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No. 6752

### THE RISE AND FALL OF ASYLUM: WHAT HAPPENED AND WHY?

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*LABOUR ECONOMICS*



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Discussion Paper No. 6752  
March 2008

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CEPR Discussion Paper No. 6752

March 2008

## **ABSTRACT**

### **The Rise and Fall of Asylum: What Happened and Why?\***

In the last 20 years, developed countries have struggled with what seemed to be an ever-rising tide of asylum seekers, a trend that has now gone into reverse. This paper examines what happened and why. How have oppression, violence and economic conditions in origin countries shaped worldwide trends in asylum applications? And has the toughening of policy towards asylum seekers since 2001 reduced the numbers? What policies have been effective and which host countries have been most affected? This paper surveys the trends in asylum seeking since the 1980s and the literature that it has generated and it provides new regression estimates of the determinants of asylum applications up to the present. The key findings are first, that violence and terror can account for much of the variation across source countries and over time but it cannot fully explain the original surge in asylum applications during the 1980s. And second, while tougher policies did have a deterrent effect, they account for only about a third of the decline in applications since 2001.

JEL Classification: F22, I38, J15 and J61

Keywords: asylum, immigration policy and refugees

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\* I am grateful to Alison Booth, Kristian Gleditsch and two anonymous referees for useful comments, and to Edgar Ramirez for excellent research assistance. This paper is part of the CEPR Project on Migration and Mobility of Labour supported by the EU research network on Politics, Economics and Global Governance: the European Dimensions.

Submitted 17 March 2008

## **Introduction**

Over the last two decades developed countries have struggled with what seemed to be an ever rising tide of asylum seekers, a trend that has now gone into reverse. The number of asylum claims lodged in developed countries rose from less than 200,000 per annum in the early 1980s to a peak of 850,000 in 1992. After some decline the numbers reached a second peak of 600,000 in 2001. Since that time the number has halved, representing a return to figures last seen in the 1980s. This paper seeks to understand the ebb and flow of asylum applications in terms of conditions in source countries including politics, war and terror, as well as conditions in destination countries. It focuses especially on the asylum policies that have been implemented across the developed world as governments have attempted to reduce the numbers.

The surge of asylum applications that took place in the 1980s led eventually to a sharp policy backlash, particularly in countries among the EU-15 that bore the brunt of the steep rise in asylum applications. The overwhelming majority of applications was made by individuals or small groups who arrived independently in the country of asylum, often illegally, and who then claimed the right to refugee status under the 1951 Refugee Convention. They were often portrayed in the popular press as economic migrants and bogus refugees. Governments responded to the clamour for action by tightening access to the country's territory, toughening the procedures to determine refugee status and making the living conditions for asylum applicants less palatable. During the 1990s these policies seemed to have only modest effects in bringing the numbers down and governments were urged to redouble their efforts to reduce the numbers to 'acceptable' levels.

Since 2001 policy in many countries has become even tougher and asylum applications have fallen dramatically. Not surprisingly governments have been quick to claim that changes in legislation and procedural purges have been much more successful than in the past. For example in February 2003 Prime Minister Tony Blair committed the government to a drastic cut in the numbers. Speaking at the Labour Party conference in September that year he announced that: "We have cut asylum applications by half. But we must go further. We should cut back the ludicrously complicated appeal process, de-rail the gravy train of legal aid, fast track those from democratic countries, and remove those who fail in their claims without further

judicial interference.”<sup>1</sup> Three years later in November 2006 the UK Immigration Minister Liam Byrne commented that “Asylum applications for the year to date are at their lowest level since 1993 and we intend to build on this progress. We have seen in the year so far more failed asylum seekers being removed than predicted unfounded asylum claims, but there is more still to do.”<sup>2</sup>

Refugee advocates often argue that trends in asylum seeking are essentially driven by war and human rights abuses in places such as Rwanda, Kosovo, Darfur, and many others where the sources of persecution are all too obvious. They typically deplore the clampdown on asylum seekers, arguing that governments are depriving genuine refugees of the sanctuary to which they are entitled without having much effect on the number that apply.<sup>3</sup> So, should tougher policy take the credit (if credit there is)? Or are trends in asylum applications mostly due to changes in the intensity of war, conflict and other conditions in origin countries that ultimately drive refugee flight?

The following sections provide an analysis of what happened and why. The next section gives a broad overview of trends in asylum applications and in the stock of refugees across countries of origin and destination and over time. This is followed by an analysis of the source country causes of asylum-seeker flights. I then turn to an outline of policy developments in the last decade and derive a new index of policy stance in the main destination countries. The following section reviews existing analyses of the deterrent effects of policy and provides new estimates for the decade 1997-2006. The findings overall are summed up in a short conclusion.

## **Trends in Asylum seeking**

### *Long run trends*

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<sup>1</sup> The full text of the speech was reported in *The Guardian*, Tuesday September 30<sup>th</sup> 2003.

<sup>2</sup> Comments on the asylum statistics for the third quarter of 2006, reported on the Home Office website at: <http://www.homeoffice.gov.uk/about-us/news/asylum-stats-quarterly-1106>. The statement refers to the official target for removals (see further below).

<sup>3</sup> For example, in response to the publication of figures showing a decline in applications in August 2003 the UK Refugee Council argued that: “Tougher restrictions on entry to the UK are denying protection to those who need it most and, contrary to the governments claim today, are unlikely to be a sustainable method of reducing numbers of asylum applications in the long run. .. Building further barriers to the UK, and penalising those who enter clandestinely, threatens to punish those who most need our protection.” (<http://www.refugeecouncil.org.uk/news/press/2003/august/20030828figur.htm>).

The United Nations High Commissioner for Refugees (UNHCR) collects extensive data on applications for asylum in the ‘industrialized countries’ of Europe North America and Australasia.<sup>4</sup> These are first instance claims and they are almost always submitted within or at the border of the destination country. They are lodged by applicants who have arrived spontaneously from their country of origin rather than under the resettlement programmes of the UNHCR or other non-governmental organisations (NGOs). Figure 1a shows the time profile of total applications and its distribution across receiving regions. Over the whole period since 1980, 68 percent of applications were submitted in the countries of the EU-15 while 10 percent were lodged in other European countries and 20 percent were lodged in North America. The figure shows that the two surges mentioned earlier, that peaked in 1992 and 2001, were largely the result of variations in applications to the EU-15, which also accounts for much of the decline after 2001. The trend growth in the numbers seeking asylum in other European countries is largely accounted for by the newer EU member states.

Figure 1b shows the overall profile of asylum applications by region of origin. Over the whole period since 1980, 37 percent of applications came from Asia, 17 percent came from Africa and 10 percent from Latin America and the Caribbean. Europe accounted for 28 percent and these originated almost entirely from Eastern Europe and the former Soviet Union. The sharp spike in total applications in 1992 was largely the product of events that followed the collapse of the Soviet Union and the fall of the Berlin Wall. Also underlying the profile are milder humps in applications from Africa and Asia, one in 1990-3 and the other a decade later. The graph shows that the decline in applications since 2001 has been common to all regions of origin although it is most marked for Asia.

Figure 2 illustrates the time profile of asylum applications for five individual source countries, plotted on a log scale. Applications from Serbia and Montenegro follow a steep rise during the 1980s followed by the peaks associated with the Bosnian war of 1992-3 and the 1998-9 conflict in Kosovo. Similarly the profile for Iraq shows a rise during first Gulf War of 1990-1 as well as a sustained flow leading up to the invasion of 2003. For Afghanistan, there is a sharp rise following the end of the Soviet occupation with a further increase leading up to the war against the Taliban. There are also peaks in the early 1990s for Lebanon, associated with Syrian

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<sup>4</sup> The 37 ‘industrialized’ countries include the EU-27 plus Iceland, Norway, Switzerland, Turkey, Australia, New Zealand, United States, Canada, Japan and Korea.

intervention and for Ethiopia during the conflict over the secession of Eritrea. It is worth noting that while peaks occur around major conflicts, asylum applications often rise in advance of outright war and persist well after the end of the conflict.

Only a small proportion of those who are displaced become asylum seekers in Western countries and fewer still are accepted as genuine refugees. The applications to industrialised countries in Figure 1 are on average less than 5 percent of the refugee stock. Most of those who are counted as refugees by the UNHCR are displaced into neighbouring countries and often into the poverty and squalor of refugee camps near the border. The population ‘of concern’ to the UNHCR also includes those displaced within their own country, who are not formally defined as refugees. These numbered around five million in 1997-2003 and the total rose steeply to 12.8 million in 2006, although this is largely due to more complete enumeration.<sup>5</sup>

Figure 3 plots the UNHCR’s estimates of the total stock of refugees by the continent in which they are located. That number climbed steeply from around four million in the late 1970s to a peak of 18 million in 1992, after which there is a steep decline to under ten million in 2006. The profile over time of the refugee stock strongly resembles that of asylum applications in Figures 1a and 1b, which suggests that the asylum numbers bear the imprint of the humanitarian tragedies in the source regions. It therefore seems likely that events in the origin countries of Africa, Asia and Eastern Europe have been key determinants of the long run trends in asylum applications.

#### *Trends in destination countries*

Are the trends in asylum applications common to most receiving countries? Table 1 shows average annual applications for 19 leading destination countries in the five year periods from 1987-1991 to 2002-06. Together they account for 95 percent of all the applications received by industrialised countries over the two decades. Among these countries, the the largest number of applications was received by Germany with 27 percent of the 19-country total. This is followed by the US with 14 percent, the UK with 10 percent and France with 8 percent. The most striking feature of the table is the differences in the trends across countries, even between neighbouring countries. Thus Austria and Germany, both until recently on the EU’s Eastern border, show very

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<sup>5</sup> For discussions of the issues surrounding the counting of refugees, see Crisp (1999) and Schmeidl (2000).

different patterns. In Austria the numbers fell from 1987-91 to 1992-6 but rose in each subsequent quinquennium, whereas in Germany the pattern was exactly the opposite. In the UK the numbers increased until 1997-2001 and then fell whereas in France the number fell to 1992-6 and rose thereafter. In the 1990s there was a surge in asylum applications to relatively new destinations such as Ireland and Italy as well as to countries that would later join the EU: the Czech Republic, Hungary and Poland.

Of particular relevance to what follows later are the diverse trends in applications over the last two quinquennia. As shown in the last column of the table, between 1997-01 and 2001-6 total applications in these countries declined by 25 percent. Against this benchmark the fall of 31 percent for the UK hardly seems dramatic. But there is wide variation in the trends for other countries. Applications fell by more than 60 percent in Australia, Denmark, Hungary and the Netherlands while they increased by more than 50 percent in France, Poland and Sweden and by nearly 50 percent in Austria. This diversity in trends could be the result of the country's specific location, the source country composition of its applicants, or of changes in labour market conditions. But it could also be the result of differences in asylum policies—something that will be investigated further below.

#### *The outcomes for asylum seekers.*

The most important outcome for asylum seekers is whether their application is accepted or not. Figure 4 shows the three possible outcomes of refugee status determination procedure for industrialised countries as a whole. These are first instance decisions and so they exclude appeals and they also exclude cases in which the application was withdrawn or lapsed. Over the period from 1982 to 2006 the proportion of decisions that resulted in recognition under definition of the 1951 Refugee Convention was 18 percent. A further 10 percent, while not qualifying as Convention refugees, were allowed to stay on humanitarian grounds. The total recognition rate (Convention plus humanitarian, as a share of all decisions) fell from over 50 percent in 1982 to less than 20 percent in 1990 before rising again. In recent years it has fallen from 32 percent in 2001 to 23 percent in 2004 before recovering again in 2005-6. Even accounting for those that were successful on appeal (about 5 percent of all cases), some two thirds of all asylum claims end with rejection.

The evidence on the subsequent histories of asylum seekers is sketchy. Most of those whose asylum claims have failed are required to leave the country. Some are

repatriated voluntarily, with or without official assistance, and an increasing number are forcibly deported. In the UK removals and voluntary departures increased as a percentage of the number of claims rejected from less than 20 percent in 1997-2001 to just over a third in 2002-6 (UK Home Office, 2007a, p. 30). The proportion removed has risen steeply in the last few years and the Home Office reached its target of removals equalling the number of ‘unfounded’ cases for the first time in 2006.<sup>6</sup> It is hard to escape the conclusion that in earlier years a large proportion of failed asylum seekers simply stayed illegally.<sup>7</sup> The pattern in other EU countries has been similar with increased numbers of failed asylum seekers being detained prior to deportation but a substantial residue remaining illegally.<sup>8</sup>

A few studies have explored the subsequent histories of those who have been granted some form of asylum. Evidence for Canada indicates that those in employment earned about the same as immigrants entering through the family reunification stream (De Voretz et al. 2004). But even after seven years their employment rates were lower and their welfare dependency rates were twice as high as the family migrants. Those counted as refugees in the Netherlands have low levels of education relative to other immigrants and only about one third had obtained employment after five years (Hartog and Zorlu, 2008). In the UK, refugees’ employment rates were only half the average for ethnic minorities as a whole despite their having comparable education levels (Bloch, 2002). These studies also suggest that those with further education and training gained little economic advantage from it, often because of lack of fluency in the host country language. Many were on the margins of employment, with temporary or part-time jobs. One implication is that the outcomes for refugees are particularly sensitive to aggregate labour market conditions, particularly in the few years after arrival (Valtonen, 1999).

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<sup>6</sup> This target is alluded to in the statement by Liam Byrne, quoted above. It is based on comparing the number of unsuccessful asylum seekers removed (voluntarily or involuntarily) with the number of new applications that are predicted to fail (including appeals). For 2004, the earliest figure to be reported, the ratio of the former to the latter was less than 50 percent.

<sup>7</sup> There are no firm estimates of the numbers. For the UK the National Audit Office (2005, p. 13) estimated that between 1997 and 2004 the number of rejected applicants who were not known to have left the country, either voluntarily or forcibly, was between 155,000 and 283,500. Assuming that roughly a third of these would have left implies that the number remaining would be somewhere between 100 and 200 thousand (probably around a fifth to two-fifths of the illegal population).

<sup>8</sup> Policies and practices in a range of countries as of 2006 are detailed in the appendices to Field (2006). In 2005 the Dutch Immigration Service identified 26,000 applicants whose claims had been rejected prior to 2001 but who were still present. 41 percent of these were given residence permits, but of the remainder, 61 percent absconded to avoid being removed (European Council on Refugees and Exiles, 2005, p. 226, at: <http://www.ecre.org/resources/publications/689>).

By its very nature there is little evidence on outcomes for failed asylum seekers who remain in the country illegally. It seems likely that their outcomes are inferior to those with some form of legal status. Nevertheless they are probably better off than they would be in the origin country.

### **Politics, Oppression and Violence in Source Countries**

Most observers would agree that wars and violence, political oppression and human rights abuses of various sorts lie at the root of refugee flights. Less obvious is which particular forces matter most and whether other social and economic factors also play a role. As the UNHCR puts it, “Many people leave their home for a combination of political, economic and other reasons” (UNHCR, 2001, p. 156). This is especially the case when we consider those who turn up as asylum seekers in Europe and North America rather than remaining stranded in their first port of call. Still less clear is whether, and how far, war, oppression and political upheaval can account for the long-term rise and the subsequent decline in asylum applications to industrialised countries.

#### *Previous research*

There is a vast quantity of research that reports and analyses the situations that generate refugee flights in particular countries or regions. Much of it is descriptive and is often produced by, or on behalf of, organisations like the UNHCR or the International Organisation for Migration (IOM), not to mention various advocacy groups and NGOs. There is also an academic literature that analyses more formally the causes of refugee flights.<sup>9</sup> One focus of debate is the distinction between the proximate causes of refugee exodus, such as violence and terror, and the deeper structural conditions that give rise to these situations, such as political authority, ethnic fractionalisation, poverty, inequality and resource endowments. Such variables are sometimes seen as working through an exit-voice trade-off: whether to leave or to fight; whether to resist or just lie low in the hope that a better future will emerge. Another line of research focuses on the obstacles that intervene between the latent desire to escape the origin country and the ability to do so. Some of the relevant

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<sup>9</sup> Comprehensive accounts of causes and consequences of refugee flights include Zolberg et al. (1989), Weiner (1997) and Marfleet (2006).

factors may cut in both directions. For instance, people may want to escape an authoritarian regime but find that repressive policies make it hard to do so. Similarly, poverty may intensify the desire to flee but at the same time reduce the ability to do so.

In one of the more influential papers Schmeidl (1997) used regression analysis to explain variations in the stock of refugees in over 100 countries in the 1970s and 1980s. She found that the most significant variables were those representing armed conflict, especially civil wars and genocide or politicide. In the presence of these forces, other variables representing political rights, civil liberties and ethnic tensions were generally not significant. Intervening factors (poverty, population density, geography) also proved to be unimportant unless they were interacted with some measure of conflict. But those interactions seem not to work in the 'right' direction and Schmeidl (1997, p. 304) surmised that intervening conditions may be less important than some of the previous literature suggested. Further research has largely confirmed those results. Davenport et al. (2003) and Moore and Shellman (2005) provide fixed effects estimates for the net refugee stock, including the internally displaced, for over 100 countries. Both studies found that conflict, genocide and protest were the most influential variables as well as finding some role for transitions towards democracy.

These studies focus on the (absolute) stock of refugees rather than on the flow of asylum seekers to the developed world. By contrast, Neumayer (2005) analysed asylum applications to Western Europe by country of origin. The results indicate that asylum flows are largely explained by the same variables that generate total refugee displacements. Like Moore and Shellman (2005) he found that an index of political terror was highly significant, and in addition that autocracy had a positive effect on asylum flows. He also found negative effects for the level and change in origin country GDP per capita, while the share of prime age population and the cumulative stock of past applicants were positive influences. A comparison of the results suggests that some variables such as genocides, famines and natural disasters mainly generate internal and cross-border displacements rather than longer-distance flights.<sup>10</sup> On the other hand economic and demographic factors seem to be more important for longer-distance migrations.

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<sup>10</sup> However, Moore and Shellman (2006) find that civil war and high levels of dissident violence and government terror raises increases the number of refugees relative to the number internally displaced.

### *Trends in Politics and Oppression*

While previous studies have used panel data to explain refugee stocks and asylum flows, none of them have seriously considered how (or even whether) changes in the incidence of oppression and the evolution of political structures explain the long-run trends. Table 2 reports, by five-year periods, eight key indicators that will later be used in regression analysis. These are unweighted averages for 48 countries that generated significant numbers of asylum seekers at some time over the period from 1982 to 2006. For the periods from 1992-6 onwards, the figures in parentheses cover an expanded list of 56 countries, which includes some of the successor states to the former Soviet Union, Yugoslavia and Czechoslovakia. The countries and the data sources are listed in Appendix 1.

The first row reports a measure of democracy derived from Polity IV database on political regime characteristics and transitions. This is a composite index of authoritarianism ranging from -10 (strongly autocratic) to +10 (strongly democratic), and it indicates a strong trend towards democracy over the period. The average for these countries shifted from moderately autocratic in 1982-6 to mildly democratic in 2002-6. The Freedom House indices of political rights and civil liberties are reported in rows (2) and (3). These indices range from one to seven, and have been re-ordered so that higher numbers reflect greater freedom. Both political rights and civil liberties improved secularly over the period, a trend that according to previous studies should have been reducing the number of asylum applications.

The next two variables represent direct threats to safety rather than institutional characteristics that create the conditions for repression. The first of these (row 4) is a measure of the scale and intensity of civil wars, as represented by the number of battle-related deaths per thousand of the population. Civil war is the most common form of armed conflict and is typically fought on the country's own territory. Paradoxically, this measure of conflict declines dramatically between 1982-6 and 1992-6, just at the time when the number of asylum applications was steeply increasing. Row (5) shows the averages for the political terror scale, which ranges from 1 to 5 (maximum terror). This is based on reports by the US State Department

on the extent of brutality, torture and arbitrary imprisonment.<sup>11</sup> In contrast to the trend in war deaths, this index shows a modest rise to the early 1990s followed by a slight decline.

Row (6) reports the trend in GDP per capita from the Penn World Tables in thousands of US dollars at 2000 prices. This shows little increase until the last decade. As noted earlier, higher average income could make asylum migration more feasible but less desirable. If the latter effect dominates, this might help explain some of the recent decline in asylum applications although it will not account for the earlier upward trend. Row (7) of the table shows the trend increase in population, which by increasing the numbers at risk must have imparted a long run upward trend to the absolute number of asylum seekers. And finally, the share of population in the migration-intensive age group 20-39 (row 8) increased slightly, which could have had an additional positive effect.<sup>12</sup>

#### *New estimates of asylum flows by source country.*

How well do the variables listed above explain variations in the number of asylum seekers across countries and over time? For this analysis I use UNHCR data for first instance applications made in industrialised countries, which as noted earlier, accounts for only a fraction of all refugee flights.<sup>13</sup> The regressions in Table 3 take as the dependent variable the log of asylum applications per thousand of the source country population for each five-year period, using 48 countries for 1982-86 and 1987-91 and 56 countries for the later periods.<sup>1415</sup> Restricting the sample to 48 countries throughout makes very little difference to the results. The civil rights variable was never significant (it is highly correlated with the political rights variable)

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<sup>11</sup> The alternative version of the terror scale, which is based on reports by Amnesty International, gives very similar results.

<sup>12</sup> Migration models often include some measure of the age structure of the origin country population on the grounds that the present value of migration is higher at younger ages (see Hatton and Williamson, 2005).

<sup>13</sup> The UNHCR's Statistical Online Population Database now provides comprehensive statistics on asylum applications by country of origin and destination. The UNHCR Statistical Yearbook, published annually since 2001 reports applications by origin country but only for the most important sources in each period.

<sup>14</sup> This is calculated as the (natural) log of the average of asylum claims per thousand over the period rather than the average of the log for each year. The log form is used because the variable is bounded at zero; hence the effects of the explanatory variables diminish as the asylum seeker rate approaches zero.

<sup>15</sup> Although the sample is selected to include the countries that are major sources of asylum seekers, selection bias is mitigated by the inclusion in the regressions of source country random or fixed effects.

and so this was dropped. Similarly the share of population aged 20-39 was never significant and it too was dropped.

The regressions in the first two columns of Table 3 are estimated with country-level random effects while the third and fourth columns use fixed effects. In these regressions, per capita income is always negative and significant, indicating that poorer countries generate more asylum seekers and confirming the UNHCR's view that economic motives are relevant in refugee flights. GDP per capita is measured in thousands of US dollars (at constant 2000 prices) and so an increase of a thousand dollars in a country's income increases its asylum applications by about 15 percent (col. 1). This is roughly the income difference between Mali and Somalia, or between Serbia and Angola.

In the first two columns the democracy variable is positive. At first sight this suggests that it is harder to escape from autocratic regimes. However, this variable is highly correlated with the Freedom House index of political rights (the correlation coefficient is 0.84), and when the latter is excluded the coefficient on democracy becomes negative and insignificant. The index of political rights itself has a strong negative effect suggesting that this measure captures an important element of the political oppression that creates asylum seekers. Not surprisingly, war has a large positive effect. An increase of one battle-related death per thousand of the population raises increases asylum applications by nearly a half.

One other large effect in the first two columns is the dummy for Europe (other continental dummies were insignificant). Countries in Eastern Europe generate a level of asylum applications on the order of three times that of other countries, all else constant. This is likely because of their proximity to the EU, and one might expect it to be larger from the late 1980s onwards, especially after the fall of the Berlin Wall. But a dummy for Europe from 1987 onwards was not significant, either alone or in combination with a dummy for 2002 onwards for countries that joined the EU in 2004.

In the second and third columns the political terror scale is added to the explanatory variables and its presence weakens the coefficients on democracy and political rights as well as the effect of war, which is reduced to zero in the fixed effects specification. Here the random effects specification (col. 2) is rejected against fixed effects (col. 3). Not surprisingly, a direct measure of terror is more powerful predictor of asylum flows than variables that reflect institutions. Its presence also

reduces the effect of war, probably because terror captures some of the threats to civilians that are only indirectly measured by military casualties. The effect is very large: going up one level on the terror scale increases asylum applications on the order of two thirds (col. 3). In all these specifications there is a very large period effect for 1982-6 relative to the reference period 1997-2002, which seems to be common across all regions. Thus the great surge in asylum applications from the early 1980s to the late 1980s is not explained by the other variables in the model.

The effects across periods can be assessed using the parsimonious specification in column (4). Taking a constant set of 48 countries, the trend in per capita income increased asylum applications on average between 1982-6 and 1992-6 by about 9 percent. Over the same period deterioration in political rights also increased average applications by 9 percent while the rise in political terror boosted average applications by 25 percent. By contrast, between 1992-6 and 2002-6 these variables were pushing in the opposite direction. The growth in GDP per capita reduced applications by 20 percent and the improvement in political rights reduced applications by 8 percent while the modest decline in political terror reduced them by 15 percent.

It is hard to account fully for the rise in asylum applications during the 1980s. Although terror was on the rise, the number of asylum applications increased by far more than can be accounted for by this variable alone, and it seems to have been pervasive across all source regions. A number of causes have been suggested, including better access to developed countries after the collapse of communism, the growth in the scope and efficiency of people smuggling networks, and the information and assistance provided by previous asylum seekers (Hatton, 2004). So far these hypotheses have largely eluded measurement. But the picture since the early 1990s is a little different. Between 1992-6 and 2002-6, the asylum fundamentals were tending to depress the numbers and, although the period dummies are not significant, there is weak evidence of a further decline of about 20 percent between 1997-2001 and 2002-6. Whether policy played some role in that decline will be investigated further below.

### **Asylum Policies in the Developed World**

The international framework for asylum policy is the 1951 *Convention Relating to the Status of Refugees* and its 1967 Protocol. Article 1 of the Convention provides the

definition of a refugee as someone who is outside his or her country of habitual residence and who is unable or unwilling to return to it owing to a ‘well founded fear of persecution’. Article 33, the so-called *non-refoulement* clause, provides that a person cannot be forcibly returned to a territory where he or she may be at risk of persecution. All developed countries (and most others) are signatories to the Convention. Any credible application for asylum submitted in a signatory state must be considered under the terms of the Convention whether the applicant entered the country illegally or not. On the face of it, the Convention provides a guarantee of sanctuary for refugees who have gained access to the country’s territory without any limit to the number.

In practice there are many ways that governments can limit the number to whom they grant refuge. By allowing access only to applicants who are on the country’s territory and by tightening controls at the border through visa requirements, enhanced security checks and other measures to prevent illegal entry, a country can effectively restrict access to its asylum procedures. Secondly, the definition of a refugee is subject to differences of interpretation, with some countries taking a tougher line than others on exactly what constitutes a ‘well founded fear of persecution’. Although the grounds for Convention status are often restricted, most countries provide a form of subsidiary protection for applicants who, by virtue of the *non-refoulement* clause, cannot be returned to their country of origin. Subsidiary protection is often less advantageous to the refugee, and it sometimes provides for only temporary residence until conditions in the origin country improve. Finally, there is a variety of ways in which the conditions for asylum seekers can be made less (or more) attractive, including access to benefit and employment during the refugee status determination process and the extent to which the procedures provide opportunities for asylum seekers to melt away into the illegal sector.

#### *Asylum policy to 1997*<sup>16</sup>

Until the sharp worldwide rise in asylum applications in the 1980s, policy activism was limited. But as the numbers climbed, asylum shifted rapidly up the political agenda. This was most marked in the countries of the EU-15, which bore the brunt of the increase, particularly with the political and economic collapse in Eastern

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<sup>16</sup> For more detailed accounts of asylum policy and its development in the 1990s, see Gibney and Hansen (2005), Hatton (2004, 2005), Schuster (2000).

Europe and the former Soviet Union. In the late 1980s a number of countries began to tighten external border controls and some, such as the UK in 1987, introduced sanctions against carriers of illegal immigrants. Several countries led by France introduced special airport zones, where asylum seekers could be held for pre-screening and possible deportation. Visa restrictions were progressively tightened—a trend that gained impetus with the relaxation of internal border controls under the Schengen Convention of 1990 (finally implemented in 1995). By 1998 the Schengen countries had a harmonised list of more than 150 non-EU countries for which visas were required.

In the early 1990s EU countries embarked on a series of measures that were foreshadowed by the 1990 Dublin Convention and a set of resolutions that emerged from a 1992 ministerial meeting in London. In Dublin it was agreed that asylum applications would be dealt with by one state, normally the state of first entry, in order to prevent ‘asylum shopping’. The London resolutions covered three further issues. The first was the ‘safe third country’ concept—the rule that an asylum claim could be summarily rejected if the applicant had transited through a country that was deemed safe and where he or she could have applied for asylum. The second was the ‘safe country of origin’ concept—the designation of source countries where there is a presumption of no risk of persecution. The third was the concept of ‘manifestly unfounded’ asylum applications, for which an expedited refugee status determination procedure could be used. Manifestly unfounded claims often included those that fell into the safe country of origin or safe third country categories as well as cases involving forged papers or evidence of criminal activity.

These policies did not become binding until 1997 and the timing of their introduction in different member states depended on the political response to rising applications and on legislative constraints. For example, in Germany, implementing such measures required a change to the Basic Law (constitution), which included a clause on the right to asylum and which was amended by new legislation in 1993. Recommendations by the European Council of Ministers on readmission agreements with source countries were also sporadically adopted. Both the timing and the substance of legislation varied across countries, as did the vigour with which the new rules were applied. Some countries speeded up the procedures by implementing fast-track processing and abbreviated appeals procedures. Wide variations also remained

in policies towards the granting of subsidiary protection status, over which there is more discretion.

During the 1990s European governments also implemented various restrictions on the conditions facing asylum seekers during the processing of their claims, such as dispersing them to locations outside the main cities and providing in-kind benefits accessible only at reception centres in place of standard welfare. A number of countries that, in the 1980s, had allowed asylum applicants to seek employment withdrew that right, such as France in 1991 and Belgium in 1993. Some countries also resorted to increasingly tough rules on the detention of those whose claims were likely to prove unfounded and introduced more effective deportation procedures for those not granted residence on any terms. Again, these policies and their effectiveness varied widely between countries.

#### *Asylum policies since 1997*

During the last decade there has been some harmonisation of asylum policies across the EU, stemming from the 1997 Treaty of Amsterdam, which moved asylum policy from the third pillar to the first pillar. This marked a shift towards centralised decision-making and gave the European Commission the right to propose legislation from 2002. The European Council meeting at Tampere (Finland) in 1999 reaffirmed that common EU policies would be based on a ‘full and inclusive’ application of the Refugee Convention, stressing that the principle of *non-refoulement* would be honoured. It planned the building of a Common European Asylum System (CEAS) in two stages (known as the Hague Programme). The first stage, up to 1<sup>st</sup> May 2004, was the harmonisation of certain key elements of asylum policy. The second stage, to be completed by 2010, is a more fully integrated EU-wide asylum system providing a unified status for all those granted asylum.<sup>17</sup>

The first stage of the CEAS laid down minimum standards in several different areas. The Reception Conditions Directive laid down terms for access to employment and training, housing and subsistence, and health and education services for asylum seekers while their claims are being assessed. The so-called Dublin II Regulation embodied a new mechanism for determining the state responsible for an asylum

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<sup>17</sup> Details of policies, resolutions and legal instruments on asylum can be found on the European Commission website at:  
[http://ec.europa.eu/justice\\_home/doc\\_centre/asylum/doc\\_asylum\\_intro\\_en.htm](http://ec.europa.eu/justice_home/doc_centre/asylum/doc_asylum_intro_en.htm).

claim, backed up with a common database for fingerprints. The Qualification Directive established a common set of criteria to be used in the refugee status determination procedure. And the Asylum Procedures Directive covers issues such as the designation of manifestly unfounded claims, and rights to interviews, to legal assistance and to appeals as well as common rules for granting subsidiary protection.<sup>18</sup> These rules, the impact of which differ across countries depending on their pre-existing policy stance, are gradually being transposed into member state legislation. It should be noted however they do not cover every aspect of asylum policy and that they lay down only *minimum* standards. The first stage of the CEAS therefore falls far short of complete harmonisation.

Against the backdrop of EU legislation, member states introduced a range of legislative packages. The UK experience illustrates the step-by-step toughening of asylum rules. An Act of 1993 introduced a fast-track procedure for applicants from safe countries of origin and a 1996 Act introduced the safe third country concept. The 1999 Immigration and Asylum Act established the National Asylum Support System under which asylum seekers were dispersed to centres outside London and vouchers were substituted for welfare benefits. The Act also speeded up the status determination process and tightened border security with increased powers of search and arrest for immigration officers and increased penalties for carriers of undocumented immigrants. This was followed by the 2002 Nationality, Immigration and Asylum Act, under which appeals no longer suspended deportation and permission to work after six months was abolished.

Some countries responded to growing political pressure with major revisions to their asylum laws. In Denmark the Aliens Act of 1983 was amended in the mid-1990s and again in 1998 and 2002. The 2002 amendments replaced the pre-existing *de facto* refugee status with a much narrower category, which did not carry the right to permanent residence, and also abolished the right to apply for asylum from outside the country. This and other reforms introduced a number of ‘motivational measures’ aimed at failed asylum seekers including detention without limit prior to removal. The Netherlands reacted to political pressure by introducing a range of new border controls in 1998. An Act of 2001 restricted the scope of subsidiary protection and

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<sup>18</sup> The regulations laid down in the first stage of the CEAS also include the Temporary Protection Directive and the Family Reunion Directive, although these are generally considered to be of lesser importance.

limited the right to appeal. This was followed by a reorganisation of the administration of asylum applications under a new Ministry with a commitment to speeding up processing and enforcing deportation procedures.

Several countries in Eastern Europe that were previously sources of asylum seekers became recipients in the 1990s. The Czech Republic, Hungary and Poland, all enacted legislation in the late 1990s to be consistent with EU standards. This involved setting up mechanisms for dealing with manifestly unfounded applications (not implemented in Poland until 2001), adopting safe country of origin and safe third country rules as well as establishing some form of subsidiary protection. In advance of accession to the EU, these countries also harmonised their visa regulations as well as strengthening their border security—in the case of Hungary with financial support from the EU.

Countries outside the EU also toughened their asylum policies. In 1999 Australia introduced three-year Temporary Protection visas, with much reduced rights for ‘onshore’ asylum seekers.<sup>19</sup> Then in August 2001, a Norwegian freighter, the *MV Tampa*, rescued 433 asylum seekers from a sinking vessel and requested to land them at Christmas Island. In a month-long standoff the Australian government refused permission to land the asylum seekers on Australian territory and eventually negotiated for them to be disembarked elsewhere, notably the Pacific island state of Nauru. In the wake of the blaze of publicity created by the Tampa affair, the Australian government passed six new bills into law. These included the excision of a number of islands from Australian territory for the purpose of establishing access to the asylum procedure. The definition of a refugee was narrowed and applicants passing through safe third countries were denied eligibility for a permanent protection visa. Other provisions included introducing harsher penalties for people-smuggling offences and limiting access to judicial review of asylum decisions. This package of measures represents a draconian toughening of policy that some observers criticised as in breach of the Refugee Convention.<sup>20</sup>

Events in the United States also influenced asylum policy. Following the 9/11 attacks, the USA PATRIOT Act introduced tougher measures against those with

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<sup>19</sup> Onshore asylum applications are those made by asylum seekers who arrive spontaneously rather than those resettled from locations near the source of oppression or conflict, who fall under the ‘offshore’ programme.

<sup>20</sup> For more detail on the *Tampa* incident and the events that followed it, see Hatton and Lim (2005) and Tazreiter (2005).

suspected links to terrorist organisations as well as dramatically increasing the number of border control agents. An Act of May 2002 further strengthened border controls by setting up an integrated database system for entry and exit linked to fingerprinting and biometric monitoring. Canada also tightened its border security and in an Act of 2001 it introduced tougher measures including detention for asylum seekers without documents. The enhanced security measures in North America were followed, to varying degrees, by other countries as a result of heightened concerns about terrorism.

#### *Indicators of asylum policy, 1997 to 2006*

Policy evolved differently in the major developed countries receiving asylum applications. Some EU member states introduced reforms to bring their policies into line with new EU legislation. But for the most part policy reforms were country-specific responses to political pressures and alleged deficiencies in the existing system. In order to evaluate their effects we need some index of policy. The most often cited measure of toughness in asylum policy is the recognition rate. As noted earlier, this is proportion of first instance decisions (excluding appeals) during the year that resulted in recognition under the Convention or in permission to stay on humanitarian grounds.

As the left-hand panel of Table 4 shows, for the nineteen countries in aggregate the total recognition rate fell from more than a third in 1997-2001 to about a quarter in 2002-6, a substantial decline. However, there is wide variation in both levels and changes across the different countries listed in the table. The most dramatic declines in recognition rates came in the Netherlands with a fall of 43 percentage points and in Denmark where it fell by 35 percentage points, both exceeding the 19 percentage point fall for the UK. As the table also shows, recognition rates in Poland increased a little between the two periods. It is interesting to compare the change in recognition rates in Table 4 with the percentage change in asylum applications between 1997-02 and 2002-6 reported in Table 1. The correlation coefficient between these changes across the nineteen countries is  $-0.46$ , suggesting that tougher decisions on refugee status may have deterred asylum applications. However, recognition rates depend not just on the status determination procedure but also on the composition (and perhaps the volume) of applications. And while it is a central component of asylum policy it is not the only component.

To provide an alternative, more comprehensive, measure of policy stance I use published reports to identify ‘major’ changes in a variety of different dimensions of policy (see Appendix 2 for further details). While such an exercise is inevitably somewhat hazardous, an effort was made to ensure objectivity. The major changes that form the index are based almost entirely on legislation rather than on general impressions about the toughness of asylum policy. In addition they are based on contemporary accounts of the legislation rather than on *ex post* evaluations made in the light of the apparent results of policy. The fifteen components of the index are listed in Appendix 2, together with some interpretation of what constitutes a major change. Starting at zero at the in the first quarter of 1997, each of the components shifts up by one for significant toughening of policy and down by one for a policy change that is more generous to asylum seekers. It is important to stress that this is a crude measure of policy change that does not reflect differences across countries in the finer details of policy change or in its enforcement. Nor is it an absolute measure of toughness, but merely the difference in policy stance as compared with the beginning of 1997.

The right hand panel of Table 4 shows the overall policy stance for each country in the years 1997-2001 and 2002-6, summing over the 15 components of policy. The bottom line shows that the average policy stance toughened by 1.78 index points between the two periods. But again there is wide variation between countries. The index illustrates a dramatic toughening of policy across the decade in Australia and the UK followed by the Netherlands and Denmark. In most of the other countries policy became mildly more restrictive and in Sweden and Poland policy became, on balance, more favourable to asylum seekers. The correlation coefficient between changes in the policy index and the percentage fall in asylum applications (Table 1) is  $-0.56$ , which is slightly higher than that between asylum applications and the recognition rates. The correlation of  $0.48$  between changes in recognition rates and in this broader index of policy is positive but not particularly strong.

The fifteen components of policy are divided into three groups, each consisting of five components. Those representing the ability of asylum seekers to gain access to the country’s territory are labelled ‘access’; those representing the toughness of the country’s refugee status determination procedure are labelled ‘processing’; and those relating to the welfare of asylum seekers during and after processing are labelled ‘welfare’. Figure 5 displays the evolution of the unweighted

19-country average of these policy components. All three components show a progressive tightening of policy over the decade. As might have been expected, policy towards access and processing became especially restrictive between 2001 and 2005. Policy towards the welfare of asylum seekers also became tougher, but at a more even pace.

### **Assessing the Destination Determinants of Asylum Applications.**

The evidence suggests that policy got tougher in the decade to 2006, despite the fact that many countries had already tightened their policy stances earlier in the 1990s. But did it deter asylum applications as governments have sometimes claimed and as the correlations noted above suggest? How far can differences in policy account for the widely varying trends in applications experienced over the last decade by different countries once other influences are taken into account?

#### *Existing econometric evidence*

A number of previous studies have examined the pattern of asylum applications from the perspective of receiving countries in Europe and elsewhere. These have focused on three questions. One is the role of conditions in destination countries as ‘pull factors’ in asylum migration, and in particular the role of labour market conditions. Since asylum seekers have sometimes been characterised as labour migrants in disguise, the goal has been to see if variables that are known to influence international migration also determine asylum flows. A second issue is whether policies that are aimed at reducing the volume of applications have had any effect. The experience up to the mid-1990s, when rising applications went hand in hand with tougher policies, led many observers to question the deterrent effects of policy. And third, if policy does influence the volume of applications, would a convergence of policy stance across receiving countries lead to a more equitable sharing of the refugee burden? This question arose from discussions in the EU during the 1990s about ‘burden-sharing’ and the effects of policy harmonisation.<sup>21</sup>

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<sup>21</sup> It arose in particular from a proposal made by Germany in 1992, that asylum applicants be redistributed among the countries of the EU using a formula based on income, population and area. This proposal was strongly opposed by the UK and, although it came to nothing, it served to intensify the debate about burden-sharing, which persisted throughout the 1990s.

A number of methods have been used to identify the effects of policy and other variables on asylum flows. Studies based on interviews with asylum seekers find that their choice of destination is largely determined by the presence of friends and relatives, while asylum policies and labour market conditions are of secondary importance (Havinga and Böcker, 1999; Robinson and Segrott, 2002). Those that study cross-country correlations generally yield inverse relationships between changes in asylum applications and policy restrictiveness (Vink and Meijerink, 2003; Theilemann, 2004; Zetter et al., 2003). And a few studies have used time series analysis to examine the effects of major policy reforms in a single destination country. For Switzerland, Holzer et al. (2000) find that a dummy for the 1990 policy reform reduced applications, especially from the Lebanon and Sri Lanka, but the overall recognition rate had little effect. For Germany, Vogler and Rotte (2000) find strong positive effects on applications for political terror and source country GDP as well as a large negative effect for a dummy representing the 1993 policy reform.

Several recent studies have applied multivariate analysis to panel data on destination countries. In one such study, Theilemann (2006) took as the dependent variable a destination country's share of total applications adjusted by its share of population in order to net out source country effects. Using a panel of 20 destination countries for 1985-99 he found that a country's unemployment rate negatively influenced its share of applications while its foreign-born stock had a positive effect. He also derived a policy index made up of five components, which provided some support for the deterrence effect of policy, although he found little effect for indicators of policy towards refugee integration as compared with those representing refugee status determination procedures. However, he did not disaggregate by country of origin and therefore did not allow for differences across destinations in the source country composition of asylum applications.

Neumayer (2004) took shares for each destination of applicants from each origin as the dependent variable (thus also netting out origin country effects) and estimated over 1982-99. He found significant effects for the level and growth rate of GDP per capita in the destination, but not for unemployment. In the absence of the migrant stock, variables such as colonial links, common language and distance were all found to be significant in the expected direction (consistent with the empirical evidence on migration). The only policy variable used was the overall recognition rate for the destination. This proved to be positive, suggesting that tougher status determination

procedures act as a deterrent, but the effect on a country's share of applications appears to be small. A ten-percentage point reduction in the recognition rate reduces a country's share of applications by 0.2 percentage points. Neumayer also found that countries with right-wing populist governments had lower shares of asylum applications.

In my earlier study (Hatton, 2004) I examined the level of applications to 14 EU countries by three continents (Africa, Asia and Eastern Europe) for 1981-99, allowing for source effects by continent. Relative income, destination unemployment, the migrant stock and the cumulative stock of applications were all important influences. Among the source continent effects, political rights and an index of conflict proved to be the most important. A composite index of asylum policy, similar to the one discussed above and based on eleven indicators, gave a significant negative coefficient. This implies that the tightening of policy that occurred over the two decades to 1999 reduced asylum claims in the EU by about 150,000, or about 12 percent of its mean level. A more detailed analysis of EU country shares by origin in the 1990s also supported the negative effect of policy but provided little evidence that tougher policies deflected asylum seekers from one destination country to another.

To summarize, recent econometric studies find that destination country effects matter, particularly the migrant stock and either the change in GDP or the unemployment rate. They generally find negative policy effects, although these vary in magnitude, and they are often dominated by other variables—a finding that has led some observers to conclude that policy harmonisation would do little to equalise the refugee burden. Finally, few of the existing studies provide estimates of the amount by which policy reduced applications and none provides an estimate for any year after 1999. Hence they cannot address the claims sometimes made by governments about effectiveness of policy in explaining the recent decline in asylum applications.

#### *New Estimates for 1997-2006*

To shed further light on the issues raised by earlier studies, I examine a dataset of annual asylum applications by source country and by destination for the years 1997-2007. This is taken, as before, from the UNHCR's database. It includes the nineteen destination countries listed in Table 1 and forty source countries (listed in the Appendix 1). The forty source countries are a subset of those analysed previously, normally those for which there were significant flows to several destinations during

the period. In cases where the bilateral flows were consistently small the figures are often not reported and these dyads were omitted, leaving 637 bilateral pairs out of a possible 760 ( $=19 \times 40$ ).<sup>22</sup> Together these account for 80 percent of all applications to the nineteen destination countries. The dependent variable for the analysis is the log of the annual number of applications from a given source to a given destination over the years 1997 to 2006 (zero values were set to one before taking the log).

The explanatory variables include those source-country variables that were found to be important in explaining the flows of asylum applications in Table 2. These include the terror scale and the Freedom House index of political rights. Source country GDP per capita never proved to be significant and so it was dropped from the analysis. When examining bilateral flows it is important to take account of the fact that asylum seekers from different source countries are often concentrated on a few major destinations. As with all migration flows, this is the result of historic ties, such as colonial links, common language, cultural proximity, as well as physical distance from the source to the destination. These effects are captured in large part by the stock of previous migrants in the destination country. Here I use the total stock of foreign born from a given source at a given destination in 2000/1 as reported by the OECD (see Appendix 1). The vast bulk of these are ordinary migrants although the total also includes some successful asylum seekers in the years before 2000. As a measure of economic conditions at the destination I use the unemployment rate.

In order to test the effects of policy I use the two indicators discussed previously. The first is the total recognition rate—the proportion of asylum decisions (for applicants from all sources) for a given destination country that resulted in acceptance. This is potentially endogenous since a lower recognition rate may deter applications that are least likely to result in recognition.<sup>23</sup> Alternatively I use the indices of the three different dimensions of policy that were discussed in the previous section. It is worth reiterating that these are fairly crude indicators of what are often subtle and complex changes in the way that asylum systems work. A further policy-related variable is a dummy for the years 2002-6 interacted with the percentage Muslim in the source country. Since the share Muslim takes a single value for each

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<sup>22</sup> Dyads are omitted when less than ten cases are recorded over the whole decade. In cases where the dyad is included but the value for a particular year is missing, it is entered as 1.

<sup>23</sup> Neumayer (2005b) finds that recognition rates depend on the lagged volume of asylum applications as well as on conflict and oppression in source countries. Following Neumayer (2004) I experimented with the recognition rate lagged one year. This always proved to be insignificant

source country, in the presence of fixed source country effects, this variable measures the differential post-2001 effect for Muslims. The aim is to capture any difference in policy towards asylum seekers from Muslim countries in the aftermath of the 9/11 attacks, not just in asylum policy but also more generally.

Table 5 reports specifications with different sets of fixed effects. The regression in the first column includes source country fixed effects as well as a dummy for each destination. Not surprisingly bilateral ties, as represented by the migrant stock in 2000/1, are very significant, with an elasticity of about one third. This is testimony to the power of the ‘friends and relatives effect’ that has so often been identified in empirical studies of migration. The destination unemployment rate (lagged one year) is strongly negative, supporting the view that labour market conditions do influence the number of asylum applications. In this case a one-percentage point increase in unemployment would reduce asylum applications by about ten percent. Terror and political rights in source both take significant coefficients that are similar in magnitude to those in the previous analysis of aggregate flows from source countries. The coefficient on the total recognition rate is very small and insignificant, offering little support for the view that higher rejection rates have deterred asylum applications. On the other hand there were significantly fewer applications from Muslim countries from 2002 onwards, an effect which reduced the numbers coming from a country that was 100 percent Muslim by more than a quarter

The second column of Table 5 shows what happens when fixed effects are included for each year in each source country. These dummies completely absorb source country effects, which may be too heterogeneous to be fully accounted for by the variables in column (1). The total recognition rate now becomes significant although the explained variation rises only modestly. Column (3) uses a different set of fixed effects, this time a fixed effect for each source-destination pair. This absorbs the bilateral effects captured previously by the migrant stock. Again the results for the other variables are very similar to those in column (1). Once all the bilateral effects are absorbed the equation explains very little of the remaining variation, even though some of the coefficients remain highly significant.

Finally I account for the endogeneity of the total recognition rate. Recall that the coefficient will be biased towards zero if a fall in the recognition rate deters those most likely to be rejected. Here I use as instruments for the recognition rate two of the

components of the index of policy concerned with ‘processing’. These are policy towards manifestly unfounded claims and policy related to subsidiary status, both of which are closely related to recognition rate. The smaller the share of applications treated as manifestly unfounded and the greater the possibilities for granting some form of humanitarian status the higher should be the recognition rate.<sup>24</sup> Using these instruments the coefficient on the recognition rate in column (4) now becomes positive and strongly significant, suggesting that previous studies that have used recognition rates as a measure of policy may have underestimated its true effect on applications. On this estimate, a fall in the recognition rate of ten percentage points reduces applications by sixteen percent.

Table 6 introduces the indices for the three components of policy directly. In the simplest fixed effects model of column (1), the policy components representing both access and processing have strong negative effects whereas that reflecting welfare is not significant. The same result holds in columns (2) and (3) with different sets of fixed effects. Consistent with other studies, this suggests that the two key elements of deterrence are access to the country’s territory in order to establish a claim for asylum, and the toughness of the refugee status determination procedure. It is interesting that, in the presence of these policy variables, the Muslim effect disappears, suggesting that this may have been picking up the effect of access policies. In column (4) the total recognition rate is substituted for the processing policy index, using the two subcomponents, for manifestly unfounded claims and subsidiary status as instruments.<sup>25</sup> The coefficient on access remains strongly significant and the other coefficients are little changed.

These results indicate a strong deterrent effect, at least for some elements of policy. They fly in the face of those who suggest that policy has been ineffective. Importantly, they warn against relying solely on the refugee recognition rate as an index of policy without taking its endogeneity into account.

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<sup>24</sup> The F statistics in the first stage regression is 9.6, although the subsidiary status variable is highly significant. The Sargan test for overidentification gives  $\chi^2_{(1)} = 0.9$ , indicating that these are valid instruments.

<sup>25</sup> When both the processing index and the recognition rate (not instrumented) were included the latter was not significant ( $z = 0.9$ ).

### *The effects of policy on total applications*

What was the effect of policy on the overall total of asylum applications? We can explore these effects using the coefficients from column (3) of Table 6. On average, across the 19 destination countries, the effects of tightening access to territory reduced applications by 14 percent between 2001 and 2006, while tougher processing reduced applications by 17 percent. However this does not account for all the sources of applicants to each destination, and neither does it allow for the different weight of each destination in the total for all destinations. To estimate the overall impact of policy I use the coefficients on access and processing (ignoring the small and insignificant effect of welfare) to calculate the proportionate effect of policy change for each destination, using total applications as the base. This assumes that policy effects on applications from source countries that are excluded from the regressions are the same as for those that are included. I then convert the proportional effects predicted by policy for each destination country to absolute numbers by evaluating them at the mean of annual applications for that country over the decade 1997-2006 (see note to Table 7).

The first column of Table 7 shows the change in total asylum applications between 2001 and 2006 for each of the nineteen destination countries. The second column is the predicted effect on the total as a result of the change in access policies over the same period, and the third column shows the predicted effect of processing policies. The last column shows the combined effect of the two policies, which differs from the sum of the individual policies because of the non-linearity of the underlying relationship. Thus, for example, the effect of tougher policies in Australia was to reduce annual asylum applications by 2654, over this period as compared with the actual decline in applications of 8856. In some countries no change is recorded in one or (in the case of the Czech Republic) both branches of policy and hence it did not contribute to the significant falls in applications. While tougher policy ‘explains’ most of the decline in applications for France, it contributes only about a quarter of the decline in applications for Germany. For the both the UK and the US policy evidently accounts for more than a third of the fall in applications.

For all nineteen countries combined, the effect of policy was to reduce applications by 108,000 per annum, or almost a third of the drop in applications between 2001 and 2006. For the nineteen-country total, Figure 6 displays the absolute deviation from the 1997 level of applications—rising by over 200,000 before falling

to nearly 120,000 below the 1997 level. The lower lines show the effects of policy, starting from zero at the beginning of 1997. Over the decade, access and processing policies contributed about equally to the total policy effect. As is clear from the graph, policy contributes very little to the annual variation in applications, and it accounts for only one third of the fall between 2001 and 2006. On the other hand policy *more* than accounts for the decline in applications over the longer period from 1997 to 2006.

## **Conclusion**

This paper has outlined the evolution and characteristics of the rise and fall of asylum, drawing on recent studies and providing new estimates of the source country determinants of asylum flows and the effects of asylum policies in the developed world. The implications of the analysis can be summarised in three main points.

- There is consistent evidence that the flow of asylum seekers to the West is determined by oppression and terror and also by poor economic conditions. These effects dominate those representing the underlying political structures. But they cannot explain the sharp increase in worldwide applications that occurred in the 1980s.
- There is evidence that asylum policies have become tougher and that this has reduced the volume of asylum applications. This effect appears to be stronger than some previous studies have suggested and it accounts for all of the fall in applications since 1997. But policy explains only about a third of the steep decline between 2001 and 2006—a distinctly smaller effect than some politicians have claimed.
- The policies that deter applications are those that limit access to territory and those that reduce the proportion of claims that are successful. There seems to be no separate effect on applications from Muslim countries post-2001. Policies that diminish the socioeconomic conditions of asylum seekers evidently have little deterrent effect and they may even contribute to the subsequent deprivation that many asylum seekers experience. This suggests that the need to find a balance between punitive policies on living conditions and more positive refugee integration measures is less of a dilemma than is sometimes believed.

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## Appendix 1: Data Sources

### *Asylum Seekers.*

The number of asylum applications by source country was obtained from the UNCR Statistical Online Population Database at: <http://www.unhcr.org/statistics.html>. The 56 countries that are represented in Table 2 and that underlie the regression analysis of Table 3 are as follows:

Afghanistan*	Colombia*	Islamic Rep. of Iran*	Romania*
Albania*	Dem. Rep. of Congo*	Dem. Rep. Of Laos	Russian Federation*
Algeria*	Cuba*	Lebanon	Serbia & Montenegro*
Angola*	Czech Rep.	Liberia*	Sierra Leone*
Armenia*	El Salvador*	Macedonia*	Slovakia
Azerbaijan*	Ethiopia*	Mali	Somalia*
Bangladesh*	Georgia*	Mauritania	Sri Lanka*
Bosnia & Herzegovina*	Ghana	Mexico*	Sudan*
Bulgaria*	Guatemala*	Moldova*	Syrian Arab Rep.*
Burundi	Guinea*	Nicaragua	Togo
Cambodia	Haiti*	Nigeria*	Turkey*
Cameroon*	Hungary	Pakistan*	Uganda
Chile	India*	Peru	Ukraine*
China*	Iraq*	Poland	Viet Nam*

The number of applications by source and by destination is taken from the same source. The 19 destinations are those listed in Tables 1, 4 and 7 and the source countries are those marked by \* in the table above. Total recognition rates for the 19 destination countries 1996-2006 are taken from the UNHCR *Statistical Yearbook* 2005, Table C14 and 2006 Table 6.

### *Index of Democracy/Autocracy*

Polity IV index of Political Authority at: <http://www.cidcm.umd.edu/polity/about/>.

The version used here is the revised combined polity score, which is a composite index based on five components reflecting institutionalised constraints on authority of the government executive, the competitiveness of the political system and the degree of public participation.

### *Political Rights and Civil Liberties.*

Freedom House index at: <http://www.freedomhouse.org/uploads/fiw/FIWAAllScores.xls>. The political rights index is based on scores relating to the electoral process, political pluralism and participation and the functioning of government. The civil liberties index is based on scores relating to freedom of expression and belief, associational and organisational rights, the rule of law and personal autonomy and individual rights.

### *Political Terror*

Political Terror Scale provided by Mark Gibney at:

<http://www.unca.edu/politicalscience/DOCS/Gibney/Political%20Terror%20Scale%201980-2005.pdf>

This index represents the scale of arbitrary imprisonment, torture, political murders and general violence. The series used here is the one based on reports of the US State Department. Missing values are filled in either by using the alternative series based on reports by Amnesty International or by interpolation or extrapolation. One advantage of the political terror scale is that it attempts to capture the average experience and in principle it is not influenced by the size of the country

### *Battle Deaths in Civil Wars.*

The number of battle-related deaths is calculated from the Uppsala/PRIO Armed Conflict Dataset at:

<http://new.prio.no/CSCW-Datasets/Data-on-Armed-Conflict/Battle-Deaths-Data2/Battle-Deaths-Data/>.

The measure was constructed using the 'best' estimate of deaths in all internal armed conflicts for each country year. International wars are excluded because they do not necessarily imply persecution of citizens by the state or a faction within the territory. The data are available to 2005 and values for 2006 were extrapolated.

#### *GDP Per Capita*

GDP per capita in US\$ at constant (2000) prices (chain series) from Penn World Tables 6.2 at: [http://pwt.econ.upenn.edu/php\\_site/pwt\\_index.php](http://pwt.econ.upenn.edu/php_site/pwt_index.php). Data for 1982-2004 extrapolated to 2006.

#### *Population*

Total population available from the World Bank at:

<http://devdata.worldbank.org/hnpstats/query/default.html>. The share of population aged 20-39 (at five year intervals) is taken from the UN Population Prospects 2006 Revision at:

<http://esa.un.org/unpp/p2k0data.asp>.

#### *Migrant Stock*

The number of foreign-born observed in each OECD country in 2000/1, broken down by country of birth is taken from the OECD database on immigrants and expatriates at:

[http://www.oecd.org/document/51/0,3343,en\\_2825\\_494553\\_34063091\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/51/0,3343,en_2825_494553_34063091_1_1_1_1,00.html).

## Appendix 2: An Index of Changes in Asylum Policies

The asylum policy index discussed in the text was constructed from annual country reports on policy developments given in three sources. These are: the OECD's annual publication *International Migration Outlook* (previously *Trends in International Migration*); the country reports of the European Council on Refugees and Exiles (at <http://www.ecre.org/search/node/country+reports>) and the country reports of the United States Committee for Refugees and Immigrants (at <http://www.refugees.org/worldmap.aspx>). These sources were used to identify major changes in different of dimensions of asylum policy in order to create an index of policy change. The index for each component starts at zero in the first quarter of 1997 and increases by 1 for a significant toughening of policy and decreases by 1 for a significant loosening. Thus it captures the direction of *change* in policy stance rather than representing the absolute level relative to other countries. As far as possible the shift is dated in the quarter following its introduction rather than at the time it was announced.

The index is based on a subjective evaluation of announced policy changes as reported by country experts at the time that policy was changed. It is sometimes difficult from this information to assess whether a policy change is 'major' or not. The criterion used here is, firstly that the policy change is likely to affect a significant proportion of asylum seekers, and secondly, that it substantially alters access to asylum procedures, or the likelihood of a successful claim, or the material welfare of asylum seekers. Nevertheless this is a crude indicator of what are often subtle and complex changes in the way that asylum systems work and it takes no account of how the effectiveness of policy is influenced by changes in enforcement or administrative practices that do not catch the headlines.

The different components of the index and the typical changes that they involve are listed in the following table:

<i>Conditions relating to access to territory</i>	
Visa Requirements	Change in the stringency of visa requirements such as application from abroad, biometric passports, fingerprinting
Border Controls	Excision of territory; enhanced border patrols; turning back or deporting undocumented arrivals.
Penalties for trafficking	Significantly enhanced apprehension of traffickers; detention/deportation or imprisonment.
Carrier liability	Significant change in financial or other penalties for carriers by land, sea or air of undocumented arrivals.
Offshore applications	Change in the opportunity to apply for asylum from an embassy or consulate abroad rather than in-country.
<i>Conditions relating to the processing of applications and the determination of status</i>	
Definition of a refugee	Rules relating to the causes of persecution such as gender, persecution by non-state agents, internal flight alternative.
Manifestly unfounded applications	Changes in grounds for applying the presumption of ineligibility, such as 'safe country of origin', 'safe third country', time elapsed since arrival or insufficient documentation.
Speeding up of processing	Typically reducing the maximum period for decisions, or a general decrease in processing times.
Subsidiary status	Changing scope for granting humanitarian status to those not qualifying under the Convention, or significant alteration to the terms of such status.
Appeals	Changes in access to appeals, changing number of levels of appeal, or altering the suspensive effect of appeals.
<i>Conditions relating to the welfare of asylum seekers</i>	
Detention	Changes in rules or practices on detention of applicants during processing or for those with failed claims
Deportation	Changes in the practices of deporting failed asylum seekers, including raising targets or widening the set of those eligible for deportation.
Employment	Changes in the right to seek employment while an asylum claim is being determined, or to the waiting time for permission to work.
Access to benefit	Shift from cash to in-kind benefit; access to benefit only at reception centres; dispersal to non-metropolitan reception centres.
Family reunification	Changes in the possibility of family reunification during or after processing

## Supplementary Appendix: Country Notes on Changes in Asylum Policies

What follows is a thumbnail sketch of policy developments in the countries of asylum that are covered in this study, covering the decade 1997-2006. Some countries introduced a wide range of measures in the early and mid-1990s (see Hatton, 2004), and so these are not detailed here. Some countries also introduced a variety of changes to their immigration policies, which are only mentioned where they have a substantial bearing on asylum.

### *Australia*

In the late 1990s Australia took a number of measures to stem the rising flow of 'onshore' asylum applications. One step was the introduction of temporary protection visas for three years for those not granted Convention status, with no right of reentry or family reunion. But the most important policy shift occurred in November 2001 in the wake of the *Tampa* incident. The raft of legislation included: the excision of certain islands in the north from Australian territory for the purposes of claiming asylum; permanent protection denied to those who had spent at least 7 days in a safe country prior to arrival in Australia; narrowing the definition of a refugee to the minimum required by the Refugee Convention; harsher penalties for people smuggling; and limited access to judicial review of migration decisions.

### *Austria*

The Aliens Act of 1992 introduced following the opening up of Central and Eastern Europe introduced a very tough safe third country rule that denied access to asylum procedures to those travelling through countries that had signed the Convention. Amendments enacted in 1997 (effective 1/1/98) weakened this rule for those transiting directly. It also introduced an accelerated procedure for manifestly unfounded claims, introduced a safe country of origin rule and established a Board of Appeals. The 2003 Asylum Amendment Act (effective 1/5/04) reformed the system of appeals, removed their suspensive effect, and decentralized welfare provisions for asylum seekers in the 'basic care agreement' under which benefits became accessible in the first six months. The 2005 Asylum Act (effective 1/1/06) introduced a series of modifications aimed at streamlining the processing of applications in order to speed up process. At the same time the 2005 Alien Police Act extended the scope for detention (in cases of appeals or claims likely to be rejected) and increased the maximum period to ten months.

### *Belgium*

A package of measures was introduced under the reform known as the Vande Lanotte Act of 1996, which covered the entry, residence, settlement and forced departure of foreigners, and dispersed asylum seekers to designated centres. A wide array of amendments to the 1996 Act were introduced in 1998, the most notable of which was the creation of a temporary asylum status that carried the right to work and to social benefit (codified by Royal Decree of July 2004). In 1999 the decision time for applications was reduced to one month; the Dublin Convention was implemented, deportation measures were reinforced; and cash benefit to asylum seekers was converted to in-kind provision (effective at the beginning of 2001). In 2004 the implementation of an EU Directive introduced more stringent sanctions for carriers facilitating the entry of foreigners without the appropriate documents (to return the individual or pay the costs of stay) (effective 12/04).

### *Canada*

At the end of 1996 the Canadian government announced two new classes of humanitarian admissions, for those affected by civil war or armed conflict and for those for whom there is no realistic possibility of return (effective 1/5/97). Canada introduced stronger border security measures in the wake of the 9/11 attacks in the US under the Public Safety Act of November 2001. The Immigration and Refugee Protection Act of 2001 (effective 28/6/02) introduced faster pre-screening and replaced the three-year delay in granting landed status for those without documents with measures for detention of undocumented asylum seekers. Other developments were periodic changes in the list of origin countries eligible for humanitarian grants and an agreement with the US on safe countries of origin that took effect at the end of 2004.

### *Czech Republic*

The former Czechoslovakia ratified the Refugee Convention in 1993 and passed a new law on refugees in 1996. In preparation for entry to the EU, the Czech Republic amended the rules in 1999 under an Asylum Law and an Aliens Law (both effective 1/1/2000). These amendments introduced a procedure

for manifestly unfounded claims (from 1/7/2000) and introduced a new humanitarian/tolerated status as well as significantly tightening visa requirements (including the obligation to apply from abroad). Financial assistance to those outside reception centres was introduced (1/2/ 2002) but was subsequently withdrawn (1/1/03). From February 2002 a further amendment to the Asylum Law banned asylum seekers from seeking work within one year. In July 2003 a law was passed to revising the administration of temporary protection and extending the right to family reunification.

#### *Denmark*

Major packages of measures were introduced in 1995 and 1996. An amendment to the Aliens Act (effective 3/6/98) raised the standard of proof for *de facto* status, and narrowed the scope for family reunification as well as widening the grounds for expulsion. In a further amendment to the Aliens Act (effective 1/7/02) the right to apply for asylum from outside the country was abolished (Denmark having been alone in allowing this possibility). At the same time *de facto* refugee status was replaced with a stricter concept, which does not carry the right to permanent residence. A number of other amendments were introduced concerning the administration of manifestly unfounded claims and appeals as well as provisions (applied to foreigners generally) on permanent residency, citizenship and family reunification. In 2003 several further measures came into effect. These include what are described as “motivational measures”: detention without limit prior to removal (effective 1/5/03) and removal of cash benefits (later withdrawn); there were also reforms to arrangements in reception centres, including measures to promote integration.

#### *France*

The 1998 Asylum Act amended the pre-existing Pasqua and Debré laws to allow rejection on ‘safe country of origin’ grounds. It also introduced two new categories: ‘constitutional asylum’ for freedom activists and ‘territorial asylum’ for those whose freedom is threatened or are subject to inhuman or degrading treatment. New rules on asylum came into force on 1/1/04 including: one stop processing of asylum applications (within two months); territorial asylum was replaced by subsidiary protection, which provides a temporary permit for one year (renewable depending on conditions at the origin). The definition of a refugee was widened to include persecution by non-state agents, but narrowed for cases where there is the possibility of ‘internal asylum’ in the origin country. Another act introduced tougher visa requirements, penalties for trafficking (and increased and sanctions for employers of illegal immigrants). In June 2005 France formally adopted the safe country of origin concept that had been in use since the late 1990s.

#### *Germany*

Germany introduced a dramatic toughening of its asylum policy with the 1993 amendment to the Basic Law. The previous ban on employment was lifted (1/1/01) permitting asylum seekers to work after 12 months. Border enforcement was significantly stepped up in 2002 following the 9/11 attacks. The wide ranging immigration reform put to the Bundestag in 2002 failed to gain assent but the subsequent agreement led to the Immigration Act of 2004 (effective 1/1/05) which expanded the definition of a refugee to include non-state and gender-based persecution.

#### *Hungary*

Hungary adopted the Refugee Convention in 1989. The asylum law that came into force in March 1998 removed the pre-existing limitation on refugees from outside Europe. It introduced three statuses: Convention refugees; war refugees (eligible for temporary protection) and other ‘recognised refugees’ subject to persecution. It also introduced an expedited procedure for manifestly unfounded claims and it provided for immediate expulsion for those entering illegally. In 2000 the EU provided funds for strengthening the border guard and introducing computerized records. The 2001 Aliens Act altered the administration of temporary protection and toughened the policy on pre-expulsion detention. The 2001 Asylum Act (effective 1/1/02) introduced administrative reorganization of asylum procedures. Amendments to the Asylum Act (effective 1/5/04) revoked the possibility of expulsion until the conclusion of the asylum procedure; it also reduced the number of processing stages from 4 to 2 in order to speed up the process; and it provided the possibility of access to work permits per after 1 year.

#### *Ireland*

Pre-existing practices were codified in the 1996 Refugee Act, but most of its provisions were not implemented. In 1998 a new administrative framework was established that included procedures to deal with manifestly unfounded claims (particularly under the safe third country rule adopted in 1997). In April 1999 hostel accommodation and vouchers were substituted for the standard welfare benefits

previously received by asylum seekers; and asylum seekers were given the right to seek employment after one year (from 27/7/99), but only for those arriving prior to July 1999. The 1999 Refugee Act (effective 2/11/00) introduced administrative reforms including the establishment of an appeals tribunal. The Immigration Act of 2003 introduced carrier liability and, along with certain other measures, it allowed the designation of 'safe countries of origin'. Under another Act the eligibility for receiving welfare was further tightened.

#### *Italy*

Italian policy was governed by the Martelli Law of 1990. Tougher regulations on entry and residence were introduced in Framework Law 286 of 1998, which included among other things provisions for rapidly deporting illegal immigrants, turning them back or escorting them to the border. Under the National Asylum Programme of 2001 asylum seekers were provided with accommodation at dispersed reception centres. Law 189 of 2002 (the Bossi-Fini Law) altered the administrative framework in order to speed up the processing of applications and to confine certain types of applicants and those with rejected claims to detention centres (although this Law entered into force in September 2002 it was not implemented until 21/4/05).

#### *Netherlands*

At the end of 1997 administrative orders were put in place (effective 1/6/98) to tighten border controls (including tougher identity checks, pre-boarding checks and 'behind border controls') and to encourage voluntary returns. The Aliens Act (effective 2/4/01) replaced the existing three categories of asylum status with one, providing temporary residence permits only (with permanent residence after three years), and reduced the scope for appeals (by abolishing administrative review). A new Ministry of Immigration and Integration was established in 2002, committed to processing applications within 48 hours. From February 2003 deportation efforts were stepped up and failed asylum seekers were detained prior to expulsion. In 2003 and 2004 a number of minor amendments were made to the Aliens Act.

#### *Norway*

Asylum procedure was governed by the 1988 Aliens Law and the 1990 Aliens Decree. In 2000 Norway introduced administrative changes to the appeals system and in 2002, a new system of distributing refugees to different localities, as well as measures to encourage voluntary repatriation. In July 2003 penalties were raised for smugglers, traffickers and those providing false documents. In early 2004 a fast-track processing system was introduced for asylum seekers from 'safe countries of origin' and cash benefits were withdrawn for those in reception centres (effective 1/1/04). Deportation efforts were stepped up in 2004 and (non-compulsory) removal centres introduced in 2005.

#### *Poland*

Poland ratified the Convention in 1991. The Aliens Act that came into force in December 1997 (replacing an Act of 1963) incorporated the basic rules governing refugees and asylum, to be consistent with the EU, including safe third country and safe country of origin rules. Although a procedure for manifestly unfounded claims existed in the 1997 legislation it was not implemented until an amendment to the Aliens Act (effective April 2001) introduced the concept of 'evidently groundless' asylum applications. The amendment also introduced new rights of appeal against decisions under both normal and expedited procedures. A new visa regime was implemented (1/10/03) in advance of Poland's accession to the EU. The Act on the Protection of Aliens (effective 1/9/03) introduced a tolerated status for asylum seekers who could not return to their country of origin and this carries the right to work. The Aliens Act of 2004 gave asylum seekers the right to work after one year and extended the period for welfare assistance to asylum seekers (effective 6/05).

#### *Spain*

An Act of 1994 extended the right to asylum consistent with the Refugee Convention, speeded up processing and provided for the expulsion of unsuccessful asylum seekers. A 2000 Act (effective 6/2001) tightened border controls including tightening of visa regulation and immediate expulsion of illegal immigrants. A Royal Decree of 2003 (effective 7/2/04) provided asylum seekers qualifying for humanitarian protection the right to stay and a Decree of 30<sup>th</sup> December 2004 gave the right to a work permit six months after application. In 2004-5 further efforts were made to strengthen land and sea-based border controls with increase border patrols, cooperation with source countries and a new external surveillance system.

### *Sweden*

As of 1/1/97 an amendment to the Aliens Act provided the possibility of recognition to asylum seekers from 'safe countries of origin' but restricted recognition for war resisters and on the basis of gender and non-state persecution. The Aliens Act (effective 31/3/06) made asylum procedures more transparent and reformed the appeals system; those facing expulsion from November 2005 were granted humanitarian protection.

### *Switzerland*

A law of June 1999 created the status of war refugee, giving the right to temporary protection but also placed more stringent eligibility requirements on undocumented asylum seekers. An increase from three to 12 months in the waiting period for permission to work imposed in September 1999, was lifted a year later (1/9/00). While proposals for reforms to the Asylum Law and the Law on Aliens were under review, measures introduced in 2003 included an accelerated procedure and pre-removal detention for those rejected under this procedure, and also reduced rights of appeal for claims deemed 'inadmissible'. A decision to deny failed asylum seekers the right to welfare assistance in April 2004 was revoked in March 2005.

### *UK*

Following restrictive legislation in 1993 and 1996, the 1999 Immigration and Asylum Act introduced significantly shortened the appeals process (effective 2/10/2000) dispersed asylum seekers to provincial reception centres and substituted vouchers for cash benefits (from 1/4/2000), under the administration of the newly established National Asylum Support Service. The 2002 Nationality, Immigration and Asylum Act introduced a number of measures to combat illegal entry and trafficking. It also replaced the category of 'exceptional leave to remain' with humanitarian protection which is only available to those unable to return to their origin country. It also abolished the right to work six months after application, stepped up border controls and further increased the penalties for carriers of illegal immigrants.

### *USA*

The new measures introduced in the United States relate to border security and visa controls in the wake of the 9/11 attacks. The USA PATRIOT Act, passed in November 2001 authorised a tripling in the number of patrol agents, inspectors and customs agents along the Canadian Border as well as tightening the student visa programme. The Enhanced Border Security and Visa Reform Act (effective 14/5/02) further enhanced border controls, setting up an integrated database system for entry and exit linked to biometric monitoring. (It also required that countries in the visa waiver programme issue biometric passports by October 2004.)

**Table 1: Asylum Applications by Destination Country, 1987-91 to 2002-06**

	Applications per annum				% Change 1997-01- 2002-06
	1987-1991	1992-1996	1997-2001	2002-2006	
Australia		7381	10470	4015	-61.7
Austria	19835	7795	17807	26432	48.4
Belgium	9460	16547	27355	15730	-42.5
Canada	35003	26448	30821	28176	-8.6
Czech Republic		1553	8059	6504	-19.3
Denmark	4377	9176	10301	3615	-64.9
France	45128	24044	33547	51541	53.6
Germany	146189	226461	92992	41448	-55.4
Hungary		283	7232	2826	-60.9
Ireland		419	6639	6587	-0.8
Italy		2376	14305	11770	-17.7
Netherlands	15534	31949	39773	13734	-65.5
Norway	5636	4946	11086	10421	-6.0
Poland		1213	3796	6248	64.6
Spain	5571	9345	7490	5665	-24.4
Sweden	24963	31008	14911	25875	73.5
Switzerland	25906	18771	29919	16356	-45.3
UK	27994	38900	76340	52488	-31.2
US	63694	129571	44223	35913	-18.8
Total		588186	487066	365345	-25.0

Source: For 1987 to 1996, UHCR *Statistical Yearbook*, 2001, Annexes C1 and C2; for 1997 to 2006: UNHCR *Statistical Yearbook*, 2005 and UNHCR *Asylum Levels and Trends in Industrialized Countries*, 2006.

**Table 2: Conditions in 48/56 Origin Countries, 1982-2006**

	1982-86	1987-91	1992-96	1997-01	2002-06
(1) Democracy (scale -10 to 10)	-4.48	-2.49	0.53 (0.98)	1.31 (1.65)	2.21 (2.48)
(2) Political rights (scale 1 to 7)	2.45	2.80	3.07 (3.19)	3.40 (3.54)	3.62 (3.74)
(3) Civil liberties (scale 1 to 7)	2.54	2.85	3.03 (3.13)	3.27 (3.40)	3.79 (3.90)
(4) War deaths (per 1000 popn.)	0.299	0.167	0.057 (0.124)	0.049 (0.041)	0.014 (0.012)
(5) Political terror (scale 1 to 5)	3.14	3.35	3.51 (3.39)	3.35 (3.21)	3.35 (3.21)
(6) GDP per capita (thousand \$US)	3.40	3.39	3.23 (3.34)	3.59 (3.70)	3.99 (4.18)
(7) Population (millions)	60.66	66.75	72.82 (63.89)	78.51 (68.73)	83.81 (73.24)
(8) % of population aged 20-39	27.39	28.08	28.48 (28.95)	28.89 (29.17)	29.22 (29.22)

Sources: See Appendix 1.

**Table 3: The Source Country Determinants of Asylum Applications, 1982-2006**  
(dependent variable: log asylum applications per thousand population)

	(1)	(2)	(3)	(4)
	RE	RE	FE	FE
Constant	0.015 (0.1)	-2.189 (3.5)	-2.061 (2.9)	-2.278 (3.4)
GDP per capita	-0.144 (2.3)	-0.134 (2.3)	-0.250 (2.5)	-0.268 (2.8)
Democracy	0.079 (2.6)	0.056 (1.9)	0.036 (1.1)	
War deaths	0.403 (2.3)	0.161 (0.9)	0.002 (0.0)	
Political rights	-0.441 (4.8)	-0.296 (3.1)	0.224 (2.3)	0.148 (2.1)
Terror scale		0.504 (4.4)	0.667 (5.3)	0.689 (5.9)
Europe	1.988 (4.5)	2.342 (5.2)		
1982-86	-1.958 (7.5)	-1.785 (7.0)	-1.749 (6.6)	-1.881 (8.6)
1987-91	-0.012 (0.1)	0.016 (0.1)	0.013 (0.0)	-0.079 (0.4)
1992-96	-0.111 (0.5)	-0.142 (0.7)	-0.190 (1.0)	-0.198 (1.0)
2002-06	-0.179 (0.8)	-0.205 (1.0)	-0.152 (0.8)	-0.129 (0.7)
R <sup>2</sup> Within	0.41	0.49	0.50	0.49
Between	0.29	0.20		
Overall	0.34	0.32		
Hausman test	13.7	19.2		
No of Obs	264	264	264	264

Note: 'z' statistics in parentheses.

**Table 4: Asylum Recognition Rates and Policy Stance 1997-2001 and 2002-06**

Receiving country	Recognition Rate			Asylum Policy Index		
	1997-02	2002-06	% point change	1997-02	2002-06	Change
Australia	21.8	13.7	-8.1	1.05	7	5.95
Austria	22.0	40.0	18.0	-0.1	0.4	0.5
Belgium	34.9	27.5	-7.4	1.1	3.4	2.3
Canada	56.4	51.3	-5.1	-0.9	0.25	1.15
Czech Republic	5.7	5.3	-0.4	0.65	1.25	0.6
Denmark	54.7	19.8	-34.9	1.8	4.4	2.6
France	18.0	15.2	-2.7	0	2.4	2.4
Germany	17.4	6.7	-10.7	0.7	1.35	0.65
Hungary	25.3	34.7	9.4	0.2	1.9	1.7
Ireland	16.7	9.9	-6.8	0.95	2.35	1.4
Italy	30.1	32.5	2.4	0.4	0.65	0.25
Netherlands	75.1	32.1	-43.0	1	4.7	3.7
Norway	37.3	39.8	2.54	0	2.2	2.2
Poland	7.2	32.8	25.6	0	-1	-1
Spain	30.8	16.4	-14.4	0.45	2.05	1.6
Sweden	44.4	21.9	-22.5	0	-0.2	-0.2
Switzerland	39.3	32.4	-6.9	0.2	1.5	1.3
UK	41.8	22.6	-19.2	0.5	5.3	4.8
US	33.5	32.1	-1.4	0	1.9	1.9
Mean	35.0	25.4	-9.5	0.42	2.20	1.78

Sources: Recognition rates from UNHCR *Statistical Yearbook* 2005 Table C14 and 2006 Table 6. for further details of the asylum policy index, see text and Appendix 2.

**Table 5: Asylum Applications and Recognition Rates, 1997-2006**  
(Dependent variable: log asylum applications from source to destination)

	(1)	(2)	(3)	(4)
	FE	FE	FE	FE-IV
Constant	1.194 (5.7)	1.090 (7.7)	5.167 (31.3)	5.037 (38.3)
Log migrant stock	0.327 (32.3)	0.327 (33.2)		
Total recognition rate	0.002 (1.3)	0.003 (2.3)	0.002 (1.8)	0.016 (6.7)
Terror scale	0.227 (7.2)		0.227 (9.9)	0.220 (9.3)
Political rights	-0.127 (4.5)		-0.124 (6.1)	-0.126 (6.0)
Share Muslim * 2002-6 dummy	-0.317 (5.6)		-0.315 (7.7)	-0.214 (4.8)
Unemployment rate at destination (t-1)	-0.105 (9.1)	-0.043 (3.5)	-0.105 (12.5)	-0.147 (13.7)
Fixed effects (number of FE)	Source (40)	Source*Year (400)	Source*Dest (637)	Source*Dest (637)
Destination dummies	Yes	Yes	No	No
R <sup>2</sup> Within	0.46	0.48	0.06	0.02
No of Obs	6339	6339	6339	6339

*Note:* there are 637 country pairs in the dataset but 31 observations involving Italy in 2006 are missing. Hence the total number of observations is 6370-31 = 6339. ‘z’ statistics are in parentheses.

**Table 6: Asylum Applications and Policy, 1997-2006**  
 (Dependent variable: log asylum applications from source to destination)

	(1) FE	(2) FE	(3) FE	(4) FE-IV
Constant	1.774 (8.2)	1.662 (10.4)	5.415 (42.5)	5.269 (40.1)
Log migrant stock	0.327 (32.6)	0.327 (33.4)		
Total recognition rate				0.012 (5.1)
Access	-0.169 (5.3)	-0.183 (5.1)	-0.170 (7.4)	-0.214 (9.4)
Processing	-0.197 (6.7)	-0.163 (5.3)	-0.198 (9.3)	
Welfare	0.032 (0.9)	-0.125 (0.3)	0.031 (1.2)	
Terror scale	0.202 (6.4)		0.202 (9.0)	0.207 (8.4)
Political rights	-0.115 (4.1)		-0.113 (5.6)	-0.119 (5.8)
Share Muslim * 2002-6 dummy	-0.039 (0.6)		-0.036 (0.8)	-0.054 (1.1)
Unemployment rate at destination (t-1)	-0.116 (10.3)	-0.048 (3.9)	-0.113 (14.3)	-0.150 (14.2)
Fixed effects (number of FE)	Source (40)	Source*Year (400)	Source*Dest (637)	Source*Dest (637)
Destination dummies	Yes	Yes	No	No
R <sup>2</sup> Within	0.47	0.48	0.10	0.05
No of Obs	6339	6339	6339	6339

*Note:* there are 637 country pairs in the dataset but 31 observations involving Italy in 2006 are missing. Hence the total number of observations is 6370-31 = 6339. 'z statistics are in parentheses.

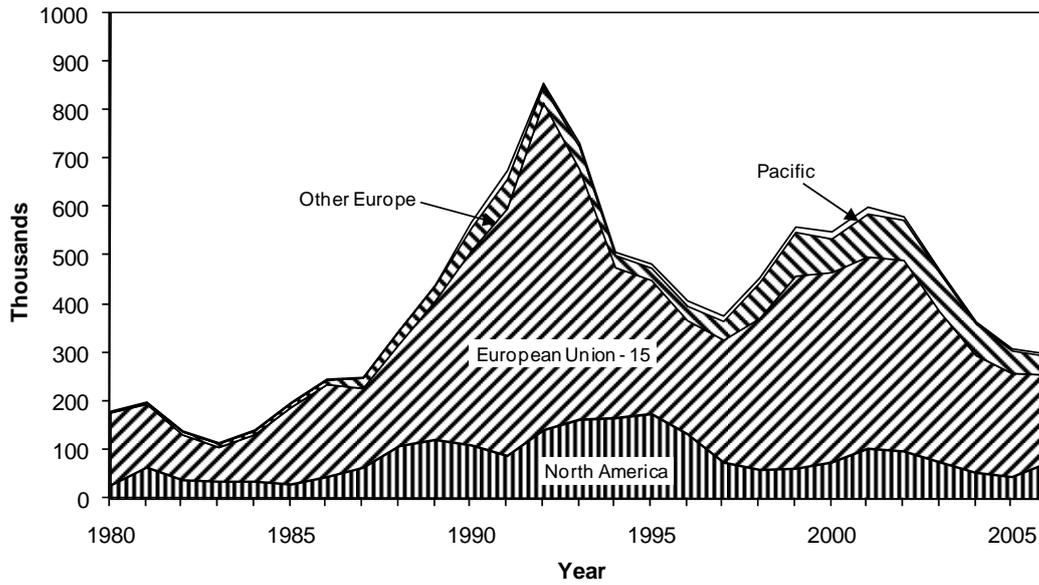
**Table 7: The Effects of Policy in on Asylum Applications**

Country	Change in Applications 2001-6	Effect of Access Policies	Effect of Processing Policies	Effect of All Policies
Australia	-8856	-1685	-1263	-2654
Austria	-16785	0	-4989	-4989
Belgium	-12959	-3486	0	-3486
Canada	-21128	0	-6653	-6653
Czech Republic	-15074	0	0	0
Denmark	-10592	-1126	-835	-1826
France	-23601	-12654	-9596	-19395
Germany	-67257	-10876	-8064	-17636
Hungary	-7444	0	-603	-603
Ireland	-6015	-1070	-793	-1735
Italy	492	0	-1564	-1564
Netherlands	-18109	0	-4667	-4667
Norway	-9462	-1740	-1290	-2821
Poland	-309	-813	685	-239
Spain	-4179	-1530	897	-842
Sweden	805	0	2780	2780
Switzerland	-10093	0	-5219	-5219
UK	-63750	-19158	-7728	-24588
USA	-33823	-11917	0	-11917
Total	-328139	-66054	-48904	-108054

Note: changes in policy are converted to changes in applications using the following formula:

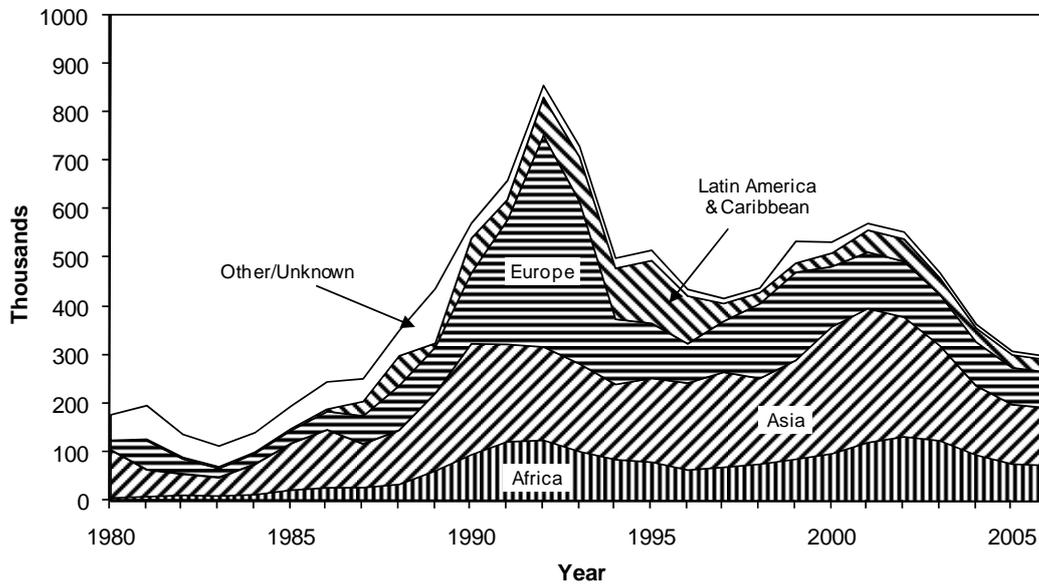
$\Delta y = \bar{y} \times [\exp(\beta(p_{2006} - p_{2001})) - 1]$ , where  $\Delta y$  is the predicted change in applications,  $\bar{y}$  is the mean of applications for 1997 to 2006,  $\beta$  is the coefficient estimated in col. 3 of Table 4, and  $p$  is the policy index for a particular year.

**Figure 1a: Asylum Applications by Destination, 1980-2006**



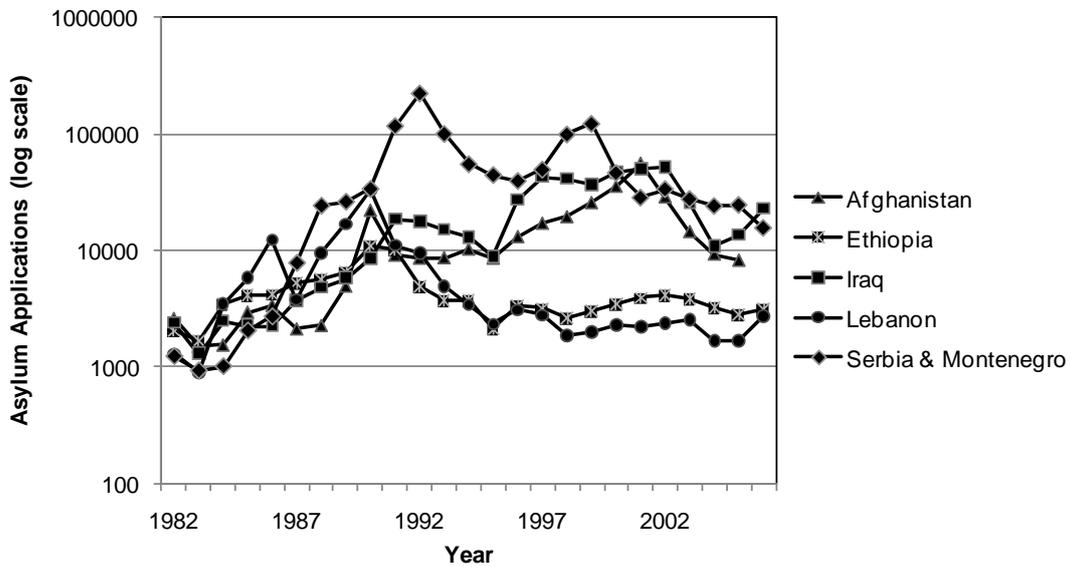
Sources: 1980-1: UNHCR, "Asylum Applications in Industrialized Countries: 1980-1999," Table V.1, V.2; 1982-2005: UNHCR *Statistical Yearbooks*, 2001 and 2005, Table C1; 2006: UNHCR, "Asylum Levels and Trends in Industrialized Countries, 2006," Table 1.

**Figure 1b: Asylum Applications by Origin Region, 1980-2006**



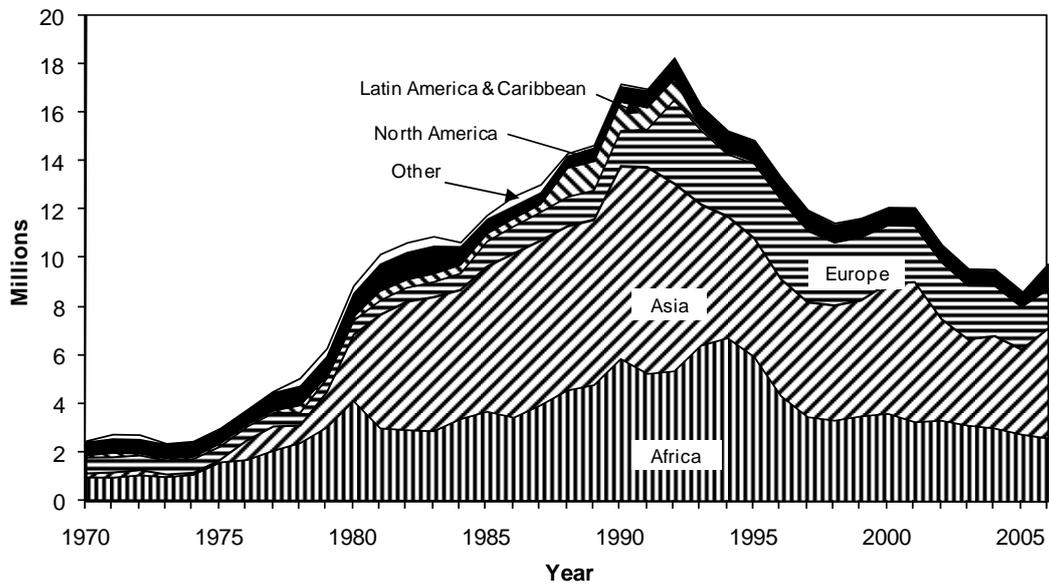
Sources: 1980-1: UNHCR, *Asylum Applications in Industrialized Countries* Table V.4, V.5; 1982-2005: UNHCR *Statistical Yearbook* 2001 and 2005, Tables C2; 2006: UNHCR, "Asylum Levels and Trends in Industrialized Countries, 2006," Table 1.

**Figure 2: Asylum Applications from Five Source Countries, 1982-2006**



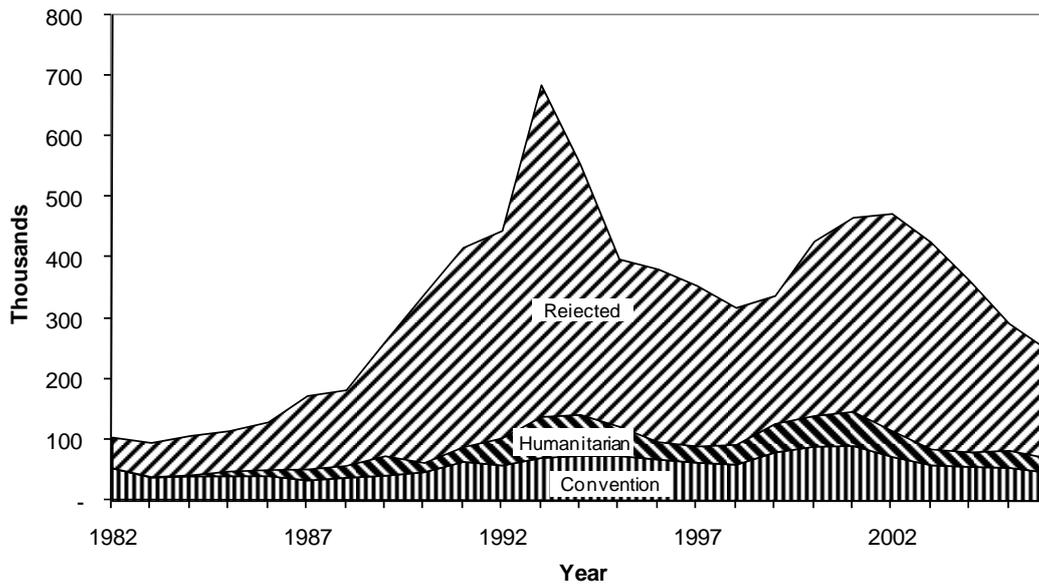
Source: See Appendix 1.

**Figure 3: Refugees by Region of Asylum, 1970-2006**



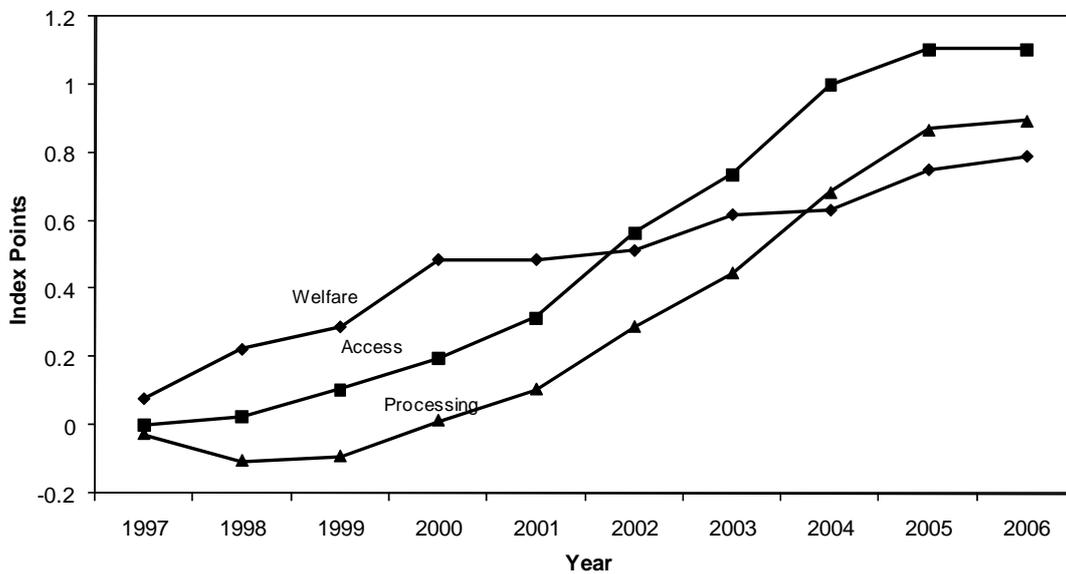
Source: 1970-1999: UNHCR (2001), *The State of the World's Refugees: Fifty Years of Humanitarian Action*, Annex 3; 2000-2006: UNHCR *Statistical Yearbook*, 2005, Table A5, UNHCR *Statistical Yearbook*, 2006, Table 20.

**Figure 4: The Determination of Asylum Claims, 1982-2006**



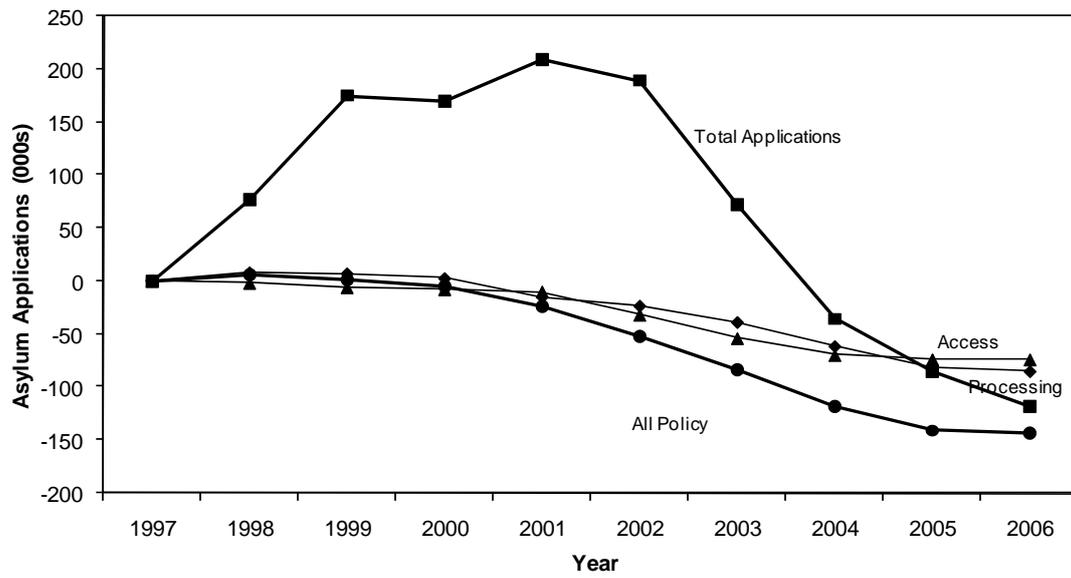
Source: 1982-2004: UNHCR *Statistical Yearbook* 2001 and 2004, Annex C29; 2005-6: UNHCR *Statistical Yearbook* 2006, Tables C8-C10.

**Figure 5: Components of Asylum Policy in 19 Countries, 1997-2006**



Source: See Appendix 2.

Figure 6: Asylum Applications and the Effects of Policy, 1997-2006



Source: Author's calculations.