technicians and associate professionals (ISCO 1-3). The OECD average is the unweighted average of all countries, unless noted otherwise. For the calculation of the OECD average, the values of the United States have been taken from the full sample of immigrants with more than ten years of residence (that is, including immigrants from Mexico, El Salvador, Guatemala and Honduras).

The coefficients in the regression analyses are given in percentage points. The level of significance is indicated by stars: */**/*** means that the coefficient is significant at the 10%/5%/1% level, respectively.

Notes

1. The authors thank Feng Hou and Garnett Picot for providing the data.
2. The exception is Table 1.A2.3 in Annex 1.A2 below, where data from the European Community Labour Force Survey were used for Austria and Switzerland.

Annex 1.A2. Supplementary tables

Table 1.A2.1. Citizenship acquisition by foreigners in OECD countries since 1999

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Countries where the national / foreigner distinction is prevalent										
Austria	24 678	24 320	31 731	36 011	44 694	41 645	34 876	25 746	14 010	10 268
% of foreign population	4	4	5	5.0	6.0	5.5	4.5	3.2	1.7	1.2
Belgium	24 273	62 082	62 982	46 417	33 709	34 754	31 512	31 860	36 063	45 204
% of foreign population	3	7	7	5	4	4	4	3.5	3.9	3.9
Switzerland	20 363	28 700	27 586	36 515	35 424	35 685	38 437	46 711	43 889	44 365
% of foreign population	1	2	2	3	2	2	3	3.1	2.9	2.8
Czech Republic	8 107	8 335	6 321	4 532	3 410	5 020	2 626	2 346	1 877	1 837
% of foreign population	4	4	3	2	1	2	1	0.8	0.6	0.5
Germany	142 670	186 688	178 098	154 547	140 731	127 153	117 241	124 832	113 030	94 500
% of foreign population	2	3	2	2	2	2	2	1.8	1.7	1.4
Denmark	12 416	18 811	11 902	17 300	6 583	14 976	10 197	7 961	3 648	5 772
% of foreign population	5	7	5	6	2	6	4	2.9	1.3	1.8
Spain	16 394	11 999	16 743	21 810	26 556	38 335	42 829	62 339	71 810	84 170
% of foreign population	2	1	1	1	1	1	1	1.5	1.6	1.5
Finland	4 730	2 977	2 720	3 049	4 526	6 880	5 683	4 433	4 824	6 682
% of foreign population	6	3	3	3	4	6	5	3.9	4.0	5.0
France	147 522	150 026	127 548	128 092	144 640	168 826	154 827	147 868	131 738	137 452
% of foreign population	..	5	..	..	..	..	..	4.2	..	..
United Kingdom	54 902	82 210	90 295	120 125	130 535	148 275	161 700	154 020	164 635	129 310
% of foreign population	2	4	4	5	5	5	6	5.1	4.9	3.4
Hungary	6 066	7 538	8 590	3 369	5 261	5 432	9 870	6 172	8 505	8 060
% of foreign population	4	5	8	3	5	4	7	4.0	5.1	4.4
Ireland	1 433	1 143	2 443	2 817	3 993	3 784	4 079	5 763	6 656	3 113
% of foreign population	1	1	2	2	2	2	2	2.2	..	..
Italy	11 335	9 563	10 382	10 685	13 406	11 934	19 266	35 766	38 466	39 484
% of foreign population	1	1	1	1	1	1	1	1.3	1.3	1.0
Japan	16 120	15 812	15 291	14 339	17 633	16 336	15 251	14 108	14 680	13 218
% of foreign population	1	1	1	1	1	1	1	0.7	0.7	0.6
Korea	..	..	1 680	3 883	7 734	9 262	16 974	8 125	10 139	15 258
% of foreign population	..	..	1	2	3	2	3	1.6	1.5	1.7
Luxembourg	549	684	496	754	785	841	954	1 128	1 236	1 215
% of foreign population	0	0	0	0	0	0	1	0.6	0.6	0.6
Netherlands	62 090	49 968	46 667	45 321	28 799	26 173	28 488	29 089	30 563	28 229
% of foreign population	9	8	7	7	4	4	4	4.2	4.5	3.9
Norway	7 988	9 517	10 838	9 041	7 867	8 154	12 655	11 955	14 877	10 312
% of foreign population	5	5	6	5	4	4	6	5.4	6.2	3.9
Poland	1 000	975	766	1 186	1 634	1 937	2 866	989	1 528	1 054
% of foreign population	..	..	..	..	3	..	..	..	2.7	1.7
Portugal	946	721	1 082	1 369	1 747	1 346	939	3 627	6 020	22 408
% of foreign population	1	0	1	0	0	0	0	0.8	1.4	5.0
Slovak Republic	..	..	..	..	3 492	4 016	1 393	1 125	1 478	680
% of foreign population	..	..	..	..	12	14	6	4.4	4.6	1.3
Sweden	37 777	42 495	35 458	36 978	32 351	26 130	35 531	46 995	32 473	29 330
% of foreign population	8	9	8	8	7	6	8	10.7	6.8	5.3
Turkey	..	..	..	23 725	21 086	8 238	6 901	5 072	..	..
% of foreign population	..	..	..	..	..	..	..	..	..	..
Countries where native-born / foreign-born distinction is prevalent										
Australia	76 474	70 836	72 070	86 289	79 164	87 049	93 095	103 350	136 256	121 221
Canada	158 753	214 568	167 353	141 588	155 117	193 159	198 473	260 743	199 831	176 467
Mexico	569	3 944	3 090	4 737	4 317	6 429	5 610	4 175	5 470	4 471
New Zealand	34 470	29 609	23 535	19 469	18 296	22 142	24 341	29 017	29 867	23 772
United States	839 944	888 788	608 205	573 708	463 204	537 151	604 280	702 589	660 477	1 046 539
EU-25, Norway and Switzerland	585 239	698 752	672 648	679 918	670 143	711 296	715 969	750 725	727 326	703 445
North America	998 697	1 103 356	775 558	715 296	618 321	730 310	802 753	963332.0	860 308	1 223 006
OECD Total	1 711 569	1 922 309	1 563 872	1 523 931	1 415 608	1 582 824	1 673 993	1 872 832	1 784 046	2 104 391

Note and *source*: *OECD International Migration Database*. 2008 data for Spain are from the National Statistical Institute and for Ireland from the Department of Justice, Equality and Law Reform Annual Report 2008.

Table 1.A2.2. Employment rates of foreign-born men by citizenship status and origin, around 2007

	All immigrants		Immigrants from high-income countries		Immigrants from lower-income countries											
					Total		Regions									
							Non-EU/EFTA European countries		Central and south America and Caribbean		East and South East Asia		North Africa and near middle East		Other African countries	
	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*
Austria	79	*(-2)*	88	*-15*	76	*(3)*	76	*(3)*	..	..	(92)	*-11*	..	..	..	..
Australia	80	*-1*	80	*-1*	81	*-2*	60	*11*	80	*3*	84	*-1*	61	*6*	84	*3*
Belgium	65	*(2)*	69	*(-3)*	53	*14*	53	*(11)*	..	..	..	..	46	*16*	(59)	*18*
Canada	80	*2*	82	*-2*	76	*5*	74	*7*	78	*5*	76	*5*	72	*8*	77	*6*
Switzerland	83	*(1)*	86	*(-2)*	79	*5*	77	*7*	(81)	*(2)*	91	*(-3)*	75	*(6)*	83	*(-2)*
Germany	68	*11*	77	*4*	62	*16*	62	*17*	77	*(10)*	73	*(2)*	55	*19*	..	-
Denmark	71	*7*	86	*(2)*	62	*12*	62	*(12)*	..	..	..	..	(53)	*16*	..	..
Spain	77	*8*	77	*11*	77	*(5)*	71	*(9)*	78	*(6)*	92	*(-8)*	72	*(7)*	90	*(-19)*
France	69	*6*	75	*-6*	64	*12*	60	*(1)*	(85)	*-15*	(77)	*(10)*	58	*17*	77	*(3)*
Luxembourg	81	*(-5)*	81	*(-5)*	80	*(0)*	85	..	..	..	..	..	.		(72)	
Netherlands	76	*(1)*	81	*(-1)*	72	*(4)*	79	*(-6)*	(81)	*(-1)*	84	*(-2)*	60	*(4)*	70	*(13)*
Norway	87	*-10*	90	*(-8)*	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	72	*(5)*	77	*(3)*	59	*18*	..	..	..	..	..	..	..	..	..	..
United Kingdom	80	*(1)*	81	*(5)*	78	*(2)*	(66)	*(9)*	(70)	*(2)*	80	*(-1)*	(67)	*(11)*	82	*(2)*
United States	83	*2*	85	*(-5)*	82	*3*	71	*(10)*	85	*(0)*	82	*5*	81	*(6)*	77	*13*
United States (excl. irreg.)	82	*(2)*	85	*(-5)*	81	*4*	71	*(10)*	82	*(-1)*	82	*5*	81	*(6)*	77	*13*
OECD average	76	*3*	80	*-1*	71	*7*										

Note: Employment rates for non-naturalised immigrant men are shown in percent. "." indicates that the value is not statistically significant. Differences between naturalised and non-naturalised are reported in percentage points. Differences which are not significant at the 10% level are reported in parentheses. Because of non-significant values in some categories, the OECD average is not calculated for the different origin groups of lower-income OECD countries and does not include Norway.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

Table 1.A2.3. Employment rates of foreign-born women by citizenship status and origin, around 2007

	All immigrants		Immigrants from high-income countries		Immigrants from lower-income countries											
					Total		Regions									
							Non-EU/EFTA European countries		Central and south America and Caribbean		East and South East Asia		North Africa and near middle East		Other African countries	
	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*	Non-naturalised	*Difference between naturalised and non-naturalised immigrants*	Non-naturalised	*Difference between naturalised and non-naturalised immigrants*	Non-naturalised	*Higher (+) or lower (-) percentage for naturalised*
Austria	61	*(1)*	71	*(-12)*	56	*(8)*	56	*(8)*	..	..	(55)	*21*	..	..	..	..
Australia	63	*-1*	63	*0*	63	*-2*	54	*2*	56	*8*	64	*0*	35	*5*	70	*2*
Belgium	44	*(3)*	50	*(3)*	29	*16*	(25)	*(8)*	..	..	..	..	..	..	..	..
Canada	65	*3*	68	*-1*	60	*9*	61	*8*	64	*8*	59	*11*	48	*12*	63	*8*
Switzerland	68	*(2)*	72	*(-2)*	63	*(7)*	61	*(9)*	70	*(-2)*	76	*(-7)*	(61)	*(9)*	75	*(1)*
Germany	48	*14*	60	*7*	40	*18*	40	*16*	50	*14*	52	*(3)*	29	*20*		*(0)*
Denmark	58	*9*	76	*(-1)*	47	*18*	51	*17*	..		(52)	*(11)*	..	..	-	-
Spain	62	*(7)*	60	*(4)*	64	*(8)*	53	..	76	*(0)*	72	*(11)*	46	*(1)*	72	*(2)*
France	54	*3*	69	*-8*	43	*11*	34	*15*	81	*(-10)*	..	..	35	*14*	60	*9*
Luxembourg	65	*(-5)*	66	*(-7)*	58	*(8)*	(52)	..	..	..	..	..	..	..	(74)	..
Netherlands	55	*(5)*	73	*(-8)*	39	*20*	38	*(11)*	(49)	*18*	56	*(6)*	27	*19*	(49)	*(18)*
Norway	83	*-11*	86	*(-6)*	..	..	..	..	..	..	..	..	..	..	..	..
Sweden	74	*(-5)*	75	*(-2)*	69	*(-2)*	..	..	..	..	..	..	..	..	..	..
United Kingdom	58	*(0)*	67	*(2)*	47	*9*	(32)	*21*	69	*(1)*	39	*(8)*	(49)	*(-1)*	56	*13*
United States	58	*13*	66	*(3)*	56	*14*	42	*22*	53	*17*	68	*5*	52	*(13)*	76	*(0)*
United States (excl. irreg.)	66	*7*	66	*(3)*	66	*8*	42	*22*	66	*13*	68	*5*	52	*(13)*	76	*(0)*
OECD average	59	*4*	67	*-2*	53	*10*										

Note: Employment rates for non-naturalised immigrant women are shown in percent. ".." indicates that the value is not statistically significant. Differences between naturalised and non-naturalised are reported in percentage points. Differences which are not significant (probability >= 10%) are reported in parentheses. Because of insignificant values in some categories, the OECD average is not calculated for the different origin groups of lower-income OECD countries and does not include Norway.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source : See "Methodology" in Annex 1.A1.

Table 1.A2.4. The association between naturalisation and the probability to be self-employed, selected OECD countries, around 2007

	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries	All immigrants	Immigrants from lower-income countries
	(1)		(2)		(3)		(4)	
Austria	2	4***	1	3**	.	.	.	.
Belgium	1	-3	-5*	-3	.	.	.	.
Switzerland	-2	7***	5**	5***	.	.	.	.
Germany	1	1	-1	-2**	-1	-2**	0	-1
Denmark	4	5*	3	6**	.	.	.	.
Spain	2	3	-4	2	.	.	.	.
France	-2	-2	-3**	-2	-3**	-2	-2	-1
Luxembourg	-7*	-1	2	1	.	.	.	.
Netherlands	7***	2	2	3	.	.	.	.
Norway	-4	-2	-2	-4	.	.	.	.
Sweden	12***	2	1	2	.	.	.	.
United Kingdom	-2**	-1	-2	-2	-2	-3*	-1	-2
United States	3***	4***	1	1	1	1	2**	2**
United States (excl. irreg.)	.	3**	.	3**	.	2*	.	2**

Note: The table shows the percentage point differences in the probability to be self-employed between naturalised and non-naturalised immigrants. A positive result indicates a higher probability for naturalised immigrants to be self-employed. The sample does not include part-time workers. Model (1) shows the overall difference. Model (2) includes control variables for education, age, gender and origin groups. For Germany, France and the United Kingdom, it was also possible to include years of residence (Model 3) and dummy variables for diverse branches (Model 4). */**/***: significant at the 10%/5%/1% level, respectively.

Unites States (excl. irreg.): Refers to the foreign-born excluding Mexico, El Salvador, Guatemala and Honduras.

Source: See "Methodology" in Annex 1.A1.

Table 1.A2.5. Longitudinal studies on the impact of naturalisation on the labour market outcomes of immigrants

Study	Country	Data, period, data type	N *	Methodology	Effects on	Results	Magnitude of impact
Bratsberg *et al.* (2002)	United States	National Longitudinal Survey of Youth (NLSY), 1979–1991, survey data	2 514	Individual fixed effects	Wages	Positive impact on wage growth, no evidence for accelerated wage growth prior to naturalisation	Returns per year of experience are 2.5 percentage points higher after naturalisation
Bratsberg *et al.* (2002)	United States	National Longitudinal Survey of Youth (NLSY), 1979–1991, survey data	2 514	Dynamic probit regressions	Employment	Positive impact on employment in public-sector and white-collar jobs	After five years of citizenship, evaluated at the sample mean, the likelihood of employment in the public sector is 3.3 percentage points higher than prior to naturalisation.
Steinhardt (2008)	Germany	IAB employment sample, 1975-2001, register data	507 325	Individual fixed effects	Wages	Positive impact on wage growth after naturalisation, immediate positive effect of naturalisation	Wage growth following naturalisation is 0.3 percentage points higher per year than is that of non-naturalised immigrants. Furthermore, naturalisation is associated with an immediate wage increase of about 1%.
Fougère and Safi (2009)	France	Echantillon Démographique Permanent (EDP), 1968-1999, census data	17 386	Bivariate probit model	Employment	Positive relationship between employment probability and naturalisation. Magnitude varies across different immigrant groups.	Naturalisation is associated with an employment premium of 23 percentage points for both men and women.
Scott (2008)	Sweden	Swedish Longitudinal Immigrant database (SLI), 1980-2001, register data	No information	Probit regressions	Employment	Mixed results. Association between employment probability and naturalisation varies strongly across immigrant groups.	Naturalised immigrants from Ethiopia have a 7- percentage-point higher probability of being full-time employed than their non-naturalised counterparts. On the other hand, the employment probability of naturalised immigrants in the US is 16 percentage points lower than that of their non-naturalised counterparts.
Scott (2008)	Sweden	Swedish Longitudinal Immigrant database (SLI), 1980-2001, register data	No information	Random effects GLS	Wages	Mixed results. Association between wages and naturalisation varies strongly across immigrant groups.	Naturalised immigrants from the Czech Republic earn 6% more than their non-naturalised counterparts. The wages of Greek immigrants who naturalise are 4% lower than their counterparts.
Ohlson (2008)	Sweden	LISA, 1990-2006, register data	497 293	Individual fixed effects	Wages	No indication for a positive impact on wage growth after naturalisation, evidence for accelerated wage growth prior to naturalisation.	Earnings start to increase on average by about 3.5 percent in the period four years before the acquisition of citizenship and thereafter
Hayfron (2008)	Norway	FD-Tygd Panel, 1992-2000, register data	2 382	Random effects	Wages	Positive association between wage growth and naturalisation.	Extending the post-naturalisation period by one year increases a naturalised citizen's wage by about 10%, evaluated at the sample mean.

Note: * All observations refer exclusively to non-naturalised and naturalised immigrants.

Source: Liebig *et al.* (2010).

Chapter 2.
The Current Status of Nationality Law

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This chapter presents the current status of nationality law in the countries of the European Union and selected OECD countries. It summarises the legal framework in place with respect to the acquisition of nationality at birth, the acquisition of nationality through naturalisation or other procedures, and the provisions for the loss of nationality.

Introduction

The many changes recently made in the laws governing nationality in a number of European Union and OECD countries raise the question of whether these changes are leading towards real harmonisation of legislation and whether, by facilitating naturalisation, they might help resolve the problem of integrating immigrant population groups.

The purpose of this chapter is to present the current status of nationality law in the countries of the European Union and selected OECD countries,[1] with reference in particular to the acquisition of nationality at birth, the acquisition of nationality through naturalisation or other procedures, as well as the loss of nationality.

The presentation is based on the most up-to-date texts of national legislation available. It does not go into the details of such legislation, but seeks rather to identify broad trends in this area. The author has compiled a number of comparative tables based on those texts. In order to make the table readable, it was necessary to sacrifice some of the detail in favour of greater comparability.

Nationality is an especially important issue in all these countries, for it directly relates to country sovereignty. Thus, each country is in effect free to decide to whom it will grant its nationality or citizenship, from whom it may withdraw nationality, and whether it will accept dual nationality.

For many countries[2] (25 in all) the question is deemed sufficiently important to be covered in the Constitution. In most of these cases the Constitution limits itself to establishing principles to be interpreted in legislation governing nationality. Constitutions sometimes contain a specific provision on the loss of nationality, however, specifying for example that citizens may not be stripped of their nationality for political reasons or if they are nationals from birth.

Significantly, nearly all of the 35 Countries examined here have amended their nationality legislation over the past decade. This process is still underway, since Greece has just made changes, and amendments are now underway in Belgium, Poland[3] and Switzerland.[4]

These amendments, while different, have moved largely in the same direction of greater convergence of applicable rules (for example, the introduction of citizenship tests to verify that candidates for naturalisation have a minimal knowledge of national institutions: France and the Netherlands since 2003, Denmark and the United Kingdom since 2005, United States amendments in 2008, or the recent creation of a citizenship award ceremony: Australia, Canada, France, Germany, New Zealand, Norway, Netherlands, United Kingdom). They also underline the interest that nationality holds as an element of integration policy. Nationality can in fact constitute a means of integrating or confirming the integration of immigrant groups who may have been established in the country for several years. Yet at the same time they also reveal a wish to regulate and even to limit the acquisition of nationality through naturalisation, by tightening the conditions.

The new laws also reveal a change in the approach to nationality. While nationality policy traditionally reflected philosophical, economic or military concerns, it has become to some extent a means of managing the integration of foreigners, something that has become important in light of the heavy immigration that most of the countries examined

have experienced. This new approach is also reflected in more frequent resort to *jus soli* ("Law of the soil").

The accession to the European Union of former Eastern Bloc countries, with their own post-independence nationality laws, has also changed the picture with respect to dual nationality.

2.1. Dual nationality

While western European countries often allow dual nationality, the new EU countries are often hostile to the concept, either out of principle or for reasons related to their recent history.

Dual nationality is hardly a new issue – a number of international conventions have attempted to establish rules in this regard. The Hague Convention of 12 April 1930, for example, declared that "it is in the general interest of the international community to secure that all its members should recognise that every person should have a nationality and should have one nationality only".

Multiple nationalities have thus been regarded as a source of tension between countries. It was to remedy this matter that the countries of the Council of Europe adopted the Convention of 6 May 1963 on the Reduction of Cases of Multiple Nationality and on Military Obligations.[5] Chapter 1 of the Convention, on the reduction of cases of multiple nationalities, stipulated that any person who acquired the nationality of one of the signatory countries would *automatically* lose his or her former nationality.

These provisions posed problems of application, and some countries in fact did not apply the Convention, in the end denouncing it (Germany in 2001) or denouncing only Chapter 1 (Belgium in 2007, France in 2008, Italy and Luxembourg in 2009).

A new Council of Europe Convention on Nationality, of 6 November 1997,[6] sets forth general principles governing nationality that signatory countries must respect. They reflect a common position that prevails even in those European countries that have not ratified this Convention: that everyone has the right to a nationality, that no one shall be arbitrarily deprived of his or her nationality, that the change of nationality by one spouse shall not affect the nationality of the other spouse, and that statelessness should be avoided.

The Convention also contains provisions on acquisition by virtue of law (*ex lege*) and on the grounds for loss of nationality. It allows multiple nationalities and describes the restrictions that may be placed on it by countries. It also deals with the conditions for fulfilling military obligations in case of multiple nationalities, reiterating in this regard the provisions of the Convention of 6 May 1963.

The Convention of 6 November 1997 thus contributes to greater harmonisation of legislation among ratifying countries.

Apart from any convention, a distinction can be made between dual nationality by origin and the dual nationality that results when a person acquires a new nationality. While dual nationality by origin is generally accepted by countries, with perhaps an obligation to choose upon reaching the age of majority, dual nationality through voluntary acquisition of another nationality often entails the automatic loss of the first nationality, or at least the requirement to make a choice.

Finally, it is worth mentioning the impact of European citizenship, which derives from possession of the nationality of a member country. Conversely, loss of nationality of a member country entails loss of European citizenship, which may cause difficulties, as illustrated in the recent decision of the Court of Justice of the European Union of 2 March 2010 (the case Rottmann C-135/08, published in the *Official Journal of the European Union,* No. C 113, 1 May 2010, p. 4), where an Austrian acquired German nationality and thereby lost his Austrian nationality, but was subsequently stripped of his German nationality because of fraud and found himself stateless.

The Court held that, while nationality is the exclusive competence of countries, withdrawal of nationality by a member country must respect the principle of proportionality. Withdrawal of nationality for a minor offence constitutes a disproportionate attack on the rights inherent in European citizenship. This same principle must also be taken into consideration if the person seeks restoration of his original nationality.

It is also worth recalling the solution handed down by the Court for cases where a national judge must choose the nationality of a person who holds the nationality of a country of the European Union and that of a third country. It is the nationality of the EU member country that must prevail over that of a third country, even at the expense of the principle of effectiveness (the case Micheletti, judgement of the European Court of Justice on 7 July 1992, case C-369-90).

This jurisprudence thus constitutes a relative limitation on member country discretion over its nationality law. It also testifies to the impact, perhaps unexpected, that the concept of European citizenship has on nationality.

2.2. Acquisition of nationality at birth

The conventional criteria for attributing nationality at birth – *jus sanguinis* ("Law of blood") and *jus soli* – are still in play, but there is a clear trend towards more frequent coexistence of these two criteria or, more precisely, towards the adoption of *jus soli* by certain countries (Table 2.A2.1 in Annex 2.A2).

Germany, which traditionally applied *jus sanguinis*, introduced an element of *jus soli* in 2000, when it provided that a child born of foreign parents would automatically acquire German nationality at birth if at that time one of its parents had been living [in Germany] habitually and legally for at least eight years and had permanent residency rights or had been in possession of an indefinite stay permit for at least three months. That child will generally acquire its parents' nationality as well, thereby creating a case of dual nationality. Because Germany is not in favour of dual nationality, it stipulated that, upon reaching the age of majority, and no later than at the age of 23 years, the child must choose one nationality or the other.

In 2010 Greece also introduced *jus soli* into its law:

- Greek nationality may be granted, upon request, to the children of immigrants who are born in Greece and whose parents have been living there permanently and legally for five years, as well as to the children of immigrants who have been enrolled for six years in a Greek education establishment.
- As well, all children of immigrants who have been enrolled in a Greek education establishment for three years may apply for Greek nationality at the age of majority.

- There are also special provisions to facilitate the granting of Greek nationality to the children of immigrants who were born in Greece and are already adults.

Few countries still make a distinction between legitimate and illegitimate offspring. Generally speaking, it is the "child" that is considered, and it will be granted nationality if at least one of its parents is a national or was born in the territory.

A foreign child adopted by a national acquires the adopting parent's nationality in most countries. In other countries, adoption does not have an automatic effect on nationality, but this may be acquired through simplified naturalisation[7] (Table 2.A2.2). Some countries do not recognise any particular effects on the adopted child's nationality.[8]

The *jus sanguinis* rule has been adopted by a majority of countries,[9] while the *jus soli* rule prevails in only a minority.[10] The remaining countries – more than a third of those examined – combine the two rules to varying degrees.[11] In some countries, nationality will be recognised under the "two generations" rule.[12, 13] Some countries also provide that, when only one parent has their nationality, the child must be born in the country in order to be recognised as a national,[14] or they will require birth in the country and residency by the parents for a specified period of time prior to the birth,[15] or they may take into account a parent's nationality only for a child born outside the country.[16]

It should be noted that, whatever the rule in force, a child found in the territory (a foundling) will be awarded, at least temporarily, the nationality of the country in which it was found.[17] In addition, in order to avoid statelessness, nationality will be conferred upon a child born in the territory to stateless parents.[18]

2.3. Acquisition of nationality by naturalisation

Naturalisation is a recognised procedure in all countries. It stems from the discretionary competence of countries to decide in light of their interests, which may be either to increase the number of their nationals or to limit it, or to allow the integration of immigrants who have lived in their territory for a certain period of time. "Ordinary" naturalisation requires a certain number of conditions (see Table 2.A2.3); "simplified" naturalisation (see Table 2.A2.2) does not require all such conditions.

For the individual, naturalisation is the main means of changing nationality. It serves both as an official recognition of their integration into their country of residence and as a means of acquiring the most coveted status, that of a national or citizen.

In fact, while the rights of foreigners are for the most part equivalent to those of nationals, there are some areas where their status is not the same: political rights, and sometimes the right to practice certain professions.

There is thus strong demand to acquire nationality, even if the administrative process is time-consuming and costly, with many countries imposing a fairly high fee for the granting of their nationality.

National laws contain fairly comparable conditions for naturalisation, although details vary.

Age

All countries set a minimum age which is in principle that of majority, *i.e.* 18 years (20 years for Japan). Some countries however allow the application for naturalisation to

be submitted earlier, at 16 years in Germany and New Zealand and at 15 years in Estonia and Latvia.

Residence

Regular residence in the territory for a specified length of time is always required, but the definition of residence is one of the areas in which there are the greatest disparities.

Length of residence is sometimes counted from the issuance of a permanent residency permit, but this permit is obtained only after five years of regular stay, which has the effect of extending the required duration (for example five years + five years for Bulgaria and Poland).

Some countries impose an additional waiting period after submission of the application for naturalisation (for example Cyprus, Estonia, Ireland and Malta add one year).

The required term of residence ranges from 12 years for Switzerland to three years for Canada (of which two years as a permanent resident).[19]

The required length of residency reflects a country's overall policy, which may be more or less favourable to receiving new citizens. The required residency duration has been extended in six countries,[20] while it has been shortened in three other countries (from an admittedly long ten years).[21]

The residency requirement may also be reduced or even waived in certain situations where the individual is presumed to have achieved linguistic and cultural integration (common language or education in the culture of the country in which naturalisation is sought (see Table 2.A2.2).

Knowledge of the language

All countries impose this requirement, except Sweden. Knowledge of the language is taken as evidence that the candidate is integrated into the society he seeks to join. Some countries have an express requirement for integration into the life of the country, which they define to include knowledge of the language.[22] They check for mastery of the language using procedures stipulated by regulation, to varying degrees of strictness.

Knowledge of institutions

In a similar vein, knowledge of national institutions (Constitution, rights and duties, the national anthem etc.) is required under the heading of the "citizenship test" in a growing number of countres.[23] Here again, the severity of the test will vary from one country to another.

Means of support

This condition is frequently included in legislation adopted since the beginning of the 21st century. The obvious objective is to ensure that the newly minted national does not become a financial burden on the host society.[24]

Clean police record

Most national laws will deny naturalisation to persons convicted of criminal offences in the country of residence, or sometimes abroad. They often make a distinction

depending on the severity of the offence and the length of the prison sentence that was imposed.

Good character

This is a condition only in certain countries.[25] It refers to the individual's overall conduct and behaviour, regardless of any offences he or she may have committed (in some countries, however, a clean police record is one of the criteria of good character).

No threat to public order

This condition is expressly required in some countries' laws[26] but not in others:[27] conduct contrary to the public order is often punishable as a crime, and will be included either in the requirement for a clean police record or in the requirement of good character, or it may be grounds for expulsion of a foreigner, which is in itself an obstacle to naturalisation.[28]

Activity contrary to the interests of the country

This condition, which is not required in all countries,[29] targets essentially conduct that constitutes disloyalty to the country, for example: enlistment in a foreign army or employment in the public service of a country with which the host country is in conflict, or involvement in relations with another country contrary to the interests of the host country.

Undertaking to reside in the country after naturalisation

Most common-law countries[30] impose this requirement, as does Norway.

Relinquishment of former nationality

Some countries opposed to dual nationality[31] require candidates for naturalisation to renounce their former nationality or to supply proof that it will lapse automatically. Some impose special provisions when the naturalisation applicant is a citizen of the country that does not allow for the loss of its nationality.

The obligation to renounce a foreign nationality in order to acquire the nationality of the host country is sometimes waived when the foreign law does not provide for loss of nationality or if the foreign country refuses to grant a release from allegiance[32] or if that requirement would cause grave prejudice to the individual,[33] or if the foreigner is a citizen of a country of the European Union.[34]

Taking of an oath

The taking of an oath or a pledge of loyalty to the country granting naturalisation is an increasingly frequent requirement.[35]

Exceptional naturalisation

Lastly, naturalisation may be granted on an exceptional basis under a specific procedure to persons who have rendered important services to the country of a scientific, cultural or economic nature or who have contributed to its international reputation and prestige.[36]

Good health

It is sometimes required that the applicant be of good health.[37]

Naturalisation granting authority

Naturalisation is granted either by the Head of State[38] or by the government,[39] or by a minister[40] or by the immigration office or department,[41] sometimes on the advice of a specialised commission comprising judges;[42] it may also be conveyed by an act of parliament.[43] In Switzerland, naturalisation procedures fall under the legislation of the cantons and the communes.

Appeals

A decision refusing naturalisation will not always be subject to appeal.[44]

Collective effects

In most cases naturalisation has a collective effect on minors living with the naturalised parent.[45]

Restoration of nationality

Most national laws make provision whereby nationals who have lost their nationality may apply for its restoration, subject sometimes to simplified conditions (see Table 2.A2.2 on "Simplified naturalisation").

Citizenship ceremony

Several countries have recently made provision in their laws for a citizenship ceremony,[46] as a way of officially welcoming new members of the national community. These ceremonies are designed to have a predominantly emotional effect on the new citizen, but also on the general public.

The effects of naturalisation

In principle, naturalisation in all countries confers the same rights as those enjoyed by nationals. Most laws stipulate that the route by which nationalisation is acquired makes no difference, and this should theoretically mean that there will be no differentiation in terms of access to professional activities.

There are still a few isolated disqualifications, however: for example, a naturalised person cannot become President or Vice President of the United States, and holding dual nationality makes a person ineligible to sit in Bulgaria's parliament or to stand for election as President.

2.4. Other ways of acquiring nationality

In addition to naturalisation, which is the principal means of acquiring the nationality of a country, there are other procedures for acquisition (Table 2.A2.4), such as registration or declaration,[47] the right of option[48] (personal choice), or uninterrupted ostensible "possession of the status" of a national for ten years.[49] "Possession of status" (*possession d'état*) designates the situation of a person who is regarded as a national and has been so considered by third parties and by the authorities. Since 2003, Estonia has

been granting nationality to persons holding a passport delivered through administrative error.[50]

While marriage has no automatic effect on nationality, it does allow the acquisition of nationality either by declaration[51] or through simplified naturalisation in a majority of countries, when the marriage has lasted for a certain number of years (Table 2.A2.2). That term ranges from one year in Spain to seven years in Lithuania. There is often an additional requirement, however, to the effect that the spouse must have resided personally in the territory for a certain time[52] and that the marriage must be of a certain duration (see Table 2.A2.5). Lastly, some countries provide only for ordinary naturalisation[53] (see Table 2.A2.3).

Service in the national Armed Forces sometimes leads to acquisition of nationality.[54]

2.5. Loss of nationality

Loss of nationality is recognised in most countries, as is its recovery (Table 2.A2.6). The loss may be automatic by virtue of acquisition of another nationality[55] or it may result from a specific procedure such as a declaration, an act of the administrative authority, or a court ruling.[56]

It applies more generally to persons who have acquired nationality.[57] It is not however totally excluded for nationals by birth, but it is then subject to strict conditions, and in particular it must not be arbitrary.

The loss of nationality may respond to a concern for *effectiveness* when the national is settled in a country where he has acquired nationality or when he has remained outside the national territory for a very long time.[58] Where a foreign nationality is acquired, countries opposed to dual nationality insist either on the automatic loss of that nationality or on an obligation to renounce it.[59] This rule applies alike to nationals from birth and to those who have acquired nationality. However, this mode of losing nationality seems to be in decline.

All the countries examined provide furthermore that loss of nationality may also result from a voluntary *individual decision.*[60] The national renounces his nationality or asks to be released from his bond of allegiance in order, for example, to resolve a case of multiple nationality. This loss of nationality is impossible if it would make the person stateless.

Lastly, the loss of nationality or its withdrawal may also be used as *punishment* when the person has obtained nationality by deception or fraud or when he or she behaves in a manner disloyal to the country whose nationality has been acquired. Most countries, except France and Luxembourg, also allow these two categories of grounds for withdrawing acquired nationality, even if it may lead to statelessness.

A decision to withdraw nationality is sometimes subject to appeal.[61]

In some countries, the loss of nationality has a collective effect on the children,[62] while others refuse to allow such an effect.

Lastly, several national laws provide that nationality may be withdrawn only within a certain period of time after the acquisition of nationality.[63]

2.6. Conclusions

Legislation governing nationality in European Union and OECD countries reveals a certain convergence which has been reinforced by recent reforms; uniformity has not however been achieved, and is perhaps not even desirable. The case law of the Court of Justice of the European Union relating to European citizenship is important here, for it contains the seeds of greater harmonisation of national legislation within the Union.

Notes

1. Australia, Canada, Japan, New Zealand, Norway, Switzerland, Turkey (see note 2 below), United States.

2. Belgium article 8, Bulgaria article 25, Cyprus* article 14, Czech Republic article 12, Estonia paragraph 8, Finland article 5, Germany article 16, Greece article 4, Hungary article 69, Ireland article 2, Italy article 22, Lithuania article 12, Luxembourg articles 9 and 10, Malta articles 22 to 31, Netherlands article 2, Poland article 34, Portugal articles 4 and 15, Romania article 5, Slovak Republic article 51, Slovenia articles 1 and 2, Spain article 11, Sweden Chapter 8, article 2, Switzerland Chapter 2, Turkey article 66, United States 14th Amendment.

   * *Note by Turkey*: The information in this chapter with reference to "Cyprus" relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognises the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Turkey shall preserve its position concerning the "Cyprus issue".

   Note by all the European Union member countries of the OECD and the European Commission: The Republic of Cyprus is recognised by all members of the United Nations with the exception of Turkey. The information in this chapter relates to the area under the effective control of the Government of the Republic of Cyprus.

3. On 4 April 2010 the Polish parliament voted a law, which is now awaiting signature by the President to bring it into force.

4. A draft nationality reform bill was submitted for consultation on 16 December 2009.

5. This Convention has been signed and ratified by the following countries: Austria, Belgium, Denmark, France, Germany, Ireland, Italy, Luxembourg, Norway, Netherlands, Spain, Sweden and United Kingdom. It was amended and supplemented by two protocols of 24 November 1977 (eight ratifications: Belgium, Denmark, Luxembourg, Norway, Netherlands, Spain, Sweden, United Kingdom) and 2 February 1993 (three ratifications: France, Italy, Netherlands). The protocol of 2 February 1993 adopts a concept opposite to that enshrined in the 1963 Convention.

6. It has been signed by 19 States (including France, Greece, Italy, Latvia, Luxembourg and Malta) but ratified by only 12: Austria, Czech Republic, Denmark, Germany, Hungary, Ireland, Norway, Netherlands, Portugal, Romania, Slovak Republic and Sweden.

7. Austria, Bulgaria, Canada, Czech Republic, Estonia, Hungary, Japan, New Zealand.

8. Turkey.

9. Austria, Czech Republic, Denmark, Estonia, Hungary, Italy, Japan, Latvia, Lithuania, Norway, Poland, Slovak Republic, Sweden, Switzerland

10. Australia, Cyprus, Malta, United Kingdom, United States.

11. Belgium, Bulgaria, Canada, Cyprus, Finland, France, Germany, Greece, Netherlands, New Zealand, Portugal, Romania, Slovenia, Sweden, Turkey.
12. "Double naissance", *i.e.*, the case where the child is born in a country in which at least one of its parents was also born, and automatically acquires the nationality of that country at birth.
13. Belgium, France, Luxembourg, Netherlands, Portugal, Spain.
14. Canada, Cyprus, Denmark, Latvia, United Kingdom, Sweden.
15. Belgium, Greece (five years), Germany (eight years or three years of residency), Ireland (four years), Portugal (ten years or six years).
16. New Zealand, United Kingdom, United States.
17. As an exception to this rule, Estonia requires a court ruling.
18. Latvia and Switzerland provide for simplified naturalisation in this case; Sweden requires only a declaration.
19. Austria, Bulgaria, Italy, Lithuania, Poland, Slovenia, Spain: ten years; Denmark: nine years; Cyprus, Finland, Germany, Hungary, Slovak Republic: eight years; Luxembourg, Norway, Romania: seven years; Estonia, Portugal: six years; Belgium, Czech Republic, France, Ireland, Japan, Latvia, Malta, Netherlands, New Zealand, Sweden, Turkey, United Kingdom, United States: five years; Australia: four years; Belgium: three years.
20. Australia, Belgium, Denmark, Finland, Ireland, New Zealand.
21. Germany, Greece, Luxembourg.
22. Austria, Belgium, Czech Republic, France, Germany, Luxembourg, Malta, Netherlands, Portugal, Switzerland, Turkey, United Kingdom
23. Australia, Austria, Canada, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Latvia, Lithuania, Luxembourg, Netherlands, New Zealand, Romania, United Kingdom, United States.
24. Austria, Bulgaria, Denmark, Estonia, Finland, France, Germany, Hungary, Italy, Japan, Latvia, Lithuania, Poland, Portugal, Romania, Slovenia, Turkey.
25. Australia, Cyprus, Finland, France, Greece, Ireland, Italy, Malta, New Zealand, Norway, Sweden, Turkey, United Kingdom, United States.
26. Australia, Austria, Finland, France, Germany, Italy, Malta, Netherlands, Romania, Slovenia, Spain, Switzerland.
27. Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, Greece, Hungary, Ireland, Japan, Latvia, Lithuania, Luxembourg, New Zealand, Norway, Poland, Portugal, Slovak Republic, Sweden, Turkey, United Kingdom, United States.
28. Austria, Canada, France, Germany, Greece, Slovak Republic, Slovenia, United Kingdom, United States.
29. Australia, Austria, Estonia, Finland, Greece, Hungary, Latvia, Norway, Spain, Switzerland.
30. Australia, Cyprus, Ireland, New Zealand, Norway, United Kingdom
31. Austria, Bulgaria, Czech Republic, Estonia, Germany, Japan, Latvia, Lithuania, Norway, Netherlands, Poland, Portugal, Slovak Republic, Slovenia, Spain

32. Austria, Czech Republic, Germany (article 87 of the nationality law).

33. Czech Republic.

34. Austria, Netherlands, Germany.

35. Austria, Australia, Canada, Cyprus, Denmark, Estonia, Finland, Germany, Greece, Hungary, Ireland, Japan, Latvia, Lithuania, Malta, Netherlands, New Zealand, Romania, Slovak Republic, Slovenia, Spain, United Kingdom, United States.

36. Australia, Austria, Australia, Canada, Czech Republic, Estonia, France, Germany, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, New Zealand, Norway, Romania, Slovak Republic, Slovenia, Spain, Sweden, Turkey, United Kingdom.

37. Bulgaria, Turkey, United Kingdom. In France health status is not included in the conditions for naturalisation but the Minister may request a medical examination if necessary (Civil Code art. 21-25).

38. Bulgaria, France, Lithuania, Netherlands, Poland.

39. Austria, Latvia.

40. Australia, Canada, Cyprus, Czech Republic, Greece, Hungary, Ireland, Italy, Japan, Luxembourg, Malta, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, Turkey, United Kingdom, United States.

41. Finland, Norway, Sweden.

42. Romania.

43. Belgium, Denmark.

44. Appeals are allowed in the following countries: Canada, Czech Republic, Denmark, Finland, France, Germany, Latvia, Luxembourg, Netherlands, Norway, Portugal, Slovenia, Sweden, Switzerland, Turkey, United Kingdom.

45. Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Italy, Latvia, Lithuania, Netherlands, Poland, Romania, Slovak Republic, Slovenia, Sweden, Switzerland, Turkey.

46. Australia, Canada, France, Germany, Netherlands, New Zealand, Norway, Sweden, United Kingdom.

47. Australia, Austria, Belgium, Cyprus, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Portugal, Slovenia, Spain, Sweden, Turkey, United Kingdom, United States.

48. Austria, Belgium, France, Germany, Japan, Latvia, Lithuania, Malta, Netherlands, Slovak Republic, Switzerland, Spain, Turkey.

49. Australia, Belgium, Estonia, Finland, France, Germany, Luxembourg, New Zealand, Spain; in Switzerland possession of status allows simplified naturalisation.

50. Law of 19 January 1995 amended by Law of 29 January 2003, art. 35.

51. Belgium, Cyprus, France, Lithuania, Malta, Netherlands, Poland, Portugal, Turkey. Three States provide in this case that the government may oppose the acquisition of nationality: Belgium, France, Portugal.

52. Australia, Austria, Canada, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Ireland, Japan, Norway, Netherlands, New Zealand, Poland, Slovenia, Switzerland, United States.

53. Canada, Czech Republic, Estonia, Latvia, Luxembourg, Romania.

54. France, Greece.

55. Austria and Greece (except with authorisation),Czech Republic (in case of voluntary acquisition), Germany, Denmark, Estonia, Japan, Latvia, Lithuania, Netherlands, New Zealand, Norway, United States.

56. Belgium, Denmark, France, Latvia, Lithuania, Portugal, United States.

57. Some countries provide that its nationals by birth cannot be stripped of their nationality. See above, note 1. Apart from constitutional provisions this is also stipulated in the legislation of some States, *e.g.* Bulgaria, Estonia, Romania.

58. Germany: ten years; Cyprus, Ireland, Malta, Turkey: seven years; Spain: three years; Slovenia: three or 15 years. In Denmark, Norway and Sweden a person who has never lived in the kingdom automatically loses his nationality at the age of 22, provided he does not thereby become stateless; in France, the ascendants must have remained abroad for 50 years and the applicant must never have had a residence in France or possession d'état (ostensible status) as French.

59. Austria, Bulgaria, Czech Republic, Denmark, Estonia, Germany, Japan, Latvia, Lithuania, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, United States.

60. Non-member countries of the European Union or the OECD, however, sometimes prohibit their citizens from giving up their nationality. See above, notes 32 and 33 for the exceptions that some countries make to the prohibition on dual nationality.

61. Australia, Belgium, Canada, Finland, France, Hungary, Latvia, Lithuania, Luxembourg, New Zealand, Switzerland, Turkey, United Kingdom.

62. Australia, Austria, Czech Republic, Denmark, Germany (with special mention), Lithuania, Netherlands, Norway, Poland, Slovak Republic, Sweden, Switzerland.

63. Austria, Belgium, Bulgaria, Cyprus, Germany, Finland, France, Hungary, Latvia, Malta, Netherlands, Portugal, Slovenia, Spain, Switzerland.

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Annex 2.A1. The main laws on nationality

Country	Nationality Law
Germany	Nationality Law, 22 July 1913 modified L. 5 February 1999
Australia	Nationality Law, 2007 modified L. n° 51 June 2010
Austria	Nationality Law, 1985 modified L. 22 Mars 2006
Belgium	Belgium nationality code, L. 28 June 1984 modified L. 27 December 2006 and currently in the process of being modified
Bulgaria	Nationality Law, n° 136, 1998 modified L. 30 April 2010
Canada	Nationality Law, 15 February 1977 modified L. 17 April 2009
Cyprus	Nationality Law, n° 43, 1967 modified in 2001
Denmark	Law n° 252, 27 May 1950 consolidated L n° 422, 7 June 2004
Spain	Civil Code (art. 17 to 26) modified L. 36/2002, 8 October 2002
Estonia	Nationality Law, 19 January 1995 modified L. 15 June 2006
United States	Immigration Law, 1990 (Title IV) modified in 2001
Finland	Nationality Law, n° 359/2003, 16 May 2003 modified L.327/2009, 8 May 2009
France	Civil Code (art. 17 to 33-2) modified in 1973 and L. 20 November 2007
Greece	Nationality Code, L. 3284/2004, 10 November 2004 modified in 2010
Hungary	Nationality Law, L. n° LV 1993, 15 June 1993, modified L. LXXXII, 1st December. 2008
Ireland	Nationality and Citizenship Law, 1956 modified L n° 38, 15 December 2004
Italy	Nationality Law, n° 91, 5 February. 1992 modified L. n° 94/09, 15 July 2009
Japan	Nationality Law, 4 May 1950 modified November 2009
Latvia	Nationality Law, 1994 modified L. X-1709, 22 June 1998
Lithuania	Nationality Law, IX-1078, 17 September 2002 modified L. 15 July 2008
Luxembourg	Nationality Law, 23 October 2008
Malta	Nationality Law, 1965 modified L. 28 June 2007
New Zealand	Nationality Law, 1977 modified L. 21 April 2010
Norway	Nationality Law n° 51, 10 June 2005 modified L. n° 36, 30 June 2006
The Netherlands	Nationality Law, 19 December 1984 modified L. 17 June 2010
Poland	Nationality Law, 15 February. 1962 modified L. 20 July. 2007 (and 4 April 2010 not implemented yet)
Portugal	Nationality Law, n°37/81, 3 October 1981 modified L. 2/2006, 16 February 2006
Czech Republic	Nationality Law, n° 40-1993, 29 December 1992 modified L. n°357/2003, 23 September 2003
Romania	Nationality Law, n° 21/1991, 1st March 1991 modified L.147/2008, 8 Mai 2009
United Kingdom	Nationality Law, 30 October. 1981 modified L. Borders, Citizenship and Immigration, 21 July, 2009
Slovak Republic	Nationality Law, n° 40/1993 modified L. 344/2007, 26 June 2007
Slovenia	Nationality Law, n° 1/1991, 5 June 1991 modified L. n°127/2006, 24 November 2006
Sweden	Nationality Law, 10 mai 2001 modified 30 March 2006
Switzerland	Federal and Nationality Law, 29 September 1952 modified L. 21 December 2007
Turkey	Law n° 5901/2009, 29 May 2009

Note: Only the most recent modifications are indicated.

Annex 2.A2. Supplementary tables

Table 2.A2.1. Nationality of origin (by birth)

	Jus sanguinis	*Jus soli*	Two generations born in the country	Child			Child adopted by a national acquires nationality	Child found in the territory is attributed nationality	A stateless person born in the territory is attributed nationality
				Mother or father is national		Born in the country			
EUROPEAN UNION									
Austria	x			x			no	x	
Belgium	x	x	Parent was resident during five of the ten years preceding the birth	x	and	x	x	x	x
Bulgaria	x	x		x		x	x	x	x
Czech Republic	x			x			x	x	x
Cyprus	x	x x		x x	and and	x Born abroad	x		
Denmark	x x			x If parents not married, Danish father	and	x	x	x	
Estonia	x			x			Simplified naturalisation	Court decision	
Finland	x	x		x	or	x	x	x	x
France	x	x	x	x			x	x	x
Germany	x	x		x If the parent has been a legal resident for eight years or three years and if the residency permit is of indefinite duration	or	x	x	x	x

Table 2.A2.1. Nationality of origin (by birth) *(cont'd)*

	Jus sanguinis	*Jus soli*	Two generations born in the country	Child			Child adopted by a national acquires nationality	Child found in the territory is attributed nationality	A stateless person born in the territory is attributed nationality
				Mother or father is national		Born in the country			
Greece	x	xx		x		xx x And permanent residency in Greece	x	x	x
Hungary	x			x			Simplified naturalisation	x	x
Ireland	x (L. 5 June 2001)	x		If parent an foreigner, must have been resident for at least four years before the birth	or	x	x	x	x
Italy	x			x			x	x	x
Latvia	x x			x If one parent a national	and	x	x	x	Simplified naturalisation
Lithuania	x			x	or	x	x	x	x
Luxembourg	x		x	x			x	x	x
Malta	x	x		x	or	x	x	x	
Netherlands	x	x	x	x	or	x	x		Declaration
Poland	x			x				x	x

Table 2.A2.1. Nationality of origin (by birth) *(cont'd)*

	Jus sanguinis	*Jus soli*	Two generations born in the country	Child			Child adopted by a national acquires nationality	Child found in the territory is attributed nationality	A stateless person born in the territory is attributed nationality
				Mother or father is national		Born in the country			
Portugal	x		x	x			x	x	x
		x		Parent resident for ten years or six years	or	x			
Romania	x	x		x	or	x	x	x	
Slovak Republic	x			x			x		x
Slovenia	x	x		x	or	x	x	x	x
Spain	x		x	x			x	x	x
Sweden	x			Mother a national			x	x	Declaration
		x		Father a national	and	x			
United Kingdom		x		UK citizen	or	Born in the UK	x	x	x
	x			UK citizen not by filiation		Born outside the UK			
EUROPEAN ECONOMIC AREA									
Norway	x			x			x	x	
Switzerland	x			x			x	x	Naturalisation

Table 2.A2.1. Nationality of origin (by birth) *(cont'd)*

	Jus sanguinis	*Jus soli*	Two generations born in the country	Child			Child adopted by a national acquires nationality	Child found in the territory is attributed nationality	A stateless person born in the territory is attributed nationality
				Mother or father is national		Born in the country			
OTHER OECD COUNTRIES (not mentioned above)									
Australia	x	x		x	and	x	x	x	Naturalisation
Canada	x[1]	x		x	and	x	x[2]	x	
Japan	x			x			Simplified naturalisation	x	x
		x				x	x	x	x
New Zealand	x			Citizen other than by filiation	and	Born outside NZ			
Turkey	x	x		x			x	x	x
United States	x	x		x	and	x Born outside the Unites States	x	x	

1. A child born to a Canadian outside Canada has Canadian nationality only for the first generation.

2. If the adoption took place in Canada.

x Indicates that the item shown in the heading of the column exists in the law of the target country.

xx Indicates that a reform is in progress to introduce this criterion.

Blank boxes indicates that no answer was found or nonexistent in the country in question.

Table 2.A2.2. Simplified naturalisation

	Spouse of nationals	Children	Former nationals of the country	Ethnic or co-ethnic citizens [1]	Citizens of certain countries with special agreements	Refugees	Stateless persons	Citizen of a country with the same official language as in the country where he or she seeks to acquire citizenship	Person who was educated in the country where he or she seeks to become naturalised	Foreigner who has, or might, render important services	Foreigner who has in effect rendered exceptional services to the country where he or she seeks naturalisation	Foreigners who have undertaken significant capital investments in the country	Citizens of the European Union
EUROPEAN UNION													
Austria	x	x				Minimal legal residence required for application reduced to six years				Minimal legal residence required for application reduced to six years	No minimal legal residence required for application		Minimal legal residence required for application reduced to six years
Belgium													
Bulgaria	Minimal legal residence required for application reduced to three	Adopted children	No minimal legal residence required for application			Minimal legal residence required for application reduced to three	Minimal legal residence required for application reduced to three					x (USD 500 000)	
Cyprus													
Czech Republic	No minimal legal residence required for application	Child adopted by nationals: No minimal legal residence required for application	Former Slovak living on Czech territory: No requirement to lose former nationality			No minimal legal residence required for application	No minimal legal residence required for application				No need to abandon former nationality, no language requirement, on regular residence		
Denmark					(Déclaration)								
Estonia		x									x		
Finland	Minimal legal residence required for application reduced to four years	Minimal legal residence required for application reduced to two or four years	Minimal legal residence required for application reduced to two years		Minimal legal residence required for application reduced to two years for nationals of nordic countries	Minimal legal residence required for application reduced to four years							
France	Spouse of a person who was naturalised: no minimal legal residence required	Minor child of at leats one parents who acquired French citizenship: no minimal legal residence required	Minor child of at leats one parent who acquired French citizenship: no minimal legal residence required			No minimal legal residence required for application	x	No minimal legal residence required for application	Minimal legal residence required for application reduced to two years for foreigners who successfully completed two years of university-level education	Minimal legal residence required for application reduced to two years	No minimal legal residence required for application		
Germany	x	Children of naturalised persons	x	x							No minimal legal residence required for application		No minimal legal residence required for application
Greece	Minimal legal residence required for application reduced to three years		x	No minimal legal residence required for application	Anciens grecs résidant dans l'ancienne URSS	Minimal legal residence required for application reduced to three years	Minimal legal residence required for application reduced to three years		6 ans d'éducation (déclaration)	Dispense de stage, décision du Président			

Table 2.A2.2. Simplified naturalisation *(cont'd)*

	Spouse of nationals	Children	Former nationals of the country	Ethnic or co-ethnic citizens [1]	Citizens of certain countries with special agreements	Refugees	Stateless persons	Citizen of a country with the same official language as in the country where he or she seeks to acquire citizenship	Person who was educated in the country where he or she seeks to become naturalised	Foreigner who has, or might, render important services	Foreigner who has in effect rendered exceptional services to the country where he or she seeks naturalisation	Foreigners who have undertaken significant capital investments in the country	Citizens of the European Union
Hungary	Minimal legal residence required for application reduced to three years	For adopted children: Minimal legal residence required for application reduced to three years		Minimal legal residence required for application reduced to one year		Minimal legal residence required for application reduced to three years							
Ireland	x			Discretionary exemption from some or all of the conditions to become naturalised		Discretionary exemption from some or all of the conditions to become naturalised	Discretionary exemption from some or all of the conditions to become naturalised				x		
Italy	Minimal legal residence required was increased by six months to two years, L. 15/7/2009		Minimal legal residence required for application reduced to three years	Minimal legal residence required for application reduced to two years		Minimal legal residence required for application reduced to five years	Minimal legal residence required for application reduced to five years						Minimal legal residence required for application reduced to four years
Latvia	Required lengths of marriage: ten years		x		Citizens of Lithuanioa, Estonia and Poland who were latvian residence before WWII and their decendants				Exemption from language test		x		
Lithuania	Minimal legal residence required reduced to seven years / five years for political prisonners deportees										exemption from usual requirements ; no effect on possible children		
Luxembourg									After seven years in education: no test required for knowledge of language and institutions	Decision is taken by the Chamber of Deputies			
Malta	Minimal legal residence required for application reduced to three										Spouse of a citizen of Malta		
Netherlands	Minimal legal residence required for application reduced to three years				Aruba and the Netherlands Antilles		Minimal legal residence required for application reduced to three years						

Table 2.A2.2. Simplified naturalisation *(cont'd)*

	Spouse of nationals	Children	Former nationals of the country	Ethnic or co-ethnic citizens [7]	Citizens of certain countries with special agreements	Refugees	Stateless persons	Citizen of a country with the same official language as in the country where he or she seeks to acquire citizenship	Person who was educated in the country where he or she seeks to become naturalised	Foreigner who has, or might, render important services	Foreigner who has in effect rendered exceptional services to the country where he or she seeks naturalisation	Foreigners who have undertaken significant capital investments in the country	Citizens of the European Union
Poland	Administrative procedure			x (confirmation)			Minimal legal residence required for application reduced to five years + change in administrative procedure			x (athletes)			
Portugal			No minimal legal residence required for application					Special case abandoned in 2005		x			
Romania			No minimal legal residence required for application			Minimal legal residence required for application reduced to four years				Honorary Citizen, no particluar conditions		EUR1 000 000: Minimal legal residence required reduced to four years	Minimal legal residence required for application reduced to four years
Slovak Republic	No minimal legal residence required for application										No minimal legal residence required for application		
Slovenia	Minimal legal residence required for application reduced to three years	x	No minimal legal residence required for application			Minimal legal residence required for application reduced to five years	Minimal legal residence required for application reduced to five years		Minimal legal residence required for application reduced to seven years	Minimal legal residence required for application reduced to one year, no need to lose former nationality			
Spain	Widow or widower of a Spanish citizen				Latin American countries, Andorra, Philippines, Equatorial Guinea, Portugal and for Sephardi Jews: Minimal legal residence required for application	Minimal legal residence required for application reduced to five years							
Sweden			No minimal legal residence required for application		Minimal legal residence required for application reduced to two years for citizens of nordic	Minimal legal residence required for application reduced to four years	Minimal legal residence required for application reduced to four years			No minimal legal residence required for application			
United Kingdom								Territories		x	x		Registration procedure

Table 2.A2.2. Simplified naturalisation *(cont'd)*

	Spouse of nationals	Children	Former nationals of the country	Ethnic or co-ethnic citizens[1]	Citizens of certain countries with special agreements	Refugees	Stateless persons	Citizen of a country with the same official language as in the country where he or she seeks to acquire citizenship	Person who was educated in the country where he or she seeks to become naturalised	Foreigner who has, or might, render important services	Foreigner who has in effect rendered exceptional services to the country where he or she seeks naturalisation	Foreigners who have undertaken significant capital investments in the country	Citizens of the European Union
EUROPEAN ECONOMIC AREA													
Norway	No requirements		No requirements		No requirements for citizens of Nordic countries					No requirements			
Switzerland	Minimal legal residence required for application reduced to five years	Minimal legal residence required for application reduced to five years											
OTHER OECD COUNTRIES (not mentioned above)													
Australia	x	Australian-born to foreign parents: No minimal legal residence required	No minimal legal residence required for application				x			Minimal legal residence required for application reduced to two years			
Canada		Child adopted abroad by Candian citizen	x no minimal legal residence required		Commonwealth and Ireland		No need for an oath				No requirements		
Japan		Adopted Children											
New Zealand		Children adopted outside of New-Zealand			Samoa		x			x[2]			
Turkey	Minimal legal residence required for application reduced to three years									x	x		
United States	Minimal legal residence required for application reduced to three years		No minimal legal residence required for application										

1. Non national who is socially as well as historically attached to the culture, language and tradition of the country.

2. Naturalisation in case of exceptional circumstances or for humanitarian reasons.

Blank cells indicate that no answer was found or case does not exist in the country's legal system.

Table 2.A2.3. Acquisition of nationality by naturalisation

	Minimum age	Duration of regular residence in the country	Good Character	Clean police record	No threat to public order	No activities contrary to the interests of the State[1]	Not having been expelled from the country before	Means of own support	Knowledge of language	Knowledge of institutions	Loss of former nationality	Exceptional services to the country	Taking of an oath	Pledge to remain a resident of the country where naturalisation is seeked	Naturalisation granting authority	Collective effects	Appeals	Restoration of nationality	Citizenship ceremony
EUROPEAN UNION																			
Austria	18	10		x	x	x	x	x	x	x	x	x	x	x	no	x		x	no
Belgium	18	(3) 5		xx					xx		xx	no		no	no	x	no	x	no
Bulgaria	18	5 +5		x				x	x			x	x	no	no			x	no
Cyprus	18	7+1	x											x	x				no
Czech Republic	18	5		x					x		x	x	x		no	x	x	x	no
Denmark	18	9		x			x	x	x	x		x		x	no	x	x	x	no
Estonia	15	5+1		x		x		x	x	x		x	x	x	no	x		x	no
Finland	18	6 or 8	x	x	x	x		x	x	x				x	no	x	x	x	no
France	18	5	x	x	x		x	x	x	x	x	no	x	no	no	x	x	x	x
Germany	16	8		x	x		x	x	x	x	x	x		x	no	x	x	x	no
Greece	18	7 (L. 2010)	x	x	x (L. 2010)	x (L. 2010)	x		x	x (L. 2010)	x (L. 2010)	no	x	x	no	x	x	x	no
Hungary	18	8		x		x		x	x	x		no		x	no			x	no
Ireland	18	4+1	x	x								no	x	x	x		no	x	no
Italy	18	10	x	x	x			x	x		x	no		x	no	x		x	no
Latvia	15	5		x		x		x	x	x		x	x	x	no	x	x	x	no
Lithuania	18	10		x				x	x	x		x	x	x	no	x		x	no
Luxembourg	18	7		x					x	x	x	no	x (law)		no		x	x	no
Malta	18	4 + 1	x	x	x				x		x	no		x	no		no	x	no
Netherlands	18	5		x	x				x	x	x	x		x	no	x	x	x	x
Poland	18	5+5			xx			x	x		xx	x	x		no	x	no	x	no
Portugal	18	6 or 10	x	x				x	x		x	x	x	no	no		x	x	no
Romania	18	8	x	x	x			x	x	x		not necessary for former nationals	x[2]	x	no	x		x	no
Slovak Rep.	18	8	x	x			x		x			x	x	x	no	x		x	no
Slovenia	18	10	x	x	x		x	x	x			x	x	x	no	x	x		no

Table 2.A2.3. Acquisition of nationality by naturalisation *(cont'd)*

	Minimum age	Duration of regular residence in the country	Good Character	Clean police record	No threat to public order	No activities contrary to the interests of the State[1]	Not having been expelled from the country before	Means of own support	Knowledge of language	Knowledge of institutions	Loss of former nationality	Exceptional services to the country	Taking of an oath	Pledge to remain a resident of the country where naturalisation is seeked	Naturalisation granting authority	Collective effects	Appeals	Restoration of nationality	Citizenship ceremony
Spain	18	10		x	x	x			x			x		x	no			x	no
Sweden	18	5	x	x							x	no		no	no	x	x	x	no
United Kingdom	18	6	x	x			x		x	x	x	no		x	x		x	x	x
EUROPEAN FREE TRADE ASSOCIATION																			
Norway	18	7	x	x		x			x			x			x		x	x	x
Switzerland	18	12			x	x			x		x				no	x		x	no
OTHER OECD COUNTRIES (not mentioned above)																			
Australia	18	4	x	x	x	x			x	x		no	x	x	x (1 year)			x	x
Canada	18	3, at least 2 years of permanent residency		x			x		x	x		no	x	x	no		x	x	x
Japan	20	5	x	x				x	x			x	x	x	no				no
New Zealand	18	5	x	x					x	x		no	x	x	x				x
Turkey	18	5	x					x	x			no			no	x	x	x	no
United States	18	5 (permanent residency)	x	x			x		x	x		x		x	no				no

1. Conduct hostile to the country, *i.e.* involvement in activities against the country's independence, enrollment in the public service or the armed forces of another country or disloyalty or actions threatening the country's safety and stability.

2. The naturalised does not, in the case, obtain the right to vote or may he be elected or hold public office.

x indicates that the element listed in the title exists in the legal frame of the country.

xx Indicates that a reform is under way to introduce this criterion.

Blank cells indicate that an answer was not found or that the item does not exist in the country considered.

Note: The conditions of "good character", "clean police record", "no threat to the public order" and "no prior expulsion" are sometimes but possibly jointly considered in one of the categories.

Table 2.A2.4. Acquisition of nationality other than by naturalisation or marriage

	Declaration / Registration	Option[1]	Possession of State	Collective effects[2]	Opposition[3]
EUROPEAN UNION					
Austria	Former nationals	x	no		
Belgium	x	x	10 years	If the children reside in Belgium	Prosecutor General's office
Bulgaria			no		
Cyprus	x		no		
Czech Republic	x		no		
Denmark	Nordic countries 10 years residence		no	x	x
Estonia			Passport holder		
Finland	x		10 years		
France	x	x	10 years	x	
Germany		x	12 years (L. 2007)		
Greece	x		no		
Hungary	x		no		
Ireland	x		no		
Italy	x		no		
Latvia		x	no		
Lithuania	x	x	no		
Luxembourg	x	no	x		
Malta	x	x	no		
Netherlands	x	x	no		
Poland	x		no		
Portugal	x		no		x
Romania			no		
Slovak Republic		x	no	x	
Slovenia	x		no		
Spain	x	x	10 years		
Sweden	x		no		
United Kingdom	x		no		
EUROPEAN ECONOMIC AREA					
Norway	x		no		
Switzerland		x	5 years + simplified naturalisation		
OTHER OECD COUNTRIES (not mentioned above)					
Australia	x[4]		x[5]		x
Canada			no		
Japan			no		
New Zealand	x		x	x	
Turkey		x	no		
United States	x		no		

1. The "option" is the fact to ask the individual to choose one unique nationality if he has two or more.

2. "Collective effects" means that the parent's acquisition of nationality produces effects on the nationality of children.

3. The opposition is the faculty left up to the country to oppose the acquisition of nationality by the person. This can only apply if the acquisition of nationality is based on a declaration made by the person which is often the case in marriage.

4. Children born abroad to a parent, who is Australian or resident.

5. More specifically, the law takes account of administrative errors concerning permanent residency of a person seeking naturalisation.

x indicates that the item shown in the heading of the column exists in the law of the target country.

Blank boxes indicate that no answer was found or nonexistent in the country in question.

Table 2.A2.5. Naturalisation by marriage

	Acquisition by declaration (D); Simplified naturalisation (S); Ordinary naturalisation (O)	Required years of marriage	Required years of residence	Loss of former nationality	Opposition to acquisition of nationality[1]
EUROPEAN UNION					
Austria	S	5	6 years	yes	
Belgium	D	3		no	yes
Bulgaria	S	3		yes	
Cyprus	D	3			
Czech Republic	O		5	yes	
Denmark	S	3	7-8 years	yes	
Germany	S	2	3	yes	
Estonia	O			yes	
Finland	S	3	4-6 years	no	
France	D	4		no	yes
Greece	S		3	no	
Hungary	S	3	3	no	
Ireland	S	3	2 +1	no	
Italy	S	2 (L.15/7/2009)		no	
Latvia	O	10	5	yes	
Lithuania	D	7		yes	
Luxembourg				no	
Malta	D	5		no	
Netherlands	D, S	3	15	yes	
Poland	D	3	5	yes	
Portugal	D	3		yes	yes
Romania	O	3		no	
Slovak Republic	S	5		yes	
Slovenia	S	3	1	yes	
Spain	S	1		Except South America	
Sweden	S			no	
United Kingdom	S	3		no	
EUROPEAN ECONOMIC AREA					
Norway	S	4 years	3	yes	
Switzerland	S	3 years	5	no	
OTHER OECD COUNTRIES (not mentioned above)					
Australia	S	4 years	1 as permanent resident	no	
Canada	O	3 years	2 as permanent resident	no	
Japan	S		5	yes	
New Zealand	S		5	no	
Turkey	D	3 years		no	
United States	S	3 years	3	yes	

1. This possibility exists only when nationality is acquired by declaration. The opposition is the faculty left up to the country to oppose the acquisition of nationality by the person. This can only apply if the acquisition of nationality is based on a declaration made by the person which is often the case in marriage.

Blank boxes indicate that no answer was found or nonexistent in the country in question.

Table 2.A2.6. Loss of nationality

	Renunciation Release from allegiance	Declaration Option	Acquisition of another nationality	Withdrawal of nationality for reasons of fraud, deceit or criminal behaviour	Withdrawal of nationality for disloyal conduct[1]	Continuous residence abroad	Time limit for withdrawal following naturalisation	Court-ordered withdrawal	Administrative withdrawal	Appeal	Collective effects[2]
EUROPEAN UNION											
Austria	x		x except with authorisation	x	x		6 years		Provincial government		x
Belgium	x		not since 2007	xx	xx		5 years / 10 years	x		x	
Bulgaria	x		not since 1991	x	x		10 years		President on recommendation of Min. Justice	No	
Cyprus	x		not since 2003	x	x	7 years	5 years (for violation)		Council of Ministers	Prior inquiry	
Czech Republic	x	x	x if voluntary acquisition	No	No	No					x
Denmark	x		x	x	x	Automatic loss at 22 years		x	Min. Immigration		x
Estonia	x		x	x	x				Government		
Finland	x		not since 2003	x			5 years		Immigration Department	x	
France	x	x	not since 1973	x	x	50 years	1 year or 2 years	x	Government	x	No
Germany	x	x	x except with authorisation	x	x	10 years	5 years		Minist. Interior		x (special mention)
Greece	x With authorisation of Min. Interior	x	x With authorisation of Min. Interior	x	x	Renunciation of Greek citizenship			Min. Interior with advice of Nationality Council		No
Hungary	x		not since 1957	x	No	No	10 years			x	
Ireland	x		not since 1956	x	x	7 years			Min. Justice	An inquiry may be conducted by a special commission under a judge	No
Italy	x		not since 1992		x				President		
Latvia	x		x	x	x	No	1 year	x	Council of Ministers	x	no
Lithuania	x		x	x	x	No		x	Min. Interior	x	x
Luxembourg	x		not since 2009	x					Minister Justice	x	no
Malta	x	x	not since 2003	x	x	7 years	7 years		Minister of Citizenship, Inquiry Commission under a judge	No	
Netherlands	x		x	x	x		12 years				x

Table 2.A2.6. Loss of nationality *(cont'd)*

	Renunciation Release from allegiance	Declaration Option	Acquisition of another nationality	Withdrawal of nationality for reasons of fraud, deceit or criminal behaviour	Withdrawal of nationality for disloyal conduct[1]	Continuous residence abroad	Time limit for withdrawal following naturalisation	Court-ordered withdrawal	Administrative withdrawal	Appeal	Collective effects[2]
Poland	x		not since 1951[3]						President		x
Portugal	x	x	not since 1981		x		20 years	x			
Romania	x		not since 1948	x	x						No
Slovak Republic	x		not since 2001	x	No	No			Automatic		x
Slovenia	x			x	x	x	3 years/15 years for deception		Min. Interior		
Spain	x		x except for certain countries	x	x	3 years	3 years/15 years for deception				
Sweden	x		not since 2001			x			Immigration Department	Migration Court	x
United Kingdom	x	x	not since 1949	x	x				Secretary of State/ Committee of inquiry	x	
EUROPEAN ECONOMIC AREA											
Norway	x		x		No	x			King		x
Switzerland	x		not since 1949	x	x	x	5 years		Canton + authorisation of Federal Immigration Office	x	x
OTHER OECD COUNTRIES (not mentioned above)											
Australia	x		No	x	x				Minister	Admin. Appeals Tribunal	x
Canada	x	x		x	x	No			Minister	Citizenship judge, Federal Court	No
Japan	x	x	x		x				Min. Justice		
New Zealand	x		x[4]	x	x				Min. Interior	High Court	No
Turkey	x		Not since 1949	x	x	7 years				x	
United States	x	x	x	x	x	No		x	Attorney General	x	

1. Disloyal conduct includes employment in a foreign public service or in a foreign army, particularly in wartime, and any other activity contrary to the security of the host country.
2. Collective effects mean that the parent's loss of nationality produces effects on the nationality of children.
3. Only for persons who have acquired Polish nationality.
4. If the acquisition of another nationality is accompanied by acts against the interests of New Zealand.
x Indicates that the item shown in the heading of the column exists in the law of the target country.
xx Indicates that a reform is in progress to introduce this criterion.
Blank boxes indicate that no answer was found or nonexistent in the country in question.

Source: Liebig *et al*. (2010).

PART II.

THE IMPACT OF NATURALISATION ON IMMIGRANTS' LABOUR MARKET INTEGRATION: EXPERIENCES FROM EU AND OECD COUNTRIES

Chapter 3.
The Impact of Naturalisation on Labour Market Outcomes in Sweden

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This chapter explores the association between citizenship acquisitions and labour market outcomes in Sweden. In contrast to the findings of previous studies, there is weak evidence of a positive association between earnings or employment and naturalisations.

Introduction

The labour market assimilation of immigrants to Sweden is in decline. The earnings gap between the foreign-born and the native population has widened the last decades (Edin *et al.*, 2000). A contributing factor is the change of the composition of the migrants. The labour market immigration that dominated the 1950s and 1960s came to shift towards refuge immigration from non-OECD countries during the 1970s (Lemaître, 2007). Ever since, immigration of humanitarian character has continued to grow as a proportion of the total immigration to Sweden and this group consisting of primarily non-OECD migrants has faced considerable difficulties of integrating into the labour market. As a result, non-OECD immigrants are less likely to be employed, more dependent on social assistance and have lower earnings than other migrant groups (Edin *et al.*, 2000). In this light the growing international evidence of improved labour market outcomes of migrants following naturalisations is interesting (see *e.g.* Bratsberg *et al.*, 2002; Steinhardt; 2008; Fougère and Safi, 2008). What has also been observed is that the impact of naturalisations is larger for immigrants from low-income countries (Bratsberg *et al.*, 2002; Steinhardt, 2008), *i.e.* for the in general most disadvantaged group on the labour market in the OECD countries. One proposed explanation to why naturalised citizens experience these positive outcomes is that they move into "better" jobs after becoming citizens (Bratsberg *et al.*, 2002). For example, before naturalising jobs that require citizenship are off limits. In addition, if employers perceive the choice to naturalise as a positive signal this could potentially also enhance the labour market opportunities of naturalised citizens (see *e.g.* OECD, 2010).

The results of this chapter adds to the current literature. The findings are however somewhat inconsistent with regards to previous research. We find that the association between naturalisation and labor market outcomes seem rather weak. For some country groups the impact of naturalisations is even found to be associated with a drop in earnings and falling employment rates. Worth emphasising is that the results presented should be considered preliminary as more robustness checks must be performed before any final conclusions can be drawn. This chapter proceeds as follows: Section 3.1 outlines a general framework of how to understand the benefits and costs of acquiring Swedish citizenship. It describes the institutions that regulate naturalisations, relevant literature, and give a short background of the general pattern of citizenship acquisitions in Sweden. Section 3.2 describes data, the sample used and the empirical specification. Section 3.3 presents the results and Section 3.4 concludes.

3.1. General framework on benefits and costs of acquiring Swedish citizenship

Institutional setting

The rules regulating citizenship acquisitions and losses are laid out in the Citizenship Act of 2001 (Act 2001, p. 82). The nationality law is built on two main principles: the principle of *jus sanguinis* and avoidance of statelessness (Lokrantz Bernitz and Bernitz, 2006). The first principle refers to the practice of determining an individual's nationality according to the citizenship of a parent or an ancestor. A novelty of the Act of 2001 is the recognition of dual citizenship. In previous acts the avoidance of dual citizenship had been a leading principle (Lokrantz Bernitz and Bernitz, 2006). There are three main ways of acquiring citizenship in Sweden: automatically, by notification and by naturalisation. All individuals that do not receive citizenship automatically or cannot make use of the

notification procedure will have to apply for naturalisation.[1] To naturalise an individual must fulfill the following requirements: the applicant must be able to identify him- or herself, be at least eighteen years old, have a permanent residence permit, have resided in Sweden for five years[2] and fulfill the good conduct requirement[3] (Sandesjö and Björk, 2005).[4] In comparison with the practice in many other countries the requirements for naturalisations in Sweden are considered to be fairly modest (Lokrantz Bernitz and Bernitz, 2006). For example, there is no language requirement in place or other tests required for becoming a citizen. The current requirements have at large been the same since the late 1970s.[5]

Rights and duties of citizenship

Over time the difference of having a permanent residence permit and being a Swedish citizen has partly eroded. A guiding principle to equalise the rights and duties of foreign and Swedish citizens has existed since the late 1960s (SOU, 1999). Thus, permanent residents have gained most of the rights that citizens have. This includes, for example, full access to the social insurance system and other welfare systems. As a result of this policy the relative (formal) significance of being a citizen has decreased (Lokrantz Bernitz and Bernitz, 2006). Some rights (and duties) are however reserved to Swedish citizens. These rights can be categorised into four main groups: restrictions on political participation, labour market restrictions, the permanent right to reside in Sweden, and mobility restrictions. With regards to the first group of rights, only Swedish citizens are allowed to vote in national elections and get elected into parliament.[6] Labour market restrictions include the restriction of certain occupations to citizens. Restricted jobs include a number of government posts, posts in the judiciary sector and certain occupations within the military and police services (SOU 1999). Furthermore, the ever-lasting right to reside in Sweden is limited to citizens. In addition, having a Swedish passport potentially increases international mobility, *e.g.* it guarantees full mobility within the European Union. Swedish citizens also have some duties limited to citizens only, one example is military service.[7]

It is also plausible to believe that naturalisations can function as a signal (OECD, 2010). Naturalising imply a minimum residence period of in general five years. This is a period long enough to attain at least some country-specific skills, such as basic language skills and other abilities, valued by employers, *i.e.* naturalisations could function as proxy for such characteristics. Hence, not only formal barriers could be of importance for the employment opportunities of migrants. Furthermore, we cannot exclude the possibility of naturalised immigrants facing lower levels of statistical discrimination than foreign citizens. Administrative costs for employers related to hiring foreign citizens are another obstacle limited to foreigners (OECD, 2010). Altogether, this suggests that becoming a Swedish citizen potentially implies greater employment opportunities, not only within the public sector but also within occupations that require cross-country mobility and where country-specific knowledge is valued. On the other hand, the fact that most of the rights previously limited to citizens has been granted to permanent residents implies that the potential impact of naturalisations on labor market outcomes could be rather limited.

Existing evidence of an impact of naturalisations on labour market outcomes

Research on whether naturalised citizens have better labour market outcomes than their non-naturalised counterparts is relatively scarce. Most studies rely on cross-sectional data.[8] From this evidence it is difficult to evaluate whether naturalisations actually have a causal impact on labour market outcomes; the observed differences between naturalised

citizens and foreign citizen using this type of data could depend on the selection processes into citizenship rather than improved labour market opportunities. For this reason longitudinal data is preferable as it to some extent allow us to deal with this issue. The existing evidence based on the later type of data can easily be summarised. Fougère and Safi (2008) presents evidence of rising employment probabilities of immigrants that become French citizens. Bratsberg *et al.* (2002) explore the NLSY and show that naturalisations have a positive impact on the wage growth of male immigrants to the United States the years following naturalisations. Steinhardt (2008), furthermore, examined the situation in Germany and found an immediate effect of naturalisations on male wages. His analysis also show that naturalising leads to increased wage growth the years following naturalisations. For Sweden, there is some evidence of positive wage growth of immigrants already prior to the naturalisation event (Ohlsson, 2009) and mixed results on the impact of naturalisations on wages and employment (Scott, 2008). With regards to why we observe this pattern little is known. Bratsberg *et al.* (2002) proposes that the positive outcome partly can be explained by changes in the job distribution. With data from the United States they show that there is a tendency of migrants to move into "better-paying" sectors and/or sectors where job restrictions for foreign citizens exist after naturalising.

Citizenship acquisitions

In comparison with immigrants to other OECD countries a relatively large share of the immigrants to Sweden naturalises (OECD, 2010; Lokrantz Bernitz, 2009). The naturalisation rates differ between different regions of birth, see Table 3.A2.1 in Annex 3.A2. Individuals born in Asia and Africa have the highest naturalisation rates followed by South America and Europe (excluding EU25 and the Nordic countries), a pattern that is consistent with the general pattern in the OECD-countries. That is, the propensity to naturalise is higher for immigrants born in low- and middle-income countries than for migrants born in high-income countries (OECD, 2010). Moreover, we also observe a tendency that later immigrant cohorts naturalise to a higher extent than earlier cohorts which is likely to depend on the changing composition of the migrants to Sweden. After ten years of residence 64% of the immigrants that arrived in 1995 have naturalised which could be compared with 39% for the 1975 cohort, see Table 3.A2.2.

3.2. Data, sample restrictions and empirical specification

The analysis in this chapter is built on data from the LINDA database. LINDA is administrated by Statistics Sweden and we make use of a panel that covers approximately 20% of the foreign-born population. In addition to panel dimension of the data set the construction of the panel also yields yearly cross-sections that are representative of the immigrant population as a whole. It includes a rich set of human capital and sociodemographic characteristics as well as information on labour market outcomes collected for tax purposes and other reasons.[9] Data from 1982 to 2005 is used. The sample is restricted to foreign-born individuals aged 18-64 years old that were between 18 and 54 years old at the time of immigration and that immigrated in 1975 or later. Thus, we focus on individuals of working age that immigrated as adults. One final restriction on the sample is that we drop observations with missing values for key variables.[10]

The main emphasis of the chapter is on individuals that are active on the labour market and to single them out we make use of different earnings restrictions. We use three different income restrictions based on "basic price amounts", a measure used by

Swedish authorities to calculate various subsidies like social assistance and pensions. In the baseline specification we include indviduals with yearly earnings equal to or exceeding three basic price amounts or SEK 118 000 (about EUR 12 000) in constant prices (2005). In the analysis we also analyse the impact of naturalisations on employment and just as with earnings we elaborate with different definitions of employment. Employment in the baseline specification is defined as having yearly earnings equal to or larger than SEK 118 000, *i.e.* the same lower bound used as when analysing the impact of naturalisation on earnings. For both outcomes the the results are sensitive to chosen sample restriction. Separate regressions for men and women and different country groups are run and inspired by Bratsberg *et al.* (2002) we model the relationship between earnings and citizenship by the following equation:

$$\text{In}(earnings_{it})\ employment_{it} = a_0 + a_1\, Citizen_{it} + a_2\, Experience\ since\ nat_{it} + a_3\, Total\ exp_{it} * Ever\ nat_{it} + a_4\ Total\ exp_{it} + a_5\, Total\ exp^2_{it} + a_6 \mathbf{Z}_{it} + a_7 Year_t + \mu_i + \varepsilon_{it} \quad (1)$$

In $earnings_{it}$ one of our two primary outcome variables, is defined as the logarithm of the yearly income from labour. i and t are subscripts for individuals and time respectively.[11] *employment* is a dichotomous variable set to 1 if the income is higher or equal to the a specified income level. *Citizen* is a also dichotomous variable set to 1 the naturalisation year and all subsequent years.[12] This variable captures the immediate impact of naturalisation on earnings, *i.e.* direct jumps in earnings following naturalisations ($a_1 > 0$). We also control for experience from the Swedish labour market. This term is approximated by years since immigration as we do not observe actual work experience in the data. As income growth could change after naturalisation we also control for this. The control is an interaction between naturalisation status and age. This specification thus allow for a direct jump in earnings following naturalisations (a_1) and increased earnings growth after naturalisations have occurred (a_2).

In addition we also control for total experience approximated by age. Z is a vector of additional controls. However, in the baseline specification, the controls included in Z are excluded as there is a potential correlation between the decision to become a citizen and these controls. We naturally also control for year fixed effects (a_7). Finally, μ is the unobserved time invariant component of the error term, thus, we take unobservable individual heterogeneity into account.[13]

3.3. Labour market outcomes

Evidence of a naturalisation premium

An examination of the correlation between citizenship status and labor market outcomes show that naturalised male immigrants on average have higher earnings than non-naturalised males (see Table 3.A2.4, Column 1). There is however substantial variation across regions of birth and for some groups the the difference in earnings is not statistically significant. For females there seem to be no clear correlation between earnings and naturalisations and for some groups the correlation is negative, see Table 3.A2.5. With regards to employment, using the two lower income restrictions for inclusion in the sample, we observe a positive association between citizenship status and employment status for males, see Table 3.A2.6. For the higherst income restriction the association is not significant. For females the pattern is harder to interpret, the overall correlation varies across groups and income restriction used. In addition, without taking

indvidual unobserved characteristics into account we cannot exclude that it is the selection process into citizenship that drive our results. Consequently, in the following sections we present the regression results of estimating equation (1) using individual fixed effects. Separate regressions are run for men and women and different regions of birth and we show that selection into citizenship do matter. The positive correlation between citizenship and earnings and employment observed for males in the pooled cross-sections turns out to be driven by unobserved characteristics.

Impact on earnings

The result of estimating equation (1) is summarised in Table 3.A2.8, Column 1, and we see that the averge impact of becoming a citizen on earnings is not statistically signficant for males when all regions of birth are grouped together. Just as in the cross-section we see substantial variation across regions of birth. However, for most regions citizenship acquisistions do not seem to have any impact on earnings altough there are some exceptions. Aquiring citizenship for men from Africa seem to be associated with a drop in earnings while naturalisations seem be positively associated with earnings for men from EU25(excluding the Nordic countries) and for men from the Nordic countries (excluding Sweden). For females we observe a different pattern, the average effect of becoming a citizen appears to be negative, at least when we only include females with earnings that exceed SEK 118 000, see Table 3.A2.9, Column 1. Again, we observe variation across regions and birth and naturalisations seem to be negatively associated with earnings for women from Europe (excluding EU25 and the Nordic countries), Africa and Asia while the impact is not statistically signficant for women from other regions.

Impact on employment

Turning to employment we observe an overall negative impact of naturalisations on employment for male migrants when we define employment as having earnings equal to or exceeding SEK 118 000 (see Table 3.A2.10, Column 1). This is a rather restrictive definition and if we lower the income restriction we see that the effect of becoming a citizens turns insignificant. With our most liberal definition of employment, *i.e.* employment defined as having yearly earnings larger than zero, the association between citizenship acquisitions even turn positive. This is an intersting result as it potentially implies that naturalisations on averge has an effect on transistions to employment. Yet again, there is variation across regions and for most regions of birth naturalisations do not seem to have any direct impact on employment. For women the overall association between citizenship acquisitions and employment is insignificant apart from when we use the most liberal definition of employment, see Table 3.A2.11, Column 1. Just as for males we observe variation across regions and the definition of employment used.

Earnings and employment patterns the years before and after naturalisations

Despite the in general limited impact of naturalisation on earnings and employment we estimate a more flexible specification of equation (1). In this specification we use indicator variables for the year of naturalisation, the years preceding citizenship acquisistions and the years following naturalisations. This specification allow us to explore whether we could interpret the impact of naturalisations as a causal effect, *i.e.* if becoming a citizen per se have an impact on labor market outcomes, or if we should interpret our findings as a correlation or an association with the decision to become a citizen. That is, it is possible that changed behavior of the indvidual correlated with the decision to become a citizen could explain the observed pattern. The findings for males

from this excersise is mixed and inconclusive, see Table 3.A2.12. The positive impact observed for men from the EU25 (excluding the Nordic countries) and for men from the Nordic countries observed earlier using the highest income restriction seem not to be proceded by an increase in earnings growth, see Table 3.A2.12. However, if we look at the results of estimating this model using lower income restrictions we see that nationalisations do seem to be preceded by an increase in income growth. For other country groups we observe a similar pattern, *i.e.* that income growth increases prior to naturalisations. This is however not true for all country groups. For women most of the point estimates are insignificant, see Table 3.A2.13. Using the same model to analyse employment patterns similarily yields mixed and inconclusive evidence, see Table 3.A2.14 and 3.A2.15.

3.4. Conclusions

In this chapter the association between naturalisations and labor market outcomes has been explored. In the cross-section we observed that earnings and employment in general is positively associated with citizenship for men, this is true for some country groups but not for all. Controlling for selectivty by the use of indviduals fixed effects show that selection into citizenship can explain most of the observed differences between foreign citizens and naturalised citizens, *i.e.* including individual fixed effects yields an at most weak association between citizenship acquisistions and labor market outcomes. With the use of leads and lags we have also provided some evidence of income growth prior to naturalisations which indicates that the impact of naturalisations is not an entirely causal effect. Worth emphasising is that the results presented in this chapter do not appear to be very robust, a more careful examnination of the observed patterns and further sensitivity tests is needed before we can draw any conclusions with greater certainty.

Notes

1. Children that obtain citizenship automatically by birth are included in the first category. The second way of acquiring Swedish citizenship is by notification. This is a simplified formal procedure. If an individual meets certain requirements he or she cannot be denied citizenship.
2. The residence requirement is two years for Nordic citizen and four years for stateless applicants and refugees.
3. Fulfillment of the good conduct requirement implies the absence of criminal offences. Criminal offenders can still become citizens but there are waiting periods depending on the severity of the crime (Lokrantz Bernitz, 2009).
4. The applicant must also pay the application fee currently (2010) set to SEK 1 500 (Swedish Migration Board, 2010) (about USD 200 or EUR 150 in August 2010, current prices).
5. In 1995 the good conduct requirement was however extended to include expectations of future offenses and in 1999 the proof of identity requirement was sharpened (Lokrantz Bernitz and Bernitz, 2006). Taking a longer time perspective into account the requirements for naturalisations have been relaxed. Until 1976 an applicant was required to provide proof of sufficient means to support him- or herself (Sandesjö and Björk, 1996). There was also a language requirement in place. This requirement was abandoned in the late 1970s (Sandesjö and Björk, 1996). For a more in length discussion about the rules and laws regulating citizenship and citizenship acquisitions in Sweden, see Lokrantz Bernitz and Bernitz (2006) and Sandesjö and Björk (2006).
6. Since 1975 however, foreign citizens are allowed to vote in municipal elections and get elected into local governments.
7. Until May 2010 military service was universal for all men in Sweden. In practice only a small fraction of the male population were drafted before the abolishment of the system.
8. See OECD (2010) for an extensive review of the literature.
9. See Edin and Fredriksson (2000) for more details.
10. See Annex 3.A1 for a description of the sample used.
11. Hereafter all subscripts will be dropped.
12. See Annex 3.A1 for full variable definitions.
13. That is, we control for individual characteristics such as ambition, ability, country of birth, etc, without actually including (or having to observe) these characteristics. The only condition that must be fulfilled is that the characteristics are time-invariant. This is a standard estimation technique commonly used in economics.

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Annex 3.A1. Variable definitions

Age: Individual's age in years.

Citizen: Dichotomous variable set to 1 the year of naturalisation and all subsequent years.

Data source: LINDA, immigrant sample 1982-2005.

Definition of population: Foreign born individuals residing in Sweden aged 18-65 that were 18-54 years old the year of immigration. Sample includes all indviduals that immigrated 1975 or later.

Earnings: Logarithm of income from labor, constant prices (2005 base year, deflated by CPI from Statistics Sweden).

Employment: Dichotomous variable set to 1 if earnings are equal to or exceeds SEK 118 000/SEK 78 000/SEK 0.

Experience since naturalisation: Interaction of age and citizenship status.

YSM: Number of years since migration.

Annex 3.A2. Tables

Table 3.A2.1. Incidence of citizenship by years since immigration and birth region

	5 years	10 years	15 years	20 years	25 years
Africa	.46	.79	.86	.90	.90
Asia	.44	.79	.89	.92	.92
EU25 excluding the Nordic countries	.29	.52	.57	.66	.70
Europe excluding EU25 and the Nordic countries	.41	.75	.77	.82	.86
North America	.17	.28	.34	.35	.39
Nordic countries excluding Sweden	.11	.20	.25	.32	.37
Oceania	.11	.14	.22	.31	.17
South America	.36	.59	.69	.82	.87

Source: LINDA database, author's calculation, 20% sample of the immigrant population. Refers to foreign-born immigrants aged 18-64 years old, 18-54 years old at the time of immigration.

Table 3.A2.2. Citizenship by immigration cohort ten years after immigration

	1975	1980	1985	1990	1995
Naturalised citizen	.39	.49	.55	.56	.64

Source: LINDA database, author's calculation, 20% sample of the immigrant population. Immigrants aged 18-64 years old, 18-54 years old at the time of immigration are included.

Table 3.A2.3. Means and standard deviations of variables, full sample five and ten years after immigration

	Five years after immigration				Ten years after immigration			
	Mean	Standard dev.	Min	Max	Mean	Standard dev.	Min	Max
Citizen	.3439889	.4750404	0	1	.6004265	.4898146	0	1
Sex	.4917262	.4999347	0	1	.5007215	.5000035	0	1
Age	35.42039	8.426941	23	59	39.98761	8.305113	28	64
Labor income	71 021.05	112 245.3	0	6 691 597	101 813.4	113 348	0	3 532 942
Year of immigration	1990.422	6.425695	1975	2000	1987.122	5.991009	1975	1995
Age at immigration	30.42039	8.426941	18	54	29.98761	8.305113	18	54

Source: LINDA database, sample definition described in Section 3.2.

Table 3.A2.4. Correlation between naturalisation and earnings, men

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
					Men (earnings>= SEK 118 000)				
Citizen	0.166****	0.106**	0.164****	0.114***	0.116****	0.300**	0.00778	0.424	0.0318
	(0.0170)	(0.0506)	(0.0423)	(0.0425)	(0.0297)	(0.131)	(0.0426)	(0.288)	(0.0473)
Exp. since nat	-0.00316****	-0.00208	-0.00214*	-0.00222**	-0.00177**	-0.00297	-0.000440	-0.0115	0.000886
	(0.000441)	(0.00142)	(0.00116)	(0.00108)	(0.000791)	(0.00348)	(0.00104)	(0.00747)	(0.00116)
N	256 730	21 139	45 680	54 829	47 665	7 161	59 836	1 302	17 671
					Men (earnings>= SEK 78 000)				
Citizen	0.135****	0.127***	0.177****	0.0731*	0.107****	0.294**	0.00520	0.446	0.0154
	(0.0168)	(0.0490)	(0.0419)	(0.0408)	(0.0306)	(0.136)	(0.0405)	(0.312)	(0.0505)
Exp. since nat	-0.00230****	-0.00219	-0.00230**	-0.00141	-0.00117	-0.00248	-0.000372	-0.0116	0.00161
	(0.000440)	(0.00139)	(0.00114)	(0.00106)	(0.000813)	(0.00361)	(0.00101)	(0.00809)	(0.00125)
N	316 278	27 319	57 570	68 425	58 339	8 304	72 927	1 538	21 856
					Men (earnings> SEK 0)				
Citizen	0.0902***	0.185	0.196**	-0.0785	0.00189	0.139	-0.108	0.229	0.216*
	(0.0338)	(0.119)	(0.0855)	(0.0777)	(0.0705)	(0.256)	(0.0843)	(0.639)	(0.126)
Exp. since nat	0.00161*	0.000726	0.00156	0.00322	0.00407**	0.00374	0.00210	-0.00621	0.000217
	(0.000850)	(0.00334)	(0.00225)	(0.00198)	(0.00181)	(0.00649)	(0.00198)	(0.0179)	(0.00301)
N	466 819	47 558	93 295	102 732	84 466	11 739	93 129	2 270	31 630

Note: The sample is restricted to foreign-born individuals aged 18-64 years old aged between 18 and 54 at the time of immigration and who immigrated in 1975 or later (see Section 3.2). Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, country fixed effects and year fixed effects. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.5. Correlation between naturalisation and earnings, women

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (earnings>= SEK 118 000)								
Citizen	-0.00672	-0.0576	0.0199	-0.189****	-0.0380	0.213*	0.0127	-0.147	-0.00654
	(0.0143)	(0.0534)	(0.0326)	(0.0367)	(0.0274)	(0.109)	(0.0375)	(0.229)	(0.0439)
Exp. since nat	0.000579	0.00244	-0.000115	0.00536****	0.00188**	-0.00521*	-0.000730	-0.00209	0.000972
	(0.000360)	(0.00152)	(0.000880)	(0.000898)	(0.000759)	(0.00272)	(0.000855)	(0.00602)	(0.00106)
N	206 147	11 844	33 777	43 300	35 253	5 231	60 770	574	13 679
	Women (earnings>= SEK 78 000)								
Citizen	-0.0908****	-0.0501	0.00637	-0.178****	-0.0845***	0.231**	-0.00542	-0.0847	-0.00928
	(0.0145)	(0.0526)	(0.0332)	(0.0344)	(0.0291)	(0.113)	(0.0338)	(0.284)	(0.0466)
Exp. since nat	0.00122***	0.00196	0.000579	0.00534****	0.00336****	-0.00527*	-0.000457	-0.00242	0.00127
	(0.000374)	(0.00153)	(0.000914)	(0.000865)	(0.000801)	(0.00283)	(0.000804)	(0.00766)	(0.00115)
N	274 150	16 367	45 777	59 084	46 002	6 587	81 190	735	18 408
	Women (earnings> SEK 0)								
Citizen	-0.188****	0.188	-0.0322	-0.0685	-0.205***	0.336	-0.114	1.388	0.203*
	(0.0321)	(0.114)	(0.0751)	(0.0720)	(0.0743)	(0.256)	(0.0734)	(0.943)	(0.122)
Exp. since nat	0.00229***	-0.00312	0.00563***	0.00447**	0.00796****	-0.00412	0.000705	-0.0433	-0.00100
	(0.000809)	(0.00332)	(0.00207)	(0.00178)	(0.00198)	(0.00662)	(0.00176)	(0.0294)	(0.00300)
N	465 280	36 059	93 221	100 428	78 358	10 398	115 268	1 374	30 174

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, country fixed effects and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.6. Correlation between naturalisation and employment status, men

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (employment defined as having earnings>= SEK 118 000)								
Citizen	0.0131	-0.0235	0.0498**	-0.0303	0.0469*	0.116	-0.0647*	0.135	0.0283
	(0.0119)	(0.0336)	(0.0224)	(0.0261)	(0.0251)	(0.0853)	(0.0369)	(0.221)	(0.0518)
Exp. since nat	0.00173****	0.00373****	0.00199****	0.00167**	0.00147**	0.000814	0.00191**	-0.000321	0.00191
	(0.000302)	(0.000960)	(0.000574)	(0.000678)	(0.000625)	(0.00221)	(0.000854)	(0.00598)	(0.00128)
N	666 719	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215
	Men (employment defined as having earnings>= SEK 78 000)								
Citizen	0.0257**	-0.000621	0.0495**	0.0391	0.00647	0.142	-0.0639*	0.0694	0.0528
	(0.0122)	(0.0353)	(0.0233)	(0.0274)	(0.0256)	(0.0885)	(0.0380)	(0.221)	(0.0527)
Exp. since nat	0.00179****	0.00354****	0.00256****	0.000620	0.00239****	0.0000536	0.00191**	0.00141	0.00114
	(0.000307)	(0.000995)	(0.000591)	(0.000695)	(0.000642)	(0.00223)	(0.000873)	(0.00601)	(0.00130)
N	661 986	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215
	Men (employment defined as having earnings> SEK 0)								
Citizen	0.0712****	0.0183	0.00565	0.102****	-0.0255	0.216**	-0.0400	0.165	-0.0144
	(0.0110)	(0.0346)	(0.0220)	(0.0253)	(0.0223)	(0.0846)	(0.0298)	(0.240)	(0.0451)
Exp. since nat	0.000804***	0.00332****	0.00428****	-0.000575	0.00284****	-0.00223	0.00135*	0.000181	0.00171
	(0.000281)	(0.000976)	(0.000564)	(0.000641)	(0.000591)	(0.00206)	(0.000736)	(0.00608)	(0.00112)
N	661 986	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, country fixed effects and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.7. Correlation between naturalisation and employment status, women

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (employment defined as having earnings>= SEK 118 000)								
Citizen	0.00755	0.0164	-0.000298	-0.0474**	0.00370	0.0563	-0.0873***	0.0448	0.0325
	(0.0103)	(0.0312)	(0.0179)	(0.0238)	(0.0205)	(0.0790)	(0.0306)	(0.238)	(0.0434)
Exp. since nat	0.000788***	0.000634	0.00173****	0.00214****	0.00199****	0.000830	0.00116	-0.00168	0.00113
	(0.000268)	(0.000940)	(0.000489)	(0.000612)	(0.000512)	(0.00210)	(0.000741)	(0.00690)	(0.00111)
N	674 050	54 755	156 059	141 243	119 466	15 828	136 878	2 355	39 912
	Women (employment defined as having earnings> SEK 78 000)								
Citizen	-0.0358***	0.0654*	0.0408**	0.0282	-0.0163	0.0661	-0.112***	0.0874	0.0724
	(0.0117)	(0.0346)	(0.0197)	(0.0265)	(0.0221)	(0.0865)	(0.0340)	(0.282)	(0.0471)
Exp. since nat	0.000361	0.0000174	0.00109**	0.000730	0.00211****	0.000769	0.00168**	-0.00226	0.000474
	(0.000299)	(0.00103)	(0.000525)	(0.000667)	(0.000550)	(0.00226)	(0.000805)	(0.00809)	(0.00119)
N	666 496	54 755	156 059	141 243	119 466	15 828	136 878	2 355	39 912
	Women (employment defined as having earnings> SEK 0)								
Citizen	0.0431****	-0.0167	-0.0328	0.0445*	-0.111****	0.0133	-0.0567**	-0.156	0.0119
	(0.0105)	(0.0357)	(0.0200)	(0.0246)	(0.0213)	(0.0904)	(0.0271)	(0.311)	(0.0434)
Exp. since nat	0.000346	0.00293***	0.00339****	0.000385	0.00425****	0.00162	0.000841	0.00520	0.00155
	(0.000275)	(0.00106)	(0.000546)	(0.000632)	(0.000551)	(0.00226)	(0.000689)	(0.00784)	(0.00112)
N	666 496	54 755	156 059	14 1243	119 466	15 828	136 878	2 355	39 912

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, country fixed effects and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.8. Impact of naturalisations on log earnings, men

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
				Men (earnings>= SEK 118 000)					
Citizen	-0.00498	-0.103**	-0.0471	0.0654*	-0.0257	0.0419	0.0629*	0.210	-0.0455
	(0.0135)	(0.0506)	(0.0380)	(0.0354)	(0.0239)	(0.122)	(0.0374)	(0.196)	(0.0438)
Exp. since nat	0.000424	0.00325**	0.00172*	-0.00140	0.000895	-0.00116	-0.00171**	-0.00523	0.00202*
	(0.000343)	(0.00139)	(0.00102)	(0.000869)	(0.000618)	(0.00291)	(0.000848)	(0.00497)	(0.00104)
N	257 705	21 139	45 680	54 829	47 665	7 161	59 836	1 302	17 671
				Men (earnings>= SEK 78 000)					
Citizen	-0.00186	-0.0805*	-0.0353	0.0616*	-0.0327	0.0718	0.0355	0.114	-0.0528
	(0.0139)	(0.0475)	(0.0392)	(0.0352)	(0.0283)	(0.133)	(0.0357)	(0.260)	(0.0462)
Exp. since nat	0.000527	0.00272**	0.00139	-0.00141	0.00144*	-0.00178	-0.00113	-0.00181	0.00222**
	(0.000353)	(0.00130)	(0.00104)	(0.000881)	(0.000747)	(0.00335)	(0.000827)	(0.00629)	(0.00112)
N	316 278	27 319	57 570	68 425	58 339	8 304	72 927	1 538	21 856
				Men (earnings> SEK 0)					
Citizen	-0.0389	0.00608	0.00239	0.0795	-0.123	-0.377	-0.0137	-0.156	0.186
	(0.0346)	(0.133)	(0.0979)	(0.0767)	(0.0796)	(0.294)	(0.0839)	(0.869)	(0.130)
Exp. since nat	0.000559****	0.00344	0.00169	-0.000237	0.00618***	0.0111	0.000352	0.00615	-0.00182
	(0.000873)	(0.00375)	(0.00265)	(0.00195)	(0.00209)	(0.00730)	(0.00193)	(0.0225)	(0.00317)
N	466 819	47 558	93 295	102 732	84 466	11 739	93 129	2 270	31 630

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.9. Impact of naturalisations on earnings, women

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
				Women (earnings>= SEK 118 000)					
Citizen	-0.0444***	-0.134***	-0.0778**	0.000938	-0.0768***	0.0553	-0.0252	-0.169	-0.0105
	(0.0139)	(0.0475)	(0.0324)	(0.0355)	(0.0259)	(0.0966)	(0.0369)	(0.324)	(0.0475)
Exp. since nat	0.00129****	0.00359***	0.00245***	0.000393	0.00219***	-0.000993	0.000513	0.00138	0.000561
	(0.000347)	(0.00129)	(0.000849)	(0.000846)	(0.000667)	(0.00230)	(0.000823)	(0.00752)	(0.00111)
N	207 246	11 844	33 777	43 300	35 253	5 231	60 770	574	13 679
				Women (earnings>= SEK 78 000)					
Citizen	-0.0219	-0.0883*	-0.0664**	-0.0153	-0.106****	0.174	-0.0418	0.231	-0.0126
	(0.0138)	(0.0510)	(0.0325)	(0.0322)	(0.0311)	(0.109)	(0.0339)	(0.316)	(0.0510)
Exp. since nat	0.000857**	0.00257*	0.00228***	0.000771	0.00318****	-0.00405	0.000851	-0.00666	0.000858
	(0.000347)	(0.00144)	(0.000871)	(0.000788)	(0.000818)	(0.00260)	(0.000775)	(0.00688)	(0.00122)
N	274 150	16 367	45 777	59 084	46 002	6 587	81 190	735	18 408
				Women (earnings> SEK 0)					
Citizen	0.0182	0.0475	-0.128	0.159**	-0.106	0.403	0.0168	3.362***	0.195
	(0.0328)	(0.130)	(0.0813)	(0.0726)	(0.0890)	(0.281)	(0.0800)	(1.083)	(0.131)
Exp. since nat	0.00326**	0.000109	0.00460**	-0.00236	0.00469*	-0.00482	-0.000413	-0.0826***	-0.00340
	(0.000848)	(0.00394)	(0.00227)	(0.00181)	(0.00241)	(0.00718)	(0.00185)	(0.0313)	(0.00328)
N	465 280	36 059	93 221	100 428	78 358	10 398	115 268	1 374	30 174

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.10. Impact of naturalisations on employment, men

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (employment defined as having earnings>= SEK 118 000)								
Citizen	-0.0326***	-0.0834**	-0.0142	-0.0140	0.00856	-0.0333	-0.0107	-0.165	0.0861*
	(0.0114)	(0.0339)	(0.0246)	(0.0258)	(0.0255)	(0.102)	(0.0379)	(0.259)	(0.0492)
Exp. since nat	0.00299****	0.00445****	0.00186***	0.00141**	0.00122*	0.00357	0.000543	0.00932	-0.000668
	(0.000289)	(0.000959)	(0.000637)	(0.000674)	(0.000647)	(0.00257)	(0.000849)	(0.00682)	(0.00120)
N	668 424	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215
	Men (employment defined as having earnings>= SEK 78 000)								
Citizen	-0.00696	-0.0495	-0.00415	0.123****	-0.0166	-0.000318	-0.0107	-0.373	0.116**
	(0.0117)	(0.0369)	(0.0259)	(0.0267)	(0.0269)	(0.102)	(0.0379)	(0.248)	(0.0513)
Exp. since nat	0.00294****	0.00378****	0.00199***	-0.00109	0.00181***	0.00281	0.000543	0.0144**	-0.00186
	(0.000298)	(0.00104)	(0.000671)	(0.000695)	(0.000684)	(0.00254)	(0.000849)	(0.00679)	(0.00126)
N	668 424	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215
	Men (employment defined as having earnings> SEK 0)								
Citizen	0.0459****	-0.0376	-0.00963	0.132****	-0.0175	0.0255	-0.0107	-0.0109	-0.00541
	(0.0102)	(0.0344)	(0.0234)	(0.0228)	(0.0229)	(0.0736)	(0.0379)	(0.315)	(0.0412)
Exp. since nat	0.00163****	0.00349****	0.00242****	-0.00135**	0.00186***	0.00137	0.000543	0.00554	0.000835
	(0.000265)	(0.000979)	(0.000619)	(0.000598)	(0.000606)	(0.00181)	(0.000849)	(0.00825)	(0.00104)
N	668 424	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.11. Impact of naturalisations on employment, women

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (employment defined as having earnings>= SEK 118 000)								
Citizen	-0.00648	-0.00820	-0.0550***	-0.0207	-0.0234	0.0783	-0.00622	0.579**	-0.0325
	(0.0105)	(0.0328)	(0.0204)	(0.0251)	(0.0212)	(0.0874)	(0.0339)	(0.275)	(0.0476)
Exp. since nat	0.000934****	0.000893	0.00205****	0.00122*	0.00186****	-0.000491	0.000340	-0.0121	0.00211*
	(0.000273)	(0.000962)	(0.000557)	(0.000640)	(0.000540)	(0.00218)	(0.000787)	(0.00746)	(0.00119)
N	676 109	54 755	156 059	141 243	119 466	15 828	136 878	2 355	39 912
	Women (employment defined as having earnings>= SEK 78 000)								
Citizen	0.00750	0.0337	-0.0175	0.113****	-0.0383	0.104	0.00840	0.894***	0.0644
	(0.0113)	(0.0365)	(0.0220)	(0.0276)	(0.0238)	(0.0902)	(0.0361)	(0.305)	(0.0503)
Exp. since nat	0.00116****	0.000381	0.00132**	-0.00162**	0.00198***	-0.0000451	0.000126	-0.0203***	-0.000456
	(0.000291)	(0.00106)	(0.000589)	(0.000697)	(0.000609)	(0.00222)	(0.000843)	(0.00782)	(0.00126)
N	676 109	54 755	156 059	141 243	119 466	15 828	136 878	2 355	39 912
	Women (employment defined as having earnings> SEK 0)								
Citizen	0.0308***	0.0419	-0.0537**	0.108****	-0.0658***	0.220***	0.0225	0.817***	0.0901**
	(0.0101)	(0.0335)	(0.0222)	(0.0237)	(0.0229)	(0.0742)	(0.0272)	(0.265)	(0.0419)
Exp. since nat	0.000577**	0.000117	0.00219****	-0.00140**	0.00255****	-0.00348*	-0.000568	-0.0169**	-0.00149
	(0.000261)	(0.000974)	(0.000594)	(0.000610)	(0.000600)	(0.00181)	(0.000662)	(0.00693)	(0.00106)
N	676 109	54 755	156 059	141 243	119 466	15 828	136 878	2 355	39 912

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.12. Impact of naturalisations on earnings, leads and lags, men

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (earnings>= SEK 118 000)								
Two years before	0.00515	0.0141	0.0270***	0.0107	0.00575	0.00256	0.0161	0.0823	0.0106
	(0.00395)	(0.0131)	(0.00915)	(0.00995)	(0.00657)	(0.0260)	(0.0123)	(0.0527)	(0.0128)
One year before	0.0112***	0.0243*	0.0336***	0.0111	0.00510	0.0264	0.0178	0.145***	0.0264*
	(0.00415)	(0.0146)	(0.0107)	(0.0106)	(0.00710)	(0.0265)	(0.0138)	(0.0524)	(0.0135)
Nat. year	-0.00232	-0.0220*	-0.0147	0.0274**	-0.0168**	0.0532*	0.0235*	0.222**	-0.0309**
	(0.00387)	(0.0129)	(0.0106)	(0.0107)	(0.00678)	(0.0293)	(0.0136)	(0.104)	(0.0126)
One year after	-0.000392	-0.0227*	-0.00307	0.0251***	-0.00885	0.0287	0.0151	0.165	-0.0278**
	(0.00353)	(0.0117)	(0.00933)	(0.00970)	(0.00590)	(0.0273)	(0.0130)	(0.124)	(0.0122)
Two years after	-0.000977	-0.0174*	-0.0104	0.00718	-0.00766	0.0364	0.0233**	0.151	-0.0286**
	(0.00319)	(0.0104)	(0.00790)	(0.00897)	(0.00501)	(0.0265)	(0.0111)	(0.155)	(0.0114)
Three years after	-0.00345	-0.0146*	-0.00926	-0.00199	-0.00734*	0.0252	0.0171*	0.0116	-0.0165*
	(0.00276)	(0.00877)	(0.00647)	(0.00756)	(0.00421)	(0.0251)	(0.00995)	(0.0766)	(0.00949)
N	257 705	21 139	45 680	54 829	47 665	7 161	59 836	1 302	17 671

Table 3.A2.12. Impact of naturalisations on earnings, leads and lags, men *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (earnings>= SEK 78 000)								
Two years before	0.00747*	0.0374***	0.0347****	0.0115	0.0133*	-0.00976	0.0230*	0.113*	0.00550
	(0.00425)	(0.0135)	(0.0100)	(0.00979)	(0.00774)	(0.0300)	(0.0127)	(0.0677)	(0.0132)
One year before	0.0194****	0.0448***	0.0383****	0.0255**	0.0196**	0.0361	0.0286**	0.233****	0.0209
	(0.00436)	(0.0143)	(0.0112)	(0.0101)	(0.00833)	(0.0309)	(0.0131)	(0.0644)	(0.0137)
Nat. year	-0.000349	-0.00772	0.000177	0.0225**	-0.0205***	0.0455	0.0135	0.208***	-0.0119
	(0.00400)	(0.0129)	(0.0113)	(0.00988)	(0.00792)	(0.0333)	(0.0122)	(0.0785)	(0.0130)
One year after	0.00136	-0.00925	0.00453	0.0146	-0.00910	0.0311	0.0116	0.103	-0.00884
	(0.00372)	(0.0118)	(0.0101)	(0.00953)	(0.00698)	(0.0288)	(0.0117)	(0.111)	(0.0126)
Two years after	-0.00110	-0.0140	-0.0121	0.00663	-0.00517	0.0183	0.0180	0.0461	-0.0175
	(0.00349)	(0.0109)	(0.00900)	(0.00883)	(0.00605)	(0.0303)	(0.0113)	(0.134)	(0.0121)
Three years after	-0.000542	-0.00777	-0.000885	-0.00638	-0.00309	0.0300	0.00348	0.0384	-0.0125
	(0.00311)	(0.00961)	(0.00736)	(0.00814)	(0.00521)	(0.0270)	(0.0107)	(0.0947)	(0.0107)
N	319 460	27 319	57 570	68 425	58 339	8 304	72 927	1 538	21 856

Table 3.A2.12. Impact of naturalisations on earnings, leads and lags, men *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (earnings> SEK 0)								
Two years before	0.0762****	0.130****	0.0813***	0.104****	0.0328	0.0302	0.0125	0.446**	0.0237
	(0.0122)	(0.0370)	(0.0277)	(0.0266)	(0.0235)	(0.0807)	(0.0396)	(0.173)	(0.0401)
One year before	0.182****	0.206****	0.168****	0.184****	0.0835****	0.178**	0.0379	0.771****	0.132****
	(0.0121)	(0.0388)	(0.0292)	(0.0258)	(0.0246)	(0.0836)	(0.0339)	(0.210)	(0.0397)
Nat. year	-0.0333***	0.0310	0.0513*	0.0788***	-0.0826****	-0.0696	-0.0114	0.232	0.0213
	(0.0113)	(0.0389)	(0.0308)	(0.0264)	(0.0236)	(0.101)	(0.0322)	(0.345)	(0.0394)
One year after	-0.00560	0.0569	0.0698**	0.0746***	-0.0610***	0.0394	0.0517*	0.536*	0.0200
	(0.0108)	(0.0368)	(0.0282)	(0.0259)	(0.0216)	(0.0880)	(0.0304)	(0.287)	(0.0375)
Two years after	-0.000701	0.0415	0.0479*	0.0635**	-0.0410**	0.0828	-0.0124	0.233	0.0329
	(0.0103)	(0.0333)	(0.0249)	(0.0262)	(0.0191)	(0.0778)	(0.0324)	(0.435)	(0.0357)
Three years after	0.000639	0.0140	0.0486**	0.0280	-0.0297*	-0.00222	-0.0146	0.132	0.00201
	(0.00947)	(0.0300)	(0.0217)	(0.0244)	(0.0163)	(0.0773)	(0.0303)	(0.304)	(0.0333)
N	471 428	47 558	93 295	102 732	84 466	11 739	93 129	2 270	31 630

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.13. Impact of naturalisations on earnings, leads and lags, women

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (earnings>= SEK 118 000)								
Two years before	0.00357	-0.00443	0.0123	0.00824	0.00524	-0.00232	0.00716	-0.0596	-0.00371
	(0.00419)	(0.0161)	(0.0101)	(0.00827)	(0.00800)	(0.0283)	(0.0103)	(0.112)	(0.0138)
One year before	0.00323	-0.0146	0.0147	0.0115	-0.00308	0.0468*	0.0119	-0.221	-0.00260
	(0.00443)	(0.0184)	(0.0110)	(0.00928)	(0.00893)	(0.0279)	(0.0108)	(0.141)	(0.0143)
Nat. year	-0.00449	-0.0152	-0.00532	-0.00236	-0.00926	0.0226	0.0171	-0.203	-0.0199
	(0.00414)	(0.0153)	(0.00958)	(0.0106)	(0.00800)	(0.0306)	(0.0122)	(0.166)	(0.0140)
One year after	-0.00145	0.00273	0.00223	0.00144	-0.0116*	0.0311	0.0151	-0.0845	-0.0192
	(0.00377)	(0.0139)	(0.00840)	(0.00994)	(0.00700)	(0.0302)	(0.0116)	(0.0884)	(0.0126)
Two years after	-0.00485	-0.00121	-0.0121*	-0.00429	-0.00965*	0.0105	0.0162	0.0707	-0.0119
	(0.00335)	(0.0129)	(0.00733)	(0.00882)	(0.00572)	(0.0318)	(0.0110)	(0.0624)	(0.0112)
Three years after	-0.000329	-0.00278	-0.0120**	0.00432	-0.000316	0.00342	0.00107	0.0526	-0.0132
	(0.00282)	(0.0101)	(0.00597)	(0.00734)	(0.00459)	(0.0277)	(0.0101)	(0.0523)	(0.00961)
N	207 246	11 844	33 777	43 300	35 253	5 231	60 770	574	13 679

Table 3.A2.13. Impact of naturalisations on earnings, leads and lags, women *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (earnings>= SEK 78 000)								
Two years before	0.000423	-0.0158	0.0174*	0.0197**	0.00665	-0.0289	0.00946	-0.220*	-0.0151
	(0.00426)	(0.0161)	(0.0103)	(0.00833)	(0.00875)	(0.0297)	(0.0104)	(0.130)	(0.0142)
One year before	0.00567	-0.0124	0.0227**	0.0261***	0.00832	0.0127	0.0230**	-0.173	0.00693
	(0.00439)	(0.0180)	(0.0106)	(0.00892)	(0.00956)	(0.0312)	(0.0103)	(0.129)	(0.0142)
Nat. year	0.000313	0.00244	0.0133	0.00224	-0.0197**	0.0453	0.0150	-0.0825	-0.00132
	(0.00406)	(0.0154)	(0.00996)	(0.00946)	(0.00891)	(0.0330)	(0.0110)	(0.133)	(0.0137)
One year after	0.00120	0.0134	0.0216**	0.00620	-0.0185**	0.00752	0.00259	-0.0196	-0.0123
	(0.00375)	(0.0140)	(0.00887)	(0.00884)	(0.00779)	(0.0326)	(0.0105)	(0.0831)	(0.0129)
Two years after	-0.00175	0.00230	0.00264	0.000269	-0.0216***	0.0103	0.0116	0.0928	-0.000466
	(0.00343)	(0.0128)	(0.00783)	(0.00801)	(0.00672)	(0.0324)	(0.0100)	(0.0757)	(0.0120)
Three years after	0.00157	0.00678	-0.00723	0.00630	-0.00630	-0.0210	-0.00903	0.0763	0.00527
	(0.00304)	(0.0108)	(0.00662)	(0.00717)	(0.00569)	(0.0322)	(0.00944)	(0.0640)	(0.00962)
N	277 960	16 367	45 777	59 084	46 002	6 587	81 190	735	18 408

Table 3.A2.13. Impact of naturalisations on earnings, leads and lags, women *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (earnings> SEK 0)								
Two years before	0.0254**	-0.00494	0.0349	0.0461*	0.0287	-0.0859	0.0223	0.921***	0.0177
	(0.0110)	(0.0353)	(0.0235)	(0.0235)	(0.0245)	(0.0840)	(0.0270)	(0.330)	(0.0396)
One year before	0.0934****	0.0688*	0.0617**	0.0994****	0.113****	-0.0625	-0.0436	0.652	0.102**
	(0.0113)	(0.0383)	(0.0263)	(0.0240)	(0.0259)	(0.0867)	(0.0311)	(0.401)	(0.0409)
Nat. year	-0.0612****	0.0352	0.00112	0.0336	-0.0640**	-0.169*	0.0173	0.453	0.0341
	(0.0110)	(0.0406)	(0.0281)	(0.0253)	(0.0259)	(0.0960)	(0.0275)	(0.347)	(0.0414)
One year after	-0.0407****	0.0285	0.0308	0.0508**	-0.0563**	-0.182**	0.00246	0.474	-0.0238
	(0.0108)	(0.0390)	(0.0265)	(0.0241)	(0.0240)	(0.0910)	(0.0281)	(0.315)	(0.0427)
Two years after	-0.0309***	0.0332	-0.0182	0.0276	-0.0658***	-0.113	0.00759	0.833****	0.0520
	(0.0104)	(0.0366)	(0.0247)	(0.0239)	(0.0216)	(0.0906)	(0.0280)	(0.250)	(0.0368)
Three years after	-0.0151	0.00296	-0.0398*	0.0305	-0.0185	-0.141	-0.0560*	0.743**	0.0632*
	(0.00974)	(0.0351)	(0.0220)	(0.0225)	(0.0185)	(0.0928)	(0.0306)	(0.377)	(0.0342)
N	471 957	36 059	93 221	100 428	78 358	10 398	115 268	1 374	30 174

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.14. Impact of naturalisations on employment, leads and lags, men

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (employment defined as having earnings>= SEK 118 000)								
Two years before	-0.0196****	0.00118	0.00160	-0.0151**	-0.0164***	-0.00524	0.0243	0.138**	-0.000814
	(0.00287)	(0.00776)	(0.00483)	(0.00660)	(0.00599)	(0.0242)	(0.0150)	(0.0612)	(0.0131)
One year before	0.00403	0.0160*	0.0184****	-0.00397	-0.00241	0.0512**	0.0146	0.230****	0.0224*
	(0.00304)	(0.00841)	(0.00552)	(0.00718)	(0.00624)	(0.0256)	(0.0136)	(0.0658)	(0.0131)
Nat. year	0.0197****	0.0251***	0.0269****	0.00841	0.00772	0.0485*	0.0108	0.239****	0.0277**
	(0.00315)	(0.00883)	(0.00600)	(0.00772)	(0.00627)	(0.0264)	(0.0130)	(0.0643)	(0.0134)
One year after	0.0248****	0.0248***	0.0281****	0.0110	0.0114*	0.0672**	0.0266**	0.201***	0.0365***
	(0.00324)	(0.00897)	(0.00648)	(0.00795)	(0.00628)	(0.0279)	(0.0129)	(0.0737)	(0.0138)
Two years after	0.0256****	0.0174**	0.0120*	0.0141*	0.0170***	0.0773***	0.0263*	0.113	0.0302**
	(0.00323)	(0.00885)	(0.00651)	(0.00812)	(0.00595)	(0.0294)	(0.0135)	(0.0964)	(0.0137)
Three years after	0.0279****	0.0146*	0.0192***	0.0211***	0.0155***	0.0707**	-0.00342	0.0800	0.0238*
	(0.00312)	(0.00840)	(0.00626)	(0.00790)	(0.00553)	(0.0290)	(0.0137)	(0.104)	(0.0129)
N	668 424	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215

Table 3.A2.14. Impact of naturalisations on employment, leads and lags, men *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (employment defined as having earnings>= SEK 78 000)								
Two years before	-0.0196****	0.00265	0.00581	0.00551	-0.0166***	0.00297	0.0143	0.117*	0.0164
	(0.00310)	(0.00854)	(0.00527)	(0.00759)	(0.00638)	(0.0244)	(0.0150)	(0.0619)	(0.0136)
One year before	0.0146****	0.0325****	0.0320****	0.0341****	-0.000946	0.0843***	0.0145	0.184***	0.0564****
	(0.00328)	(0.00911)	(0.00602)	(0.00808)	(0.00665)	(0.0268)	(0.0142)	(0.0631)	(0.0135)
Nat. year	0.0342****	0.0365****	0.0412****	0.0696****	0.0115*	0.0774***	0.0193	0.175***	0.0418***
	(0.00333)	(0.00944)	(0.00642)	(0.00834)	(0.00652)	(0.0262)	(0.0132)	(0.0630)	(0.0138)
One year after	0.0394****	0.0491****	0.0387****	0.0699****	0.0105	0.0683**	0.0377***	0.181**	0.0457***
	(0.00339)	(0.00946)	(0.00684)	(0.00844)	(0.00657)	(0.0268)	(0.0124)	(0.0711)	(0.0139)
Two years after	0.0370****	0.0367****	0.0321****	0.0526****	0.0113*	0.0961****	0.0126	0.146	0.0310**
	(0.00335)	(0.00921)	(0.00683)	(0.00848)	(0.00616)	(0.0275)	(0.0128)	(0.0937)	(0.0140)
Three years after	0.0356****	0.0261***	0.0299****	0.0480****	0.0132**	0.0610**	0.00216	0.00830	0.0184
	(0.00321)	(0.00874)	(0.00663)	(0.00808)	(0.00566)	(0.0284)	(0.0128)	(0.103)	(0.0130)
N	668 424	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215

Table 3.A2.14. Impact of naturalisations on employment, leads and lags, men *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Men (employment defined as having earnings> SEK 0)								
Two years before	0.0128****	0.0329****	0.0311****	0.0455****	-0.0105*	0.0749****	0.00880	0.195***	0.0291***
	(0.00301)	(0.00869)	(0.00576)	(0.00687)	(0.00586)	(0.0174)	(0.0110)	(0.0619)	(0.0105)
One year before	0.0431****	0.0471****	0.0604****	0.0632****	0.0104*	0.0796****	0.00842	0.123**	0.0376****
	(0.00294)	(0.00855)	(0.00604)	(0.00683)	(0.00589)	(0.0192)	(0.00936)	(0.0614)	(0.00979)
Nat. year	0.0576****	0.0642****	0.0609****	0.0808****	0.0150***	0.0864****	0.0144	0.215****	0.0308***
	(0.00283)	(0.00845)	(0.00607)	(0.00658)	(0.00548)	(0.0182)	(0.00912)	(0.0571)	(0.00968)
One year after	0.0583****	0.0712****	0.0608****	0.0863****	0.0115**	0.0498***	0.0167*	0.180**	0.0281***
	(0.00283)	(0.00853)	(0.00631)	(0.00671)	(0.00535)	(0.0190)	(0.00906)	(0.0789)	(0.00991)
Two years after	0.0516****	0.0569****	0.0478****	0.0649****	0.0117**	0.0592***	0.0158*	0.0982	0.00659
	(0.00281)	(0.00845)	(0.00619)	(0.00674)	(0.00491)	(0.0200)	(0.00920)	(0.0873)	(0.0105)
Three years after	0.0482****	0.0395****	0.0378****	0.0558****	0.0182****	0.0588***	0.0120	0.0349	0.00847
	(0.00273)	(0.00794)	(0.00595)	(0.00677)	(0.00453)	(0.0196)	(0.00964)	(0.0845)	(0.0100)
N	668 424	71 669	155 211	141 260	115 712	17 281	118 091	3 547	39 215

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Table 3.A2.15. Impact of naturalisations on employment, leads and lags, women

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (employment defined as having earnings>= SEK 118 000)								
Two years before	-0.0148****	-0.0152**	-0.00784*	0.00192	-0.0142***	-0.0240	0.0266**	0.0367	-0.0121
	(0.00248)	(0.00659)	(0.00405)	(0.00580)	(0.00530)	(0.0223)	(0.0112)	(0.0752)	(0.0112)
One year before	-0.00237	0.000892	-0.00247	0.00476	-0.00605	-0.0220	0.0243**	0.0780	0.0259**
	(0.00268)	(0.00762)	(0.00475)	(0.00609)	(0.00574)	(0.0232)	(0.0105)	(0.0958)	(0.0119)
Nat. year	0.00899***	0.00557	0.0101*	0.00946	-0.000444	0.00604	0.0161	0.0218	0.0304**
	(0.00282)	(0.00830)	(0.00531)	(0.00655)	(0.00588)	(0.0246)	(0.0102)	(0.104)	(0.0120)
One year after	0.0103****	0.00208	0.0163***	0.00181	0.00600	-0.0223	0.00759	0.0795	0.0200
	(0.00297)	(0.00886)	(0.00580)	(0.00687)	(0.00600)	(0.0255)	(0.0106)	(0.112)	(0.0125)
Two years after	0.0107****	-0.00586	0.000905	0.00201	0.00534	-0.0122	0.00837	0.125	0.0140
	(0.00303)	(0.00906)	(0.00587)	(0.00725)	(0.00585)	(0.0261)	(0.0114)	(0.127)	(0.0127)
Three years after	0.0137****	0.00237	-0.00777	0.00553	0.0132**	0.00756	0.000837	0.167	0.0211*
	(0.00297)	(0.00888)	(0.00559)	(0.00733)	(0.00550)	(0.0271)	(0.0114)	(0.116)	(0.0120)
N	676 110	54 755	156 059	141 243	119 467	15 828	136 878	2 355	39 912

Table 3.A2.15. Impact of naturalisations on employment, leads and lags, women *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (employment defined as having earnings>= SEK 78 000)								
Two years before	-0.0194****	-0.00702	-0.00818*	0.0144**	-0.0119**	-0.0372	0.00862	0.115	-0.000896
	(0.00272)	(0.00765)	(0.00459)	(0.00653)	(0.00577)	(0.0229)	(0.0117)	(0.0812)	(0.0122)
One year before	-0.00495*	-0.000579	0.00192	0.0248****	-0.00215	-0.0242	-0.000432	0.126	0.0304**
	(0.00292)	(0.00875)	(0.00534)	(0.00692)	(0.00614)	(0.0241)	(0.0112)	(0.0870)	(0.0128)
Nat. year	0.00870***	0.0160*	0.0136**	0.0408****	0.00178	-0.0146	-0.00688	0.0337	0.0351***
	(0.00304)	(0.00939)	(0.00580)	(0.00723)	(0.00623)	(0.0244)	(0.0112)	(0.107)	(0.0129)
One year after	0.0154****	0.0159	0.0171***	0.0429****	0.00772	-0.00183	0.00899	0.111	0.0367***
	(0.00317)	(0.00974)	(0.00625)	(0.00762)	(0.00627)	(0.0259)	(0.0114)	(0.116)	(0.0132)
Two years after	0.0164****	0.0150	0.00113	0.0429****	0.00663	0.0408	-0.00411	0.241*	0.0199
	(0.00321)	(0.0101)	(0.00635)	(0.00775)	(0.00602)	(0.0275)	(0.0121)	(0.127)	(0.0132)
Three years after	0.0196****	0.0196**	-0.00166	0.0422****	0.00553	0.0551**	0.00216	0.230*	0.0334***
	(0.00313)	(0.00964)	(0.00602)	(0.00777)	(0.00570)	(0.0265)	(0.0119)	(0.127)	(0.0128)
N	676 110	54 755	156 059	141 243	119 467	15 828	136 878	2 355	39 912

Table 3.A2.15. Impact of naturalisations on employment, leads and lags, women *(cont'd)*

	All regions	Africa	Asia	EU25 excluding the Nordic countries	Europe excluding EU25 and the Nordic countries	North America	Nordic countries excluding Sweden	Oceania	South America
	Women (employment defined as having earnings> SEK 0)								
Two years before	0.00806***	0.0127	0.0150***	0.0333****	-0.00135	0.0192	0.00930	-0.0781	0.0448****
	(0.00288)	(0.00910)	(0.00569)	(0.00621)	(0.00614)	(0.0202)	(0.00814)	(0.0788)	(0.0107)
One year before	0.0251****	0.0200**	0.0258****	0.0584****	0.00212	0.0395*	0.0142*	0.180*	0.0598****
	(0.00286)	(0.00947)	(0.00602)	(0.00615)	(0.00612)	(0.0206)	(0.00762)	(0.0965)	(0.0103)
Nat. year	0.0304****	0.0375****	0.0234****	0.0583****	0.00561	0.0530***	0.00815	0.0699	0.0588****
	(0.00283)	(0.00958)	(0.00605)	(0.00616)	(0.00591)	(0.0202)	(0.00795)	(0.100)	(0.00992)
Year after	0.0309****	0.0351****	0.0243****	0.0563****	0.00770	0.0558**	0.0198**	0.0647	0.0417****
	(0.00283)	(0.00981)	(0.00616)	(0.00626)	(0.00579)	(0.0232)	(0.00780)	(0.0829)	(0.0102)
Two years after	0.0270****	0.0301***	0.0112*	0.0487****	0.00437	0.0465*	0.00647	0.185*	0.0290***
	(0.00280)	(0.00973)	(0.00608)	(0.00643)	(0.00534)	(0.0238)	(0.00796)	(0.100)	(0.0101)
Three years after	0.0275****	0.0281***	0.0138**	0.0414****	0.00155	0.0418*	0.00983	0.123	0.0286***
	(0.00268)	(0.00905)	(0.00562)	(0.00630)	(0.00491)	(0.0226)	(0.00819)	(0.107)	(0.00988)
N	676 110	54 755	156 059	141 243	119 467	15 828	136 878	2 355	39 912

Note: Standard errors clustered on the individual level in parentheses. Controls include experience since naturalisation (age interacted with citizenship status), age, age squared and years since immigration (YSM) defined as an indicator for each year, and year fixed effects.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$, **** $p < 0.001$. See also Table 3.A2.4 and Section 3.2.

Source: LINDA database, data from 1982 to 2005.

Chapter 4.
How Acquiring French Citizenship Affects Immigrant Employment

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This chapter analyses the impact of French citizenship on the employment of immigrants. The findings show that after naturalisation, the probability of employment for immigrants increases on average by over 20 percentage points for both men and women.

Introduction

As a rule, naturalisation laws and practices are more restrictive in Europe than in the "traditional" immigration countries (Australia, Canada, New Zealand and the United States). Within Europe, France exhibits fairly liberal legislation in the realm of acquiring citizenship (Brubaker, 1996; Weil, 2002). But apart from legislation, administrative practices play a paramount role in the naturalisation process, and the procedures in France have a reputation for being fairly ponderous, complex and especially lengthy (Spire, 2005). To what extent do these practices affect the differences that are observed between immigrants and natives on the labour market? And more generally, what role does naturalisation play in the process of integrating immigrants?

Two visions, stemming from opposing concepts, conflict when seeking to answer these questions. The first views the acquisition of host country citizenship as a sort of culmination, if not a crowning achievement, of the migrant integration process. Here, citizenship is deemed a reward for a "successful" path to integration. Under the second viewpoint, naturalisation is deemed a public policy instrument for reducing the inequalities between persons of immigrant stock and natives; it can therefore facilitate the integration of immigrants, especially as regards integration's socio-economic dimension.

While both positions have existed alternatively and to varying degrees throughout the modern history of French migratory policy,[1] recent years have seen a re-orientation of government policy more conducive to the first concept. This shift has been reflected in a continuous toughening of nationality law (in particular with regard to the acquisition of citizenship by marriage, and just recently the possibility of stripping naturalised immigrants of their citizenship), but also, more generally, of the political rhetoric on these issues. As a rule, public discussions on naturalisation are increasingly being conducted in an atmosphere dominated by suspicion of immigrants and their motives for naturalisation.

It is striking to observe how little empirical research seeking to assess naturalisation's role in the integration process is triggered by such debate. While it is difficult to analyse objectively the motivations of immigrants when they apply for naturalisation,[2] it is no doubt highly instructive to look at what becomes of naturalised immigrants as compared with immigrants who remain foreigners, attempting to ascertain what can be attributed to the naturalisation effect. Our work tries to make this sort of contribution to the debate: it furnishes empirical elements that can be used to assess naturalisation's impact on immigrants' access to employment. It can thus be used to test the validity of the second approach, *i.e.* the relevance of naturalisation perceived as a government policy instrument that can help reduce labour market inequalities between immigrants and natives and thus facilitate the integration process.

4.1. The acquisition of citizenship and labour market integration in France

What are the possible links between the acquisition of citizenship and immigrants' position on the labour market?

Much of the research measuring naturalisation's impact on the socio-economic integration of immigrants uses salary data. For example, the pioneering work by Chiswick (1978) shows that, in the United States, naturalised immigrants are paid an average of 15% more than non-naturalised foreigners having the same socio-economic profiles. Chiswick nonetheless minimised the importance of this figure by showing that

the naturalisation effect dropped to 7% and was no longer significant when the length of stay was factored in. More recently, Brastberg, Ragan and Nasir (2002) used panel data to estimate naturalisation's impact on employment and pay, controlling for the effects of unobservable characteristics. They showed that naturalisation triggered sharper growth in pay. Moreover, according to the findings, the magnitude of the "naturalisation bonus"[3] depended on the country of origin. Once they obtain citizenship, immigrants from developing countries experience a greater improvement in their occupational circumstances than persons from other regions of the world. This last finding is discussed in the article by DeVoretz and Pivnenko (2005) on the economic consequences of acquiring Canadian citizenship.

In France, the disadvantaged position of immigrants and their descendants on the labour market (unemployment, insecurity, low pay, scant occupational mobility) is starting to be well documented in social science research (Dayan, Echardour and Glaude, 1996; Glaude and Borrel, 2002; Tavan, 2006; Perrin-Haynes, 2008). The "penalties" imposed on immigrant populations seem to be considerably harsher with respect to access to employment than to pay (Aeberhardt *et al.*, 2010; Algan *et al.*, 2010; Muller and Rathelot, 2010). They are also suffered more massively by African immigrants (Frickey and Primon, 2002; Meurs, Pailhé and Simon, 2005; Okba and Lainé, 2005; Frickey and Primon, 2006; Silberman, Alba and Fournier, 2007). All of this research would suggest that, assuming identical socio-individual characteristics, there are barriers that reduce an immigrant's probability of employment as compared to a native's. From this standpoint, naturalisation can be seen as a means to lift, or at least to lower, these barriers. It can in fact be assumed that the positive impact of acquiring citizenship on the employment of immigrants comes through three main channels.

Legal discrimination

Naturalisation puts an end to a situation of legal discrimination that exists on the French labour market and thus widens an immigrant's employment options, in particular by opening the doors to all jobs for which French citizenship is a prerequisite (Lochak, 1990; Math and Spire, 1999). Indeed, many sectors of economic activity are directly or indirectly closed to foreigners living in France. Obviously these include civil service jobs (considered a civil right and an attribute of citizenship), but also a large share of jobs in the public and nationalised sector.[4] It should be stressed here that a distinction needs to be drawn between the civil service and the public sector. Although employment in public sector enterprises is to a large extent closed to foreigners, only the civil service, in the strict sense of the term, is inaccessible to non-citizens of the European Union.[5] In a report on the issue of discrimination, the High Council on Integration points out that by denying non-EU foreigners access to jobs in the national civil service (apart from higher education), sub-national governments, social security bodies and large public enterprises, the law in effect reduces the number of jobs available in the country by 23% (Haut Conseil à l'Intégration, 1998).

But legal discrimination is not limited to public sector employment: in the private sector as well, there is a long list of occupations reserved for French citizens, especially in the professions and amongst the self-employed. The examples cited in work by Math and Spire (1999) and Lochak (1990) are surprising: while it is relatively well-known that the professions are closed to foreigners,[6] restrictions on the self-employed rarely appear in public debate. Lochak even shows that such discrimination against foreigners is not legal: it runs counter to positive international law and to the general principles of domestic French law. The latter "wavers in fact between a universalist principle of equality, which

leads to the prohibition of discrimination, and a realistic principle of country sovereignty, which leads to multiple discrimination on the basis of nationality" (Lochak, 1990).

Illegal discrimination

In addition, there is reason to believe that by acquiring citizenship an immigrant can "circumvent" instances of illegal discrimination in hiring. A number of empirical studies have uncovered such forms of discrimination on the basis of origin, in particular through the so-called "testing" method (Cediey and Foroni, 2006; Duguet *et al.*, 2009). Insofar as these studies use surnames, if not given names, as markers of foreign origin, it could be presumed that information on foreign nationality would have an even stronger impact. Such discrimination because of foreign nationality is not only a matter of preferences or prejudices; it is in fact possible that employers perceive naturalisation as a "signal" of an applicant's greater productivity or motivation to settle permanently in France.

"Rational" discrimination

Lastly, another form of discrimination that could be discussed is "rational" discrimination, which should be distinguished from illegal discrimination insofar as it stems not from employer preferences and practices but from the administrative complications and economic costs incurred when companies hire foreign citizens. From the standpoint of economic utility alone, it is not equivalent for an employer to hire a French citizen or a foreigner, even if the employer's "preferences" or "beliefs" are neutral. To hire a foreigner entails involvement with procedures for getting employees work permits or residence permits – procedures that cost employers a not-insignificant amount of time and money.[7]

These three kinds of discrimination arising from a worker's citizenship (legal discrimination, illegal discrimination and rational discrimination) would therefore suggest that the naturalisation of immigrants significantly alters their position on the labour market, and in particular their access to jobs. However, if this positive effect of naturalisation on employment appears relatively intuitive, to measure it is complex. This is due essentially to the fact that, far from being merely a consequence, an immigrant's employment situation is also a factor that affects the probability of naturalisation. It is therefore difficult to untangle the underlying causal links in the effects that are observed. The contribution of our study is in fact to use longitudinal data coupled with instrumental variable methods in order to isolate the impact of naturalisation. We will first present our data and then the methodological framework of our empirical analysis.

4.2. Measuring the association between naturalisation and immigrants' access to employment

Longitudinal data: EDP

The "Permanent Demographic Sample" (*Échantillon Démographique Permanent,* EDP) constitutes a vast file for longitudinal tracking of individuals drawn randomly from French census data. Inclusion in the sample is based on an exogenous criterion tied to date of birth. The file was created in 1967, and at present it comprises data from the 1968, 1975, 1982, 1990 and 1999 censuses. Individuals born on certain days of the year (four days out of 365, or roughly 1% of the population) and for which a census record or a vital statistics record corresponding to one of the major demographic events of the individual's

life (birth, marriage, birth of children, death, etc.) is available are included in the EDP. Each year, individuals born on one of the four reference days are added to those already present in the sample. Immigrants are incorporated into the EDP as soon as they are included in a census or a vital statistics record pertaining to them is found. In addition, an immigrant can exit the EDP by migrating outside of France or by dying, which for that matter holds true for all individuals in the sample. Because of the essentially demographic nature of census data, the EDP does not include certain information that would be particularly useful for any study on immigration. One of the main missing variables is the degree of fluency in French, which plays a paramount role in the naturalisation of immigrants. The principle behind the construction of a working sample is based on a compilation of observations from individuals who at the time of their initial appearance in the EDP identify themselves as foreigners born abroad. Before an individual can give rise to an observation, that individual must be present (or, more precisely, be counted) in two consecutive censuses. Accordingly, this leads us to eliminate chains such as: (present in t, absent in $t+1$), (absent in t, present en $t+1$), (absent in t, absent in $t+1$), where t is the date of one of the censuses (1968, 1975, 1982, 1990), and $t+1$ is the date of the following census. Consequently, an individual can give rise to up to four observations of the type (present in t, present in $t+1$). Naturalisation is detected if the individual reports being a foreigner in t and a French citizen in $t+1$. Employment is then observed in $t+1$, post-naturalisation.

These data offer two main advantages for analysing the effect of naturalisation. They are longitudinal and thus enable us to situate readily the chronology of naturalisation and access to employment. They comprise a large sample of immigrants and can thus be used to compare the effects of naturalisation for different countries of origin. The sample is restricted to individuals aged between 18 and 55 at the beginning of the period and who, at that time, were neither students nor serving in the armed forces.

Methodological prospects: how to isolate and measure the effect on employment of obtaining citizenship?

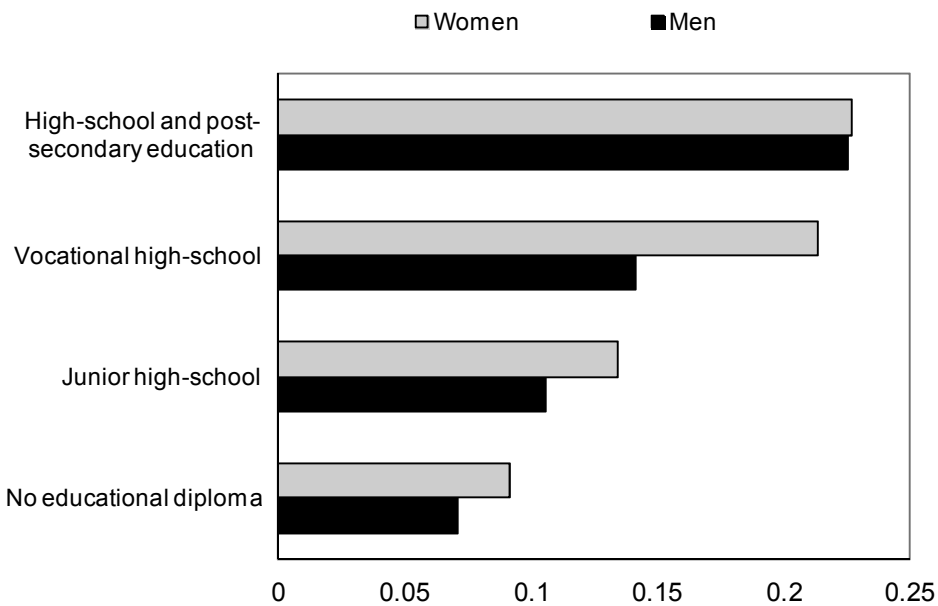
Naturalisation is a selective phenomenon: immigrants who obtain French citizenship do not form a random sample of immigrants living in France. They differ from the others by observable characteristics (educational level, for example), but certainly by other, unobservable characteristics as well (such as command of the language and phenotype). We are confronted here by a classic problem of endogeneity. If one estimates the coefficient of obtaining citizenship in a simple model in which employment is the dependent variable, it is impossible to correct the bias stemming from the effect of characteristics that affect employment and naturalisation simultaneously. Such models therefore tend to underestimate the employment effect of naturalisation. Figures 4.1 and 4.2 illustrate the selection taking place in the naturalisation process: managers and graduates of higher education in fact have a significantly greater likelihood of being naturalised than do other foreigners.[8]

Figure 4.1. The effect of professional category on the probability of naturalisation between two censuses

Note: Average estimated probability of naturalisation, according to the immigrant's gender and socio-profession category.

Source : Échantillon Démographique Permanent (EDP), INSEE.

Figure 4.2. The effect of educational level on the probability of naturalisation between two censuses



Note: Average estimated probability of naturalisation, according to the immigrant's gender and educational level.

Source : Échantillon Démographique Permanent (EDP), INSEE.

In order to overcome this methodological difficulty, the two events – naturalisation and access to employment – should be dealt with simultaneously. It is therefore necessary to estimate two equations, the acquisition of French citizenship and the employment situation being the two variables to be explained. Both these variables take binary values and thus are dichotomic qualitative variables. It is therefore necessary to estimate the two equations using non-linear statistical models, of which the probit model is the one used most often. Since the equations here (in this case two of them) are simultaneous, we used the bivariate probit model. The first equation is that of obtaining citizenship (explained by a number of covariables), and the second is that of employment (explained by common covariables or covariables different from those plugged into the naturalisation equation). Furthermore, in connection with this model, it is assumed that employment can be affected by prior acquisition of French citizenship. As a result, the dependent variable in the first equation becomes explicative in the second: this is a causal bivariate probit model. But complete identification of the causal model requires that the causal variable (in this case, the acquisition of French citizenship) be dependent on at least one additional variable not included among the factors affecting the result variable (in this case, the employment situation) (Maddala, 1983). The explicative variables excluded from the employment probability equation but introduced into the one for acquisition of citizenship are therefore instrumental variables that guarantee the identification of the bivariate model. In order for these instruments to be considered valid, the coefficients associated with them in the causal variable equation must be statistically significant.

To choose the instrumental variables, we drew on research into contextual factors that affect immigrants' propensity to become naturalised (Portes and Curtis, 1987; Yang, 1994). This research emphasises the effect of the size of the expatriate home-country community, and here two opposite hypotheses can be invoked. One school of thought is that the probability of naturalisation diminishes as the relative size of the home-country community increases. The arguments generally put forward to justify this hypothesis involve the notion of community "self-sufficiency". When the home community is sufficiently large, it can offer a new arrival a substantial network of contacts that make it easier to find housing and a job; under the circumstances, to obtain citizenship may be less useful. The hypothesis of a negative correlation between the community's relative size and applications for citizenship is disputed by other work that shows, on the contrary, that group size can have a positive impact on naturalisation by making it easier for information about procedures and administrative red tape to circulate (Portes and Mozo, 1985).

Furthermore, the overall number of foreigners (irrespective of origin) may have another effect on naturalisation: it determines, at least indirectly, the length of the "waiting line" for citizenship. The length of the waiting line can in turn slow down administrative naturalisation procedures and thus reduce the probability of obtaining citizenship between two given dates.

In our analyses, we therefore used two variables to correct the endogeneity problem: first, the number of foreigners (considered implicitly as potential candidates for naturalisation) residing in a given *département* at census time; and second, the number of immigrants having the same origin and residing in the same region at census time.[9] It can in fact be hypothesised that these two variables, calculated at the beginning of the period, have no direct influence on individual access to employment as of the following census date (*i.e.* seven to nine years later).

From a methodological standpoint, we conducted a set of tests that validate our instruments: the effect is significant on naturalisation (negative for the number of foreigners in the *département* and positive for the size of the home-country group in the region) and non-significant on employment.

The findings: naturalisation greatly increases immigrants' chances for employment

We then estimated the effect of naturalisation, considering several different definitions of our sample. In an initial published study (Fougère and Safi, 2005), we estimated this effect on the entire sample of immigrants, obtained according to the method outlined in the part devoted to the above data. The findings show that, on average, naturalisation increases the probability of employment by nearly 23 percentage points for immigrant men and women (Fougère and Safi, 2005).

In a subsequent article (Fougère and Safi, 2009), we restricted the sample to foreigners present in two successive censuses in order to ensure that the individuals covered by our estimations were in fact eligible for naturalisation (because they had resided in France for more than five years). The estimates obtained are slightly different from those of the earlier article (Fougère and Safi, 2005). The contributions of both articles nonetheless converge towards three essential findings (Table 4.1):

1. Naturalisation has a significant positive effect on employment; this effect is significant for all groups of immigrants, in respect of men and women alike.
2. The amplitude of the naturalisation effect differs by origin; in particular, it is greater for groups of immigrants having the lowest probability of finding jobs when they are not naturalised (*e.g.*, African men, Turkish women).
3. The negative sign of the correlation coefficient between the two equations (naturalisation and employment) would suggest that immigrants having the lowest probability of employment are the ones most likely to apply for naturalisation (this is in fact a possible interpretation that can be given to the negative sign of the correlation between the unobservable variables affecting both equations).

Overall, we also showed that to factor in endogeneity (thanks to a two-equation model) increases the naturalisation effect as compared to single-equation regression models.

Table 4.1. Coefficients associated with the interaction effect between naturalisation and country of origin in the employment equation of a bivariate probit model

	Men	Women
Subsaharan Africans	2.27 ***	0.66 **
Morocco	1.96 ***	1.28 ***
Italians	1.77 ***	1.10 ***
Algerians	1.74 ***	1.42 ***
Eastern Europeans	1.71 ***	1.05 ***
Tunisians	1.69 ***	1.27 ***
Spanish	1.66 ***	0.80 ***
Portuguese	1.59 ***	0.86 ***
South-East asians	1.57 ***	1.46 ***
Western Europeans	1.52 ***	0.69 **
Turks	1.29 ***	1.29 ***

Note: **/***: significant at the 5% and 1% level, respectively.

Source: Fougère and Safi (2009).

4.3. Conclusions

Our findings show that to obtain French citizenship greatly increases employability: after naturalisation, the probability of employment for immigrants increases on average by over 20 percentage point for both men and women. Our results deleted "would" suggest that naturalisation significantly offsets the amplitude of certain discriminatory practices on the French labour market. From this standpoint, they constitute the first empirical proof, for France, of the effectiveness of naturalisation as a policy instrument for the labour market integration of immigrants.

Even so, these initial findings need to be supplemented and confirmed in subsequent analyses that can factor in the multiple facets of naturalisation on the lives of immigrants. Here we focus the analysis on the question of employment; there is reason to believe, however, that deleted 'all' career paths of naturalised migrants differ sharply from those of migrants with otherwise identical characteristics but who remain foreigners (professional mobility, pay progression, access to training). The link between naturalisation and access to employment in the public sector also requires more extensive analysis.

Moreover, naturalisation is not only an instrument of economic integration: it can also have a great impact on the social and political dimensions of integration (length and stability of migrants' settlement, access to certain rights and social benefits, political incorporation, etc.). Lastly, the effects of the naturalisation of migrants can have positive labour market repercussions for their descendants (born in France and French citizens). For the moment, quantitative research on these aspects is extremely rare in France. Recent data will no doubt enable exploration of these issues.

In the conclusion of his detailed analysis of the Australian model for the accommodation and naturalisation of migrants, Casltes (1992) contends that policies that block access to citizenship or make it difficult create a situation of marginalisation that threatens labour market efficiency and, more generally, social harmony. Other authors stress the vital role of the civic dimension of integration, which through the acquisition of citizenship appears as an engine stimulating civic interactions within a democratic and multicultural country (Heisler, 1992). Apart from measuring the impact of naturalisation on the employment of immigrants, our contribution provides input for a reflection on the issue of citizenship in European societies, the ethnic diversity of which is on the rise.

Notes

1. For example, the 1927 law may be considered an illustration of how naturalisation can be used as an instrument of government policy (simplification of administrative procedures, harmonisation between men and women, etc.). Thanks to that law, between 1927 and 1940 France experienced the largest wave of naturalisations in its history, with over 600 000 people acquiring citizenship, including registrations through marriage. Blanc-Chaléard (2001) referred to a legal "boost" which proved highly useful during the economic crisis of the 1930s. In contrast, the "Méhaignerie law" adopted in 1993 backtracked for the first time from the double *jus soli* by requiring French-born children of immigrants to "manifest their desire" before being naturalised. Although the procedure was repealed in 1998, the Méhaignerie law nevertheless marked the beginning of a shift in French political rhetoric towards the conception of the naturalisation as a reward for integration.

2. Sayad emphasises the problematic nature of analyses of the motivations of immigrants requesting host country citizenship, especially when immigrants are asked to make statements in public, as if to proclaim their gratitude. "What can a harki [Translator's note: pro-French Algerian] say about himself other than that he has chosen France? Similarly, what can an immigrant say except that he has fled unemployment, or a naturalised citizen except that he has acted out of love for France?", he wrote in Naturels et naturalisés (Sayad, 1993, p. 27). The most convincing studies of immigrants' motivations evoke an instrument of equalisation; above all, obtaining host country citizenship means having a national ID card – the "papers" that let them live as other people do.

3. This term refers to the salary gain (or increased probability of employment) associated with naturalisation. In the analysis by Brastberg, Ragan and Nasir, it therefore refers to the estimated difference in salary between a naturalised immigrant and a non-naturalised immigrant, all else being equal and given the endogeneity of naturalisation.

4. For example, EDF, GDF, SNCF, RATP and Air France can hire French citizens only.

5. Further details about the differences between public sector employment and the civil service can be found by referring to publications of the OEP (Observatoire de l'Emploi Public, 2004).

6. These are in many cases doubly protected by requirements for French citizenship and a degree obtained in France. To cite only a few examples, a foreigner cannot operate a licensed beverage or tobacco outlet, a live-entertainment business or a private technical school or head a periodical publication or an audiovisual communications service, and foreigners are excluded from an entire series of occupations in the transport and insurance industries, the stock market and trading. For a complete list of jobs in the private and public sectors that are subject to nationality requirements, see the GELD memorandum on this subject (GELD, 2000).

7. For example, the standard fee payable by employers for the initial issuance of an employee's temporary residence permit can be as much as EUR 1 444, plus a

recurring standard charge of EUR 168. There are also charges for the renewal of a work permit (Spire, 2005b).

8. In a previous article (Fougère and Safi, 2005), we highlighted this selective nature of naturalisation, looking also at differences in educational attainment, occupation, age and gender. Yet these characteristics also affect the likelihood of getting a job.

9. For example, for an Algerian observed in the 1975 census as well as in that of 1982, the instrumental variables used were the number of Algerian immigrants living in the same region as he in 1975 and the total number of foreigners living in the same department as in 1975. Applications for naturalisation being processed on a departmental level, the latter variable provides an approximation of the length of the waiting line at the "naturalisation window".

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Chapter 5.
The Impact of Naturalisation on Immigrant Labour Market Integration in Germany and Switzerland

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This chapter summarises recent empirical work on the links between naturalisation and the labour market outcomes of immigrants in Germany and Switzerland.

Introduction

One of the main issues in the recent discussion concerning the integration of immigrants into host country societies is the act of naturalisation. The most controversial question is hereby whether the acquisition of citizenship is an instrument for enhancing integration or rather a certification of a successful integration process. However, a simple look at the citizenship laws across countries demonstrates that the answer is not straightforward. On the one hand, immigrants have to fulfil a number of requirements *ex ante* which are all related to the issue of integration before they are allowed to naturalise (*e.g.* minimum time of residency, citizenship test, language requirements, etc.). These legal requirements will not only affect the quantitative dimension, but also the socio-economic structure of naturalised immigrants. In general, they tend to favour immigrants who have acquired some knowledge about the host country and its language, and who are employed or have enough money to live without welfare transfers. On the other hand, naturalisation is connected to a number of socio-economic rights like unrestricted access to the labour market, enfranchisement to vote, permanent legal status, or increased mobility. The acquisition of these rights is likely to accelerate the integration process *ex post* naturalisation.

Furthermore, we have to keep in mind that the decision to naturalise eventually depends on the free choice of individuals. From an immigrant's perspective, naturalisation criteria and rights associated with citizenship are costs and benefits of naturalisation.[1] The naturalisation act is an outcome of an individual optimisation process based on the weighted costs and benefits of citizenship acquisition. For this reason naturalisation is *ex ante also* characterised by a self-selection process within the immigrant population. In addition to this, it is reasonable that immigrants foster their investment in country-specific human capital as soon as they decide to naturalise, or as a reaction to naturalisation. Finally, naturalisation might work *ex post* as a signalling device for employers. From their perspective, the fact that a job applicant has naturalised conveys a job-relevant signal such as possession of appropriate language skills or a minimum duration of stay. This means that naturalisation is used as a sign of successful integration. The provided information reduces, like other observable individual characteristics, the uncertainty about the marginal productivity of the job applicant. The following two sections will address the stated relationships and summarise recent findings from two papers on the impact of naturalisation in Germany and Switzerland.

5.1. Germany

The study for Germany from Steinhardt (2008) makes use of register data from the employment sample of the Institute for Employment Research (IAB). The data set is a 2% random sample of all employees covered by social security during the period 1975 to 2001. It contains a number of socio-demographic characteristics of employees including citizenship and allows to follow employees over time through their employment history. The use of this longitudinal data set has two major advantages: First, it enables one to apply empirical methods that control for differences in unobservable characteristics (*e.g.* estimations with individual fixed effects). This is an important feature, because it is conceivable that the likelihood to naturalise is also influenced by unobservable characteristics. As a result naturalised and non-naturalised immigrants might not only differ concerning observable characteristics such as education, but as well in respect to

unobservable features like ambition. For example, naturalised immigrants might be positively selected in the way that they are higher motivated than non-naturalised immigrants. Most of these unobservable characteristics will not only affect the likelihood of naturalisation, but as well the individual productivity. The identification of a causal relationship between naturalisation and labour market outcomes depends therefore on an appropriate methodology which controls for unmeasured productivity characteristics. Second, the exploitation of the longitudinal nature of the data has more explanatory power than a cross-sectional analysis since it allows to compare labour market outcomes of individuals before, at and after citizenship acquisition. This enables to derive detailed statements about the effect of naturalisation by time.

For the purpose of the analysis the IAB sample is restricted to full-time employed males who have a foreign nationality throughout the observation period or who change from a foreign nationality to German citizenship at a certain point of time. Furthermore, it is distinguished whether an employee is, respectively was, citizen of another European Union country, an associated country or a non-EU country without any bilateral agreements regarding factor mobility. This takes into account that the impact of naturalisation depends on labour market access and legal status before naturalisation. One caveat of the data set which is shared with most other administrative data sets and labour force surveys is the lack of information about the way of citizenship acquisition. The empirical study is therefore based on a broad definition of naturalisation, including acquisition of citizenship by marriage or declaration.

Initially, the descriptive evidence reveals a strong positive selection among immigrant employees concerning human capital. Immigrants who naturalise are on average by far better educated than employees who retain their foreign citizenship. In principle, the German citizenship law stipulates the following requirements for naturalisation: a minimum residence of 8 years in Germany, sufficient knowledge of the German language, the ability to support oneself without recourse to social assistance or unemployment benefits, allegiance to the German constitution, no criminal record, passing of a citizenship test and relinquishment of previous citizenship.[2] However, the German citizenship law does not contain any explicit requirement regarding education. The positive selection with respect to educational attainment is therefore mainly driven by processes of self-selection within the immigrant community. This makes it even more likely that the probability for naturalisation also varies with unobservable characteristics.

The empirical analysis exploits the longitudinal structure of the sample and compares the labour market outcomes before and after citizenship acquisition. Steinhardt (2008) argues that an impact of naturalisation can arise through various channels. First, naturalisation might reduce institutional and functional labour market barriers. This is related to jobs which presuppose citizenship status and occupations with cross-border mobility requirements. Second, it can decrease administrative costs associated with foreigner status for employers. For example, employers in Germany have to conduct a priority test before they can hire a non-European migrant. This should ensure that no German or European worker is available for the job position. Third, it is likely to increase labour market opportunities of immigrants since the act of naturalisation might work as a signalling device for employers. From their perspective the fact that a job applicant has naturalised contains job-relevant information like the possession of appropriate language skills or a minimum duration of stay. Using a methodological approach similar to Bratsberg *et al.* (2002), controlling for unobserved and observed individual heterogeneity, the author demonstrates that the possession of German citizenship is an advantage on the German labour market. The panel estimates show that the acquisition of citizenship has a

positive effect on the wages of employees. In particular, the estimates indicate that wage growth is accelerated in the years after the naturalisation event. Recent results further highlight that the impact varies strongly across ethnic groups. Especially immigrant groups who face labour market restrictions or discrimination seem to profit by the naturalisation act. In line with Bratsberg (2002), and Fougère and Safi (2009) the study concludes that naturalisation increases labour market opportunities and by this enables further integration.

5.2. Switzerland

Switzerland is the country with the highest share of foreigners among OECD countries after Luxembourg. However, citizenship take-up in Switzerland is one of the lowest in the OECD (Liebig *et al.*, 2010). While in countries like the Netherlands and Sweden between 75% and 80% of the foreign-born individuals have acquired the citizenship of the host country, the corresponding share in Switzerland is only about 30%. Nevertheless, the country has recently experienced a very controversial debate about naturalisations in which the issue of selection plays a crucial role. Opponents of a liberalised citizenship regime have repeatedly argued that especially immigrants with negative characteristics acquire Swiss citizenship. For this reason, the Swiss case is of particular interest for the analysis of the relation between integration and naturalisation. The paper of Steinhardt and Wedemeier (2008) focuses on the selection issue by using the 2008 wave of the Swiss Labor Force Survey (SLFS). The work is an extension of a study commissioned by the Swiss Confederation represented by the Swiss Federal Office for Migration (Steinhardt *et al.*, 2010).

The SLFS is a representative household survey, which is taken annually during spring since year 1991. It offers detailed information about the immigration history and citizenship status of foreign born individuals. Moreover, the SLFS 2008 has a special module containing several migration issues, for *e.g.* migrants' motivation to immigrate to Switzerland or migrant's education. The analysis focuses on male first-generation immigrants with and without Swiss citizenship who are fully employed. The sample is further restricted to foreign-born individuals who were born abroad without a Swiss citizenship and who have entered Switzerland before 1993. This ensures the exclusion of war refuges from ex-Yugoslavia who play a special role in the Swiss society. Second, it guarantees that all immigrants in the final sample have at least a minimum residence of 15 years which is one major precondition for the acquisition of Swiss citizenship.

The descriptive findings highlight that naturalised immigrants possess a higher qualification profile than employees who retain their foreign nationality. Furthermore, the figures indicate substantial differences in the ethnic structure of naturalised and non-naturalised immigrants. The clear majority of the non-naturalised immigrants originated from an EU-15 country, while less than 40% of the naturalised immigrants had a citizenship of an EU country. Within the group of naturalised employees individuals from non-EU countries like Sri Lanka, India or Lebanon are overrepresented. Finally, the figures show that, on average, immigrants with Swiss citizenship earn higher wages than foreign employees. The descriptive summaries clearly contradict the scenario of a negative selection into citizenship.

In the following the authors apply a Blinder-Oaxaca decomposition, which is a well-known tool to decompose a wage differential between two groups into differences in endowment and estimated coefficients. The results of the decomposition indicate that a

large part of the wage gap between naturalised and foreign employees can be explained by the named differences in individual characteristics. However, it remains an unexplained part of about 30% which might be driven by unobservable differences or by better labor market opportunities as a consequence of naturalisation. The detailed decomposition shows that about one third of the wage gap is driven by differences in the educational structure between both groups. It further becomes obvious that differences in language proficiency contribute to the explanation of the wage gap. Finally, the findings highlight that a substantial part of the wage gap between immigrants with and without Swiss citizenship is due to differences in the job distribution. Naturalised employees are more likely to work in academic occupations, while immigrants without Swiss nationality are more present in handcraft and basic service jobs. However, we have to consider that these differences in the occupational distribution might already be an outcome of naturalisation, since the acquisition of citizenship removes potential labor market barriers.

Notes

1. Furthermore, the costs and benefits of naturalisation depend on the size and composition of the ethnic community in the host country, legal tolerance of dual citizenship in the source country, the socio-political situation in the country of origin, and other factors.
2. Unemployment benefits in Germany are divided into unemployment insurance benefits and unemployment assistance benefits. The former is restricted to a limited period and is not an exclusion criterion for naturalisation, while the latter in principle is.

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Chapter 6.
Citizenship Acquisition in Canada and the United States: Determinants and Economic Benefit

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This chapter analyses the determinants of immigrants' citizenship take-up in Canada and the United States. It also reviews the recent literature on the economic benefits of naturalisation among immigrants to Canada and the United States and provides some evidence on the association between citizenship and labour market outcomes in these two countries.

Introduction

There are many reasons why immigrants seek citizenship in North America. Naturalisation conveys political rights such as voting and the ability to hold some government offices. Holding a Canadian or US passport may enhance travel opportunities and convey other advantages. And becoming a full-fledged member of their new community may be important for many immigrants. But are there economic advantages? Does economic integration improve with naturalisation? Can the acquisition of citizenship be used as a policy tool to promote better economic assimilation? This chapter reviews currently available North American literature on the economic benefits of naturalisation. The economic outcomes of immigrants who are citizens and permanent residents (non-citizens) are also contrasted using recent Canadian and US data.

If citizenship does improve economic outcomes, as recent research suggests, then it can be thought of as a potential tool to improve the economic integration of immigrants. To move in this direction, policy analysts must have some knowledge of what drives the naturalisation process. Hence, the chapter also reviews recent literature on the determinants of citizenship acquisition. It goes on to ask why a gap in the citizenship rate developed over the past 35 years between Canada and the United States, and in particular the role that the determinants of citizenship played in the development of this gap. In 1970, about two-thirds of foreign-born residents were citizens of their new countries in both Canada and the United States. Thirty-five years later, in 2006, the percentage had risen in Canada to 79%, and fallen in the United States to 46%. Some of the decline in the US rate was due to a rising share of unauthorised immigrants, who are not eligible for citizenship. However, even after accounting for this fact, there was a divergence in the citizenship rates in the two countries, particularly between 1970 and the mid-1990s. This chapter provides a preliminary exploration of the development of this naturalisation rate gap.

6.1. Becoming a citizen of Canada or the United States

By international standards, naturalisation is a relatively straightforward process in both Canada and the United States. In the United States, to be eligible to become a naturalised citizen one must be a legal immigrant, have five years of continuous residency in the country, and be 18 years of age. To become a citizen, the immigrant must be of good moral character, pass an English language proficiency test, and demonstrate some knowledge of US government and history, and support the constitution and swear allegiance to the United States. There are some exceptions to these requirements. For example, immigrants who are spouses of US citizens need only reside in the United States for three years. In general, maintaining dual citizenship is condoned, although not encouraged, in the United States. New citizens are not required to select the citizenship of one country over another, and hence the issue of whether one can maintain dual citizenship has more to do with the citizenship laws in the home country, rather than that of the United States.

The requirements for naturalisation are quite similar in Canada. The residency requirement is likely the major difference. In Canada, the legal immigrant must have resided in Canada for three of the previous four years to be eligible, as compared to five years continuous years of residency in the United States. However, residency requirements are less demanding than in most European countries, except Belgium where

the requirement is also three years. Other Canadian requirements are very similar to those in the United States: be at least 18 years of age, display an adequate ability in English or French so as to be understood in at least one of these languages, have no criminal convictions in the previous three years, and understand the rights and responsibilities of citizenship, as well as knowing something of Canadian history, values and institutions. Prospective citizens are required to take a citizenship test in both Canada and the United States. In Canada there is not an explicit language test as in the United States, but there is an assumption that taking the test itself displays adequate language skills in either English or French. Canada recognises and allows dual citizenship, when allowed by the immigrants' home country.

The costs associated with citizenship are small for many immigrants and very similar in the two countries. For immigrants from countries that do not recognise dual citizenship, such as China, India, Pakistan, Taiwan, Ukraine, and Vietnam, probably the major cost of naturalisation in both Canada and the United States is the loss of home country citizenship. This implies potential costs such as limiting access to the home countries labour market. Immigrants from home countries that recognise dual citizenship, such as Australia, United Kingdom, France, Lebanon, Poland, Portugal, and many South and Central American countries, do not bear such costs in either country.

The benefits of citizenship are also quite similar in both countries, and if anything, likely more evident in the United States than Canada. Furthermore, the benefits of citizenship in the United States have, if anything, increased since the mid-1990s. In both countries, citizens maintain rights that others do not, including the right to:

- Vote;
- Apply for a passport;
- Be a candidate in an election;
- Enter and leave the country freely;
- Preference for federal government and defence industry (in the United States) jobs.

In addition, since the mid-1990s in the United States access to social assistance benefits is restricted to citizens. Also in the United States, immigrants who are citizens receive priority when petitioning to bring family members to the country.[1] In Canada, citizens and permanent residents (legal immigrants who are not citizens) have equal access to health and social services. Hence, acquiring citizenship may convey more benefits in the United States, than in Canada. However, as noted, the naturalisation rate is much lower in the United States.

6.2. Does citizenship acquisition improve economic outcomes?

Naturalisation may be expected to improve the economic outcomes of immigrants for numerous reasons. The most often cited relates to the restricted access by non-citizens to particular types of jobs. In virtually all western countries some jobs are open only to citizens: police work in the Netherlands, top banking positions in Norway, and top civil service jobs in most countries (Bloemraad, 2008). In the United States, employment in many federal agencies, the defence industry and think tanks is restricted to citizens. In some states, police officers must be citizens. Similar restrictions apply in Canada, where jobs in the federal government are by and large open only to citizens.[2]

But beyond the formal access to certain types of jobs for citizens, there may be other more informal advantages that immigrants as citizens hold over non-citizens in job acquisitions. Non-citizens may be seen by employers as less committed to the country, and hence more likely to move on-ward, or return to the home country. Citizenship acquisition displays a desire to integrate into the new economy and society. Employers may be more willing to hire, train and promote immigrants who are citizens for these reasons. Holding a host country passport (Canada or the United States) may be important in some jobs, particularly professional white collar jobs, making international travel easier. Such considerations are formalised to some extent in the United States, since when citizens and non-citizens are equally qualified for a job, employers may legally use US citizenship as a basis for the hiring decision (Bratsberg *et al.*, 2002).

The naturalisation decision may reflect the immigrant's decision to remain in the host country. Such a long-term commitment may not only be a signal to employers, encouraging hiring and promotion decisions, but it may also be correlated with other actions on the immigrant's part that positively affects economic outcomes, such as acquiring information on the host country labour market, and taking training of specific value in the host country. Naturalised immigrants may participate in such activity more than other immigrants, since naturalisation suggests a longer term commitment to the country.

Many of these potential advantages relate to some type of immigrants, but not others. For example, advantages such as improved international travel may not apply to immigrants from developed western nations, since their passports are as useful as a Canadian or American passport. However, it is difficult to develop convincing arguments regarding who will or will not benefit economically from citizenships. For example, it may be the more highly educated immigrants who would benefit most from the improved access to top level jobs, but it may be the less skilled who benefit from the signals sent to employers regarding commitment to a country and implied stability associated with citizenship acquisition. Hence, the extent to which citizenship improves economic outcomes, and if so, which type of immigrants benefit most from such action, is largely an empirical question.

Economic outcomes among immigrants who are citizens and non-citizens

There are a number of levels at which one can empirically address the issue of the economic effect of citizenship acquisition. The first is to ask if there is a statistical correlation between naturalisation and economic outcomes. The outcomes are typically the likelihood of employment, and if employed, the type of job held (typically occupation) and the wages paid. At this level, cross-sectional census data for a given year are typically used to ask whether some or all of the outcomes variables mentioned above are significantly different between immigrants who are citizens, and those who are not. This can be done on an unadjusted basis, where one simply compares the raw data for the two groups, or on an adjusted basis, controlling for differences between citizens and non citizens that will affect economic outcomes, such as education, age or age at immigration, years since immigration, and source regions. Some analyses control for additional work-related variables as well, such as language, geographical location, full-time/part-time job status, occupation and industry. The adjusted results in particular provide a good indication of whether immigrants who have become citizens do in fact earn more, or are more likely to be employed in higher level occupations, than those who have not become naturalised. This is the typical approach used in most research in this area.

The presence of large numbers of unauthorised immigrants in the United States can significantly affect the results of such analyses. In the US data, immigrants are determined by country of birth, not legal immigrant status. Unauthorised immigrants, who obviously cannot become citizens, tend to have poorer economic outcomes, and hence can bias any comparison between immigrants who are citizens and those who are not. It is estimated that in 2008, approximately 30% of all foreign born in the United States were unauthorised (Passel and Cohn, 2009; Hoefer, Rytina and Baker; 2010). The unauthorised immigrants consist of both visa overstayers (between 25% and 40% of the unauthorised), or "entries without inspection". The number of unauthorised immigrants has been rising in the United States since 1990 in particular. It increased from around 3.5 to about 12 million between 1990 and 2008. Mexicans dominate the unauthorised immigrant population, accounting for about 60% of the total. Those from Central and South America, including Mexico, account for almost 80% of all unauthorised immigrants. Since there is no way of identifying unauthorised immigrants in the data, focusing on the outcomes for immigrants from regions other than Mexico, or Central and South America, is one way of largely excluding the effect of unauthorised immigrants on the results. That approach is used in this chapter.

Using 2006 census data for Canada, and pooled data from 2005, 2006 and 2007 from the American Community Survey (ACS) for the United States, we provide both adjusted and unadjusted results. The economic outcomes include the employment rate, the unemployment rate, the share in higher status occupations,[3] the share in public administration jobs, and the log of weekly wages.[4]

For Canada, among naturalised immigrants, as compared to non-citizens, the raw unadjusted data indicate that employment rates are higher,[5] unemployment rates lower, a larger proportion are in high status occupations, and weekly wages are higher among naturalised immigrants as compared to their non-citizen counterparts (Table 6.1). However, much of this difference may be related to the fact that naturalised immigrants tend to have been in the country longer, and may be older and more highly educated than their non-citizen counterparts. All of these attributes would tend to improve their economic outcomes relative to non-citizens.

The adjusted data provide similar, but somewhat attenuated, differences between the two groups (Table 6.2).[6] For men, after adjusting for differences in personal characteristics, employment rates were 2.5 percentage points higher, unemployment rates 1.2 percentage points lower, and the share in high status occupations 4.5 percentage points higher among naturalised as compared to non-citizen immigrants. And after adjusting for both personal and job characteristics, weekly wages were 4.8% higher among naturalised immigrants. Similar patterns are observed for women in Canada.

Table 6.1. Labour market outcomes by citizenship among immigrants, Canada

	All	Source regions			
		Developed countries	Central and South America	Asia	Africa
Men					
Employment rate (%)					
No citizenship	81.0	83.2	81.0	77.5	77.7
With citizenship	82.7	81.5	84.3	83.1	84.4
Unemployment rate (%)					
No citizenship	5.5	4.2	7.5	6.4	10.7
With citizenship	4.4	3.5	5.2	4.7	6.1
Share in high status occupation (%)					
No citizenship	38.1	42.1	26.8	34.6	46.6
With citizenship	48.7	48.8	40.3	49.3	62.5
Share in public administration (%)					
No citizenship	1.4	2.0	0.9	0.7	1.5
With citizenship	2.3	2.8	2.4	1.6	2.8
Log weekly wages					
No citizenship	6.6	6.8	6.4	6.4	6.6
With citizenship	6.7	6.8	6.6	6.6	6.7
Women					
Employment rate (%)					
No citizenship	63.7	68.2	65.0	56.1	58.3
With citizenship	68.6	68.1	72.8	67.4	70.5
Unemployment rate (%)					
No citizenship	7.0	4.6	10.4	10.0	13.1
With citizenship	5.8	4.4	6.7	6.5	7.2
Share in high status occupation (%)					
No citizenship	54.2	62.6	48.5	39.7	58.4
With citizenship	63.1	67.4	63.3	57.8	72.9
Share in public administration (%)					
No citizenship	1.7	2.2	1.3	0.8	1.5
With citizenship	2.4	2.8	3.0	1.7	3.4
Log weekly wages					
No citizenship	6.2	6.3	6.1	6.1	6.1
With citizenship	6.4	6.4	6.4	6.3	6.4

Note: High status occupations include management, Business, Finance and administrative occupations, natural and applied science, and other professional occupations. Developed countries include North America, Europe, Australia and New Zealand.

Source: 2006 Canadian census.

Table 6.2. The advantage in labour market outcomes associated with citizenship among immigrants, Canada

Percentage points

		Source regions			
	All	Developed countries	Central and South America	Asia	Africa
Men					
Employment rate					
Observed	1.8 ***	-1.7 ***	3.3 ***	5.6 ***	6.7 ***
Adjusted	2.5 ***	0.8 **	3.6 ***	4.5 ***	5.6 ***
Unemployment rate					
Observed	-1.1 ***	-0.7 ***	-2.3 ***	-1.7 ***	-4.6 ***
Adjusted	-1.2 ***	-0.8 ***	-1.9 ***	-1.4 ***	-3.1 ***
Share in high status occupation					
Observed	10.6 ***	6.7 ***	13.5 ***	14.6 ***	15.8 ***
Adjusted	4.5 ***	3.8 ***	4.6 ***	5.2 ***	6.8 ***
Share in public administration					
Observed	0.8 ***	0.9 ***	1.5 ***	0.9 ***	1.3 **
Adjusted	0.6 ***	0.8 ***	0.7 **	0.2	0.6
Log weekly wages (log points)					
Observed	10.4 ***	6.8 ***	19.2 ***	23.7 ***	18.7 ***
Adjusted	6.6 ***	5.2 ***	10.1 ***	9.5 ***	3.1
Adjusted for work attributes	4.8 ***	3.9 ***	8.5 ***	6.7 ***	2.3
Women					
Employment rate					
Observed	5.0 ***	-0.1	7.8 ***	11.3 ***	12.2 ***
Adjusted	3.7 ***	1.2 ***	6.0 ***	6.4 ***	6.7 ***
Unemployment rate					
Observed	-1.3 ***	-0.2	-3.7 ***	-3.5 ***	-5.9 ***
Adjusted	-1.2	-0.1	-2.8 ***	-2.3 ***	-3.6 ***
Share in high status occupation					
Observed	8.9 ***	4.8 ***	14.8 ***	18.1 ***	14.5 ***
Adjusted	5.06 ***	3.7 ***	6.1 ***	7.13 ***	6.6 ***
Share in public administration					
Observed	0.8 ***	0.6 ***	1.7 ***	1.0 ***	1.9 **
Adjusted	0.5 ***	0.6 ***	0.8 *	0.2	1.2
Log weekly wages (log points)					
Observed	17.1 ***	14.1 ***	24.9 ***	24.5 ***	29.3
Adjusted	8.8 ***	8.1 ***	11.6 ***	8.8 ***	12.5 ***
Adjusted for work attributes	5.2 ***	5.1 ***	7.8 ***	4.5 ***	8.5 ***

Note: Developed countries include North America, Europe, Australia and New Zealand. "Adjusted" are model estimates controlling for age at immigration, years since immigration, education, source regions. For wages, age rather than age at immigration is used. "Adjusted for work attributes" are estimates also controlling for marital status, speaking the official languages, geographic location, full-time status, occupation, and industry. ***/**/* Statistically significant at 10%/5%/1%-level, respectively.

Source: 2006 Canadian census.

In the United States, outcomes are also generally superior for immigrants who are citizens as compared to non-citizens (with the exception of employment rates, which are very similar). The unadjusted, raw data are shown for all immigrants, as well as after excluding immigrants whose source country is Mexico since many unauthorised immigrants originate from that country. The results are also shown for source regions from which unauthorised immigrants are not a significant issue, such as the other developed countries, and Asia and Africa (Table 6.3). The overall observation holds. In the raw data, even with Mexico excluded, and among immigrants from other source regions, those with citizenship have superior economic outcomes to those without (Table 6.3).

Table 6.3. Labour market outcomes by citizenship among immigrants, United States

	All	All excluding Mexico	Source regions			
			Developed countries	Central and South America	Asia	Africa
Men						
Employment rate (%)						
No citizenship	84.8	83.8	85.1	85.2	83.2	83.9
With citizenship	83.4	83.3	81.9	83.9	83.2	86.6
Unemployment rate (%)						
No citizenship	4.5	4.7	3.5	4.6	4.2	6.2
With citizenship	4.0	4.0	3.7	4.3	3.9	4.5
Share in high status occupation (%)						
No citizenship	15.0	25.4	40.3	6.2	36.5	29.3
With citizenship	30.0	34.8	38.1	17.7	39.0	41.1
Share in public administration (%)						
No citizenship	0.8	1.2	1.3	0.5	1.3	2.2
With citizenship	3.6	3.9	3.5	3.3	3.7	5.2
Log weekly wages						
No citizenship	6.4	6.6	7.0	6.2	6.8	6.5
With citizenship	6.8	6.8	7.0	6.6	6.9	6.8
Women						
Employment rate (%)						
No citizenship	55.9	62.4	64.0	53.0	58.6	69.0
With citizenship	67.7	68.9	66.7	67.7	67.7	73.0
Unemployment rate (%)						
No citizenship	7.9	6.5	4.7	9.4	5.6	7.0
With citizenship	4.6	4.4	3.9	5.5	3.9	4.9
Share in high status occupation (%)						
No citizenship	18.1	25.7	38.4	8.4	34.0	29.6
With citizenship	32.3	35.0	38.9	24.0	37.8	40.1
Share in public administration (%)						
No citizenship	1.2	1.6	2.1	0.8	1.6	2.9
With citizenship	3.5	3.6	3.5	3.6	3.4	3.2
Log weekly wages						
No citizenship	6.0	6.2	6.4	5.9	6.4	6.3
With citizenship	6.4	6.5	6.5	6.3	6.5	6.5

Note: High status occupation includes management, Business, Finance and administrative occupations, natural and applied science, and other professional occupations. Developed countries include North America, Europe, Australia and New Zealand.

Source: 2005-07 American Community Survey.

After controlling for differences between citizens and non-citizens in age at immigration, years since immigration, education and source region, the adjusted US data display similar results. Among all male immigrants to the United States, employment rates are marginally (0.8%) lower among citizens, but all other indicators show superior results (Table 6.4). In particular, after adjusting for job related characteristics such as full-time/part-time job status, industry, occupation and language, as well as the personal characteristics mentioned earlier, male naturalised immigrants earned about 9.4% (0.094 log points) more than their non-citizen counterparts, and among women, 8.7% more. Of course, this comparison again includes some unauthorised immigrants, particularly from Mexico, and they tend to have lower wages (Bratsberg *et al.*, 2002), and by definition will be non-citizens. However, naturalised immigrants from all major source regions earned more than their non-citizen counterparts: among those from developed countries,[7] 5.1% more, Asia 2.8% more, Africa 5.2% more, and Central/South America and the Caribbean, 14.1% more.[8]

Table 6.4. The advantage in labour market outcomes associated with citizenship among immigrants, United States

Percentage points

	All	Source regions			
		Developed countries	Central and South America	Asia	Africa
Men					
Employment rate					
Observed	-1.4 ***	-3.2 ***	-1.4 ***	0.0	2.8 ***
Adjusted	-0.8 ***	1.5 ***	2.2 ***	3.0 ***	4.1 ***
Unemployment rate					
Observed	-0.5 ***	0.3	-0.4 **	-0.3	-1.7 ***
Adjusted	-1.2 ***	-0.1	-1.0 ***	-0.8 ***	-1.5 **
Share in high status occupation					
Observed	15.0 ***	-2.2 ***	11.5 ***	2.5 ***	11.9 ***
Adjusted	2.2 ***	0.3	2.6 ***	2.4 ***	2.2 *
Share in public administration					
Observed	2.8 ***	2.2 ***	2.8 ***	2.4 ***	3.0 **
Adjusted	1.5 ***	1.6 ***	1.5 ***	1.2 ***	1.6 ***
Log weekly wages (log points)					
Observed	39.1 ***	1.6	37.5 ***	11.3 ***	27.2 ***
Adjusted	11.7 ***	5.8 ***	16.7 ***	5.0 ***	7.4 ***
Adjusted for work attributes	9.4 ***	5.1 ***	14.1 ***	2.8 ***	5.2 **
Women					
Employment rate					
Observed	11.8 ***	2.6 ***	14.7 ***	9.1 ***	4.0 ***
Adjusted	6.8 ***	4.1 ***	7.5 ***	7.2 ***	3.0 **
Unemployment rate					
Observed	-3.3 ***	-0.8 ***	-3.9 ***	-1.6 ***	-2.1 **
Adjusted	-1.0 ***	-1.0 ***	-2.1 ***	-1.2 ***	-1.52 *
Share in high status occupation					
Observed	14.2 ***	0.5	15.6 ***	3.8 ***	10.4 ***
Adjusted	3.5 ***	1.8 ***	4.6 ***	2.11 ***	2.3 *
Share in public administration					
Observed	2.3 ***	1.5 ***	2.7 ***	1.8 ***	0.3
Adjusted	1.0 ***	1.3 ***	1.2 ***	0.6 ***	-1.0 *
Log weekly wages (log points)					
Observed	37.3 ***	12.6 ***	41.2 ***	15.8 ***	21.4 ***
Adjusted	11.8 ***	10.8 ***	15.4 ***	6.2 ***	7.8 ***
Adjusted for work attributes	8.7 ***	8.0 ***	11.6 ***	4.5 ***	7.5 ***

Note: Developed countries include North America, Europe, Australia and New Zealand. "Adjusted" are model estimates controlling for age at immigration, years since immigration, education, source regions. For wages, age rather than age at immigration is used. "Adjusted for work attributes" are estimates also controlling for marital status, speaking the official languages, geographic location, full-time status, occupation, and industry. ***; **, * Statistically significant at 10% 5%and 1%-level, respectively.

Source: 2005-07 American Community Survey.

Both the Canadian and United States cross-sectional data indicate that immigrants who become citizens do in fact have superior economic outcomes than their counterparts who are not citizens. But is this outcome *because* they became citizens, or are there other possible explanations for these differences?

Issues in empirically identifying the economic effects of citizenship acquisition

Correlation does not necessarily imply causation. From a policy perspective, one needs to know if the act of naturalisation itself will result in improved economic

outcomes. Based on the "determinants" outlined earlier in the chapter, numerous actions could be taken to increase the rate of naturalisation in a country. Legislation regarding the conditions of citizenship acquisition could be altered, and changes made to the types of immigrants selected. However, one would want to be certain that a causal relationship exists before embarking on such action.

In this particular case, two issues must be addressed before one can be reasonably certain that the correlations observed reflect a causal relationship: self-selection and endogeneity.

Self-selection may underlie the positive correlation between naturalisation and economic outcomes, and once properly accounted for, the correlation may disappear. Immigrants who choose (self-select) to become citizens may differ from those choosing not to become citizens in ways that are not controlled for in the first level of analysis conducted above, but result in higher wages. Most importantly, they may be more highly motivated to "succeed" in the host country. This characteristic, which is typically unmeasured and not observed in the analysis, would result in their both becoming citizens, and having higher earnings. Hence, a correlation between these two variables would be observed, but it would not be citizenship that is driving the superior economic outcomes, it is the higher level of motivation. Even if these immigrants had not taken out citizenship, they would have had superior economic outcomes.

A very few studies have addressed this issue by turning to the second level of analysis, that employing longitudinal rather than cross-sectional data. In this case, one tracks the immigrants for many years. The effect of the citizenship acquisition on economic outcomes (*e.g.* wages, type of job held) can be determined by measuring these outcomes before and after naturalisation, and comparing the change to those who did not naturalize. The effect of unobserved characteristics, such as motivation, is "controlled for" because one is tracking the same individuals over many years. The level of motivation is assumed to be exactly the same before and after naturalisation, because one is tracking the same individual. Statistical models such as these are referred to as "fixed effects" models, since unobserved characteristics such as motivation are presumed to be "fixed" over time. They provide a more stringent test of causality than do studies based on "cross-sectional" data. Other approaches can be used to attempt to overcome self-selection issues when utilising cross-sectional data, notably the "Heckman two-stage Mills ratio correction". Some results based on this approach are also reported. The use of longitudinal data is likely preferable, but often not an option due to data constraints.

"Endogeneity" is a second statistical issue that must be considered. This issue arises when the causality runs in both directions. In most analyses of citizenship, authors argue, or assume, that citizenship drives economic outcomes. However, it also may be that immigrants who are doing well economically choose to take out citizenship, as part of the plan to remain in the country over the long term. That is, economic success may drive naturalisation as well as the converse. Causality may run in both directions. To the extent that this occurs, the correlations between naturalisation and economic outcomes observed in the first level analysis would over-estimate the causal effect of citizenship on economic outcomes, even in the absence of any other issues. Again the use of longitudinal, rather than cross-sectional, data can help, since the outcomes are time sequenced. One observes the event of naturalisation, and then the change in economic outcomes following that event. Any observed improvement in economic outcomes could not have caused the naturalisation, since they follow that event in time.

Other North American studies of the correlation between naturalisation and economic outcomes

Chiswick (1978) reported some of the earliest findings in the North American context. Using 1970 US census data for adult white males, and placed within the context of a larger study of the effects of various variables on the earnings of immigrants, Chiswick concluded that naturalisation was not correlated with higher earnings. With controls for education, potential years of experience, and location of residence, he finds that immigrants who are citizens earned about 14% more than non-citizens. However, the former had spent much more time in the United States than the latter, and "years since migration" (YSM) is an important determinant of wages. After accounting for this variable, the foreign born who were citizens were still found to earn about 7% more than non-citizens, but the difference was not statistically significant. Furthermore, when YSM was interacted with citizenship status, allowing the effect of YSM on wages to differ between citizens and non-citizens, the difference in wages between these two groups fell to virtually zero.

Interestingly, as part of a larger research project, Bratsberg *et al.* (2002) replicate Chiswick's intermediate model specification (controlling for education, experience, years since migration, and other variables) using the 1990 census data on adult males, and find essentially the same coefficients. The foreign born who were citizens earned about 7% more than non-citizens. Only in this case, the difference was statistically significant, unlike the earlier Chiswick results. The later analysis had a much larger sample of foreign born (around 200 000) than did Chiswick's (around 1 900), which may account for the difference in the statistical significance. Bratsberg *et al.* (2002) conclude that there is a positive correlation between naturalisation and earnings. We will return to this chapter later.

For Canada, we could find only two papers that address the issue of the economic advantage of citizenship, both are by the same authors, Devoretz and Pivnenko. In a 2005 paper, recognising that the effects on wages may be different for immigrants from developed (OECD) and developing (non-OECD) nations, and for men and women, they produce separate estimates for the four groups. Using a specification similar to that used by Chiswick and Bratsberg *et al.* above (*i.e.* controls for education, age, work experience, years since migration, and language, as well as very broad occupational categories), and data from the 1991, 1996 and 2001 Canadian censuses, they conclude that wages are positively correlated with naturalisation. Naturalisation had a much stronger effect for immigrants from developing nations; the wage differential between immigrants who were citizens and non-citizens was 12.6% and 14.4% for women and men respectively from non-OECD countries, and 5.8% and 4.1% for OECD countries. In the analysis of the 2006 census data reported above, we do not find such a clear distinction. For Canada, immigrants from South and Central America displayed a larger citizenship wage advantage than did those from developed countries, but this was not the case for immigrants from other developing nations, such as male African immigrants, or female immigrants from Asia (Table 6.2). With more detailed categories, the pattern is not as clear.

North American studies accounting for selection bias and endogeneity

In a subsequent paper, Devoritz and Pivnenko (2008) address the issue of self-selection bias outlined above by using the Heckman two stage selection correction. They conclude that there is evidence of selection bias. That is, part of the positive correlation between earnings and naturalisation is due to the fact that immigrants with productivity-related characteristics that lend themselves to higher wages such as motivation, self-select

into citizenship. Furthermore, these productivity-related characteristics are unmeasured and not accounted for when comparing the two groups. They conclude that, after accounting for differences in measured characteristics such as education, experience and years since immigration, naturalised immigrants earn 3.5% more than non-citizens if from an OECD country, and 14.6% more if from a non-OECD country. But this wage gap also includes any difference due to the selection effect.

Perhaps the most convincing evidence in the North American context comes from the paper by Bratsberg, Ragan and Nasir (2002). They use cross-sectional data from the 1990 US census, as well as the 1994-98 Current population survey (CPS) to address the issue of the correlation between naturalisation and wages, in a manner not unlike that described above. However, they also turn to longitudinal data for young men from the National Longitudinal Survey of Youth (NLSY) for the period 1979 to 1991. This allows them to overcome the potential issues related to selection bias and endogeneity discussed earlier. They also extend the analysis beyond earnings effects of naturalisation, and look at additional outcome variables including the likelihood of being employed, and the type of job held if employed.

One drawback to the analysis based on the US census and CPS data is the inability to account for legal status. This holds for virtually all US research employing these data sets since illegal immigrants are not eligible to become citizens, they are in the non-citizen category. And to the extent that illegal immigrants earn less than their legal counterparts (controlling for differences in observed characteristics), the earnings of non-citizens will be biased downwards. However, in the NLSY longitudinal data there is a question regarding immigrant status. To the extent that it would be correctly answered, illegal immigrants can be identified and accounted for. When Bratsberg *et al.* do this, they do find a significant wage growth penalty for illegal immigrants as compared to legal. However, controlling for immigrants status did not change the coefficient on the naturalisation variable. That is, accounting for immigrant status did not change the effect of naturalisation on wage growth.

Among adult males, Bratsberg *et al.* find a 6% to 7% higher wage among naturalised immigrants, controlling for characteristics, country of origin and years since migration. When they also add industry and occupation, the gap falls to around 5%. These results are very similar from the two data sources, the census and the CPS. When they restrict the sample to young males (under 30), and add results from the NLSY, they find similar results. With all controls, there remains a 5% to 6% wage gap between the naturalised immigrants, and non-citizens. Cross-sectional data from all three sources show the same results. But these are correlations, based on cross-sectional data. Also, it is not clear that industry and occupation are appropriate controls, since the choice of industry and occupation may in part be a function of citizenship status. When these controls are excluded, the gap is between 6% and 7% for young males.

Bratsberg *et al.* also find that the wage premium associated with naturalisation is greater for immigrants from poorer countries. They add GDP per capita of the source country, and conclude that a USD 1 000 increase in GDP per capita results in a 0.7 percentage point drop in the naturalisation wage premium. As an example, the wage premium associated with naturalisation would rise from 2.9% to 7.2% for immigrants from Italy (more developed) as compared to those from El Salvador (less developed).

To overcome the issues of selection bias and endogeneity, Bratsberg *et al.* turn to longitudinal data from the NLSY for the 1979 to 1991 period. Their analyses is hampered to some extent by a small sample of young male immigrants, 344 observations, 34 of

whom were citizens in 1979, and 95 by 1990. Bratsberg *et al.* find that, even after controlling for "individual fixed effects" such as personal initiative and motivation, the wage premium associated with naturalisation persists, at around 5.6%. Hence, they conclude that unobserved differences between those who naturalise and those who do not (*i.e.* selection effects) are not primarily responsible for the correlations reported earlier. The earlier data do have some causal interpretation.

They also conclude that there is not an earnings surge at the time of citizenship acquisition. Rather, wage growth following naturalisation increases and returns to experience increase. This seems reasonable, as it is unlikely that an employer would increase the wages of an immigrant in their current job, at the moment of naturalisation, simply because he/she became a citizen. Wage increases would likely occur when there is a job change, perhaps some time after citizenship acquisition. Regarding the type of jobs held, they find that there is a shift towards white collar jobs and the public sector after naturalisation. Five years after citizenship acquisition, an immigrant is 3.3 percentage points more likely to be in the public sector than before naturalisation.

Basically they find that young male immigrants who naturalise experience faster wage growth than other immigrants who do not, and US born males. However, the faster wage growth does not occur until after naturalisation takes place. Naturalised immigrants do move into better jobs. These economic gains are greater for immigrants from less developed countries.

We could find no other North American studies that focused on the economic gains from naturalisation. There have been numerous studies from other countries. Many are based on longitudinal data. Hayfron (2008), employing longitudinal data from Norway and a "random effects" model, concluded that naturalisation does have an instantaneous positive effect on wages, and suggest that Norway may want to make the acquisition of citizenship somewhat easier so as to better benefit from this finding. Steinhardt (2008), using both cross-sectional and longitudinal German data, found a wage premium associated with naturalisation in the cross-section data (a correlation). The longitudinal panel data results showed both an immediate positive effect associated with naturalisation, as well as accelerated wage growth. Scott (2008), again using both cross-sectional and longitudinal data, this time for Sweden, concluded that there was a positive correlation between wages and naturalisation in the cross-sectional data, but the results based on longitudinal data were less evident. Either there was no effect observed, or the positive wage effect was evident even before naturalisation took place (controlling for observable characteristics), suggesting that the higher wages among those who naturalise might be due to selection effects.

Overall the weight of the evidence suggests that there might be in the order of a 5% to 15% wage premium associated with naturalisation, depending upon the group, and this premium is larger for immigrants from some less developed nations. There is also a shift in the types of jobs held following citizenship acquisition towards white collar and public service jobs.

6.3. The determinants of naturalisation

If citizenship acquisition is one means of improving the economic integration of immigrants, then some knowledge of the determinants of naturalisation will help policy analysts implement any programs intended to increase citizenship rates.

Literature review

There is not a large body of literature on the determinants of naturalisation in Canada or the United States. However, researchers have noted for some time that certain characteristics are associated with the rate of naturalisation. Variables are often grouped into categories that are theoretically associated with the rates of citizenship, including commitment variables (*e.g.* home ownership, language spoken, etc.), position in society and personal characteristics(*e.g.* educational attainment, income, presence of children, etc.), arrival characteristics (*e.g.* age at arrival, years in the country), visa category, origin country characteristics (*e.g.* political rights and freedom, GDP per capita, recognition of dual citizenship, etc.) and current neighbourhood characteristics. No study has been able to incorporate all such variables due to measurement and data issues. Most Canadian and US studies rely on census data, and hence concentrate on the effects of individual characteristics. Some have added source country characteristics (usually GDP per capita), and in the more recent studies, political rights and freedoms. In general, individual characteristics are a much stronger determinant of naturalisation than origin country characteristics (Chiswick and Miller, 2009), at least in the US research.

Years since immigration has long been seen as one of the most important determinants of naturalisation (Bernard, 1936, Evans, 1988, Tran *et al.*, 2005). It is positively correlated, at least up to around 35 to 40 years in the country. After controlling for other characteristics, the likelihood of being a citizen rises from about 10% after five years in the United States, to about 55% after 20 years (Chiswick and Miller, 2009). In Canada, this probability increases much faster with years since immigration, as shown later. Higher levels of education are associated with higher naturalisation rates (Bueker, 2005; Jasso and Rosenzweig, 1990; Portes and Rumbaut, 1996; Yang, 1994) Chiswick and Miller, 2009, find that the probability of being a citizen is about 15 percentage points higher for an immigrant with 20 years of schooling as compared to someone with ten years. Each additional year of schooling increases the likelihood of being a citizen by about 1.5 percentage points. Calculations by the authors of this paper lead to similar estimates for the United States. The likelihood of being a citizen is about 12 percentage points higher for a degree holder than someone who did not graduate from high school, controlling for other individual characteristics. However, the difference is not as great in Canada, at only 3 percentage points. Devoritz and Pivnenko (2008) found that educational attainment had no effect in Canada. Males are often found to have a higher probability of being citizens (Yang 1994, Devoritz and Pivnenko, 2008), as are people who are more proficient in the host countries language, and those with higher incomes (Bueker 2005; Jasso and Rosenzweig, 1990; Portes and Mozo, 1985; Portes and Rumbaut, 1996; Devoritz and Pivnenko, 2008). Age at immigration is positively correlated with being a citizen (Chiswick and Miller, 2009), although other research found a negative relationship (Jasso and Rosenweig, 1986).

Even after accounting for these personal characteristics variables (and other less important ones such as family status, educational attainment of the spouse), differences in the naturalisation rate exist among immigrants from different source regions. The characteristics of the source countries matter, although not as much as the personal characteristics of the immigrant.[9] Immigrants from developing countries are more likely to become citizens in a richer nation such as Canada or the United States than are those from developed economies (Chiswick and Miller, 2009; Tran *et al.*, 2005). Coming from a country with restricted civil liberties increases the likelihood of naturalisation in a country such as Canada or the United States. For example, the incidence of citizenship, adjusting for other personal and source region differences, is about 14 percentage points higher among

immigrants from countries with the least civil liberties (*e.g.* Afghanistan, North Korea) as compared to those with the most (Switzerland, Australia) (Chiswick and Miller, 2009). And if the source country is in close geographical proximity, the likelihood of citizenship is reduced, as there may be a lot of back and forth movement by immigrants. This factor is particularly important in the US case, due to the close proximity of Mexico, and the fact that a large and increasing share of immigrants are from that country.

Canadian data demonstrate significant variation in citizenship take-up rates by immigrant class; refugees are the most likely to become citizens, followed by the skilled economic class, and then the family class. For example, among those entering Canada between 1991 and 1995, after six to ten years in Canada 85% of refugees were citizens, compared to 70% among the skilled economic class, and 60% of the family reunification class. However, much of this difference may be related to source region. Refugees are more likely to come from poorer countries with poor human rights records, countries from which immigrants are more likely to be citizens (Tran *et al.*, 2005).

Regarding dual citizenship, the issue is not so much whether the receiving country recognises dual citizenship (both Canada and the United States do), but rather whether the country of origin does. Dual citizenship recognition by the source country has a small, but positive 2 to 3 percentage point effect on the likelihood of immigrants from those countries becoming citizens (Jones-Correa, 2001; Mazzolari, 2009; Chiswick and Miller, 2009) in the United States.

6.4. The rise of a naturalisation rate gap between Canada and the United States

A significant unresolved puzzle regarding naturalisation rates in North America has developed over the past 35 years. Essentially, citizenship rates rose in Canada, but fell dramatically in the United States, particularly between 1970 and the mid-1990s. Why?

In 1970, about two-thirds of foreign-born residents were citizens of their new countries in both Canada and the United States. Thirty-five years later, in 2006, the percentage had risen in Canada to 79%, and fallen in the United States to 46%. This chapter now attempts to explain this divergence, at least in part.

The *decline* in citizenship acquisition rates in the United States occurred largely between 1970 (at 69.5%) and 1990 (at 46.5%). Since then the rate has remained more or less stable (Table 6.5). In Canada, the *increase* occurred mainly during the 1970s and 1990s. The characteristics of immigrants changed significantly over the 1970 to 2006 period in ways that would affect the naturalisation rate, given the above discussion.

Table 6.5. Citizenship rates among immigrants aged 25 or over, United States and Canada

Percentage

	United States	United States excluding Central/South American immigrants	Canada
1970/1971	69.5	75.9	66.4
1980/1981	56.7	65.6	73.7
1990/1991	46.5	56.3	73.9
2000/2001	48.1	57.8	78.1
2006	46.4	58.7	78.9

Source: 1971-2006 Canadian censuses, 1971-2000 US censuses and 2005/06/07 American Community Survey.

The increasing number of unauthorised immigrants to the United States may be an important factor in naturalisation trends. In the US data, the denominator in any "naturalisation rate" calculation is the number of foreign born, not the number of authorised immigrants. Since the number of unauthorised immigrants has been increasing in the United States, particularly since 1990, and they are not eligible for citizenship, this will contribute to a declining rate. However, Fix, Passel and Sucher (2003) estimate that among all *legal* immigrants[10] the naturalisation rate fell from 64% to 39% between 1970 and 1996, subsequently rising to 49% among legal immigrants in 2002.

Furthermore, if one excludes immigrants from Central and South America, from which most unauthorised immigrants originate, a significant decline in the naturalisation rate is still observed in the United States. The rate falls from about 76% in 1970 to 56% in 1990, and rising marginally since then (Table 6.5). Finally, the rise in unauthorised immigrants occurred since 1990, but the fall in the citizenship rate in the United States happened from 1970 to1990 (or up to the mid-1990s). Overall one can conclude that there was a real decline in the citizenship rate in the United States particularly during the 1970s and 1980s, while it was rising in Canada, opening up a citizenship rate gap between the two countries.

There is little literature on the emergence of this gap. Bloemraad (2002) concentrated mainly on Portuguese immigrants and observed that even within groups defined by variables such as years since migration and source region, differences in naturalisation rates persisted, although at a reduced level, between Canada and the United States. She concludes that accounting for demographic and personal characteristics alone does not account for the naturalisation gap. However, she does not produce any estimates of the extent to which such characteristics do in fact account for the gap.

Beyond differences in individual and group attributes of immigrants in Canada and the United States, Bloemraad (2006) argues that the tendency to seek naturalisation is imbedded within a larger institutional and policy environment, and that these influences differ significantly between the two countries. She suggests that naturalisation is a social process influenced by friends, family, and community organisations within the context set by government policies on diversity and newcomer settlement. She further argues that Canadian government policies are more amenable to encouraging naturalisation than US policies. She suggests that Citizenship and Immigration Canada generally promotes citizenship and integration, while an ethos of law enforcement looms large in the former INS and the US Homeland Security Agency (responsible for immigration). Canada, she argues, promotes settlement by providing language programs, training, employment counselling and social assistance, whereas the United States sees settlement more as a private matter. However, she provides no empirical evidence to support these notions.

Any analysis of the rise in the naturalisation gap between Canada and the United States will have to account for differences in the change in the characteristics of the immigrant populations in the two countries. The important characteristics were reviewed earlier.

Change in immigrant characteristics in the two countries

The *educational attainment* of immigrants rose dramatically in both countries. Over the period of most interest, between 1970 and 1990, the share with a university degree rose from 6% to 15% in Canada, and from 9% to 21% in the United States. But some unauthorised immigrants would be included in the US calculation. Excluding immigrants

from South and Central America, the US increase is even greater, from 9% to 28% (Table 6.6). These trends would tend to increase the citizenship rate in both countries between 1970 and 1990. And the educational attainment rose to higher levels by 2006, again tending to drive up the citizenship rate.

Table 6.6. Changes in the characteristics of immigrants aged 25 and over in the United States and Canada

Percentage

	United States			United States excluding Central/South American immigrants			Canada		
	1970	1990	2006	1970	1990	2006	1971	1991	2006
Education									
No diploma/certificate	62.4	41.0	28.9	61.7	29.5	13.0	61.3	40.1	20.2
High school diploma	20.5	19.6	27.0	20.9	21.2	23.6	18.0	30.5	30.5
Non-university diploma	8.1	18.8	17.5	8.1	20.9	20.2	14.3	14.0	22.3
University degree	9.0	20.5	26.6	9.3	28.4	43.2	6.4	15.3	27.1
Source regions									
Canada/USA	9.5	4.6	2.4	11.4	7.7	5.0	8.9	5.5	3.8
Caribbean/Central/South America	16.5	40.5	51.9				15.8	9.1	11.1
Northern/Western Europe	20.7	8.3	3.9	24.8	13.9	8.2	34.7	30.7	19.1
Southern Europe	14.9	6.6	2.7	17.8	11.0	5.7	15.3	18.1	12.6
Eastern Europe	29.8	12.1	8.0	35.7	20.3	16.5	19.0	10.2	8.5
Asia	7.7	25.5	27.3	9.2	42.9	56.7	4.6	22.1	38.3
African	0.5	1.9	3.3	0.6	3.2	6.9	1.1	3.5	5.6
Other countries	0.4	0.6	0.5	0.5	0.9	1.0	0.6	0.8	0.9
Years since immigration									
0 to 5 years	12.2	16.8	14.9	9.0	16.3	14.9	14.6	13.8	13.6
6-10 years	10.0	17.1	16.2	7.4	14.7	14.9	8.6	8.3	11.3
11-15 years	9.7	14.0	13.6	9.0	12.5	13.1	14.2	9.8	12.5
16-20 years	8.4	11.8	13.5	8.5	9.4	11.8	16.4	13.0	10.5
Over 20 years	59.7	40.3	41.8	66.1	47.1	45.3	46.2	55.1	52.0

Source: 1971-2006 Canadian censuses, 1971-2000 US censuses and 2005/06/07 American Community Survey.

The *source region of immigrants* changed in very different ways in the two countries. In the United States, the share of immigrants aged 25 and older from the Caribbean, Central and South America rose dramatically, from 17% in 1970, to 41% in 1990, increasing further to 52% in 2006 (Table 6.6). These data include unauthorised immigrants. However the rise in the number of unauthorised immigrants occurred since 1990, and the large increase in the share of immigrants from Central and South America occurred between 1970 and 1990 (Passel, 2006). Hence, the share of authorised immigrants who originated in these countries was rising rapidly, particularly up to 1990. And this period corresponds with the decline in the citizenship rate in the United States.

Immigrants from Mexico have the lowest naturalisation rate of all major source countries for the United States. Results based on the 2005/07 American Community survey show that immigrants from Mexico were 24.3 percentage points less likely to be naturalised US citizens than those from the United Kingdom (Table 6.9). This result could also be influenced by unauthorised immigrants from Mexico. However, Fix *et al.* (2003), excluding unauthorised immigrants from their analysis, conclude that Mexicans

were among the least likely to naturalize. Among immigrants entering the United States since 1980, only 21% of eligible Mexicans had naturalised, compared to 57% of Asians. This very low rate of naturalisation may be related to the proximity of Mexico, and the fact that immigrants move back and forth between countries frequently (Chiswick and Miller, 2009).

In Canada the share of immigrants from Central or South America declined. But in any case, the lower rate of naturalisation among this group does not apply in Canada as in the United States, again likely related to the difference in geographical proximity. Rather, the share of immigrants from Asia rose more quickly in Canada than the United States (Table 6.6). Data from the 2006 Canadian census indicate that Asian immigrants tend to have the highest rates of naturalisation. For example, immigrants from China (a major source region in Canada) were 21 percentage points more likely to be naturalised than those from the United State (Table 6.8). Thus, the source country of immigrants has changed such as to reduce naturalisation rates in the United States, and increase them in Canada.

"*Years since immigration"* is another major determinant of naturalisation. Immigrants in the host country for 20 years or more are much more likely to be naturalised, than those with fewer years of residency. For example, in the United States, 24% of immigrants are naturalised after six to ten years in the country (Table 6.6), 40% after 11 to 15 years, and 74% after 20 years And the distribution of the "number of years since immigration" among immigrants changed so as to lower the naturalisation rate in the United States, and increase it in Canada, particularly between 1970 and 1990. In Canada the share of immigrants in the country for over 20 years rose from 46% to 55% between 1971 and 1991, while falling from 60% to 40% in the United States. A similar decline is observed after excluding immigrants from Central and South American countries.

There is also a significant difference between the two countries in the speed at which immigrants choose to naturalise. The correlation between "years since migration" and the naturalisation rate is very different. To demonstrate this effect, ideally one would track cohorts of entering immigrants as they accumulated years in the host country, and observe the change in citizenship rates. We do not have a longitudinal data source that will allow such analysis.[11] The next best approach is to construct "quasi-cohorts" based on the census data. These five-year cohorts (*e.g.* immigrants entering in the 1966-70 period, the 1971-75 period, and so on) are observed every ten years in the US censuses and every five years in Canadian censuses, allowing us to construct Table 6.7. Data on the naturalisation patterns of cohorts from the late 1960s to the early 2000s are presented. But since we have only infrequent observations for each cohort, we choose to average the results across all cohorts, as shown at the bottom of Table 6.7.

Table 6.7. Citizenship rates among immigrants aged 25 or over by cohort and period of immigration

Percentage

Immigration cohort	All source regions					Developing countries					Developed countries				
	Years since immigration					Years since immigration					Years since immigration				
	0-5	6-10	11-15	16-20	>20	0-5	6-10	11-15	16-20	>20	0-5	6-10	11-15	16-20	>20
United States															
1966-70	10.6		42.7		73.5	12.2		42.0		64.0	8.2		44.3		80.6
1971-75		27.1		49.6			27.1		50.0			26.9		48.0	
1976-80	7.2		41.4		74.1	7.5		41.6		71.7	6.0		40.6		78.7
1981-85		24.3		54.7	73.3		24.3		55.1	71.6		25.0		51.1	78.8
1986-90	6.6		37.6	49.4		6.7		36.9	48.3		6.3		43.3	59.3	
1990-95		22.7	38.7				21.0	35.7				32.0	56.3		
1996-00	7.0	19.7				7.0	18.3				7.1	29.3			
2000-05	4.7					4.7					4.3				
Average	7.2	23.5	40.1	51.2	73.6	7.6	22.7	39.0	51.1	69.1	6.4	28.3	46.1	52.8	79.3
Canada															
1967-71	4.9		68.1	75.6	87.5	5.4		84.2	88.3	92.9	4.7		61.1	70.1	86.8
1972-76		57.7	71.1	78.3	88.6		73.0	83.7	88.4	94.1		39.9	55.8	67.1	87.1
1977-81	16.7	64.6	77.4	84.4	89.0	20.6	74.0	84.7	91.3	94.6	11.3	49.08	65.2	73.1	86.7
1982-86	22.1	71.6	82.5	86.5	90.6	23.5	77.3	88.5	92.1	95.7	19.7	60.8	70.5	75.4	87.9
1987-91	14.4	77.4	84.8	89.4		14.7	81.7	89.0	93.1		13.4	66.0	73.4	78.6	
1991-96	22.8	78.2	87.4			23.7	80.1	89.3			19.4	71.0	80.4		
1997-01	22.1	79.2				22.4	80.1				21.0	76.2			
2001-06	18.2					18.3					17.7				
Average	17.3	71.4	78.6	82.8	88.9	18.4	77.7	86.6	90.6	94.3	15.3	62.8	67.7	72.8	87.1

Source: 1971-2006 Canadian censuses, 1971-2000 US censuses and 2005/06/07 American Community Survey.

The naturalisation rate is low during the first five years in the host country because of the inability to acquire citizenship until after three years in Canada[12] and five in the United States. But after 6-10 years in the host country, the naturalisation rate in Canada has already reached 71%, whereas in the United States it is only 24%. Interestingly, after 20 years the differences are not that great; 74% in the United States and 89% in Canada. It is not so much that there is a large difference in the ultimate naturalisation rates in the two countries, at least among immigrants who remain in the country for 20 years or more. Rather, immigrants choose to become citizens much more quickly in Canada than the United States.[13]

The above reported data represent the average for entering immigrant cohorts from the early 1970s to the late 1990s. However, by focusing on *change* across entering cohorts, we find that in the United States the speed with which immigrants become citizens decreased over the 1970 to 1990 period, whereas in Canada it increased. For example, among the early 1970s entering cohort in the United States, 27% became citizens after six to ten years in the country. Among the late 1990s cohort this number fell to 20%. In Canada, comparable numbers rose from 57% to 79% (Table 6.7). This result would also have contributed to rising cross-sectional census-based citizenship rates in Canada, and falling in the United States.

Finally, the literature review noted that immigrants from developing nations tend to have higher naturalisation rates that those from advanced developed e conomies. This is reflected in the speed at which these two groups naturalise. In Canada, census suggest that after 6 to 11 years in the country 77% of immigrants from developing nations were naturalised, compared to 63% from the developed nations (Table 6.7).[14] Among

immigrants who remain in the country for 20 years or more, the difference in the naturalisation rate is less; 94% from developing and 87% from developed nations. However, the speed at which they naturalise is quite different.

Again the story for the United States is quite different, likely because of the "Mexico" effect. Immigrants from developing nations both are less likely to ultimately acquire citizenship, and acquire it at a slower pace. This result is likely related to the very low rate of naturalisation among eligible immigrants from Mexico, for reasons mentioned earlier.

Hence, a number of characteristics related to the "years since migration" variable have resulted in lower and falling naturalisation rates in the United States between the 1970s and 1990s in particular, with rising rates in Canada. In the mid-2000s a greater share of immigrants were in the "over 20 years in the country" category in Canada than in 1970. The opposite was true in the United States. Immigrants become citizens more quickly in Canada than in the United States (in part because of differences in source country). And finally, the "speed of naturalisation" has been falling in the United States, while rising in Canada.

Some of these results stem from the interaction between source region and YSM. Since 1970, Canada has increasingly attracted immigrants from Asian developing countries, countries from which immigrants acquire citizenship much more quickly than earlier immigrants from the more traditional source regions, the developed economies. In the United States the rise in immigration over the period of interest was largely from Mexico and other Latin American countries. Immigrants from these countries acquire citizenship at a much slower pace than their earlier immigrants from developed countries, for reasons mentioned earlier.

Changes in source region, years since immigration, and the interaction of these two, would have resulted in a divergence in naturalisation rates between Canada and the United States since 1970s, particularly between 1970 and 1990. Other likely less important variables such as age at immigration, language, gender, and family status may also have affected the rise in the naturalisation gap, and are accounted for in the analysis that follows.

Do changing immigrant characteristics account for the rise in the naturalisation rate gap between Canada and the United States?

We start by asking whether changing immigrant characteristics accounted for the rise in the naturalisation rate in Canada, and the decline in the United States. We are not asking why there is a difference in the naturalisation rate at any point in time between the two countries. That is a somewhat different question. Rather, we are asking why the gap in the naturalisation rate between the two countries, which was essentially zero in 1970, has increased since then. We use Canadian census data, and US census plus Community Survey data to address this issue.[15]

We focus on the 1970 to 2006 period in the United States, and the 1971 to 2006 period in Canada. Since much of the change took place during the 1970s and 1980s in the United States, and the 1970s and 1990s in Canada, we conduct the analysis for three separate periods, the 1970s, the 1980s, and 1990/91 to 2006. To answer the question posed in the title above, we report the *change* in the raw (unadjusted) naturalisation rate over the period of interest, and then compute the change in the rate controlling for many of the immigrant characteristics (*i.e.* controlling for compositional change) that were

found to be correlated with the naturalisation rate in earlier research. The controls include source region, education, years since immigration, age at immigration, gender, marital status, number of children, and whether residing in a large metropolitan area.[16] We produce an *adjusted* change in the rates controlling for the change in these characteristics within the country of interest over each period. For the United States, a rising share of unauthorised immigrants makes it difficult to obtain a precise estimate of the amount of the decline in the rate that can be ascribed to changing immigrant characteristics. To deal with this issue, we estimate the effects using two separate populations; first, all immigrants over age 25, and secondly, the same population but excluding those from Central and South America. The latter population does not have a significant number of unauthorised immigrants. The results based on these two populations provide a bound around the correct answer, since the first estimate will tend to overestimate the effect on compositional change on the decline in the US rate, and the second to underestimate it.[17]

For Canada, during the 1970s the raw naturalisation rate increased by 7.3 percentage points. The adjusted rate, controlling for the change in the characteristics (*i.e.* holding immigrant characteristics constant), increased by only 1.5 points (Table 6.8), meaning that 5.8 percentage points (or 79%) of the 7.3 percentage point increase over the 1970s was accounted for by the *change* in the immigrant characteristics (*i.e.* the difference between 7.3 and 1.5) (Table 6.10).

Table 6.8. Changes in citizenship rates among immigrants aged 25 or over for selected source regions and countries, Canada

	Rates (%)				Changes in rates					
	1971	1981	1991	2006	1971-1981		1981-1991		1991-2006	
					Observed	Adjusted	Observed	Adjusted	Observed	Adjusted
All	66.4	73.7	73.9	78.9	7.3	1.5	0.2	0.4	5.0	1.8
By source region										
Central/South America	31.6	61.2	69.2	80.6	29.6	12.9	8.0	4.3	11.4	2.2
Europe	69.1	78.1	81.0	84.3	9.0	0.3	2.9	1.0	3.3	1.5
Asia	46.9	64.6	63.0	75.8	17.7	11.3	-1.6	-1.9	12.8	1.0
Africa	44.7	75.7	72.0	74.2	31.0	15.6	-3.7	-0.5	2.2	-0.3
By major country										
United Kingdom	67.2	75.5	80.6	83.3	8.3	5.9	5.1	1.0	2.7	-0.7
United States	67.7	56.6	52.2	57.3	-11.1	-6.9	-4.4	0.0	5.1	4.5
China	65.8	73.4	64.0	78.7	7.6	6.3	-9.4	-0.5	14.7	-0.3
India	32.4	63.3	62.6	66.9	30.9	12.9	-0.7	-8.3	4.3	4.3
Philippines	10.7	64.4	65.5	77.3	53.7	33.6	1.1	-0.1	11.8	-0.5

Source: 1971-2006 Canadian census of population.

In Canada, there was virtually no change in the rate during the 1980s to explain. Similar calculations for the 1991 to 2006 period indicate that 64% of the smaller rise in the rate over this period was attributable to changing immigrant characteristics. Aggregating the results over the three periods (Table 6.10) suggest that 56% of the 12.5 percentage point rise in the naturalisation rate over the entire 1971 to 2006 period was attributable to changing immigrant characteristics.

The results for the United States are similar. Based on the entire population of adult immigrants, a little over one-half of the *decline* in the naturalisation rate in the

United States was attributable to changes in the characteristics of immigrants (Tables 6.9 and 6.10). During the 1970s, the period of the most rapid decline, about 62% was attributable to changing characteristics. Over the entire 1970 to 2006 period, this number was 51%. When we exclude Central and South American immigrants and recomputed the results, a little over one-half of the decline in the rates can be accounted for by changing immigrant characteristics during the 1970s and 1980s, and over the entire 1970 to 2006 period, about 42%.[18] We can conclude that for the United States changing immigrant composition accounted for between 50% and 60% of the falling citizenship rate during the period of large decline between 1970 and 1990. Over the entire 1970 to 2006 period, between 40% and 50% of the decline was accounted for.

Table 6.9. Changes in citizenship rates among immigrants aged 25 or over for selected source regions and countries, United States

	Rates (%)				Changes in rates					
	1970	1980	1990	2006	1970-1980		1980-1990		1990-2006	
					Observed	Adjusted	Observed	Adjusted	Observed	Adjusted
All	69.5	56.7	46.5	46.4	-12.9	-4.9	-10.1	-4.8	-0.1	-0.4
Excluding Central/South American immigrants	75.9	65.6	56.3	58.7	-10.3	-5.0	-9.3	-4.3	2.4	0.1
By source region										
Central/South America	36.9	34.2	32.1	35.0	-2.7	-5.1	-2.1	-4.9	2.9	0.1
Europe	80.5	75.9	68.1	62.4	-4.6	-5.4	-7.8	-6.4	-5.6	-1.9
Asia	46.0	40.0	45.6	59.7	-6.0	1.2	5.6	-2.2	14.1	-1.2
Africa	44.8	42.2	37.3	44.8	-2.6	-6.3	-4.9	-7.3	7.4	4.4
By major country										
Mexico	41.3	28.4	26.5	25.6	-13.0	-8.9	-1.9	-2.7	-0.8	-4.0
United Kingdom	69.1	63.8	53.4	49.9	-5.4	-7.3	-10.4	-8.7	-3.4	-2.9
Canada	71.3	66.9	57.2	48.9	-4.3	-10.6	-9.8	-10.5	-8.3	-3.7
China	47.4	48.5	48.2	60.1	1.1	2.5	-0.3	1.8	11.9	-1.0
India	16.6	28.4	38.0	47.5	11.7	4.4	9.6	-1.3	9.5	2.9
Philippines	43.8	47.5	58.2	66.6	3.7	5.6	10.6	-0.1	8.4	-5.2

Source: 1971-2006 Canadian censuses, 1971-2000 US censuses and 2005/06/07 American Community Survey.

Table 6.10. Decomposition of changes in citizenship rates, 1971-2006, Canada and the United States

Percentage points

Canada	1971-1981	1981-1991	1991-2006	1971-2006
Raw (unadjusted) changes in rates	7.3	0.2	5.0	12.5
Adjusted changes in rates	1.5	0.4	1.8	5.5
Changes due to changing characteristics	5.8	-0.3	3.2	7.0
	(79%)		(64%)	(56%)
United States	1970-1980	1980-1990	1990-2006	1970-2006
Raw (unadjusted) changes in rates	-12.9	-10.1	-0.1	-23.1
Adjusted changes in rates	-4.9	-4.8	-0.4	-11.3
Changes due to changing characteristics	-8.0	-5.3	0.3	-11.8
	(62%)	(53%)		(51%)
Canada-US differences	1970/71-1980/81	1980/81-1990/91	1990/91-2006	1970/71-2006
Raw (unadjusted) changes in rates	20.2	10.3	5.2	35.6
Adjusted changes in rates	6.4	5.2	2.2	16.9
Changes due to changing characteristics	13.8	5.1	2.9	18.7
	(68%)	(49%)	(53%)	(62%)

Note: Numbers in brackets indicate change due to changing characteristics as a percentage of unadjusted (raw rate) change.

Source: Canadian censuses, 1971-2000 US censuses and 2005, 2006, 2007 American Community Survey.

Given the evolution in the types of immigrants the two countries are receiving, where they are coming from, and the length of time that they have been in the country, one would have expected the citizenship rates in the United States to fall, and those in Canada to increase.

This result says nothing about why the naturalisation rate is higher in Canada than the United States at any point in time, say 2006. Our focus is on change over time, and why the rates declined in the United States while rising in Canada.

To more directly ask to what extent changing immigrant characteristics accounted for the rise in the *gap* between the two countries in the naturalisation rate, we combine the results reported above in the bottom panel of Table 6.10. During the 1970/71 to 1980/81 period, the rate *rose* by 7.3 points in Canada, and *fell* by 12.9 points in the United States, resulting in a 20.2 point rise in the gap, the largest gap increase of the three periods. Based on adjusted data, after holding immigrant characteristics constant, the gap is seen to rise by only 6.4 points. Hence, 13.8 percentage points, or 68% of the rise in the gap between Canada and the United States was due to the change in the characteristics of immigrants in the two countries (based on the entire population of adult immigrants in the United States).

The 1980s saw the second largest increase in the gap, rising by 10.3 percentage points. Changing immigrant characteristics in the two countries accounted for one-half of this increase. Over the entire 1970/71 to 2006 period, changing immigrant characteristics accounted for over 60% of the large 35.6 percentage point rise in the naturalisation rate gap between the two countries (Table 6.10). When immigrants from Central and South America are excluded, a somewhat smaller share of the decline can be accounted for, about one-half over the entire 1970/71 to 2006 period (Table 6.11). The end result suggests that during the 1970/71 to 1990/91 period when the gap increased the most, changing immigrant characteristics in the two countries accounted for about one-half to two-thirds of this rising naturalisation rate gap, and over the entire 1970/71 to 2006 period, somewhere between 50% and 60%. It is likely that the increase in Mexican and other Central and South American immigrants in the United States played a large role in

the decline in that country, as did the falling share of immigrants in the country for over 20 years, a group much more likely to be naturalised. In Canada, the rise in the number of Asian immigrants would have increased naturalisation rates considerably. In both countries rising educational attainment levels tended to increased the rate.

Table 6.11. Decomposition of changes in citizenship rates, 1971-2006, Canada and the United States excluding Central/South American immigrants

Percentage points

Canada	1971-1981	1981-1991	1991-2006	1971-2006
Raw (unadjusted) changes in rates	7.3	0.2	5.0	12.5
Adjusted changes in rates	1.5	0.4	1.8	5.5
Changes due to changing characteristics	5.8	-0.3	3.2	7.0
	(79%)		(64%)	(56%)
United States excluding Central/South American immigrants	1970-1980	1980-1990	1990-2006	1970-2006
Raw (unadjusted) changes in rates	-10.3	-9.3	2.4	-17.2
Adjusted changes in rates	-5.0	-4.3	0.1	-10.0
Changes due to changing characteristics	-5.3	-5.0	2.3	-7.1
	(52%)	(54%)	(97%)	(42%)
Canada-US differences	1970/71-1980/81	1980/81-1990/91	1990/91-2006	1970/71-2006
Raw (unadjusted) changes in rates	17.6	9.5	2.6	29.7
Adjusted changes in rates	6.5	4.7	1.7	15.6
Changes due to changing characteristics	11.1	4.8	0.9	14.1
	(63%)	(50%)	(33%)	(48%)

Note: Numbers in brackets indicate change due to changing characteristics as a percentage of unadjusted (raw rate) change.

Source: Canadian censuses, 1971-2000 US censuses and 2005, 2006, 2007 American Community Survey.

There may be numerous other factors that account for the remaining roughly 40% to 50% of the rise in the gap. The introduction of dual citizenship in Canada in the 1970s likely increased the tendency of immigrants to naturalise. The residency requirement for citizenship was reduced from five to three years during the late 1970s, which may have positively affected naturalisation rates. The increased emphasis on multiculturalism in Canada may also have contributed, and the more "welcoming" nature of the state to immigrants, although there is little evidence on the magnitude of this effect, if it exists at all. It is also possible that the immigrants to the United States have become less inclined to stay permanently as international immigration become more fluid and circular. According the Borjas and Bratsberg (1996), some immigrants may return to their original country or move on to a third country as part of planned life-cycle residential location sequence. Thus, return or onward migration occurs after some immigrants achieved what they came to the host country to achieve – either skill upgrading or income accumulation. It may be that such tendency is higher among immigrants to the United States than immigrants to Canada since the United States have more prestigious educational institutions and a high income level. It should be recalled, however, that the citizenship rate in both countries has, if anything, risen since 1990. In the United States this increase has been ascribed to a number of factors. Legislation restricting access to social welfare programs by non-citizens, introduced in 1996, may have increased the incentive to naturalise. The number of immigrants naturalised also increased as a result of the legalisation of 2.7 million undocumented immigrants in the late 1980s. And the easing of restrictions on dual citizenship by many immigrant source countries, including Mexico, may have played a role.

6.5. Conclusions

Numerous studies and the 2006 data reported in this chapter conclude that in North America economic outcomes are superior among immigrants who are citizens, as compared to those who are not. This result holds even after accounting for differences between the two groups in observed personal and job characteristics. Employment rates are higher, unemployment rates lower, a larger percentage are in higher status occupations, and their weekly wages are higher by 5% to 15%, depending upon the group and data source. There is evidence to suggest that this economic advantage is greater among immigrants from poorer, less developed countries.

Does this economic advantage stem from citizenship acquisition itself, or are there other possible explanations? Put another way, even if this particular group of immigrants had not become citizens, they may still have had superior outcomes because of other unobserved differences between the two groups, such as motivation to succeed. Few North American studies address these issues of self-selection and endogeneity, but those that do conclude that there persists an economic advantage to citizenship acquisition, even after accounting for these issues.

If as a result of these findings citizenship is thought of as a means of improving immigrant economic integration, the requirements of citizenship acquisition could be altered or information about citizenship acquisition more broadly disseminated to increase citizenship rates. However, requirements in both Canada and the United States are currently less stringent than in most developed nations. It is also important to realise that some immigrants are more likely to become citizens than others. The literature on the determinants of naturalisation suggests that there are a host of variables affecting naturalisation outcomes, particularly the educational attainment of the immigrant, the number of years in the country (even beyond the minimum requirement for citizenship), the source country, and possibly immigrant class. There are many other characteristics that may also play a role, including income level, visa status, age at arrival, and recognition of dual citizenship.

In North America a significant gap in the citizenship rate between Canada and the United States has developed over the past 35 years, with declining rates in the United States, at least up to the mid-1990s, and rising rates in Canada. We find that during the 1970 to 1990 period when the citizenship rate gap increased the most, between one-half and two-thirds of the rise in the gap can be accounted by the change in the characteristics of immigrants in the two countries. Over the entire 1970 to 2006 period, this figure was between 40% and 50%. The characteristics of immigrants changed in different ways in Canada and the United States, affecting the citizenship rate. One salient difference between the two countries is the rate at which immigrants become citizens. In Canada, most immigrants who are going to become citizens have done so after 11 to 15 years in the country. In the United States, a greater share postpone citizenship acquisition until later. Hence, the cross-section citizenship rates tend to overestimate the difference between the two countries in the share of immigrants who will ultimately become citizens.

Taken together, the results suggest that the characteristics of immigrants entering the country, such as educational attainment, source country, age at immigration, and immigrant class, play an important role in various outcomes. Such characteristics affect immigrants' economic integration patterns, the outcomes of the children of immigrants, and as this review suggests, the rate of naturalisation. This later point is important if citizenship acquisition is to be thought of as a means of improving economic integration of immigrants.

Notes

1. Furthermore, there is no cap on the number of immediate family members of citizens entering the country, but there is a cap on the family members of non-citizens.
2. In some cases non-citizens can be hired if it can be demonstrated that there is not a citizen available and qualified for the job.
3. For Canada, this includes jobs in management, finance and administration occupations, natural and applied science, and other professional occupations. In the United States, it includes jobs in management, business, finance and administrative occupations.
4. The log of weekly wages provides a measure of the percentage difference between the wages of citizens, and non-citizens. For example, in Table 6.1 for Canada, the log of wages for male immigrants who were not citizens is 6.60, and for citizens, 6.70. Hence there is a difference of 10 logs points, or roughly 10%, between the wages of the two groups.
5. Except among immigrants from developed countries
6. The adjusted data control for differences in age at immigration, years since immigration, education, and source region between naturalised and non-citizen immigrants. For wages, the controls include these variables, except that age rather than age at immigration is used, and the adjusted estimates also control for various work attributes, including whether the immigrants speaks an official language (English or French), geographic location, full-time/part-time job status, occupation, industry and marital status.
7. Includes North America, Europe and Australia and New Zealand.
8. This higher value in the last case may be partially due to the inclusion of some unauthorised immigrants with lower earnings in the non-citizen category.
9. Chiswick and Miller (2008) found that variables describing individual characteristics increased the explanatory power of the model much more than those describing source region characteristics. For example, among males, omitting individual characteristics from the model reduced the R squared from .250 to .080, while dropping the country of origin variables reduced is from .250 to .211. The results were similar for females.
10. They include immigrants of all ages, whereas the citizenship rates that we report relate to adult (over age 25) immigrants. Hence the levels may be different, but the trends are similar.
11. Tran *et al.* (2005) use administrative records to longitudinally track entering immigrants, and report citizenship take-up rates by years since immigration for Canada. If anything, their data suggest faster take-up rates for Canada than those reported here using census data.

12. Some permanent residents can become citizens before three years, such as those who were on temporary visas before becoming permanent residents.

13. Once again these results could be affected by the inclusion of unauthorised immigrants in the United States, which would tend to reduce naturalisation rates in that country compared to Canada. However, the results in Table 6.7 are shown for both Canadian and US immigrants from developed countries, among whom unauthorised immigrants is not an issue, and the overall conclusions remain the same.

14. In this study developing countries include countries in Asia, Africa, Caribbean, Central and South America. Developed countries include countries in Europe, North America, Australia and New Zealand.

15. For this section, we use the Canadian 1971 census 1/3 sample, and the 1981, 1991, 2001 and 2006 20% sample micro-data files to examine changes in citizenship rates among immigrants in Canada. For the United States, we use the 1970 census 1%, the 1980, 1990 and 2000 5% sample Public Use micro-data files and the combined 2005, 2006 and 2007 American Community Survey (ACS) (Ruggles *et al.*, 2009). Only immigrants aged 25 years or over are included in the calculation of citizenship rates. In the Canadian sample, we include only landed immigrants since non-permanent residents were not enumerated in the censuses before 1991. In the US sample, immigrants include all foreign born regardless of legal status as information on legal status is not available in the data. Since we cannot distinguish authorised from unauthorised immigrants in the US data, we calculate citizenship rates both with and without immigrants from Mexico which is probably the primarily source of illegal immigrants to the United States.

16. We use the complete long form census data for the country of interest, and hence the samples are very large. The sample includes all immigrants over the age of 25 who completed the census long form (20% of the population in Canada and three-combined 1% samples in the United States). The regressions are run separately for Canada and the United States with the census data pooled for the two end years (say 1971 and 1981). Running an OLS linear probability model, the dependent variable is the probability of naturalisation. The independent variables include those mentioned in the text, plus an intercept and dummy variable for the end year. The adjusted change in the citizenship rate is simply the value of the coefficient on the end year dummy variable. This value provides an estimate of the change in the rate over the period, holding immigrant characteristics fixed.

17. Both the decline in the citizenship rate and the effect of compositional change on the decline in the rate will be overestimated in the analysis based on the first US population due to the inclusion of a rising number of unauthorised immigrants, particularly for the period since 1990. The effect of compositional change on the decline in the rate may be overestimated because the increasing share of immigrants from Mexico and other parts of Central and South America is overestimated when unauthorised immigration is rising, and these immigrants tend to have a low probability of being citizens. There may be changes to other compositional variables that result from an increasing share of unauthorised immigrants that would affect the results as well. However, as noted earlier, the number of unauthorised immigrants was not rising rapidly prior to the 1990s, so the effect on the results will be less for that period. The results based on the second population, excluding Central and South American immigrants, will tend to underestimate the effect of compositional change on the decline. That is because by excluding these immigrants, we have excluded the effect of the rising share of Mexican

immigrants on the change in the rate, an effect which is negative due to the very low propensity of eligible Mexican immigrants to be citizens.

18. Excluding Central and South America, the naturalisation rate is seen to increase by 2.4 percentage points from 1991 to 2006 in the raw data, whereas there was no change when these countries were included. Other research suggests that the citizenship rate, when calculated based on eligible immigrants, has risen in the United States since the mid-1990s (Fix *et al.*, 2003).

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Chapter 7.
The Labour Market Outcomes of Naturalised Citizens in Norway

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This chapter studies the labour market integration of immigrants in Norway from lower-income countries and assesses whether their integration process is influenced by acquisition of Norwegian citizenship. It finds that there is no positive effect of citizenship on the labour market status of immigrants. For some groups, there are even small, but statistically significant, negative effects on employment and earnings when estimated with individual fixed effects to account for unobserved heterogeneity. The chapter also discusses the discrepancy between these findings and prior evidence from the United States in light of possible causal mechanisms and differences in the labour market institutions of the two host countries.

Introduction

The labour market integration of immigrants has become an important policy concern in many host countries. Over the past decades, immigrant flows from low- to high-income countries have surged and labour market outcomes of these immigrant groups are often inferior to those of the native population and immigrants from developed countries (OECD, 2001). In particular, their employment rates and earnings tend to fall below those of other groups and inactivity rates are high.

Recent empirical studies from North America, along with a growing body of evidence from Europe, show that immigrants who take host-country citizenship have favourable labour market outcomes when compared to immigrants with foreign citizenship (Bratsberg *et al.*, 2002; DeVoretz and Pivnenko, 2005; Fougère and Safi, 2009; Steinhardt, 2008). Such empirical patterns raise the issue of naturalisation as a policy tool to promote integration. The key question for policy is whether naturalisation *causes* labour market status, or whether the relationship reflects a *correlation* whereby naturalised citizens possess greater propensity for employment and earnings than non-naturalised citizens. Selection effects could arise if those who eventually naturalise have better innate characteristics (*i.e.,* they outperform immigrants who do not naturalise even prior to naturalisation). Alternatively, selection effects could follow from greater investments in human capital and a speedier integration process of those who naturalise, perhaps reflecting their commitment to life-long residence in the host country.

A causal effect of naturalisation could be expected if host-country citizenship brings down barriers created by institutional arrangements, for example when citizenship is a requirement for employment in certain jobs. Similarly, naturalisation may lead to better jobs if employers view citizenship as a signal of commitment to staying in the host country over time. A causal effect could also arise if the naturalisation process in itself promotes acquisition of skills (*e.g.*, language) that are valued in the labour market, although empirical identification is hampered if the rewards to such skill acquisition materialize prior to the naturalisation event.

The cited studies attempt to discriminate between the alternative mechanisms and the Bratsberg *et al.* and Steinhardt studies conclude that there *is* a causal effect of naturalisation on the labour market status of male immigrants in the United States and Germany. This conclusion rests on evidence that the integration process of those who naturalise does not differ from that of other immigrants until *after* citizenship is acquired. For example, following the naturalisation event, but not before, the job distribution of US immigrants improves and their wage growth accelerates. Empirical studies of the effect of naturalisation therefore face strong data requirements: individual longitudinal records are necessary to account for any permanent differences between those who naturalise and those who do not, the date of naturalisation must be known to the researcher, and the individual data record must cover a sufficient period before and after the naturalisation event in order to assess whether the integration process is affected by citizenship acquisition.

The present chapter examines the labour market integration of immigrants in Norway and assesses whether their integration process is influenced by acquisition of Norwegian citizenship. The empirical analysis draws on longitudinal data records describing the migration history and labour market outcomes of individuals covering a 16-year period.

7.1. Potential gains and losses from host-country citizenship

Institutional arrangements

Requirements for Norwegian citizenship are strictly tied to years of residence in the country. Generally, applicants must document continuous legal residence in Norway for seven years, or a total of seven years during the last ten years. Exceptions, where shorter residence durations are permitted, include if married to a Norwegian citizen, if entered Norway as a minor, or if a Nordic citizen. In addition, applicants cannot have been committed of a crime and one must document release from one's original citizenship.[2]

Theory

In some occupations, foreign citizenship is an effective barrier that is removed by naturalisation. Acquisition of host-country citizenship will expand the pool of potential jobs and thereby improve employment prospects. More favourable outside options are likely to generate wage growth, even for workers who stay in the same job (*e.g.*, via efficiency wage mechanisms). Naturalisation can indicate long-term commitment to the host country and be interpreted as a signal of productivity when employers have imperfect information about capabilities of foreign-born job applicants. Commitment will also strengthen employer incentives to invest in employees' human capital through training. Finally, foreign citizenship can be an obstacle to free travel between countries, which may reduce a worker's productivity potential.

Empirical identification

Since immigrants from high-income countries tend to keep their foreign citizenship while immigrants from developing countries typically naturalise (Liebig *et al.*, 2010), any study of causal effects of host-country citizenship must be based on within source-country comparisons. Following Bratsberg *et al.* (2002), our empirical model reads

$$y_{it} = \alpha_0 N_{it} + \alpha_1 N_{it}(X_{it} - X_{iN}) + \alpha_2 D_i X_{it} + \gamma X_{it} + \delta Z_{it} + \varepsilon_i + u_{it} \qquad (1)$$

where y_{it} is the labour market outcome of individual i in year t, N_{it} equals unity if naturalised in year t, and D_i is an indicator variable set to unity for those who eventually naturalise. Labour market experience is measured by X_{it} (with X_{iN} denoting experience at the time of naturalisation), Z_{it} is a vector of controls (such as age at immigration and year of observation), and ε_i captures unobserved individual fixed effects. We allow for correlated residuals u_{it} across time by clustering standard errors within individuals.

In equation 1, the effect of naturalisation is captured by an immediate impact (α_0) and/or different marginal returns to experience as a naturalised citizen ($\alpha_1 \neq 0$).[3] Note that the coefficients α_2 and γ can only be separately identified when at least some immigrants remain foreign citizens. A restrictive version of equation 1 imposes common returns to post-migration experience regardless of naturalisation status (*i.e.*, $\alpha_2=0$). However, theories of migration motives, commitment, and human capital investments suggest that returns to host-country labour market experience will be higher for those who eventually naturalise compared to those who do not.

Since labour market experience is not directly recorded in our data, we replace experience with years since migration (YSM). Further, note that while equation 1 for convenience lists regressors as continuous variables, below we apply a flexible functional form with an indicator variable for each value of YSM in the data. In the empirical

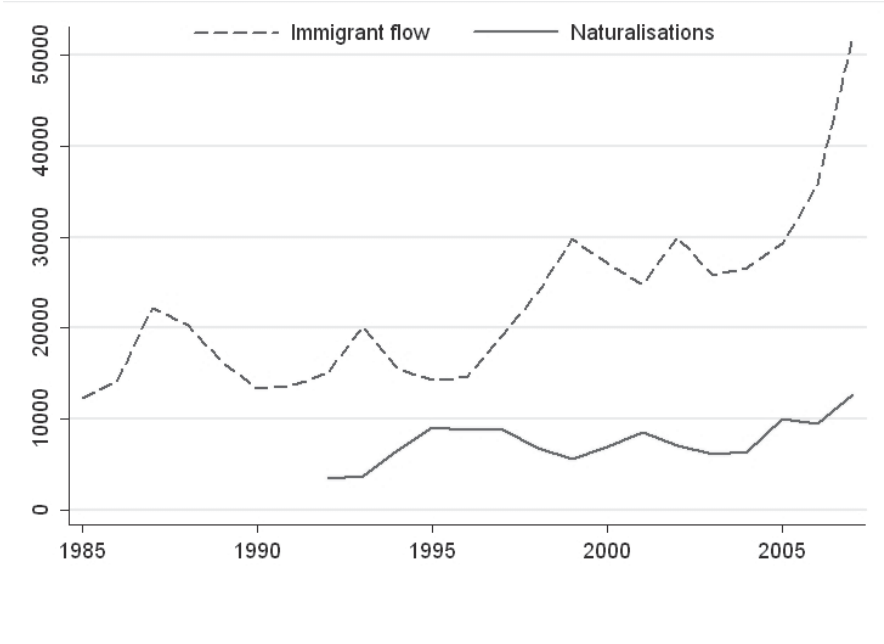
analysis we also include a sample of native workers to identify period effects (Borjas, 1999). Otherwise, business cycle fluctuations may affect the estimated YSM profile. In the context of equation 1, naturalisation effects are indentified through different counterfactuals. In a model based on a common YSM profile without individual fixed effects, counterfactuals are measured by those not yet naturalised and those who never naturalise. Allowing for different YSM profiles (with a free α_2 parameter), we obtain within-group estimates that account for differences in the integration processes of those who ever naturalise and those who do not.

When the empirical model also includes individual fixed effects, naturalisation effects are identified by differential *change in outcomes* around the time of acquisition of citizenship. If naturalisation has a favourable impact on the labour market integration process we will observe an additional improvement in outcomes – above the general effect related to accumulation of host-country labour market experience. Consequently, any naturalisation effects are within-individual estimates identified by immigrant outcomes as they become Norwegian citizens. In other words, empirical identification is possible because immigrants naturalise at different years since arrival. The identifying assumptions are that *i)* individual period shocks are uncorrelated with citizenship eligibility/application, and *ii)* there is no "anticipation effects" (as these would be captured by α_2, and are not separable from permanent differences between those who ever naturalise and those who do not). Finally, out-migration behaviour might relate to citizenship. With temporary out-migration, outcomes are observed only part year for individuals who spend time outside the host country. This will induce a reduction in measurements of economic status. When temporary residency abroad is less common among the ever naturalised, cross-sectional estimates of employment and earnings effects will be upwardly biased (and, conversely, downwardly biased if the naturalised are more mobile). Even within-individual estimates of naturalisation effects can be influenced by out-migration. We will interpret any change in cross-border mobility following naturalisation as a behavioural response and thereby part of the causal effect of acquiring host-country citizenship.

7.2. Data

Our empirical analysis draws on individual longitudinal records obtained by merging several Norwegian registers, including the population register (giving country of birth and dates of immigration and naturalisation) and registers from the tax authority and the employment service agency. The immigrant population under study consists of individuals born abroad to two foreign-born parents, who arrived in Norway between 1985 and 1997, and who were 17-54 years of age at arrival. Figure 7.1 illustrates recent immigrant flows and naturalisations in Norway. Annual inflows of foreign-born individuals rose from less than 20 000 during the 1980s to 25-30 000 during the late 1990s. In recent years immigration has surged to more than 50 000 in 2007. Naturalisation figures are much lower, slightly below 10 000 per year. The spikes of the two series indicate that naturalisation lags immigration by 8-10 years, and the lower naturalisation numbers reflect heterogeneity across source country groups in the propensity to acquire Norwegian citizenship.

Figure 7.1. Immigrant inflows, 1985-2007, and naturalisations, 1992-2007

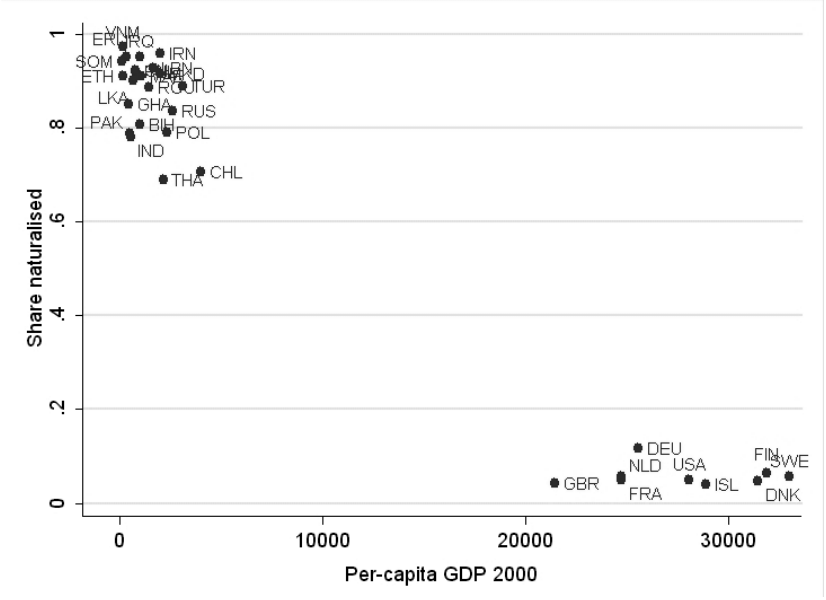


Note: Numbers pertain to individuals born abroad to two foreign-born parents.

Source: Authors' tabulations; see Section 7.2 "Data".

Figure 7.2 shows that naturalisation rates differ greatly across immigrant groups and that naturalisation relates to the level of development of the source country. The figure pertains to the resident immigrant population under study and who remained in Norway until 2007 (*i.e.*, immigrants who were 17 to 54 years of age at the time of entry and are observed ten to 22 years after arrival). Further, only countries with at least 400 observations in the 2007 data extract are included in the figure. The figure shows that the immigrant population basically sorts into two groups: one from high-income source countries who do not acquire Norwegian citizenship; the other from low-income source countries who practically all naturalise. Prior research shows that the former group has high return migration rates, while few immigrants from developing countries return to their home country (Bratsberg *et al.*, 2007). Moreover, release of prior citizenship might be viewed as more costly for immigrants from high-income countries. Finally, immigrants from developing countries will normally benefit from fewer restrictions on foreign travel after becoming a Norwegian citizen. The pattern in Figure 7.2 therefore strongly suggests that naturalisation behaviour relates to planned length of stay as well as perceived costs and benefits of citizenship.

Figure 7.2. Naturalisation rate and per-capita GDP by source country



Note: Per-capita GDP collected from the Word Bank; only source countries with at least 400 observations in the underlying data are shown. 2007 immigrant population, entry year 1985-1997, age 17-54 at arrival.

Source: Authors' tabulations; see Section 7.2 "Data".

Because of such strong disparities in naturalisation behaviour by source-country development, we proceed with a primary focus on immigrants from low-income countries. We further split the sample into four major groups by source region:

- the Middle East (including Turkey and countries in Northern Africa);
- Africa (except for Northern Africa);
- Asia (countries east of Iran); and
- the Balkans (except Greece).

In Table 7.1 we list a few descriptive statistics for the individuals underlying our analysis population. The immigrant groups considered were on average 27 to 31 years of age at arrival, and the mean entry years fall between 1990 and 1993. In fact, the cohorts under study are dominated by the large inflows of political asylees and refugees from the late 1980s and early 1990s along with their family members who arrived at a later date. Not listed in the tables are the main source countries. They are Iran, Iraq, and Turkey, who account for 73% of the Middle East group; Somalia (35% of the African group); Sri Lanka, Vietnam, and Pakistan (60% of the Asian group); and Bosnia, who makes up 59% of the sample from the Balkans. There is some heterogeneity across the groups in whether they remain in Norway over time as well as in naturalisation rates. African men are least likely to stay and have the lowest naturalisation rates of the samples, while women from the countries in the Middle East have the highest naturalisation rate and are most likely to remain in Norway until the end of the sample period (both measures at 84-85% of the original immigrant cohort).

Table 7.1. Immigrant cohorts subject to analysis

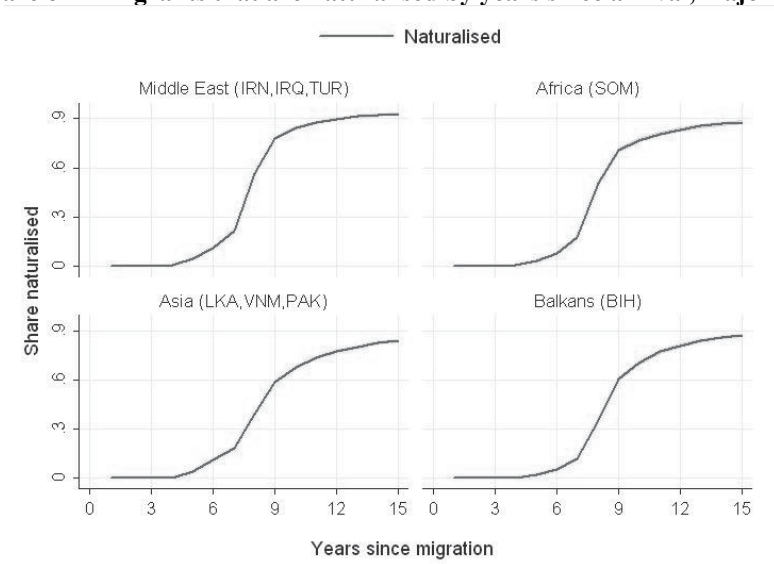
Source region	Middle East (1)	Africa (2)	Asia (3)	Balkans (4)
Men				
Individuals	10 545	5 883	11 134	7 581
Mean year of arrival	1990.3	1990.6	1989.7	1992.4
Mean age at arrival	28.1	27.5	27.8	31.3
Fraction naturalised by end of 2007	0.762	0.549	0.649	0.652
Fraction in Norway 2007	0.773	0.573	0.677	0.740
Women				
Individuals	5 916	3 633	14 789	6 237
Mean year of arrival	1991.4	1992.0	1991.1	1993.0
Mean age at arrival	27.9	26.5	28.0	31.7
Fraction naturalised by end of 2007	0.843	0.680	0.682	0.690
Fraction in Norway 2007	0.848	0.690	0.790	0.790

Note: Samples consist of individuals born in one of the listed regions to two foreign-born parents, who arrived in Norway between 1985 and 1997, were 17-54 years of age at arrival, and who were present in Norway at least one year between 1992 and 2007.

Source: Authors' tabulations; see Section 7.2 "Data".

Figure 7.3 shows the cumulative distribution of time until naturalisation for each of the four groups (again for those present in Norway as of 2007). The panels illustrate that the vast majority of naturalisation events take place within six and nine years of arrival, suggesting that immigrants from low-income countries naturalise as soon as they are permitted by Norwegian law (recall that the general time requirement is seven years).

Figure 7.3. Share of immigrants that are naturalised by years since arrival, major source regions



Note: Samples consist of immigrants who arrived 1985-1997 at 17-54 years of age and were present in Norway in 2007. Sample sizes are 13 164 (Middle East); 5 876 (Africa); 19 230 (Asia); and 10 538 (Balkans). Subheadings also list major source countries within each sample.

Source: Authors' tabulations; see Section 7.2 "Data".

We observe the labour market outcomes of the analysis population during the 16-year period between 1992 and 2007. In the present chapter, we focus on three annual outcomes that capture labour market status:

- Whether *employed* (measured as having annual labour income above the base amount of the Norwegian public pension system – NOK 70 006 in 2009, approx EUR 8 750 – the minimum amount required for accumulating pension points);
- The log annual *earnings* from work (inflated to 2009 current NOK); and
- Economic *self-sufficiency* (an indicator variable set to unity if the individual did not receive any public transfer such as disability pension, unemployment benefits, or social assistance during the year).

In Table 7.2 we provide further description of the samples used in the empirical analyses (after stacking together the annual records of those present in Norway for at least part of the observation year). As the table shows, the immigrant groups differ somewhat in terms of the indicators of economic status. Mean employment rates are generally low, ranging from 36% for women from the Middle East to 68% for men from Asia. Conditional on employment, the earnings differential between the highest and the lowest immigrant averages (*i.e.*, men from Asia or the Balkans vs. women from Africa) is 0.268 log point or about 31% {exp (.268)-1}. Self-sufficiency rates range from 40% among men from the Middle East to 66% among women from Asia. In comparison, employment rates of low-educated natives (who are included in the analyses to control for business cycle movements) are considerably higher than those of immigrants of the same gender. Similarly, earnings of low-educated native men exceed those of all immigrant groups considered.

Table 7.2. Descriptive statistics of analysis samples

Source region	Middle East (1)	Africa (2)	Asia (3)	Balkans (4)	Low educ natives (5)
Men					
Observations	133 590	63 309	132 429	88 333	667 594
Employment	0.514	0.501	0.682	0.597	0.787
Log earnings if employed	12.400	12.321	12.436	12.436	12.589
Self-sufficiency	0.396	0.452	0.536	0.443	0.613
Naturalised	0.544	0.445	0.496	0.359	N/A
Years since migration	9.5	9.0	9.2	7.4	N/A
Age	37.4	35.9	37.1	38.6	43.8
Observation year	1999.5	1999.1	1999.2	1999.8	1999.5
Women					
Observations	76 838	42 049	187 177	75 036	775 188
Employment	0.355	0.398	0.477	0.490	0.672
Log earnings if employed	12.186	12.170	12.197	12.271	12.218
Self-sufficiency	0.578	0.515	0.664	0.601	0.566
Naturalised	0.511	0.432	0.427	0.339	N/A
Years since migration	8.8	8.0	9.0	7.1	N/A
Age	36.5	34.3	36.9	38.7	45.6
Observation year	1999.9	1999.7	1999.6	2000.0	1999.4

Note: Immigrant samples pertain to populations described in Table 7.1, with the additional sample restriction that individuals are between 20 and 64 years of age and present in Norway during the observation year. Native samples are formed from 10% random extracts of the native-born population (with two native-born parents) with educational attainment less than high-school graduate. Self-sufficiency is measured as not having received any of the following public transfers during the year: disability pensions; rehabilitation and unemployment cash benefits; long-term sick pay; transition allowances for single providers; and social assistance. Sample period is 1992-2007.

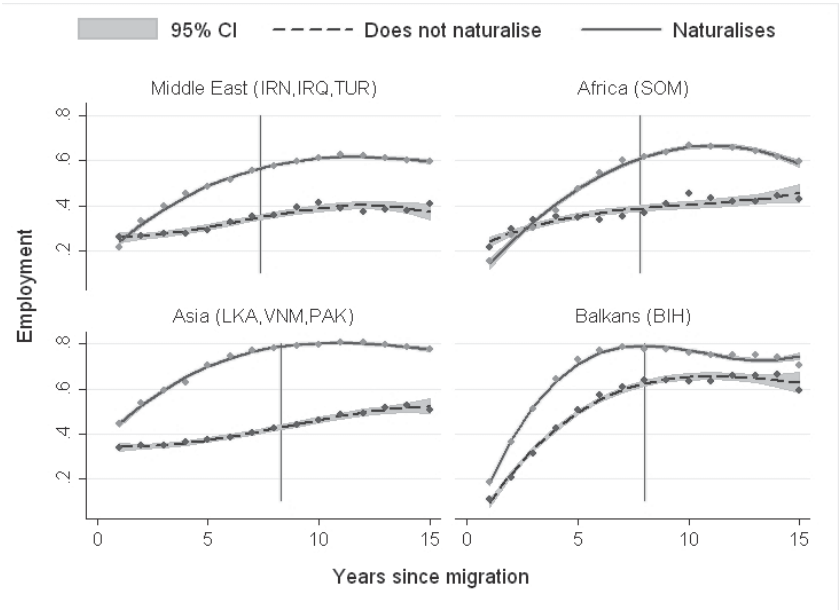
Source: Authors' tabulations; see Section 7.2 "Data".

7.3. Empirical analysis

Descriptive patterns

To give an overview of the patterns of economic integration in our immigrant data, the empirical analysis begins with describing un-standardised plots of the evolution of the three outcome measures with time in Norway (see Figures 7.4a to 7.6b). Consider first the employment profiles for men shown in Figure 7.4a. The scatter points display, for each of the four immigrant groups by region of origin, the employment rate by years since arrival separately for those who had naturalised by the end of 2007 and those who had not. Only individuals present in Norway for part of the year are included. As a further illustration of the underlying integration processes, we have added the predicted employment profile for each group fitted from a regression of the employment indicator variable on a cubic polynomial of years since migration (along with their 95% confidence intervals). Finally, we have indicated with a vertical bar the average point of naturalisation for those naturalised within each sample.

Figure 7.4a. Employment profiles by naturalisation status, men



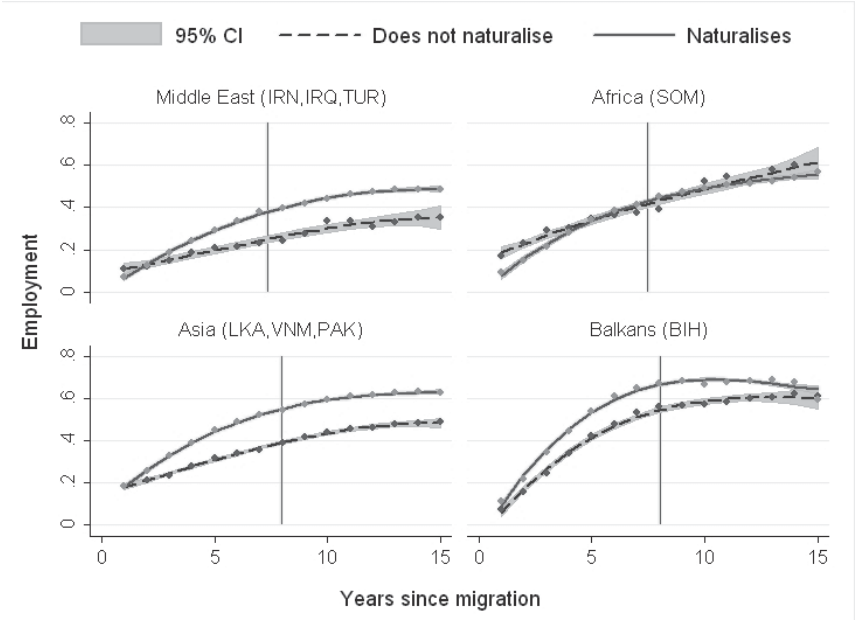
Source: Authors' tabulations; see Section 7.2 "Data".

Three patterns are worth noting from the figure. First, for all (male) groups considered, naturalised immigrants have higher employment rates than non-naturalised immigrants. Second, and more striking, are the large differences between the integration processes of immigrants who eventually naturalise and those who do not. Although all groups experience employment growth and thereby labour market integration with time in Norway, early employment growth is *much* faster for immigrants who later naturalise. After four to five years in the country, and long before obtaining Norwegian citizenship, their employment rates are significantly higher than for the group that does not naturalise. A readily apparent consequence is that the model restriction that YSM coefficients are the same for immigrants who naturalise and those who do not (*i.e.*, α_2=0; see equation 1), will be rejected by the data.

Third, the profiles of the groups that eventually naturalise display considerable smoothness. In particular, there is no visible sign in Figure 7.4a that the integration process changes around the time of naturalisation, which would be expected if citizenship affected the probability of employment. Although employment rates are higher following naturalisation for three of the four immigrant groups considered, employment growth appears to be an ongoing process unaffected by citizenship acquisition. In fact, for all four groups employment growth is faster prior to naturalisation than after.

Similar patterns arise for female immigrants (Figure 7.4b) although for women differences in the integration process by naturalisation status do not appear to be as strong as for men.

Figure 7.4b. Employment profiles by naturalisation status, women

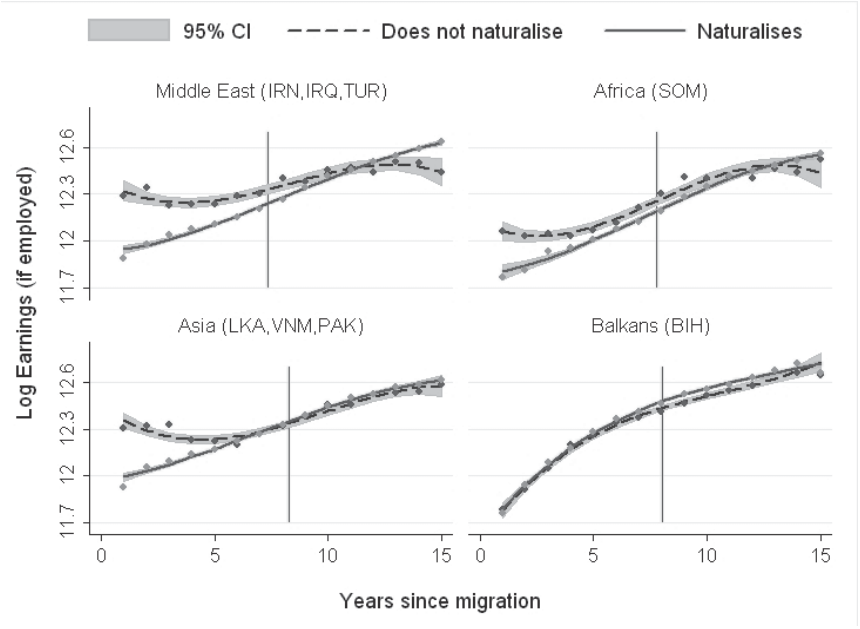


Note: Solid line shows employment profile of immigrants who naturalise predicted from a regression of employment status on a cubic polynomial of years since migration (YSM); dashed line the profile of those who do not naturalise. Shaded areas indicate 95% confidence interval around predicted values. Scatter points show mean employment by YSM for the two groups, respectively. Vertical lines indicate average years until naturalisation for those who naturalise. For sample sizes and descriptive statistics, see Tables 7.1 and 7.2.

Source: Authors' tabulations; see Section 7.2 "Data".

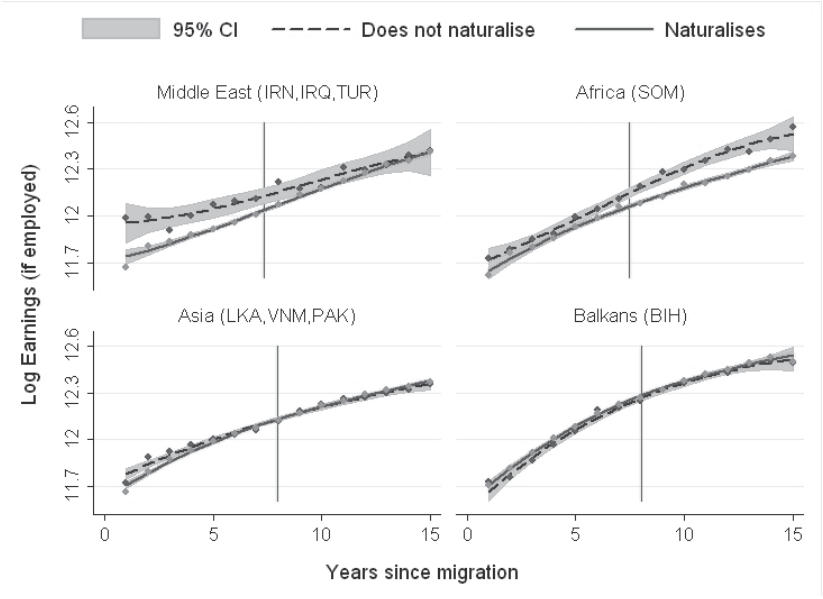
Figure 7.5 displays un-standardised log earnings profiles constructed in a similar manner, but conditioned on the immigrant being employed. Although earnings growth appears to be somewhat lower for immigrants who do not naturalise (*i.e.*, their profile is flatter), the figure reveals only small differences in profiles by naturalisation status. Again, there is little indication that citizenship matters for earnings and that earnings growth accelerates following naturalisation. Finally, Figure 7.6 displays profiles for the self-sufficiency indicator. Perhaps surprisingly, immigrants who do not naturalise have higher self-sufficiency rates than those who naturalise, and, at least for women, self-sufficiency declines with time in Norway. These patterns reflect that welfare benefit receipts are lower among immigrants who do not naturalise and for female immigrants during the early period in the country.

Figure 7.5a. Log earnings profiles by naturalisation status, men



Source: Authors' tabulations; see Section 7.2 "Data".

Figure 7.5b. Log earnings profiles by naturalisation status, women



Note: Solid line shows log earnings profile of immigrants who naturalise predicted from a regression of log earnings on a cubic polynomial of years since migration (YSM); dashed line the profile of those who do not naturalise. Shaded areas indicate 95% confidence interval around predicted values. Scatter points show mean log earnings by YSM for the two groups, respectively. Vertical lines indicate average years until naturalisation for those who naturalise. For sample sizes and descriptive statistics, see Tables 7.1 and 7.2.

Source: Authors' tabulations; see Section 7.2 "Data".

Figure 7.6a. Self-sufficiency by naturalisation status, men

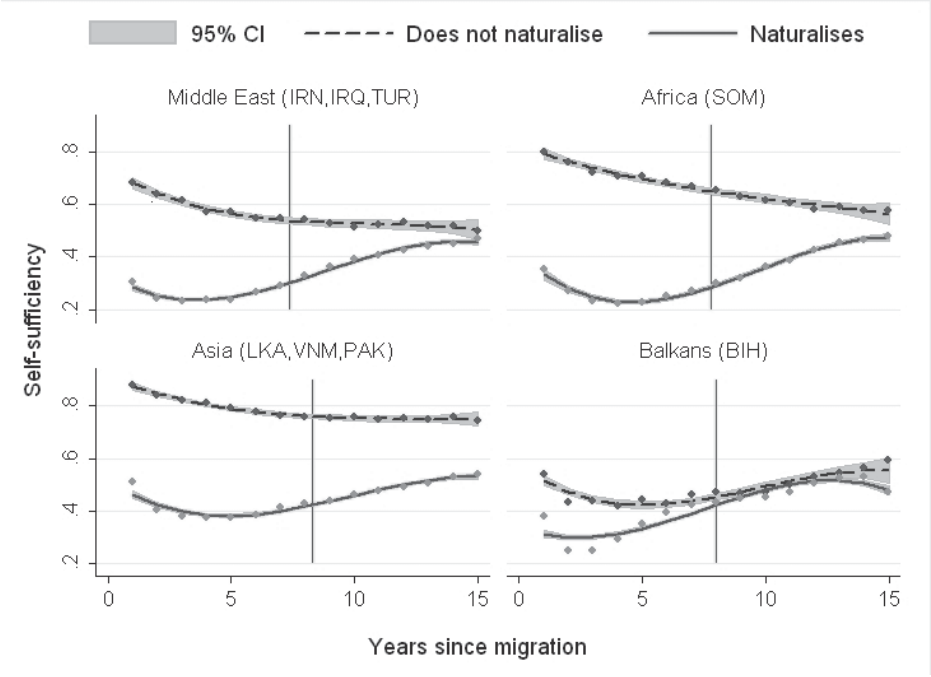
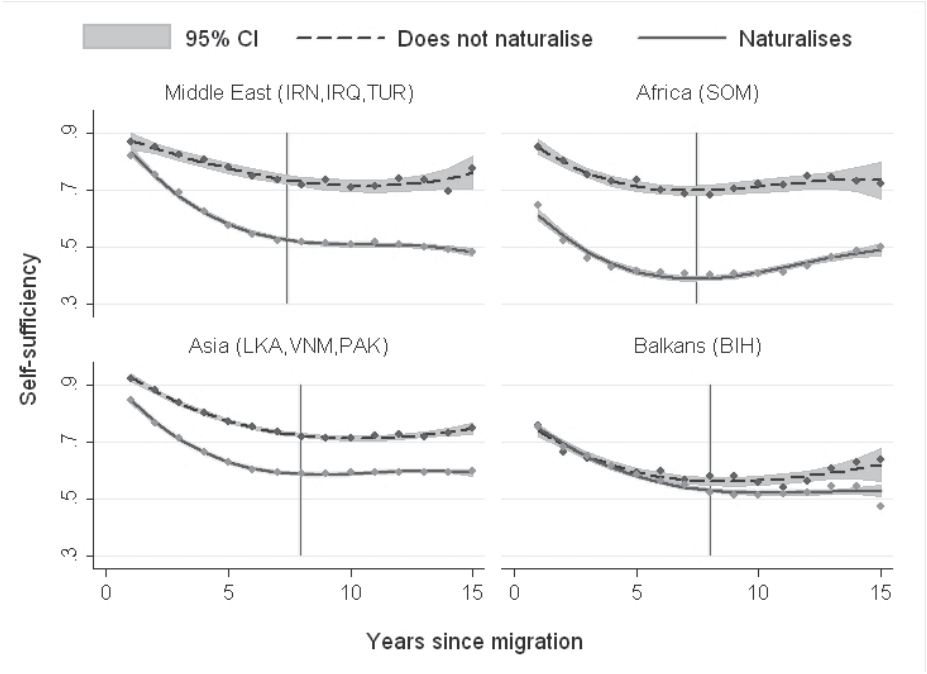


Figure 7.6b. Self-sufficiency by naturalisation status, women



Note: Solid line shows self-sufficiency (*i.e.*, non-receipt of public transfers) of immigrants who naturalise predicted from a regression of self-sufficiency indicator on cubic polynomial of years since migration (YSM); dashed line the profile of those who do not naturalise. See also note to Figure 3.

Regression results

With their smoothness around the time of naturalisation, the descriptive patterns of Figures 7.4 to 7.6 cast doubts on the hypothesis that Norwegian citizenship affects the integration process of immigrants in Norway. But the un-standardised figures fail to account for any confounding factors such as period effects (the business cycle), age at immigration, and any selection effects in timing of citizenship acquisition. Tables 7.3 to 7.5 therefore list coefficient estimates of the naturalisation indicator (the immediate impact α_0 in equation 1, assuming that α_1=0) from linear regressions of the three outcome measures on naturalisation and a set of control variables. For completeness, results from three versions of the regression model are reported, each with varying restrictions on the parameter structure as well as the error term – one model imposing a common structure on coefficients of YSM terms for those who naturalise and those who do not; the second model relaxing this restriction, but ignoring any selectivity in timing of naturalisation; and, finally, the preferred specification with differential parameter structures by naturalisation status and individual fixed effects to account for selectivity.

Table 7.3. Estimated impact of naturalisation on employment

Model type	Middle East (1)	Africa (2)	Asia (3)	Balkans (4)	All (5)
Men					
I. Common YSM structure	0.144 (0.008)	0.136 (0.012)	0.133 (0.008)	0.033 (0.009)	0.110 (0.005)
II. Separate YSM structures	0.047 (0.007)	0.023 (0.014)	-0.016 (0.007)	-0.009 (0.009)	0.011 (0.004)
III. Separate YSM structures, fixed effects	0.010 (0.007)	-0.008 (0.011)	-0.031 (0.006)	-0.045 (0.007)	-0.025 (0.004)
Women					
I. Common YSM structure	0.065 (0.011)	-0.019 (0.015)	0.110 (0.007)	-0.010 (0.011)	0.068 (0.005)
II. Separate YSM structures	0.036 (0.011)	-0.021 (0.017)	0.057 (0.008)	-0.035 (0.012)	0.026 (0.005)
III. Separate YSM structures, fixed effects	0.012 (0.009)	-0.009 (0.012)	-0.009 (0.005)	-0.041 (0.008)	-0.018 (0.004)

Note: Standard errors, clustered within individual, are listed in parentheses. Regressions control for years since migration (22), age (45), the interaction of age terms and immigrant status, and year of observation (16) using a flexible functional form (with dummy variables; number of categories indicated in parentheses). Specification of Model I imposes a common coefficient structure of YSM terms for those who naturalise and those who do not. Model II relaxes this restriction, and Model III adds individual fixed effects. Sample sizes (number of individuals) are 133 590 (10 545); 63 309 (5 883); 132 429 (11 134); and 88 333 (7 581) in the four male samples by source region, and 76 838 (5 916); 42 049 (3 633); 187 177 (14 789); and 75 036 (6 237) in the four female samples. Male samples are augmented with 667 594 observations of 47 284 low-education native men, and female samples with 775 188 observations of 54 096 low-education native women.

Source: Authors' tabulations; see Section 7.2 “Data”.

Consider Table 7.3, Column 5, which lists effect estimates of naturalisation on employment for the pooled sample of immigrants. According to estimates of Model I, employment rates of naturalised citizens are 11 percentage points higher for men, and 6.8 points higher for women, when compared to immigrants with foreign citizenship. The major share of this advantage disappears when we allow for different integration profiles and rely on within-group variation in naturalisation and employment with years in Norway to identify the coefficient of the naturalisation term. As the results from Model II show, within-group estimates of the employment effect are 1.1 percentage points for men and 2.6 for women. In general, the specification bias of Model I leads to severe overstatement of the effect of citizenship. But even the more moderate estimates from Model II may be upwardly biased if the timing of citizenship acquisition correlates with the innate propensity for employment so that individuals with favourable employment propensity naturalise at low YSM and thus contribute to a positive within-group correlation between the individual error component and the naturalisation indicator. In Model III, we use individual fixed effects to account for such unmeasured factors. Results do indicate selective timing. In fact, relying on within-individual change for identification, estimates of the naturalisation effect even become negative; employment rates of male immigrants from low-income source countries are predicted to decline by 2.5 percentage points, and those of female immigrants by 1.8 percentage points, after naturalisation.

When we estimate integration profiles separately for the various immigrant groups, results point to some heterogeneity in naturalisation effects by source region. The patterns of specification bias in the most restrictive model and selectivity bias in the model that fails to include fixed effects appear for most groups. Accounting for such sources of bias, estimates for immigrants for the Middle East region indicate a positive, but small and statistically insignificant, effect of naturalisation on employment. For all other groups, the coefficient estimate of the naturalisation term in Model III is negative.

Table 7.4 addresses the effect of naturalisation on annual earnings. For earnings, there is less evidence of specification bias in the most restrictive model, indicating similarities of the integration profiles for earnings of immigrants who naturalise and those who do not – as Figure 7.5 also showed. Again, according to the most sophisticated model specification, the effect of citizenship on earnings is zero or slightly negative for all groups considered. Apparently, acquisition of Norwegian citizenship does not promote earnings growth beyond what can be explained by an underlying YSM effect on earnings. The lack of any naturalisation effect on employment and earnings is also reflected in estimates the effect of Norwegian citizenship on self-sufficiency, reported in Table 7.5. According to estimates from the preferred specification (Model III), there is no indication that self-sufficiency is more or less likely following naturalisation.

Table 7.4. Estimated impact of naturalisation on log earnings

Model type	Middle East (1)	Africa (2)	Asia (3)	Balkans (4)	All (5)
Men					
I. Common YSM structure	0.079 (0.012)	0.017 (0.017)	0.016 (0.010)	0.034 (0.010)	0.029 (0.006)
II. Separate YSM Structures	0.080 (0.013)	0.026 (0.019)	0.009 (0.010)	0.014 (0.012)	0.020 (0.006)
III. Separate YSM structures, fixed effects	0.016 (0.010)	-0.032 (0.014)	-0.017 (0.008)	-0.031 (0.009)	-0.023 (0.005)
Women					
I. Common YSM structure	0.017 (0.018)	-0.042 (0.022)	0.008 (0.008)	0.011 (0.012)	0.004 (0.006)
II. Separate YSM structures	0.027 (0.017)	0.001 (0.024)	-0.017 (0.009)	-0.006 (0.013)	-0.010 (0.007)
III. Separate YSM structures, fixed effects	0.024 (0.015)	0.012 (0.020)	-0.009 (0.007)	-0.032 (0.010)	-0.009 (0.005)

Note: Standard errors, clustered within individual, are listed in parentheses. Regressions control for years since migration (22), age (45), the interaction of age terms and immigrant status, and year of observation (16) using a flexible functional form (with dummy variables; number of categories indicated in parentheses). Specification of Model I imposes a common coefficient structure of YSM terms for those who naturalise and those who do not. Model II relaxes this restriction, and Model III adds individual fixed effects. Samples are limited to those employed during the year. Sample sizes (number of individuals) are 68 615 (8 166); 31 724 (4 130); 90 340 (8 782); and 52 777 (5 674) in the four male samples by source region, and 27 273 (3 924); 16 736 (2 351); 89 227 (10 822); and 36 780 (4 437) in the four female samples. Male samples are augmented with 525 293 observations of 43 570 low-education native men, and female samples with 512 230 observations of 45 657 low-education native women.

Source: Authors' tabulations; see Section 7.2 “Data”.

Table 7.5. Estimated impact of naturalisation on self-sufficiency

Model type	Middle East (1)	Africa (2)	Asia (3)	Balkans (4)	All (5)
Men					
I. Common YSM structure	-0.008 (0.009)	-0.114 (0.013)	-0.136 (0.008)	-0.018 (0.010)	-0.070 (0.005)
II. Separate YSM structures	0.069 (0.009)	0.014 (0.014)	-0.022 (0.009)	0.006 (0.011)	0.016 (0.005)
III. Separate YSM structures, fixed effects	0.004 (0.007)	-0.013 (0.011)	0.007 (0.007)	-0.006 (0.009)	0.002 (0.004)
Women					
I. Common YSM structure	-0.045 (0.011)	-0.098 (0.015)	-0.084 (0.006)	-0.049 (0.011)	-0.075 (0.004)
II. Separate YSM structures	0.036 (0.011)	0.058 (0.017)	-0.020 (0.007)	-0.027 (0.012)	-0.008 (0.005)
III. Separate YSM structures, fixed effects	0.008 (0.009)	0.027 (0.013)	-0.006 (0.006)	-0.029 (0.010)	-0.006 (0.004)

Note: Self-sufficiency is measured as not having received any public transfers during the year. Transfers included are disability pensions; rehabilitation and unemployment cash benefits; long-term sick pay; transition allowances for single providers; and social assistance. See also note to Table 7.3.

Source: Authors' tabulations; see Section 7.2 “Data”.

Year-to-year employment change and earnings growth

The results of Bratsberg *et al.* (2002), who studied naturalisation effects on wages of young male immigrants in the United States, show that the naturalisation event affects the slope of the wage profile as much as the level of wages.

As such, the model specifications applied in Tables 7.3 to 7.5, where naturalisation is allowed to affect the outcome measure with a one-time change in level, appears to be restrictive. In Tables 7.6 and 7.7, we therefore relax this restriction by allowing for separate effects each year during the six-year window around citizenship acquisition. Again, the model allows for underlying and flexible YSM structures in employment and earnings for those who eventually naturalise and those who do not, so the model identifies any additional change in outcome measures that might take place during the years immediately prior to and following naturalisation. Results from estimations with and without individual fixed effects are presented.

In general, the results of Tables 7.6 and 7.7 are in alignment with those of the simpler model specification used in Tables 7.3 and 7.4 and there is no evidence of bias in the simpler formulation. Again, estimates tend to be smaller or more negative when the model includes fixed effects, consistent with selective timing of citizenship acquisition. Also, as in the simpler model, there are indications that outcomes for immigrants from the Middle East region in particular are slightly more favourable immediately following citizenship acquisition.

Consider, for example, the additional employment growth of men from the Middle East the year of naturalisation, estimated to be 1.3 percentage points in Table 7.6, Column 2. As indicated by the equivalent entry in Table 7.7, earnings growth that year is estimated to be 2.2% higher than that accounted for by the underlying YSM profile. In isolation, these estimates point to effects of naturalisation in the range of the US findings of the Bratsberg *et al.* study.

The challenge to interpreting the estimates in Tables 7.6 and 7.7 as causal effects facing immigrants in Norway, however, is that employment growth the year before naturalisation is even stronger – 2.5 percentage points. In fact, for all groups where estimates of Tables 7.6 and 7.7 hint at a positive effect of naturalisation, the tables also show considerable employment or earnings growth the year before the naturalisation event. If anything, the positive coefficient estimates that appear in these tables are consistent with the interpretation that integration relates to, but is not caused by, acquisition of Norwegian citizenship.

Table 7.6. Employment change before and after naturalisation

	Middle East		Africa		Asia		Balkans	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Men								
Year before	0.040	0.025	0.005	0.001	0.002	-0.002	0.001	-0.012
	(0.006)	(0.006)	(0.009)	(0.010)	(0.005)	(0.005)	(0.006)	(0.006)
Year of nat	0.026	0.013	0.013	0.011	-0.004	-0.008	-0.006	-0.018
	(0.006)	(0.006)	(0.009)	(0.009)	(0.005)	(0.005)	(0.006)	(0.006)
One year after	0.009	-0.003	-0.003	-0.005	-0.019	-0.022	-0.010	-0.023
	(0.006)	(0.006)	(0.009)	(0.009)	(0.005)	(0.005)	(0.006)	(0.006)
Two years after	0.020	0.007	-0.016	-0.021	-0.005	-0.008	-0.005	-0.018
	(0.005)	(0.006)	(0.009)	(0.009)	(0.005)	(0.005)	(0.006)	(0.006)
Three years after	0.021	0.021	0.017	0.013	0.002	-0.004	-0.002	-0.014
	(0.005)	(0.005)	(0.009)	(0.009)	(0.005)	(0.005)	(0.006)	(0.006)
Women								
Year before	0.025	0.023	0.003	0.009	0.018	0.005	-0.003	-0.011
	(0.006)	(0.007)	(0.009)	(0.009)	(0.004)	(0.004)	(0.007)	(0.007)
Year of nat.	0.006	0.005	-0.006	0.002	0.006	-0.005	-0.014	-0.022
	(0.007)	(0.007)	(0.009)	(0.009)	(0.004)	(0.004)	(0.006)	(0.007)
One year after	0.008	0.007	-0.016	-0.009	0.004	-0.007	-0.012	-0.021
	(0.007)	(0.007)	(0.009)	(0.009)	(0.004)	(0.004)	(0.006)	(0.006)
Two years after	0.009	0.006	-0.002	0.002	0.014	0.001	-0.007	-0.015
	(0.006)	(0.007)	(0.009)	(0.009)	(0.004)	(0.004)	(0.006)	(0.006)
Three years after	0.006	-0.001	-0.013	-0.009	0.013	-0.001	-0.022	-0.026
	(0.007)	(0.007)	(0.009)	(0.010)	(0.004)	(0.004)	(0.006)	(0.007)
Controlling for fixed effects?	No	Yes	No	Yes	No	Yes	No	Yes

Note: See note to Table 7.3.

Source: Authors' tabulations; see Section 7.2 “Data”.

Table 7.7. Log earnings growth before and after naturalisation

	Middle East		Africa		Asia		Balkans	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Men								
Year before	0.023	0.010	0.022	0.007	0.023	0.016	0.005	-0.008
	(0.010)	(0.011)	(0.015)	(0.015)	(0.007)	(0.007)	(0.009)	(0.008)
Year of nat.	0.026	0.022	-0.016	-0.022	0.004	-0.002	0.011	-0.001
	(0.010)	(0.010)	(0.014)	(0.014)	(0.007)	(0.007)	(0.009)	(0.008)
One year after	0.022	0.004	-0.014	-0.032	-0.006	-0.014	-0.012	-0.027
	(0.009)	(0.009)	(0.013)	(0.013)	(0.007)	(0.007)	(0.009)	(0.008)
Two years after	0.016	0.010	0.050	0.028	-0.003	-0.007	0.010	-0.004
	(0.009)	(0.009)	(0.013)	(0.013)	(0.007)	(0.007)	(0.009)	(0.008)
Three years after	0.015	0.011	-0.017	-0.022	-0.004	-0.006	0.007	-0.005
	(0.009)	(0.009)	(0.013)	(0.013)	(0.007)	(0.007)	(0.009)	(0.008)
Women								
Year before	0.001	-0.010	0.001	0.010	-0.001	0.006	0.003	-0.007
	(0.015)	(0.016)	(0.018)	(0.018)	(0.008)	(0.008)	(0.010)	(0.010)
Year of nat.	-0.001	-0.009	0.001	0.013	-0.004	-0.007	-0.001	-0.015
	(0.014)	(0.014)	(0.017)	(0.018)	(0.007)	(0.007)	(0.009)	(0.010)
One year after	0.011	0.015	0.005	0.013	-0.005	-0.005	-0.013	-0.022
	(0.013)	(0.014)	(0.016)	(0.016)	(0.007)	(0.007)	(0.009)	(0.009)
Two years after	0.029	0.024	-0.011	-0.018	-0.007	-0.001	0.004	-0.011
	(0.013)	(0.013)	(0.016)	(0.016)	(0.007)	(0.007)	(0.009)	(0.009)
Three years after	-0.001	-0.001	0.012	0.017	-0.001	-0.006	-0.007	-0.022
	(0.012)	(0.013)	(0.016)	(0.016)	(0.007)	(0.007)	(0.009)	(0.009)
Controlling for fixed effects?	No	Yes	No	Yes	No	Yes	No	Yes

Note: See note to Table 7.4.

Source: Authors' tabulations; see Section 7.2 “Data”.

Naturalisation and out-migration

We round off the empirical analysis with an examination of out-migration behaviour of naturalised and non-naturalised immigrants. A likely consequence of naturalisation is ease of international travel. Particularly for immigrants from, often war-torn, less-developed countries, a Norwegian passport can be expected to facilitate border crossings. Moreover, naturalisation offers security in that re-entry to Norway following a stay abroad will be easier with a Norwegian passport. As discussed above, this might be viewed as beneficial to the integration process for immigrants who hold jobs that require international travel. But, a prolonged stay abroad can also bring about negative consequences if there is depreciation of country-specific human capital and networks.

By rule, residents of Norway who intend to live abroad for six months or longer are required to file a migration form with authorities. In this section, we use registrations of such migration forms to assess out-migration in our immigrant samples. Note that our counts will not capture short stays abroad and the figures are even likely to understate long-term stays out of the country because of non-reporting. Prior studies of similar migration data show that up to 30% of immigrants to Norway from less-developed countries out-migrate within ten years of arrival (Bratsberg *et al.*, 2007), and that among registered out-migrants, about one-fifth later re-enter Norway, typically inside three years.

Table 7.8 shows rates of registered out-migration in our immigrant samples. The listed statistics pertain to individuals who are present in Norway at the beginning of the year. A striking pattern is the much higher out-migration rates of immigrants who do not naturalise compared to those who eventually naturalise. Immigrants who do not take up Norwegian citizenship are more than ten times as likely to leave the country during the year as the group who naturalises. High migration rates and lack of stable residence in Norway thus appear to be likely explanations of the generally low rates of economic integration among immigrants who do not naturalise revealed by Figures 7.4 to 7.6.[4] Similarly, part-year residency abroad likely explains the apparently high rates of self-sufficiency among those who do not naturalise shown in Figure 7.6, as most benefits claimed by immigrants during early years require residency in Norway.

Of greater interest to the present chapter is the pattern of migration rates for immigrants who naturalise. Prior studies show that the remigration hazard is strongly falling in years since immigration, but the statistics presented in Table 7.8 reveal that immigrants who naturalise have *higher* out-migration rates after they acquire Norwegian citizenship compared to the period before. In the bottom panel of the table, we formally investigate the relationship by estimating a probit model, accounting for an underlying process of migration behaviour with years in the country and any period effects that might influence out-migration decisions. Coefficient estimates show that the likelihood of moving out of the country increases following naturalisation, and that citizenship acquisition can account for all of the observed increase in average migration rates. According to results listed in Column 5, naturalisation raises the probability of a registered move out of the country by 0.7 percentage point for men and 0.6 point for women. When the model is fitted separately for the various immigrant groups considered, coefficient estimates are positive and statistically significant for each group. The implication of these results is that acquisition of Norwegian citizenship leads to instability of residency; immigrants from low-income source countries become more mobile and are more likely to spend time away from Norway after they naturalise.

Table 7.8. Naturalisation and the probability of moving abroad

	Middle East (1)	Africa (2)	Asia (3)	Balkans (4)	All (5)
Observed out-migration rates					
Men					
Does not naturalise	0.131	0.164	0.154	0.116	0.142
Naturalises:					
Before	0.003	0.004	0.002	0.006	0.004
After	0.011	0.015	0.007	0.006	0.010
Women					
Does not naturalise	0.094	0.119	0.149	0.077	0.092
Naturalises:					
Before	0.003	0.003	0.004	0.005	0.004
After	0.010	0.018	0.008	0.004	0.009
Estimates from probit model					
Men					
Naturalised	0.0088	0.0104	0.0043	0.0031	0.0068
	(0.0005)	(0.0013)	(0.0005)	(0.0005)	(0.0003)
Women					
Naturalised	0.0075	0.0157	0.0044	0.0033	0.0059
	(0.0006)	(0.0014)	(0.0004)	(0.0005)	(0.0003)

Note: Samples consist of immigrants who are present in Norway at the beginning of the year. Sample sizes are 129 503; 61 019; 129 115; and 82 497 in the four male samples and 73 990; 39 986; 180 202; and 69 768 in the four female samples. Coefficient estimates from probit models are converted to dp/d(nat) evaluated at nat=0 and mean values of other regressors for naturalised immigrants in each respective group. Probit regressions control for years since migration (22), the interaction of YSM terms and ever naturalised, age (45), and year of observation (16) using a flexible functional form (with dummy variables; number of categories indicated parentheses).

Source: Authors' tabulations; see Section 7.2 "Data".

7.4. Discussion

The absence of a positive effect of naturalisation on labour market outcomes of immigrants in Norway contrasts with prior evidence from the United States and several European host countries. Apparently, the mechanisms that favour immigrants with host-country citizenship are less important in the Norwegian labour market. Insights on the underlying mechanisms can therefore be gained by contrasting features of the various labour markets. First, differences in occupational structures may explain why formal barriers are less widespread in Norway than in the United States. For example, citizenship requirements are common in "guard labour" occupations (Jayadev and Bowles, 2006). Such occupations make up a relatively low fraction of jobs in Norway, particularly when compared to the United States (Bowles and Jayadev, 2007). A second difference is that, unlike in the United States, there are few individual gains from better access to union jobs in the Norwegian market. Since all workers in relevant sectors will be covered when wages are regulated by collective bargaining, there is no individual union membership wage premium (Barth *et al.*, 2001). Third, in most sectors of the economy, Norwegian employers do not announce citizenship requirements as a criterion for filling a vacancy as the criterion might be viewed in conflict with anti-discrimination legislation.[5] Finally, the value of signalling commitment for an immigrant job seeker is based on variation in productivity and human capital accumulation that correlates with individual naturalisation choice. When more that 90% of immigrants from developing countries acquire host-country citizenship within ten years, as revealed by Figure 7.3, the strength of the signal associated with naturalisation in, say, year seven is likely to be quite weak.

Even if the mechanisms that yield favourable naturalisation effects are weak in Norway, the literature does not point to reasons why naturalisation might have a *negative* impact on host-country labour market outcomes. If eligibility for social insurance programs were linked to citizenship, welfare program participation could be a possible explanation. Bratsberg *et al.* (2010), for example, show that immigrants in Norway from developing countries are more likely to end up in permanent disability retirement than other groups. However, this is an unlikely explanation of the results uncovered in the present chapter, as welfare eligibility requires membership in the public pension system, not citizenship. Membership in the public pension system is in turn linked to years of residence, and will be captured by years since migration in our estimation framework. Increased cross-border mobility is another plausible explanation. As naturalisation makes foreign travel easier and re-entry possible independent of the length of stay out of the country, more immigrants are likely to spend time (of the year) abroad following citizenship acquisition. Temporary stays abroad will reduce employment rates and earnings in the Norwegian labour market.

There are potential effects of naturalisation not captured by our empirical framework. Other empirical strategies, including different types of data, are needed to identify any anticipation effects, for example. Anticipation effects might arise if there are behavioural responses to future naturalisation prospects. Depending on the institutional setting, immigrants may invest in skills today in anticipation of future benefits of host-country citizenship. In Norway, anticipation effects are however likely to be small as eligibility for naturalisation relates to years of residence and is independent of labour market outcomes.

For policy, information is needed beyond merely knowing the effects of naturalisation identified by the parameters of equation 1. Whether or not to naturalise is not decided by the politician, but chosen by the individual immigrant, given restrictions set by policy. Policies dictate eligibility criteria such years of residence, language skills, as well as fees. Overall effects of alternative policies will depend on how policy influences citizenship acquisition as well as the impact of citizenship for those who naturalise. When effects differ across individuals, the impact of host-country citizenship for those directly affected by policy change can be different from effects identified for those who naturalised under the prior policy regime.

7.5. Conclusions

A simple comparison of labour market outcomes of immigrants from developing countries with and without Norwegian citizenship adds to the existing evidence that labour market status relates positively to host-country citizenship. We show that selective naturalisation explains this pattern and that the causal effect of citizenship acquisition on labour market outcomes might even be negative. For certain immigrant groups in Norway, longitudinal data reveal small, but statistically significant, negative effects on employment and earnings when estimated with individual fixed effects to account for unobserved heterogeneity. For other groups, we find no effect of citizenship on labour market status. The mechanisms that generate a causal effect of naturalisation in other labour markets thus appear to be absent from the Norwegian labour market. For all immigrant groups studied, naturalisation is shown to lead to instability of residency in that immigrants are more likely to spend part of the year abroad. The increased propensity for temporary stays abroad emerges as a likely explanation of the negative effects of citizenship acquisition on economic outcomes. Our findings underscore the complexity of naturalisation as a policy tool to promote labour market integration among immigrants from low-income source countries.

Notes

1. This chapter draws in part on a research project funded by the Norwegian Research Council (grant #185201) and is part of the activities of the centre of Equality, Social Organisation, and Performance (ESOP), University of Oslo. Data made available by Statistics Norway have been essential for this research.
2. In 2008, requirements were tightened so that applicants also must have completed 300 hours of Norwegian language training or demonstrate adequate knowledge of the language. This policy change occurred after the time period studied in this chapter.
3. In a restricted model where the shape of the experience profile is assumed to be unaffected by citizenship (*i.e.*, $\alpha 1=0$), $\alpha 0$ can be interpreted as the average constant effect of naturalisation.
4. High rates of permanent out-migration might also be expected to render the profiles displayed in Figures 4-6 biased if out-migration is selective. When we redraw the profiles conditioning on the group that stays in Norway for at least ten years, profiles of the never-naturalised group are somewhat altered but the general patterns displayed in the figures prevail.
5. We are not aware of any cases where anti-discrimination laws have been applied to challenge citizenship requirements in hiring, but in a known case of residential rental the discrimination tribunal has ruled that requiring Norwegian citizenship is indirect discrimination in violation of the Norwegian Anti-Discrimination Act § 4. According to the ruling, "the requirement of Norwegian citizenship causes, or may cause, that people who have a different ancestry, national origin, or ethnic background other than Norwegian will face a particular disadvantage compared with ethnic Norwegians. The citizenship requirement thus implies an indirect discrimination on grounds of ethnicity, nationality, and descent" (Norwegian Equality and Anti-Discrimination Ombud, 2006; our translation).

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PART III.

NATURALISATION AND SOCIAL COHESION

Chapter 8.
Social Cohesion and Host Country Nationality among Immigrants in Western Europe

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This chapter examines the relationship between the citizenship status of immigrants in western Europe and their social integration, using the European Social Survey. The findings suggest a complex relationship between immigrant naturalisation and various measures of social cohesion.

Introduction

Recently, the increased influx of immigrants to advanced industrialised countries has raised concerns about the effect that immigration and diversity might have on "social cohesion" and "social solidarity", notwithstanding well-documented and significant economic benefits of immigration (Goodhart, 2004; Giddens,2007).

Public opinion towards immigration remains deeply ambivalent and polarised (Crowley, 2008), and economic downturns can further exacerbate the sense of competition over resources between majority and the minority groups (Fossett, 2006; Quillian, 1995; Barry, 2001; McLaren, 2003; Gesthuizen *et al.*, 2009). Policy-oriented reports and articles focus on increasing migrants' community involvement, and thereby promoting "social cohesion" (Toggenburg, 2005; Knack and Keefer, 1997; Cantle, 2005; Forrest and Kearns, 2001; Denham *et al.*, 2002; Ager, 1997; Biscoe, 2001). Frequently, increasing diversity due to immigration raises questions about the integration of migrants, their political participation and their contributions to the cultural and economic life of the host country (Jacobs and Tillie, 2004a; Fennema and Tillie, 1999). Sometimes, this is discussed in terms of "social capital". Just as scholars discuss migrants' need to acquire host-country-specific *human* capital (Friedberg, 2000), so too might migrants be in need of host-country-specific *social* capital (Crowley, 2008). If migrants do not possess host-country-specific forms of social capital, diversity can be seen as a challenge to integration and as a threat to the normative consensus on which collective life is built and maintained (Hooghe *et al.*, 2009). Conversely, high levels of "social capital" help to promote "social cohesion".

The majority of empirical research on the subject focuses on negative effects of diversity on "social capital" and specifically on the negative relationship between trust and diversity (Costa and Kahn, 2003; Putnam, 2007; Marschall and Stolle, 2004; Uslaner, 2002; Alesina and La Ferrara, 2002; Delhey and Newton, 2005; Coffe and Geys, 2006; Gerritsen and Lubbers, 2010; Hall, 1999; Nannestad, 2008; Hooghe *et al.*, 2009; Fieldhouse and Cutts, 2010; Semyonov and Glikman, 2009). Researchers generally do not find such an effect of diversity on other commonly recognised dimensions of social capital (Gesthuizen *et al.*, 2009; Kesler and Bloemraad, 2010; Hooghe *et al.*, 2009; Laurence, 2009) or at least not in certain countries; or they speak of intervening effects such as economic deprivation (Stolle *et al.*, 2008; Letki, 2006; Laurence and Heath, 2008) and the marginalisation of minority groups (Paxton, 1999; Wuthnow, 2002).

Migrant populations are incredibly diverse, in terms of ethnicity, country of origin, and length of stay. These factors can shape migrants' sense of belonging to the receiving society, and some of the aforementioned studies are attentive to them. This chapter focuses particular attention on an understudied dimension of diversity among migrants: host-country nationality. The acquisition of host-country nationality involves some degree of attachment to the host society, so we have reason to expect a relationship to measures of "social cohesion" and "social capital", and yet this relationship has not been fully explored in previous studies on this topic. One might expect that migrants who have undergone the usually lengthy and not very straightforward process of citizenship acquisition will have greater understanding of both host country institutions and the host society's cultural foundations, with benefits for both economic and social integration. This expectation certainly seems to hold for the labour market: those immigrants who have acquired host-country citizenship have better labour market outcomes than those who have not (Bratsberg *et al.*, 2002 ; Fougère and Safi, 2009). The impact of citizenship

acquisition on measures of "social capital" remains relatively unexplored. This research has significant policy implications, since the regulation of naturalisation is one of the major ways in which states shape the process of immigrant incorporation *and* states still differ considerably in such regulations. While states sometimes have less than perfect control over the migration process itself, which in many western European countries is driven more by family unification and humanitarian commitments than by states' explicit needs, they have arguably more control over the ease of migrants' naturalisation.

In this chapter, we will focus on some of the commonly recognised dimensions of social capital such as trust in other people (often referred to as "generalised" social trust), trust in and satisfaction with host-country institutions, political interest, and social and associational activity. We also include measures such as happiness, general life satisfaction, and experiences of discrimination, which could be important for the maintenance of social cohesion in times of increasing diversity. We believe giving such a broad overview of more and less conventional measures of social capital can help to pinpoint areas for future research on the role of naturalisation. Baker *et al.* (2009) have shown that, similar to segmented assimilation pathways (Zhou, 1994; Portes and Rumbaut, 2001; Portes, 1995), individuals may integrate very differently, depending on the social contexts to which they are exposed. Our data is less than perfect and does not permit us to look in detail at migrants' social contexts. Nevertheless, this chapter offers some preliminary analysis of levels/"stocks" of social capital among migrants in western European countries, many of which now host well-established and diverse immigrant communities of both naturalised immigrants and immigrants who remain foreign citizens. Existing studies of social cohesion focus on ethnic minorities in general, and the children of immigrants in particular, and issues such as political representation and the possible exclusion of minority groups with a long history of residence within the host country over several generations from policymaking processes, but they rarely discuss differences between naturalised and non-naturalised migrants *per se* (Kymlicka, 1995; Calder *et al.*, 2010; Hampshire, 2002; Odmalm, 2005; Penninx, 2004; Tolbert and Hero, 2001; Jacobs *et al.*, 2004; Hero and Tolbert, 2004; Favell, 2001; Joppke, 2001; Papademetriou, 2006; Sales, 2005; Togeby, 1999; Koopmans and Statham, 2000; Koopmans, 2004; Berger *et al.*, 2004; Ireland, 1994). This chapter compares immigrants with and without host country nationality, and begins with the expectation that immigrants who have naturalised are better socially integrated and will thus have higher levels of social capital in the host country.

8.1. Social capital, social cohesion, diversity and citizenship acquisition

The increasing immigration flows and growing ethnic diversity in most advanced industrialised countries has spurred a discussion about possible negative effects of diversity on social and community cohesion. Immigration can change the nature of neighbourhoods and communities from homogenous to heterogeneous ones, and can even lead to what has been called "super-diverse communities" (Knack and Keefer, 1997; Heath and Laurence, 2008; Costa and Kahn, 2003; Uslaner 2002). The literature is, however, not uniform as to what will happen with such changes in ethnoracial composition.

In particular, studies focusing on the relationship between diversity and one of the main aspects of cohesion and social capital – trust – come with very discouraging results. Putnam (2007) argues that heterogeneity in neighbourhoods lowers both trust in in-groupers and trust in out-groupers. A similar trend is observed by Gerritsen and Lubbens (2010), Alesina and La Ferara (2005), Hero (2003), Delhey and Newton (2005). Although

some papers do not find a negative relationship between diversity and some of the other aspects of social capital and cohesion (Costa and Kahn, 2003; Marshall and Stolle, 2004) or find a strong dependence upon institutional and policy settings within individual countries (Kesler and Bloemrad, 2010), it has been the negative association between diversity and trust that receives a lot of academic, policy, and media attention.

It is interesting that none of the discussed studies deliberate on differences between migrants generated by the acquisition of host country citizenship. Since certain rights and privileges (Brubaker 1992), not only in the sphere of politics and elections, but also welfare, benefits, employment in the public sector, and health care are associated with citizenship status (Aleinikoff and Klusmeyer, 2000, 2002; Vink, 2005; Bauböck, 2006; Joppke, 2003), one of our main hypotheses is that immigrants in western societies[1] who have acquired citizenship will have higher levels of social capital than otherwise similar non-naturalised immigrants, as host-country nationality is both a signifier and the outcome of their integration. We recognise that naturalisation can mean quite different things according to the institutional arrangements in individual countries (Howard, 2005). Migrants acquire citizenship at different speeds and face a variety of challenges, which may shape what naturalisation means for their political and social integration. The present preliminary analysis attempts only to outline a general pattern and cannot make the distinction between groups of naturalised migrants due to sample size constraints. We hope to be able to outline and pursue more specific differences between ethnic and migrant groups in our further research.

Previous studies on the social capital and the political integration of migrants frequently do not make a distinction between naturalised and non-naturalised migrants. Instead, they focus on differences between migrant groups (Fennema and Tillie, 1999; Berger, 2004; Jacobs *et al.*, 2004; Togeby, 2004; and Tillie, 2004), and in few cases on the second generation (Jacobs and Tillie, 2004), clearly showing that political mobilisation and mobilisation mechanisms vary significantly between ethnic groups (Togeby, 1999). Despite the fact that all these studies point to an association between ethnicity and political participation at the aggregate level, it is clear that the social policies of the receiving societies, for which it is very hard to control (Soysal,1994; Bousetta, 1997; Penninx *et al*., 2004), may have a confounding effect. For example, the political tactics used by migrant groups (Ireland, 1994) and the set of political opportunities and agendas presented to them (Koopmans and Statham, 2000) may depend very much upon the national and even local authority context. In this chapter, we will be able to control only for migrants' resources – such as education – which have been found to be crucial determinants of migrants' capacity to engage with politics (Morales and Giugni, forthcoming), but we acknowledge the need for more thorough research on the subject which would involve coding and quantifying of the political agenda of individual migrant communities in the host countries.

It is clear that the social cohesion debate will benefit from spelling out the social capital adaptation techniques of migrants – such as citizenship acquisition (Morales and Giugni, forthcoming). One way to do that is to draw parallels to other literature and fields such as the human capital literature and economic sociology. For example, within the segmented assimilation paradigm (Portes, 1995), there are three major pathways which immigrants can follow in the host country (Zhou, 2004). The first is closely related to acculturation and economic success; the second one to the preservation of strong ethnic bonds thereby ensuring the support of co-ethnics and the ethnic economy; and the final one is associated with assimilation to the underprivileged segments of the majority population. Theoretically, naturalised immigrants should be found primarily in the first stream, as by virtue of having

completed the naturalisation process, they have negotiated entry to the host society and its structures – an important form of acculturation. In practice, however, naturalisation could occur for immigrants in the other streams as well. Naturalised migrants may use their newly acquired rights to advocate primarily for non-mainstream interests within their ethnic community, or they may assimilate into a native-born underclass. This calls into question the positive impact of naturalisation on cohesion, particularly if the naturalised immigrant has assimilated into socially and spatially impoverished communities or remains in a marginalised segment of an ethnic community.

It is very surprising that so few studies empirically examine the "social capital" and social adaptation of naturalised and non-naturalised immigrants; naturalised immigrants' integration is often taken for granted despite research that shows that the host country majority and well-established, largely native-born or naturalised ethnic communities can be leading parallel lives with few cross-cutting points (Cantle, 2005). Moreover, it is assumed that the naturalised individual will find that when "*barriers have been scaled and resources obtained, ethnic differences may be less significant*" (Zetter *et al.*, 2006); however, this pattern has not been clearly documented with empirical research. We are not able to directly measure the relationship between naturalisation and affective *identification* with the host country, which is an important driver of community cohesion (Markova and Black, 2007). However, we hope to provide further insight into the contours of various other indicators of social cohesion among migrants who have chosen to undergo the often prolonged and costly citizenship acquisition process versus otherwise comparable non-citizens. Our working hypothesis is that immigrants who hold host country nationality have higher levels of social capital, indicative of social cohesion.

8.2. Data source and variables

This chapter presents a broad overview of the relationship between the acquisition of host country nationality among immigrants and outcomes relevant to social cohesion, using a large, comparative data source, the European Social Survey (ESS). These data are in some ways ideal for such a project, as they contain a wide range of information related to the concept of social cohesion. Furthermore, unlike many other survey data sets, ESS data contain rich information on foreign birth, foreign birth of parents, and nationality. This allows us to identify first-generation immigrants (those born abroad whose parents were also born abroad – so as to exclude the children of native expatriates who happened to be born abroad) and then among these immigrants, to compare those with and without the host country nationality. The countries we include in this analysis are the western European EU-15 countries (EU members prior to 2004), minus Italy and Ireland for reasons of sample size and data quality, plus Norway and Switzerland, which are not EU members. We use four waves of ESS data, 2002, 2004, 2006, and 2008. Because we are already focusing on a relatively small sub-population (immigrants), we pool the data from these four waves.

We include the following measures of social cohesion. First, we look at two forms of trust: generalised social trust, which is measured using an index of three questions: whether most people can be trusted, whether most people try to take advantage of others, and whether most people are only looking out for themselves. The range of this index is 0 to 30. We also look at a measure of trust in various institutions: the country's parliament, legal system, police, politicians, and political parties. The range of this index is 0 to 50. Immigrants' trust in the institutions of their host countries may be related to the perceived fairness of these institutions and is thus pertinent to considerations of social cohesion. We

look at a simple dichotomous indicator of whether immigrants feel they are a member of a group that is discriminated against in the country of residence on the basis of race, nationality, religion, language, or ethnic group. In addition to trust-related items, we also consider several measures of satisfaction with the host country and life in general. An index, ranging from 0 to 50, taps satisfaction with the economy, the government, democracy, educational institutions, and health services. We look separately at overall life satisfaction and happiness; the scale for each of these variables ranges from 0 to 10. Finally, we include three measures of social and political engagement. The first is based on a question about how often the respondent gets together socially with other people. In the descriptive results we dichotomise this variable for ease of presentation into those who socialise at least once a week and less than once a week, but the original variable has seven ordinal categories ranging from "never" to "every day," and we return to the original measure in the multivariate analysis. The second measure taps political interest, and again, in the descriptive results, we distinguish between those "very" and "quite" interested from those "hardly" and "not at all" interested though in the multivariate analysis we use the original variable with four categories ranging from "not at all" interested to "very" interested. Finally, we look at more formal organisational participation and distinguish between those who have worked for a political party, a political action group, an organisation, or an association in the last 12 months and those who have not.

We begin our discussion by focusing on simple descriptive statistics comparing naturalised with non-naturalised migrants in a range of European countries, and move on later to results that draw on multivariate analyses that control for potentially confounding social and demographic factors. In these multivariate analyses, we control for a respondent's age, gender, partnership status (married/partnered versus not), educational level (seven categories ranging from incomplete primary education to advanced/second-stage tertiary education), household income (12 categories which we treat as continuous), years since migration, and region of origin. The region of origin variable has six categories: eastern Europe, North Africa and the Middle East, Sub-Saharan Africa, Asia, Latin America, and the Caribbean. Though we do not focus on the effects of these control variables, they are included in all multivariate models, and coefficients are presented either in the tables or in the annexes at the end of this chapter.

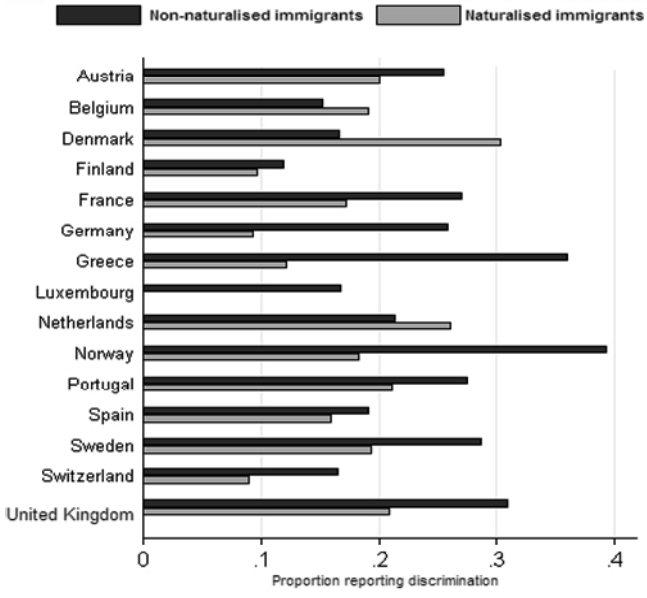
8.3. Empirical results

Preliminary investigation of our data confirm that rates of naturalisation vary substantially both across countries of residence and across regions of origin. In particular, immigrants from other wealthy countries (*e.g.*, other EU-15 countries) are quite unlikely to naturalise compared to their counterparts from poorer countries. This pattern is documented elsewhere (Howard, 2005) and is most likely due to two factors. First, in the former colonial powers, colonial migrants, generally from poorer countries, had easier or sometimes automatic routes to citizenship. But for all host countries, immigrants from poorer countries have additional incentives to attain citizenship. This is particularly true since European unification has made free movement unproblematic for EU citizens, reducing incentives to naturalise in the country of residence. Because of this, and because debates about social cohesion focus not on immigrants from other wealthy countries, but on those from poorer countries who generally have more difficulties with *socio-economic* integration, we exclude immigrants from richer countries of origin from the remainder of our analysis. We define "richer" countries as other western European countries plus the predominantly European-origin settler societies in North America and Australia and New Zealand.

We turn now to descriptive statistics comparing social cohesion outcomes for naturalised versus non-naturalised immigrants. We have limited our sample here to immigrants from relatively poorer countries who have been resident in their host country for more than ten years and should therefore be *eligible* for naturalisation. However, we must still keep in mind that in these gross figures, the two groups might have different individual-level characteristics that are in turn associated with their propensities to naturalise. Interested readers will find sample sizes, by country of residence and naturalisation status, in Table 8.A1.1 in the annex of this chapter. We have chosen to focus on three outcomes which show a relatively clear and robust relationship to naturalisation: perceptions of discrimination, satisfaction with a host country's institutions, and political interest. It should be noted that the patterns for the other six outcomes we include in our analysis are far less marked. We encourage interested readers to examine the full set of results in Table 8.1.

Figure 8.1 focuses on experiences of discrimination, which may shape immigrants' levels of comfort with, trust in, and satisfaction with the institutions and native residents of their host countries. Perceptions of discrimination are therefore likely to be important in generating a sense of social cohesion among immigrants. As this figure makes clear, perceptions of discrimination have an obvious relationship to naturalisation in many countries. With the exceptions of Belgium, Denmark, and the Netherlands, naturalised immigrant are less likely to report experiences of discrimination than their non-naturalised counterparts, and in the former three countries, this difference is insignificant. In Switzerland, Germany, Greece, and Luxembourg, the difference between naturalised and non-naturalised immigrants is statistically significant. Furthermore, the difference by naturalisation status is significant for the sample as a whole, regardless of whether it is weighted by country population size. There is thus considerable evidence that naturalisation status matters for perceived experiences of discrimination in European host countries.

Figure 8.1. Nationality and experiences of discrimination



Note: The figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years. This indicator measures whether the respondent reports being a member of a group discriminated against in the country of residence based on race, nationality, religion, language, or ethnic group. See Table 8.1 for further information on the statistical significance of differences by naturalisation status.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Table 8.1. Gross differences between naturalised and non-naturalised immigrants on measures of social cohesion

	Generalised trust	Trust in institutions	Discrimination	Satisfaction with country	Life satisfaction	Happiness	Political interest	Social activity	Organisational participation
	(Continuous, range 0-30)	(Continuous, range 0-50)	(Dichotomous)	(Continuous, range 0-50)	(Continuous, range 0-10)	(Continuous, range 0-10)	(Dichotomous)	(Dichotomous)	(Dichotomous)
Austria	0.355	0.035	-0.055	-1.341	0.658	-0.100	0.165*	0.116	0.093
Belgium	0.452	0.724	0.039	1.018	-0.45	-0.34	0.191	-0.095	0.106
Switzerland	0.638	0.815	-0.076*	-0.495	0.247	0.046	0.162**	-0.023	0.117***
Germany	0.539	1.585	-0.166***	-2.992**	0.717**	0.447*	0.133**	-0.089	-0.034
Denmark	-1.409	-4.484	0.137	-2.774	-0.217	-0.303	0.052	-0.045	0.136
Spain	-2.148	-0.286	-0.032	-0.473	-0.54	-1.037	0.023	-0.112	0.104
Finland	0.267	-7.976*	-0.022	-4.03	-0.748	-0.692	-0.083	-0.141	-0.112
France	1.493	-0.904	-0.098	-3.019**	0.023	-0.186	0.150*	-0.044	0.075
United Kingdom	0.581	2.978	-0.101	-0.459	0.389	0.765	0.02	0.081	-0.093
Greece	-0.043	-1.327	-0.238**	-3.625*	-0.192	-0.585*	-0.041	-0.144	0.027
Luxembourg	-0.063	-2.723	-0.169*	-0.002	0.361	-0.188	0.053	-0.067	-0.014
Netherlands	-1.874	-3.46	0.047	-2.505	0.417	0.107	0.017	0.092	-0.095
Norway	-2.102*	3.545	-0.209	0.718	0.043	0.354	-0.102	0.005	-0.021
Portugal	-3.776**	-3.14	-0.063	-0.741	-0.708	0.132	-0.042	-0.079	0.056
Sweden	1.715	-2.099	-0.093	-0.814	0.521	0.808	-0.134	0.125	-0.073
Mean difference, all countries									
Weighted	0.637	0.668	-0.096***	-1.902***	0.417**	0.273*	0.133***	-0.047	0.012
Unweighted	0.486*	-0.586	-0.065***	-1.986***	0.273**	0.122	0.129***	-0.025	0.049***
Mean, all countries									
Weighted	15.033	25.081	0.186	26.588	6.74	7.182	0.473	0.632	0.135
Unweighted	15.239	26.004	0.194	28.47	6.865	7.274	0.478	0.65	0.139
S.D., all countries									
Weighted	5.389	9.631	0.389	8.874	2.245	1.992	0.499	0.482	0.342
Unweighted	5.519	9.777	0.396	9.052	2.235	1.968	0.5	0.477	0.346

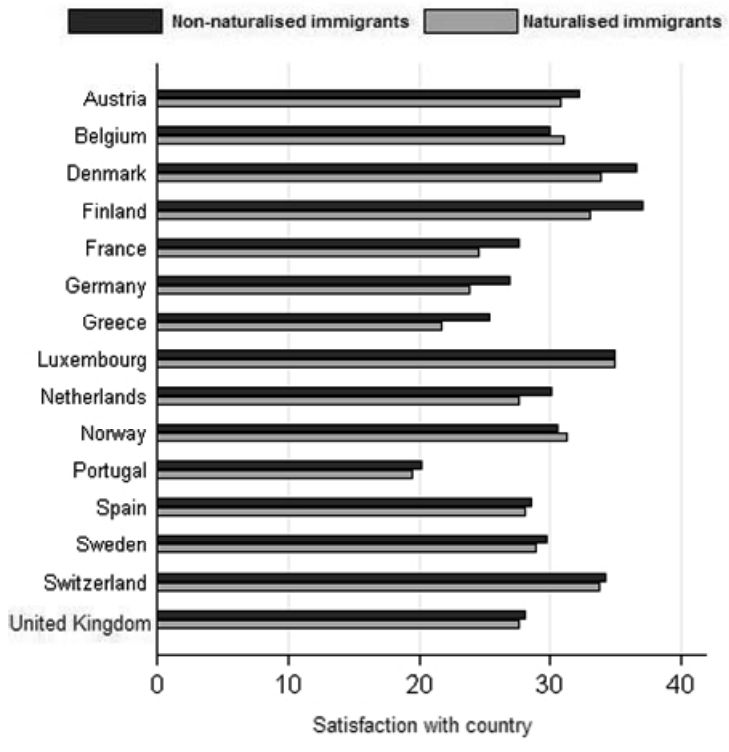
Note: Figures in this table are the mean value of the given variable for naturalised immigrants minus the mean value of the variable for non-naturalised immigrants.For detailed descriptions of each dependent variable, see text. As noted, cases are weighted to reflect the relative sizes of different countries, so the sample is representative of immigrants across all 15 countries. The figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years.

*p<.05, **p<.01, ***p<.001.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Figure 8.2 turns to satisfaction with the host country, measured with an index that includes satisfaction with the economy, the government, democracy, educational institutions, and health services. This measure presents an extreme picture: in almost every case, with the exceptions of Belgium and Norway, where the difference is insignificant, naturalised immigrants are *less* satisfied than non-naturalised immigrants with the state of things in their host countries. This difference is statistically significant in three cases (Germany, Greece, and France) and for the pooled sample. One speculative but plausible explanation for why naturalised migrants are *less* satisfied than their non-naturalised counterparts with host country institutions could be rising expectations. Certainly, naturalised migrants have more positive outcomes in the economic sphere, and, as we have just shown, are less likely than non-naturalised migrants to experience discrimination. Nevertheless, experiences in the host country may still not meet the (higher) expectations of those who have gone through the effort to attain host country citizenship. One problem with this explanation is that we do not know why this outcome, satisfaction with the host country, looks different than, for example, *trust* in host country institutions, where we see a weaker relationship to naturalisation.

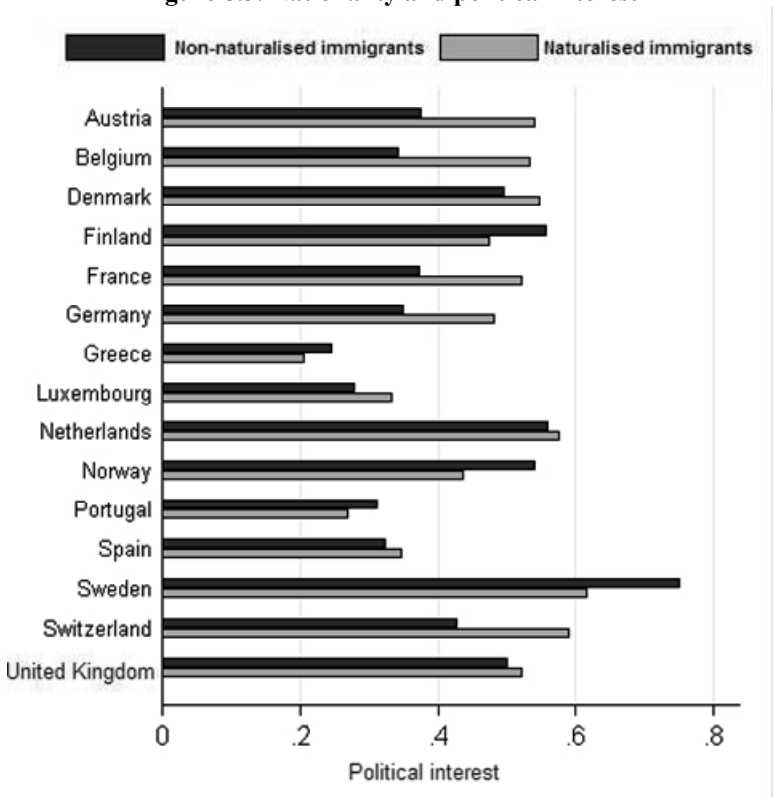
Figure 8.2. Nationality and satisfaction with country



Note: The figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years. This indicator measures responses to questions about satisfaction with the economy, the government, democracy, educational institutions, and health services. See Table 8.1 for further information on the statistical significance of differences by naturalisation status.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Figure 8.3. Nationality and political interest



Note: The figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years. This indicator measures whether a respondent reports being "very" or "quite" interested in politics versus "hardly" or "not at all." See Table 8.1 for further information on the statistical significance of differences by naturalisation status.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Finally, we turn to a measure of political interest. There is, not surprisingly, a general tendency for naturalised citizens to be more interested in politics, and this difference is statistically significant in Austria, Germany, France, and Switzerland. Of course, it is quite intuitive that an interest in politics would lead one to want to acquire host country citizenship to become fully enfranchised, so particularly with this variable, the direction of causality is questionable. Indeed, it is a bit surprising that for some countries (Greece, Portugal, Finland, Norway, and Sweden) we see the opposite relationship, since it seems peculiar that those with less of an interest in politics would attain the host country citizenship – but note that in these cases, the differences between non-naturalised and naturalised immigrants are statistically insignificant. Interestingly, it seems to be that in some of those countries in which naturalisation has historically been more difficult (*e.g.*, Germany and Switzerland), migrants who have naturalised are more politically interested, whereas in the Scandinavian countries, with generally less restrictive naturalisation policies, naturalised migrants are not necessarily more interested in politics than their non-naturalised counterparts. This might suggest the role of a selection effect. This certainly does not explain all of the patterns that we see, but would be interesting to investigate in future research.

We cannot definitively address problematic issues of causality in an analysis such as this, but we can at least take one further empirical step to determine whether the differences in these descriptive statistics are attributable to observable differences

between naturalised and non-naturalised immigrants. To this end, we conducted multivariate analyses of all nine outcomes. Four of the nine measures are basically continuous, and so we employed a standard linear regression approach. The three social and political engagement outcomes are categorical, as is the measure of experiences with discrimination. Social activity and political interest are ordinal, and so we employed ordered logit models. Organisational participation and the discrimination measure are dichotomous, so logistic regression is appropriate. We ran models that pool data from all countries for each outcome, and controlled for age, age squared, gender, partnership status, educational level, household income, years since migration, region of origin, and country of residence. Since we are already limiting the sample to those resident for more than ten years, the years since migration variable just indicates residence of more than 20 years versus 11 to 20 years. The control for region of origin assures at least minimal comparability in terms of contexts of immigrants' political socialisation, and the control for country of residence allows the base level of the outcome to vary cross-nationally. In these multivariate models, as in the descriptive statistics of social cohesion above, we also limit the sample to immigrants from poorer countries (so we exclude those from other western European countries and from the predominantly European-origin settler societies in North America and Australia and New Zealand), for reasons we explain above.

Table 8.2 presents the results of models that pool data from all 15 countries in the analysis, but weight the results by country size, such that the results are, in theory, representative for this part of Europe. Each model includes country of residence and region of origin dummy variables in addition to the variables shown in the table, to control for differences in the overall levels of the various outcomes across countries (see Table 8.A2.1 in the annex for these coefficients). In these models, all coefficients are constrained to be equal across countries, so there is a single naturalisation effect for each outcome. The specific type of model depends on the outcome. Five of the nine outcomes are continuous and so we employ linear regression and the naturalisation coefficient can be interpreted as the net difference on the given scale between naturalised and non-naturalised immigrants. For dichotomous outcomes (discrimination and organisational participation), we employ standard logistic regression models, so the naturalisation coefficient represents the difference between naturalised and non-naturalised immigrants in the log odds of a "positive" outcome. Finally, for the two outcomes that are categorical and ordinal, the naturalisation coefficient represents a difference in ordered log odds.

Among the nine outcomes, naturalised and non-naturalised immigrants differ significantly only for three once individual-level socio-demographic characteristics are controlled: reported discrimination, satisfaction with the host country (along five dimensions: economy, the government, democracy, educational institutions, and health services), and political interest. In the case of discrimination, the effect runs in the expected direction. Naturalisation lowers the log odds of reporting an experience of discrimination by 0.6. (The effect is in terms of log odds because this outcome is dichotomous and the model is therefore a logistic regression model.) This is a substantial difference. In a country where non-naturalised immigrants have a 50% chance of experiencing discrimination (log odds= 0), naturalisation lowers that chance by 15 percentage points, to 35% (log odds= -0.6). So on average across these European countries, naturalisation lowers an immigrant's chance of reporting an experience with discrimination.

A second outcome for which naturalisation seems to matter in a statistically significant way is satisfaction with the host country. However, in this case the relationship is, as the descriptive statistics also showed, somewhat counterintuitive.

Table 8.2. Models predicting social cohesion outcomes, pooled sample

	Generalised trust	Trust in institutions	Discrimination	Satisfaction with country	Life satisfaction	Happiness	Political interest	Social activity	Organisational participation
	(Linear regression, range 0-30)	(Linear regression, range 0-50)	(Logistic regression)	(Linear regression, range 0-50)	(Linear regression, range 0-10)	(Linear regression, range 0-10)	(Ordered logit)	(Ordered logit)	(Logistic regression)
Naturalised	-0.115	-0.907	-0.569*	-3.498***	0.03	-0.228	0.397*	-0.047	0.016
Female	0.161	-0.404	-0.169	-1.103	0.313*	0.314*	-0.891***	-0.047	-0.31
Married	-0.086	-0.148	0.142	-0.492	-0.354*	-0.613***	0.171	0.538***	0.147
Primary	0.726	2.376	-0.488	1.59	-0.02	0.098	0.354	1.401***	0.492
First stage secondary	0.92	1.857	-0.736	0.308	-0.268	0.029	0.728	1.419***	0.468
Upper secondary	1.484	3.115	-1.004*	0.645	0.005	0.24	1.047**	0.798*	0.904
Post-secondary, non-tertiary	0.699	5.262*	-0.17	0.493	-0.363	-0.6	1.985***	1.082**	0.555
First stage tertiary	3.157**	4.406*	-0.223	0.776	0.162	0.327	1.623***	0.836*	2.091*
Second stage tertiary	4.568***	5.647*	0.323	1.351	-0.08	0.106	2.459***	0.51	1.887*
Resident 20+ years	-0.235	-1.616	0.402	-2.057*	0.151	0.033	0.360*	0.137	0.344
Age	-0.063	0.045	0.009	-0.172	-0.099***	-0.105***	0.015	-0.120***	-0.044
Age squared	0.001	0	0	0.002	0.001***	0.001***	0	0.001***	0.001
Household income	-0.032	-0.025	-0.115*	-0.347	0.087	0.032	0.123**	0.042	0.136*
R2/pseudo-R2	0.086	0.084	0.111	0.153	0.096	0.078	0.088	0.05	0.12

Note: For detailed descriptions of each dependent variable, see text. Cases are weighted to reflect the relative sizes of different countries, so the sample is representative of immigrants across all 15 countries. All models include dummy variables for region of origin and country of residence, shown in Table 8.A2.1. These figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years. Reference/baseline categories are non-naturalised, male, not married, incomplete primary education, and resident less than 20 years.

*p<.05, **p<.01, ***p<.001.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Immigrants who are naturalised express *lower* levels of satisfaction than do immigrants who are not naturalised. On the scale that ranges from 0 to 50, naturalised immigrants have a level of satisfaction with these institutions that is on average 3.5 points below non-naturalised immigrants. As we noted above, one possibility is that naturalised immigrants have developed higher expectations about the host country and are therefore more critical of its shortcomings than their non-naturalised counterparts. Perhaps they have had more relevant experiences through the process of naturalisation and the related rights of political participation they have acquired as naturalised citizens. We would, of course, need further information to test this hypothesis. For generalised trust, trust in host country institutions, and happiness, we also see small, albeit statistically insignificant, negative effects, which at the very least does not contradict such an explanation based on rising expectations through the process of naturalisation.

Finally, we see a positive effect of naturalisation on political interest, whereby naturalisation increases the ordered log odds of political interest by .4. We hesitate to over-interpret this finding, since the direction of causality is quite unclear, as we noted above. It seems extremely likely that some immigrants could naturalise precisely *because* they are exceptionally interested in politics and in being involved in politics. Indeed, it would be somewhat surprising if we did not see a positive relationship between political interest and naturalisation. That the relevant coefficient is modest in size and of somewhat marginal statistical significance is thus more surprising than that we see a positive effect.

We take one further step with the multivariate analysis by including interaction terms between the naturalisation variable and country dummy variables. This tests whether, after controlling for the relevant socio-demographic variables, we see an effect of naturalisation in particular countries. The first part of Table 8.3 displays the main effects of country and naturalisation, while the bottom displays the country/naturalisation interaction effects. Given the relatively small country-level sample sizes in our data, the statistical power of such models is limited, since the number of variables relative to country-specific sample size is high and degrees of freedom low. Partly as a result, we see that most country/naturalisation interaction effects remain statistically insignificant. That is, we cannot conclude that the effect of naturalisation is significantly different in other countries than it is in the baseline country, Austria. So while we can draw some conclusions based on descriptive statistics and on multivariate results for the pooled sample, it is not possible with these data to draw more precise conclusions about the net effect of naturalisation status in particular countries.

In sum, we find evidence that naturalised migrants are less likely to experience discrimination, more likely to take an interest in politics, but less likely to report being satisfied with their host countries than their non-naturalised counterparts. We also note that for six of nine social cohesion outcomes, there is *no* statistically significant relationship to naturalisation status. On this evidence, we therefore conclude that the relationship between naturalisation and social cohesion outcomes is complex and not always predictable in direction. Nevertheless, we would also emphasize that our findings are not necessarily *contradictory*. In is entirely consistent for migrants who have naturalised to take more of an interest in politics, believe they experience less discrimination, and still to be more dissatisfied with a host country's institutions. One plausible mediating factor is the expectations that migrants develop as they undergo the process of naturalisation. Migrants might come to expect more of the host country as they themselves make a greater commitment to it through naturalisation. If the host country does not live up to these increased expectations, the result could be decreased satisfaction. Future work could pursue this line of argument.

Table 8.3. Models predicting social cohesion outcomes, pooled sample with country interaction effects

	Generalised trust	Trust in institutions	Discrimination	Satisfaction with country	Life satisfaction	Happiness	Political interest	Social activity	Organisational participation
	(Linear regression, range 0-30)	(Linear regression, range 0-50)	(Logistic regression)	(Linear regression, range 0-50)	(Linear regression, range 0-10)	(Linear regression, range 0-10)	(Ordered logit)	(Ordered logit)	(Logistic regression)
Main effects									
Country (reference=Austria)									
Belgium	-4.057	3.894	-2.745**	0.23	1.231	0.455	-1.478	0.494	-1.406
Switzerland	0.413	9.778**	-1.144	6.079*	0.997	0.437	-0.504	1.1	-2.712**
Germany	-0.12	3.666	-1.496*	-2.293	0.516	-0.174	-0.467	0.326	-1.034
Denmark	1.09	5.967	-1.466	6.303	1.756	1.323	0.311	0.077	-1.579
Spain	-1.682	9.942**	-0.832	2.997	2.476*	2.077*	0.615	0.189	
Finland	1.726	10.149*	-1.521	7.635	1.796	1.117	0.315	0.888	0.212
France	-1.221	3.927	-1.338	0.445	-0.105	0.677	-0.994	0.351	-1.02
United Kingdo	-1.735	-3.109	-0.683	-0.815	1.022	0.062	-0.422	0.248	-1.322
Greece	-2.92	5.672	-0.043	-2.94	-0.129	-0.628	-1.066	-0.635	
Luxembourg	-2.473	9.399		7.032*	1.127	0.377	-0.335	0.134	-0.166
Netherlands	1.645	9.720*	-2.103*	1.744	0.472	0.47	-0.21	0.841	-0.162
Norway	3.214	7.220*	0.049	8.864**	0.722	0.75	-0.649	-0.139	
Portugal	0.019	-4.439	-2.321*	-11.539*	0.274	-0.193	-0.793	3.060**	
Sweden	-1.391	5.597	-0.774	0.802	0.635	-0.388	0.776	0.495	-0.615
Naturalisation	0.086	3.528	-0.758	1.249	0.554	-0.115	0.102	0.241	0.513

Table 8.3. Models predicting social cohesion outcomes, pooled sample with country interaction effects *(cont'd)*

	Generalised trust	Trust in institutions	Discrimination	Satisfaction with country	Life satisfaction	Happiness	Political interest	Social activity	Organisational participation
	(Linear regression, range 0-30)	(Linear regression, range 0-50)	(Logistic regression)	(Linear regression, range 0-50)	(Linear regression, range 0-10)	(Linear regression, range 0-10)	(Ordered logit)	(Ordered logit)	(Logistic regression)
Naturalisation/country interaction effects									
Belgium	1.357	-1.732	1.834	0.916	-1.21	-0.645	1.571	-0.791	0.036
Switzerland	0.188	-2.995	-0.157	-2.151	-0.842	-0.272	0.602	-0.702	0.71
Germany	-0.016	-4.268	0.196	-5.036	-0.382	0.173	0.29	-0.29	-0.659
Denmark	-0.222	-2.733	1.68	-2.245	-0.418	-0.673	-0.209	-0.146	0.382
Spain	-0.675	-6.367	-0.343	-5.254	-1.693	-1.974	-0.524	-0.136	
Finland	1.64	-7.82	0.869	-6.588	-0.864	-0.789	-0.277	-0.271	-0.894
France	-0.662	-5.084	0.195	-6.303	-0.474	-0.738	0.773	-0.167	-0.033
United Kingdo	1.348	2.247	-0.129	-4.272	-0.65	0.335	-0.052	0.141	-0.903
Greece	-0.331	-4.693	-1.305	-5.525	-0.861	-0.441	0.191	-1.132	
Luxembourg	0.008	-5.404		-1.625	-0.753	-0.035	-1.008	0.042	-0.675
Netherlands	-2.463	-9.969*	1.598	-5.352	-0.261	0.118	0.004	-0.007	-1.675
Norway	-2.718	-4.244	-0.59	-7.821*	-0.723	-0.622	0.353	1.307	
Portugal	-3.8	4.401	-0.379	0.76	-1.222	-0.201	-0.306	-0.787	
Sweden	1.015	-4.865	0.025	-3.116	-0.251	0.74	-0.609	0.009	-0.87
R2/pseudo-R2	0.091	0.092	0.119	0.158	0.099	0.09	0.09	0.051	0.112

Note: For detailed descriptions of each dependent variable, see text. Cases are weighted to reflect the relative sizes of different countries, so the sample is representative of immigrants across all 15 countries. All models include dummy variables for region of origin and socio-demographic controls, shown in Table 8.A2.2. These figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years.

*p<.05, **p<.01, ***p<.001.

Source: European Social Survey, 2002, 2004, 2006, 2008.

8.4. Conclusions

The findings in this chapter suggest that the relationship between naturalisation status and social cohesion outcomes among migrants is a complex one. For some outcomes, we do find significant relationships, albeit not always in the expected direction. We find that naturalisation is associated with greater interest in politics and a lower likelihood of discrimination, but with lower levels of satisfaction with the host country. We hypothesise that this pattern, and particularly the result about satisfaction with the host country, could be due to the increased expectations that naturalised migrants have of their host countries. Political interest and dissatisfaction are entirely consistent; indeed, an active interest in politics, associated with naturalisation status, could very well derive from an underlying sense of dissatisfaction with the state of things in the host country. We cannot make strong arguments about causality (*e.g.*, a greater interest in politics could lead to rather than result from naturalisation), but we note that the three relationships we describe here are robust to standard socio-demographic controls. It is also important to note that, despite some significant findings, for the majority of outcomes, we find no relation to naturalisation among migrants across these 15 European countries.

It is quite possible that the lack of more striking differences between naturalised and non-naturalised immigrants is the result of our inability to examine more disaggregated groups of migrants. Unfortunately, our analysis was not able to account for the specific origin countries of migrants because of already somewhat small sample sizes for immigrants. However, we did focus our analysis on immigrants from relatively poorer countries, those who purportedly pose the greatest challenge for social cohesion; and even among this group of immigrants, we did control for immigrants' region of origin in the world, to begin to tap differences in ethnicity, race, and political socialisation that might vary across such regions and confound our findings. These steps begin to address the issue of diversity among immigrants, but with larger data sets, we would be able to control for origins in more detail.

We think that this broad comparative study is a useful starting point for examining this set of issues, and our analysis can be further developed by incorporating country-specific studies that can look at the role of naturalisation for more specific groups of immigrants. Though we control for socio-demographic variables such as education and years since migration, without controlling for country of origin, it is quite possible that there is considerable underlying variation across immigrant groups which we are not able to capture simply by investigating the gross differences between naturalised and non-naturalised immigrants. We suspect that some confounding factors, and particularly country of origin, prevent us from being able to observe the "true" effect of naturalisation on immigrants' level of social capital.

For immigrants, naturalisation represents one form of belonging at the *national* level. One reason we may see such weak findings in our analysis is that immigrants' integration into smaller social units such as ethnic communities and neighbourhoods is more meaningful for the promotion of social capital and social cohesion. Immigrants' sense of belonging to the respective host society, and social capital, might have much more to do with more localised experiences than with naturalisation status per se. A report by the Joseph Rowntree Foundation (Zetter *et al.*, 2006), for example, shows that there is a complex interplay between the stages of settlement in the host country, ethnic identity, and social capital. This calls into question a linear effect of an integration indicator such as naturalisation status. Indeed, if naturalisation and other forms of integration were

associated in a straightforward way, we would not see higher rates of naturalisation among migrants from poorer countries, who generally have *lower*, not higher, rates of economic incorporation, and are considered more problematic in terms of political integration (Sales, 2007).

Another task for further analysis would be to develop techniques to disentangle the causal direction of the admittedly endogenous processes of citizenship acquisition and social capital development. This is most obvious with respect to our finding about interest in politics. In is unclear from our analysis whether naturalisation causes greater interest in politics or vice versa. Disentangling this could be facilitated by identification of an instrumental variable and/or by drawing on longitudinal studies that would allow us to observe changes in trust, satisfaction, and engagement as immigrants naturalise; however, there are hardly any datasets that will fulfil the latter criteria, an important shortcoming in the area of social cohesion research in general.

Note

1. In this chapter, we focus on countries with large immigrant communities and we have chosen to keep the analysis restricted to western Europe, using the European Social Survey – one of the datasets most suitable to the needs of this research. We are aware that even within European countries, there is a lot of variation. In terms of their citizenship policies, these countries can be, broadly speaking, combined into two major groups: "historically restrictive" countries such as Finland, Germany, Luxembourg, the Netherlands, Portugal, and Sweden, Austria, Denmark, Greece, Italy, and Spain; and the four "historically liberal" countries – Belgium, France, Ireland, and the United Kingdom. Furthermore, within the group of "historically restrictive" we can distinguish between the first six which have liberalized their policies in the 1980s and the latter in which citizenship policies still remain quite restrictive (Howard, 2005).

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Annex 8.A1. Number of immigrants in the sample

Table 8.A1.1. Number of immigrants in the sample by country of residence and naturalisation status

	Non-naturalised	Naturalised	Total
Austria	64	156	220
Belgium	32	108	140
Denmark	24	82	106
Finland	16	31	47
France	71	181	252
Germany	147	335	482
Greece	107	93	200
Luxembourg	58	32	90
Netherlands	36	281	317
Norway	15	108	123
Portugal	30	73	103
Spain	27	33	60
Sweden	24	299	323
Switzerland	196	174	370
United Kingdom	24	245	269
Total	871	2 231	3 102

Note: These figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Annex 8.A2. Additional coefficients

Table 8.A2.1. Additional coefficients for models in Table 8.2

	Generalised trust	Trust in institutions	Discrimination	Satisfaction with country	Life satisfaction	Happiness	Political interest	Social activity	Organisational participation
	(Linear regression, range 0-30)	(Linear regression, range 0-50)	(Logistic regression)	(Linear regression, range 0-50)	(Linear regression, range 0-10)	(Linear regression, range 0-10)	(Ordered logit)	(Ordered logit)	(Logistic regression)
Country of residence (reference=Austria)									
Belgium	-2.992**	2.887	-1.311**	1.042	0.358	0.04	-0.261	-0.075	-1.471**
Denmark	0.952	4.101	-0.16	4.462*	1.470***	0.847*	0.111	-0.017	-1.256*
Finland	2.593	5.952	-1.122	2.987	1.210*	0.655	0.215	0.671	-0.352
France	-1.714	0.115	-1.143**	-4.512**	-0.424	0.166	-0.421	0.254	-1.148*
Germany	-0.145	0.527	-1.345***	-6.175***	0.237	-0.032	-0.274	0.11	-1.579***
Greece	-3.167**	2.18	-0.494	-7.075***	-0.685	-0.889*	-0.913*	-1.228**	-2.513***
Luxembourg	-2.502	5.785	-2.711**	4.765*	0.661	0.381	-0.685	0.083	-0.675
Netherlands	-0.376	1.626	-0.765	-2.466	0.336	0.643	-0.26	0.872*	-1.558**
Norway	0.724	4.183*	-0.546	2.29	0.174	0.25	-0.405	1.121*	-0.823
Portugal	-2.165	-2.667	-2.404***	-11.67***	-0.512	-0.292	-0.956	2.581***	-2.696**
Spain	-2.184	5.343*	-0.862	-1.204	1.443**	0.907	0.343	0.099	-1.544
Sweden	-0.435	1.945	-0.766	-1.422	0.517	0.349	0.147	0.56	-1.432**
Switzerland	0.448	7.181***	-1.143**	3.657*	0.48	0.311	-0.167	0.695	-2.313***
United Kingdom	-0.383	0.243	-0.833	-4.050*	0.546	0.456	-0.557	0.446	-2.140**
Region of origin (reference=Eastern Europe)									
Asia	0.527	1.884	0.325	3.940**	0.331	0.12	0.009	-0.076	0.67
Caribbean	-0.007	1.856	1.133*	1.448	0.154	0.137	0.025	-0.196	0.066
Latin America	-0.526	-3.283*	-0.712	0.608	0.262	-0.38	-0.511	0.532	0.419
Middle East/North Africa	0.067	-0.709	0.702*	1.568	-0.095	0.011	0.012	0.302	0.810*
Sub-Saharan Africa	-0.068	-2.034	1.446**	2.092	-0.276	-0.033	0.155	0.35	0.552
R2/pseudo-R2	0.086	0.084	0.111	0.153	0.096	0.078	0.088	0.050	0.120

Note: For detailed descriptions of each dependent variable, see text. Cases are weighted to reflect the relative sizes of different countries, so the sample is representative of immigrants across all 15 countries. All models include socio-demographic controls, shown in Table 8.2. These figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years. ***; **, * Statistically significant at 10% 5%and 1%-level, respectively.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Table 8.A2.2. Additional coefficients for models in Table 8.3

	Generalised trust	Trust in institutions	Discrimination	Satisfaction with country	Life satisfaction	Happiness	Political interest	Social activity	Organisational participation
	(Linear regression, range 0-30)	(Linear regression, range 0-50)	(Logistic regression)	(Linear regression, range 0-50)	(Linear regression, range 0-10)	(Linear regression, range 0-10)	(Ordered logit)	(Ordered logit)	(Logistic regression)
Female	0.17	-0.361	-0.159	-1.056	0.315*	0.338*	-0.912***	-0.046	-0.326
Married	-0.073	-0.114	0.138	-0.549	-0.347*	-0.601***	0.179	0.538**	0.115
Primary	0.998	2.861	-0.535	1.85	0.053	0.328	0.335	1.357***	0.382
First stage secondary	1.141	2.265	-0.83	0.666	-0.225	0.235	0.671	1.365***	0.349
Upper secondary	1.694	3.623	-1.088*	1.012	0.06	0.484	0.970*	0.751*	0.694
Post-secondary, non-tertiary	0.955	5.739*	-0.24	0.914	-0.305	-0.317	1.906***	1.026*	0.279
First stage tertiary	3.396**	4.804*	-0.313	1.143	0.211	0.561	1.550***	0.795*	1.904*
Second stage tertiary	4.880***	6.086*	0.287	1.853	-0.039	0.401	2.358***	0.467	1.515
Resident 20+ years	-0.242	-1.618	0.434	-2.140**	0.182	0.07	0.378*	0.147	0.267
Age	-0.06	0.043	0.007	-0.184	-0.096***	-0.101***	0.016	-0.119***	-0.051
Age squared	0.001	0	0	0.003	0.001***	0.001***	0	0.001***	0.001
Household income	-0.022	0.01	-0.120*	-0.337	0.087	0.036	0.125**	0.042	0.141*
Region of origin (reference=Eastern Europe)									
Asia	0.6	1.977	0.346	3.926**	0.363	0.181	-0.007	-0.068	0.641
Caribbean	0.221	2.381	1.059	1.656	0.161	0.227	-0.005	-0.218	0.125
Latin America	-0.559	-3.437*	-0.605	0.444	0.396	-0.184	-0.499	0.572	0.25
Middle East/North Africa	0.086	-0.689	0.775*	1.517	-0.051	0.091	0.01	0.324	0.719*
Sub-Saharan Africa	-0.008	-1.91	1.490**	2.079	-0.259	0.022	0.113	0.391	0.474
R2/pseudo-R2	0.091	0.092	0.119	0.158	0.099	0.09	0.09	0.051	0.112

Note: For detailed descriptions of each dependent variable, see text. Cases are weighted to reflect the relative sizes of different countries, so the sample is representative of immigrants across all 15 countries. All models include socio-demographic controls, shown in Table 8.2. These figures only include immigrants from poorer origin countries (excluding western Europe, North America, and Australia and New Zealand) who have been resident in the host country for more than ten years. Reference/baseline categories are non-naturalised, male, not married, incomplete primary education, and resident less than 20 years. ***; **, * Statistically significant at 10% 5%and 1%-level, respectively.

Source: European Social Survey, 2002, 2004, 2006, 2008.

Chapter 9.
Naturalisation and Social Inclusion

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This chapter highlights the consequences of naturalisation for the social inclusion of immigrants in three areas: socio-economic, political and social. It focuses in particular on political integration by evaluating results of naturalisation and voting in Sweden – where non-citizens are allowed to vote in regional and local elections – as indicators of social inclusion.

Introduction

In today's globalised world, international migration and integration continue to be important issues. Related to this is the fact that most EU and OECD countries have seen increasing numbers of annual naturalisations. This suggests that alongside the continuous issue of managing international migration, including who and how many, the issue of integration into the host society is increasingly important. If we view integration as a continuous process, then naturalisation cannot be seen as the final product. Rather, naturalisation is one step in the integration process towards the creation of a socially cohesive society.

This is why, in recent decades, citizenship, *i.e*. naturalisation, or its acquisition by migrants as part of the integration process, has emerged as an important and contested issue on the political agenda of many EU and OECD countries. A number of countries have reformed their rules and regulations of citizenship acquisition as a way of favouring conditions for the inclusion of migrants. Allowing or retaining dual citizenship, as well as the introduction of tests and ceremonies, and changing the number of residence years are the most prominent changes in naturalisation policies.

In view of the large number of naturalisations in EU and OECD countries and concerns about poor inclusion of migrants, the consequences of the acquisition of citizenship are of major importance. So far scientific knowledge is limited and limited to certain scientific areas and disciplines, which means that the questions and general areas of interest are different.

In this chapter, the consequences of naturalisation are linked to the social inclusion or integration of individuals in three areas: socio-economic, political and social. In particular, it focuses on political integration by evaluating results of naturalisation and voting in Sweden as indicators of social inclusion.

9.1. Social inclusion

The concept of social inclusion is a somewhat elusive term and there seems to be little consensus as to what it actually means. However, in their review of social inclusion literature, Toye and Infanti (2004) argue that social inclusion is both an outcome and a process. It can be argued that social inclusion is a powerful normative concept that can serve as a framework and an ideal in policy-making and community-building. The social inclusion literature states that a basic goal of society is to enable its members to participate as valued, respected and contributing members (see Toye and Infanti, 2004; Laidlaw Foundation, 2002; European Union, 2001). The European Union defines social inclusion as:

> *a process which ensures that those at risk of poverty and social exclusion gain the opportunities and resources necessary to participate fully in economic, social and cultural life and to enjoy a standard of living and well-being that is considered normal in the society in which they live. It ensures that they have a greater participation in decision-making which affects their lives and access to their fundamental rights* (European Commission, 2005, p. 10).

The concept of inclusion is also linked to that of exclusion, since both are concerned with access to societal resources (whether these are tangible, like financial resources, or intangible, such as decision-making powers).

Much of the social inclusion literature focuses on tangible and required activities like working or access to a dwelling. These are non-negotiable, however. People need somewhere to live and families generally require an income from some kind of employment. Such measures might therefore not reflect actual inclusion and belonging. On the other hand, voluntary involvement in broad societal activities, like the membership of organisations, charitable activity and voting, should thus also be included as markers of inclusion. In the context of the European Union definition of social inclusion, for example, the act of casting a ballot in elections can be viewed as an indicator of inclusion, in that it is both a measure of participation and is ultimately connected to the decision-making process (European Commission, 2005).

Multidimensionality is a key attribute of inclusion theory. Being integrated in one social sphere (*i.e.* the labour force) and not another (*i.e.* social participation) does not result in inclusion. Instead, and in its broadest sense, inclusion requires a striving for full access in every social realm. In essence, then, social inclusion is seen as a prerequisite to well-being and as contributing to the achievement of it.

In the context of inclusion in its broadest sense of socio-economic integration, political participation and social integration, the situations in which minorities have much lower rates of inclusion than majority members become problematic, since this may indicate a lower degree of social inclusion or barriers to integration. Thus, measuring the independent effect of immigrant status on voting, after controlling for demographic and socio-economic factors, could indicate the degree to which minorities are included in society. We view citizenship is a form of social inclusion. As such, citizenship acquisition have a real impact on people's willingness to settle in a country, buy or rent a house or get involved in societal decisions, such as voting.

9.2. Consequences of naturalisation

If we assume that acquiring another nationality is mainly based on rational calculations, knowing the advantages and disadvantages of naturalisation and fully understanding the phenomenon are central. Although the immigrant's loss of his/her original nationality is often regarded as the primary cost of naturalisation, this can be offset by obtaining a passport of another country, *e.g.* Sweden, that facilitates travel within the European Union. The second positive consequence of naturalisation is the right to vote in elections – national and EU-related – in the new country.[1] Naturalisation also means increased employment possibilities in areas like the civil service, the police, the justice system and the military, since these are often open only to nationals.

Even though an individual cost/benefit-analysis gives an interesting slant to the naturalisation decision, Yang (1994) argues that this is not the point of departure of most studies on naturalisation. Existing research often focuses on the degree of immigrant integration as a determinant of naturalisation. In this context, Yang distinguishes two research traditions: one that emphasises the role of socio-economic achievements in the naturalisation process and another that stresses the importance of the immigrants' cultural adaptation to the host society and how their demographic characteristics affect the naturalisation decision. Despite the differences in the two traditions, Yang notes that they both use immigrants'

characteristics as *predictors* of the probability of naturalisation and view naturalisation as a result of immigrants' successful integration into the receiving country.

The omission of a cost/benefit-analysis to predict naturalisation is a shortcoming of both traditions. As already stated, costs could be related to loss of citizenship status in the country of origin. This might mean losing the right to re-migrate (a return premium) and may also imply the loss of a claim on inheritance or property in the country of origin. Furthermore, costs may include investing time and money in language courses and tests that prepare the immigrant for the naturalisation process. If we look at the direct benefits of naturalisation, and especially in relation to the labour market, we could turn the causal relation between socio-economic status and naturalisation around, so that instead of being the result of immigrants' socio-economic integration, naturalisation might be the cause of it.

In this regard, the socio-economic consequences of acquiring nationality are defined as changes in the economic situation of individuals due to naturalisation. For example, having a better legal position through naturalisation can mean unlimited access to the labour market or welfare benefits. In this respect, the consequences of citizenship acquisition are dependent on the legal regulations of each country (Bevelander and DeVoretz, 2008). In terms of political participation and the consequences of citizenship, non-citizens can neither vote nor stand for office in national elections.

Finally, citizenship acquisition may have social implications in various areas of social life that are difficult to identify. This includes subjective factors that relate to motivation and to things like feelings of belonging, security, discrimination and social contacts. An attempt was made by Bevelander and Veenman (2006) to link naturalisation and social/cultural integration using survey data for the Netherlands. Their general results indicated low connection between the two. Controlling for demographic factors and educational level, proxies for cultural integration, (self-identification, modernisation and having contacts with Dutch natives) showed that differences between the sexes become prominent in the likelihood of obtaining Dutch citizenship. Turkish and Moroccan women who score high on the "modernisation" scale have a significantly higher probability to naturalise.

Data on the social consequences of naturalisation are lacking in Europe. Anecdotal evidence suggests however that non-nationals are often subjected to cumbersome and long administrative procedures, such as when renewing residence and work permits, arranging visas for travel etc. Naturalisation could thus make social life considerably easier (Reichel, 2010).

9.3. Migrant voting: earlier studies

A number of studies have tried to identify factors that affect the likelihood and nature of the population's voting behaviour. Studies that include an analysis of the voting behaviour of immigrants and their descendants are far less frequent, however, partly due to a lack of data and partly because immigrants do not generally have voting privileges at national level until citizenship has been granted. This means that relatively few studies focus exclusively on voting and immigrant status, and even fewer include foreign citizens.

Three general themes have emerged in the literature: *i)* immigrants vote less than native-born; *ii)* the factors that result in the decision to vote differ according to immigrant status and country of birth; *iii)* there is often an overlap between the socio-economic

factors that impact voting and those of immigrants, *i.e.* attributes that characterise low voting probabilities (*e.g.* low education, young, low income) are often shared by immigrant populations.

Many studies have found that, compared to native-born citizens, immigrants are less likely to vote (Adman and Strömblad, 2000; Järnbert and Örhvall, 2003; Öhrvall, 2006; Oskarsson, 2003) for Sweden and for other countries Ramakrishnan and Espenshade (2001), Bass and Casper (2001), Chui *et al.* (1991), Cho (1999) and Lien (2004).

To what extent are these differences a product of socio-economic and demographic factors? Adman and Strömblad (2000) studied the electoral participation of immigrants in Sweden in local elections in which non-citizens are allowed to vote. Using a sample of 3 000 individuals from the 1998 election, they found that immigrants were less likely to vote – although a control for background factors caused these differences to disappear. They concluded that this was an indication of the effects of naturalisation (see also Bousetta, 1997; Oskarsson, 2003). Using a larger sample of 2002 Swedish election data, Öhrvall (2006) found a clear difference in participation between foreign-born citizens and non-citizens. However, after controlling for various background factors he found very little difference in electoral participation between foreign-born and Swedish-born children of immigrants. He argued that excluding immigrants from national elections reduced people's inclination to vote in municipal and provincial elections. He also argued that immigrants who were not socialised in the Swedish political system were the least interested in local elections (Öhrvall, 2006; see also Bäck and Soininen, 1994).

Likewise, using the Canadian Election Survey data White *et al.* (2006) found that immigrants in general have similar voting participation rates to native-born after controlling for education and income. Similarly, using the 2002 wave of the Equality Security Community Survey, Bevelander and Pendakur (2009) found that in general the combination of socio-demographic and social capital attributes overrides the impact of immigration and ethnicity and suggests that the minority attribute does not impact voting.

Looking specifically at those factors that impact voting behaviour, a survey of the literature and conducted studies show that different variables can affect an individual's voting probability positively, negatively or not at all. When looking at European minorities living in the United States, Tuckel and Meisel (1994) argued that demographic and socio-economic factors like age, education and labour force characteristics were dominant factors that explained voting probabilities (see also DeSipio, 1996; Bass and Casper, 2001; Verba *et al.*, 1995).

Ramakrishnan and Espenshade (2001) extend the immigrant voting behaviour model by adding controls for generation, English language proficiency, length of stay, ethnic residential concentration and political socialisation in the home country. Across the generations they found different patterns of voting participation in the different racial/ethnic groups. With the exception of Black and Asian-American immigrants, a longer stay in the United States appeared to increase the voting probability. Coming from a repressive regime had a weak negative effect on voting participation. Language proficiency, here measured at state level by the presence of Spanish-language ballots and proximity to co-ethnics, did not have a strong effect on the voting probability.

The preceding review suggests that why immigrants have lower voting rates it is not totally clear. Evidence from the United States (see DeSipio, 1996; Bass and Casper, 2001; Verba *et al.*, 1995; Tuckel and Meisel, 1994) suggests that differences are largely a result of demographic and socio-economic factors, while evidence from Europe and Canada (see for

example Chui *et al.,* 1991; Öhrvall, 2006; Messina, 2006) points to factors associated with socialisation and integration. Similarly, White *et al.* (2006) found that when the length of residency increased the voting probability of immigrants also increased. Ramakrishnan and Espenshade (2001) challenged these claims, however, and argued that differences in voting probabilities could be reproduced from one generation to another.

9.4. Citizenship and voting

Another area of interest is the impact of citizenship acquisition on voter participation. The fact that non-citizens can vote in local elections in a number of European countries leads to discussions about the intrinsic value of citizenship as a measure of belonging and inclusion.

Empirical results of the 2002 election showed that immigrants who had Swedish citizenship had a higher voting probability than those who were non-citizens. Öhrvall (2006) suggests that it could be that immigrants who obtain Swedish citizenship are more committed to the country than non-citizens and, as a result, are more likely to vote. When comparing the voting results of citizens and non-citizens in a number of European countries in the most recent elections, Messina (2006), argued that obtaining citizenship and increased years of residency in the country were positively related to higher rates of electoral participation.

Matching Swedish electoral survey data with information from Swedish registers, Bevelander and Pendakur (2010) studied the voting behaviour of natives and immigrants. Moreover they assessed the correlates of voting of Swedish-born and immigrant residents by using instrumental variable regressions to estimate the impact of citizenship acquisition.

Their descriptive analysis showed that the overall rate of voting is high in Sweden. Eighty percent of the total population voted in the 2006 municipal election. However, their results suggest substantial differences by age, place of birth, income and level of schooling. As suggested by the literature, younger citizens are less likely to vote. Only 69% of those less than 25 years old voted in the municipal election as compared to 86% of 55- to 64-year-olds. People who are not married are also less likely to vote than those who are married. Having a partner who is Swedish makes a big difference: nine out of ten people with Swedish partners voted. As schooling increases, the proportion of people who vote also increases; however, obtaining the last level of schooling outside Sweden has a strong negative effect – only 61% of people in this category voted, as compared to 82% who were schooled in Sweden. Income makes a substantial difference: only about half of people with no income voted, whereas over 90%of people in the top quintile voted. Renters are less likely to vote than owners. Being born outside Sweden generally results in lower voting probabilities. Less than 60%of immigrants from Europe, Africa, the Middle East and East sia voted. However over 60%of immigrants from the Americas and South Asia voted. Non-citizens are less likely to vote – just over a third of non-citizens voted in the 2006 municipal election.

Their results indicate that the characteristics of the municipality of residence make a difference. The larger the city, the less likely people are to vote. However, the larger the immigrant population, the more likely people are to vote. The employment rate also makes a difference. However, having minorities on council does not make a significant difference in voting.

Summarising the results connected to indicators of inclusion – level of income and schooling, housing tenure, having a Swedish spouse and citizenship are all strong determinants of voting. What is interesting to note however, is that the soft measures – hose of citizenship acquisition and having a Swedish spouse are actually among the strongest in the model. Further, the contextual variables, which are also linked to inclusion, are very strong. Indeed, as the number of immigrants in a city increases, the probability of voting also increases (see table in the Annex 9.A1).

With the use of instrumental variable regression they ask the question: to what degree do contextual and individual characteristics override those of immigrant status? And how important is citizenship in determining voting propensities and enhancing social inclusion?

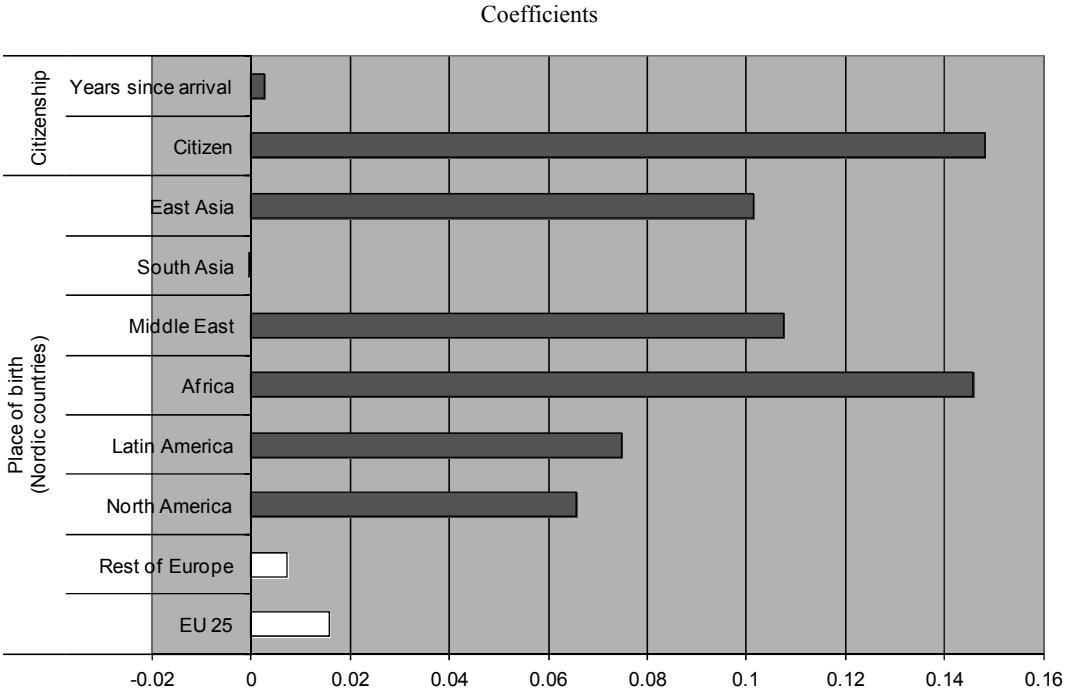
Results from regressions with just immigrants show that contextual variables in general, have only weakly significant results. For the immigrant population, as the size of the city goes up, voting goes down, and as the size of the immigrant population increases in a city, voting declines. Among the demographic variables, having a Swedish partner and having children have strong positive effects on voting. Males are less likely to vote as compared to females.

Higher levels of schooling are associated with higher voter participation. However there is no significant impact on attaining schooling outside Sweden. Thus, in terms of voting, if you are an immigrant, it does not appear to matter where you obtained your schooling. As is to be expected, the impact of income is strong and positive. Immigrants in the highest income quintile are much more likely to vote as compared to immigrants without any income.

Place of birth matters and citizenship matters (Figure 9.1). As compared to immigrants from Nordic countries, immigrants from Europe outside the European Union and South Asia are less likely to vote, and those from Africa, the Middle East and East Asia are more likely to vote after controlling for the other variables in the model. The impact of citizenship acquisition is very strong equal in strength to being in the top two income quintiles, having a Swedish partner or having the highest level of schooling.

It may be that the results for the total immigrant population are driven by a small number of country-of-birth groups. For example, if citizenship is strongly significant for a large group like Nordics it is possible that general results are just driven by the Nordic population since this is a large immigrant population in Sweden. Results across different countries show that citizenship acquisition appears to have a far greater impact for some groups as compared to others (Figure 9.2). Immigrants from Nordic countries, European countries outside the European Union, and immigrants from the Middle East and East Asia are all far more likely to vote if they have citizenship. What this suggests is that citizenship is far more important to participation for some groups than others. However at the same time, it should be recognised that roughly two-thirds of all immigrants come from these four regions.

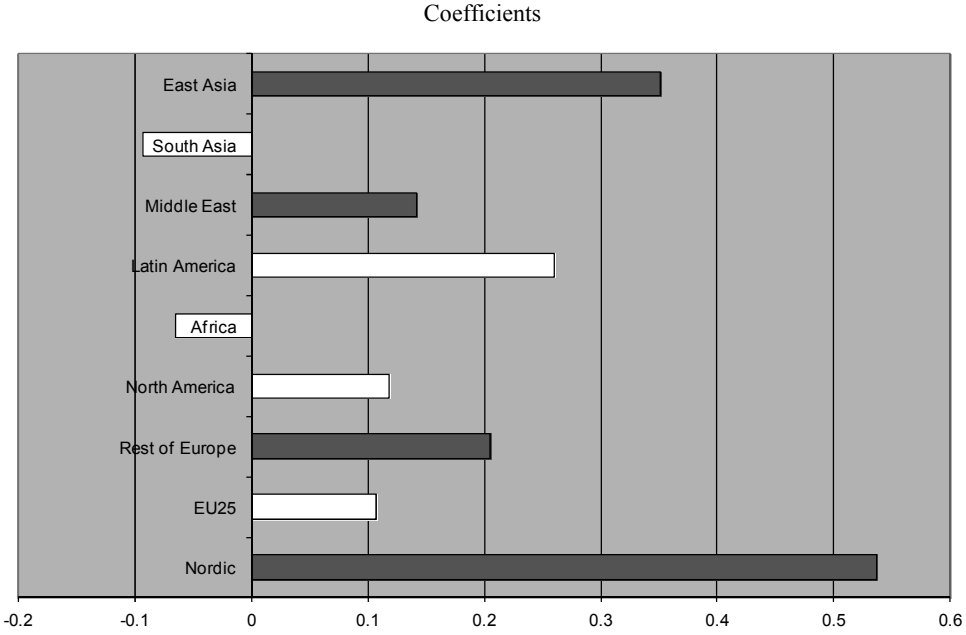
Figure 9.1. Influence of country of birth and citizenship on voter participation: results from instrumented regression controlling for demographic and social-economic characteristics



Note: Filled in bars are significant at 0.05.

Source: Bevelander and Pendakur (2010).

Figure 9.2. Impact of citizenship on voter participation: results from nine separate instrumented regressions (by geographical area)



Note: Filled in bars are significant at 0.05.

Source: Bevelander and Pendakur (2010).

9.5. Conclusions

This review of the consequences of naturalisation, with a specific focus on various dimensions of the social inclusion of immigrants found that, the socio-economic effects of naturalisation have been studied to some degree by, for example, Bevelander and DeVoretz (2008), who looked at several countries in both Europe and North-America, Mazzolari (2007) who focused on the United States, Steinhardt (2008) on Germany and Bratsberg, Ragan and Nasir (2002) on the United States. All these scholars have indicated that "naturalisation" has had positive effects on the employment situation and income levels of immigrants (OECD, 2010).

As for the extent to which naturalisation has consequences in other areas like political participation and more specific voting behaviour, very little is known. Research has mainly focused on migrant voting patterns rather than how they are affected by naturalisation. Bevelander and Pendakur (2010) are an exception, however, and have found that in Sweden citizenship acquisition is a prominent factor that explains how immigrants vote. In general, immigrants who naturalised were far more likely to vote than those who did not. They viewed voting as a "soft" measure of social inclusion that was related to a willingness to participate and to a sense of belonging.

Their analysis included a number of "hard" measures of social inclusion like housing, education and income. It was found that in most cases, immigrants who rented their homes were less likely to vote than immigrants who owned them. Being in one of the top income quintiles increased the voting probability, although immigrants in the bottom three-fifths of the income bracket tended to have a similar voting probability.

Soft indictors of social inclusion include having a Swedish spouse and the impact of citizenship acquisition. Both these variables were found to have a significant impact on the voting probability. Indeed, the impact of citizenship acquisition is significant enough to largely wipe out the effect of years in the country. In other words, citizenship as integration and inclusion, rather than the more traditional "time in the country", results in immigrants being motivated to vote. It is possible that citizenship offers people an opportunity to realise that they do have a stake in what is happening politically in the host country.

Like voting, citizenship acquisition is a symbolic act. It can be viewed as a measure of inclusion and belonging because it reflects an immigrant's willingness to be part of and take part in the host society. The cost of not taking up citizenship, especially in Sweden, is low. In spite of this, it would appear that citizenship has a tangible and significant impact on people's willingness to participate in the electoral process. Öhrvall (2006) contended that one possible reason for the lower voter participation rates of non-citizens in Sweden could be ineligibility to vote in national elections, despite municipal and provincial elections being held on the same day.

Many EU and OECD countries have witnessed a "hardening" of the rules pertaining to naturalisation. This is manifested in the introduction of more extensive citizenship tests, with questions about cultural and social integration and a more thorough language testing. However, as yet very little is known about the impact of these tests on the integration of newcomers. Using survey data for the Netherlands, Bevelander and Veenman (2008) test if integration courses have an effect on the probability to become a citizen. They found no effect however.

By way of conclusion, much more research is both necessary and recommended in a number of areas relating to social inclusion. Although research into socio-economic integration has begun, it is still in its early stages. Especially with the use of longitudinal data, the effect of naturalisation would be more effectively measured without the influence of other correlated factors of integration. When it comes to naturalisation and the effects on political integration and social/cultural integration, research has barely scratched the surface. As the availability of longitudinal data in these integration areas is very difficult to obtain, the instrumental variable (IV) method used in Bevelander and Pendakur 2010 could be a viable alternative when studying naturalisation effects with cross-sectional data.

Note

1. In many European countries (*e.g.* the Netherlands and Sweden) non-EU inhabitants are entitled to vote and seek office in municipal elections.

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Annex 9.A1. Regression results on voting for Swedish residents

	Variable	Comparison		Coefficient	S.E.	Sig
Observations				70 871		
Prob>F				0		
R2				0.15		
Contextual variables			Log of city population	-0.02	0.01	**
			Log of immigrant pop.	0.02	0.01	***
			City employment rate	0.10	0.04	**
			% of minorities on council	0.00	0.00	
Demographic characteristics	Sex	(females)	Male	-0.04	0.00	***
	Age	(18-24)	25-34	-0.04	0.01	***
			35-44	-0.04	0.01	***
			45-54	-0.01	0.01	
			55-64	0.03	0.01	***
			65+	0.07	0.01	***
Socio-economic characteristics	Marital Status	(single)	Married	0.01	0.01	
			Separated/divorced	-0.01	0.01	*
			Widowed	0.01	0.01	
	Background of spouse	(not Swedish)	Partner is Swedish	0.07	0.01	***
	Presence of children	(no children)	With children	0.03	0.00	***
	Schooling		Lower secondary	0.05	0.01	***
			Upper secondary	0.06	0.01	***
			Lower university	0.13	0.01	***
			Upper university	0.14	0.01	***
			Last level outside Sweden	-0.03	0.01	*
			Lower secondary	-0.01	0.02	
			Upper secondary	0.02	0.02	
			Lower university	0.00	0.02	
			Upper university	0.02	0.02	
	Housing tenure	(own house)	Own apartment	-0.03	0.00	***
			Rent	-0.06	0.00	***
	Income quintile	(no income)	Quintile 1	0.04	0.01	***
			Quintile 2	0.07	0.01	***
			Quintile 3	0.11	0.01	***
			Quintile 4	0.14	0.01	***
			Quintile 5	0.15	0.01	***
Immigrant status	Country of birth	(Sweden, two Swedish parents)	Nordic	-0.15	0.02	***
			EU 25	-0.16	0.02	***
			Rest of Europe	-0.22	0.02	***
			N. America	-0.17	0.02	***
			Latin Amer.	-0.11	0.03	***
			Africa	-0.08	0.02	***
			Middle East	-0.13	0.02	***
			S. Asia	-0.21	0.02	***
			E. Asia	-0.12	0.03	***
			Sweden (two imm. parents)	-0.08	0.01	***
			Sweden (one imm. parent)	-0.03	0.01	***
	Citizenship	(not Swedish)	Citizen	0.25	0.01	***
			Years since arrival	0.00	0.00	***

*/**/***: significant at the 10%/5%/1% level, respectively.

Source: Bevelander and Pendakur (2010).

Chapter 10.
Integration and Access to Nationality in EU Member Countries

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This chapter summarises the findings of a recent study on integration measures and/or requirements imposed on non-EU nationals in member countries of the European Union. The main focus is on rules in national legislation that require non-EU nationals to demonstrate knowledge of the host-country language and/or knowledge about the host society, including its history, institutions or values.

Introduction

The integration of non-EU nationals residing legally in the member countries is a highly complex area of endeavour insofar as it spans huge swaths of government action – education, health care, employment and housing – and mobilises a considerable number of diverse public- and private-sector players. This being the case, jurisdiction over the integration of non-EU nationals in member countries of the European Union lies primarily with the member countries. Indeed, and for lack of extended authority over the decisive areas of integration – such as access to employment and public health policy – the European Union's powers in this realm are limited. Moreover, this is clearly emphasised in Article 79, paragraph 4 of the Treaty on the Functioning of the European Union, which states that "[t]he European Parliament and the Council [...] may establish measures to provide incentives and support for the action of member countries with a view to promoting the integration of non-EU nationals residing legally in their territories, excluding any harmonisation of the laws and regulations of the member countries". In other words, the European Union's action may lend support to the actions of member countries, but neither the purpose nor the effect of that support must be to harmonise the legislation of those States.

Despite this fundamental limitation, the integration issue is not escaping greater consideration at the European Union level. Two developments are prompting this to happen. The first of them stems from a pooling of migratory policies by the member countries. Since the Amsterdam Treaty entered into force, the European Union has in fact possessed the authority to intervene in the realm of immigration and asylum. In this capacity, it has been invited to formulate rules that could have a more or less direct impact on the integration of non-EU nationals, as is the case, for example, with respect to family reunification and conditions for access to employment by certain categories of non-EU nationals. In addition, there is a tendency in European Union member countries to establish links between integration policy and immigration policy. In other words, some member countries require non-EU nationals to prove their integration into the host society in order to obtain and/or renew their residence permits. As a result, the linkage between integration and immigration against the background of a pooling of migratory policies has elevated the integration issue to a European plane.

Against this backdrop, the Migration Asylum Multiculturalism (MAM) Centre and the Institute of European Studies of the Free University of Brussels have launched a study of the existence and development of integration measures and/or requirements imposed on non-EU nationals in European Union member countries. The study seeks to identify rules in national legislation that require non-EU nationals to demonstrate knowledge of the host-country language and/or knowledge about the host society, including its history, institutions or values. The study currently covers 23 member countries and is expected to cover 25, plus Norway, at the time of its publication (Spring 2011). Concretely, the study focuses on the four stages of the migratory process during which member countries may require non-EU nationals to demonstrate that they have sufficient knowledge of the host-country language or society. Compulsory integration measures and/or requirements may be imposed in the country of origin, upon arrival in the host country, for the issuance of a permanent or long-term residence permit, or when obtaining citizenship.

With regard to access to citizenship, and more specifically naturalisation, the study's preliminary findings show that a substantial proportion of member countries require applicants for citizenship to demonstrate that they are integrated (Section 10.1). In all of

the States concerned, proof of integration is based on sufficient command of the host-country language (Section 10.2). Only some countries require applicants to prove that they have sufficient knowledge of the host society (Section 10.3). While the number of EU member countries imposing integration requirements is substantial and shows broad convergence, the rules applicable in the respective member countries reveal great diversity. This raises the question of their co-ordination at European level (Section 10.4).

10.1. Quantitative approach

The study's preliminary findings show that 18 EU member countries and Norway (shown in dark shading on the map below) ask persons applying for naturalisation to demonstrate that they are integrated into the host society on the basis of evidence or a test of language proficiency and, in some cases, knowledge of the host society. This represents roughly three-quarters of the countries covered by the study.

On the other hand, five member EU countries (shown in lighter shading on the map below) – Ireland, Belgium, Sweden, Poland and Italy – impose no such requirement. The positions of these EU member countries should be qualified, however, insofar as they could still introduce integration requirements for the acquisition of citizenship, as is shown by the case of Belgium, where, before the government fell in April 2010, a bill had been introduced to restore a language requirement to the naturalisation procedure. In Sweden and Italy, the introduction of similar measures has sparked considerable debate (Figure 10.1).

Figure 10.1. Integration testing for naturalisation in EU countries

10.2. Knowledge of the language

All countries that impose integration requirements as a prerequisite for citizenship oblige applicants to prove that they have sufficient knowledge of the host-country language. While some member countries have a long history of doing so (Greece, Denmark and the Netherlands, for example), others have introduced this requirement more recently (such as the United Kingdom and Norway, which have had such rules since 2005) or when gaining independence after the fall of the Soviet Union (Estonia and Latvia for example). Yet the fairly widespread existence of requirements does not mean that assessment methods or the required proficiency levels are identical in all States.

Assessment methods

Methods for assessing or checking the level of language proficiency take two different overall forms.

First, some EU member countries do not conduct formal tests but require applicants for naturalisation to provide proof that they possess a sufficient level of language ability. Such proof may be provided in two ways: either the applicant produces an official diploma certifying that he or she has the level of language proficiency required for obtaining citizenship (as in Germany and Austria) or the applicant provides proof of having taken and passed language tests required over the course of his or her integration process. For example, the Netherlands in 2007 introduced an integration test for persons applying for permanent residence permits. When applying for naturalisation, applicants must produce certificates indicating that they successfully passed the integration test. In another vein, Norway requires applicants for naturalisation to have completed the compulsory language course available to them after their arrival in the country, or to provide documentary evidence of proficiency in the host-country language.

Second, some member countries hold formal tests to assess the level of language ability. Among them, three groups can be distinguished. The first group comprises member countries that assess language ability on the basis of an interview (France, Czech Republic and Spain). A second group is comprised by member countries that conduct written evaluations of language ability. This evaluation is required when an applicant for naturalisation has not produced a certificate attesting that they possess the desired level of fluency (Bulgaria and Portugal). The United Kingdom, although it uses a different system, may be classified in this category insofar as applicants for British citizenship must, if they deem their language ability sufficient, take a written test or, if they deem that their language ability is not sufficient, they must take courses first and then take a written test. Lastly, the third category comprises seven member countries that assess language ability on the basis of both a written and an oral test. Here, the applicable procedures are fairly diversified, even if elements of convergence can sometimes be found with regard to one point or another.

Both these forms of evaluation are generally subject to adaptations. In EU member countries of the first category, for example, migrants who have not previously taken any language test during their stay in the host country may be invited to do so when they apply for naturalisation. Similarly, in member countries that administer tests, persons able to produce a certificate attesting to sufficient proficiency in the language may be exempted from the testing requirement. On the whole, the national rules applicable in the member countries diverge substantially. Consequently, requirements may be slight, as is the case in practice for certain member countries that evaluate language ability on the

basis of an interview, or far more demanding when candidates for citizenship must demonstrate adequate language ability both orally and in writing.

Level of language

The required level of language is another element of assessment in the comparison of national systems. Here, the exercise is facilitated by the fact that the vast majority of member countries concerned make use of the "Common European Framework of Reference for Languages", established by the Council of Europe. The Common European Framework is an instrument that defines the steps in language learning and sets forth the elements to be learned throughout the process. It comprises three levels – A, B and C – corresponding to various degrees of language ability. Level A corresponds to a basic speaker, Level B to an independent speaker and Level C to a proficient speaker. Each level is further divided into two sub-levels, with, for example, Levels A1 and A2.

The study's preliminary findings show that language proficiency requirements range from Level A2 to Level B2. While only one EU member country requires Level B2, the majority require language proficiency at Level A2 to obtain citizenship. Even so, this approach needs a caveat – first, because some member countries do not use the Common European Framework as a reference and it is therefore necessary to deduce the required level from the applicable rules, and analyses may diverge; and second, because some member countries are planning to amend their legislation in order to raise the required language proficiency level. This being the case, and pending a subsequent expansion of the study of national provisions, the average level of language proficiency required in connection with naturalisation procedures could shift from Level A2 to Level B1, if it has not already done so.

Lastly, it should be stressed that language proficiency is an issue that cannot be fully understood and put in perspective without factoring in the language training options made available by the member countries. In this area, the measures taken by the member countries exhibit substantial divergence, from whether or not language training is available at all, to ease of access, and in particular whether it is available nationwide, to its duration and price. A very wide variety of options are available. If they do not enable all non-EU nationals to be in comparable positions irrespective of the EU member country in which they have resided and applied for naturalisation, it would seem difficult to formulate common approaches.

10.3. Knowledge of the host society

Of the 18 EU member countries that impose language requirements, only five – Bulgaria, Finland, the Czech Republic, Portugal and Slovenia – do not require applicants for citizenship to prove their knowledge of the host society. Thus, 13 EU member countries plus Norway do impose such a requirement.

The knowledge required in this area is broad and diversified. It can be put into five categories: history; political institutions; host-country values; European Union values; and other types of required knowledge.

The preliminary study shows that all of these member countries require non-EU nationals to prove their knowledge of political institutions. This requirement and its widespread use in national systems stem from the idea that once people obtain citizenship they become active citizens and are able to participate fully in the public life of the EU

member country. Sufficient knowledge of the institutions and how they work can therefore be considered an important aspect of the process. However, the knowledge required varies considerably from one EU member country to another and can be very general or highly specific.

An identical comment could be formulated with respect to member countries that require applicants for citizenship to possess knowledge of host-country history. For the ten member countries identified, the required level of knowledge could be described as either elementary or, on the contrary, highly detailed. Regarding the latter scenario, one might well question the capacity of native-born citizens to reply correctly to the questions asked.

Adherence to host-country values constitutes the third requirement of the naturalisation procedure in nine member countries. Here, a common approach would appear even more difficult to formulate insofar as all of the member countries do not always attach equal priority to the same values. Nevertheless, respect for fundamental rights constitutes a value shared by all of the member countries, with which applicants for citizenship are required to be familiar. As for European Union values, only two member countries (France and the United Kingdom) cited them explicitly. Lastly, other types of knowledge cover a large variety of areas that it would seem almost impossible to put into specific categories.

In three member countries, assessment of knowledge of the host society is not based on a test *per se*, while in the others, assessment is made on the basis of an interview or a written test. It is interesting to note that among the member countries that use a written test, eight do so in the form of multiple-choice questionnaires. This is a simple and fast method for evaluating required knowledge of the host society. Nevertheless, the convergence is only on the surface, insofar as the rules may diverge and make the tests more or less difficult. For instance, the difficulty of the test will depend on the number of questions asked, the number of required correct answers, the time allowed, whether or not there is access to the questions asked, and lastly, the price of the test. Once again, it is not certain that any points of convergence emerge apart from the form of the test.

Despite everything, the trend towards requiring applicants for citizenship to possess knowledge of the host country's institutions, history and values is a relatively recent one, and it would not be surprising if this were to spread to all of the member countries.

10.4. National diversity and European co-ordination

This brief summary of preliminary findings in respect of integration requirements in the procedure for acquiring citizenship shows that in the vast majority of member countries persons applying for naturalisation are required to possess adequate proficiency in the host-country language. A smaller proportion of member countries supplement this language requirement with the obligation to demonstrate knowledge of the host society. While this makes it possible to establish categories of member countries and the requirements they impose, the study nevertheless shows that the rules applicable on a national level show substantial differences and offer a large variety of possible solutions.

The differences between national legislations and practices produce two main effects. First, the requirements for a obtaining citizenship are not identical from one EU Member country to another. For example, the legislation and practice of one EU member country may be fairly liberal while a neighbouring state has adopted fairly strict rules. From this

standpoint, applicants for citizenship are not put on an equal footing. Furthermore, it may seem useful or even necessary to formulate common approaches between member countries of the European Union – a task that from the outset would appear difficult because of the context surrounding it.

It follows clearly from Article 20, paragraph 1 of the Treaty on the Functioning of the European Union[1] that European citizenship is based on citizenship of the member countries. The Union therefore has no authority to stipulate who is a European citizen, that status deriving solely and automatically from status as a citizen of a EU member country. Moreover, the heads of state and government further stipulated in 1992, when the Maastricht Treaty was adopted, that "[t]he provisions, of Part Two of the Treaty establishing the European Community relating to citizenship of the Union give nationals of the member countries additional rights and protection as specified in that Part. They do not in any way take the place of national citizenship. The question whether an individual possesses the nationality of a EU member country will be settled solely by reference to the national law of the EU member country concerned" (*Official Journal of the European Community,* 1992, C 348, p. 1.). Subsequently, however, the European Council, in the conclusions it adopted at the 1999 Tampere Summit specially devoted to launching an area of freedom, security and justice, endorsed "the objective that long-term legally resident third country nationals be offered the opportunity to obtain the nationality of the EU member country in which they are resident". While this document containing a general reference to *jus soli* remains highly prudent,[2] it nevertheless crystallises a political commitment of the European Union regarding citizenship, over which the member countries nevertheless exercise sole jurisdiction. Even so, no implementing measure has been taken to date at the European level, due to the fact that this is an area traditionally considered a sovereign prerogative of the member countries.

A recent judgement of the Court of Justice handed down on 2 March 2010 in the Rottmann case (Case C-135/08) calls this traditional concept into question. The issue that the Court had been asked to settle was whether or not Germany violated Community law by stripping Janko Rottmann of his German citizenship on grounds of fraud, leaving Mr. Rottman, who had lost his Austrian citizenship when he became German, stateless. The Court ruled that "[i]t is not contrary to European Union law [...] for a Eu member country to withdraw from a citizen of the Union the nationality of that country acquired by naturalisation when that nationality was obtained by deception, on condition that the decision to withdraw observes the principle of proportionality".

The Rottmann ruling is already considered an important one, which can be expected to set a precedent. Its importance, however, stems less from the Court's response – proportionality is in fact a well-known principle in international law regarding nationality – than from the fact that the court confirmed that nationality was in fact within the scope of European law, without, however, falling under the jurisdiction of the European Union. The Court therefore placed the member countries' nationality laws under its control on the basis of general principles of European law. This can be seen as the beginning of a limitation of the diversity of the member countries' domestic laws by case law. This raises the question of whether matters should be taken further, through some degree of alignment of the member countries' nationality laws.

There is no lack of arguments in support of such a solution. For example, is it possible that the liberal policy of a EU member country that grants its own citizenship generously to non-EU nationals will have no consequences for the other member countries, in view of the fact that the persons involved acquire the right to move and

reside freely in those other States as an attribute of their European citizenship? Conversely, the restrictive nature of some national rules – with regard to language proficiency or knowledge of the host society, for example – can constitute an obstacle to citizenship, and therefore to access to European citizenship and the rights and opportunities for integration inherent in that status.

The answer to this question is still highly political, however, despite the incoherency of a system that claims to construct European citizenship on the basis of the member countries' domestic nationality laws, which remain highly diversified, conferring citizenship on grounds that are surprisingly variable, if not incongruous from a theoretical standpoint. The fact remains, however, that the still cling to their sole jurisdiction over nationality issues and are not prepared to surrender new prerogatives in this area that would give the European Union one more characteristic feature of a European federal state. While European harmonisation of the member countries' nationality legislation appears improbable, it might well be asked whether a practical alternative might be to head towards a certain co-ordination of nationality policy without really impinging on the issue of sovereignty in this sensitive area. The idea here would be for the member countries to agree on a number of policy objectives, and to implement those objectives on the national level, consenting perhaps to subsequent peer reviews on the basis of periodical reports examined at the European level. The future will tell whether – and if so, how – the European Union will seek to lend more coherency to its member countries' rules on the acquisition of nationality and European citizenship.

Notes

1. Which reads as follows: "Citizenship of the Union is hereby established. Every person holding the nationality of a EU member country shall be a citizen of the Union. Citizenship of the Union shall be additional to and not replace national citizenship."
2. The possibility – and not the right – to obtain citizenship on the basis of a lengthy period of legal residence did in fact already exist at the time in most of the member countries.

Chapter 11.
Naturalisation and the Promotion of the Social Integration of Immigrants in Quebec

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This chapter highlights the links between naturalisation and immigrants' social integration, on the basis of the experience in the Canadian province of Quebec. Immigration policies in Canada are aimed at permanent settlement. Access to naturalisation is viewed as the natural consequence of granting the right of permanent residence. The high level of naturalisation of immigrants is seen as an indicator of integration.

Introduction

What is the current state of knowledge, in Quebec and Canada, about the influence of naturalisation on the social integration of immigrants?

The literature review that we conducted in order to answer this question led us to make a discovery, namely, that there was nothing there to be discovered!

The fact is that in Quebec and elsewhere in Canada, this issue does not seem to have interested researchers, at least in the terms in which it is framed here. We were unable to identify any research that had shown a relationship or any causal links whatsoever between access to naturalisation and the process of the social integration of immigrants. And it is the immigration policies themselves – both those of Quebec and Canada – and the aims of these policies that are responsible for this lack of research on this issue.

11.1. Immigration policies aimed at permanent settlement

It should be pointed out that, traditionally, Canada has practised what is known as "settlement" immigration. What is more, Article 95 of the Canadian Constitution makes both immigration and agriculture responsibilities that are shared between the Federal Parliament and the provincial legislatures. This is because immigration was originally viewed as a means of settling people on the land and in particular of developing vast tracts of farmland.

As a result, the immigration policies both of Quebec and Canada have been crafted with a view to ensuring the permanent settlement of immigrants. They are still broadly geared to this objective and are aimed at enabling newly arriving immigrants to put down roots in local communities. This explains why access to naturalisation is viewed as being the natural consequence of granting the right of permanent residence.

The Government of Quebec's 1990 policy statement on immigration and integration is characteristic of this approach, as is shown by the following passage:

"As the basis for its selection practices, Quebec confirms its attachment to five fundamental principles, which reflect the consensus of its people:

1. Quebec's selection is aimed the permanent settlement of immigrants in Quebec.
2. Quebec's selection is universal in scope and non-discriminatory with respect to race, colour, ethnic and national origin, religion and gender.
3. Quebec's selection of independent applicants is based on the evaluation of their chances of settling successfully in Quebec.
4. Quebec's selection promotes family reunification.
5. Quebec's selection reflects Quebec's humanitarian tradition and is aimed at admitting people in distress".

It is significant that the first of these principles highlights the fact that Quebec's selection is aimed at the permanent settlement of immigrants in Quebec, and that the third principle bases Quebec's selection of independent applicants on the evaluation of their chances of settling successfully in Quebec

In short, unlike in Europe, where immigrants are considered to be foreigners as long as they have not been naturalised, in Canada, immigrants are viewed from the start as future citizens.

11.2. The right of permanent residence and citizenship

In Canada, and particularly in Quebec, immigrants can have access to "permanent resident" status:

- If they are selected as economic immigrants (skilled workers, business persons), or
- If they enter as refugees after having been selected abroad or recognised as such in Canada (asylum seekers), or
- If they have been sponsored as a family member by a permanent resident or citizen under the Family Class programme,

…and if they settle in Canada.

In addition, this status is not only granted to the primary applicant, but also to the accompanying members of his/her immediate family (spouse and children who are minors or still in school).

This status bestows benefits that are very similar to those enjoyed by Canadian citizen, such as:

- The right to work;
- The right to circulate freely throughout the country;
- Access to social, health and education services;
- Protection of the Charter of Rights and Freedoms;
- The right to sponsor the immigration of family members still living abroad.

In addition, in a relatively short period of time, immigrants with permanent resident status can gain access to citizenship status, which is equivalent to naturalisation in Canada. By becoming citizens, permanent residents become Canadian. This access to citizenship is relatively easy and is encouraged by government policies.

The general conditions required to obtain Canadian citizenship are as follows. Applicants must:

- Have valid and uncontested permanent resident status (they must not be subject to a removal order);
- Have lived (have been physically present) in the country for at least three of the four years preceding the application;
- Know enough English or French to understand other people and be understood by them;
- Understand the rights and responsibilities of citizenship;
- Pass an examination showing their knowledge of Canada (history, geography, political system, legal system, economy);
- Swear an oath to the Queen.

Citizenship is also granted automatically to all children born in Canada, regardless of the parents' status (*jus soli*).

Citizenship brings the following benefits:

- Those associated with permanent resident status; and
- The right to vote;
- The right to be elected (eligibility);
- Greater mobility, *i.e.* the right to hold a Canadian passport, and the permanent right to enter and reside in Canada (and also to live abroad without losing citizenship);
- Access to consular services;
- A guarantee against expulsion;
- "Intangible" benefits, such as the prestige associated with having the status of Canadian citizen and holding a Canadian passport.

11.3. Access to citizenship: an indicator of integration?

Although there is no research that establishes a correlation between access to citizenship (naturalisation) and the level of social integration of immigrants, we can nevertheless posit the assumption that the high level of naturalisation of immigrants in Canada is in itself an indicator of integration.

For example, in 2006 more than 85% of immigrants in Canada had acquired citizenship. In comparison, this rate was approximately 75% in Australia, 56% in the United Kingdom and 40% in the United States. However, it is important to point out that method of calculating these rates varies across countries and that the data are not entirely comparable, but these figures are nevertheless good indicators of the general trends.

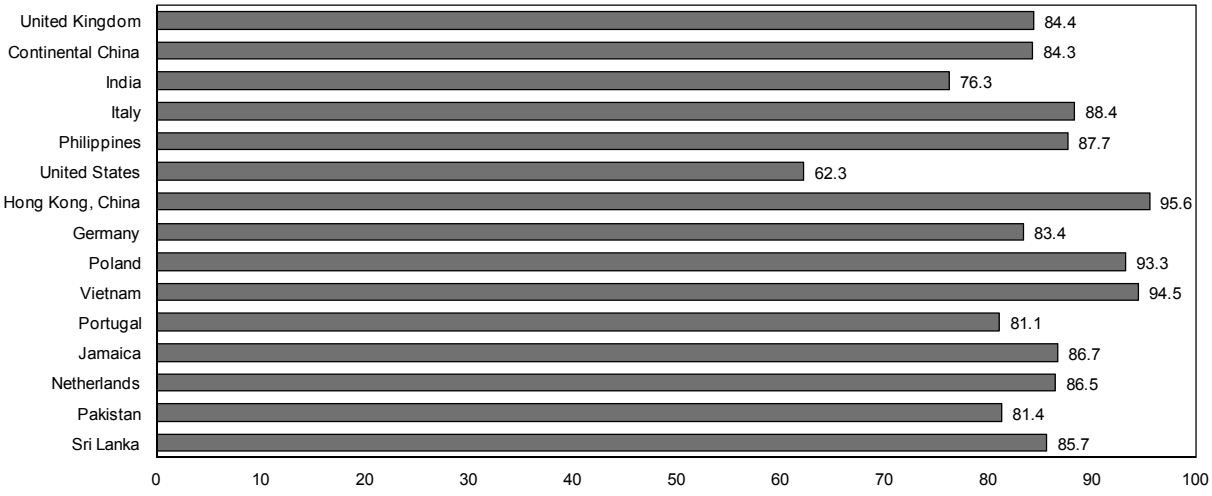
In addition, immigrants have rapid access to citizenship in Canada. For example, again in 2006, nearly half (47.6%) of the immigrants who had only resided between four and five years in Canada had become citizens. This rate was over 84% for immigrants who had lived in Canada for over five years and nearly 90% for immigrants who had lived there for 25 years or more.

Figures 11.1 and 11.2 show, for Canada and Quebec respectively, the percentage of immigrants who had acquired Canadian citizenship in 2006 by the 15 main countries of birth of these immigrants.

The observable trends are the same in Quebec and for Canada as a whole. However, there are differences in the lists of the 15 main countries of birth due to the fact that that composition of migration flows to Quebec is somewhat different from those to the rest of Canada.

It can be seen that there is a high rate of acquisition of citizenship among immigrants from Hong Kong, China and Lebanon, of which more will be said later.

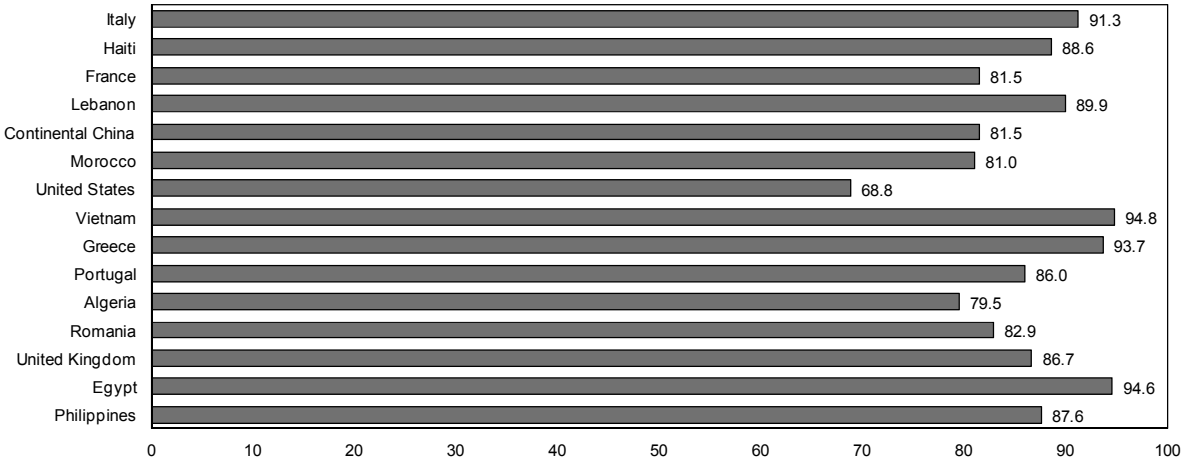
Figure 11.1. Percentage of naturalised Canadian citizens among immigrants residing in Canada in 2006[1] by country of birth (15 main countries)



1. Admitted before 2003.

Source: Statistics Canada, 2006 census.

Figure 11.2. Percentage of naturalised Canadian citizens among immigrants residing in Quebec in 2006[1] by country of birth (15 main countries)



1. Admitted before 2003.

Source: Statistics Canada, 2006 census.

11.4. Social participation

Even though they have not focused specifically on the relationship between naturalisation and integration, some research studies have been carried out on the social participation of immigrants and in particular of those immigrants who have become citizens.

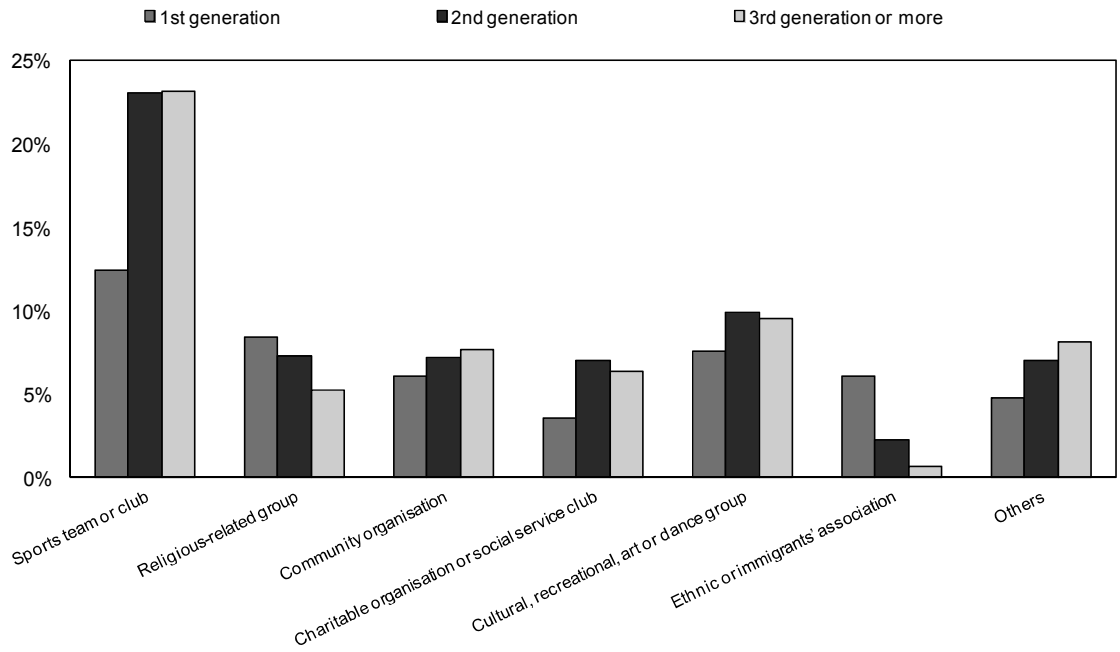
The Ethnic Diversity Survey is no doubt the most interesting of these. It was carried out between April and August 2002 on the basis of a representative sample of 42 500 persons drawn from the 20% of the total Canadian population that had answered the long questionnaire of the census conducted in Canada in 2001.

The respondents had to meet the following criteria: to be aged 15 or over, not to have declared that they are native-born and not to live in a remote area. The interviews lasted 35 to 40 minutes and were conducted in French, English or one of the seven other languages most widely spoken among Canada's population.

The questions asked concerned the interviewees' ethnic ancestry, whether single or multiple, their feeling of ethnicity and their involvement with their heritage (customs and values), their social and political participation in Canadian society and any feeling of exclusion (discrimination felt).

The replies could be cross-tabulated with census data on generational status (first, second or third generation or more), on the length of residence (for the first generation) and on visible minority status. Figures 11.3, 11.4, 11.5 and 11.6 show various data drawn from this study.

Figure 11.3. Rate of social participation of the population in various types of organisations by generation

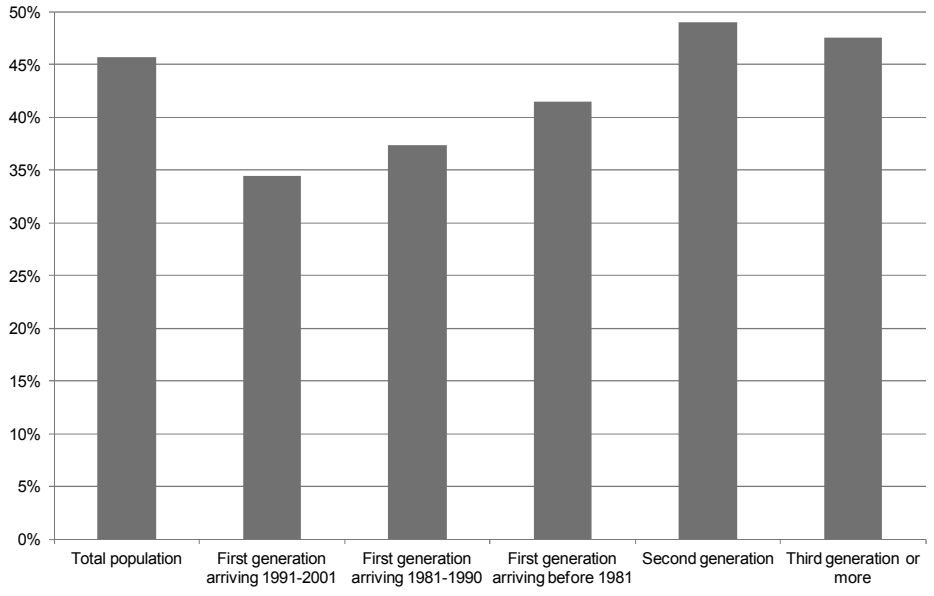


Source: Statistics Canada, Ethnic Diversity Survey, 2002.

It can be seen in Figure 11.3 that the rate of participation in different types of organisations increases with the length of settlement in Canada. It should also be pointed out that, even for the first generation, immigrants' participation in ethnic or immigrants' associations is lower than their participation in other organisations.

Figure 11.4 shows the data on social participation in a more aggregate form. The trend towards higher participation depending on the length of residence or the generation is clearer in this figure. Nevertheless, it can be seen that the rate of social participation is slightly lower for the third generation than for the second generation.

Figure 11.4. Rate of social participation of the population by generation and length of residence



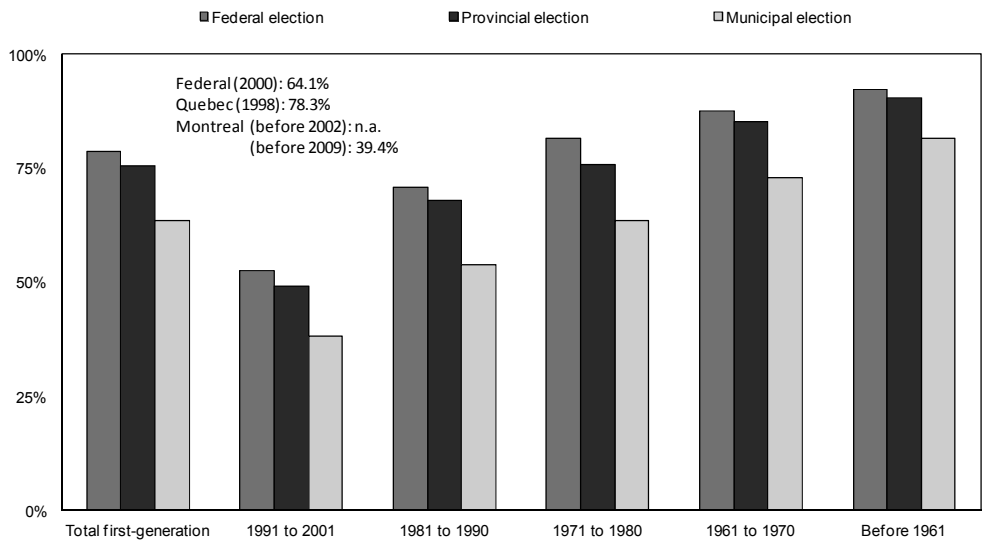
Source: Statistics Canada, Ethnic Diversity Survey, 2002.

Figure 11.5 shows the voter participation rate of naturalised immigrants (citizens) by length of residence. It should be borne in mind that only immigrants with citizenship status may exercise the right to vote.

Once again, it can be seen that the participation rate rises depending on how long the person has been settled in Canada.

The data presented concerns the most recent elections held before the survey was conducted. Thus, the most recent federal election had taken place in 2000, while the survey was conducted in 2002. Now, the general rate of participation in the federal election of 2000 had been 64.1%. The data presented regarding the voter participation rate of naturalised immigrants therefore gives the impression that the rate is higher for this group than for the population as a whole. It must nevertheless be borne in mind that these data represent the replies of the persons queried and that some of the respondents may have "embellished" the truth.

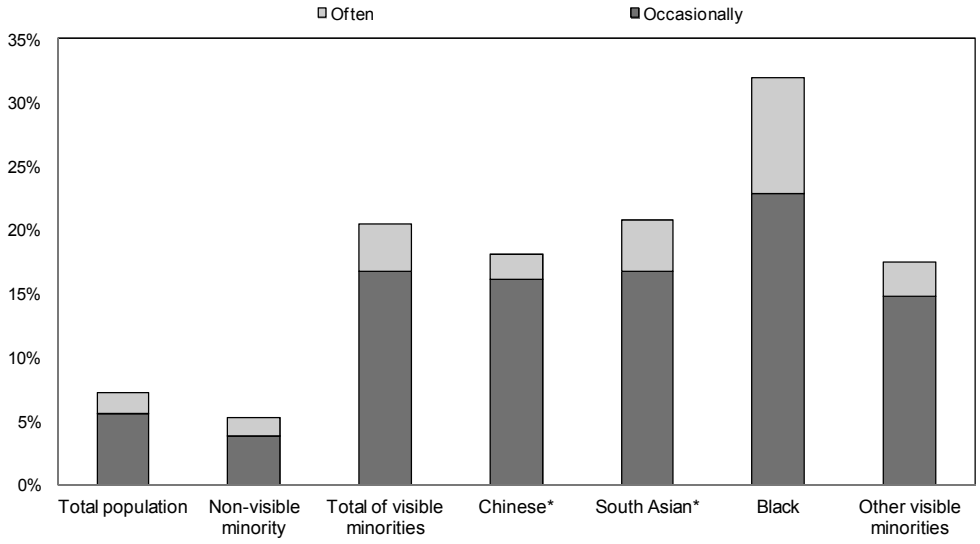
Figure 11.5. Rate of voter participation of naturalised immigrants by length of residence



Source: Statistics Canada, Ethnic Diversity Survey, 2002.

Figure 11.6 shows the data on the feeling of having been discriminated against or treated unfairly. It can be seen that in comparison with the population as a whole, the people belonging to visible minorities have reported, in a clearly higher proportion, negative experiences in this regard.

Figure 11.6. Feeling of having been discriminated against or treated unfairly during the previous five years for total population and non-visible and visible minorities



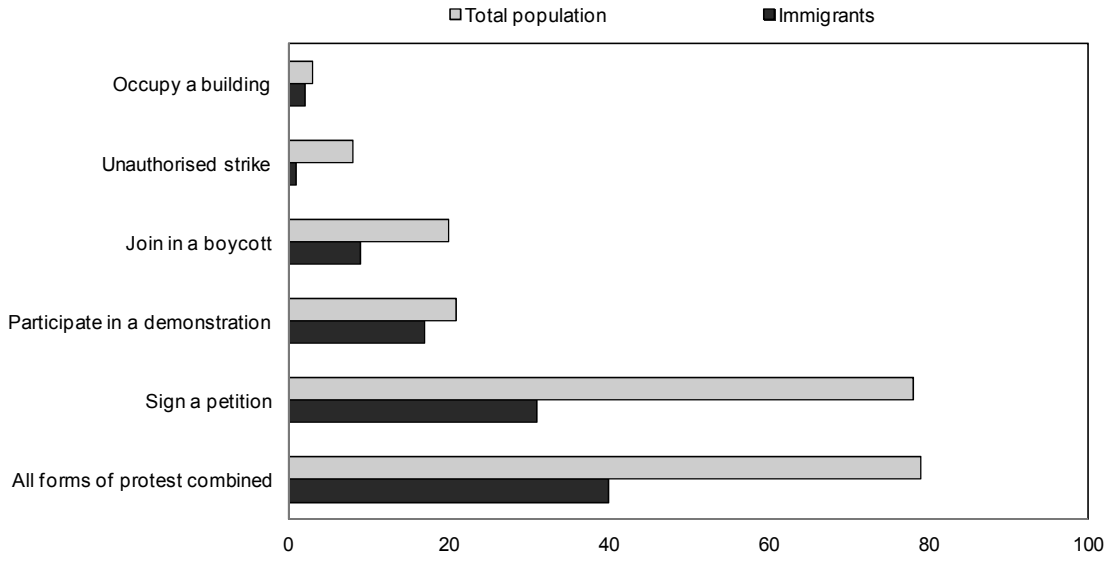
Note: * Data to be used with caution.

Source: Statistics Canada, Ethnic Diversity Survey, 2002.

Figures 11.7 and 11.8 concern participation in certain protest activities in Canada. They show data drawn from the 2000 World Values Survey, cited by Antoine Bilodeau and reconfigured for the purposes of graphic presentation.

Figure 11.7 shows that the participation of immigrants in various protest activities is significantly lower than for the population as a whole.

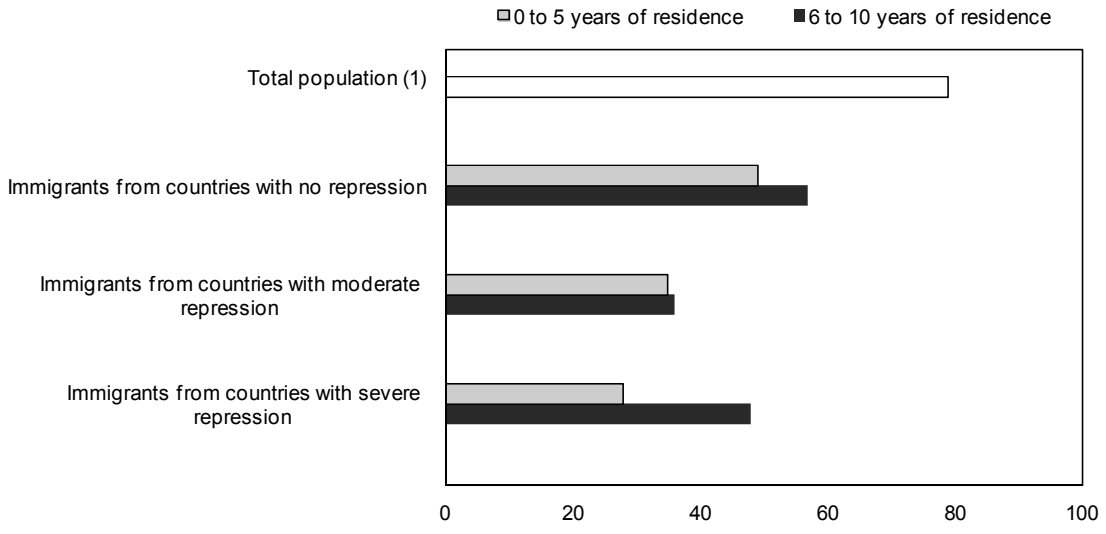
Figure 11.7. Rate of participation[1] of immigrants[2] and of the total population in certain protest activities in Canada



1. At least once.
2. Immigrants legally in Canada for ten years or less.

Source: 2000 World Values Survey, data cited by Antoine Bilodeau (2010) and reconfigured for this figure.

Figure 11.8. Rate of participation of the total population and immigrants in certain protest activities by length of residence and estimated degree of repression in the country of origin



1. The length of residence does not apply to the total population.

Source: 2000 World Values Survey, data cited by Antoine Bilodeau (2010) and reconfigured for this figure.

Figure 11.8 shows that immigrants' rate of participation in these protest activities increases slightly when the length of residence is longer. Similarly, it can be observed that immigrants from countries that do not engage in repression have a higher participation rate than those from countries in which the level of repression is moderate or severe.

11.5. Conclusion: a paradox

Access to citizenship as a factor hindering integration?

The preservation of permanent resident status and citizenship status is subject to certain conditions.

For example, immigrants lose their permanent resident status in Canada:

- If they live outside the country for more than 730 days (2 years) over a five-year period, or
- If they are found guilty of a serious crime followed by an "invitation to leave the country" (*sic*).

Canadian citizens who are naturalised immigrants lose their citizenship:

- If they formally renounce it under the conditions provided for by law, or
- If they obtained it fraudulently or previously obtained permanent resident status fraudulently.

It can be seen that the major difference between the conditions for preserving these two types of status is the need for a minimum length of stay, which is required for permanent residents but not for citizens.

The possibility for immigrants who have become citizens to live abroad for a long time and even to resettle in their country of origin without losing their citizenship status is the main additional advantage of this status in comparison with the advantages of permanent resident status.

This characteristic of Canadian citizenship can lead nationals of regions of the world marked by a certain level of political instability to seek to obtain permanent resident status and then citizenship status in Canada without intending to settle in the country permanently.

In such cases, a Canadian passport is a kind of insurance policy enabling certain immigrants to return to live in their country of origin, while keeping the possibility of returning to Canada if the political situation should deteriorate in their home country.

For example, in summer of 2006, when the Israeli army intervened in southern Lebanon, Canada repatriated 13 000 Canadian citizens living in Lebanon. It is estimated that approximately 75% of them returned to Lebanon over the following 18 months.

Similarly, it is estimated that some 200 000 of Hong Kong, China's 7 million inhabitants hold Canadian passports. And it is estimated that if there were an armed conflict between Chinese Taipei and China, as many as 300 000 holders of Canadian passports might ask to be evacuated from the region (Hong Kong, China, Chinese Taipei and China).

In addition, in the summer of 2010, Canadian newspapers reported that nearly 75% of the Tamil refugees admitted by Canada over the years returned to Sri Lanka on business, on holidays or to visit their families.

An indicator of the value of the fact that immigrants are not required to reside in Canada to keep their Canadian citizenship status has been provided by the recent exposure of services provided by certain immigration consultants in order to simulate this residence. For this purpose, these consultants provide immigrants not living in Canada with a fictitious address showing residence in the country, and various services such as the collection and processing of mail, payment of bills, regular use of a portable phone, opening of a bank account in the immigrant's name and regular transactions on this account, as well as detailed instructions enabling the immigrants to conceal their exits from Canada, in particular by using two separate passports. These services are aimed at "proving" that a person is present in the country in order to meet the requirement in this regard so as to maintain permanent residence status in order to gain access to citizenship after three years of residence.

These various situations show that, paradoxically, access to citizenship can become a factor that hinders social integration. However, this phenomenon remains very marginal. The vast majority of immigrants in Canada comply with the conditions required to maintain the right of permanent residence and do in fact live in the country after obtaining citizenship.

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PART IV.

THE INTERACTIONS BETWEEN NATURALISATION POLICY AND OTHER ELEMENTS OF THE NATIONAL INTEGRATION POLICY MIX

Chapter 12.
Policy Interactions in Belgium

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This chapter discusses the links between naturalisation and the integration process of immigrants and their children in Belgium. It highlights that naturalisation is neither the first nor the last stage, but it is an important step in immigrants' pathway towards full social integration, by strengthening ties with the host country in many domains.

Introduction

According to the commonly accepted definition, naturalisation is the act of granting the nationality of a given country to a person who does not have this nationality by birth.[2] The etymological meaning of the word "naturalisation", from the verb to naturalise, suggests a fundamental change, a lasting and permanent acclimatisation.

In Belgium, foreigners may obtain Belgian nationality in three ways, *i.e.* by declaration, by option or through naturalisation. It is this last procedure of acquiring nationality that will concern us in this chapter.

Some 6.2% of Belgian citizens come from another country of the European Union and 2.9% from a non-EU country (Eurostat, 2010). Three non-European immigrant communities stand out clearly because of their large numbers in Belgium, *i.e.* Turks, Moroccans and Congolese (nationals of the Democratic Republic of the Congo). According to the National Institute of Statistics, out of 36 063 people who obtained Belgian citizenship in 2007, some 8 722 were Moroccans, 3 039 Turks and 1 793 Congolese. Increasing numbers of children of immigrants from these communities are also applying for naturalisation.

This chapter seeks to show the relationship between naturalisation policy and integration policy in Belgium. The first part presents the changes that have taken place in naturalisation policy and the conditions for obtaining naturalisation. The second part reviews integration policy and all the indicators that make it possible to measure it. The conclusion tries to answer the question of whether naturalisation is a cause of integration or whether it is the culmination of the integration process.

12.1. Obtaining Belgian nationality through naturalisation: changing conditions

Currently, the Nationality Code specifies that in order to apply for naturalisation, applicants must be at least 18 years of age and have made Belgium their principal residence for at least three years. They must also be legally residing in Belgium at the time of filing their naturalisation request. The term "legally residing" means that they have been admitted or authorised to stay for more than three months in the country or have been authorised to settle there, in accordance with the provisions of the Act of 15 December of 1980 on the access to Belgian territory, residence, settlement and expulsion of foreigners. This three-year period is reduced to two years for persons whose status as a refugee or a stateless person has been recognised in Belgium. Applicants for naturalisation may obtain the application form from their municipal authorities or if they are abroad, from a Belgian diplomatic mission or consulate. Once the application has been completed and signed, it must be sent to the registrar of the municipality in which the applicant resides or to the registrar of the Naturalisation Service of the Chamber of Representatives. Only the Chamber of Representatives has the authority to grant naturalisations under Article 74 of the Constitution. Applicants for naturalisation state that they wish to acquire Belgian citizenship and that they will comply with the Constitution, the laws of the Belgian people and the Convention for the Protection of Human Rights and Fundamental Freedoms. The Naturalisation Service then asks for the opinion of Crown Prosecutor's Office in the applicant's place of residence. A background check is conducted to ensure that there are no serious facts that would be an obstacle to obtaining Belgian citizenship. The application is finally submitted to the Chamber's

Nationalisation Committee. The Committee can either approve or reject the application, or postpone the naturalisation. The Committee's proposal must also be approved by the Plenary Assembly of the Chamber. The act of naturalisation must be approved and promulgated by the King and be published in the *Moniteur Belge* (Belgian Official Gazette). The applicant for naturalisation becomes a Belgian citizen upon the publication date. Children under the age of 18 and who have not yet been emancipated automatically become Belgian citizens when their parents acquire Belgian nationality through naturalisation.

The Belgian Nationality Code dating from 28 June 1984 significantly improved access to nationality for foreigners. Having chosen to promote naturalisation as a means of integration into society, policy-makers have amended the law a number of times in order to make naturalisation more accessible to immigrants and their Belgian-born children (Direction Générale Emploi et Marché du Travail, 2003). Over the past 25 years, the Code has been amended five times as a result of changing political majorities in Parliament. This situation is explained by the fact that the rules governing access to nationality are generally linked to political considerations and occasionally to other issues such as the right of foreigners to vote. If one reads the different amendments to the Code, one can observe a pendulum-like movement, with one amendment making access to nationality easier and then the following amendment making it more difficult.

Initially, the Code had been built around the key concept of integrating those applying for nationality into the Belgian community. If they were acquiring nationality through naturalisation, foreigners who had no other tie with Belgium except for a significant period of residence in the country could acquire nationality through a parliamentary procedure in the course of which the country's authorities verified the applicant's commitment to integration. Naturalisation was originally considered to be a favour granted by the legislative branch. Its main purpose was to integrate people who had been of service or were going to be of service to Belgium.

There were different levels of difficulty in obtaining nationality, which corresponded to the applicants' presumed level of integration into the community of the host country. The more fully the applicants were "integrated" (having been born and always lived in Belgium, having lived there for much of their life, being a child with a Belgian parent, being married to a Belgian, etc.) the faster they would be able to acquire Belgian nationality.

The Law of 13 June 1991, which entered into force on 1 January 1992, altered the Code profoundly by simplifying access to nationality for second and third-generation children. It introduced a provision by which Belgian nationality is automatically granted to third-generation children by a simple declaration by the foreign parents, and to second-generation children born in Belgium if the declaration is made before they reach the age of 12.

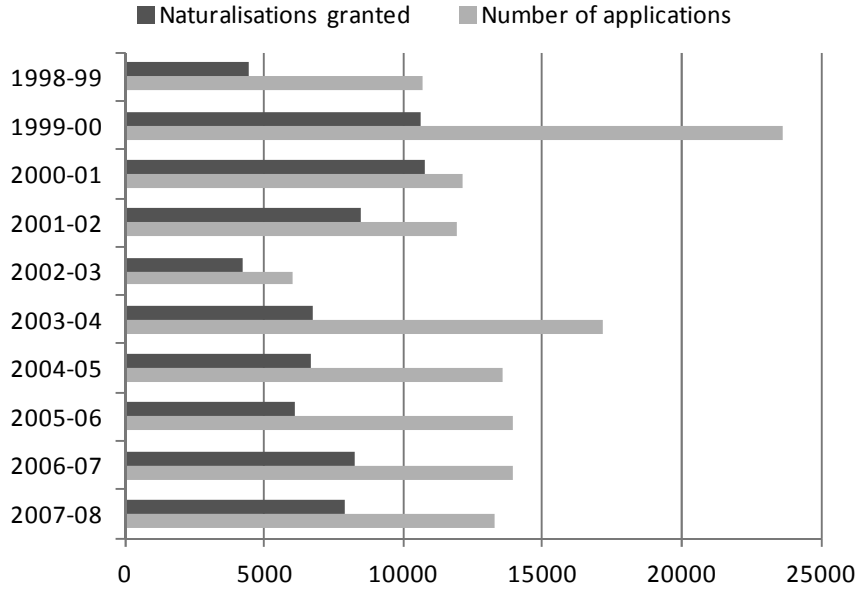
A new naturalisation procedure, which was established by the Law of 13 April 1995 and entered into force on 1 January 1996, further facilitated the naturalisation procedure and sought to prevent any excessive delay in the processing of applications. Since 1998, the procedures for obtaining citizenship by declaration, option or naturalisation have been linked. Thus, if the authorities issue a negative opinion for declaration and option procedures, the file can be forwarded directly to the Chamber of Representatives and be changed into an application for naturalisation.

The Law of 1 March 2000 sought to encourage the integration of immigrants into society by facilitating access to nationality somewhat further. This law introduced an accelerated naturalisation procedure by eliminating the need to verify applicant's commitment to integration while reducing the time required to process applications and making the procedure free of charge. This reform, known as "*snel-Belg-wet*", placed Belgium in the forefront of countries with a liberal policy for the acquisition of nationality, since by a mere declaration to the responsible authorities anyone who has resided legally in Belgium for seven years can become a Belgian citizen in one month following an investigation of his/her conduct by the Public Prosecutor's Office (Lambert, 1999). Concretely, this means, for example, that there is no requirement for the person of foreign origin to know one of the three national languages. It has also meant that the authorities responsible for verifying within a single month whether an applicant has a criminal record or whether the acquisition of Belgian nationality by a foreigner might pose a threat to national security have had to face an unmanageable situation given the number of applications filed.

Thus, the first four reforms of the Nationality Code, which were very liberal, significantly facilitated access to Belgian nationality. However, the reform of 2006, by clarifying certain concepts of the code, restricted access to nationality somewhat. For example, the clarification of the term "principal residence" excludes foreigners who are not legally residing in Belgium, whereas it previously sufficed for them to be residing or have resided *de facto* in the country (SPF, 2009).

Figure 12.1 shows that the amendments to the Code have had a lasting effect on the number of naturalisations. It is the Law of 1 March 2000 that led to the greatest increase in the number of naturalisations. In the years in which naturalisations peaked, it could be observed logically that the foreign population fell sharply while the Belgian population increased proportionately (SPF, 2009).

Figure 12.1. Number of naturalisation applications and of naturalisations granted in Belgium between 1998 and 2008



Source: Chambre des Représentants (2010c).

Figure 12.1 shows clearly the impact of the Law of March 2000 on applications for naturalisation. The "1999-2000" peak shows naturalisation applications between September 1999 and September 2000, *i.e*. several months after the publication of the law. As from 2004, applications levelled off at between 13 000 and 14 000 per year and the naturalisations granted range between 6 000 and 8 000 per year.

In Belgium, Moroccans are the foreign community that files the most naturalisation applications. According to the most recent figures provided by the Chamber's Naturalisation Committee, Moroccans rank first, both in the number of applications (21.83%/6 550 applications) and the number of applications approved (15.96%/2 119 applications).[3] They are followed by Congolese, Turks and Russians. The nationality of origin does not seem to have any impact on the decisions of the Naturalisation Committee.

In September 2009, some 10 000 naturalisation applications were pending in the Naturalisation Committee, awaiting a reply. Many applications do not in fact have sufficient information to be accepted, which explains why the Committee has fallen behind, since it must request additional information for each incomplete application before reaching its decision. According to the official data available at the beginning of August 2010, the Committee has reviewed 11 440 naturalisation applications. Of this total, 3 958 applications have been accepted, 3 507 postponed and 3 975 rejected (*Lalibre.be*, 2010b).

Among the new profiles identified in naturalisation applications, there are homosexual couples, primarily French who wish to be able to marry, a possibility available in Belgium that is virtually unique worldwide. Among 2009 applications, many people of Maghreb origin and from Balkan countries were also identified.

In the Governmental Declaration to Parliament of 13 October 2009, the Federal Government committed itself to changing once again the conditions for acquiring Belgian nationality: "*(...) In future, foreigners who wish to obtain Belgian nationality will be required to possess a right of residence of unlimited duration. The conditions relating to the naturalisation procedure in the Chamber will also be adapted (...)*". The CIRÉ, an organisation for assisting asylum-seekers, states in a document dated October 2009 that "*(...) with regard to the concept of legal residence, it is going to be defined. This will concern any legal stay, other than a short stay. With regard to naturalisation, the duration of the stay is being extended to five years and to two and a half years for refugees. With regard to deprivation of citizenship, a list of serious crimes is going to be established (crimes against humanity, war crimes, crimes subject to a sentence of five years' imprisonment and a ten-year statute of limitations). If the nationality and the crime are interlinked, the person may be deprived of nationality for five years. These cases will be dealt with by a judge(...)*" (CIRÉ, 2009). The Government Agreement of 18 March 2008 already specified that "*The obtaining of nationality will be made more objective and more neutral in terms of immigration, so that only persons registered in the Population Register or the Register of Foreigners will be able to obtain nationality. In other respects, acquisition of nationality by declaration will remain unchanged. The acquisition of Belgian nationality will also be subject to conditions of right of residence for an indeterminate duration, prior legal and uninterrupted residence for a period of five years and proof of a commitment to integration, which maybe proved,* inter alia*, by an attestation from the local authorities or an approved entity*" (Centre pour l'Egalité des Chances et la Lutte Contre le Racisme, 2010).

Belgium therefore seems to be headed towards a sixth reform of the Code, but also towards stricter conditions for access to nationality. However, this change will not take place until a stable federal government has been formed. The positions of the political parties differ strongly on this issue. The parties on the right want to increase the conditions required to obtain nationality and make them more "stringent". They are asking to return to the policy of requiring proof that the foreigner is well integrated and they would also like knowledge of at least one of the national languages to be mentioned in the law. They would also like to include the possibility of depriving naturalised foreigners of their Belgian nationality if they commit a felony (theft, serious offence, etc.). The parties on the left and the Greens are asking for the current law to be clarified, but without recommending overly restrictive conditions (*Lalibre.be*, 2010b).

In the spirit of the Belgian law, naturalisation and integration are two closely linked elements and naturalisation constitutes an important step on the path to integration. However, the meaning of this link is not explicit and seems to differ from one political party to another and to vary over time. *Is integration a cause or a consequence of naturalisation?*

Over the past 15 years, Belgium has chosen to liberalise naturalisation, which has led to a significant increase in naturalisation rates. Immigrants have become able to apply for naturalisation earlier, but the number of applications has also risen. More flexible rules for granting nationality partly explain this increase. Immigrants from the Turkish and Moroccan communities, which previously only applied in small numbers, have now also been seen to join in the process and increased their rate of naturalisation. Very large numbers of Congolese also acquire Belgian nationality (60% to 80% of them have been naturalised after ten years of residence) (Perrin, 2005). This is also the case for groups from Eastern Europe. There are also large numbers of EU nationals in Belgium. Italians, Spanish, French, German and Dutch nationals have lived in Belgium for a long time, especially in border areas. However, with the construction of Europe, naturalisation no longer seems to interest them (see Table 12.1). This distribution of nationalities is a reversal of the previous situation since from the 1980s until the early 1990s, EU nationals were still the group that acquired Belgian nationality most often, while Moroccans and Turks still rarely did so. Among the immigrant groups settled in Belgium for a long time, in particular Turks and Moroccans, it can be observed that their children account for a significant proportion of the "new" Belgians. Among the groups from Eastern Europe, which have settled more recently, marriage with Belgian citizens is still more prevalent than naturalisation. For certain nationalities, women are the predominant group applying for naturalisation (Polish women, in particular) (*ibid.*).

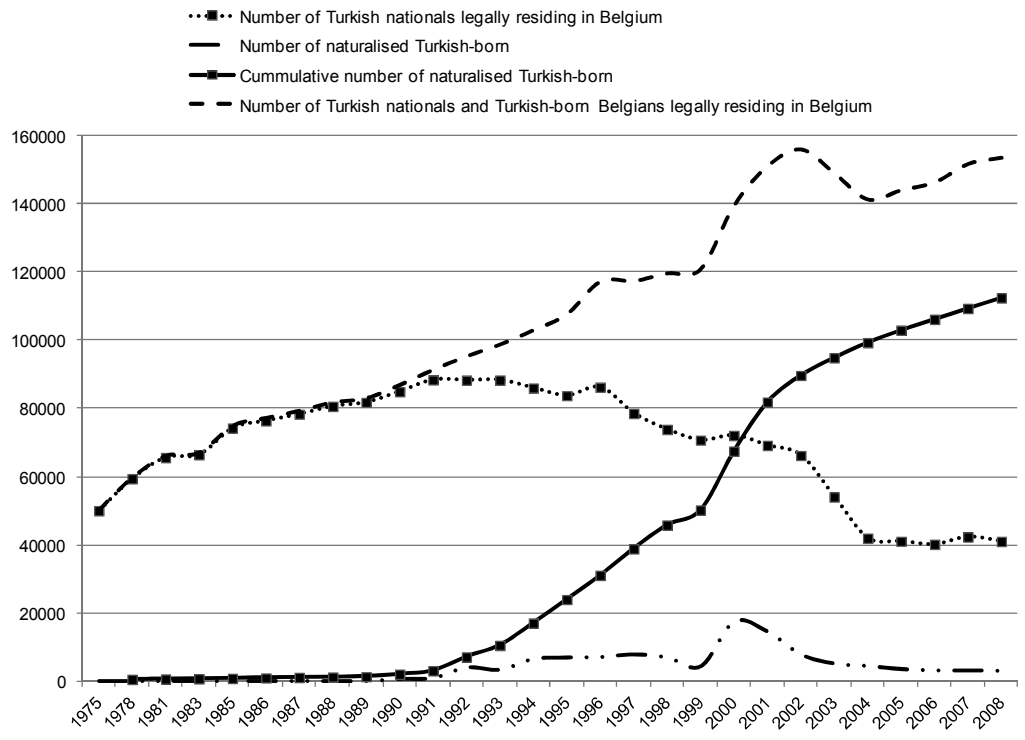
Figure 12.2 shows the fluctuation of naturalisations within the Turkish-born population in Belgium. There is a permanent increase in the cumulative number of naturalised persons, while the number of Turkish nationals decreases. As a result, the proportion of naturalised persons within this group increases almost exponentially (Figure 12.3). Currently, 80% of people born in Turkey and living in Belgium have Belgian citizenship. According to this calculation, the number of Turkish foreign nationals and Turkish-born Belgians in Belgium can be estimated at about 160 000. The Moroccan and Congolese immigrant populations show similar trends.

Table 12.1. Acquisition of Belgian nationality by country of previous nationality

	1999	2000	2001	2002	2003	2004	2005	2006	2007
Morocco	**9 133**	**21 917**	**24 018**	**15 832**	**10 565**	**8 704**	**7 977**	**7 753**	**8 722**
Turkey	**4 402**	**17 282**	**14 401**	**7 805**	**5 186**	**4 467**	**3 602**	**3 204**	**3 039**
Italy	1 187	3 650	3 451	2 341	2 646	2 585	2 086	2 360	2 017
Congo DRC	**1 890**	**2.993**	**2 991**	**2 809**	**1 796**	**2 271**	**1 876**	**1 569**	**1 793**
France	363	948	1 025	856	698	780	772	820	836
Algeria	520	1.071	1 281	926	826	830	739	658	687
Rwanda	…	…	794	1 012	557	571	700	635	924
Netherlands	234	492	601	646	522	665	672	692	668
Poland	253	551	677	630	460	465	470	550	586
Romania	…	384	297	282	271	311	330	423	554
Pakistan	…	315	425	360	248	293	298	338	666
Russia	…	142	134	170	147	231	267	301	1 533
Other	6 291	12 337	12 887	12 748	9 787	12 581	11 723	12 557	14 038
Total	**24 273**	**62 082**	**62 982**	**46 417**	**33 709**	**34 754**	**31 512**	**31 860**	**36 063**

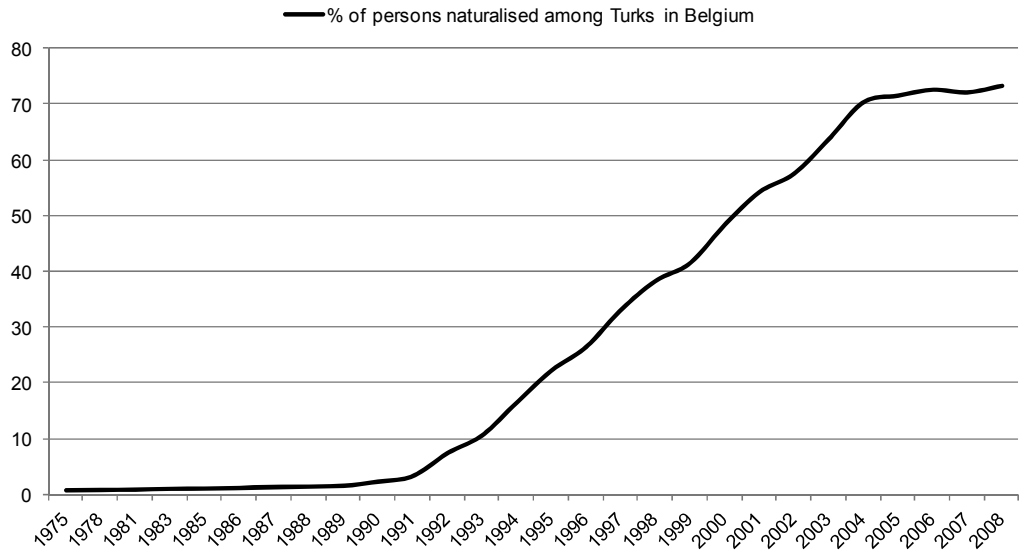
Source : Service public fédéral Emploi, Travail et Concertation Sociale (2009), "L'immigration en Belgique. Effectifs, mouvements et marché du travail", *Etudes et Recherches*, October, p. 16.

Figure 12.2. Data on the naturalisation of Turkish-born people living in Belgium, several years



Source: OECD (2010), *International Migration Outlook* and author's calculations.

Figure 12.3. Percentage of naturalised persons among Turkish-born Belgians, several years



Source: OECD (2010), *International Migration Outlook* and author's calculations.

Since 5 June 2010, Italian nationals living in Belgium may have dual Italian and Belgian nationality. This measure taken by Belgium and Italy, which recently came into force, reverses a policy in place for more than 45 years which prohibited the maintenance of more than one nationality. Over 180 000 persons in Belgium are estimated to be concerned by this new measure (Watrin, 2010).

12.2. Integration and the various indicators for measuring it

The integration of persons of foreign origin into their host society is the outcome of an "ongoing negotiation" that enables individuals and groups, both native and immigrant, to situate themselves within the social setting of their lives. It is a process by which immigrants participate in social life, just as the general population. As they become mutually acculturated to each other, immigrants and natives acquire, lose, renew, develop, interpret, reject and accept a variety of cultural elements. They participate actively in building negotiated identities. Integration is a reciprocal process by which different persons and groups come into contact and transform each other. It requires the deliberate participation of everyone in setting the rules that govern the functioning of society. It is facilitated by the openness of the structures of the host society, and if there are many times and places that enable the different populations to meet and interact and engage in negotiation and acculturation, integration will be facilitated greatly. Integration is something that develops over time and has a multidimensional aspect. It can take many different forms and can involve all the psychological, sociological and economic dimensions of life in a variety of ways. Integration is neither the outcome of a cautious and conservative attitude nor of an unconditional acceptance of the standards of others. It is generated by the interaction of these two fundamental attitudes. It is by charting a course between the two extremes of this interaction that individuals become "integrated", transform themselves and help to transform the social setting of which they are becoming a part (Manço, 2006).

Integration policy in Belgium: a complex organisation

The policy for the reception and integration of immigrants in Belgium is focused on welcoming newcomers to Belgium in order to make them aware of their rights and duties so that they will be able to participate fully in life within society. Integration, a concept that falls under the heading of "social assistance" just like family policy and social welfare policy, is initially the responsibility of the different Belgian Communities and each Community therefore has its own vision of how this responsibility should be exercised. In 1994, the French Community transferred the responsibility in the field of social assistance to the Walloon Region and to the French Community Commission of the Brussels-Capital Region.

In Wallonia, the implementation of integration policy is largely entrusted to the Regional Integration Centres, which have a certain autonomy regarding the projects to be developed and supported. The Flemish policy, however, includes language and citizenship courses, both of which are mandatory. For the Brussels-Capital Region, the French Community Commission and the Flemish Community Commission are responsible for deciding upon the policy to be implemented.

Consequently, the policy for integrating persons of foreign nationality or origin has developed in significantly different ways depending on the Region. The legal aspects, the programmes, the players involved and the budgets in each of these Regions differ significantly.

The federal government is primarily responsible for the major issues of immigration policy, the right of residence, the management of asylum-seekers and undocumented immigrants and the fight against discrimination. However, strictly speaking, no integration measures are taken at this level other than a campaign to facilitate diversity within the federal government and the recently held "Roundtable on Intercultural Relations" (*Assises de l'interculturalité*), which follows in the path of previous similar commissions.

Target groups

Since 1960, the main immigration flows from outside Europe have come from the Maghreb region, Turkey and Sub-Saharan Africa. The largest group of immigrants is from the Maghreb region and mostly lives in Brussels, with an average age of 25 and a high unemployment rate. Turks mainly live in Flanders and their community is characterised by a slower process of cultural integration than the Maghreb community, for they are more likely to preserve the way of life of their community. These two groups came to settle in Belgium because of the large-scale need for low-skilled labour in the 1960s. The migration flows from Sub-Saharan Africa are much more recent and mainly come from Burundi, Rwanda, and especially the DRC, former Belgian colonies. These groups come to Belgium to attend school, as asylum-seekers or through religious missions. Most of them have diplomas, unlike the Turks and Moroccans, but they have great difficulty in obtaining recognition of their diplomas and thus finding a job that matches their skills.

The broad issue of the integration of these foreigners into the various regions of Belgium undeniably involves the issue of citizenship, which in turn encompasses other concepts, such as social, economic and political participation, but also health care, language, the education of children, housing, *etc.*, *i.e.* a whole series of elements that become "measurable indicators" of the integration of foreigners in Belgium.

The impact of Belgian integration policy

In the Walloon Region, the reference text in the field of integration is the Decree of 4 July 1996, which recognises the diversity of the population in Wallonia. It defines seven Regional Integration Centres located in Namur, Liège, Charleroi, Mons, La Louvière, Verviers and Tubize, as well as local initiatives for foreigners. This decree is also regularly amended and adjusted to specific needs. The Regional Integration Centres co-ordinate initiatives such as the promotion of the social, economic and cultural rights of immigrants and the issues of their political participation, co-ordination of reception, guidance for newcomers, training of professionals in intercultural mediation, collection of statistics and organisation of an interpretation service for immigrants and refugees. The local integration initiatives concern French language programmes, assistance with rights, guidance in the integration process, promotion of cultural exchanges, social and intercultural mediation, translation services for immigrants and refugees, the fight against discrimination and the promotion of citizenship, and, more recently, the promotion of co-development initiatives. In Flanders, the integration policy is more demanding and is focused on promoting Flanders as a community where everyone can live together in diversity, irrespective of their origins. To achieve this, the key words are "equality" and "active citizenship". Various groups are targeted by a programme of "*inburgering*", such as newcomers, settled immigrants, unaccompanied minors and religious leaders. Participation in the programme is mandatory although there are many exceptions. Courses in language, in the history of the host country and social information are provided to foreigners and adapted to their different education levels. The programme provides opportunities for activities in associations, as well as for vocational guidance. Lastly, in the Brussels-Capital Region, integration policy is focused on employment. This Region is bilingual and there are a number of institutions recognised as specific bodies in the field of integration, such as the Brussels Centre for Intercultural Action, Co-ordination and Initiatives for Refugees and Foreigners and their Flemish counterparts. There are many other associations and in particular immigrants' associations. Each commune has its "Local Mission" which is responsible for the reception, assistance, training and professional integration of foreigners, together with other categories of the population (Manço and Sensi, 2009).

This variety of local measures is combined with the federal policies and EU directives in the field of the integration of persons of foreign origin. At the national level, the issues that predominate are immigration policies, the right of residence and the management of asylum-seekers and undocumented immigrants. There are no national integration measures strictly speaking. Other than research in this field financed by the federal level, one of the only initiatives that can be mentioned is the "*Diversité.be*" campaign aimed at facilitating the employment of persons of foreign origin in the public sector. With regard to the European level, Belgium does not yet have an action plan focusing on the principles underlying the fundamental values of the European Union regarding the integration of foreigners. However, specific initiatives are undertaken, in particular in the field of employment (such as promoting diversity in recruitment).

Employment

Undeniably, there is still direct and systematic discrimination in employment in Belgium, even for second and third-generation immigrants, *i.e.* immigrants' children who were mostly born and educated in Belgium. Differences still persist and people of foreign

origin are very aware of this. In its report on the employment of immigrants, the OECD stressed that the general feeling in this regard is that the outcomes of immigrants on the labour market are on the whole not as good as for natives, especially among women (OECD, 2008).

> "I have been a naturalised Belgian citizen since 1999, but everyone always asks me where I'm from. When I chose to become a Belgian citizen I thought that it would make my life simpler, but I realise that there is still a good deal of discrimination against "new" Belgian citizens. It is still hard to find a job despite your new nationality. What is important for foreigners to become integrated is above all their determination. Their abilities, their potential and their motivation – these main things that will enable foreign people to become integrated into society". *Marie-Thérèse Ndumba, co-ordinator of the Association TRANSFAIRES in Liège.*

In the final report of the 2010 Roundtable on Intercultural Relations, it is stated that nearly four out of ten adults of Moroccan, Turkish, Algerian or Congolese origin are out of work. In some neighbourhoods, especially in Brussels, where there are large numbers of these minorities, the unemployment rate is higher than 50%. At the same time, 10.3% of the labour force is unemployed among the native Belgian population and 16% among naturalised Belgians. Does this mean that naturalisation provides protection against unemployment?

It can also be observed that it is sometimes more difficult for skilled persons who become Belgian citizens to find jobs than it is for low-skilled non-Belgians. In addition, persons of European origin are over-represented in the higher segments (the primary market) while persons who have non-European roots or nationality are more concentrated in the lower segments (the secondary market). In comparison with the primary market, this secondary market is characterised by a higher risk of unemployment, lower salaries, less favourable working conditions and greater job insecurity. In other words, workers from non-European cultural minorities not only have greater difficulty in finding jobs, but they lose them more rapidly.

The latest population census dates from 2001 and shows that non-Europeans have the highest unemployment rates (see Table 12.2).

The unemployment rate is higher for Moroccan (50%) and Turkish (45.1%) men born in Belgium than for Moroccan (34.1%) and Turkish (32.4%) men born abroad. Yet, Moroccans and Belgian-born Turks have been naturalising in large numbers in Belgium for many years.

Persons of foreign origin are affected by unemployment structurally, especially in the French-speaking part of the country. Belgium's complex federal structure seems to be one of the aggravating factors for the situation of foreigners on the labour market. In short, responsibilities in this field are exercised partly at the federal level and partly at the regional level, with significantly different approaches across regions and even municipalities. A number of ministries handle the same portfolios. This results in a scattering of initiatives, some of which, generally small, are implemented at the local level.

Table 12.2. Unemployment rate by nationality and place of birth

Percentage

	Men			Women			General total (M+W)
	Born in Belgium	Born abroad	Total	Born in Belgium	Born abroad	Total	
Belgians	6.9	15.6	7.3	12.1	23.8	12.7	9.9
Foreigners	17.6	17.0	17.2	30.3	28.9	29.2	21.9
Foreigners by country of nationality							
DRC	**42.0**	**44.3**	**44.2**	**52.6**	**56.1**	**56.1**	**49.7**
France	23.4	11.6	12.6	30.0	23.1	24.1	17.8
Germany	12.7	6.0	6.9	19.4	13.4	13.9	9.7
Greece	21.3	15.5	17.5	30.0	21.8	24.9	20.4
Italy	15.0	15.4	15.2	31.7	31.6	31.7	21.0
Morocco	**50.0**	**34.1**	**36.2**	**56.9**	**56.6**	**56.6**	**41.7**
Netherlands	5.7	4.2	4.4	15.2	10.8	11.3	7.0
Poland	26.4	16.8	17.7	46.2	41.4	41.4	32.5
Portugal	13.8	11.1	11.3	21.7	23.3	23.2	16.5
Spain	14.2	10.6	11.9	20.9	20.1	20.4	15.6
Turkey	**45.1**	**32.4**	**33.8**	**62.1**	**55.5**	**56.3**	**40.9**
United Kingdom	9.9	6.4	6.8	15.0	12.4	12.6	8.9
United States	4.2	8.2	8.0	10.5	20.4	20.0	12.1

Source : Feld, S. (2010), *La main-d'œuvre étrangère en Belgique. Analyse du dernier recensement*, Bruylant Academia, Louvain-la-Neuve, p. 83.

However, it should be pointed out that certain studies (OECD, 2008) show that Belgium's liberal provisions regarding naturalisation are favourable to the employment of foreigners from outside the European Union (Manço, 2010d). In some areas, such as public employment, which is large in Belgium, this is very clearly the case, since the public authorities and the sector of associations have in recent years launched many initiatives against discrimination, and Flanders in particular has championed a proactive approach to diversity policies (Manço, 2010d).

Housing

Housing is a key aspect of the integration of immigrants. There are different structures responsible for receiving newcomers, such as the integration centres, the municipal social assistance centres and refugee reception centres. Translation and mediation services are made available to them to facilitate their arrival. The provision of social housing is an important form of assistance for immigrant families, for their access to private housing generally proves to be very difficult. This is because these families have limited financial resources, and as widely reported, landlords are often unwilling to accept immigrant families. There is also a housing crisis in large cities such as Brussels, the consequences of which are well known, *i.e.* immigrants are forced into residual rental housing, which is too small for large families, in old buildings ill-suited and dangerous, leading to health problems, problems of exploitation by "sleep merchants", etc. Testimony given to the organisations that fight against discrimination (such as MRAX)

shows that non-European prospective tenants even naturalised ones – are excluded long before they even get a chance to show their identity card. Naturalisation is of little help in these situations.

Some cities are proposing original solutions for combating xenophobia and exclusion, for example by requiring landlords to rent their empty houses or apartments or pay additional taxes. In order to help immigrants, there are social rental agencies that assist tenant families in their relations with their landlords, who receive guarantees regarding the payment of rent and the condition of their property. With regard to immigrant families that have been in Belgium for a long time and have regular incomes, the rate of home ownership is close to the average for Belgians, since more than 60% of Turkish households, for example, are home owners (Manço and Sensi, 2009), which is further proof that people are the agents of their own integration. A survey conducted at the initiative of the Social and Economic Geography Institute of the Catholic University of Louvain, under the leadership of Professor Christian Kesteloot, aimed at evaluating the level of satisfaction with housing conditions, also showed that there was continual improvement in the housing conditions of Turkish immigrant families in Belgium (Kesteloot *et al.*, 1997).

Children's education

The educational situation of immigrant and second-generation children in Belgium remains problematic, as the OECD 2006 PISA Study has shown (OECD, 2006). The achievement gap between native and immigrant children is wide, even for second-generation children. Although it is not significantly different from that of Belgian disadvantaged children, the educational situation of children from recent waves of immigration to Belgium gives cause for concern, for the situations of underachievement are more critical and above all they involve more problems of a cultural nature. Children of foreign origin account for approximately 30% of pre-primary and primary level pupils, but they have higher class repetition rates than Belgian pupils, for while roughly 20% of Belgian primary level children have repeated one academic year, one-third of foreign children have done so, and the repetition rate is even higher for children born outside Belgium (Manço, 2010c).

However, successful participation in school is probably the factor that has the greatest impact on the various forms of social and economic integration. It is measured by the quality, quantity and content of the curriculum studied and by student achievement. High graduation rates, low repetition rates, the choice of high-quality studies and the high level of the qualifications achieved at graduation are the criteria that show that students have successfully participated in school – to which must be added, of course, the opportunity for young people to find rewarding and secure jobs in their specific field.

A large share of the children from an immigration background, in particular from families originally from Turkey, the Maghreb region and Sub-Saharan Africa, are enrolled, from the pre-primary and primary level, in schools "in difficulty" in poorer neighbourhoods, especially in Brussels. As some of them start their compulsory schooling as underachievers, they ultimately will not receive a primary school diploma. A significant share of these young people will drop out of school after having experienced numerous failures. The risk faced by these young people is unemployment, *i.e.* economic marginalisation in addition to cultural marginalisation. The case of children from families originally from Turkey and the Maghreb region in the Belgian school system is also aggravated by the fact that they do not know French or Dutch, by the very low level of

education of their parents, by the lack of relations between schools and families and, for some of them, by their difficult living conditions. It is well known that one of the major obstacles to integration in French-speaking Belgium is the low level of their fluency in French. Children from Turkish families are generally bilingual by the time they enter primary school, although they often enter pre-primary school with an imperfect knowledge of French but a certain fluency in their language of origin. These children's language is often rejected because it does not have a fundamental role either in education or in society more generally. The bilingualism of children from an immigrant background is not valued and the language of origin is often considered as a reason why they underachieve in school (Crutzen and Manço, 2003).

A Belgian study analysed in depth the results of the 2006 PISA study in order to show the differences between the French and Flemish Communities with regard to the performance of pupils from an immigration background. Published in 2009, this study shows that the average results of pupils are on the whole higher in the Flemish Community than in the French Community, but that both of them face very significant social inequalities. Although native Flemish students tend to have higher scores than their French-speaking counterparts, there is really no significant difference between students of foreign origin on either side of the linguistic border. Their performance is poor throughout Belgium. In fact, no other industrialised country has so great a gap between students from an immigration background and other students, and the results of student of foreign origin are among the lowest in the developed world, despite the high rate of naturalised children in comparison with Germany Luxembourg and Switzerland, for example. The two Belgian Communities need to make considerable efforts to democratise the education system, which currently does not promote social mobility. Desegregation policies must play an important role even though they are not sufficient to eliminate the social inequalities of the education system (Jacobs, 2009).

Health care

Much progress has been made in the field of access to health care for foreigners. Between 2004 and 2007, for example, mental health services adapted to the needs of new immigrants were approved and established. Specific, centralised health care services are provided for these groups which often have special needs and administrative status.

However, the final report of the 2010 Roundtable on Intercultural Relations indicates that the growing cultural diversity is creating new requirements in terms of the accessibility and quality of health care. It is generating a variety of health problems that can be related to factors specific to immigration or to differences in ways of life. This diversity also has linguistic and cultural consequences with regard to the interaction between caregivers and patients. Lastly, the diversity of cultural origins generally goes hand in hand with differing socio-cultural perceptions of illness, health and the therapeutic process. Scientists and decision-makers believe that cultural minorities are not as healthy on average as Western citizens. It is difficult to show this accurately because of the lack of quantitative data on the state of health of cultural minorities in European countries, but research shows us that low-skilled persons on average have 18 to 25 fewer years of life in good health than higher-education graduates, and people from an immigration background generally belong to the first category. According to other research, some 30% of people of Turkish and Moroccan origin in Flanders rate their health between average and very bad. Here too, other social factors seem to have a more predominant impact than the potential effect of naturalisation.

The health issue also concerns recently arrived immigrant children, for it has been observed that their quality of life sometimes deteriorates as time elapses after their arrival in Belgium. Children who receive social assistance or who have a resource person close to them do better. Most primary and secondary schools are planning to implement a new model of school medical consultation that will be taking into account more fully the psycho-social and behavioural factors affecting the health of immigrant children (Renard and Doumont, 2004).

Health care should be accessible to everyone, and for this reason the health care of foreigners arriving in Belgium is fully covered until they have been able to regularise their situation. When immigrants become "legal residents", they must then cover their health care costs, which can often be large when an entire family is involved. The insecurity of these "new" Belgian families is growing and there is a real risk of their falling into poverty.

Political participation

Political participation, on the other hand, is a particularly interesting aspect of integration in the light of its success. Numerous politicians and other influential people come from an immigration background. This is explained by the ease of access to Belgian nationality and by the richness of civil society, as exemplified by immigrants' associations in particular. One of the best indicators of citizenship is the participation of immigrants in civil society in a number of ways, such as through these immigrants' associations. There are many associations of this type that provide individual assistance services, cultural activities and initiatives of solidarity with the regions of origin. They are also a place where immigrants can discuss political issues, and they can lead to greater participation in society and thereby have an impact on integration.

During the most recent elections, at the communal, regional, federal and even European level, there was a significant increase in the number of candidates of foreign origin. There are a number of reasons for this strong presence on the political scene, the first of which is certainly the series of amendments made to the Belgian Nationality Code, which have unquestionably helped increase the number of potential voters of foreign origin. The political parties have become aware of these new voters and are increasingly including candidates from an immigration background on their lists. The active participation of citizens of foreign origin is an effective means of ensuring the social development of groups from an immigration background. For elected officials from an immigration background, politics is an additional means of making themselves heard and gaining recognition as full-fledged citizens. As elected officials, they can act as spokespersons for youth, neighbours or the population of foreign origin, with whom they are in continual contact. Their presence within institutions can be seen as making a positive contribution in terms of knowledge of the foreign population, and makes it possible to develop a more adequate approach to the problems encountered.

Elected officials of foreign origin are now an integral part of decision-making processes in local governments in particular and in Brussels. They can be seen as acting as cultural intermediaries who defend issues specific to foreign populations, but without letting themselves be trapped in this role, since most of them consider themselves to be Belgian officials, elected to serve the interests of all Belgians.

12.3. Conclusion: is naturalisation a means of integration?

There is no obvious direct relationship between the acquisition of Belgian nationality and the improvement of immigrant standards of living. It is equally true that retaining the nationality of origin offers no guarantee against the risk of poverty. Naturalisation is above all a legal procedure and cannot be expected to immediately solve immigrants' broader social problems.[4] There are many reasons that prompt foreigners to apply for naturalisation and they are often quite similar. They primarily want to guarantee their access to social and civil rights and to be considered as full-fledged Belgians. They want to enjoy the same freedoms and individual rights and become more fully integrated into the Belgian society in which they live.

> "I have filed an application for naturalisation and now I am waiting for an answer. I have been in Belgium for three years, with my Belgian girlfriend Sophie. I have worked a little in the restaurant business, but not on a regular basis. I have requested Belgian nationality because I would like to work full time and be better considered. I am already well integrated thanks to friends and Sophie's family. I like living in Belgium even though the working conditions are not ideal". *Mamadou Ndiaye, age 28, Senegalese*.

With the tightening in recent decades of the policy of access to EU countries and to the industrialised countries more generally, the mobility rights of nationals of developing countries have diminished significantly. Access to the nationality of an industrial country gives such persons much greater mobility.

Nevertheless, naturalisation is not the magic solution to integration. Naturalisation is a means of facilitating the integration process, of which it is neither the first nor the last stage, but an important stage on an immigrant's pathway to integration. Many foreigners in Belgium wish to be naturalised primarily for economic, practical, social and family reasons. A study by CEFIS Luxembourg also reaches the same conclusions with regard to the integration of foreigners in Luxembourg (Jacobs and Mertz, 2010).

On the other hand, very few foreigners are interested in the right to vote, as is shown by the low participation rate of foreign voters in communal elections. In 2006, the year of the last communal elections, only 20.05% of the non-Belgians eligible to vote in these elections completed the required registration formalities. Among the 529 878 EU citizens concerned, this percentage was 20.9% (14.2% of whom were registered automatically because they had been registered for the 2000 elections), *i.e.* a net increase of 3% over 2000. Among the 108 617 non-Europeans authorised to vote for the first time, the proportion of registered voters was 15.7% (Jacobs and Van Parijs, 2006).

There is reason, then, to conclude that opting for Belgian nationality is not really a significant civic act, but an act prompted by the benefits that derive from having citizenship. Nationality is taken for the opportunities, facilities and feeling of security that it brings. The Turkish and Moroccan wave of immigrants, who were initially reluctant to change nationality, underwent a shift in attitudes in the 1990s and became favourable to naturalisation, since the formalities were simplified and the first persons naturalised were not "assimilated". The Congolese, on the other hand, seem to have been favourable to it immediately. It is also true that the nationality of origin continues to have great emotional importance for most immigrants, since it represents a strong tie with the country of origin whatever the foreigners' origin. For many countries the practice of dual nationality is not

only allowed, but encouraged, as is the case for Turkey. This provision tends to make naturalisation more popular.

People whose situation is most vulnerable, such as refugees, victims of human trafficking and young immigrants are more likely to request naturalisation since they realise that it can bring them security and they hope in this way to increase their opportunities of obtaining a job or housing in Belgium. However, it is important to point out that foreigners may feel perfectly well integrated even before they apply for naturalisation.

Naturalisation as such should therefore be considered more as one tool among others, which is useful to the process of becoming integrated and settled in Belgium and in the European Union more broadly. But it is not an end in itself, and having Belgian nationality does not determine whether foreigners will be integrated, but at the very least promotes their political and administrative integration. Naturalisation policy in Belgium is admittedly a good example of a policy mix to ensure the political integration of immigrants, but the issue of integration in terms of employment and education remains very problematic, more so than in countries bordering Belgium. Naturalisation cannot be considered as the ultimate conclusion of the integration process of immigrants, but rather as a two-way process that in fact does not have a predetermined end point.

The integration of persons of foreign origin remains difficult to measure even though the "indicators" mentioned in the text make it possible to give some idea of the extent to which they are acclimatised to our country. Naturalisation is one indicator of integration, as are improved language skills, better educational outcomes of children, access to the job market, access to housing and participation in elections. Naturalisation makes it possible to forge a national tie with the host country and often goes hand in hand with the decision to settle permanently in Belgium.[5]

From a purely legal standpoint, the future of the naturalisation procedure is currently uncertain and it is possible that it will undergo new amendments. At present, the Belgian political situation does not enable us to predict whether naturalisation policy will be made stricter or whether the *status quo* will continue. Until now, it is true that Belgian legislation in this field has been characterised as liberal and does not stipulate language or cultural requirements for granting nationality. Various political negotiations have taken place over the past two years on this issue and proposals have been made in order to incorporate these requirements. Winning the federal elections in June 2010 the Flemish Nationalist Party (NVA) did also express its opinion on this issue: "*If a person is granted Belgian citizenship by the Chamber after three years of residence, he or her is done a favour based on divergent criteria nowadays. This needs to change."* The party demands a manual to define the criteria for granting citizenship and further states that "*these criteria must be stipulated in a written form in the internal regulations of the Nationalisation Committee. At the same time we have to negotiate the revision of the law that accelerates naturalisation procedures (known as 'snel-Belg wet')*." The Nationalists furthermore affirmed that they will not give in on this issue and that a person lacking proficiency of the local language should not be able to obtain Belgian citizenship. Finally, they demand concise definitions of marriage and partnership of convenience.[6]

From our point of view, the requirement of proficiency in one of the three national languages is necessary and indispensable for the integration of foreigners. To promote the acquisition of host country language skills is even recommended by the European Union as one out of eleven policy measures to foster the integration of immigrants. However, to demand language proficiency without providing sufficient training opportunities leads to

a situation similar to the one that the French Community is currently facing. This is an issue that needs to be redressed.

For some years now, neighbouring countries and other European countries have had language and integration tests that are required before granting any nationalisation and, in some cases, even before granting visas. In its latest 2010 report on international migration, the OECD instead recommends that the member countries, including Belgium, lower the barriers to access to nationality such as "overly restrictive eligibility criteria". The requirement that immigrants learn one of the national languages is indispensible for their integration and should therefore be included in the citizenship contract implied in the naturalisation process, provided that enough high-quality programmes are available for learning the language of the host country.

Naturalisation is a country's responsibility and the reception of people of foreign origin must be managed in a clear and consistent way in order to achieve their civic integration. Finally, we consider it important to involve the countries of origin in this exercise as to promote broad co-operation on this issue and to avoid complex issues such as the rejection of dual citizenship.

Naturalisation in Belgium: summary table	
The advantages	**The difficulties encountered**
For immigrants and their children	
In recent decades, access to nationality has been facilitated, changes in the procedure are to be expected.	Procedure that is often long and requires scrupulous compliance with the conditions, with no guarantee that the application will be successful, despite the cost involved. Large numbers of applications.
Ability to make plans for the future, an act that confirms the decision to settle in Belgium.	A step that can have a psychological cost, sometimes with the feeling of losing the nationality of origin. The choice of Belgian nationality: primarily a pragmatic step seldom motivated by an emotional choice, although immigrants often identify with the specific place in which they live.
Feeling of safety, confidence and protection.	The benefit is subjective, little concrete impact on people's living conditions, especially given that naturalisation has become widespread among non-European immigrants.
Greater opportunities for obtaining and keeping a job (administrative facilities, in particular for starting up a business, access to public jobs, as confirmed by statistics).	There continues to be discrimination despite the efforts made.
Political participation, potential voters for parties, which are therefore sensitive to their needs. A significant increase in the number of elected officials of foreign origin.	Certain cases of the growing ethnicity of Belgian local politics. Foreigners have right to vote in communal elections without being naturalised, but participation is very low.
Easier family reunification.	Barriers and difficulties remain for reunification through marriage. The cycle of reunification of elderly family members still in the country of origin has hardly begun.
Easier enrolment in higher education.	Frequent difficulties in schooling, which often does not give access to higher education. Discrimination in guidance, education system ill-adapted to diversity
No rejection of the culture of origin, as the experience of most naturalised immigrants shows.	The need to live between two cultures, "ongoing negotiation", no change in identity.
Dual citizenship encouraged by some countries	Only possible for few nationalities.
Mobility, travel abroad facilitated.	Certain difficulties when dual nationals have legal problems.
For the host country	
Decrease in the number of foreigners: political regularisation. Naturalised immigrants become voters at all government levels.	Naturalisation procedure difficult to manage because of the number of applications (delays). Ideological and emotional factors, constantly changing procedure.
Tool for social cohesion because of its political and philosophical dimension, development of the sense of citizenship.	Not to be confused with cultural assimilation. Does not produce "automatic integration". No major impact on the difficulties of education, employment, health care or housing of groups from an immigrant background.
For the country of origin	
Political and economic lobby because of the transplanted population. Entry into the host country can be facilitated or accelerated through networks of immigrants already settled in the country. Positive spillovers for the country of origin.	Risk of "losing" former nationals or of losing ties with its former nationals.
Facilitation of the founding of businesses and associations, as well as of mobility for immigrants. This can also produce economic benefits for the countries of origin.	Difficulties due to certain countries' refusal to accept dual citizenship.

Notes

1. The Institute for Research, Training and Action on Migration (Institut de Recherche, de Formation et d'Action sur les Migrations) (*www.irfam.org*), is a resource and continuing training body created in 1996 by stakeholders and researchers in order to provide assistance to professionals in the fields of social work, education and economic and cultural development. The Institute seeks, through a multidisciplinary approach, to build ties between research and the initiatives being taken in the fields of integration, development and action against discrimination.

2. *The Petit Robert Dictionary*, 1997, Paris.

3. *Bladi.net*, "Belgique-naturalisations: 22% des demandes sont marocaines", placed on website 17 July 2009, *www.bladi.net/marocains-naturalisation-belgique.html*, consulted on 20 September 2010.

4. Poverty rate by gender, place of birth and nationality: 37.5% for non-naturalised immigrants born in Morocco, 67% for naturalised immigrants born in Morocco and 61.1% for naturalised Moroccans born in Belgium. *Source*: Saaf *et al.* (2009), p. 61.

5. Even on this point, caution is advised. The recent surveys of the King Baudouin Foundation show that many families from Turkey or the Maghreb region own a home in their country of origin. Elderly persons, in particular, spend part of the year there. Naturalisation enables them to avoid transit visas on the way between their two homes.

6. *Lalibre.be,* "La Chambre n'octroie provisoirement plus de naturalisations", put online on 21 October 2010, *www.lalibre.be/actu/belgique/article/618449/la-chambre-n-octroie-provisoirement-plus-de-naturalisations-le-ps-dement.html*, consulted on 21 October 2010.

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Chapter 13.
The Legal Framework on Economic Migration and Naturalisation in the United Kingdom

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This chapter provides a summary of the legal framework on economic migration and naturalisation in the United Kingdom and highlights recent trends in policies and citizenship take-up.

Introduction

During the past few years, the United Kingdom has progressively undertaken what has been described as a fundamental root and branch review of the immigration system for entry into, and stay in, the United Kingdom. The review is by no means complete and work is still on-going. As with anything to do with migration and integration, there will be intense political interest and the conservative/liberal democrat coalition government that was elected in May 2010 continues to work on its manifesto commitment to impose a cap on net migration to the United Kingdom.

One of the key planks of the reform of the migration system is what is known as the Points Based System (PBS) for immigration. Although the key elements of this have been in place for some time it may be helpful to rehearse some of the key concepts behind this. The overriding principal here is that of simplification. Until relatively recently the United Kingdom had an extremely complex system of migration. It was difficult for migrants to understand and it was difficult for those people operating it to understand so it was decided to completely overhaul it.

The system does is a number of things that relate directly to the socio-economic integration of migrants. Firstly, it reduces the number of potential routes by which migrants can come to the United Kingdom. Secondly, it gives potential applicants very precise details as to the criteria they need to fulfil in order to gain entry and thirdly it allows people to determine through an interactive web-based process whether or not they meet the criteria for entry. This can be undertaken prior to their applying for a visa and therefore reduces the possibility of a disappointing outcome.

Whilst the points based system is primarily about labour market migration it does have some fairly strong elements of integration within it. Firstly, those wishing to come to the United Kingdom as labour market migrants need to identify a sponsor. In most cases that sponsor will be the employer, so there is no risk of someone travelling to the United Kingdom with aspirations to work in a particular sphere and finding that they cannot. So the sponsorship system is a crucial element of the points based system which reduces the risk to migrants. That in turn can only enhance their possibilities of integration because insertion into the labour market is a key element of integration.

There is a further element of the system that leads directly to integration and that is the element of language. Those people who are coming to the United Kingdom to seek employment have to meet specified language requirements depending on the level of the employment that they are taking.

Some people see this requirement as a hurdle, but if migrants are going to be working in a predominately English speaking environment they may be put at personal risk if they do not have sufficient language skills to be able to cope in that environment. So whilst it may be seen as something of a hurdle before entry, it will benefit migrants in the longer term. The United Kingdom sees this is a crucial part of its labour market migration and integration policies.

Two committees were set up in order to help the UK Government develop its strategy for labour market migration. The first of these was the "Migration Advisory Committee". This is a multi-disciplinary committee that comprises members of the UK Border Agency, but also some other government departments that have an interest in labour markets, particularly the Department for Work and Pensions. The committee also

includes membership from the Confederation of British Industries so there is strong representation from the employers of migrant labour. There is also representation from the Trades Unions – a factor we considered important in order to ensure an appropriate balance. The Migration Advisory Committee has a very specific role of advising government on what the labour market needs of the United Kingdom might be. This advice is then refined into a "shortage occupation list" which ensures that people whose aspirations are to come to the United Kingdom for a specific role will not be disappointed. It also means that the United Kingdom can regulate the management of labour migration much more scientifically than was the case in the past.

Another committee dealing with migration issues was the Migration Impacts Forum. This looked at the other side of migration. Large scale inward migration into a country that historically has a tradition of outward migration can be quite a difficult process to manage and may pose a risk to social cohesion. Furthermore, when large numbers of migrants descend on a particular area sometimes the infrastructure in that area cannot deal with it effectively. The Migration Impacts Forum was set up very specifically to deal with that issue. So, if we know that large numbers of migrants will be coming to the United Kingdom through, for example, future accessions to the European Union, it will be possible to prepare in advance and to develop strategies regarding the local infrastructure and to deal with any adverse affects to social cohesion that may occur as a result of migrants coming to a particular area.

For many migrants the culmination of their migration experience is to acquire the citizenship of the country to which they have entered. We would argue, though, that the fact that someone seeks to become a national of the receiving country does not automatically mean that they are fully integrated. Indeed, it is entirely possible for people with roots going back many generations (the *jus sanguinis* principle) to feel isolated in a country. A number of independent reports into integration and social cohesion have highlighted the issue of communities and individuals leading "parallel lives" in which their opportunities for interaction with wider society are limited.

One of the most important factors in enabling communication across and between communities is, of course, language. For some considerable time, in the same way as many other countries, the United Kingdom has had a language requirement for citizenship. There was provision in the British Nationality Act 1948 for applicants for naturalisation to speak English and in the British Nationality Act 1961 this provision was extended to include Welsh and Scottish Gaelic, minority languages in the United Kingdom. However, the opportunity to use these alternatives to English have rarely, if ever, been utilised by migrants for the purposes of obtaining British nationality.

Until 2004, there was no objectively-measured standard of English for the purpose of obtaining citizenship. However, a requirement that naturalisation applicants should be able to speak and understand English at B1 (threshold) level of the Council of Europe Framework for languages was introduced in 2004. In order not to exclude those with less well developed language skills an alternative of attending a course of language study and showing progress from one language level to the next was put in place. Some 20% of applicants choose this route.

In April 2007 this concept was extended to anyone seeking permanent settlement in the United Kingdom. At the same time, a new requirement – that applicants should know something of the British way of life – was introduced. A teacher resource pack was developed so that people choosing to undertake a course of study in order to qualify for naturalisation could gain practical information about living in Britain at the same time as

learning English. For those people with existing language skills at or above B1 (threshold) the multiple-choice computer based "Life in the UK" test was introduced. This is a simple and pragmatic way of ensuring that someone has sufficient knowledge of English to be able to achieve their life goals in a predominantly English-speaking environment. Other methods of assessing someone's English competence have been tried in the past but have been cumbersome to administer or open to abuse.

The test also encourages people to learn about UK society. In order to pass it applicants need to read "Life in the United Kingdom: A Journey to Citizenship". This contains a great deal of practical information on UK history, the changing UK society, a profile of the UK population, religion and culture, how the United Kingdom is governed, accessing goods and services, employment, the law and sources of help and information. There is a further chapter on building better communities which focuses on opportunities for engaging with local communities, volunteering, etc.

Over one million people have taken the test since its inception. Since "Life in the UK: A Journey to Citizenship" was re-written in a clearer, more accessible style in 2007 the pass rate has consistently been around 75%.

There is, however, a growing feeling in the United Kingdom that more needs to be done in order to ensure the full socio-economic, civic, linguistic and cultural integration of migrants. We are therefore now seeking to encourage people to become more active in the life of the United Kingdom. Whatever the migration route to the United Kingdom, it is important to try to develop better social networks. For individuals wanting to work, especially those seeking to be self employed entrepreneurs, social networks can be an extremely effective way of developing both skills and opportunities.

One of the priorities for the conservative/liberal democrat coalition government is the development of the concept of "Big Society". In essence this is a process by which decisions on issues of importance to communities will be taken at a local level and the objective is for people within communities to become much more involved in the decision making process. For migrants, who perhaps do not have networks in which they can discuss local issues with others in their area and to make informed judgments about them, this could create particular challenges. The United Kingdom is therefore placing increased emphasis on programmes part-funded by the European Integration Fund that give people opportunities to take part in community voluntary activities. This in turn means that they can get to know better the members of the community that they have joined through shared interests and through direct involvement in the community. They will get to meet people from other communities and from other cultures and we hope this will enhance their integration experience and their citizenship experience.

13.1. Legislative summary

The British Nationality Act 1981 came into force on 1 January 1983 and replaced citizenship of the United Kingdom and Colonies with three separate types of citizenship. These were:

- British citizenship, for people closely connected with the United Kingdom, the Channel Islands and the Isle of Man;
- British overseas territories citizenship, for people connected with the British overseas territories; and

- British Overseas citizenship, for those citizens of the United Kingdom and Colonies without connections with either the United Kingdom or the British overseas territories.

The Nationality, Immigration and Asylum Act 2002 amended the British Nationality Act 1981 and increased the forms of British nationality to the current figure of six. This legislation also introduced, for the first time, an objective assessment of an applicant's language skills through participation on a course or taking a language/citizenship test. A further requirement is for all successful applicants for British citizenship aged 18 or above to take an oath and pledge at a citizenship ceremony, unless exempted by the Home Secretary. The ceremony is organised by County Councils and Local Authorities within the United Kingdom and Gibraltar.[2]

Of the current six forms of British nationality, *British citizens* are the majority. They have that citizenship usually through:

- Birth;
- Adoption;
- Descent;
- Registration;
- Naturalisation.

and have the right of abode in the United Kingdom.

British overseas territories citizens – known as British Dependent Territories citizens before February 2002 – have that citizenship through a connection with a British overseas territory such as Gibraltar, St Helena, etc. Hong Kong citizens lost that citizenship automatically on 1 July 1997 but may still hold another form of British nationality (see below).

British Overseas citizens are a smaller group connected with the former British colonies who, for the most part, did not acquire citizenship of the new country when it attained independence. Hong Kong British Dependent Territories citizens became British Overseas Citizens on 1 July 1997 if they would otherwise have become stateless.

British Nationals (Overseas) are a separate sub-group of former Hong Kong British Dependent Territories citizens. The vast majority of British Nationals (Overseas) are ethnically Chinese who became Chinese on 1 July 1997. Although their BDTC status was lost on that date they are, as British Nationals (Overseas), entitled to hold a British passport.

British subjects are a dwindling group of people who normally hold that status either:

- By virtue of their birth in Eire before 1 January 1949; or
- Because they were BSs before 1 January 1949 through a connection with a place which became a Commonwealth country on that date and, although they were potentially citizens of that country, did not acquire citizenship of that or any other country before 1 January 1983.

Known as British subjects without citizenship before 1983, they would lose that status if they acquired another nationality.

British protected persons are a small group of persons who hold that status through a connection (normally birth) with a place which was either a UK protectorate, protected state, mandated or trust territory. In most cases, BPP status was lost if the place was part of a country which attained independence or if they acquired another nationality.

13.2. Legal provisions in relation to grants of British citizenship

When the British Nationality Act 1981 came into force on 1 January 1983, certain entitlements to citizenship, which had existed before 1 January 1983, were extended for a transitional period which, in most cases, ended on 31 December 1987. The main legal provisions are summarised in Annex 13.A1.1.

On 5 December 2007, the Home Secretary announced changes to the way that an applicant's good character will be assessed for the purposes of naturalisation and registration as a British citizen. The changes took effect as from 1 January 2008. Applications made on and after that date will normally be refused if the applicant has been convicted of a criminal offence and the conviction has not yet become "spent" in accordance with the provisions of the Rehabilitation of Offenders Act 1974.

From 2002, paragraph 8 of the Nationality, Immigration and Asylum Act 2002 amended paragraph 3(1)(b) of Schedule 2 to the British Nationality Act 1981 (application by person born in United Kingdom or overseas territory for registration as citizen: age requirement) changing the age requirement from between 10 and 22 years to under 22 years.

13.3. Definitions

Grants: A positive outcome of an application for British citizenship prior to attending a citizenship ceremony by applicants over 18 years of age. At the ceremony, the applicant takes the Oath or Affirmation of allegiance to Her Majesty the Queen and the Pledge of loyalty to the United Kingdom. Children under 18 do not have to take the Oath/Affirmation or Pledge.

Rejection: In 2005 and 2006, new processes for rejecting applications, prior to any substantive consideration of the case, were introduced. These processes deal with situations where the applicant is found to be British already or whose application is not at the outset supported by the requisite evidence of entitlement to or qualification for British citizenship.

Entitlement: The applicant satisfied the conditions specified by the 1981 Act.

Discretionary: The success of the application depends, either in whole or in part, on the Secretary of State being satisfied on the basis of all the information at his disposal that it would be appropriate to grant it.

Ceremony attended: A ceremony organised by County or Local Authorities for successful applicants over 18 years of age for British citizenship. At the ceremony the applicant takes the Oath or Affirmation of allegiance to Her Majesty the Queen and the Pledge of loyalty to the United Kingdom. Since 1 January 2004 this has been the final stage in the process of attaining British citizenship.

13.4. Statistical summary

The 2009 data concerning acquisition of British citizenship includes, for the first time, figures of the number of persons renouncing their British citizenship since 2002. Also new in the 2009 data are a range of tables, supplied in a supplementary group in Excel format, providing summary data as far back as is currently feasible. This includes grants of British citizenship from 1962 to 2009; applications and refusals from 1987 to 2009 and grants by previous nationality from 1983 to 2009. There follows a summary of key statistical data from the 2009.

Applications for British citizenship increased by 24% in 2009 to 193,810. The total number of decisions made in 2009 rose by 55% to 214,040. The number of decisions made, including grants and refusals, in 2009 has recovered from the comparatively low level in 2008 when staff resources were temporarily transferred from decision-making to deal with administration of new applications.

The number of persons granted British citizenship rose by 58% to 203 790 in 2009. The main nationalities granted British citizenship were Indian, Pakistani, Bangladeshi and Philippine. 49% (99 475) were on the basis of residence, 26% (52 625) marriage and 23% (47 815) minor children. Refusals, withdrawals and applicants found to be already British made up 5 per cent of all decisions (10 250) in 2009.

The number of persons attending a British citizenship ceremony increased by 62% to 149 465 in 2009. 43% of ceremonies (63 585) were held within Greater London. The number of applications received for British citizenship in 2009 was 193 810 – an increase of 24% compared to the previous year when 156 015 applications were received. Total applications received in 2009 are the third highest recorded since data became available in 1987, exceeded only by 2005 and 1987. The exceptionally high figure of 294 445 in 1987 reflected large numbers of applications received under transitional provisions of the British Nationality Act 1981. The increase in applications for British citizenship since 2001 may partly reflect increased grants of settlement to non-EEA nationals since 2000. After a period of residence those granted settlement, become eligible to apply for citizenship. New provisions for registration as a British citizen, introduced in the Nationality, Immigration and Asylum Act 2002, may also have contributed to the increase.

In 2009 10 250 applications for British citizenship were refused, withdrawn or found to be already British, an increase of 13% compared to 2008 (9 085). Refusals, withdrawals and applicants found to be already British made up 5% of all decisions in 2009, 2 percentage points less than in 2008. The proportion of refusals and withdrawals has fallen from a peak in 1992 of 18% (9 255), reflecting the introduction of application checking services leading to fewer incomplete or inappropriate requests.

13.5. Basis of grant

Residence in the United Kingdom continued to be the most frequent basis on which persons were granted British citizenship in 2009. The number of such grants was 99 475, 49% of the total. The number of grants to persons on the basis of marriage to a British citizen was 52 625, 26% of the total. The proportion based on residence (99 475) fell by 2 percentage points from the previous year, whilst that based on marriage (52 625) increased by 4 percentage points. Most of the remaining grants in 2009 (51 690) were to minor children which accounted for 23% of the total. Persons whose previous nationality

was from countries in the Indian sub-continent constituted the largest single regional group with 29% (59 520) of all grants in 2009, up 10 percentage points compared 2008. Africa accounted for 27% (55 235) of grants, 5 percentage points less than 2008, and people from the Remainder of Asia 17% (34 900). Grants made to people from the Remainder of Europe (*i.e.* outside the European Economic Area) were 8% (15 955) of the total while the Americas and the Middle East accounted for 6% each (12 880 and 11 615 respectively

13.6. Renunciation of British citizenship

Under the British Nationality Act 1981 it is possible for British citizens who are over 18 years of age and of full capacity to apply to renounce their nationality, although renunciation will only be granted where that applicant already has or is about to acquire citizenship of another country. 570 people were granted renunciation of their British citizenship in 2009, an increase of 6% compared to 535 people in 2008. Similar numbers of people have renounced their British citizenship in each year since 2003. The higher figure of 1 140 in 2002 was due to an increase in grants to nationals of Zimbabwe reacting to a change in that countries law regarding dual nationality.

13.7. Reasons for refusal

There was a 13% increase in the number of persons refused British citizenship in 2009. This reflects the overall increase in decisions made. Of the 9 900 refusal decisions made, 37% (3 650) were refused on grounds that the applicant failed to fulfil a residence requirement. Refusals for this reason increased by 65% compared to 2008 (2 220) and form the largest single category of refusal in 2009.

Of the remaining refusal decisions 28% (2 745) were refused because the applicant was considered not to be of good character. Refusals for this reason increased by 3% compared to 2008 (2 665). The increase in refusals of this type during the last 2 years is due to a change of policy from 1 January 2008.

The latest full statistical bulletin on naturalisation (*British Citizenship Statistics United Kingdom, 2009*) can be found at: *http://rds.homeoffice.gov.uk/rds/pdfs10/hosb0910.pdf.*

Notes

1. Any views or opinions expressed in this chapter are personal and do not necessarily reflect UK Border Agency or Home Office policy.
2. Further information explaining the position from 1 January 1983 under the 1981 Act, and explaining some changes made by the British Overseas Territories Act 2002 is available at: *www.ind.homeoffice.gov.uk/policyandlaw/guidance/nationalityinstructions/*.

Annex 13.A1. Brief summary of the relevant provisions

- s.1(3): entitlement to registration of a minor born in the United Kingdom after 1 January 1983 when one of his/her parents later becomes a British citizen or becomes settled in the United Kingdom.
- s.1(4): entitlement to registration of a person in the United Kingdom after 1 January 1983 who spent the first ten years of his/her life in the United Kingdom.
- s.3(1): discretionary registration of a minor as a British citizen.
- s.3(2): entitlement to registration of a minor less than one year old born outside the United Kingdom after 1 January 1983 (or outside the United Kingdom and the qualifying territories since 21 May 2002) to a parent who was a British citizen by descent.
- s.3(5): entitlement to registration of a minor born outside the United Kingdom after 1 January 1983 (or outside the United Kingdom and the qualifying territories after 21 May 2002) to a parent who was a British citizen by descent where the minor and parents are resident in the United Kingdom or a qualifying territory.
- s.4A: discretionary registration for adults and minors who are British overseas territories citizens by connection with a qualifying territory.
- s.4B: entitlement to registration for British overseas citizens, British subjects and British protected persons who have no other citizenship or nationality.
- s.4C: entitlement to registration for certain people born after 7 February 1961 and before 1 January 1983 to mothers who were citizens of the United Kingdom and Colonies at the time of their birth.
- s.4(2): entitlement to registration of a British overseas territories citizen, a British Overseas citizen, a British National (Overseas), a British subject or a British protected person resident in the United Kingdom.
- s.4(5): discretionary registration on the grounds of Crown service in a British overseas territory of a British overseas territories citizen, a British Overseas citizen, a British National (Overseas), a British subject or a British protected person.
- s.5: entitlement to registration of a British overseas territories citizen from Gibraltar.
- s.6(1): naturalisation of an adult by virtue of 5 years residence in the United Kingdom or UK Crown service.
- s.6(2): naturalisation of an adult who is married to a British citizen by virtue of three-years residence in the United Kingdom.

- s.7: transitional entitlements to registration of a Commonwealth citizen who was resident in the United Kingdom.
- s.8(1): transitional entitlement to registration of a woman still married since before 1983 to a man who became a British citizen on 1 January 1983.
- s.8(2) and 8(3): transitional discretionary registration of a woman married before 1983 to a man who either a) became or would have become a British citizen but for his death (and they were no longer married) or b) renounced citizenship (and they were still married).
- s.9: transitional entitlement to registration of a minor less than one year old born abroad on or after 1 January 1983 who, if they had been born before 1 January 1983 and had been registered in a British Consulate overseas, would have become a British citizen on 1 January 1983.
- s.10(1): entitlement to acquire British citizenship by a person who had renounced citizenship of the United Kingdom and Colonies before 1983.
- s.10(2): discretionary registration of a person connected with the United Kingdom who renounced citizenship of the United Kingdom and Colonies before 1983.
- s.13(1): entitlement to resume British citizenship by a person who has previously renounced it.
- s.13(3): discretionary registration of a person who has previously renounced British citizenship.
- Schedule 2: entitlement to registration of a stateless person.
- Schedule 8: relates to applications made before the commencement of the 1981 Act and provides that: a) applications will continue to be decided in accordance with the provisions of the previous nationality Acts; and b) applicants, if successful, acquire the citizenship they would have acquired on 1 January 1983 if the application had been decided before 1983.

Chapter 14.
Citizenship in Australia

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Australia has a high take-up of citizenship compared to other OECD countries. This chapter provides an overview of citizenship policy, citizenship trends, and the socio-economic characteristics of citizens with and without Australian citizenship. It begins with an overview of the historical development of citizenship policy and its connections with the development of immigration and integration strategies in Australia. It then discusses the current take-up rate of citizenship among different migrant groups, and explores the relationship between the acquisition of citizenship and labour market integration.

Introduction

Most immigration to Australia has always been encouraged as a permanent move. Australia is a long way from many of our "source" countries, particularly in Europe. Integration has always been part and parcel of Australia's immigration policies and our services have developed within a specific historical, cultural and policy context. The development of Australian citizenship has been intertwined with immigration since 1901.

On 26 January 1949, the legal concept of Australian citizenship was created with the enactment of the Nationality and Citizenship Act 1948, now known as the Australian Citizenship Act 2007. Throughout that year, 2 493 migrants from 35 countries became the first overseas-born Australian citizens. Sixty years later in 2009, 119 791 migrants from 185 countries were conferred as Australian citizens.

Today, due to Australia's strong social and welfare policies, Australian citizenship has little practical effect on the everyday situation of the permanent migrant. People who are permanent residents have the same access as citizens to the national health program and public education at the primary and secondary school level. They also have some access to welfare support and public tertiary education. Many are also eligible for special settlement services to help them take part in mainstream life as soon as possible.

There are however some distinct advantages to acquiring Australian citizenship. These are an Australian passport, eligibility for permanent government employment, the right to vote in government elections and security from deportation. Australian citizenship also has great symbolic value for the population at large, in that it formally establishes membership in the national community.

This paper provides a profile of those who have acquired citizenship, plus discussion on the take-up rate of citizenship among different migrant groups, and explores the relationship between the acquisition of citizenship and labour market integration.[1] To establish context to Australia's more recent policies and impacts on labour market integration, this paper begins with a historical overview of Australian citizenship policy and its connections to wider migration and integration policies.[2]

14.1. History of Australian migration, integration and citizenship policies (1900 to present)

The Immigration Restriction Act 1901 laid the basis for the White Australia Policy which was to dominate Australia's immigration policy for the most part of the century. Immigration in Australia was administered by individual states in Australia, across various departments. A major obstacle to non-European migration was the legislative requirement of a dictation test.

In 1945 the Department of Immigration was established. It was to oversee a massive program of immigration, integration and citizenship for the next 65 years. Australian citizenship was created through the Nationality and Citizenship Act 1948, and came into effect on 26 January 1949 (soon after the post-war migration program was launched). Prior to 1949, Australians could only hold the status of British subjects. Since the enactment of the Nationality and Citizenship Act 1948, knowledge of English and the responsibilities and privileges of Australian citizenship have been required under legislation.

The driving force behind immigration policy for the next 20 years became known as "Populate or Perish". The original intention of Australia's migration program was that the country's population would be increased by approximately 2% each year – 1% by natural increase, and the other 1% through migration.

In line with the Immigration Restriction Act 1901, assimilation was expected of all new arrivals. It was assumed that participation in Australian society would not be difficult, and new arrivals were expected to learn English, adopt existing cultural norms and become indistinguishable from the Australian-born population as rapidly as possible.

The 1950s and 1960s saw a gradual easing of conditions for obtaining Australian citizenship. Population growth was still a key pillar of immigration policy, but increasingly economic growth and skills became the key drivers. This led to significant changes in the migration mix, with many non-British migrants deciding to make Australia their new home.

The then secretary of the department (T.H.E. Hayes) stated in 1952 that "a high rate of naturalisation would be evidence of the success of our immigration policies". He engaged the department in a process of monitoring the take-up of citizenship by migrants. By the mid-1960s it was recognised that assimilation was not easy for everyone. Immigration policy turned to highlighting *integration* – recognising the increasing diversity of the immigration intake.

In 1972, the Australian Labour Party won government on a non-racially based immigration platform, spelling the end of the White Australia Policy. At the end of the 1970s Australia introduced a points test system that gave weight to factors such as family ties and occupational and language skills. The points test system brought greater objectivity to visa decision making and has endured as a policy tool to this day.

With the large changes in the immigration mix it was recognised that settlement services needed reviewing (Galbally, 1978; FitzGerald, 1988). The result was a renewed commitment to a non-discriminatory and managed immigration program and the mainstreaming of migrant services, with special services available to those in need. The primary aim of settlement services was to help migrants become self-reliant as quickly as possible.

The recession of the early 1990s again put emphasis on labour market drivers. There were also increasing concerns over the number of boats carrying asylum seekers arriving on the shores of Australia. Further codification of the immigration program occurred through the Migration Reform Act, passed in 1992, through the introduction of a universal visa system and a fair administrative process was bolstered with the expansion of a review mechanism relating to migration decisions.

Bolstering of Australia's citizenship program in the 1990s occurred first with the Australian Citizenship Amendment Act 1993, which incorporated a preamble into the Australian Citizenship Act 1948 to recognise that citizenship is a common bond of rights and responsibilities for all Australians, and replacing the oath of allegiance with a Pledge of Commitment.

In 2000, the Australian Citizenship Council released its report, *Australian Citizenship for a New Century* examining the concept of citizenship and recommended changes to modernise citizenship law. This led to major changes in the *Citizenship Act* in 2002, including the introduction of dual nationality for Australian citizens.

In 2005, the then Prime Minister proposed increasing the residency requirement for citizenship. This proposal was part of a package of reforms aimed at reducing the threat of terrorism in Australia.

In 2006, the Department of Immigration and Multicultural Affairs released a discussion paper on the merits of introducing a citizenship test, *Australian citizenship: much more than a ceremony*. The discussion paper examined the merits of a test as encouraging integration, promoting the value of citizenship and ensuring applicants had appropriate English language skills.

The Australian Citizenship Act 2007 significantly restructured the 1948 Act. It introduced a number of changes including the introduction of a test to objectively test knowledge of English and the rights and responsibilities of Australian citizens. It also extended the residency requirement from two to four years including a 12 month period of permanent residence before making the application. The test aimed to ensure applicants for citizenship understood Australia's laws, values and the community generally in order to aid the integration of new citizens. These changes saw an increase in citizenship applications before the introduction of the test.

In 2007, the permanent migration program target was set the highest level for 20 years. Net overseas migration for 2007, at 184 438 was the highest on record.

In 2008, the Rudd Government reviewed the citizenship test following a study *Moving Forward… Improving Pathways to Citizenship*. It found that refugees and humanitarian entrants were at a particular disadvantage due to their lower literacy skills and education background. To address these concerns the government supported the following report recommendations:

- Allowing particularly disadvantaged clients, for example, those with limited written English skills, but adequate spoken skills, to undertake a citizenship course-based test as an alternative to the computer-based test; and
- Having the resource book revised into basic English by professional educators with experience in English language tuition, civics and citizenship education.

The Pledge of Commitment was made the centrepiece of the new test and an exemption from sitting the test was introduced for people with a permanent or enduring physical or mental incapacity.

In his second reading speech when introducing the legislation, the then Minister for Immigration and Citizenship, Senator Chris Evans, said that:

> *"The government wants a citizenship test that is part of a meaningful pathway to citizenship for all those aspiring to become Australians. It should fill our new citizens with confidence about their role in this society, and how they can contribute to making this nation vibrant and strong. By focusing on the pledge the government has placed democratic beliefs, responsibilities and privileges of Australian citizenship, and the requirement to uphold and obey the laws of Australia at the heart of the citizenship test."*

14.2. Citizenship conferrals

In 2009-10, there were 119 791 people conferred with Australian citizenship, a 38% increase on the 86 981 conferrals for 2008-09.

As shown in Table 14.1, the United Kingdom, New Zealand, India and China have been the major source of Australia's new citizens in the past decade.

The relative importance of New Zealand as a source of new citizens has declined in recent years however, from being the second largest source of new citizens in 2000-01 to the sixth largest source in 2009-10. This now places New Zealand behind the United Kingdom, India, China, South Africa and the Philippines. Over the same ten year period India has become the second largest source of new citizens up from sixth in 2000-01.

Table 14.1. Citizenship conferrals by nationality

Previous nationality	Citizenship conferrals 2000-01 to 2009-10
United Kingdom	197 869
New Zealand	94 479
China	80 072
India	72 818
South Africa	47 255
Philippines	35 251
Sri Lanka	21 712
Vietnam	20 411
Malaysia	19 317
Korea	14 760
Indonesia	12 204
Other countries	368 811

Source: Unpublished DIAC citizenship data.

Most citizenship applicants do not become citizens until they have attended a citizenship ceremony. These ceremonies take place after an application is assessed and approved, and may be scheduled on particular dates such as on Australian Citizenship Day or Australia Day.

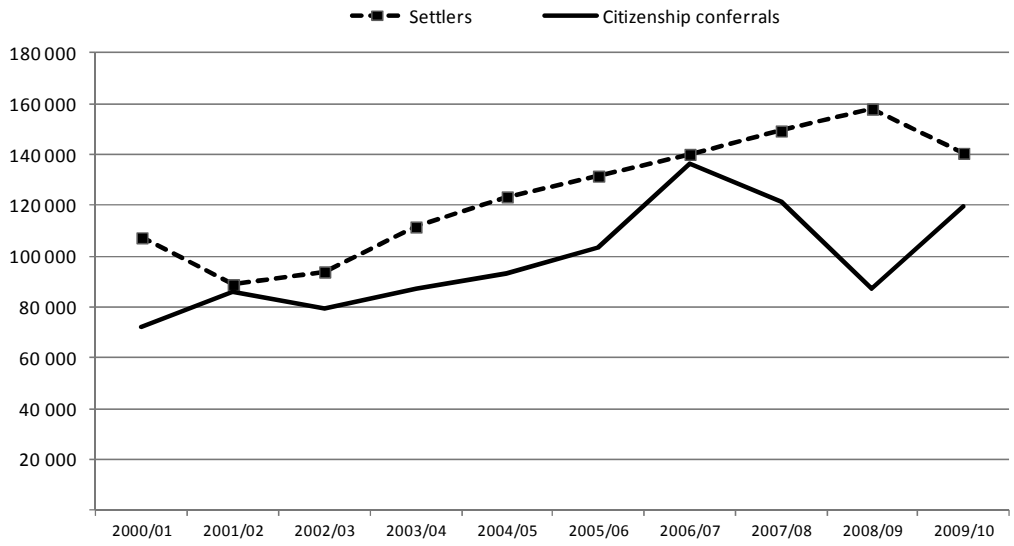
Citizenship ceremonies are important occasions, and can range in size from a single person to groups of a hundred or more. Ceremonies may include a welcome from Indigenous Australian leaders and community and government representatives will often make short speeches regarding the meaning of citizenship. When attending the citizenship ceremony, applicants make the Australian Citizenship Pledge.

"From this time forward,
I pledge my loyalty to Australia and its people,
whose democratic beliefs I share,
whose rights and liberties I respect, and
whose laws I will uphold and obey."

Repeating this pledge is the final step in becoming an Australian Citizen. By repeating the pledge, new citizens are making a formal and public commitment to Australia, including the responsibilities and privileges of citizenship.

Figure 14.1 shows the growth in citizenship conferrals over the past decade. Two things are notable from this figure. First the growth in conferrals is a consequence of larger migration programs in recent years. Second, the announcement of residence requirements in September 2006, followed by the announcement of a citizenship test three months later led to a large increase in applications through 2007. A natural consequence of this was a sharp drop in applications following the introduction of the new residence requirements in July 2007 and the test in October 2007.

Figure 14.1. Citizenship conferrals and permanent additions, 2001-01 to 2009-10



Source: Unpublished DIAC citizenship and permanent additions data.

14.3. Characteristics of citizens

At the time of 2006 census there were almost three million migrants living in Australia who reported themselves to be Australian citizens – indicating a figure equivalent to a citizenship take-up rate of 68% of the 4.4 million migrants that responded to the census. This is 20 percentage points higher than the OECD average, slightly lower than Canada's 75% rate and well above the 48% rate for the United States (OECD).

Countries with a long history of migration to Australia such as the United Kingdom, New Zealand, Vietnam and Italy are the main birthplaces of overseas-born Australian citizens, and collectively have contributed a third of current citizens. More recently the acquisition of Australian citizenship has been taken up by emerging migrant countries with India, China, South Africa and the Philippines now being among the prominent former sources of new citizens in 2009-10.

Table 14.2 shows the origins and characteristics of Australia's overseas-born citizens, as well as the take-up of Australian citizenship. As can be seen from this table the take-up of Australian citizenship:

- *Is the same across gender.* With 68% of overseas-born males and 69% of females having Australian citizenship.
- *Increases with age.* As will be shown later the longer a migrant resides in Australia the more likely they are to take up citizenship. The consequence of this is that migrants who are citizens are older than non-citizens. In fact with a median age of 50 years, they are, as a group, 13 years older than non-citizens and 18 years older than the Australian-born.
- *Is similar across all levels of English proficiency*. Ranging from 66% for people whose best language is English to 71% for poor English speakers.

Table 14.2. Citizenship numbers and take-up rates of overseas-born by selected characteristics

Characteristics	Australian citizens ('000)	Not Australian Citizens ('000)	Citizenship rate (%)
Gender			
Male	1 439	681	68
Female	1 514	698	68
Age			
Less than 15 years	108	119	47
15 to 24 years	204	206	50
25 to 34 years	295	298	50
35 to 44 years	517	263	66
45 to 54 years	596	195	75
55 to 64 years	568	141	80
65 years and over	665	158	81
Birthplace			
United Kingdom	569	276	67
Italy	157	39	80
Viet Nam	142	14	91
New Zealand	139	240	37
China	118	85	58
Greece	105	3	97
Philippines	96	22	81
Scotland	81	47	63
India	79	65	55
Germany	76	29	72
South Africa	71	32	69
Other	1 321	526	72
English proficiency			
English Only	1 443	744	66
Good English Proficiency	1 182	500	70
Poor English Proficiency	308	125	71
State of residence			
New South Wales	1 070	456	70
Victoria	792	358	69
Queensland	425	260	62
South Australia	208	94	69
Western Australia	352	170	67
Tasmania	34	16	68
Northern Territory	17	9	67
Australian Capital Territory	53	16	76
Total	**2 953**	**1 379**	**68**

Source: Unpublished data from 2006 Census of Population and Housing.

One reason for this apparently lower take-up rate among better English speakers is to do with the origins of these migrants. More than half come from either New Zealand or the United Kingdom, and the data shows that migrants from these two countries have below average citizenship rates – with New Zealand being particularly low at only 37%. Possible reasons for these low take up rates are discussed in the next section of this chapter.

Looking at citizenship rates on a country by country basis produces a much different result. For instance, compared with people who speak English as their best language, poor English speakers have a lower rate of citizenship for 96 of the top 100 overseas birthplaces, whereas people who speak English well have a lower rate for 86 of the top 100 overseas birthplaces. It should also be noted that this information is based on census data from 2006, and, as previously mentioned, there has been significant change to the citizenship program since that date.

- *Is similar for most States and Territories at 67 to 70%.* There are however two extremes – Queensland and the Australian Capital Territory (ACT).
- Queensland had the lowest citizenship rate, as it had more New Zealand-born migrants than any other jurisdiction.
- The ACT has the highest rate, most likely because the federal government is a major employer in the territory and Australian citizenship is a pre-requisite in applying for this type of employment. In fact, 36% of the ACT's overseas-born citizens work in the federal public service compared with the only 5% of overseas-born citizens elsewhere in Australia. In comparison only 4% of all Australian-born and 31% of Australian-born people living in the ACT are working in the federal public service.

14.4. Variation by birthplace

Table 14.2 also shows considerable variation in the take-up of Australian citizenship among different countries.

India and China have a low-take up rate because at the time of the census many of their migrants were relatively recent arrivals who had not yet met citizenship residency requirements. Since then many have become citizens – with 17 881 former citizens of India and 11 103 former citizens of China being conferred citizenship in 2009-10. This made India and China the second and third largest sources of new Australian citizens during this period.

The absence of dual citizenship arrangements may explain low take-up rates for migrants from Japan (15%) and Singapore (55%). This is consistent with data from the second Longitudinal Survey of Immigrants to Australia conducted in 2002 which shows that the two most common reasons for not wanting to take up Australian citizenship were to retain citizenship of their home country and to keep their current passport (DIAC, 2004).

Migrants from the United Kingdom also have relatively low take-up rates. Many of these migrants have been in Australia a long time, and provided they were on the electoral roll before January 1984, also enjoy the right to vote in federal elections.[3] Furthermore, because Australia did not allow dual citizenship until 2002, many older UK migrants who were initially reluctant to give up their UK citizenship may now see little point in acquiring Australian citizenship at this stage in their lives.

For New Zealand migrants there are two factors contributing to their low take-up rate. The first is the Trans-Tasman Travel Arrangement (TTTA), which has been in existence since 1973 and allows the free movement of New Zealanders to live and work in Australia and remain indefinitely. The second factor is new residence and citizenship requirements introduced by the Australian Government in 2001. Under these new requirements, New Zealanders who first arrived in Australia after February 2001 need to

be holders of a permanent visa to be eligible to apply for citizenship. One possible result of these two factors is that New Zealanders who arrived before February 2001 may have less motivation to become citizens than most other nationalities as they have never made a formal commitment to migrate, they receive all the benefits of permanent residence and they can continue to move freely to and from New Zealand and maintain strong connections with their home country. The other result is that New Zealanders who arrived after this date have a restricted pathway to permanent residence and citizenship as most would fail to meet the requirements for family reunion or skilled migration but are still able to travel freely to Australia under the TTTA.

Other countries have particularly high citizenship take-up rates – Greece, Vietnam and Bosnia and Herzegovina for example. People from these countries are likely to be more motivated to take up citizenship for two reasons.

- First, many came to Australia to escape difficult political situations or ethnic conflicts in their home country and will therefore seek the additional security of Australian citizenship. This finding is supported by the Australian Bureau of Statistics Perspectives on Migrants study that used linked census and Department of Immigration and Citizenship data to show that 69% of humanitarian entrants who had arrived in 2003 were Australian citizens. In comparison the same study showed that only 29% of skilled migrants and 16% of family migrants arriving in that year had acquired citizenship (ABS, 2003).
- Second, they may take up citizenship as an acknowledgement of the better life and greater opportunities provided by their host country. This rationale does not always hold true, the push factors for migration from post-war Italy were similar to those of post-war Greece, however the Italian-born have a citizenship rate that is 20% lower than the Greek-born.

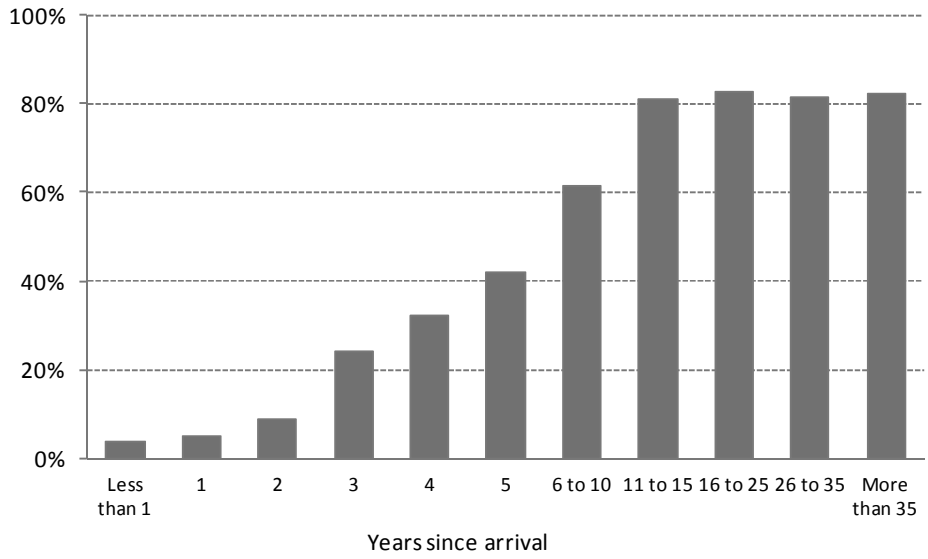
14.5. Variation by years since arrival

Citizenship rates also increase with time in Australia – up to a point. Figure 14.2 shows that as a group, migrants who came to Australia more than ten years ago (*i.e.* before 1996) had a relatively uniform citizenship take-up rate in 2006 of 82% – almost 20 percentage points higher than the rate for people who arrived five years later. The very low take up rates in the early years of integration are a function of the two year residence requirements that applied to most migrants at the time of the census.

The reporting of take-up rates in Figure 14.2 is only based on the 2006 census. Figure 14.3 extends this analysis to provide a comparison of take-up rates at four different census time-points – 2006, 1996, 1991 and 1986 to show:

- The citizenship rate for more established migrants is highest for the 2006 census. At the time of this census, 82% of migrants who had been in Australia 15 years or more were Australian citizens – 3 percentage points higher than at the 2001 census, 6 percentage points higher than the 1996 census and 11 percentage points higher than the 1986 census.

Figure 14.2. Citizenship rates by years since arrival



Source: Unpublished data from 2006 Census of Population and Housing.

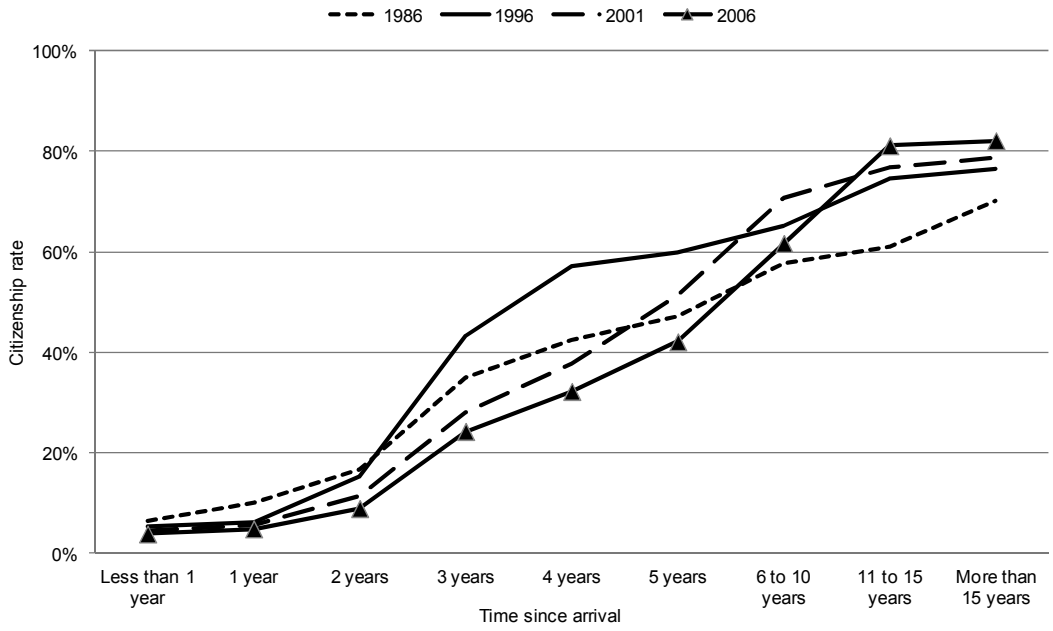
- A relatively slow take up rate of Australian citizenship among more recent migrants in the 2006 census. For example, at the time of the 2006 census just over 40% of migrants who had been in Australia for five years had acquired Australian citizenship. For the 2001 census the equivalent figure was slightly over 50% of migrants who'd been in Australia for five years, and for 1996 it was almost 60%. It is also notable from Figure 14.3 that the take-up rate in the very early years was highest for the 1986 cohort. This reflects the one year residence requirement existing prior to 1984, which was subsequently replaced by a two-year requirement.[4]

These differences in take up rate trends are not contradictory. The high take up rate for established migrants in the 2006 census is in fact a legacy of high take up rates among these same migrants in earlier census cohorts. This is most evident in the way that the 2001 census cohort that arrived between five and fifteen years earlier echoes the 1996 cohort that had arrived in Australia three to ten years earlier.

It is not clear whether the low citizenship rates among more recent migrants observed in the 2006 census will flow-on to a decline in overall citizenship rates in coming years. In addition, any decline evident in 2011 census data is likely to be a result of significant and subsequent changes to the Australian citizenship regime since that time. Historically, citizenship application rates tend to drop following changes to the Citizenship Act, possibly due to uncertainty about eligibility in migrant communities. Since the 2006 census, Australian citizenship has seen the introduction of a formal citizenship test in 2007, followed by a widely publicised independent review of citizenship in 2008, significant revision of the citizenship test and supporting education resources in 2009, as well as major changes to the process for applying, in 2009, and an increase to the residence requirement in 2010.

This analysis does not control for the age of migrants – older migrants may have a greater propensity to apply for citizenship for example. If this was the case then not all the increases in citizenship rates would be attributed to increased time in Australia.

Figure 14.3. Citizenship rates by years since arrival: selected census years



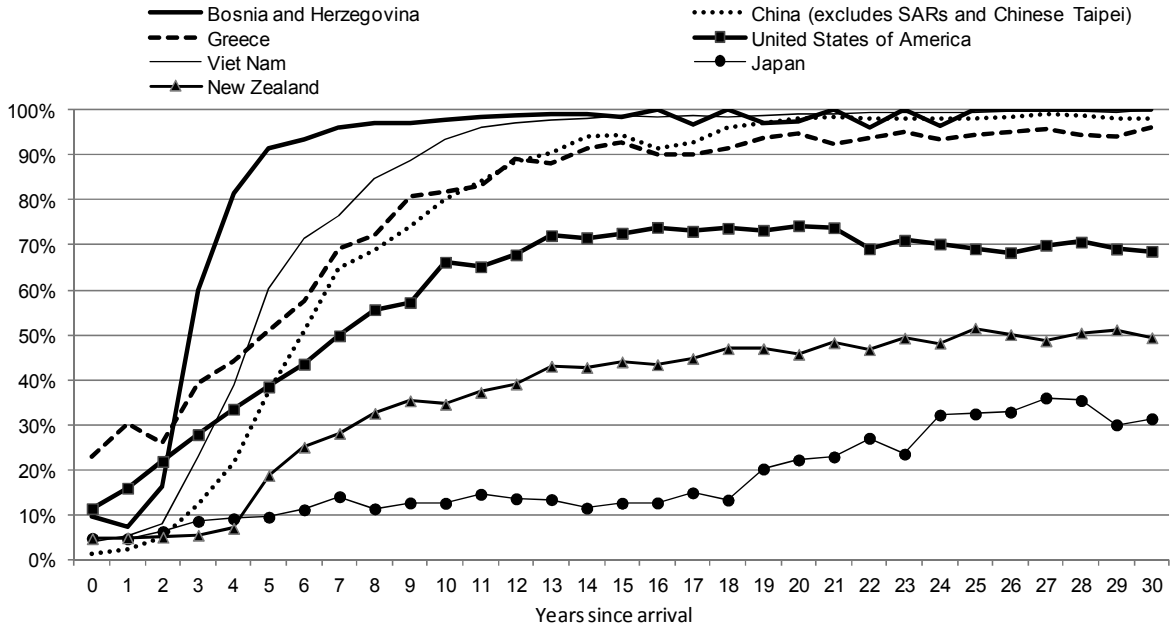
Source: Unpublished data from 1986, 1996, 2001 and 2006 Census of Population and Housing.

14.6. Variation by birthplace and years since arrival

Figure 14.4 presents citizenship rates by year since arrival for selected countries and shows:

- Citizenship rates that are consistently high for established migrants from Greece, Vietnam and China and Bosnia and Herzegovina.
- Citizenship rates that are relatively low for established migrants from New Zealand and Japan.
- A rapid take-up of citizenship by new arrivals from Bosnia and Herzegovina. Further analysis of the data shows that more than 95% of people from this country had acquired Australian citizenship within 11 years. Similar rapid take-up rates were also observed for other Balkan countries.
- The variability in citizenship rates within some birthplace cohorts – where more established migrants had lower citizenship rates than more recent arrivals. For instance US-born migrants arriving between the mid-1960s and mid-1980s have lower citizenship rates than those who arrived in the decade between 1985 and 1994. Other countries not shown in Figure 14.4 but reporting similar patterns were England, Scotland, Canada and Ireland.

Figure 14.4. Citizenship rates by years since arrival (selected birthplaces)



Source: Unpublished data from 2006 Census of Population and Housing.

14.7. The relationship between citizenship and labour market outcomes

Citizenship does open up some additional employment opportunities for migrants, for example, through eligibility for permanent employment in the federal public sector and Australian Defence Force. It is also possible that employers perceive that naturalised migrants are better integrated and more productive (OECD, 2010). However, this may also be a function of the longer period of time that naturalised migrants have been residing in Australia, and a corresponding improvement in their ability to navigate the Australian employment environment, including through improved English and local work experience.

The extent of the employment benefits of citizenship is demonstrated in Table 14.3 which compares the employment outcomes of three groups:

- Migrants with Australian citizenship;
- Migrants without Australian citizenship;
- The Australia-born population.

To ensure that these groups are more comparable, the analysis is restricted to people aged 25 to 44 who have been in Australia for ten years or more. Limiting the analysis in this way removes the impact of temporary residents and controls for the fact that overseas-born Australian citizens are much older than the rest of the population.

What this shows are the significant effects of gender on labour market integration of citizens and non-citizens.

- Females with citizenship are 7 percentage points more likely than female non-citizens and 3 percentage points more likely than the Australian-born females to

be working full-time. At 74%, the workforce participation rate of female citizens lies halfway between that of non- citizens (72%) and the Australian-born (76%).

- Among males there is almost no difference in the labour market profile of citizens, non-citizens and the Australian-born population. 77 to 78% were in full-time work, 91 to 92% were in the workforce and 4 to 5% were unemployed at the time of the census.

Table 14.3. Employment outcomes overseas-born citizens and non-citizens aged 25-44

Labour force status	Overseas born		Australian born (%)
	Australian citizen (%)	Not Australian citizen (%)	
Males			
Employed, worked full-time	73%	73%	73%
Employed, worked part-time	10%	10%	9%
Employed, away from work	5%	5%	5%
Unemployed, looking for full-time work	3%	4%	3%
Unemployed, looking for part-time work	1%	1%	1%
Not in the labour force	8%	8%	9%
Total	**100%**	**100%**	**100%**
Male unemployment rate	4%	5%	4%
Male participation rate	92%	92%	91%
Male full-time employment to population ratio	77%	77%	78%
Females			
Employed, worked full-time	40%	34%	37%
Employed, worked part-time	26%	30%	31%
Employed, away from work	4%	4%	5%
Unemployed, looking for full-time work	2%	2%	2%
Unemployed, looking for part-time work	2%	2%	2%
Not in the labour force	26%	28%	24%
Total	**100%**	**100%**	**100%**
Female unemployment rate	5%	6%	4%
Female participation rate	74%	72%	76%
Female full-time employment to population ratio	43%	36%	40%

Source: Unpublished data from 2006 Census of Population and Housing.

Further analysis of census data shows that the employment benefits of citizenship are also evident for migrants from mainly English-speaking countries.[5] Citizens from these countries have:

- A participation rate of 87%, which is 4 percentage points better than that for non-citizens. In comparison the participation rate for citizens and non-citizens from other countries is far closer – 81% and 80% respectively.
- An unemployment rate at the time of the 2006 census of only 3%, compared with an unemployment rate of 5% for non-citizens from these countries. Citizens and non-citizens from other countries both had an unemployment rate of 6%.

- A full-time employment rate of 60%, which is 4 percentage points better than that for non-citizens. Citizens from other countries had a full-time employment rate that was 3 percentage points higher than that of non-citizens.

14.8. Do their jobs differ?

Although there are only small differences in the labour force characteristics of the three groups (overseas-born citizens, non-citizens and the Australia-born), some interesting differences do emerge when job characteristics are analysed.

Table 14.4 compares the occupation, industry, employment sector and employment status of these three groups. Again to ensure comparability the analysis is limited to people aged 25 to 44 who have been in Australia for ten years or more. As can be seen from this table:

- Regardless of citizenship status, migrants are over-represented in manufacturing – a traditional employer of the overseas-born and are under-represented in agriculture – reflecting their greater urbanisation compared with the Australian-born population.
- Those without citizenship are also almost twice as likely to be working in construction as migrants with citizenship. There are two factors that contribute to this over-representation. First, non-citizens will find it easier to get contract work than to get permanent work. Secondly, the proportion of independent contractors working in construction is far higher than other industries – according to the 2009 Australian Bureau of Statistics Forms of Employment Survey (ABS, 2009), 36% of all people working in the construction industry are independent contractors. The average for other industries is only 7%.
- Migrants with Australian citizenship are more likely to be found in the professional sector than both the Australian-born and other migrants. This demonstrates the emphasis on skills in Australia's Migration Programme. By contrast migrants without citizenship are more likely to be working in unskilled labouring jobs or as technicians and trade workers.
- Citizenship is also an enabler for government employment – with overseas-born citizens having the same proportion working in the federal public service as the Australia-born, and three times the proportion as non-citizens. Overseas-born citizens are also more likely to secure state government jobs than non-citizens, even though Australian citizenship is usually not a pre-requisite for this type of employment.
- Migrants are slightly more entrepreneurial than the Australian-born population – 18% of overseas-born citizens and non-citizens are running their own business, compared with 15% of the Australian population.
- Consistent with their greater propensity for skilled employment the earnings of overseas-born Australian citizens are higher than those of non-citizens – with 37% having gross earnings of USD 1 000 or more per week compared with 33% of non-citizens.

Table 14.4. Employment characteristics of foreign-born citizens and non-citizens aged 25-44

Characteristics	Overseas born		Australian-born (%)
	Australian citizen (%)	Not Australian citizen (%)	
Industry of employment			
Agriculture, forestry and fishing	1%	1%	3%
Mining	1%	2%	2%
Manufacturing	13%	14%	11%
Electricity, gas, water and waste services	1%	1%	1%
Construction	6%	11%	9%
Wholesale trade	5%	6%	5%
Retail trade	9%	10%	10%
Accommodation and food services	5%	6%	4%
Transport, postal and warehousing	5%	6%	5%
Information media and telecommunications	3%	2%	2%
Financial and insurance services	6%	5%	5%
Rental, hiring and real estate services	1%	2%	2%
Professional, scientific and technical services	9%	7%	7%
Administrative and support services	3%	4%	3%
Public administration and safety	8%	4%	8%
Education and training	6%	5%	8%
Health care and social assistance	11%	10%	10%
Arts and recreation services	1%	1%	1%
Other services	3%	4%	4%
Occupation			
Managers	13%	13%	14%
Professionals	27%	18%	22%
Technicians and trades workers	13%	17%	16%
Community and personal service workers	8%	9%	9%
Clerical and administrative workers	16%	15%	16%
Sales workers	7%	8%	8%
Machinery operators and drivers	7%	9%	7%
Labourers	9%	11%	9%
Employment sector			
Commonwealth government	6%	2%	5%
State/Territory government	9%	6%	10%
Local government	1%	1%	2%
Private sector	85%	91%	84%
Employment status			
Employee not owning business	81%	81%	83%
Owner managers of incorporated enterprises	8%	7%	6%
Owner managers of unincorporated enterprises	10%	11%	9%
Contributing family workers	1%	1%	1%
Earnings			
Proportion with earnings of USD 1 000 or more per week	37%	33%	36%

Source: Unpublished data from 2006 Census of Population and Housing.

14.9. Impact of the length of stay on the labour market performance

So far the analysis of labour market performance presented in this chapter has been restricted to an established migrant cohort – a deliberate technique to counter the effect of temporary residents. In this section of the chapter, a comparison of the labour market performance of citizens and non-citizens based on time in Australia, recently arrived migrants have been included in the analysis.

Figures 14.5, 14.6 and 14.7 show key labour market outcomes for citizens and non-citizens aged 25 to 44 plotted against their year of arrival in Australia. As can be inferred from these charts it takes five to ten years for recent migrants to achieve labour market outcomes that are comparable with other migrants. For instance only 35% of non-citizens are in full-time employment in the first year after arrival, by the tenth year the rate of full-time employment has risen to 54%. Beyond the tenth year improvements in outcomes are only marginal.

It is also notable that each of these charts has two distinct parts. Among the more established migrants – *i.e.* those arriving before the mid-1980s the labour market outcomes of citizens are better than those of non-citizens. In contrast non-citizens who arrived after the mid-1980s have superior outcomes to citizens arriving over the same period.

One explanation for this is the differing rates at which citizenship is taken up by different migrant groups.

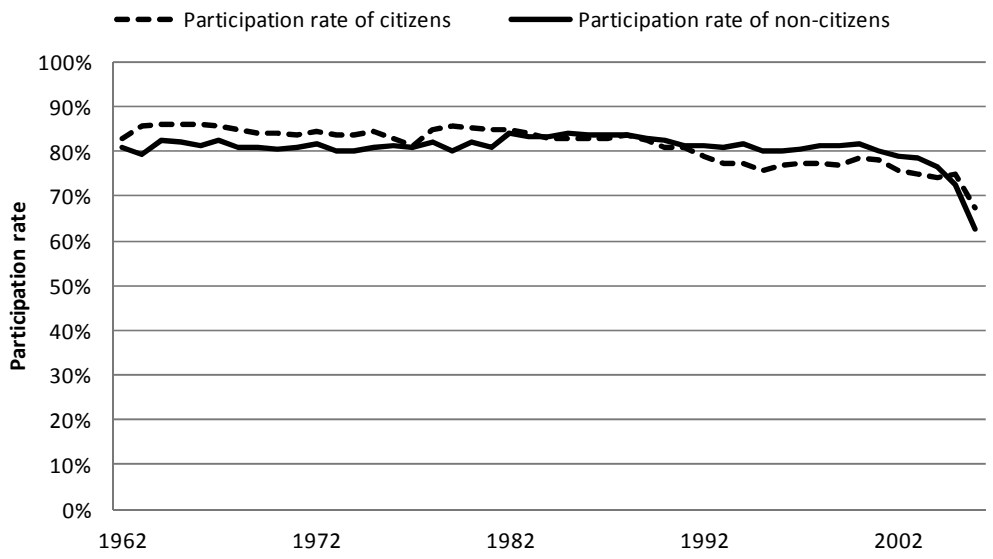
As noted earlier the humanitarian cohort is quicker at taking up citizenship, meaning that they will be over-represented among the cohort of recently arrived citizens. It is also well understood that humanitarian migrants perform far worse in the labour market than other categories of migrants, with the Australian Bureau of Statistics *Perspectives on Migrants* study showing that only 17% of Humanitarian Program migrants were working full-time compared with 36% of those from the family stream and 50% of skilled migrants. It is this over-representation of a group with poor outcomes that has a significant negative effect on the overall labour market outcomes of recently arrived citizens.

Furthermore, among the non-citizens there are a substantial number of people in Australia on temporary visas – the majority of whom would be on either on working holiday or temporary business long stay (subclass 457) visas. Both of these groups would have a very high rate of labour market participation. Student visa holders – the other major group of temporary residents – would be relatively few in number as the analysis only covers 25- to 44-year-olds.

As migrants become more established and citizenship rates approach 80%, a greater number of migrants from non-humanitarian streams take up citizenship. There are two consequence of this:

- First, the greater proportion of established migrants from skilled and family streams has a positive effect on the overall employment outcomes of citizens.
- Second, the outcomes of migrants who are citizens and non-citizens are more comparable. In this respect established citizens do out-perform established non-citizens with participation rates that are three to 5 percentage points higher, full-time employment rates that are four to 6 percentage points better and unemployment rates that are 1% lower on average.

Figure 14.5. Participation rates of citizens and non-citizens by year of arrival



Source: 2006 Census of Population and Housing.

Figure 14.6. Full-time employment rates of citizens and non-citizens by year of arrival

Source: 2006 Census of Population and Housing.

Figure 14.7. Unemployment rates of citizens and non-citizens by year of arrival

Source: 2006 Census of Population and Housing.

14.10. Conclusions

Australia has a high take-up rate of citizenship compared to other OECD countries. After meeting the residential and other requirements, almost 80% of migrants are granted Australian citizenship. There is a large variant in the take-up rate of Australian citizenship by country of birth, with persons from countries with lower economic or civil opportunities more likely to take up Australian citizenship. Of Australia's foreign-born population, those who are citizens seem to fare better in labour force participation, with lower unemployment rates and higher full-time employment than foreign-born non-citizens. Labour force participation is most marked in the Professional occupation, where there is a 9% increase in labour force participation of citizens. Finally, of note are the substantial changes to Australia's citizenship policy and regulatory framework after the 2006 census. How these changes may affect the take-up rate of Australian citizenship, or change the composition of more recent Australian citizens, will be a topic of interest to Australian policy makers in future years.

Notes

1. The data has mostly been sourced from the 2006 Census of Population and Housing and does not take into account more recent data on citizenship conferrals and significant changes to citizenship policy and regulations. There are some parameters of the 2006 census which may affect the accuracy of data presented in this paper. Census data is taken from persons residing in Australia on the date the census. The census data is self-reported and it does not cover Australian citizens or permanent residents who were outside Australia at the date of census. Nevertheless, the census remains a rich source for analysing who takes out Australian citizenship and for analysing changes of citizenship take-up over time.
2. Much of this historical account is extracted from Australian citizenship: a chronology of major developments in Policy and Law, 2009, by Klapdor, Coombs and Bohm, *www.citizenship.gov.au/_pdf/cit_chron_policy_law.pdf*, last accessed: 28 October 2010.
3. A right that was not extended to other countries.
4. Although it has no effect on this analysis, the two year eligibility requirement was replaced by a four year requirement in 2007.
5. These comprise South Africa, New Zealand, United Kingdom, Ireland, United States and Canada.

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Chapter 15.
From Assisting to Requiring Integration: Selective Citizenship Policies in the Netherlands

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The question under which conditions citizenship should be granted to immigrants has been a topical issue in the political debate in the Netherlands since the early 1980s. The chapter summarises the evolution of the policy agenda on integration and naturalisation in the Netherlands over the past three decades and analyses the close relation between these two policy areas. It highlights in particular the paradigm change of the new integration policy that started in 2004 and current close links between immigration, integration and naturalisation policies. The chapter ends with a discussion of the likely effects of the current policy mix.

Introduction

The issue of how to best increase immigrant participation in society and why full legal citizenship (this chapter uses the word *nationality*) should be granted to immigrants and how has been subject of political and academic debate in many European countries over decades (Guild *et al.*, 2009; van Oers *et al.*, 2010). In the Netherlands this has been a political issue ever since the early 1980s. This chapter deals with three questions: *1)* How has the policy agenda on integration and naturalisation of immigrants in the Netherlands developed over the last three decades? *2)* What is the relation with those two policy fields? and *3)* What have been the direct effects of recent policy changes in both fields?

15.1. Policy on immigrant integration: twice a new paradigm

During the last three decades, the ideas behind the official policy of the Dutch Government on immigrant integration changed fundamentally twice. The first change occurred in the early 1980s with the adoption of the Minorities Policy. During the 1960s and 1970s the prevailing idea had been that immigrants would return, their stay would only be temporary. Immigration control had been the main form of government intervention. In the late 1970s it became clear that a considerable part of the immigrants was going to stay. The recruitment ban after the oil crisis of 1973 made it unattractive for labour migrants from Turkey and Morocco to return to their country of origin. The new strict immigration rules unintentionally "forced" them to stay in the Netherlands.

First change of paradigm: the Minorities Policy (1980)

The Minorities Policy was motivated by the recognition that immigration was a lasting phenomenon and that immigrant integration would be assisted by a secure residence status, equal rights, family reunification and full participation in education and the labour market. The same logic formed the basis of the EEC rules on free movement since 1961. Equal participation of immigrants in society was the main goal of the new policy and equal rights were perceived as an important instrument to reach that goal. Dutch language courses were not mentioned in the 1983 official document on the new policy. Attention for Dutch language training for immigrants only appeared on the political agenda in the first half of the 1990s. Municipal authorities, in response to increasing numbers of refugees from Asia and Africa receiving social benefits but unable to find work due to a lack of knowledge of Dutch language, started to finance language courses. Immigrants were asked to sign a contract committing themselves to participation in the course. From that time on there has been a close link between language training and employment. How to find and remain in employment have ever since been an important element of most integration courses.

The municipal initiatives were consolidated in the 1998 Act that obliged "newcomers" to attend a civic integration programme (*inburgeringsprogamma*) consisting of 550 hours of language classes and 50 hours of civic integration, mainly labour market orientation. Family migrants and refugees were obliged to take part. Labour migrants were exempted because their stay was – and still is – defined by law as temporary only. The programme included a test at the beginning and the end in order to measure the participant's progress. The costs of the courses (EUR 6 500) were paid by the government. Immigrants who did not participate risked an administrative fine or, if they received public assistance, a reduction of their benefits. The programme was

criticised by right-wing politicians as too liberal, too expensive, and "pampering" immigrants without making demands upon them. Official evaluation found that the majority of the participants did not attain the expected level of language skills (A2) necessary for finding employment. For many participants the courses were extended beyond the planned 600 hours.

Second paradigm change: the New Integration Policy of 2004

After the terrorist attacks of 9/11, the rise of the anti-immigrant party of Pim Fortuyn, and his murder shortly before the 2002 general elections, a centre- right government came to power. It decided to respond to the results of the 1998 Act by completely revising the system only four years after its introduction. Responsibility for integration of immigrants was transferred from the Ministry of Interior, traditionally the partner for municipalities at the national level, to the Ministry of Justice, which is in charge of applying immigration and nationality law.

In 2004 the Minister for Aliens Affairs and Integration published a policy document proposing a system of subsequent language and integration tests requiring certain immigrants to gradually prove more knowledge at each stage. The first stage was a basic Dutch language and knowledge of society test, by a voice recognition computer at Dutch embassies, introduced in 2006. The test is a condition for a visa for family migrants (Groenendijk, 2005). Secondly, after arrival all immigrants born outside the European Union, except EU nationals and labour migrants, must pass an integration exam (language and knowledge of society) within three years. Those who do not pass the exam within the required timeframe risk a fine, other financial penalties, reduced social benefits and immigration status sanctions. Their residence permit will remain linked to their spouse and no permanent residence status is granted (Groenendijk, 2008, 2009). The third stage is the naturalisation exam introduced in 2003.

Preparing for the exams was the sole responsibility of the immigrants. The government would only organise the testing and publish some documentation (a book or a video). The organisation of the courses was left to "the market". The integration exam consists of a language and knowledge of Dutch society part, to be taken by computer in a government test centre, and a "practice part" consisting of collection proof of 30 conversations with public or private institutions or neighbours and friends, or a series of exams where the applicant has to role play such practical encounters. This extension raised the cost of the exam compared to the cost of the test under the 1998 Act. This time, the costs were not to be paid by the government but by the immigrant.

The bill for the new Integration Act, introduced in 2005 (TK 30 308), was heavily criticised as complex and overambitious, and for the high financial burden it would impose on immigrants. A major point of contention was the obligation for all naturalised Dutch nationals and those of Caribbean origin to prove sufficient knowledge of Dutch. This provision was eventually deleted because it was qualified by the State Council as racially discriminatory. After long debates the bill was adopted almost unanimously.[1] The new and the implementing legislation are extremely complex, and the legislation has been changed at least 12 times since entering into force in 2007. During its first years, the number of immigrants starting an integration course fell to one third of the numbers in previous years because very few immigrants had sufficient means to pay for courses themselves. The system of government loans was hardly used, because immigrants had to pay back the full loan if they did not pass the exam within three years. Even if they passed in time, they still had to pay back part of the loan. Within a year after the

introduction of the new legislation, the centre-left government that came into power after the 2006 elections moved responsibility for integration policy from the Ministry of Justice to the Ministry of Housing and Neighbourhoods and re-introduced payment of courses and exams from public funds again. The other financial sanctions (administrative fines and reduction of social benefits) and the immigration sanctions remained in force. The introduction of the integration exam as a new condition for the permanent residence permit was postponed until January 2010.

Four important changes in the New Integration Policy since 2004

Firstly, the language and knowledge tests are no longer an instrument of training (establishing the level the immigrant has acquired). They became an instrument of immigration control and a condition for more secure residence status. Secondly, the content and the costs of the tests increased, and if government funding is reduced or completely absent, the burden of integration falls primarily on the immigrant. Thirdly, the discussions on the civic integration part of the tests – not the language training – triggered a debate on its content that coincided with the ongoing debate on Dutch identity. Both debates have clearly assimilationistic overtones: immigrants should become like us. But who are we? Highly educated white middle aged men? Fourthly, the relation between integration and secure residence status has been inverted. Under the Minorities Policy, a secure residence status was considered a stimulus if not an essential condition for integration. The prevailing idea of Dutch integration policy since 2004 is that an immigrant is entitled to admission, to a secure residence status or to naturalisation only after proving integration by passing a formal language and knowledge test. Naturalisation is no longer perceived as an *instrument* of immigrant integration, but as the *"crowning"* of a completed integration. From the effects of the introduction of the new tests (see below) it appears that the test has become an instrument of selection and immigration control.

Recent developments

The coalition agreements of October 2010 between the Christian-Democrat (CDA), the Conservative-Liberal (VVD) and the populist Geert Wilders party (PVV) contain five pages with detailed measures that are intended to result in "a substantial reduction of immigration". Wilders claims that the new government will be in trouble with him as a partner supporting the new coalition if the immigration from non-Western countries is not reduced by 50%. In order to reach that aim, five EU migration directives and four European treaties have to be amended. Raising the level of the integration test abroad is one of the measures. The coalition agreement is clear about the aim of that measure: reduction of family migration. One page in the agreements deals with measures on the integration of immigrants. Some measures are clearly symbolic: prohibition of the burka (very few women in the Netherlands wear a burka), no veil in the police and the judiciary (current rules already preclude the veil in those jobs), a special code to register "culturally determined violence at home", and renegotiating the Association Treaty between the European Union and Turkey in order to be able to oblige Turkish immigrants in the Netherlands to pass the integration exam and to impose fines and residence status sanctions on those who do not pass the exam in time.

Far less symbolic is the decision that the government will no longer pay the language and integration courses. The immigrants have to bear the costs (approximately EUR 6 000). Both the VVD and Wilders' party (PVV) included that promise in their election programme. Moreover, a new sanction for not passing the exam in time will be introduced: temporary residence permits will be withdrawn and, except for "special

circumstances", the migrant will have to leave the country or be expelled. The idea that immigrants should be responsible for and pay the costs of their own integration and let the "market" take care of the supply of integration courses, prevalent under Minister Verdonk (VVD) in 2004-06, has returned on the agenda. Considering the 70% reduction of the number of immigrants starting an immigration course in 2007, when immigrants also had to bear the financial burden, the effects of such decision will be far-reaching. EU directives, the European Convention on Human Rights (ECHR) and the Refugee Convention severely restrict the number of cases where this new threat of expulsion for not passing the integration exam in time can be applied in practice to migrants who have lawfully resided in the country for several years. Will ending payment for the courses and adding expulsion as a sanction really assist immigrant integration in the Netherlands?

These proposals illustrate the extent to which integration policy has become a focal point of party politics in the Netherlands. Integration is not the only, and possibly not even the primary, aim of the present tests. Selection of immigrants and reduction of those admitted to the country, or granted permanent residence or citizenship, is at least an equally important goal of the policies.

15.2. Acquisition of nationality by naturalisation: restriction, liberalisation, restriction

Dutch nationality is acquired in three ways: at birth, by naturalisation or by option. Birth from a mother or father who is a Dutch national is the most frequent way of acquiring Dutch nationality. Only the grandchildren of immigrants obtain Dutch nationality at birth irrespective of the nationality of their parents. Naturalisation is the most common way for first and second generation immigrants to acquire Dutch nationality. Option, *de facto* a simplified form of naturalisation, is reserved for special categories of immigrants. In 2008, 4% of the non-Dutch population acquired Dutch nationality, four fifths by naturalisation and one fifth by option. The political debate and the legislation on naturalisation have been dominated by two issues: the integration of immigrants and gender. Incidentally, other issues have come up, such as dual nationality versus loyalty and integration, and the revocation of Dutch nationality as an instrument against terrorism.

The 1984 Act on Dutch nationality

The 1984 Act that entered into force in 1985 completely revised the nationality legislation that had been in force with minor changes for almost a century. The revision introduced three major changes: naturalisation became a right; Dutch men and women received almost full equal treatment[2]; and the second generation, children of immigrants born in the Netherlands, were granted a new simplified form of acquisition of Dutch nationality (Heijs, 1995). The paradigmatic change that not only a Dutch father but also a Dutch mother granted Dutch nationality to their children had as a side effect that the number of dual nationals increased considerably over the next decades: almost all children born in marriages of a Dutch and a non-Dutch spouse acquired at least two nationalities at birth. The 1984 Act transformed naturalisation from a favour to be granted by the government into a right that could be claimed by immigrants who fulfilled the statutory requirements. This change from favour into right and the facilitation of the acquisition of Dutch nationality by the second generation both were directly related to the Minorities Policy adopted by the Dutch Government in the early 1980s.

The statutory requirements for naturalisation were five years of residence, a residence permit for a non-temporary purpose, no criminal record, reasonable knowledge of Dutch language and a commitment to renounce the former nationality if reasonably possible. There was – and is – no income requirement. Neither unemployment nor present or former dependency on public assistance are grounds for refusal (Van Oers, de Hart and Groenendijk, 2006 and 2009). In the 25 years the Act has been in force, two conditions have turned out to be the main issues of political debate: integration and renunciation of the first nationality

Extension of voting rights versus dual nationality (1992-1997)

As part of the government's Minorities Policy in 1985, the right to vote and stand for election in municipal elections had been granted to non-nationals with five years of residence in the Netherlands. Left parties had been campaigning for an extension of voting rights to provincial and parliamentary elections, but met with fierce opposition by the Christian-Democratic (CDA) and the Conservative-Liberal (VVD) parties. In 1992 a coalition government of social-democrats (PvdA) and Christian Democrats made a compromise: no extension of voting rights for non-nationals but facilitation of naturalisation by dropping the renunciation requirement. Liberalisation of the acquisition of Dutch nationality would be the "royal way" to voting rights at all levels. This compromise also solved the practical problem that the naturalisation rules worked out differently for the two main non-Dutch immigrants groups: Moroccan immigrants were not required to renounce their Moroccan nationality because it was not possible to do so, while Turkish immigrants had to renounce their Turkish nationality because it is possible under Turkish law. The renunciation requirement was a serious barrier, restraining Turkish immigrants, the largest group of non-EU national immigrants, from applying for naturalisation. Once this barrier was removed in 1992 and organisations of Turkish immigrants actively started to promote naturalisation, the number of applications increased rapidly. The total number of persons naturalised reached an all time peak in 1996 (Groenendijk and Heijs, 2001). That year a total of almost 79 000 persons, two thirds adults and one third minor children being naturalised. In that year one in every five Turkish nationals resident in the Netherlands was naturalised.

Reaction: revival of renunciation requirement and formal naturalisation test

The political reaction of Christian Democrat and conservative politicians to this development was that "naturalisation had become too easy". Once the CDA was no longer in the government, it no longer felt bound to the compromise of 1992. In 1997 a centre-right majority in the Senate voted down the bill that would have codified the removal of the renunciation requirement. Thus, that requirement was re-introduced, with, however, a long list of exceptions. The result is that the majority of the naturalised immigrants could retain their first nationality (de Hart, 2004; van Oers, 2010).

At the same time centre and right wing political parties began to discuss the introduction of a formal naturalisation test that would replace the rather informal conversation with a municipal officer who would judge the knowledge of Dutch language and of contacts with Dutch society.[3] Christian Democrat politicians started to talk about the loyalty of applicants and that Dutch nationality was something to be proud of, not a "consumption article". A formalised test would also bring equal treatment of applicants. The informal test had been applied differently by officials in different municipalities. In 2000 the CDA, VVD and the liberal democrat D66 voted for an amendment of the Nationality Act that extended the language requirement to cover oral and written

knowledge of the Dutch language and proof of sufficient knowledge of Dutch society. The test, eventually introduced in 2003, consisted of two parts: first the applicant test has 45 minutes to answer by computer 40 multiple choice questions on Dutch society. Only after this test was passed could the applicant take the second part, a four hour test of whether (s)he could speak, understand, read and write the Dutch language at A2 level of the common European framework for reference (van Oers, 2010). The knowledge questions of the test were (and are) not published. After agreeing to introduce the naturalisation test, MPs never bothered to have a real debate on the content of the test.

Formal linking of nationality, immigration and integration legislation (2007)

Since 2004 successive centre-right governments had been preparing for a new policy on integration of immigrants. That policy will be discussed in the next paragraph. As part of the discussion on the new more strict integration policy, MPs from right-wing parties asked for the introduction of a *naturalisation ceremony*. At first many municipalities declined to organise such ceremonies. The Minister for Aliens Affairs and Integration then decided to oblige municipalities by law to hold such ceremonies at least once a year. In 2006 attending such ceremonies became obligatory for the new citizens as well: attendance was made a statutory condition for acquisition of Dutch nationality. In 2008 again at the initiative of Christian Democrat and Conservative MPs the nationality act was amended to add an obligatory *declaration or oath of solidarity* in order to give applicants the possibility to "express their feelings towards the Netherlands" and to "declare their loyalty to the laws of the Netherlands". The initial opposition by the municipalities may have been influenced by officials considering such ceremonies as contrary with what they held to be Dutch civic culture. From the official evaluation of these new instruments of integration policy by the Ministry of Justice it appears that most municipalities are happy with the ceremonies after the increased (now obligatory) attendance. But the new immigrants complain about the lack of real interest by the mayor or his substitute. A speech by the mayor is a compulsory element of the ceremony. On the basis of interviews with 40 new immigrants before and after the ceremony the researchers conclude that the ceremony adds very little influence on the emotional, normative and functional ties with the Netherlands. Several immigrants complained about not understanding the precise content of the declaration/oath (Wubs, 2010).

Naturalisation test replaced by integration exam

In 2007 the new Integration Act entered into force introducing the obligation for large groups of non-Dutch immigrants to pass an integration exam within three years of admission to the Netherlands. At the same time the naturalisation test was replaced by the new integration exam. As of January 2010 having passed the integration exam is also a condition for a permanent residence permit or the EC long-term residents permit. The new exam also requires an A2 language level but a practice part has been added. EU nationals are exempted from the Integration Act but they must pass the exam if they want to naturalise. Persons with completed secondary education in the Netherlands and with serious medical handicaps are exempt from taking the integration exam. The result is that mainly first generation immigrants and second generation immigrant school drop-outs will be faced with the requirement to take and pass the new integration exam. For those born in the Netherlands or admitted before the age of 4 years, the possibility of acquiring Dutch nationality by way of option is an alternative without an exam but

only until they are 23 years old. The alternative is also available for immigrants over 65 years with at least 15 years of residence in the Netherlands or those married to a Dutch national for more than 15 years.

Recent developments 2010

In June 2010, the Dutch Nationality Act was amended again in order to further reduce the categories of applicants for naturalisation exempted from the renunciation requirement.[4] New grounds for withdrawal of Dutch nationality have been added. Full equality of Dutch mothers in granting the Dutch nationality to their children has been legislated.

In the coalition agreements of October 2010 between the CDA, the VVD and Wilders' party (PVV), naturalisation is explicitly described as the crowning of the integration process. Acquisition of Dutch nationality by naturalisation or by option will be made more difficult, the grounds for loss of the nationality will be further extended and a new "conditional Dutch nationality" during the first five years after naturalisation is mentioned. Naturalisation will be made more difficult by the introduction of an income requirement, an educational requirement, widening the possibilities for refusal on public order grounds and stricter rules on renunciation of the first nationality. A language requirement will be introduced for immigrants who may opt for the Dutch nationality. The language and integration courses will no longer be paid from public funds, but passing the integration exam will remain a condition for naturalisation and, probably, become a condition for option as well.

If the coalition agreements are actually implemented four categories of Dutch nationals will be created:

- Dutch nationals by birth, who only have to fear loss of their nationality if they choose to acquire another nationality;
- Dutch nationals of Caribbean origin who can be expelled to the Dutch Antilles;
- Conditional Dutch nationals who risk to lose that nationality if they are convicted for a serious crime during the first five years after naturalisation;
- Other naturalised Dutch nationals who can only hope that Dutch politicians will not decided to take away their nationality under new conditions to be determined in future legislation.

According to the coalition agreements, the restriction on denaturalisation in Article 7(d) of the European Convention on Nationality_to cases of serious damage to essential interests of the state will have to be "re-interpreted" in order to allow for denaturalisation in cases of conviction for serious crimes more generally. If the other State Parties to the convention do not agree with this new broad interpretation, as of 1 January 2012 acquisition of Dutch nationality will become conditional for the first five years. The nationality can then be withdrawn during those years in case of conviction for a serious crime carrying a maximum penalty of twelve or more years, irrespective of the length of the prison sentence imposed.

15.3. Effects of new rules and tests: numbers and selection

From Table 15.1 it appears that the suspension of the *renunciation requirement* in 1992 resulted in a sharp increase in the number of immigrants naturalised in the following years. Even after the reintroduction of that requirement in 1997 the high level continued due to the many exceptions to that rule. The reduction may partly be due to the effect that a large share of the Moroccan and Turkish immigrants had been naturalised by that time. The result of this naturalisation boom in the previous year is that three quarters of the Moroccan and Turkish immigrants in the Netherlands have both Dutch nationality and their first nationality.

Table 15.1. Number of persons naturalised and naturalisation rate, 1990-2008

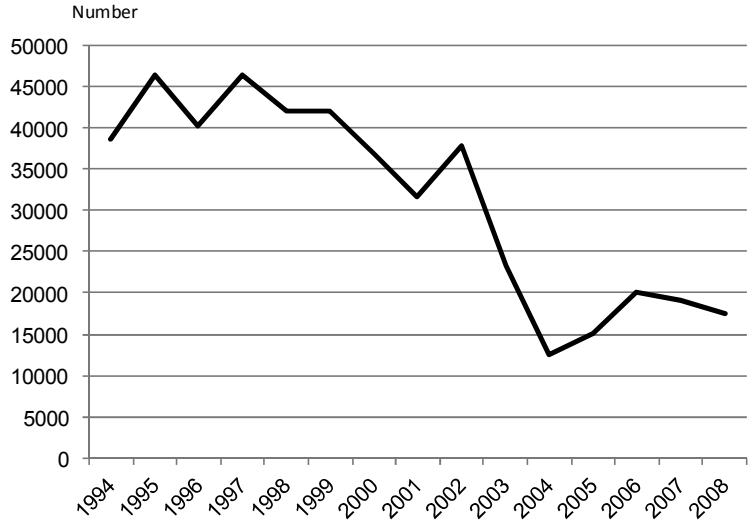
	Number of persons naturalised	Naturalisation rate % (options included)
1990	11 500	2.0
1991	27 300	3.9
1992	34 000	4.6
1993	40 000	5.3
1994	46 600	6.3
1995	68 000	9.4
1996	79 000	11.4
1997	53 700	8.8
1998	55 700	8.7
1999	58 100	9.4
2000	45 900	7.6
2001	42 700	7.0
2002	41 900	6.5
2003	24 600	4.1
2004	20 600	3.7
2005	21 300	4.1
2006	21 000	4.2
2007	22 200	4.5
2008	22 300	4.0

Source: CBS (Centraal Bureau voor de Statistiek) *www.statline.cbs.nl/statweb.*

The number of naturalised persons was reduced sharply again in 2003 the year the year the formalised *naturalisation test* was introduced. The effect of that test on the applications for naturalisation is even more dramatic: before 2003 around 40 000 applications were filed each year; after 2003 the number fell by more than 50% to between 10 000 and 20 000 per year (see Figure 15.1 below).

The introduction of the test also resulted in a clear selection of the immigrants naturalised on the basis of their educational level and country of origin. Between April 2003 and August 2006 almost 20 000 immigrants enrolled for the naturalisation test. Less than half of them (46%) passed the test. The others did not turn up after they were required to pay for the test (in addition to the naturalisation fee), did not turn up for the second part of the test, or failed the test. Pass rates vary considerably: immigrants from Suriname, where Dutch is the official language, have a high pass rate (76%). The pass rate for Turkish and Afghan applicants is 60%, for Somalis 50% and even lower for applicants from Ghana (Van Oers, 2010).

Figure 15.1. Applications for naturalisation, 1994-2008



Source: INS (*Immigratie en Naturalisatiedienst*).

Only a minority of all applicants for naturalisation (25-30%) is required to pass the naturalisation test. More than two thirds of the applicants are exempted from the test because they have completed secondary or higher education in the Netherlands. The introduction of the naturalisation test resulted in a selection of future Dutch citizens in which their level of education and country of origin play in important role. This outcome in my opinion raises questions as to its compatibility with human rights treaties ratified by the Netherlands[5] and with basic characteristics of democracy.

The new integration exam

In 2007 the naturalisation test was replaced by the integration exam, provided for in the new Integration Act. In that year only 611 immigrants took that exam, of whom 93% passed; in 2008 almost 5 000 immigrants took the exam and 80% passed (Van Oers, 2010). The extremely low number of candidates in 2007 illustrates the counterproductive effect of requiring immigrants to pay for their integration courses. Very few actually did so. During the first three years, the statutory system of loans in the act was used by only 900 immigrants. Again, one should realise that also after 2007 the large majority of applicants for naturalisation are exempted from taking the integration exam on the ground of their education in the Netherlands.[6]

In 2007-09 municipal authorities offered integration courses to 100 000 immigrants. In those years 33 000 immigrants took part in all four parts of the *integration exam (*practice test per computer; test spoken Dutch, knowledge of Dutch society exam and portfolio or practice exam); 80% passed after taking the exam one or more times or after being exempted from certain parts (Significant, 2010, p. 28). Some of this group had started integration courses before 2007. Pass rates were also influenced by the 30 000 former asylum seekers whose status was regularised in 2007/08 after they had been in the Netherlands for at least seven years; they were offered integration courses shortly after their regularisation. At the end of 2009 around 100 000 course participants still had not taken the exam (Significant, 2010, p. 201). So far, the primary selection has been between the immigrants who took the exam and those who did not or not yet.

15.4. The recent close relation between integration and naturalisation policy

The first explicit link between both policy fields was when the 2003 implementing decree of the nationality act exempted from the naturalisation test immigrants who had an A2 level knowledge of Dutch language certified under the 1998 Act on the Integration of Newcomers test. This link created a lot of misunderstanding. Often immigrants with such certificates are disappointed because it appears that the certificate does not specify the knowledge in all four aspects (speaking, listening, reading and writing) at the required level or the municipal officers require taking the naturalisation test overlooking that the immigrant already has the required certificate (van Oers, 2006). With the replacement of the former naturalisation test in the Dutch Nationality Act by the new integration exam under the 2007 Integration Act the link has become more direct. The content of the new exam is broader than the previous test and the exemption on the ground of certificates of the old 1998 Newcomers Act still applies.

The personal scope of both acts is different. EU nationals are exempted from the Integration Act but they have to pass the exam if they want to naturalize. Immigrants who are covered by the Integration Act may be able to acquire Dutch nationality without passing the integration exam because they are within some of the special categories (second generation, over 65 years or spouses of Dutch nationals) that can opt for the Dutch nationality without passing the exam.

The heated controversies before and after introduction of the Integration Act (on the personal scope, the obligations, sanctions, the quality of the courses, high costs and administrative complexities) may have negatively influenced the public and political debate on the nationality legislation and on immigrant integration generally.

In 2006 it was decided that passing the integration exam would an additional requirement for the permanent residence permit and the EU long-term resident status, but the introduction of that condition was later postponed until 1 January 2010 This new condition may have the effect that immigrants who have passed the test apply for naturalisation shortly after they fulfil the five years residence requirement, bypassing or skipping the permanent residence status. The constant changing of the rules and the raising of fees for both documents may induce immigrants to apply for nationality as soon as possible in order to avoid the possible introduction of additional costs and new barriers. The letter accompanying the certificate of the integration exam informs immigrants that having passed the exam entitles them to apply for naturalisation. Moreover, in the political debate and policy documents there is a tendency to make permanent resident status less attractive. Consciously or not, the impression is created that choosing long-term resident status and not applying for nationality as soon as possible is a sign of disloyalty. The immigrant with the right attitudes wants to acquire Dutch nationality as soon as possible.

15.5. Effects of naturalisation and integration policy on immigrant integration

The positive side

The liberal naturalisation regime in the 1990s has clearly contributed to a secure residence status for the large majority of immigrants who did not have Dutch nationality at entry. It kept the size of the non-national population at a relatively low level over the last two decades: between 650 000 and 700 000 registered non-national residents, approximately 4% of the total population. The policy stimulated the political participation

of immigrants. The use and the power of immigrant voters became clearly visible in the municipal and the general elections in 2006. The liberal naturalisation policy may also have supported access to social housing (highly regulated by semi-public bodies) and access to the labour market, taking away most formal barriers against employment, but not informal ones such as discrimination and non-recognition of foreign qualifications. The effects on educational participation are less clear (Böcker, 2004).

The language and civic integration courses offered under the 1998 Act on the Integration of Newcomers and the 2007 Integration Act have allowed hundreds of thousands immigrants to participate for longer or shorter periods in Dutch language training on a voluntary or a compulsory basis. The positive effect on integration will be hard to measure but should not be underestimated. The 1998 Act did send an important symbolic message: immigrants are going to stay, they are able to learn the language and society is able to deal with the integration of immigration.

Some negative effects of the new tests and the sanctions

The political debate on the formalised integration and naturalisation tests resulted each time in more knowledge and at a higher level being required. This happened twice with the integration test abroad (in 2008 and again in 2010), when the 1998 Act was replaced by the new Integration Act, at the introduction of the naturalisation test in 2003 and with the replacement of that test by the integration exam in 2007. The formalisation itself results in a higher level being required and that level over the years steadily becomes higher, one politician trying to outdo the other in "strictness". Each time it was reported that the majority of immigrants who took a test have passed, conservative or right wing MPs initiated a debate on the need to raise the level, forgetting that an important part of the selection function of the test is not visible in the pass rates, but in the decline in applications for visas, for naturalisation and, probably, as of 2010 for the permanent residence permit too. The number of immigrants that decide not to take the test is far greater than the number that fail the test. The official evaluation of the policy in 2010 estimated that 100 000 immigrants who participated in integration courses have not (yet) taken the exam (Significant, 2010).

Frustration built into the legislation

The practise under the 1998 Act made it clear that less than half of the immigrants, not exempted from the test, will be able to reach the required level within the statutory duration of the course. The fact that the majority of immigrants that participated in integration courses under the 1998 Act did not reach the level of language knowledge aimed for by the legislators did not stop their successors from introducing an obligation for immigrants to pass an even more complicated integration exam in the new Integration Act. Many first generation immigrants will never reach the required level. Frustration is built into the legislation. Many immigrants are frustrated by not being able to pass the test. They refrain from starting a course or taking the exam, because they feel they will never pass the test. Low pass rates, or lower course participation than planned, provoked new proposals for more strict measures or to stop public funding completely. There is a tendency to blame immigrants rather than the politicians for the aims set by politicians not being attained within the set timeframe.

Frustration is built into the system not only for immigrants with little education, but also for those at the top end of the social hierarchy, immigrants with high education, successful businessmen or immigrants with long residence in the Netherlands, who know they speak

Dutch well and feel they are fully integrated. The new Integration Act requires them to report to city hall in order to prove their language knowledge and integration. If they do not have the required Dutch school certificates, the civil servants have to tell them that they can only be exempted from obligations under the Integration Act or apply for naturalisation after having taken a test or exam to prove their language knowledge that is immediately evident to the officials as well (van Oers, 2006 and 2010). This sends the message that the state does not value and take their long efforts to integrate themselves seriously.

Privatisation of control on access to nationality

Language teachers employed and tests developed by private agencies have replaced municipal and other public officials as the main agents selecting future citizens. This has considerably raised the costs of the selection process. This replacement and the mix of public and private tasks performed by the teacher may also be questioned from a democratic perspective.

One form of unequal treatment replaced by new forms of inequality

Avoiding unequal treatment in the application of statutory language requirement was an important argument used by the proponents of the formalised tests. The new tests, however, clearly have resulted in new forms of inequality. Recent qualitative research provides indications that the pass rates for immigrants with low education are lower. Immigrants with little education and little means, generally, will have to invest more time and money in passing the test. They will be confronted more often with the negative sanctions provided by the law than immigrants with higher education and income. The study by Van Oers (2006) provided clear indications that among prospective applicants for naturalisation, interviewed after they have received information about the naturalisation test from municipal authorities, immigrants with low education or income decided not to apply: "Dutch nationality is no longer for us." The uniform test at one level, irrespective of the literacy and educational level and the script in the immigrants' country of origin results in clear differences in pass rates between immigrants from different countries of origin. This occurs in the Netherlands (see above) and in the United Kingdom (van Oers, 2010). The question is whether this form of "equal" treatment by applying a uniform test is fair and justified or whether it reinforces prejudices and blocks rather than support integration of immigrants from countries with clearly lower pass rates.

Negative sanctions have counterproductive effects

The immigration law sanctions in the new Integration Act have not yet been applied in practice. But their effect will be that immigrants' residence status will remain dependent on the sponsoring spouse for longer. The refusal of permanent residence permits will result in immigrants residing on temporary permits forever and having a greater possibility of losing their residence rights completely. It will also reduce their chances of getting a good job: big employers prefer workers with a stable residence status in order to avoid the possibility of high fines for illegal employment. It will reduce the possibilities for self-employment, because banks hesitate to grant loans to a non-citizen with a temporary permit. Buying a house becomes more difficult: banks will not easily grant a mortgage, since the state guarantee programme only covers non-nationals with a permanent residence permit. All those effects do not tend to support integration of immigrants in the labour or the housing market.

Negative images of immigrant integration

The prolonged debate on the 2007 Act, the clearly discriminatory first proposals, the focus in the debate on the obligations of the immigrants, on the negative sanctions for those unable to pass the exams, and the shifting of the financial burden from the government to the immigrants have resulted in an almost permanent negative publicity around the legislation and its application. MPs of right wing parties repeatedly have put the perceived or real failures of the integration legislation on the political agenda. The 2007 Act has become a stone of contention. That publicity has supported a negative image of immigrants. Is has not assisted their integration. Integration in a society that is defensive rather than open towards immigrants is not easy.

Notes

1. In the Second Chamber only one liberal democrat MP of Turkish origin voted against the bill.
2. The full equality of a Dutch mother was only realised by an amendment of the legislation in 2010.
3. Until 1990 each applicant had an interview with a public prosecutor and a police officer.
4. Act of 17 June 2010, Staatsblad (2010, No. 242). The Act will enter into force on 1 January 2011, see Staatsblad (2010, No. 310).
5. Article 1(3) of the UN Convention on the Elimination of All Forms of Racial Discrimination provides: "Nothing in this Convention may be interpreted as affecting in any way the legal provisions of States Parties concerning nationality, citizenship or naturalisation, provided that such provisions do not discriminate against any particular nationality". See also Article 5(d)(iii) of that convention.
6. In 2007-09 a further 60 000 immigrants were exempted by municipal authorities from the obligations under the integration legislation (Significant, 2010, p. 26).

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