

Economic incentives and the return of rejected asylum-seekers

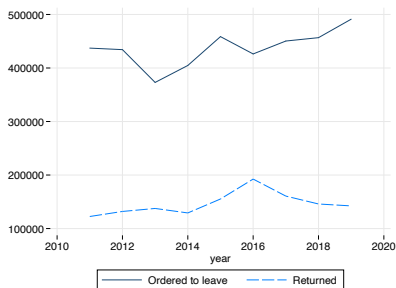
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Return of rejected asylum seekers

- ▶ A majority of asylum-seekers applicants are rejected - Around 30 % returns

Figure: Ordered and actual return, EU, 2010-2020



- ▶ Many want to avoid forced deportations, use incentives, but:
- ▶ **Do economic incentives (cash grant) affect return behaviour of rejected asylum-seekers?**

Expectations

1. Reasons to expect positive effects

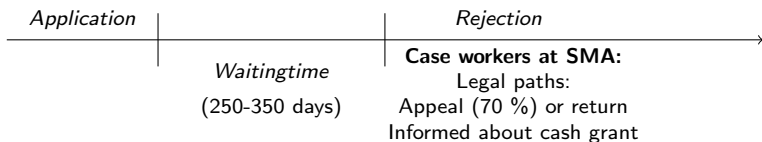
- ▶ Basic Econ theory
- ▶ Correlation between economic improvements in the home country and return migration (Borjas and Bratsberg, 1996; Bijwaard and Wahba, 2014) (Nekby, 2006; Klinthäll, 2007)
- ▶ *Stated* migration wished among Syrian refugees in refugee camps (e.g. Beaman et al., 2022; Alrababah et al., 2023)

2 Reasons to expect no effect:

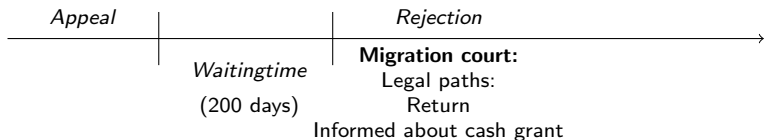
- ▶ Rejected asylum-seekers particular group: Could have *strong preferences of living anywhere but home country*. Inelastic response.
- ▶ Few studies on this group: find small/no indication of effect Black et al. (2011) Leerkese et al. (2017)

What is a "rejected asylum-seeker?" Asylum process for the rejected

First margin: Rejected at first instance



Second margin: Conditional on appealing



Return/ cash upon return program

▶ **Return process:**

1. Required to return *on his/her own* (30-40 %).
2. Migration Agency helps with costs involved in the travel.
3. If person deviates/don't return, case is transferred to law enforcement/police

▶ **The policy:** Cash-upon return introduced in Sweden 2007

▶ **How much?:** Rejected asylum seekers receive a cash grant of 30 000 SEK (max 75 000 SEK for a family) if they return on their own (on top of other help with return)

▶ **How do I get the money?** usually via IOM

▶ **Who is eligible?** SMA determines what origin countries are eligible

1. Countries added at different points in time: list revised yearly
2. Not a sharp implementation
3. Neither asylum-seekers, nor case-workers aware of the changes before the list is revised
4. Locations where re-integration is particularly “challenging”.
Note: *Very black box*

Research Design and data

- ▶ **Data** Individual level from SMA. 1 obs per asylum-case/seeker. Demographic but no socioeconomic info
- ▶ **Sample restricted:** to adults with a first instance rejection. Focus two events: 2009, 2011

$$y_{itc} = \alpha + \delta_{ic} \sum_{d=-8}^8 \beta_d + \theta_c + \theta_t + \varepsilon_{ict}, \quad (1)$$

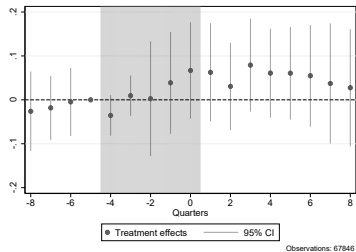
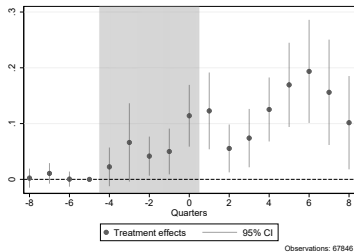
- ▶ **Outcome:** dummy (1,0) for return within two years, granted benefit
- ▶ **Condition on** country and quarter fixed effects
- ▶ **Treatment** assigned by event style dummies, quarters since event
- ▶ **Intuitive idea:** compare difference in return rate for a given country before after added to list. In turn compared to difference among control group of those never treated/not yet treated.

Summary statistics

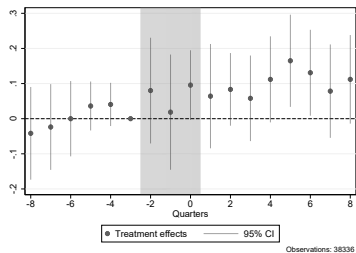
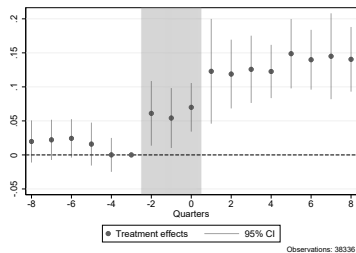
	mean	sd
Woman	0.34	0.47
Family with one or more children	0.35	0.48
Appeal < 2 y	0.69	0.46
Own return < 2 y	0.31	0.46
Own return < 5 y	0.36	0.48
Forced return < 2 y	0.05	0.22
Forced return < 5 y	0.09	0.29
Handed to police < 2 y	0.33	0.47
Detention < 2 y	0.05	0.23
Processing time (# days)	322.23	266.79
Days return	552.41	708.88

- ▶ Common countries of origin: Kosovo, Russia, Kyrgyzstan, Yemen, Eritrea.

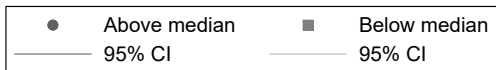
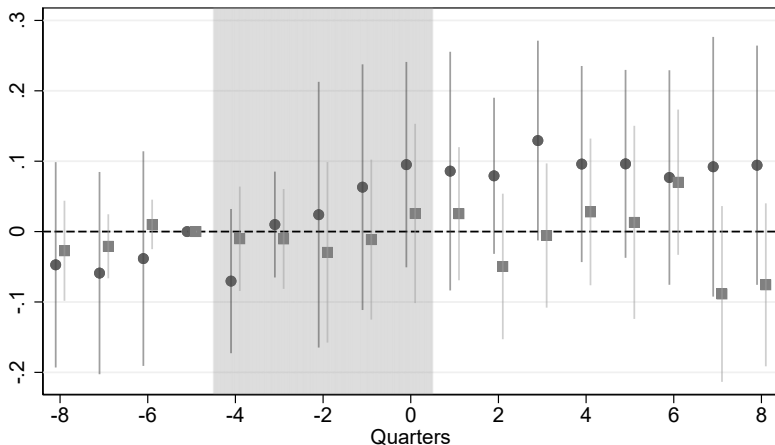
Main results: granted benefit and return within two years, first instance decision



Main results: Migration court decision



Democracy index in home country



Observations: 62113, 55424

Conclusion/Going forward

1. Cash grant: (very) weak evidence in favour of an effect.
Under the pre-condition of relatively safe/democratic country.

NEXT:

- ▶ Research design/control group
 - ▶ New data
 - ▶ Stack the data create individual control groups for each country of origin
 - ▶ Run new methods in line with Callaway/Sant'Anna; Sun/Abraham, Chaismartain, Wooldridge.
- ▶ Cost benefit calculation
- ▶ Adverse selection analysis

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