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Poverty among immigrants upon arrival in Sweden - a comparison by the type of migration

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A decorative graphic at the bottom of the slide consists of several overlapping, semi-transparent grey arcs of varying sizes and positions, creating a sense of movement or a stylized background element.

Introduction

- Poverty, either relative or absolute, is one of the main indicators of social exclusion.
- The focus is on the first five years as the literature suggests that the first years of settlement are the crucial period in the process of integration into labor market and other social domains (Chiswick et al., 2005).
- The study looks at the poverty status both before and after transfers (“market poverty” and “state-mediated poverty”, see Kenworthy, 1999; Kesler, 2015).

Social context

- Heterogeneous immigrant population from different continents. Finns and ex-Yugoslavs still the largest groups. However, Syrians may rank first by the end of 2017.
- Initially mainly labor migration – however, this started to change in the 1970s (Chile, oil crisis, Iran). Nowadays, refugee policy is closely tied to Sweden's immigration policy.
- Highly ranked in terms of integration policies (e.g. MIPEx), yet far from being immune to discrimination, anti-immigrant sentiments, or residential segregation (Akrami et al., 2000; Eger, 2009; Bursell, 2012; Andersson, 2013).
- Strong welfare state, high levels of gender equality, relatively low albeit increasing income inequality.

Data and observed population

- Compilation of Swedish register data - the data include longitudinal yearly information on all individuals who lived in Sweden between 1990 and 2012.
- The analysis includes immigrants (i.e. foreign-born) who are between 18 and 60 years of age in the year of arrival in Sweden.
- The immigrants enter the study in year of arrival in Sweden and are followed for another five consecutive years (arrival cohorts 1990-2007).
- Main analysis: transcontinental (non-European) migrants

Poverty definition

- Relative poverty
- Market poverty threshold - 60% of the median household earned income (incl. capital income)
- State-mediated poverty line is calculated as 60% of the median household disposable income
- Modified OECD scale is used to account for household size (1+0.5+0.3)

Dependent variable – the main model

The four principal poverty outcomes upon arrival are classified as follows:

- 1 - not poor in any of the first five years;
- 2 – mostly non-poor (poor in one or two years out of five);
- 3 – mostly poor (poor in three or four years out of five);
- 4 – poor in all five years

Hierarchical relationship between outcomes -> ordered logistic regression in the multivariate analysis (odds ratios)

Additional analysis – who benefits from transfers?

- Favorable outcomes: 0 – 2 years in poverty upon arrival
- Unfavorable outcomes: 3 – 5 years in poverty upon arrival
- Combinations of market and state-mediated poverty outcomes (multinomial logistic regression):

Outcome	Market poverty	St. – med. poverty
1 (unfavorable, base)	unfavorable	unfavorable
	able	
4 (favorable)	favorable	favorable

Independent variables (1)

- Age at migration
- Gender
- Education level (1 – primary or less, 2 – secondary, 3 – at least some tertiary, 4 – unknown)
- Labor market attachment
- Family type (1 –couple with children <18 yrs, 2 – couple with adult children, 3 - couple with no children, 4 – single parent with children <18 yrs, 5 – single parent with adult children, 6 – single)
- Immigration year
- Living in large urban areas (Stockholm/Gothenburg/Malmö)
- Share of co-ethnics in the area (“parish”) of residence

Independent variables (2)

- Immigrant group:

USA/Canada, Chile, other Latin America, Horn of Africa, Northern Africa, other Africa, Turkey, Iran, Iraq, Middle East, Southeast Asia (mainly Thailand), East Asia, South Asia, Australia/New Zealand

- Reason for migration (reason for granting residence permit)

- I. Work

- II. Family formation or family reunification

- III. Refugees

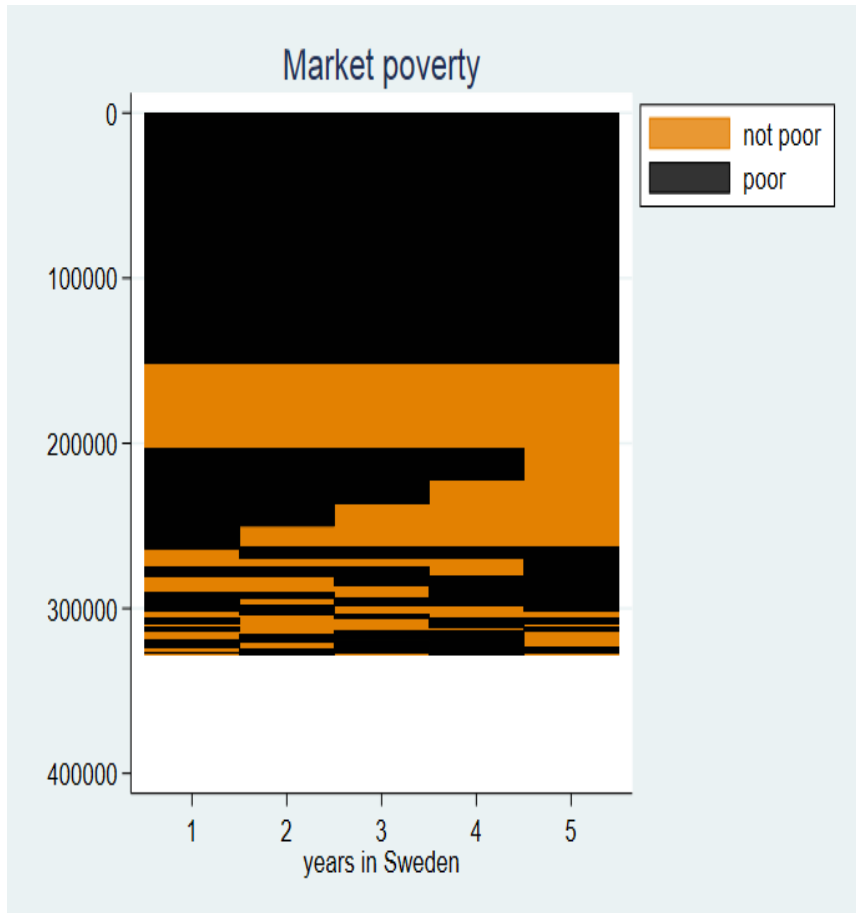
- IV. Students

- V. Other or unknown

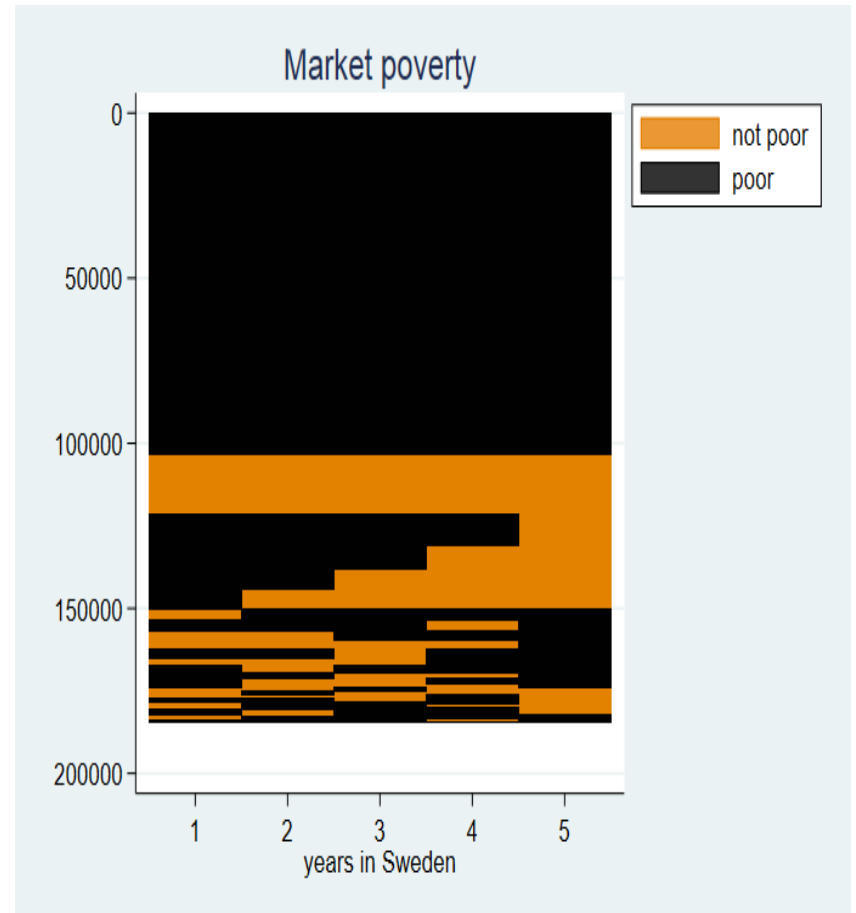
All independent variables refer to the year of arrival!

Market poverty upon arrival

All immigrants



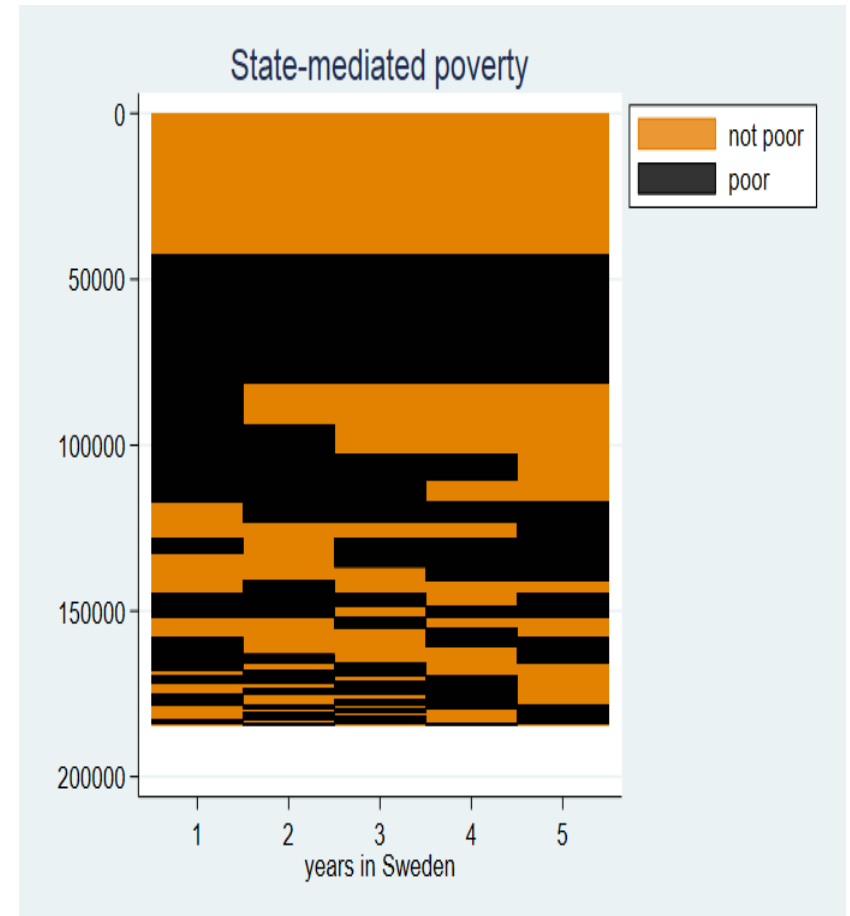
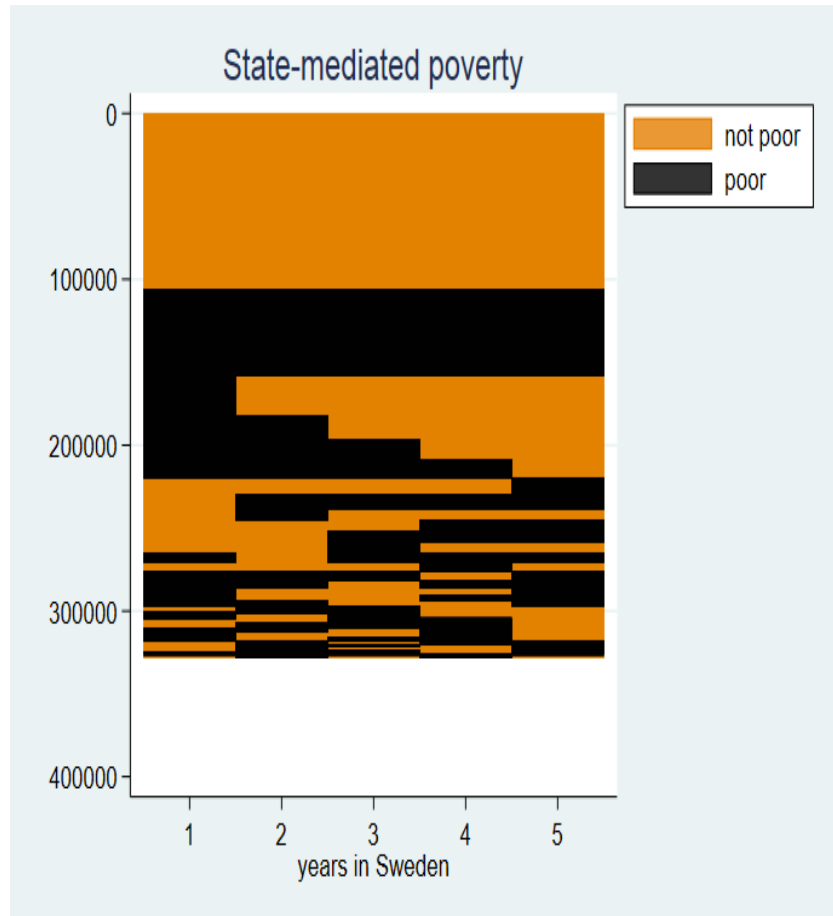
Transcontinental immigrants



State-mediated poverty upon arrival

All immigrants

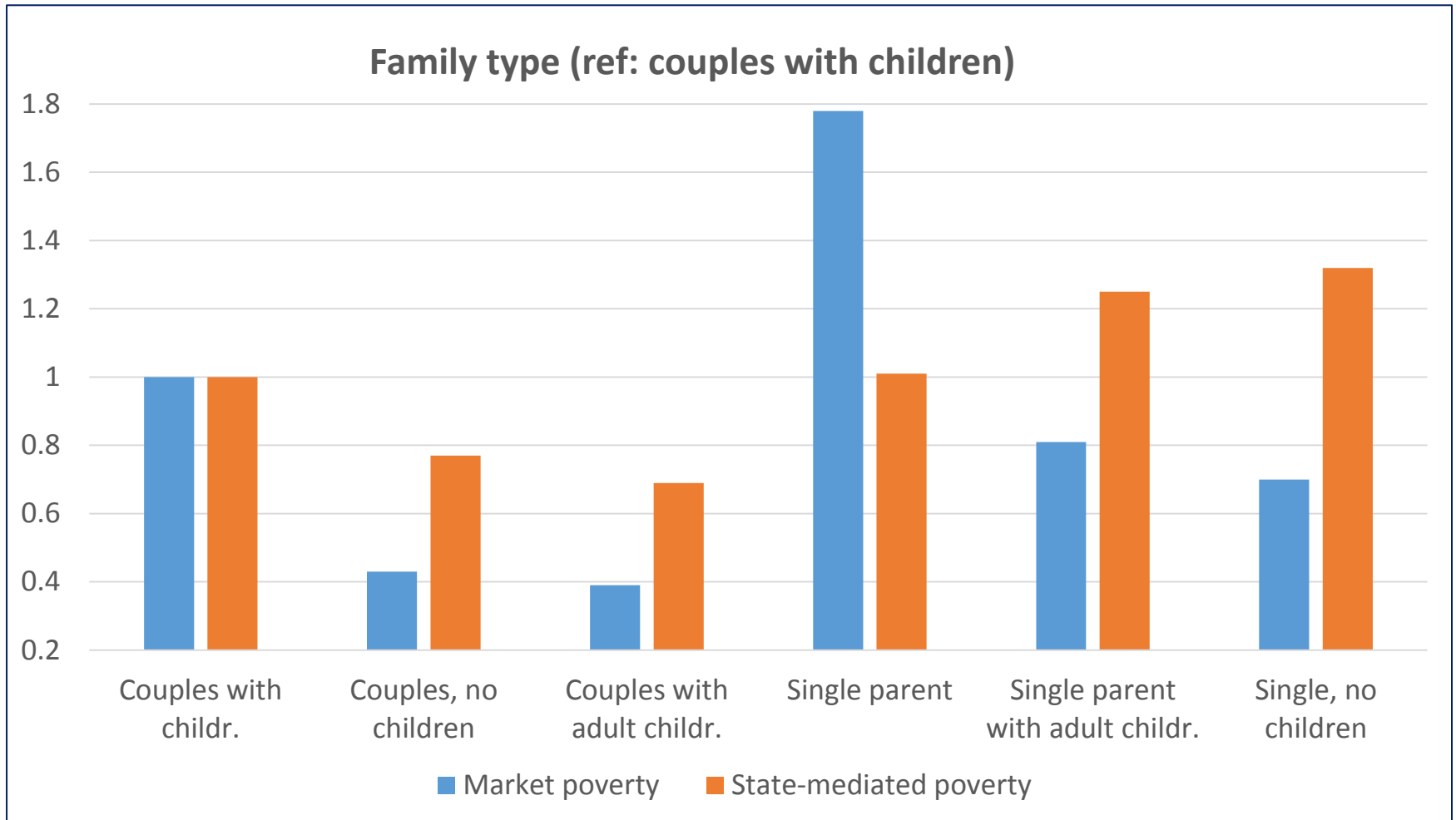
Transcontinental immigrants



Ordered logistic regression– some similarities between MP and SMP

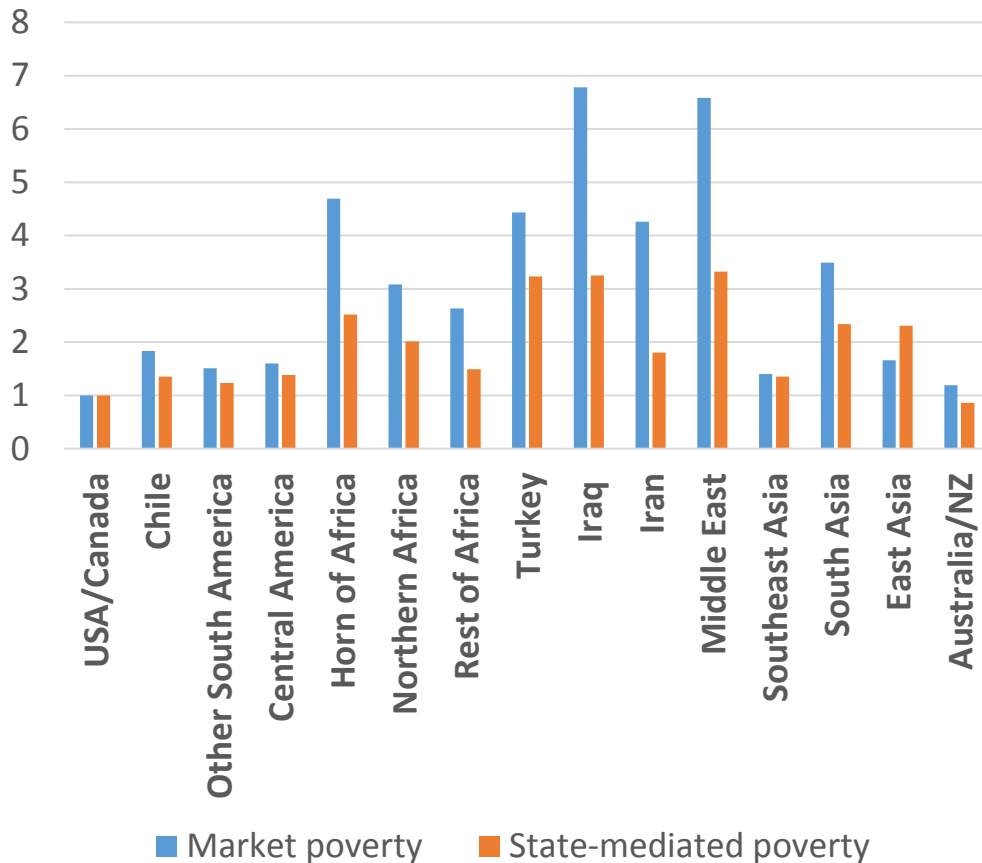
- Highly educated are twice less likely to experience negative outcomes as compared to immigrants with primary education (or less)
- Very small gender differences
- A higher share of co-ethnics in the neighborhood increases the likelihood of negative outcomes
- Access to labor market greatly reduces the likelihood of unfavorable outcomes

And some notable differences

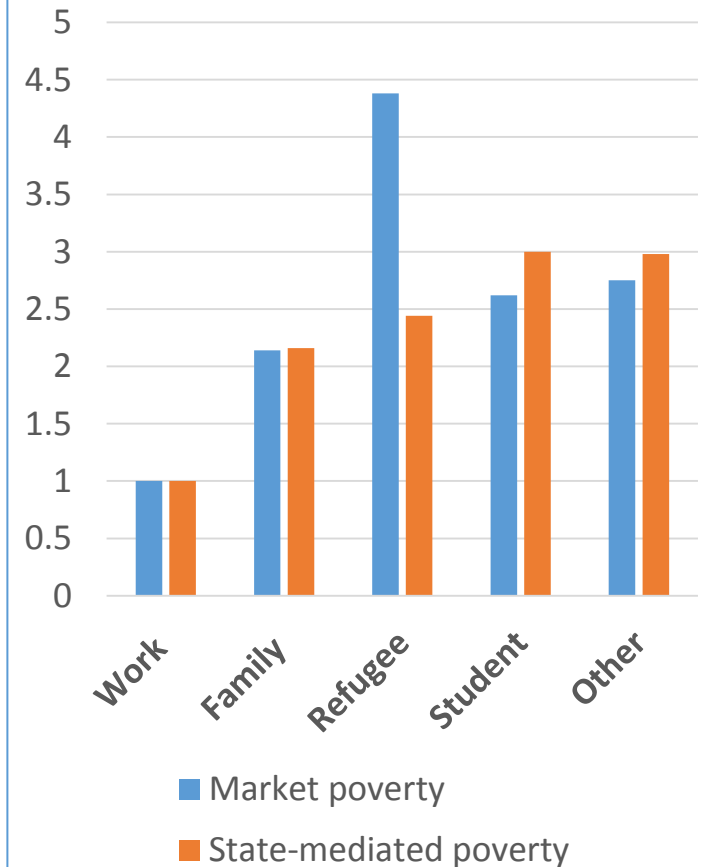


Also with respect to origin and reason for migration

Immigrant groups



Reason for migration



Multinomial logit model - who is lifted out of poverty?

- Immigrants older than 30 at arrival, in particular those older than 40 (the latter almost twice as likely as immigrants aged 18-24 at arrival)
- More educated people
- Couples with children and single parents (as opposed to single immigrants with no children)
- Refugees – 61% (22%) more likely to experience the mixed outcome than labor migrants (family migrants)
- Immigrants living in Stockholm/Gothenburg/Malmö
- Immigrants living in areas with a lower presence of co-ethnics

Thank you for your
attention!

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