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Article

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Olena Havrylchuk and
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The Impact of Limbo on the Socio-Economic Integration of Refugees in France¹

When asylum seekers arrive in a country, they have to apply for asylum. They are initially granted a temporary residence permit linked to the asylum application, while the decision concerning a permanent refugee status is pending. During this waiting time, asylum seekers are in limbo: they do not know if they will be protected after their residence permit expires and are unable to plan for the future. In France, for example, they are denied family reunion, are mostly excluded from the labour market, cannot attend official language classes, cannot open a bank account and do not have access to other forms of basic rights and settlement assistance available to refugees on permanent protection permits.

What is the impact of limbo on the socio-economic integration of refugees? Integration is a two-way process. On the one hand, inclusive public policies and welcoming societal attitudes could speed it up, while administrative barriers and discriminatory attitudes could erect obstacles on the road to integration. On the other hand, asylum seekers and refugees have to exert efforts to invest in human and social capital, and the amount of effort made could be related *inter alia* to administrative barriers. Uncertainty over the future during the limbo period might diminish the willingness of refugees to invest in country-specific human capital in the destination country, such as language and friends, or to use this time to seek the recognition of qualifications or skills.

HOW SEVERE IS LIMBO?

The severity of the limbo period could be characterised by its length, access to employment and other rights during this period, as well as the likelihood of receiving a protection status in the future.

¹ The study was undertaken as part of the project "Politiques migratoire et d'Accueil, Capital humain et Performances économiques (PACaPe)" financed by the Direction générale des étrangers en France (DGEF). We are grateful to the participants of the 7th International Conference "Economics of Global Interactions", held in Bari, Italy in 2016 for useful discussions and suggestions.

Based on the Eurostat statistics, France has one of the lowest rates of granting protection to refugees (Figure 1). In 2016, 67% of asylum seekers were denied protection status (refugee status, subsidiary protection or humanitarian reasons) in France, versus 31% in Germany, 30% in Sweden and 42% in Spain. This means that asylum seekers in France spend their limbo time in complete uncertainty about their future.

According to the ELIPA survey², the average length of limbo in France was 2.8 years in 2009, but it varies significantly, from one year in the first quartile to three years in the last quartile.³ The box-and-whiskers plot (Figure 2) shows that the distribution of limbo varies considerably from one country to another. The median limbo period ranges from half a year for Iraqi refugees to six years for Malian refugees.

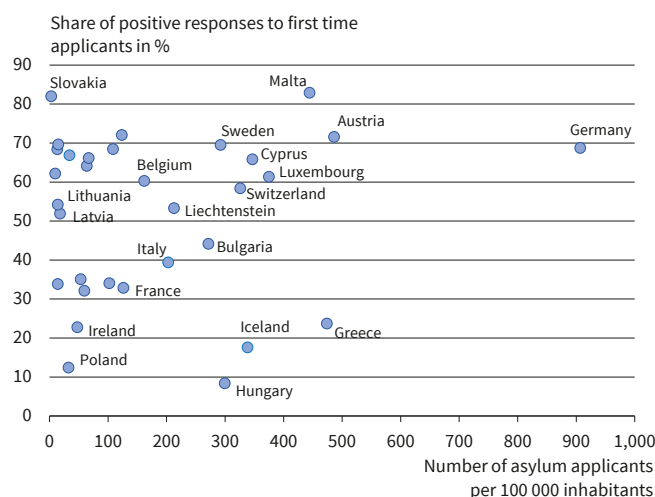
The figure from the ELIPA survey on the length of limbo (2.8 years in 2009) is much higher than the official figures of the OFPRA (L'Office français de protection des réfugiés et apatrides - French agency responsible for the provision of refugee protection to asylum seekers) with 118 days in 2009 (Figure 3). The discrepancy is explained by two main reasons. Firstly, the ELIPA survey allows us to measure the limbo period starting from the moment that refugees arrive in France until the moment that they obtain protection, while OFPRA considers that waiting time starts at the moment their application is submitted. Secondly, the ELIPA survey considers only successful applications, which means

² ELIPA, Longitudinal Survey of the Integration of First-time Arrivals, was initiated by the French Interior Ministry to collect data on migrants that have signed the integration contract (CAI, Contrat d'Accueil et d'Intégration) in 2009 and interviews migrants during three waves, 2010-2011-2013 (DGEF 2013).

³ In recognition of the burden of long waiting times, a major change in asylum policy was voted for in France in July 2015. The new legislation lightens the administrative burden on asylum seekers and aims to reduce the average waiting period for the decision to nine months by the end of 2016. The waiting period was de facto eliminated for Syrian and Iraqi refugees that have arrived to France in 2015 within the European relocation scheme. The impact of this reform needs to be evaluated.

Figure 1

Asylum Application Rate vs. Recognition Rate of Refugee Status In EU countries



Source: Eurostat (2016); authors' calculations.

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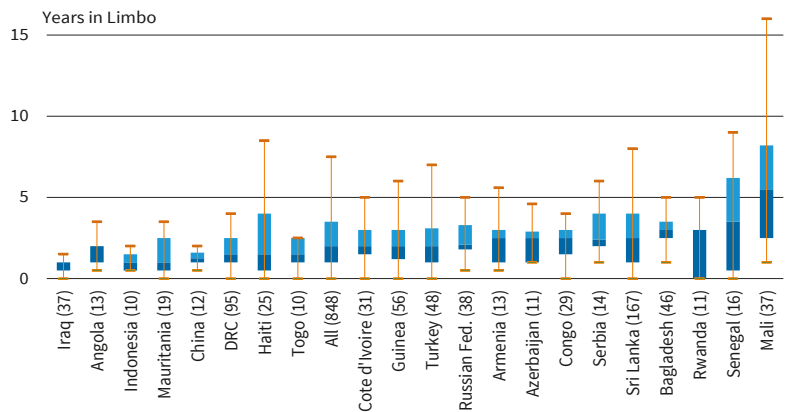
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Figure 2

Box-and-Whiskers Plot for the Years in Limbo for Refugees from Different Countries



Notes: The box presents 25th and 75th percentiles, the line in the box indicates the median, while whiskers are drawn to span all data points within the 1.5 interquartile range of the nearer quartile. Number in paranthesis indicate the number of observations for each country.

Source: ELIPA survey; authors' calculations.

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THE IMPACT OF LIMBO EXPLORED VIA TESTIMONIES

A number of sociological studies rely on testimonies to explore the effect of limbo. Surveying refugees in Canada, Coates and Haward (2005) conclude that limbo poses undue costs in the form of suppressed labour market activity, debilitation from mental duress and excessive use of social assistance. Having interviewed Somali refugees who live for protracted periods of time in camps⁵ in the North Eastern Province of Kenya, Abdi (2005) argues that such situations result in wasted human capacity and deprived refugees of

that it ignores most of the applications with accelerated procedures that usually end in refusal.⁴

Another particularity of the French asylum procedure is the significant difference between the initial rate of admission and the final rate after the appeal decision at the National Court of Asylum (Cour Nationale du Droit d'Asile): a difference of 16 percentage points in 2005, 21 percentage points in 2011 and 10 percentage points in 2016. The rate at which the National Court of Asylum overturns decisions of OFPRA and grants refugee status to asylum seekers is very high when compared to Sweden (5%) and Germany (1%). Despite a recent improvement in the quality of decisions taken by the OFPRA, the need to appeal prolongs the waiting time and increases uncertainty on the part of asylum seekers, in other words, the time that they spend in limbo.

The severity of limbo is measured not only by its duration, but also by the rights of asylum seekers during this time, particularly their right to work. Asylum seekers in France have the right to apply for a work permit if the OFPRA has not ruled on their application within nine months. Compared to other OECD countries, this is a relatively long waiting period (Figure 4). Moreover, to obtain this permit, the asylum seeker has to provide proof of a job offer and the duration of the work permit cannot exceed the duration of the residence permit linked to the asylum application (six months). The lack of a work permit also complicates access to education, because asylum seekers do not have the right to complete an internship (often obligatory for the graduation). Asylum seekers do not have access to vocational training schemes, as the latter are also subject to the issuance of a work permit.

⁴ 40% of applications were treated with an accelerated procedure in 2016. An accelerated procedure is offered to asylum seekers from countries that are considered to be safe, as well as to those who have already been definitely refused, but reapply anyway. The rate of protection for the accelerated procedure was as low as 13% in 2016.

their dignity. Refugees are dismayed by their dependency on inadequate aid, and express diminished self-worth due to their inability to improve their situation or escape from the conditions of camp life. Leach and Mansouri (2004) collect the testimonies of mostly Iraqi refugees living in Australia under the temporary protection regime, who testify to feeling marginalised and depressed, with little hope for their future.

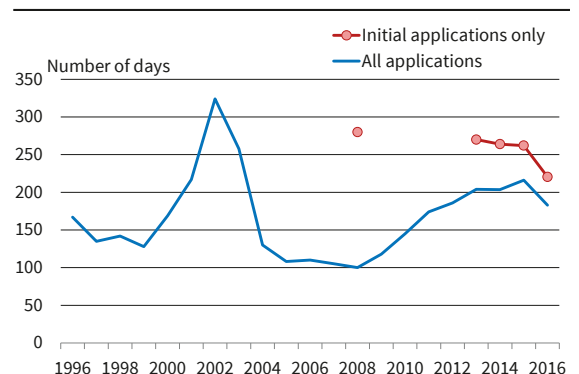
The “mental” cost of complicated asylum procedures or provisions of only temporary protection has been also documented by mental health professionals. Luebben (2003) undertook a testimony project for traumatised Bosnian refugees in Frankfurt, Germany. They find that protracted periods of limbo trigger existential fears, the resurgence of trauma, feelings of hopelessness and deep despair and can actively contribute to further destabilising survivors.

Sociologists document a “dependency syndrome” in refugee camps, which engender passivity, destroy all

⁵ Living conditions of asylum seekers can differ from country to country. While some live in camps, others live in specialized hosting centres like CADA (Centre d'accueil de demandeurs d'asile) in France.

Figure 3

Average Processing Time of Asylum Applications in France

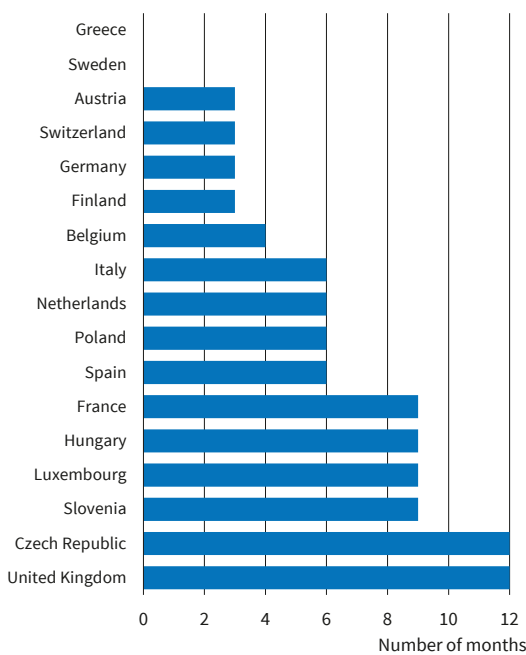


Source: OFPRA (2001-2016).

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Figure 4

Minimum Waiting Periods for Accessing the Labour Market for Asylum Seekers in Selected EU Countries



Source: OECD.

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sense of initiative taking and damage the self-worth of refugees. Waiting for others to provide for one's needs may eventually lead to complete dependency on donations. Other researchers refute the concept of a dependency syndrome by arguing that refugees lack alternatives at this particular period of life because they are removed from social, political and economic coping systems (Kibreab 1993; Abdi 2005; Clark 1985).

One can compare the limbo effect to the hysteresis effect after long spells of unemployment, which is well-documented by economists. Due to hysteresis effects, extended limbo periods for refugees can lead to the loss or obsolescence of job skills, demotivation and disillusionment. Moreover, unlike unemployment, there is nothing that can be done by refugees to shorten their limbo period, no matter how much effort they exert. The effects may also be worsened for refugees due to a potential skill mismatch, the absence of qualification or skill recognition, informational and cultural asymmetries and psychological traumas.

MEASURING THE QUANTITATIVE EFFECT OF LIMBO

Despite the large body of qualitative literature on the negative impact of the limbo period, there is little evidence on its quantitative impact. We use data from the French longitudinal survey of migrants, ELIPA, surveyed during three waves, which allows us to relay a rich set of integration outcomes and controls (see more details of our study in Havrylchuk and Ukrayinchuk 2016). 13% of surveyed migrants have an official refu-

gee status. During the first wave in 2010, 848 refugees were interviewed (13.9% of the total sample), during the second wave in 2011 this figure was 666 refugees (14%), and during the third wave in 2013 it totalled 471 refugees (13.1%).

ELIPA is the only longitudinal migrant face-to-face survey available in Europe. In the UK, the UK Border Agency commissioned the *Survey of New Refugees* (2005-2009) to provide a longitudinal study of refugee integration in the UK. However, this was a postal questionnaire and one can reasonably assume that it suffered from a selection bias, as only well-integrated refugees have responded. Another drawback is that its time-span is only 21 months after the asylum decision. In 2016, a first issue of the German survey of refugees was organised by the Institute for Employment Research in Nuremberg, but further waves are needed to analyse their integration.

The ELIPA survey allows us to measure the length of residency and the limbo period for up to six months. We know that all of the refugees surveyed received their first residence permit (residence permit of the refugee or residence permit of the family member of the refugee) in the second half of 2009 (between September and December). The surveys took place in the first half (April – June) of 2010, 2011 and 2013. Hence, for refugees not in limbo, the maximum residency length is three and a half years (second half of 2009 – first half of 2013).

ELIPA survey data provides rich information on refugees, including their country of origin, language skills, education, family status and housing conditions. We measure the socio-economic outcomes of integration by relying on questions that appear in all three parts of the survey:

- To measure economic integration, we use information on refugees' employment status. The formulation of the question does not make it possible to distinguish between the legal or illegal nature of this job.
- We measure linguistic integration by relying on the self-declaration of refugees about their ability to speak French, to make an appointment with a doctor via a phone call, to ask for directions on a street, to write an official letter and fill in an administrative form.
- Investment in human capital can be approximated by information on whether a refugee has pursued education, including language courses, in France after his/her arrival.
- Another aspect of social integration can be apprehended with information about origins of new friends acquired since arrival in France (French or same origin as a surveyed refugee).

Identifying the effect of a period of limbo is far from straightforward. While sociological and medical literature portrays only negative aspects of limbo, this time could be and is used by refugees to integrate. Although official language courses are not offered to asylum seekers, numerous associations offer language course

to asylum seekers. Although they have no right to do internships during first nine months, refugees can study during this time and do an internship afterwards. Although they do not have the right to vocational job training, they can do odd jobs, etc. Yet numerous administrative barriers may diminish opportunities for asylum seekers living in limbo compared to those with an official status.

Since we attempt to measure the causal impact of limbo on socio-economic integration, it is important to ensure that the length of limbo is exogenous, in other words that it is not influenced by the characteristics of refugees. Indeed, more educated French-speaking refugees who already have acquaintances in France may have more information at their disposal and be more effective in their communication with authorities, hence speeding up their application process. Moreover, the length of limbo may be related to some unobserved trait of refugees like their motivation to integrate in a host country.

To test our assumption of exogeneity, we regressed the duration of the limbo on different refugee's characteristics. Our findings show that the length of limbo is virtually not correlated to characteristics that could be related to the ability of refugees to integrate (education level, linguistic proficiency and acquaintances in the host country), but is related to characteristics that refugees cannot change (age, nationality, gender). Hence, we conclude that the length of limbo is not correlated with the ability of refugees to integrate.

Figures 5a and 5b report the findings of our analysis of the impact of limbo on the socio-economic integration of male and female refugees. Refugees have different probabilities of being employed, having French friends, investing in human capital or having a good level in French. To understand the impact of limbo (as a % of their total time spent in France) on these probabilities, one has to look at the slope of the probability curves. To illustrate how the mechanism works, let us compare two extreme scenarios. Refugees A and B have lived in France for the same amount of time, but refugee A immediately obtained refugee status (limbo = 0%), while refugee B is still waiting for it (limbo = 100%). Our results show that a probability of having French friends is 96% for refugee A and 86% for refugee B, a 10 percentage point difference. The magnitude of this difference is the same for both male and female refugees.

Our findings suggest that limbo slows down the socioeconomic integration of refugees. The slope is particularly steep for the probability of investing in human capital: the difference between refugee A and B is 31% for women and 44% for men. While the probability of being employed is much higher for men, limbo has a larger impact on them (7%) than on women (4%). Interestingly, limbo has no impact on the probability of having a good command of the French language.

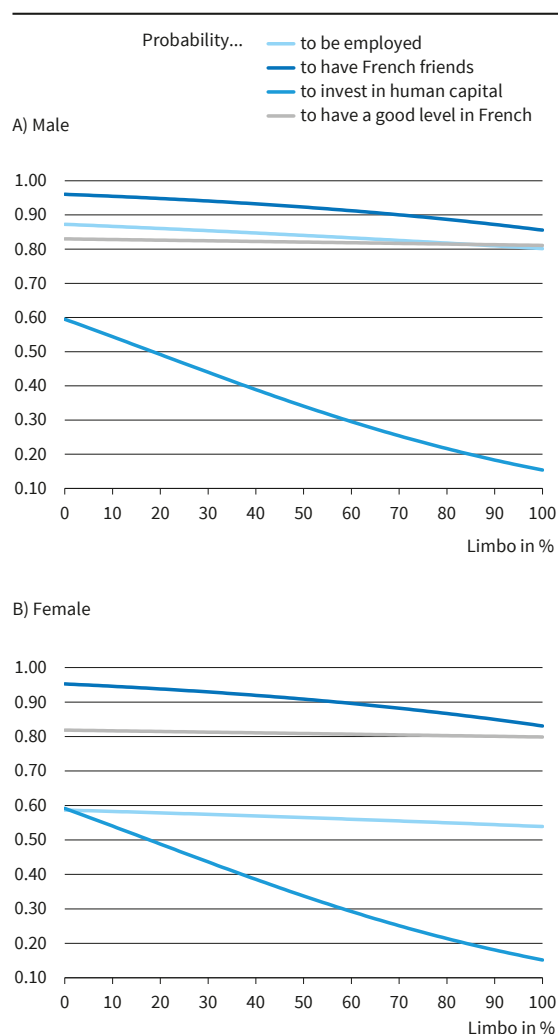
A particularly adverse impact of limbo on the likelihood of finding new friends and studying in France is

worrying, as these two activities are not forbidden for asylum seekers. This might be a sign that administrative barriers impose more lasting social than economic costs due to asylum seekers' demotivation and their loss of dignity, which prevents refugees from reaching out to the natives. These sociological costs are often described in psychological literature on this topic.

Our findings have important policy implications for the immigration policies of host countries. On the one hand, authorities may be willing to shorten the time spent by refugees in limbo, but they lack the financial and human resources to do so. On the other hand, it is often argued that a long limbo period could be designed with an explicit intent of deterrence (Leach and Mansouri 2004). In this second case, the authorities assume that refugees would be unable to integrate and want to prevent their arrival. If limbo has a long-term impact on refugees' human and social capital, the slow integration of refugees could become self-fulfilling.

Figure 5a and 5b

Probability of Socio-Economic Integration



Note: The results should be interpreted for a reference individual, i.e. Sub-Saharan African man/woman, 34 years old, poor French, no diploma, living in Paris, haven't studied in France, with a prospect of permanent stay in France.

Source: Authors' calculation.

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