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Intended and Unintended Consequences of Birthright Citizenship

"The most certain prediction that we can make about almost any modern society is that it will be more diverse a generation from now than it is today" (Putnam 2007, p.137). Indeed, children with a migrant background constitute the fastest-growing segment of the population in many countries across the developed world, shaping these societies for the future (Dustmann et al. 2012). A successful integration of immigrant children[1] into host countries is therefore essential. Studies of recent first- and second-generation immigrants, however, do not paint a rosy picture: the socioeconomic performance, in terms of education, employment or earnings, of most immigrant groups and their descendants, is, on average, worse than that of the native population (Algan et al. 2010). Unsurprisingly, tackling this disadvantage has become a key priority for many governments.

One important instrument of integration policy is immigrant children's access to host-country nationality. Birthright citizenship has historically been in place in the United States, Canada and the United Kingdom and has recently been introduced in several European countries (e.g., Belgium, Germany, Greece, Portugal). Despite its popularity, it is subject to much controversy. For example, the ongoing debate about the reform of the Italian naturalization law is fueled by fear and resentments. Opponents of birthright citizenship have described it as a "magnet for illegal immigration," cited the risk of national identity dilution (Huntington 2004; Wilcox 2004; Jahn 2014), and raised concerns about a shift in future voter composition (Razin et al. 2014). In contrast, proponents have argued that it is one of the most powerful mechanisms of social inclusion.

[1] We will use the term immigrant children and children with migrant background interchangeably, despite the fact that some children have no own migration experience.

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This controversy is surprisingly uninformed by reliable evidence on the economic and social consequences of birthright citizenship for the affected generation. With this article, we aim to provide an overview of the benefits and possible threats of birthright citizenship. For this purpose, we summarize the findings of three of our recent papers studying the case of Germany, a country that changed its regulation regarding birthright citizenship at the beginning of the millennium. The interesting aspect of these papers is that they cover a broad array of outcomes—economic, behavioral and social outcomes—and follow children from birth until adolescence. As such, they provide a comprehensive and dynamic look at the effects of birthright citizenship for the population at risk.

BIRTHRIGHT CITIZENSHIP AS AN EARLY LIFE INTERVENTION

Before turning to the empirical evidence, let us briefly reflect the underlying rationale for why birthright citizenship may enhance integration. Endowing immigrant children with citizenship rights at birth is an early life intervention representing a positive endowment shock. Citizenship improves immigrants' professional opportunities. In Germany, it opens the door to any job requiring civil servant status, entitles individuals to work in any EU country, and allows visa-free entry to many other countries. Citizenship may further act as a signal to employers that the prospective employee is committed to remaining and integrating oneself into the host society. Existing evidence suggests that naturalized immigrants, compared with their non-naturalized peers, earn more (Chiswick 1978; Steinhardt 2012), have higher job-finding rates (Fougiere and Safi 2009; Gathmann and Keller; forthcoming) and experience steeper wage-tenure profiles (Bratsberg et al. 2002). In other words, birthright citizenship brightens immigrant children's future professional outlook and may thus act as a catalyst for human capital investments in immigrant families.

Birthright citizenship may act along a variety of other margins. Immigrant parents may perceive birthright citizenship as a "sign of goodwill" by the host country, and thus actively promote the integration of their children into the host society.[2] Citizenship

[2] Avitabile et al. (2013) show that foreign-born parents are more likely to speak the local language and to interact with the local community if their children enjoy birthright citizenship rights.

may further affect the extent to which immigrants adopt the ethnic identity of the host country and this in turn may stimulate assimilation and integration. Moreover, natives may treat immigrants differently based on their citizenship status. Reduced discrimination may enhance immigrants' integration opportunities directly and indirectly by shaping immigrants' reciprocal behavior.

Nevertheless, birthright citizenship may also trigger some reactions that have been neglected so far in the scientific and political debate. A large share of the immigrant population stems from cultures where traditional values and norms still prevail. The most prominent example for this are conservative gender norms resulting in large gender inequalities in education, employment and political outcomes. Birthright citizenship and the attached economic and political opportunities may thus pose (or may be perceived as) a threat to the ethnic and cultural identity of immigrant families. This may particularly be true for immigrant daughters, who often act as the "keepers of the culture" (Suarez-Orozco and Quin 2016). As a result, birthright citizenship may not have the intended consequences, but may instead backfire due to immigrant parents constraining their daughters' choices and shielding them against the influence of the host society. As a result, immigrant girls may end up "caught between cultures" and struggle with the expectations of the opposing cultures.

REFORM OF THE GERMAN NATURALIZATION LAW

In three recent papers, we have set ourselves the objective to gauge the consequences, both the intended and the unintended ones, of birthright citizenship. For this purpose, we have relied on the reform of the German naturalization law. Until 1999, citizenship was granted according to "ius sanguinis"—that is, children became German citizens only in cases in which at least one parent held German citizenship. As of January 1, 2000, the prevailing regime changed to "ius soli," granting each child born in Germany a conditional right to German citizenship at birth. The probability of being a citizen at birth jumped by more than 50 percentage points for second-generation immigrant children born post-reform. A nice feature of the reform is that it occurs in between school year cutoffs. This means that immigrant children born six months before and after the cutoff will typically be in the same grade in school, while having different probabilities of being a German citizen at birth.[3]

The reform constitutes a large exogenous shock to the probability of being German citizen for many second-generation immigrant children and thus renders itself as a source of identification. Comparing the children born just before and after the reform allows drawing causal conclusions regarding the effects of birthright citizenship on all kinds of child outcomes.[4] In what follows, we summarize the effects on immigrant children's educational outcomes and their cooperative behavior toward their native peers. We end by discussing the case of immigrant girls from more traditional cultures and shed some light on the unintended consequences for their well-being and integration.

INTENDED CONSEQUENCES

As outlined above, birthright citizenship may trigger human capital investments by immigrant families both in the short- as well as in the longer-term. It is well understood that human capital investments are hierarchical, with those made early in a child's life affecting subsequent ones (Cunha and Heckman, 2007). Take for example, preschool enrolment: attending preschool may promote a child's school readiness (Cornelissen et al. 2018; Felfe and Lalive 2018) and thus influence parents' decisions regarding primary school enrollment. Age at school entry, in turn, may affect children's subsequent scholastic performance and thus secondary school track choice. In light of this hierarchical structure, two scenarios for the effects of birthright citizenship are conceivable. On the one hand, parental choices regarding their children's early education, e.g., sending them to preschool, may result in improved child outcomes in the short run that in turn trigger subsequent parental investments that promote children's education in the long run. On the other hand, returns on investments may not meet parents' expectations (e.g., in form of improved teacher evaluations). If this is the case, parental integration efforts may fade out over time, and no lasting effect on children's education would be observed.

To study both children's short- and longer-term educational outcomes, Felfe et al. (2020a) draw upon two administrative data sources. Specifically, they use data from school entry examinations and school registers covering the first three educational phases—preschool, primary school and secondary school. The first key result of their paper is that the introduction of birthright increased immigrant children's preschool enrolment by 3 percent. Turning to the developmental outcomes measured at the end of the preschool period, the study shows that the birthright citizenship reform increased immigrant children's German language proficiency by 6 percent and their socio-emotional maturity by 2 percent. As a result, immigrant children entitled to birthright citizenship are likely to move on earlier from preschool to primary school. The educational advantages last throughout primary school and are visible in a reduced probability of grade retention by 25 percent. Finally, and most

[3] The interested reader may refer to Felfe et al. (2020a) to inquire more detailed information about the reform.

[4] To further get hold of any confounding variables, one may further draw upon a control group. The control may vary depending on the available data source. Natural candidates are native children or immigrant children born in earlier years.

importantly for immigrants' longer-term integration, the study shows a significant increase of 39 percent in immigrant children's probability of attending the academic track of secondary school. In fact, the prevailing immigrant-native gap in academic track attendance narrows by almost half.

These results are sizeable, also in comparison to the effects of alternative early life interventions. For instance, for the case of Germany, public preschool attendance has been shown to close the immigrant-native gap in school readiness on average (Cornelissen et al. 2018). In comparison, birthright citizenship closes this gap by more than half. Head Start, a US American preschool program available free of charge to low-income families, closes one-fourth of the gap in test scores between Hispanic children and non-Hispanic white children and two-thirds of the gap in the probability of grade retention (Currie and Thomas 1999). In comparison, birthright citizenship closes the immigrant-native gap in grade retention fully. The effect of birthright citizenship is furthermore comparable to the effect a randomized tutoring and career counseling program provided to high-ability students in Italy: Carlana et al. (2020) show that this program fully closes the academic-track enrollment gap, but only for the case of boys.

Digging deeper into gender differences, Felfe et al. (2020b) uncover that the positive effects of birthright citizenship are an entirely male phenomenon. Drawing upon self-collected data on the full population of ninth- and tenth-graders in eight German cities, they confirm a positive effect on immigrant children's educational achievement at the end of compulsory schooling. Specifically, birthright citizenship led to a near-closure of a substantial pre-existing educational achievement gap (in core subjects, such as German and math) between them and their native peers. Breaking the result down separately by gender, the reform's educational effect turns out to be entirely explained by male immigrants catching up educationally with their native peers.

The core interest of Felfe et al. (2020b), however, lies in understanding whether birthright citizenship helps in overcoming barriers and whether it fosters cooperation between immigrants and their native peers. As outlined above, endowing immigrant children with the same economic and political opportunities as their native peers may enhance immigrant children's identification with the host country, reduce discrimination by native peers and maybe most importantly, reduce the social distance. To elicit children's willingness to cooperate, Felfe et al. (2020b) enriched the data collection with a lab-in-the-field experiment. They asked all survey participants to take part in an investment game, distinguishing between investment decisions when interacting with children with and without a migrant background. With this data at hand, they were able to gauge in-group/out-group cooperation between immigrant and native youth. They established a marked gap between intra- and inter-group cooperation among immigrant children born pre-policy. To be precise, immigrant children, both boys and girls, were significantly more inclined to transfer some of their initial endowment to children with whom they shared an immigrant identity than to native German children. The introduction of birthright citizenship significantly affected immigrant children's in-group/out-group behavior, but in a gender-specific way. Immigrant boys significantly reduced their discriminatory behavior against native children. In fact, immigrant boys born under jus soli were almost equally inclined to invest toward immigrants and natives. For immigrant girls, birthright citizenship did not seem to matter at all: the in-group/out-group gap was strong and persistent independent of birthdate and citizenship status. Investigating the underlying motives for cooperation, they find that introducing birthright citizenship caused male, but not female, immigrants to significantly increase their trust toward natives. This result aligns well with the results on immigrant children's educational progress as education has been argued to be the single best predictor of trust (Putnam 2000; Uslaner 2008). Alternative mechanisms, such as a stronger ethnic identification with the host country or less discrimination by native peers, did not seem to play a major role.

The results so far raise the question of why boys benefit from introducing birthright citizenship, as well as from other early interventions (Carlana et al. 2020), but girls do not. The above-mentioned fact that many immigrants stem from rather traditional cultures, where conservative gender roles prevail, may offer an explanation. The economic and political opportunities attached to citizenship may be opportune for immigrant boys to reach the outcomes desired by their parent—men ought to be professionally successful and act as the main breadwinner of the family. Immigrant girls, however, ought to take care of the family and preserve the cultural values of their country of origin. As a result, birthright citizenship and the attached opportunities may lead to intra-familial tensions and a clash of cultures where immigrant daughters are the losing party: they may raise their professional aspirations, but at the same time suffer from disillusionment in realizing these objectives given pressure from the parents. As a result, birthright citizenship may have the unintended consequence of reducing immigrant girls' well-being.

UNINTENDED CONSEQUENCES

Taking advantage of the self-collected data set mentioned above, Dahl et al. (2020) test this idea and find that birthright citizenship lowers subjective well-being for immigrant girls: Self-reported life satisfaction falls by almost a third of a standard deviation for immigrant girls born after the reform. The effects are concentrated among immigrant daughters in Muslim

families, where cultural differences relative to German mainstream culture are starkest. Sadly, the implied effect is similar in magnitude to the effect of medium-level depression in terms of life satisfaction (Frijters et al. 2020).

A series of additional results support the notion that birthright citizenship raises intergenerational identity concerns, in particular among Muslim families. First, citizenship results in disillusionment for Muslim immigrant girls, where they believe the chances of achieving their educational and career goals are lower. To be precise, Muslim immigrant girls exposed to the citizenship reform are more likely to aspire to get tertiary schooling, but the odds they place on reaching their educational goals fall. Second, parental investments in mainstream culture fall for Muslim immigrant girls, whereas investments in the traditional culture rise. Starting with labor market investments, Muslim immigrant girls who have access to birthright citizenship are significantly less likely to receive parental support with their homework and learning compared to their non-naturalized peers. Turning to the transmission of cultural heritage, Muslim immigrant parents are more likely to never speak German with their daughters born after the reform. In line with this, the odds of having to forgo a career for family as reported by Muslim immigrant girls rise.

These results align well with the idea that parents undermine the assimilation and integration of their daughters, but not their sons, in response to the increased opportunity set that citizenship provides. In fact, immigrant parents seem to succeed in their efforts. Their daughters are less likely to self-identify as German, their belief that foreigners can have a good life in Germany falls, they are less likely to participate in after-school social activities with natives and are less likely to have a friendship network they can turn to for support when they experience challenges.

LESSONS TO BE LEARNED

Taken together, birthright citizenship causes both intended and unintended consequences. On the one hand, birthright citizenship exerts effects on immigrant children's educational achievements, which are not only desired, but also predicted by neoclassical theory. Importantly, while birthright citizenship causes effects that are comparable to those of well-known educational interventions, such as universal preschool and targeted tutoring, it is arguably associated with much lower costs. The main direct costs of "ius soli" are administrative, which are low given that citizenship is simply recorded on a child's birth certificate. By contrast, alternative educational interventions involve direct costs such as the hiring of new personnel, the construction or expansion of childcare facilities, or the training of tutors. For example, in Germany the costs of a preschool slot amount to approximately 850 euros per month and, thus, to more than 30,000 euros per child who attends preschool between ages three and six. In addition, there seem to be spillover effects on immigrant children's social integration. On the other hand, birthright citizenship may lead to intra-familial conflicts, forcing immigrant daughters to accept a more traditional gender role, thus limiting thus their economic integration. Importantly, these effects cannot be predicted by neoclassical theory, but require a model that considers the transmission of cultural norms and the prevalence of identity concerns therein.

In sum, a comprehensive and a dynamic analysis of the effects of integration policies is warranted in order to gauge their effectiveness and to avoid any undesired effects. In addition, policy makers should be sure to consider the norms and values prevalent in both the host country and the main countries of immigrant origin.

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