Otto-Friedrich-Universität Bamberg



Labour Migration: its Determinants and Outcomes – Perspectives from Economics, Sociology and Political Science

Seminar 'Topics of Political Sociology'

Sommersemester 2017, Otto-Friedrich-Universität Bamberg

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Tuesday, 14:00-16:00, Room: F21/03.80 'Sprechstunde' (during the semester): Wednesday, 14:00-15:00

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Labour migration constitutes a large part of global migration. Migration for the purpose of work can be beneficial for migrants themselves as well as countries of destination and countries of origin – as goes the saying of various national and international organizations. It can improve migrants' earnings and boost the destination country's economy by lowering production costs and/or boosting consumption levels. The country of origin can benefit from migration via financial remittances sent to relatives 'back home', knowledge transfer or fostering of trade networks. However, more sceptical accounts of the effects of labour migration emphasize the potential exploitation of migrant workers as well as increased labour market competition for 'native' workers or net costs of migration for the welfare state.

This seminar explores the topic of labour migration from an interdisciplinary social science perspective. Its aim is to introduce students to fundamental theoretical concepts, empirical research and debates in the analysis of international labour migration and labour immigration policy. Sessions will be organized around different topics rather than from the perspective of different disciplines. Throughout the seminar we will now and again look into and question the benefits and disadvantages of interdisciplinary research; a separate session will be dedicated to this question toward the end of the course.

The seminar will be held in English. Each session will include student presentations and group discussions. Participants are expected to have read the assigned papers in advance of the sessions. Optional readings are marked with an asterisk (*).



Overview

- 1. Introductory session April 26th (Wednesday! Room F21/03.01)
- 2. Why international labour migration? Motives of migrants, employers and the role of the state May 2^{nd}
- 3. Migrant workers' (economic) integration outcomes May 9th
- 4. Effects of labour immigration on the country of destination May 16th
- 5. Effects of immigration on local workers: labour market competition? May 23rd
- 6. Effects of labour migration on countries of origin: brain drain or brain gain? May 30th

No seminar on 6th of June

- 7. Temporary migration programmes: lessons from the past and new ideas June 13th
- 8. Labour market integration of humanitarian migrants June 20th
- 9. Public opinion on labour immigration June 27th
- 10. Labour migration and illegality July 4th
- 11. The global governance of labour migration // 'optimal migration' July 11th
- 12. Interdisciplinary research on (labour) migration: promises and pitfalls July 18th
- 13. "Wrap-up", discussion and preparation of seminar papers July 25th



Sessions

1. Introductory session - April 26th

- brief round of introductions & expectations
- introduction into migration studies and the seminar topic
- organization of the course & distribution of presentation topics

2. Why international labour migration? Motives of migrants, employers and the role of the state – May 2^{nd}

In this session, we will look at the dimensions, causes and consequences of international labour mobility in a holistic introductory way. This includes understanding the basic economic model of labour immigration and its underlying hypotheses. We will also approach the question of why international labour migration takes place at all, i.e. why do people migrate (for work) and the role of states and employers in shaping labour migration.

Reading questions:

- Which assumptions is the basic economic model of labour immigration based upon and what does the model say?
- What are the determinants for employer demand for migrant workers and how can these be influenced by public policy?

Readings:

Freeman, Richard B. 2006: People Flows in Globalization, in: The Journal of Economic Perspectives, 20: 2, 145-170.

Anderson, Bridget/Ruhs Martin 2010: Migrant workers: who needs them? A framework for the analysis of shortages, immigration and public policy, in: Ruhs, M./Anderson, B. (eds.) 2010: Who Needs Migrant Workers? Labour Shortages, Immigration and Public Policy, Oxford: Oxford University Press. (see also Introduction.)

*Anderson, Bridget 2010: Migration, immigration controls and the fashioning of precarious workers, in: Work, Employment and Society, 24: 2, 300-317.

*Castles, Stpehen/de Haas, Hein/Miller, Mark J. 2014: The Age of Migration. International Population Movements in the Modern World. Fifth Edition. Houndmills: Palgrave Macmillan. Chapter 11.



3. Migrant workers' (economic) integration outcomes - May 9th

What are the determinants of migrants' economic outcomes in the country of destination? How do migrants' economic outcomes compare to those of other residents in the country of destination? In this session, we will look at empirical research on the labour market performance of migrants in the country of destination and at possible explanations for the employment and wage gaps which are usually observed, such as employer discrimination and non-portability of human capital.

Reading questions:

- What are possible explanations for the wage gap observed between immigrants and 'natives' and how can these be empirically tested?
- Which methodological approach do Kaas and Manger (2012) choose to study labour market discrimination and why? Explain their approach.

Readings:

Basilio, Leilanie/Bauer, Thomas K./Kramer, Anica 2014: Transferability of Human Capital and Immigrant Assimilation: An Analysis for Germany. SOEPpapers on Multidisciplinary Panel Data Research 671.

Kaas, Leo/Manger, Christian 2012: Ethnic Discrimination in Germany's Labour Market: A Field Experiment, in: German Economic Review 13: 1, 1–20.

*Ebner, Christian/Helbling, Marc 2015: Social distance and wage inequalities for immigrants in Switzerland, in: Work, Employment & Society, 1–19.

*Friedberg, Rachel M. 2000: You Can't Take It with You? Immigrant Assimilation and the Portability of Human Capital, in: Journal of Labor Economics, 18: 2, 221-251.

4. Effects of labour immigration on the country of destination - May 16th

Does migration constitute a burden for the welfare state of the receiving country as it is sometimes claimed? This is an unsettled issue among economists, which repeatedly gains public attention. In this session, we will focus on empirical research on the economic effects of (labour) migration on the country of destination. What do we know about the fiscal and the wider economic impacts (i.e. effects on productivity and consumption levels) of (labour) migration on the receiving country?

Reading questions:

- What are the main problems in estimating the fiscal impact of immigration?
- Why do high-income countries generally prefer immigration of high-skilled rather than low-skilled immigrants?

Readings:

Rowthorn, R. 2008: The Fiscal Impact of Immigration on Advanced Economies, in: Oxford Review of Economic Policy, 24: 3, 561–81.



Dustmann, Christian/Frattini, Tommaso 2014: The Fiscal Effects of Immigration to the UK, in: The Economic Journal, 124: 580, 593-643.

*Nathan, Max 2014: The wider economic impacts of high-skilled migrants: a survey of the literature for receiving countries, in: IZA Journal of Migration, 3: 4, 1-20.

*SVR 2015: Immigration Countries: Germany in an International Comparison, Annual Report, Berlin. Chapter B.3.1.

5. Effects of immigration on 'local workers': labour market competition? - May 10th

In this session, we will look at the impact of labour immigration on the economic outcomes of 'natives', i.e. workers already present in the destination country's economy (this can include former immigrant cohorts). Do their wages decrease and unemployment levels rise? To what extent is there labour market competition between migrants and 'native' workers, and does this depend on whether the skills of migrant workers are complements or substitutes to those of 'natives'? We will also look at empirical research involving quasi-experiments on how a relatively large influx of migrants impacts the receiving country's labour market.

Reading questions:

- What are the different mechanisms through which an economy can adjust to immigration in theory?
- Which effects did the 'Mariel Boatlift' have on the wages and employment levels of Miami workers and which explanations does Card (1990) offer for this?

Readings:

Dustmann, Christian/Glitz, Albrecht/Frattini, Tommaso 2008: The Labour Market Impact of Immigration, in: Oxford Review of Economic Policy, 24: 3, 478-95.

Card, David 1990: The Impact of the Mariel Boatlift on the Miami Labor Market, in: Industrial and Labor Relations Review, 43: 2, 245-257.

*D'Amuri, Francesco/Peri, Giovanni 2014: Immigration, Jobs, and Employment Protection: Evidence from Europe before and during the Great Recession, in: Journal of the European Economic Association, 12: 2, 432–464.

*Glitz, Albrecht 2012: The Labor Market Impact of Immigration: A Quasi-Experiment Exploiting Immigrant Location Rules in Germany, in: Journal of Labor Economics, 30: 1, 175-213.

6. Effects of labour migration on countries of origin: brain drain or brain gain? – May $30^{\rm th}$

The impacts of emigration of skilled workers on the economic development of their countries of origin have been extensively researched for over four decades. At first, concerns about brain drain dominated: theoretical economic research found that the absence of skilled workers would have detrimental effects on countries' of origins economies. Later, economists argued that there could also be positive effects: emigrants remit money to relatives in the country of origin and may foster trade and knowledge networks. Today, many states worldwide



seek to engage with citizens living abroad (often termed 'diaspora') in order to harness the positive aspects of emigration. This session will focus on the migration-development-nexus both from an economic, sociological and political perspective.

Reading questions:

- What does it depend on whether emigration can be considered positive or negative for the development of countries of origin?
- How can the policies of origin countries influence the developmental effects of emigration? Explain Leblang's (2017) methodological approach of testing this.

Readings:

de Haas, Hein 2010: Migration and Development: A Theoretical Perspective, in: International Migration Review, 44: 1, 227-264.

Leblang, David 2017: Harnessing the Diaspora. Dual Citizenship, Migrant Return Remittances, in: Comparative Political Studies, 50: 1, 75-101.

*World Bank 2016: Migration and Remittances. Recent Developments and Outlook, in: Migration and Development Brief 26, April 2016. Available from: http://pubdocs.worldbank.org/en/661301460400427908/MigrationandDevelopmentBrief26.pdf (accessed 13.03.2017).

*Gamlen, Alan 2014: Diaspora Institutions and Diaspora Governance, in: International Migration Review, 48: 180-217. doi:10.1111/imre.12136

*** No seminar on 6th of June ***

7. Temporary migration programmes: lessons from the past and new ideas – June 13th

There is an aphorism that nothing is more permanent than temporary migrant workers. In this session, we will take a look at past experiences of temporary labour migration programmes, the most commonly known probably being the German guest-worker programme of the 1950s/60s. We will discuss these programmes both from an economic and a normative perspective, taking into account the trade-off between numbers and rights of temporary migrant workers.

Reading questions:

- Why are temporary programmes set up in the first place and do they inevitably lead to permanent settlement?
- What do Ruhs and Martin (2008) understand by the "numbers vs. rights" tradeoff and how do they substantiate this empirically?



Readings:

Castles, Stephen 2006: Guestworkers in Europe: A Resurrection?, in: International Migration Review, 40: 4, 741-766.

Ruhs, Martin/Martin, Philip 2008: Numbers vs. Rights: Tradeoffs and guest worker programmes, in: International Migration Review, 42: 1, 249-265.

*Wright, Chris F./Groutsis, Dimitria/van den Broek, Diane 2016: Employer-sponsored temporary labour migration schemes in Australia, Canada and Sweden: enhancing efficiency, compromising fairness?, in: Journal of Ethnic and Migration Studies, published online, http://dx.doi.org/10.1080/1369183X.2016.1251834.

*Geddes, Andrew 2015: Temporary and circular migration in the construction of European migration governance, in: Cambridge Review of International Affairs, 28: 4, 571-588.

8. Labour market integration of humanitarian migrants - June 20th

As refugees are not selected through labour migration politics, they are more likely than labour migrants to have difficulties finding a (skill-adequate) job. While most destination countries require language competences for migrant workers, refugees usually arrive without any knowledge of the language. Many might have lost formal documentation of skills and qualifications. Moreover, their respective legal status can inhibit entry into the labour market, and traumatic experiences in the country of origin or during the flight might negatively affect refugees' health and fitness to work. Also, living conditions after arrival and in many cases the constant fear for relatives still living in the country of origin might make it difficult for newcomers to adjust. In this session, we will look at some of the scarce empirical evidence of humanitarian migrants' labour market integration.

Reading questions:

- How do Hainmueller et al. (2016) test the effect of waiting time on labour market integration and what do they find?
- What role do different types of social capital play in labour market integration according to the study of Cheung and Phillimore (2013)?

Readings:

Hainmueller, Jens/Hangartner, Dominik/Lawrence, Duncan 2016: When Lives Are Put on Hold: Lengthy Asylum Processes Decrease Employment among Refugees, in: Science Advances, 2: 8, 1–7.

Cheung, Sin Yi/Phillimore, Jenny 2013: Refugees, Social Capital, and Labour Market Integration in the UK, in: Sociology, 48: 3, 518-536.

*De Vroome, Thomas/Van Tubergen, Frank 2010: The Employment Experience of Refugees in the Netherlands, in: International Migration Review, 44: 2, 376-403.

*Chin, Aimee/Cortes, Kalena E. 2016: The Refugee/Asylum Seeker, in: Chiswick, Barry R./Miller, Paul W. (eds.): Handbook of the Economics of International Migration, Volume 1A, 585–658. (only highlighted sub-chapters!)



9. Public attitudes toward (labour) immigration - June 27th

In this session, we will take a glimpse at the extensive literature on natives' attitudes toward (labour) migration. Typically, the literature distinguishes between economic and noneconomic factors determining individual attitudes toward migration. We will look at empirical research to see which role the personal economic situation of the respondent as well as cultural concerns might play.

Reading questions:

- What determines individual attitudes towards immigration and how is this measured?
- Which methodological approach do Helbling and Kriesi (2014) choose to find out why people prefer high- over low-skilled immigrants and what do they find?

Readings:

Hainmueller, Jens/Hopkins, Daniel J. 2014: Public Attitudes Toward Immigration, in: Annual Review of Political Science, 17, 225-249.

Helbling, Marc/Kriesi, Hanspeter 2014: Why citizens prefer high-over low-skilled immigrants. Labor market competition, welfare state, and deservingness, European Sociological Review, 30: 5, 595-614.

*Mayda, Anna 2006: Who Is Against Immigration? A Cross-Country Investigation of Individual Attitudes toward Immigrants, in: The Review of Economics and Statistics, 88: 3, 510-530.

*Wright, Matthew/Levy, Morris/Citrin, Jack 2016: Public Attitudes Toward Immigration Policy Across the Legal/Illegal Divide: The Role of Categorical and Attribute-Based Decision-Making, in: Political Behaviour, 38: 1, 229-253.

10. Labour migration and illegality - July 4th

In this session, we will discuss the concept of 'illegality' / 'irregular migration', focusing on the interconnections between migration and illegality in the labour market. Which different types of illegality can be distinguished in this context? Which role do migrants, employers and the state play in 'producing' illegality in the labour market? We will also approach the question whether international migration flows are indeed inevitable when economies of destination countries are in need of labour, regardless of rhetoric and policies to the contrary.

Reading questions:

- What do Ruhs and Anderson (2010) understand by 'semi-compliance' and how do they measure its occurrence?
- How do Massey and Gentsch (2014) explain the decline in wages of Mexican immigrants in the US?

Readings:

Ruhs, Martin/Anderson, Bridget 2010: Semi-Compliance and Illegality in Migrant Labour Markets: An Analysis of Migrants, Employers and the State in the UK, in: Population, Space and Place, 16, 195-211.



Massey, Douglas/Gentsch, Kerstin 2014: Undocumented Migration and the Wages of Mexican Immigrants, in: International Migration Review, 48: 2, 482-499.

*Bommes, Michael/Sciortino, Giuseppe 2011: Irregular migration as a structural phenomenon, in: Bommes, Michael/Sciortino, Giuseppe (eds.): Foggy Social Structures – Irregular Migration, European Labour Markets and the Welfare State, Amsterdam University Press: Amsterdam.

*Barron, Pierre/Bory, Anne/Chauvin, Sébastien/Jounin, Nicolas/Tourette, Lucie 2016: State categories and labour protest: migrant workers and the fight for legal status in France, in: Work, employment and society, 1-18.

11. The global governance of labour migration // 'optimal migration' - July 11th

There are hundreds of bilateral treaties regulating labour migration, some of which will have come up in the session on temporary labour migration programmes. However, the global governance of labour migration remains fragile and fragmented. The 1990 United Nations Convention on the Protection of the Rights of All Migrant Workers and Members of their Families remains one of the least ratified international human rights conventions. In this session, we will discuss why states (especially high-income destination countries) tend to be reluctant to agree to binding international rules on labour migration. We will discuss this in the context of the economic promise of greater labour mobility worldwide: Some economists estimate that liberalizing international labour migration would significantly boost world GDP.

Reading questions:

- Who would benefit from liberalizing international labour migration and what are the obstacles to achieve a less restrictive global migration regime?
- Why do most destination countries prove reluctant in respect to global regulations of labour migration?

Readings:

Clemens, Michael A. 2011: Economics and Emigration: Trillion-Dollar Bills on the Sidewalk?, in: Journal of Economic Perspectives, 25: 3, 83-106.

Ruhs, Martin 2013: The Price of Rights – Regulating International Labor Migration, Princeton University Press: Princeton. Chapter 2.

*Benhabib, Jess/Jovanovic, Boyan 2012: Optimal migration – A World Perspective, in: International Economic Review, 53: 3, 321-348.

*Betts, Alex 2011: Introduction: Global Migration Governance, in: Betts, Alex (ed.): Global Migration Governance, Oxford University Press: Oxford, 1–29.



12. Interdisciplinary research on (labour) migration: promises and pitfalls – July 18th

"Migration is a subject that cries out for an interdisciplinary approach. Each discipline brings something to the table, theoretically and empirically" (Brettell/Hollifield 2008: xi). In this session, we will take a look back at the course material studied and discuss the insights we gained from the various contributions by different social science disciplines for the subject studied – international labour migration. Some of the papers or book chapters covered took an interdisciplinary approach, built on or just included insights from other disciplines on the phenomenon of migration; some did so to a rather limited extent and some not at all. In this session, we will look into the potential benefits and pitfalls of interdisciplinary research on (labour) migration, having in mind the issues discussed throughout the course.

Reading questions:

- What are the advantages of interdisciplinary research on (labour) migration?
- What are the disadvantages or challenges of interdisciplinary research on (labour) migration?

Readings:

Boswell, Christina/Mueser, Peter R. 2008: Introduction: Economics and Interdisciplinary Approaches in Migration Research, in: Journal of Ethnic and Migration Studies, 34: 4, 519-529.

Brettell, Caroline B./Hollifield, James F. 2008: Introduction. Migration Theory. Talking Across Disciplines, in: Brettell, Caroline B./Hollifield James F. (eds.) 2008: Migration Theory. Talking Across Disciplines, New York: Routledge, 1-31.

*Bommes, Michael/Morawska, Ewa T. (eds.) 2005: International Migration Research: Constructions, Omissions And The Promises Of Interdisciplinary, Aldershot: Ashgate. <u>Introduction</u>.

*Castles, Stpehen/de Haas, Hein/Miller, Mark J. 2014: The Age of Migration. International Population Movements in the Modern World, Fifth Edition, Houndmills: Palgrave Macmillan. Chapter 2.

13. "Wrap up", discussion and preparation of seminar-papers – July 25th



Course requirements

Requirements for participation and for obtaining ECTS credits

Requirements for participation are the preparation of the compulsory readings and giving a presentation. To obtain 6 ECTS credits, you need to write a seminar paper and hand in written answers to 'key questions' for four of the seminar sessions (see below). Your overall mark will depend on the mark for the seminar paper. With your presentation and active involvement you can improve the overall mark (-0,3), hold it equal (+/-0) or downgrade it (+0,3).

Requirement: Readings (compulsory texts)

Each participant is expected to have read the obligatory readings in advance of each session. Please make sure that you take notes of and know the main arguments of the papers or book chapters and are able to talk about these during the seminar sessions. The 'key questions' for each session indicated in this seminar outline are meant to help guiding your reading.

Requirement: Presentation

Each participant has to give a 15-20 minutes presentation that is based on one of the main compulsory readings of the seminar. A maximum of three slides should be used to summarize the research question, research design and main arguments and findings of the text. Then, the corresponding optional text on the same topic should be used to critically assess and discuss the approach or findings of the first text. Additional information (other papers and or data) may be used to enrich the discussion. Topics will be assigned in the first session. You may use power point or prepare a handout. <u>Presentations (slides or handouts) have to be sent to the lecturer by e-mail at least one day (24 hours) in advance of the session.</u>

Requirement: written answers to questions on the texts

It is obligatory for each student to hand in written answers to the 'key questions' <u>for at least three</u> of the eleven thematic seminar sessions (Sessions 2 to 12). Answers for each question should be based on the compulsory readings (including references as appropriate) and not exceed 200 words each. They need to be e-mailed to the lecturer <u>one day in advance of the respective session (deadline 5pm).</u>

Requirement: seminar paper

In your seminar paper you should work on a concrete problem or issue. Choose a topic that interests and concerns you and that you would like to discuss in-depth! The seminar paper must have about 3.500 words; exceeding the word limit will lead to downgrading. Please hand in your seminar paper via email <u>in word-format</u> as well as a printed version (together with the signed statement of independence) at the Secretariat. We will discuss what is crucial when writing a seminar paper in one of the seminar sessions; there will be guidelines handed out and uploaded.