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## Conference Paper

# The Political Economy of European Asylum Policies

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# The Political Economy of European Asylum Policies

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## Abstract

Despite widespread agreement that asylum policies are partly determined by political economy factors in the destination country, there is little empirical evidence on the precise linkage between those political factors and asylum policies. We shed light on this issue by examining the impact of elections and parties on first-time asylum applications. Our evidence is based on a large bilateral panel data set comprising 12 European destination countries and their 51 most relevant origin countries during the time period 2002 to 2014. Our findings suggest that the number of asylum applicants under left- and right-wing parties converges before elections and differs thereafter. This result is robust to several different specifications and suggests that both left- and right-wing cabinets choose moderate policies before an election and less moderate policies after it.

**Keywords:** Electoral cycles, migration policies.

**JEL:** H11, D72, F22

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# 1 Introduction

In an article entitled “Keep Them Away,” *The Economist* (2017) describes the policies of many EU countries as ones under which “asylum-seekers would need to apply from abroad rather than coming to Europe.” This tension between the provision of asylum to rightfully entitled individuals and groups and that sought by others in pursuit of political and economic goals is a topic in the economic literature that compares the provision of asylum to that of a public good, where costs are privately assumed by the host countries (Moraga and Rapoport, 2014). For example, Dustmann et al. (2016) note that “the different exposures to refugee inflows and the lack of any effective European-level mechanism to ‘spread the burden’ of hosting refugee populations, led many countries to implement procedures aimed at reducing inflows into their territories.”

Despite widespread agreement that asylum policies are partly determined by political economy factors in the destination country, there is little empirical evidence on the precise linkage between these factors. We shed light on this issue by examining the impact of elections on asylum applications and recognition rates using a large bilateral panel data set for 12 European destination and 51 origin countries during the time period 2002 to 2014. Our findings suggest that asylum policies are affected by the electoral cycle and the identity of incumbent parties. More precisely, our two main results are that (i) before an election, asylum policies are very similar across left-wing and right-wing cabinets and (ii) in the quarters following an election, asylum policies diverge substantially, with a significantly lower inflow of refugees under a right-wing cabinet. This pattern suggests that both left- and right-wing cabinets choose moderate policies before an election in an effort to cater to the interests of the median voter and less moderate ones after the election that implement their true preferred policies.

With respect to the recognition rate, we find that the policies of both types of parties are again similar before the election, but differ thereafter. However, the recognition rate is lower under left-wing cabinets and higher under right-wing cabinets. We interpret this as meaning that changes in the number of applicants mechanically translate into changes in the recognition rate. If a right-wing government reduces the number of applicants by restricting access, the selection of asylum-seekers who enter the country changes. This generates a pool of applicants that is more entitled to asylum and thus mechanically increases the recognition rate under a right-wing cabinet. This explanation is in line with our finding that the higher recognition rate under right-cabinets is not only driven by an increase of temporary protection but also by an increase in the number of applicants who obtain refugee status.

We measure asylum policies in terms of policy outcomes, that is, the number of applicants and the recognition rate. Both a country’s asylum laws as well as their implementation by the ruling government determine these outcomes. In contrast to the extant literature’s focus on legal determinants, this paper’s unique contribution is to systemat-

ically assess how elections and government ideological position affect asylum policies. Our evidence suggests that changes in actual implementation by the ruling government matter along with formal changes in asylum laws. Detailed analysis suggests that our main results are driven by changes in access policies. Access policies, such as border controls, allow regulating the flow of applicants, can be changed rather quickly, and are under the direct administration of the government. A current example is the European Union's closing of the migration route across the Aegean in March 2016, a route that had been one of the most popular for asylum-seekers from Asia. This agreement between Turkey and the European Union drastically affected access for refugees without changing any national laws regarding asylum.

Even though asylum policy is now less a matter for individual countries than it was during the 1980s and 1990s, the European Union's attempt to build a Common European Asylum System (CEAS) is far from complete (see Hatton (2015)). Individual EU member countries continue to have substantial discretion regarding processing policies, for example, safe third-country provisions or deportations, and regarding the welfare benefits asylum-seekers receive, which have a direct impact on the number of applicants a country receives.<sup>1</sup> Additionally, access policies still depend to a substantial degree on how national governments interpret and implement the common asylum policy, for example, the Dublin regulation. As a consequence, the volume of asylum applications was unevenly distributed across EU member states during the period considered in our analysis and this was even more the case during the recent European refugee crisis.

There are very few country-specific studies that deal with how the type of government impacts immigration. Gudbrandsen (2010) analyzes partisan impact in the case of refugee immigration to Norway and finds that refugee inflows are significantly lower under conservative governments. Several studies evaluate how asylum policy changes affect asylum flows. For example, Holzer et al. (2000) investigate whether the restrictive policies toward asylum-seekers in Switzerland introduced around 1990 were successful in deterring migrants.<sup>2</sup> Our paper is linked to the literature on the determinants of refugee inflows, which includes, among others, Neumayer (2005), Moore and Shellman (2007), Hatton (2009) and Hatton (2016). In line with previous findings, we confirm the importance of certain push factors in the origin country (e.g., political terror and civil war) as well as certain pull factors in the destination country (e.g., its labor market situation). Our analysis also contributes to the literature on political budget cycles, especially the branch following Nordhaus (1975) arguing that incumbent politicians have strong incentives to distort public policies in order to increase approval rates whenever elections are pending. Our analysis can be regarded as a test of whether parties converge to

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<sup>1</sup>For a detailed discussion of policy measures that deter asylum-seekers and their effectiveness in doing so, see Thielemann (2006).

<sup>2</sup>In a related study, ? find evidence that the number of deportations of foreigners that are obliged to leave the country depends on the ideology of the government.

the interests of the median voter (Downs (1957)) or implement the policies they favor on ideological grounds (Hibbs (1977) and Alesina (1987)).

The remainder of the paper proceeds as follows: Section 2 introduces the data used for our analysis. Section 3 presents the econometric framework, Section 4 discusses our main results. Section 5 concludes.

## 2 Data

We use quarterly data on the number of first-time asylum applications and decisions on asylum applications, which is available from Eurostat. For our empirical analysis, we select destination countries based on both country size and data availability for the time period 2002 to 2014. Even though more recent data are available, we decided to end the period of our study in 2014, that is, before the Syrian refugee crisis, which had drastic effects on the European asylum system.

Our main sample includes all countries that have data on origin-specific first-time asylum applications in at least 44 out of the 52 quarters under study and that report in total more than 30,000 first-time asylum applications between 2002 and 2014.<sup>3</sup> Unfortunately, information regarding decisions on asylum applications is not available for the same countries in all relevant years and thus our decision sample includes fewer countries, as can be seen in Table 1, which lists all countries used in our analysis.<sup>4</sup>

[Table 1 about here.]

We further select the top 51 origin countries, which together account for more than 90% of all first-time applications in the 12 destination countries between 2002 and 2014. As evident from Table 2, the top 10 origin countries account for more than 45% of the total first-time applications.<sup>5</sup> Following Hatton (2016), we drop country pairs with very few applications in order to avoid cases with zero applications in many quarters.<sup>6</sup> Thus, we keep only country pairs with at least two first-time asylum applications per quarter on average, which leaves us with 480 out of 612 possible origin destination combinations. Similarly, for the smaller sample of nine destination countries that we use when analyzing decisions on asylum applications, we select the top 49 origin countries, which together account for more than 90% of all decisions taken in the nine destination countries between 2002 and 2014. We drop country pairs with less than two decisions per

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<sup>3</sup>If countries have missing information in 2008 or 2009, we impute these data from data on the origin-specific total applications in the respective quarters. This information is available only from 2008 onward. For the exact calculation, see the data section in the online appendix.

<sup>4</sup>We also tested whether our results hold if we use all data available on asylum decisions and restrict the application sample accordingly. These changes do not affect our results qualitatively (see online appendix).

<sup>5</sup>A list of all 51 origin countries is provided in the online appendix.

<sup>6</sup>As a robustness test, we drop all country pairs that have on average less than one/three first-time applications per quarter. Both variants yield results that are highly similar to our baseline (see online appendix).

quarter on average, which leaves us with 323 out of the 441 possible origin-destination combinations in the decision analysis.

[Table 2 about here.]

We combine the Eurostat dataset with the ParlGov dataset, which contains information on European national elections and party positions (Döring and Manow (2016)). For our analysis, we make use of both the election data and information on changes in government position along a left-right scale in the destination countries.

[Figure 1 about here.]

Our data allow us to precisely determine the timing of elections. We always code the quarter in which the election took place as the election quarter. When coding the quarters before and after the election, we account for the fact that in some cases elections deviate from a regular election cycle. As early elections are often announced on short notice, we took note of when an early election was announced and adjusted the before- and after-election periods accordingly. For example, if an early election takes place in April and is announced in February, we code the quarter right before the election quarter as before the election. Figure 1 illustrates the timeline of elections and cabinet changes, lists all early elections, and indicates how we defined the before- and after-election periods.<sup>7</sup>

To define a government's position along a left-right scale, we calculated the weighted average of the left-right position of the parties that are part of the ruling cabinet. The left-right positions are taken from the ParlGov dataset. The time-invariant positions are based on expert surveys and defined on a 0 to 10 scale, where 0 indicates extreme left and 10 indicates extreme right. To construct the weights for the different parties that are part of the cabinet, we use the ratio of each party's seats in parliament relative to the total seats in parliament. For example, if the government of country X is formed by a coalition of two parties, A and B, with A having 60 and B having 80 seats in parliament and party A scores 4 and party B scores 5 on the left-right score, the left-right position of the cabinet,  $LR_{cabinet}$ , is calculated as:

$$LR_{cabinet} = LR_A * \frac{seats_A}{seats_A + seats_B} + LR_B * \frac{seats_B}{seats_A + seats_B} = 4 * \frac{60}{140} + 5 * \frac{80}{140} = 4.57$$

After calculating this (quarterly) score for all cabinets of the 12 destination countries from 2002 to 2014, we split the distribution of cabinets at the sample median. Cabinets below the median are coded as "left-wing"; those above "right-wing." As the median left-right score in our baseline sample is 5.74, the cabinet in the above example would thus be coded as left-wing. We employ this specification where "left-wing" and "right-wing" are

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<sup>7</sup>Only cabinet changes where the cabinet group switches between left and right are shown in the figure. There are many more small cabinet changes that do not cause a change in the cabinet position group.

determined relative to the average of all countries in the sample in our main specification. We also test an alternative specification where we normalize the left-right position of all cabinets for each country separately before generating the left-right dummies. Both variants yield highly similar results (see online appendix).

To account for the political and economic situation in the source countries, we follow Hatton (2016) and add data from the Political Terror Scale (Gibney et al., 2016), the Freedom House Index of Civic Liberties and Political Rights (Freedom House, 2017), the number of civil war battle death as measured by the Uppsala Conflict Data Program (Uppsala University Department of Peace and Conflict Research, 2017), and real GDP per capita from the Penn World Tables (Feenstra et al., 2015). With the exception of the number of civil war battle deaths, these variables vary only at the yearly level. To approximate the situation in the origin country at the time leading up to the decision to leave the country and apply for asylum in another country, we use the average values of origin-specific variables from the current and the three previous quarters. For example, the Political Terror Scale in quarter 1 in 2005 is thus calculated as the mean of the Political Terror Scale in 2005 and three times the Political Terror Scale in 2004.

To capture the economic attractiveness of the destination countries we use Eurostat data on the quarterly unemployment rates and the quarterly real GDP per capita. We also test the importance of formal changes in asylum policies for asylum policy outcomes by means of Hatton’s Asylum Policy Index.<sup>8</sup> Finally, in some specifications we include time-invariant bilateral information on the distance between origin and destination countries (Gleditsch, 2017) and the number of adult immigrants from the origin country living in the destination country in 2000 (Artuç et al., 2015). Table 3 provides some descriptive statistics for the first-time asylum applications, positive decisions on asylum applications, and the cabinet left-right score, as well as for the origin, destination, and bilateral control variables. The summary statistics for the control variables of the (reduced) asylum decisions sample can be found in the appendix.<sup>9</sup>

[Table 3 about here.]

### 3 Econometric Specification

To investigate the importance of political determinants of asylum policies in EU countries, we estimate variants of the following equation:

$$Y_{ijt} = \alpha_1 \mathbf{O}_{it} + \alpha_2 \mathbf{D}_{jt} + \alpha_3 [\mathbf{Q}_j * \mathbf{C}_{jt}] + \tau_t + \sigma_{ij} + \varepsilon_{ijt}. \quad (1)$$

<sup>8</sup>For details, see Hatton (2009). We are very grateful to Timothy J. Hatton for generously sharing his Asylum Policy Index with us.

<sup>9</sup>More detailed information on the data sources, the definition and calculation of the individual variables, and other robustness checks can be found in the data section in the online appendix.

In the analysis of asylum applications, the dependent variable ( $Y_{ijt}$ ) represents the (log) number of first-time asylum applications per capita, for example, the number of first-time applications by citizens of origin country  $i$  in destination country  $j$  at time  $t$  relative to the population size of country  $j$ .<sup>10</sup> In the analysis of decisions on first-instance asylum applications, the dependent variable ( $Y_{ijt}$ ) represents three different recognition rates of citizens from origin country  $i$  in destination country  $j$  at time  $t$ : the recognition rate, defined as the share of decisions with any positive outcome out of all decisions taken, the refugee status rate, defined as the share of individuals who are granted full refugee status out of all decisions taken, and, finally, the temporary protection rate, which is the share of individuals who are granted some kind of temporary or subsidiary protection out of all decisions taken.

Effectively, our dependent variable measures asylum policy outcomes and captures the enforcement of asylum policies rather than formal asylum policies themselves. To disentangle these de facto changes of asylum policies from de jure changes, we add Hatton's Asylum Policy Index in some cases. The 1951 Convention Relating to the Status of Refugees and its 1967 Protocol set out a general guarantee of sanctuary for refugees who have gained access to a country's territory. In practice, governments can regulate to whom they grant refuge by both limiting access to the country and by defining who will be viewed as a "refugee."<sup>11</sup> In our analysis we capture access policies, including, among others, the effectiveness of border controls, by the number of applications, that is, the number of asylum-seekers who reach the destination country. Borders can be opened and closed quickly and doing either is based on administrative decisions. Refugee status determination procedures (as measured by recognition rates) are more difficult to influence as changes in asylum laws often require the consent of the parliament and are usually limited by an independent judiciary.

To capture the political economy determinants of asylum policies, we add a set of interaction terms comprised of the ruling cabinet's position indicator  $C_{jt}$  and a set of dummies for before and after the election  $Q_j$  in destination country  $j$ . For the time component  $Q_j$ , we provide two specifications. First, we use indicators for one-and-a-half years before and one-and-a-half years after the election ( $Q_j := Q_{j,bef}, Q_{j,aft}$ ).<sup>12</sup> Second, we include the indicators for six quarters before and after an election in a quarter  $q = 0$ , ( $Q_j = \{Q_{jq}, q = -6, \dots, +6\}$ ). The latter allows us to observe in detail the changes in government behavior around elections.

<sup>10</sup>As a robustness test, we use the number of first-time applications relative to the population size of the destination country. Both variants yield highly similar results (see online appendix).

<sup>11</sup>Hatton (2009) discusses the home-country conditions of asylum-seekers, e.g., welfare benefits and labor market integration, as a third factor.

<sup>12</sup>To be consistent with the second specification, the pre-election period comprises the six quarters before the election plus the election quarter, and the post-election period comprises the six quarters after the election. The results are very similar when defining the five quarters before the election plus the election quarter as the pre-election period or when considering one year before and after the election (available upon request).



Following Hatton (2016), we capture the determinants of asylum policies with a set of origin- and destination-specific explanatory variables,  $\mathbf{O}_{it}$  and  $\mathbf{D}_{jt}$ . We include Political Terror Scale, Freedom House Index of Civic Liberties, Freedom House Index of Political Rights, number of battle deaths, and log real GDP per capita in the vector of time-variant origin-specific variables  $\mathbf{O}_{it}$ . The vector of time-variant destination variables,  $\mathbf{D}_{jt}$ , contains the quarterly log real GDP per capita and the quarterly unemployment rate at destination.

Finally, our main specification, as described in Equation (1), includes quarter-year dummies  $\tau_t$  and destination-origin fixed effects  $\sigma_{ij}$ . Additionally, we test alternative fixed effects specifications. First, we use origin and destination fixed effects separately where we also include time-constant country-pair-specific variables such as the stock of migrants of origin country  $i$  in destination country  $j$  in 2000. Second, we estimate a version with origin-time fixed effects along with destination fixed effects. In all regressions standard errors are clustered by origin country.

Our preferred specification is contemporaneous, reflecting the idea that elections induce governments to adjust asylum policies, for example, by closing the border when in power. However, there is a concern that previous refugee inflows could have affected the outcome of the election, biasing the results through an omitted variable problem. To test for potential path dependencies in asylum policies, we control for past asylum applications and decisions in some specifications. Reassuringly, controlling for previous levels of refugee inflow at the country level does not substantially change our results.

The reference point for our main results is the average asylum policy of both parties. Thus, the coefficients of our variables of interest represent a party's deviation from the average asylum policy at a certain point in time relative to the left-out period. An obvious question is how parties deviate from their own average policies in the event that the average policies of left-wing and right-wing parties differ. To account for this issue, we include the ruling cabinet's position indicator  $\mathbf{C}_{jt}$  separately in some variants of Equation (1).

## 4 Results

### 4.1 Applications

Table 4 presents the determinants of first-time asylum applications based on the fixed effects regression specified in Equation (1) with one period before and one period after the election. The dependent variable is the (log) number of first-time asylum applications per capita. Column (1) shows our baseline specification with quarter-year dummies and destination-origin fixed effects (not reported). In Column (2) we include origin and destination fixed effects separately along with quarter-year dummies, and in Column (3) we estimate a variant with origin-time fixed effects along with destination fixed effects.

In both Columns (2) and (3), we include two time-constant country-pair specific variables: the (log) distance between the capital cities and the stock of migrants of origin country  $i$  in destination country  $j$  in 2000. Across all three specifications, interaction of the cabinet position and the before-the-election indicator are not statistically different from zero and quite small, indicating that neither left-wing nor right-wing parties deviate from their average policies when facing an upcoming election. The interaction with the post-election indicator is statistically significant at the 0.1% level and of considerable size. Interestingly, the sign of the effect depends on the identity of the party in power. After elections, the number of first-time asylum applicants decreases by around 11-12 % under right-wing cabinets and increases by around 9-10 % under left-wing cabinets.

As illustrated in Figure 2 for the baseline specification (and in Figure 3 for the other specifications), in the time before an election the inflow of asylum-seekers is very similar across all types of cabinets, whereas in the quarters just after an election, the inflow of asylum-seekers diverges substantially. These findings suggest, in line with Downsian voting models, that governments converge to moderate policies before an election. After the election, however, a left-wing government seems to ease access to the country, whereas a newly elected right-wing government appears to make access more difficult. This interpretation hinges on the assumption that the feedback from asylum policy outcomes on the timing and outcome of elections is limited. In particular, refugee inflows might have influenced the date of the non-regular elections. However, between 2002 and 2014, migration was not one of the top issues on the political agenda, as evident from Eurobarometer surveys (see, e.g., Hatton (2017)). Moreover, unobserved short-term shocks that affect the inflow of asylum-seekers might influence the outcome of the election.<sup>13</sup> In this case, the cabinet position is endogenous and the estimates can be understood as upper bounds to the true effect of a given party on the refugee influx. Our analysis does not allow disentangling these driving forces, but the political situation during the period under analysis suggests that a substantial part of the effect is driven by changes in the implementation of policies.<sup>14</sup>

[Table 4 about here.]

[Figure 2 about here.]

In line with the literature and the results of Hatton (2016), we find that political oppression and violence in the host country are positively correlated with the number of asylum applications. The significant negative coefficient of the log origin country real GDP per capita suggests that adverse economic conditions in the host country also drive asylum applications. However, as bad economic conditions are often a byproduct of

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<sup>13</sup>A recent example is the Green Party in the Netherlands, which refused to take part in a majority coalition because of the stance taken by other parties on refugee policies (*The Economist*, 2017).

<sup>14</sup>For a detailed survey on European asylum policies see Hatton (2017).

wars and political instability, this does not mean that asylum-seekers leave their home country primarily for economic reasons. Moreover, we find a small negative effect of the unemployment rate in the destination country, which could indicate either that a higher unemployment rate reduces the attractiveness of a destination country or that in times of higher unemployment, more restrictive asylum policies are implemented. Interestingly, in contrast to Hatton (2016), our results (which are based on a different sample of countries) indicate that a higher GDP per capita in the destination country is associated with fewer asylum applications.

In Column (4) of Table 4, we test a dynamic variant of the model by considering how past asylum policies affect our results. In particular, we add the (log) five-year average of past asylum applications per capita.<sup>15</sup> The coefficients are highly significant and positive, suggesting that asylum policies are path dependent, but our main results remain unaffected. Column (5) introduces the position of the cabinet separately to test for level differences in the behavior of parties. The results suggest that fewer applicants enter under right-wing cabinets; however, the coefficient is not statistically significant. Finally, Column (6) adds Hatton's Asylum Policy Index to account for formal changes in asylum policies and disentangle these *de jure* changes from *de facto* changes in the administration and implementation of asylum policies by the ruling government. The results indicate that the Asylum Policy Index is highly relevant. Interestingly, the estimates of our coefficients of interest remain very stable, indicating that both measures are crucial determinants of asylum policy outcomes, but capture different elements of actual asylum policies. When dividing Hatton's Asylum Policy Index into its three sub-components (Column (7)), the chief drivers behind its impact seem to be processing and welfare policies, whereas access policies are significant at only the 5% level and have the smallest coefficient. In contrast, in Hatton (2017) and Hatton (2016) access policies are the main driver. It could be that our political economy setup is mainly capturing access of asylum-seekers to destination countries since these policies, such as border controls, can be changed rather quickly and are directly administered by the government.

We next test the model with individual dummies for different quarters before and after an election. The results of the main coefficients of interest are presented in Table 5 and illustrated graphically in Figure 2. The detailed analysis confirms that the turning point is the quarter following the election. Before the election, the cabinet coefficients are not different from average policies. Moreover, the difference between the coefficients for left-wing and right-wing cabinets is never statistically significant. However, after the election, almost all cabinet coefficients become significant and substantially larger. Again, there is a remarkable difference in the sign of the coefficients related to the different types of parties. The signs of the left-wing parties are all positive, whereas those of the right-wing parties are consistently negative. As a consequence, the difference be-

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<sup>15</sup>A variant where we add the average of the six previous quarters as a control does not change our results qualitatively (see online appendix).

tween the left-wing and right-wing cabinet coefficients is always significant after the election. Once more, the result suggests that both left-wing and right-wing cabinets choose moderate policies before an election and less moderate policies afterward.

[Table 5 about here.]

[Figure 3 about here.]

## 4.2 Decisions

Table 6 presents the determinants of asylum decisions based on the fixed effects regression specified in Equation (1) with quarter-year dummies and destination-origin fixed effects (not reported). In Column (1) we use the recognition rate, that is, the number of positive decisions as a share of all decisions, as the dependent variable.<sup>16</sup> In Columns (2) and (3) we separately assess the recognition rates for the two statuses, refugee status and temporary protection. With respect to the recognition rate we find no significant deviation from average policies before the election, but after the election, the coefficients for right-wing and left-wing cabinets clearly differ. Again, the sign of the after-election coefficients depends on the identity of the cabinet. Left-wing cabinets are associated with a lower recognition rate and right-wing cabinets with a higher one. As evident from the analysis of the refugee status rate (Column (2)) and the temporary protection rate (Column (3)), the effect is driven by a decline in the refugee status rate under left-wing cabinets and a strong increase in the temporary protection rate under right-wing cabinets after the election. When examining asylum decisions at a quarterly level, a similar picture emerges, which is illustrated in Figure 4. Before the election, policies remain rather similar, but differ clearly after the election. Again, the refugee status rate is lower under left-wing cabinets and the use of temporary protection more widespread under right-wing governments. In total, the pattern observed in the case of asylum applications seems to be reversed.

The lower recognition rate after elections under left-wing cabinets appears counter-intuitive. Possibly, changes in the number of asylum applications mechanically translate into changes in the decision outcome. While a government can quickly adjust access policies, for example, via stricter enforcement of border controls, the decisions on asylum applications are more difficult to influence. These decisions are based on existing laws that are difficult to change quickly and require parliament's consent. Moreover, independent judiciaries can act as barriers to changes in the decision-making process. In total, the decision process is likely to be stable over time, meaning that recognition rates strongly depend on applicant characteristics. If more restrictive access policies under right-wing cabinets lead to the selection of refugees that on average are more entitled to asylum than a less-rigorously selected group entering under a left-wing cabinet,

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<sup>16</sup>We define all decisions as all positive decisions plus the negative decisions.

the asylum recognition rate under right-wing cabinets will be higher than under left-wing cabinets. Analogously, an increase/a decrease of asylum applications under left-wing/right-wing cabinets after the election should translate into a decline/an increase in the recognition rate.

[Figure 4 about here.]

[Table 6 about here.]

## 5 Conclusion

We examine the impact of elections and parties on first-time asylum applications using a large bilateral panel data set comprising 12 European destination countries and their 51 most relevant origin countries during the time period 2002 to 2014. Our findings show that the number of asylum applicants under left- and right-wing parties converges before elections and differs substantially thereafter, with a higher number of applicants under left-wing cabinets. For recognition rates, we find a reversed electoral cycle that seems to be driven by the selection of migrants under different governments. Our evidence suggests that changes in asylum policies induced by changes in government, for example, via stricter enforcement of border controls, are very effective in influencing asylum policy outcomes such as the volume of asylum applications. These political economy factors need to be taken into account when analyzing the determinants of refugee inflows (Görlach and Motz, 2017).

Our analysis shows that asylum policies in the European Union are partly driven by national elections. First, our findings imply that staggered election schedules further deteriorate the already highly heterogeneous EU asylum policy. This in turn is likely to generate harmful migration deviation effects within the European Union. Thielemann (2006) points out that in the presence of heterogeneous asylum policies, each state's actions generate externalities for other states that have the potential to cause strife between states. Second, our findings imply that the refugees' chances of being recognized depend on factors that should not play a role according to the normative fundamentals of asylum policies, such as the Geneva Convention. Neumayer (2005) shows that recognition rates for asylum-seekers from the same countries of origin varies considerably across Western European countries over the period from 1980 to 1999. He argues that this variation constitutes unfair and discriminatory treatment of asylum claims. Along the same line, our findings support the realization of a harmonized common EU asylum policy, one that should be less influenced by national electoral cycles.

Further research is needed to uncover the precise mechanisms underlying our results. Although mainly theoretical, there is still the possibility that our findings are driven by the demand side, that is, refugees selecting into different countries depending on election

dates and ruling party identity, rather than by the supply side, that is, the incumbent government adjusting asylum policies. Survey data on the preexisting knowledge of asylum-seekers and their decision strategies might allow investigating this issue in the future.

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# List of Figures

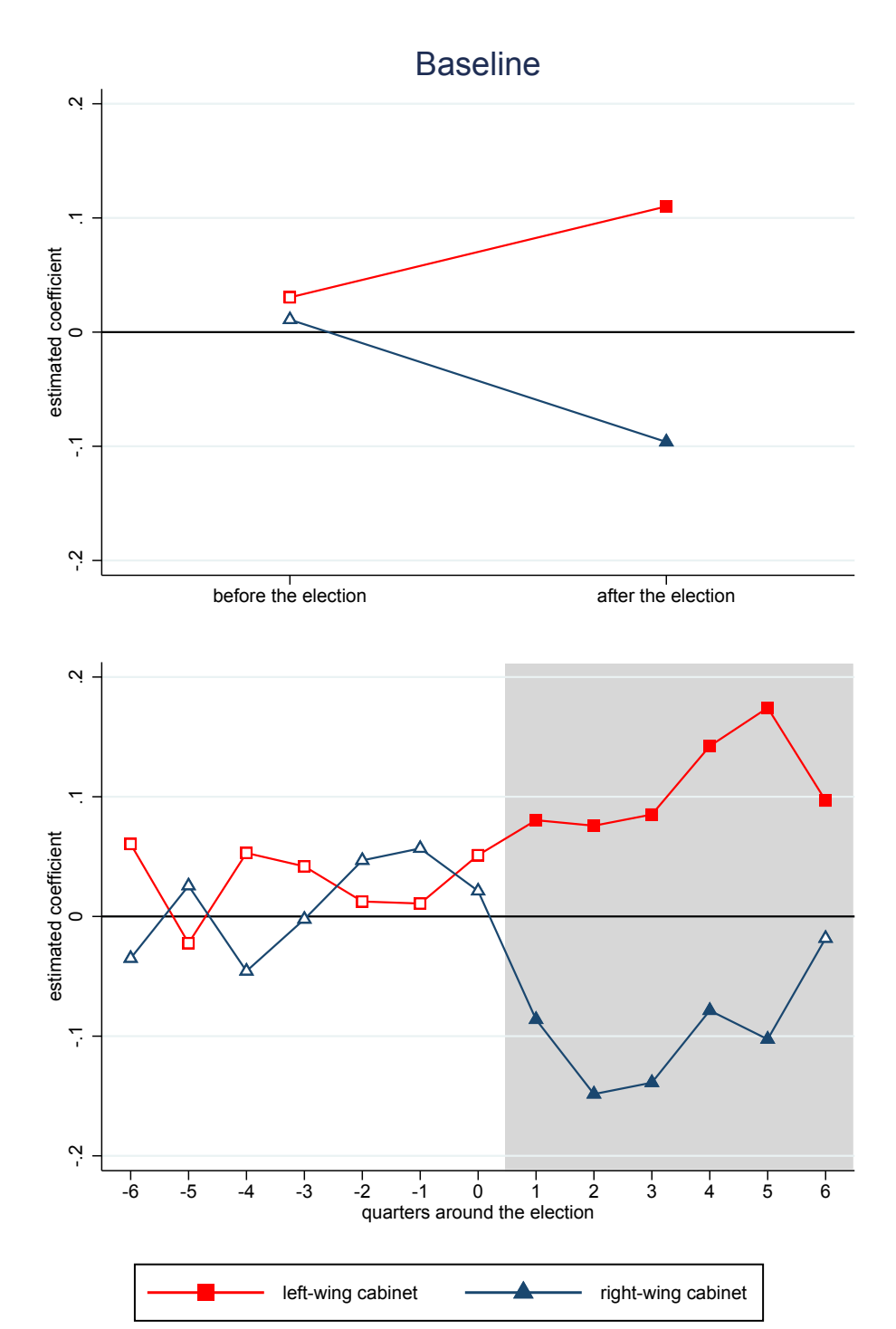
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Figure 1: Elections and cabinet changes



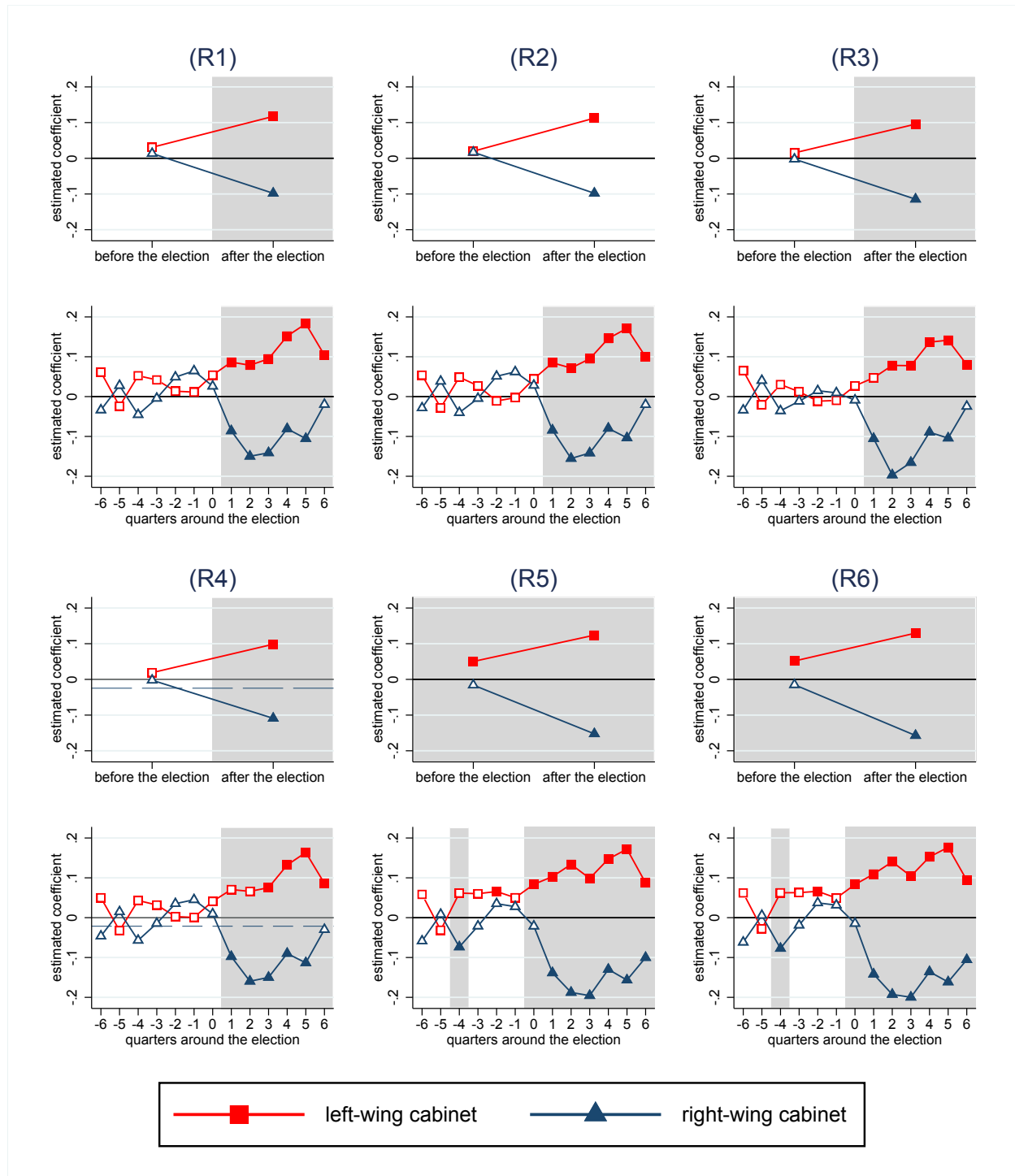
Note: As for the decision analysis only data for 9 of the 12 destination countries are available, only these 9 countries are used to derive the cabinet left and cabinet right dummies for the decision analysis. In the case with only 9 destination countries almost all cabinets are classified the same way as shown here in the figure. Only the cabinet in Poland from Q1 2008 to Q4 2014 is classified as right-wing when using all 12 destination countries and as left-wing when using only the 9 destination countries for which decision data is available.

Figure 2: Asylum applications per capita: Predicted pattern - baseline



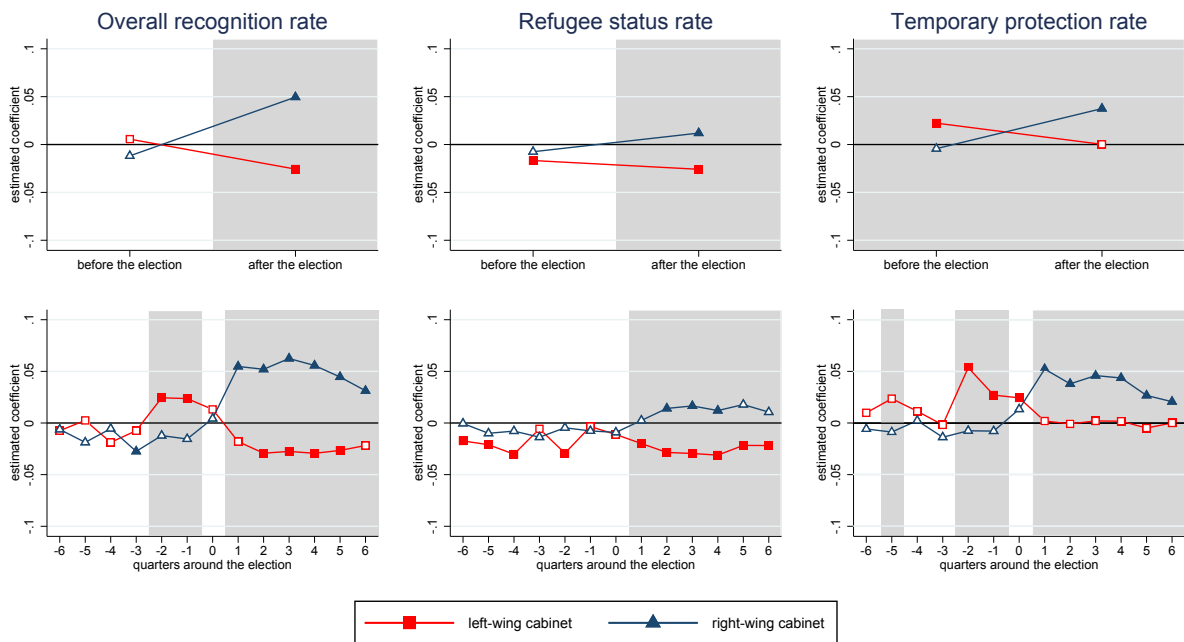
Note: These figures show the time evolution of refugee inflows as estimated in fixed effects regression with a set of dummies for before and after the election or a set of dummies for different quarters before and after an election in a quarter  $t = 0$ . Significant coefficients are indicated by filled plot markers. Periods in which the two coefficients are significantly different from each other are indicated with a grey background.

Figure 3: Asylum applications per capita: Predicted pattern - R1 to R6



Note: These figures show the time evolution of refugee inflows as estimated in fixed effects regression with a set of dummies for before and after the election or a set of dummies for different quarters before and after an election in a quarter  $t = 0$ . Significant coefficients are indicated by filled plot markers. Periods in which the two coefficients are significantly different from each other are indicated with a grey background. The navy dashed line in sub-figure R4 shows the average inflow of asylum seekers under right-wing cabinets in periods outside the election period. Significance of the coefficients of the right-wing cabinet in sub-figure R4 is reported for the distance to this average non-election period effect.

Figure 4: Asylum decisions per capita: Predicted pattern - baseline



Note: These figures show the time evolution of the recognition rate, the refugee status rate and the temporary protection rate as estimated in fixed effects regression with a set of dummies for before and after the election or a set of dummies for different quarters before and after an election in a quarter  $t = 0$ . Significant coefficients are indicated by filled plot markers. Periods in which the two coefficients are significantly different from each other are indicated with a grey background.

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Table 1: Total number of first-time asylum applications and decisions 2002 - 2014

Destination country	Number of first-time applications	Number of asylum decisions
Germany	704,450	587,635
France	629,272	595,820
United Kingdom	470,960	461,295
Sweden	445,525	366,315
Belgium	184,200	
Netherlands	167,055	
Norway	113,545	
Poland	89,680	49,305
Denmark	59,440	35,485
Ireland	47,070	37,330
Czech Republic	35,370	29,820

Note: The number of first-time applications represent the sum of first-time applications in all available quarters from Quarter 1 2002 to Quarter 4 2014. For France the number of first-time applications in 2008 and for Spain the number of first-time applications in 2008 and 2009 are imputed from the number of origin-specific applications in these years. For Belgium no data is available in 2004 and for Norway no data is available in 2002 and in Quarter 2, 3 and 4 of 2007. The number of asylum decisions represent the sum of all positive and all rejected decisions in all available quarters from Quarter 1 2002 to Quarter 4 2014. For Ireland and Denmark no data is available in 2002. For France no data is available in 2007 and for Ireland, Spain and the United Kingdom no data is available in Quarter 4 of 2007.

Table 2: Top 10 source countries

Source country	First-time applications		Asylum decisions	
	Total	Share	Total	Share
Russia	210,882	7.0%	126,005	5.7%
Iraq	207,447	6.9%	173,295	7.8%
Syria	181,800	6.1%	113,565	5.1%
Afghanistan	157,124	5.2%	112,370	5.1%
Somalia	137,378	4.6%	84,015	3.8%
Iran	100,691	3.4%	81,665	3.7%
Turkey	100,646	3.4%	107,240	4.8%
Eritrea	100,259	3.3%	47,755	2.2%
Serbia	90,869	3.0%	83,485	3.8%
Democratic Republic of Congo	82829	2.8%	70360	3.2%

Note: Column 1 represents the sum of all first-time applications in the 12 European destination countries by citizens of the respective origin country in the years 2002 to 2014. Column 2 represents the share of these first-time applications in all first-time applications in the 12 destination countries from 2002 to 2014. Column 3 shows the number of total asylum decisions for citizens from the respective origin country in the 9 destination countries for which decision data is available. Column 4 shows the respective share of these decisions in all asylum decisions taken in the 9 destination countries between 2002 and 2014. Note that the order of the top 10 origin countries for the decisions is slightly different than that of the applications, as the sample of destination countries differs. Moreover, Eritrea is not in the top 10 of the origin countries in terms of asylum decisions. Instead China is in the top 10 origin countries for asylum decision.



Table 3: Summary statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Dyadic quarterly fist-time asylum applications	23,705	114.2	338.1	0	15,330
Dyadic quarterly first-time asylum applications per 100,000 inhabitants	23,705	.57	2.18	0	112.6
Dyadic quarterly fist-instance asylum decisions with any positive outcome	12,921	37.3	205.7	0	10,075
Overall recognition rate	12,921	.16	.25	0	1
Dyadic quarterly fist-instance asylum decisions for refugee status	12,921	20.2	133.4	0	9,870
Refugee status rate	12,921	.09	.18	0	1
Dyadic quarterly fist-instance asylum decisions for temporary protection	12,921	17.1	133.2	0	4,140
Temporary protection rate	12,921	.07	.18	0	1
Number of elections per destination country	23,705	3.45	.81	2	5
Number of cabinet changes per destination country	23,705	1.83	.87	1	4
Left-right position of the cabinet	23,705	5.57	1.52	2.77	8.22
Political Terror Scale	23,705	3.34	.91	1	5
Civic Liberty (FHI)	23,705	4.58	1.44	2	7
Political Rights (FHI)	23,705	4.87	1.69	1	7
Quarterly civil war battle death (000s)	23,705	.21	.79	0	12.79
Yearly real GDP per capita at origin	23,705	6,550	5,689	336.8	32,575
Quarterly real GDP per capita at destination	23,705	8,719	3,206	1,557	18,048
Quarterly unemployment rate at destination	23,705	7.78	3.94	2.4	26.2
Distance from origin to destination	23,705	4,395	2,168	454	9,680
Migrant stock in 2000/1	23,705	16,452	74,737	0	1,272,000

Note: The summary statistics of the decisions are based on the sample of the 9 destination and 49 origin countries, which is used in the decision analysis. All other variables refer to the sample of 12 destination and 51 origin countries, which is used in the application analysis.

Table 4: Determinants of asylum applications

	(1) baseline	(2) R1	(3) R2	(4) R3	(5) R4	(6) R5	(7) R6
Political Terror Scale	0.411*** (0.0711)	0.410*** (0.0718)		0.407*** (0.0738)	0.411*** (0.0711)	0.410*** (0.0714)	0.409*** (0.0714)
Civic Liberty (FHI)	0.170 (0.132)	0.170 (0.134)		0.162 (0.131)	0.170 (0.132)	0.166 (0.132)	0.165 (0.132)
Political Rights (FHI)	0.0442 (0.0756)	0.0429 (0.0758)		0.0408 (0.0742)	0.0442 (0.0756)	0.0409 (0.0751)	0.0408 (0.0751)
Quarterly civil war battle death (000s)	0.186*** (0.0248)	0.188*** (0.0250)		0.194*** (0.0249)	0.186*** (0.0248)	0.186*** (0.0248)	0.186*** (0.0248)
Log origin country real GDP per capita	-0.673*** (0.183)	-0.671*** (0.185)		-0.640*** (0.180)	-0.673*** (0.183)	-0.674*** (0.181)	-0.674*** (0.181)
Log migrant stock in 2000/1		0.263*** (0.0210)	0.263*** (0.0210)				
Log distance from origin to destination		-0.608* (0.298)	-0.613* (0.296)				
Log destination country quarterly real GDP per capita	-1.595*** (0.445)	-1.512** (0.497)	-1.242* (0.472)	-1.662*** (0.446)	-1.583*** (0.448)	-2.751*** (0.424)	-2.841*** (0.415)
Quarterly unemployment rate at destination	-0.0764*** (0.0110)	-0.0751*** (0.0117)	-0.0734*** (0.0119)	-0.0511*** (0.00992)	-0.0766*** (0.0110)	-0.0875*** (0.0111)	-0.0898*** (0.0115)
Log total average asylum applications per capita in previous 5 years				0.646*** (0.0589)			
Asylum policy index overall						-0.0939*** (0.00857)	
Policy on access							-0.0712* (0.0268)
Policy on processing							-0.0911*** (0.0208)
Policy on welfare							-0.110*** (0.0184)
Weighted cabinet position right					-0.0246 (0.0442)		
Cabinet position left * Before the election	0.0304 (0.0245)	0.0325 (0.0252)	0.0218 (0.0261)	0.0152 (0.0240)	0.0189 (0.0267)	0.0502* (0.0236)	0.0515* (0.0230)
Cabinet position left * After the election	0.110*** (0.0213)	0.118*** (0.0230)	0.114*** (0.0233)	0.0957*** (0.0205)	0.0985*** (0.0228)	0.124*** (0.0216)	0.130*** (0.0228)
Cabinet position right * n Before the electio	0.0109 (0.0235)	0.00865 (0.0249)	0.0124 (0.0247)	-0.00226 (0.0236)	0.0224 (0.0223)	-0.0159 (0.0233)	-0.0149 (0.0230)
Cabinet position right * After the election	-0.0962*** (0.0226)	-0.102*** (0.0239)	-0.101*** (0.0237)	-0.115*** (0.0230)	-0.0844** (0.0258)	-0.152*** (0.0238)	-0.157*** (0.0249)
Observations	23705	23705	23705	23705	23705	23705	23705
Adjusted R <sup>2</sup>	0.176	0.444	0.448	0.210	0.176	0.189	0.189
Fixed Effects	D x O	O	O x T	D x O	D x O	D x O	D x O
Destination dummies	No	Yes	Yes	No	No	No	No
Quarter-Year dummies	Yes	Yes	No	Yes	Yes	Yes	Yes

Standard errors in parentheses \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

Table 5: Determinants of asylum applications - quarterly model

	(1) left	(2) right	(3) difference
6 quarters before the election	0.0605 (0.0338)	-0.0350 (0.0417)	0.0955 (0.0638)
5 quarters before the election	-0.0222 (0.0313)	0.0256 (0.0347)	-0.0479 (0.0539)
4 quarters before the election	0.0530 (0.0342)	-0.0457 (0.0366)	0.0987 (0.0514)
3 quarters before the election	0.0418 (0.0414)	-0.00232 (0.0299)	0.0442 (0.0514)
2 quarters before the election	0.0125 (0.0339)	0.0468 (0.0374)	-0.0343 (0.0454)
1 quarters before the election	0.0108 (0.0365)	0.0569 (0.0342)	-0.0461 (0.0413)
Quarter of the election	0.0512 (0.0360)	0.0213 (0.0384)	0.0299 (0.0498)
1 quarters after the election	0.0804* (0.0388)	-0.0861** (0.0326)	0.167*** (0.0454)
2 quarters after the election	0.0758* (0.0303)	-0.148*** (0.0353)	0.224*** (0.0422)
3 quarters after the election	0.0852** (0.0324)	-0.139*** (0.0392)	0.224*** (0.0540)
4 quarters after the election	0.142*** (0.0278)	-0.0786* (0.0344)	0.221*** (0.0459)
5 quarters after the election	0.174*** (0.0274)	-0.103** (0.0357)	0.277*** (0.0464)
6 quarters after the election	0.0968** (0.0299)	-0.0183 (0.0302)	0.115* (0.0467)
Observations	23705	23705	23705

Standard errors in parentheses \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

Table 6: Determinants of asylum decisions

Dependent variable	(1) Overall recognition rate	(2) Refugee status rate	(3) Temporary protection rate
Political Terror Scale	0.0276* (0.0111)	0.0302** (0.00870)	-0.00257 (0.00628)
Civic Liberty (FHI)	0.0341 (0.0226)	0.0217 (0.0144)	0.0125 (0.00994)
Political Rights (FHI)	-0.00828 (0.0198)	-0.00989 (0.0115)	0.00161 (0.00923)
Quarterly civil war battle death (000s)	0.0533*** (0.00505)	0.0161*** (0.00326)	0.0372*** (0.00264)
Log origin country real GDP per capita	-0.0155 (0.0338)	-0.00751 (0.0258)	-0.00795 (0.0125)
Log destination country quarterly real GDP per capita	0.221* (0.0878)	-0.148* (0.0621)	0.369*** (0.0814)
Quarterly unemployment rate at destination	-0.0000391 (0.00116)	-0.00428* (0.00167)	0.00424* (0.00166)
Cabinet position left * Before the election	0.00565 (0.00771)	-0.0167** (0.00529)	0.0223*** (0.00483)
Cabinet position left * After the election	-0.0257** (0.00761)	-0.0259*** (0.00538)	0.000205 (0.00377)
Cabinet position right * Before the election	-0.0119 (0.00737)	-0.00752 (0.00563)	-0.00433 (0.00518)
Cabinet position right * After the election	0.0495*** (0.00903)	0.0120** (0.00414)	0.0375*** (0.00824)
Observations	12921	12921	12921
Adjusted $R^2$	0.134	0.083	0.067
Mean dependent variable	0.159	0.0866	0.0725
Fixed Effects	D x O	D x O	D x O
Destination dummies	No	No	No
Quarter-Year dummies	Yes	Yes	Yes

Standard errors in parentheses \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$