“Policy Analysis of Labour Market Immigrant Integration in Sweden in the 21st Century”
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Foreword

From April to May 2014, I participated in a field research course in Malmo, Sweden, under the supervision of Dr. Ravi Pendakur. For two weeks, we were educated about Sweden’s immigration history and subsequent government policies. Scholars and field experts all shared their experiences and perspectives relating to the subject.

Throughout the course and after consulting indexes such as MIPEX, it was evident that Sweden was a world leader in immigration and integration initiatives. Their policies seem as generous as they are comprehensive. And yet, as we toured neighborhoods in Malmo, it appeared that disparity and integration remains an issue. Immigrants dominated certain neighborhoods, while other neighborhoods consisted mostly of native-born Swedes. There was a disconnect between what we had learned and what we were witnessing.

This disconnect is the motivation for this paper. Despite their policies, it seemed integration in Sweden remained an issue. My intention was therefore to analyze their effectiveness: did the outcomes of the integration policies reflect their stated goals? The programs set out by the government – were they truly effective in achieving integration? This paper will attempt to draw out a conclusion in response to these questions.
Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreword</td>
<td>2</td>
</tr>
<tr>
<td>Abstract</td>
<td>4</td>
</tr>
<tr>
<td>Introduction</td>
<td>4</td>
</tr>
<tr>
<td>Sweden's Immigration History</td>
<td>6</td>
</tr>
<tr>
<td>Sweden’s Immigrant Labour Market</td>
<td>9</td>
</tr>
<tr>
<td>Factors Inhibiting Immigrant Labour Market Performance</td>
<td>13</td>
</tr>
<tr>
<td>Swedish Government Policies, Programs, Initiatives and Legislation</td>
<td>22</td>
</tr>
<tr>
<td>Citizenship</td>
<td>23</td>
</tr>
<tr>
<td>Language</td>
<td>30</td>
</tr>
<tr>
<td>Skill Recognition and Job Mapping</td>
<td>32</td>
</tr>
<tr>
<td>Discrimination</td>
<td>36</td>
</tr>
<tr>
<td>Assessment of Legislation Efficacy</td>
<td>37</td>
</tr>
<tr>
<td>Discussion</td>
<td>44</td>
</tr>
<tr>
<td>References</td>
<td>50</td>
</tr>
<tr>
<td>Appendix A</td>
<td>56</td>
</tr>
<tr>
<td>Appendix B</td>
<td>59</td>
</tr>
</tbody>
</table>
Abstract  Instability in the Middle East and Eastern Africa has motivated immigrants and refugees to seek out better futures in Europe. Of the European destinations, many migrants target Sweden. As the foreign-born population in Sweden grows, however, there is increased pressure on welfare services, the labour market, and on society to integrate them. The Swedish government has, in response, developed policies to better integrate these individuals. The aim of this paper is to determine the efficacy of Swedish government integration programs since the year 2000. Integration will be measured economically in terms of both wage and unemployment. In order to then determine the effectiveness of Swedish government programs, this paper analyzes the strength of policies relating to citizenship, language training, skill recognition and discrimination and their effects on foreign-born unemployment and income. Results show that the effects of these programs are mixed. Citizenship and language training have a positive effect on integration, whereas the effects of skill recognition and anti-discrimination programs are either negative or incomplete.

Introduction

The recent rise of intrastate conflict combined with the increasing ease of travel has stimulated an increase in immigration and people seeking refuge. Instability in the Middle East and Southeast Asia has motivated individuals to flee their countries in search of better futures. However, as more people flee from underdeveloped to more developed countries, more pressure is put on developed countries to accommodate and integrate them.

Sweden is no exception. A rapid increase in immigration and rising unemployment (see Charts 1, 4 and 6) over the past 15 years has forced the Swedish government to react. They have responded by drafting legislation and implementing policies to integrate newly-arrived individuals.

This paper will analyze the efficacy of these programs and whether they have led to increased integration. In this paper, integration will be defined in terms of
economic labour market performance of the foreign-born population. Wages and unemployment will be used as the metrics to determine the level of economic integration relative to the native-born population. First, the immigration history of Sweden will be taken into account to demonstrate the shifting trends and the need for integration programs. Second, this paper will identify the factors that have inhibited the success and performance of immigrants in the Swedish labour market. Third, this paper will identify the legislation that the Swedish government has enacted and the programs that have been put in place to address these factors. Legislation regarding citizenship, language, skill-recognition, and discrimination will be considered. Fourth, this paper will provide an overall assessment of how these programs have addressed economic integration challenges with a specific focus on wage and employment disparities. Finally, the discussion section will summarize the arguments and offer further avenues of research in order to provide a deeper analysis.

Overall, the findings of this paper will demonstrate that naturalization has a positive but limited effect on integration, whereas knowledge of the Swedish language generally improves labour market performance. This paper infers, then, that government programs promoting citizenship and language training are worthwhile. Conversely, this paper finds that the effects of skill recognition, validation, and anti-discrimination programs may have either no observable net effect or may discourage economic integration.
Sweden's Immigration History

From the mid-1800s until the 1930s, Sweden was mainly a net emigration country. Prior to the 1930s, reasons such as religious persecution and poverty led many families to migrate from Sweden to both the United States and Canada.¹ Many asylum seekers of the Second World War -- mainly from Germany and the Baltics -- ushered in the first substantial wave of migrants to Sweden in the 20th century, followed soon after by labour migration from Southern Europe to Sweden in the 1950s.² This trend of net immigration continued through the 1970s, with many Chileans fleeing to Sweden in response to the persecution of the Pinochet regime.³ In the 1980s, Sweden was a recipient of many Iraqis and Iranians due to the Iran-Iraq War, and in the 1990s, accepted many refugees from the Former Yugoslavia.⁴ Iraqis, Eritreans and Somalis have been among the most represented groups to immigrate or to apply for asylum in Sweden during the 21st century.⁵

Sweden is currently a recipient of, and home to, a significant number of migrants. Nearly 16 percent of the 9.7 million inhabitants living in Sweden are foreign-born.⁶ The foreign-born population percentage in Sweden is larger than any country in the Nordic region, including Finland (5.5%), Norway (13.8%) and

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³ Ibid.
⁴ Ibid.
Denmark (10.1%). Of these foreign-born population totals, Sweden is also home to the largest non-EU foreign-born population in the Nordics, accounting for approximately 10.2% of the total population. Although individuals born in Finland represent the largest immigrant group, they are followed by -- in order -- Iraq, Poland, the Former Yugoslavia, and Iran. Of note, Syrians represent one of the fastest growing foreign-born groups; nearly 12,000 Syrians were granted asylum, constituting more than forty percent of all accepted asylum requests in 2013. In 2014, every fifth immigrant to Sweden arrived from Syria.

Of the residence permits granted to all immigrants in Sweden in 2014, 15,872 were labour migrants -- individuals who require an offer of employment from a Swedish employer in order to be admitted. Approximately 42,400 fell

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under the category of family reunification.¹³ These are individuals who have family ties to a person already living in Sweden; they must be either a registered partner, common-law spouse or a child under the age of 18. A further 9,267 were students.¹⁴

Finally, nearly 33,671 of them were classified as accepted asylum seekers.¹⁵ In 2014, the five main citizenships of non-EU asylum applications were from: Syria (30,750), Eritrea (11,530), Stateless (7,820), Somalia (4,870) and Afghanistan (3,105).¹⁶ The Swedish Migration Board made a total of 39,905 asylum application decisions in 2014, of which 30,650 resulted in a first-instance positive result (see Table 1 and Chart 7). In comparison, larger EU countries such as Germany made 97,275 decisions, admitting 40,560, while France decided on 68,500 asylum applications and accepted 14,815 (see Table 1). As a percentage 77 percent of Sweden's asylum decisions resulted in positive ones, while both Germany and France accepted roughly 42 percent and 22 percent respectively (see Table 1 and Chart 7). In 2014, Sweden had thus granted more asylum seekers refuge relative to other major EU immigrant destinations in relative terms (minimum 10,000 applications) and only second to Germany in absolute terms.

Figures demonstrate that the number of immigrants arriving in Sweden has increased consistently every year since 2000 and especially sharply over the last few years. Charts 5 and 6 show the number of asylum applications and residence

¹³ “Facts on residence permits and migration to Sweden.”
¹⁴ Ibid.
¹⁵ Ibid.
permits granted per year from 1980 to 2014, demonstrating a rapid rise in immigration and individuals seeking refuge since 2000. To illustrate the extent of the increase in population, Sweden’s population grew by 0.93 percent from 2012 to 2013, representing the largest total increase in one year since 1946.\textsuperscript{17} The number of immigrants to Sweden over the last 15 years is unprecedented, and the rising number of immigrants and refugees since the mid-20\textsuperscript{th} century continues only to grow. In turn, these trends have led to an increased need for the Swedish government to initiate programs aimed at promoting economic integration.

**Sweden’s Immigrant Labour Market**

There was considerably less pressure on the Swedish government to accommodate immigration flows in the mid-20\textsuperscript{th} century. From 1950 to 1970, the majority of immigrants arrived in Sweden as economic migrants or ones based on family ties.\textsuperscript{18} Most came from neighboring Nordic countries as a result of Sweden’s liberal entry rules for citizens of Scandinavian countries, while some were recruited from farther abroad to fill specific positions in the labour market.\textsuperscript{19} These migrants performed either as well as, or better than, native-born citizens. Immigrants during

\begin{footnotesize}
\textsuperscript{17} “Immigrants behind boom in Sweden’s population,” The Local Europe AB, last modified February 19 2014. http://www.thelocal.se/20140219/swedens-population-booms-after-immigration-spike
\end{footnotesize}
this period achieved both comparable rates of employment and yearly incomes with those born in Sweden.\textsuperscript{20} From the 1970s onwards, however, the labour market shifted. Economic growth slowed, decreasing demand for labour from abroad.\textsuperscript{21} Moreover, an increasing proportion of immigrants to Sweden arrived as refugees during this period: in 1970 the percentage was less than 10 percent and had risen to 70 percent by the 1990s.\textsuperscript{22} Because these immigrants had arrived with the purpose of seeking refuge and not necessarily employment as in previous decades, their overall likelihood of employability decreased. Multiple scholars have thus observed that there has been a noticeable decrease in the labour market performance starting in 1970 of foreign-born citizens in Sweden, and particularly from non-European countries.\textsuperscript{23} This trend continued into the 1980s, and had become worse in the 1990s.\textsuperscript{24} In the 1990s, a recession had worsened the national economic and labour market situation, as unemployment spiked from 2 percent in 1993 to 8 percent in 1994.\textsuperscript{25} Both native-born and foreign-born citizens were affected by the economic


\textsuperscript{22} Hansen & Lofstrom 2009, 945.


\textsuperscript{25} Rosholm, Scott & Husted. "Times Are a-Changin'," 319.
downturn, but the latter were more adversely affected.\textsuperscript{26} According to Kogan (2003), even low-skilled workers who had immigrated to Sweden prior to 1973 had lost jobs and been unable to compete in the labour market during the 1990s.\textsuperscript{27}

Since 2000, the overall labour market situation has improved. From the period 2002 to 2013, the national unemployment has averaged roughly 7.3 percent, down from the 8 percent peak of the 1993 recession (see Chart 1). The employment gap, however, remained and continues to remain between native-born and foreign-born individuals. According to statistics retrieved from the OECD statistical database, foreign-born unemployment has nearly averaged twice that of native-born unemployment from 2001 to 2013 (see Chart 2). More specifically, native-born unemployment has averaged 5.7 percent, while the foreign-born unemployment rate has hovered close to 13 percent (see Chart 2).

The participation rate from this period further reflects the disparity of the native and foreign-born populations in Sweden. Defined as a percentage of those either employed or looking for work in the labour force, the participation rate differs between those born in Sweden and those born abroad. The native-born participation rate averaged 80 percent from 2001-2013 (see Chart 3). Meanwhile, the foreign-born participation rate has averaged 72 percent during the same period, although there has been a steady rise over the same period (see Chart 3).

Within the foreign-born population, studies suggest that foreign-born men are those who are most prone to labour market disadvantages. Generally, women and men born in Sweden have a lower unemployment rate (see Chart 4) and a higher earnings average than those who are foreign-born.\(^\text{28}\) While it has been shown that time spent in a country can reduce this gap, Le Grand & Szulkin (2002) argue that male non-European immigrants in particular can face a substantial earnings disadvantage even after having lived in the country for 20 years.\(^\text{29}\)

Many migrants in Sweden turn to self-employment if their attempts in entering the labour market prove unfruitful. Blume et al. (2009) have found that immigrants in neighboring Denmark use self-employment to “escape” marginalization; due to the high degree of marginalization of foreign-born individuals relative to natives in the labour market, a high number of immigrants are self-employed.\(^\text{30}\) Klinthall & Urban (2014) find that both self-employment and intrafamily employment is common among foreign-born individuals, which acts as a tool to “[overcome] these barriers and can affect their children's opportunities in the labor market.”\(^\text{31}\)

As of 2014, Sweden has the third-highest self-employment rate among OECD countries.\(^\text{32}\) This number is largely attributable to immigrant groups. The groups that have especially high self-employment rates are first-generation immigrants

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\(^{28}\) Le Grand & Szulkin, “Permanent Disadvantage,” 58.

\(^{29}\) Ibid, 59.


from Turkey, Lebanon and Syria. Generally, foreign-born individuals are more likely to be both unemployed and self-employed relative to individuals born in Sweden. As an example, in 2005, the self-employment rate among Middle Eastern immigrants was 25 percent, while only 9 percent of the native-born working population was self-employed.

The change in immigration patterns in Sweden has significantly changed the demographics of the country as well as the national labour market. Since 1970, there are observable trends of both increases in the foreign-born population as well as increases in wage and employment disparity between immigrants and the native-born Swedish population.

Factors Inhibiting Immigrant Labour Market Performance

The differences in employability between the native and foreign-born population can be attributed to several factors. These include: the state of the national economy, language skills, recognition of education, and different types of discrimination. Aslund & Rooth (2007) make the argument that the overall performance of the economy can have an impact on the employability of the general foreign-born population in Sweden, arguing that, “early earnings assimilation

34 Blume et al. ”Labor market transitions,” 881.
depends *crucially on* a favourable national labour market” (emphasis added). 36 They find that immigrants who arrived in 1987 versus those who had arrived in 1991 were both more likely to find employment and earn higher wages. 37 Conversely, those that had arrived during an economic downturn endured lesser earnings and a lower prospect of employability. These findings demonstrate that the economy can affect the employability of immigrants in Sweden.

The recession of both the early 1990s and late 2000s reinforce this point. The economic crisis of the 1990s had negatively affected the foreign-born population more so than those born in Sweden, with foreign-born unemployment reaching 17 percent in 1996 compared with only 8 percent for the native population. 38 Saarela & Finnäs (2007) observe the same trend during the 1990s with respect to Finnish-speaking immigrants versus Swedish-speaking Finnish immigrants in Sweden. Following the 2008 recession, foreign-born groups were – similar to the early 1990s – more adversely affected by the economic crisis. 39 Chart 2 shows that from 2008 to 2009, foreign-born unemployment in Sweden increased more than the native-born unemployment rate. Foreign-born unemployment has continued to remain high while native-born unemployment has decreased (see Chart 2). These examples demonstrate that the state of the economy can either decrease or exacerbate the disparity between native and foreign-born labour market performance in Sweden.

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More specifically, an economic downturn slows immigrant integration in the labour market.

Another factor preventing immigrants from better integrating into the labour market is the language barrier. There are approximately 10.5 million Swedish speakers worldwide and 90 percent of them reside in Sweden.\(^40\) As a point of contrast, roughly 1.5 billion people speak English across the world.\(^41\) In 2010, approximately 13 percent of migrants had come from a country in which Swedish was an official language, compared to over 45 percent for immigrants to Canada, the United Kingdom and France.\(^42\) The emphasis is that Swedish is a language that is practiced mostly in Sweden by a limited number of people in comparison to other world languages. This makes it less likely that migrants to Sweden – especially those from outside the Nordic countries -- will not possess Swedish language capabilities.

This acts as a barrier because, with respect to labour market success, it has been shown that either possession or lack of knowledge of the native Swedish language can be a determining factor for immigrants or foreign-born citizens. As Jonas Helgertz (2011) writes, especially with respect to the private sector, “...regardless of whether an individual applies for a job as a cashier, bank teller or financial analyst, knowing the Swedish language represents a universal

prerequisite." Rooth & Saarela (2007) have found that immigrants with a good understanding of the host country language are more likely to be employed and possess a higher income. In their study of Finnish immigrants in Sweden, Saarela & Finnäs (2007) find that Finns who are Swedish speakers are nearly even in terms of labour market performance relative to native-born Swedes. Conversely, they have also found that Finnish-speaking male immigrants have “twice the odds of being either non-employed, return-migrated or dead, as compared with Swedish-speaking immigrants from Finland.” Helgertz (2011) observes that the greater the linguistic distance from Swedish of the individual’s native tongue, the less opportunity there is for upward mobility in the labour market. Similarly, other scholars have found that refugees with a greater perceived “cultural distance” find it more difficult to find employment.

In addition to the difficulties posed by the language barrier, recognition of skills and credentials is another obstacle for foreign-born citizens entering the Swedish labour market. Despite the fact that some labour migrants may be highly educated, their skill sets are often not easily recognized, which limits their ability to integrate. In general, mismatching of skills takes places for both the native and

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foreign-born populations. However, individuals born in Sweden are more likely to be underqualified than immigrants, whereas migrants will likely be overqualified.\textsuperscript{48} Dahlstedt (2011) finds that in general, while results differ among groups, immigrants are less likely to be matched with their respective skillsets.\textsuperscript{49} Workplaces in different countries will naturally have differences and employers will often have to take extra measures when determining the qualifications of foreign-born workers. This leads to higher information and hiring costs for the employer, making native-born citizens more attractive as potential employees. Refugees face greater difficulty in skill recognition because they often lack the formal education that labour migrants possess. While many of these individuals may possess valuable skills, employers are often unsure that those skills will be transferred effectively. In order to compensate for this, employers may invoke a form of structural discrimination. More specifically,

Employers may devalue education undertaken in foreign countries when they make decisions about recruitment, reward allocation and promotion. Hence, employers may treat people with similar education credentials differently, depending upon in what country the education was undertaken.\textsuperscript{50}

As a result, the foreign credentials and the failure to recognize them properly by employers reduce the ability for foreign-born individuals to integrate into the Swedish labour market.

Although difficult to observe and quantify, discrimination is another factor that prevents newly-arrived immigrants from fully integrating into the Swedish labour market.

\textsuperscript{48} Dahlstedt. "Occupational Match," 360.
\textsuperscript{49} Ibid, 365.
\textsuperscript{50} Le Grand & Szulkin. “Permanent Disadvantage,” 41.
labour market; generally-speaking, studies show that immigrants may be less successful in the labour market due to their background, citizenship, and name. In their study of the experiences of second-generation immigrants in Sweden, Tasiran & Tezic (2007) find that geographical origin plays a significant role in determining the labour market success of second-generation immigrants. Specifically, they found that individuals with an African, Middle Eastern or Latin American background were the least likely to enjoy labour market success.\(^\text{51}\) The authors suggest that, in their findings, the significance of an unobserved-heterogeneity parameter may indicate a form of discrimination.\(^\text{52}\) Carlsson & Rooth (2007) propose that job applications with Middle Eastern names attached to them are less likely to receive callbacks from employers than those with native or Swedish names. Their studies show that the interview callback rate is twenty-nine percent with a Swedish name attached versus 20 percent with one that is associated with a Middle Eastern name, indicating a form of discrimination.\(^\text{53}\) A study by Arai & Skogman Thoursie (2009) has shown that formally changing names from a foreign background to one that sounds more Swedish have observed an increase in earnings. They argue that is likely in response to a form of statistical discrimination, whereby employers may sort applicants with foreign-sounding names in response to prior employees with similar surnames.\(^\text{54}\) In her qualitative study exploring why immigrants choose to change their foreign-

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\(^\text{52}\) Ibid.


sounding surnames to Swedish or neutral sounding ones, Moa Bursell (2012) finds that thirty-three of the forty-five respondents changed names because they frequently experienced situations in which they felt *stigmatized or discriminated against* (author's emphasis).\(^{55}\)

Structural shifts have also prevented immigrants from integrating into the Swedish labour market. Following World War II, Sweden witnessed an economic boom. By staying out of the war, it had an edge on its international competitors in iron, steel, ore and shipbuilding. As time passed, however, these industries became saturated as more international competition entered the markets. Japan began to emerge in the 1960s as a strong shipbuilding competitor, and other European countries began to experience growth at roughly the same time.\(^{56}\) As a result, starting in the early 1970s, Sweden underwent a shift in industry, from less of an industrial focus to an economy based more on the service sector.\(^{57}\) Consequently, the labour market also underwent an organizational shift away from the assembly lines of factories to an emphasis on language skills, technological capabilities, and teamwork.\(^{58}\)

The structural changes in labour demand in Sweden have made integrating more difficult for immigrants and specifically refugees. Many either lack the proper

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\(^{55}\) Bursell. “Name change and destigmatization,” 479.


skills such as language and the level of education, or have credentials that are not fully recognized. As a result, many immigrants apply for low-level employment.

Unfortunately for immigrants, however, the manufacturing industry, which employs more individuals with basic skills, has declined. As a point of comparison, 5.5 percent of the Swedish labour force now falls under “elementary labourer”, while the same number is 10.6 percent in the United Kingdom – nearly twice as many. Because many immigrants and refugees possess skills that are not immediately applicable to the Swedish labour market, employment and integration is more difficult. As summarized by Rosholm, Scott & Husted (2006):

Language skills for immigrants were not of vital importance in the traditional industrial economy. Those employed in manufacturing were often at lower levels and performed relatively monotonic work, with little interaction among co-workers. Today’s organizational structure often involves concepts such as job rotation, quality circles, and work teams, all which increase the need for interpersonal communication and therefore implicitly favor natives.

In other words, as the industry in Sweden evolved and shifted towards the service sector, the number of low-skilled industrial jobs opportunities decreased, limiting the employment opportunities for the foreign-born population. Structural shifts in the Swedish labour market are a primary reason why a larger percentage of immigrants are unemployed than they were 20 years ago.

Lastly, immigrant status is also a factor when determining the employability of a foreign-born citizen. Pieter Bevelander’s (2011) study of employment integration of resettled refugees versus family reunification finds that family reunion migrants

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60 Rosholm, Scott & Husted. “Times Are a-Changin’,” 324.
find employment faster than asylum seekers. The author posits that both stable environments and established networks upon arrival may explain the success of family reunion migrants.⁶¹ While this explains the success of the family reunion migrant in Sweden, it also highlights the difficulties that face asylum seekers – currently the largest proportion of immigrants to Sweden.

Many of these obstacles overlap with and influence one another. For example, scholars posit that discrimination has increased with the structural shift in the Swedish labour market. As Bevelander (2005) argues, “it is probable that the increased stress on country-specific skills [such as language] has led to an increase in statistical discrimination.”⁶² This is a plausible argument. As employers increasingly look for individuals with country-specific, interpersonal skills, it is likely they will also discriminate among the foreign-born population in order to find a suitable candidate. The structural shift in the economy also increases the overall need for Swedish language skills, which in turn exacerbates the difference between foreign-born and native-born employment opportunities.

Immigrants to Sweden face numerous obstacles when seeking employment. The overall state and direction of the economy can adversely affect the foreign-born population. When immigrating to Sweden during an economic downturn, it has been shown that foreign-born citizens are more adversely affected, meaning that the state of the economy is a determining factor in their success. It has also been shown that the Swedish economy – with an emphasis on the service sector – limits the abilities

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of immigrants to Sweden due to the lack of available, low-skill jobs. Language and cultural-specific knowledge are also necessary skills that immigrants to Sweden lack, and therefore prevent their full integration into the labour market. In turn, these factors contribute to various types of discrimination by employers, who seek employees that are more suited to the demands of the Swedish labour market. In sum, there are numerous obstacles that contribute to the lack of economic integration and the wage and employment disparity facing foreign-born individuals in Sweden. These developments have therefore spurred the need for the Swedish government to implement wider and far-reaching integration programs.

**Swedish Government Policies, Programs, Initiatives and Legislation**

Due to the large number of refugees and other types of immigrants arriving in Sweden as well as the consequent lack of labour market success by foreign-born individuals, the government has been active in enacting legislative measures to facilitate integration. The government realizes that unemployment and the average standard of living will decrease if it is not active in improving the conditions for migrants within the labour market. The Swedish government’s Spring Budget Bill, presented on April 15th 2015, exemplifies this point:

> Over the next few years, Sweden’s population is expected to increase more rapidly than in the past. This increase is mainly due to disturbances in other countries, which are causing many people to flee to Sweden, but is also a result of increased labour immigration. In the longer term, the population growth is expected to mean more people employed and stronger economic growth, but initially it is likely to lead to higher unemployment. This makes it even more
important that new arrivals are introduced to the labour market as quickly as possible.\(^{63}\)

Sweden has been active in promoting integration through different legislation since 2000 and continues to be. Specifically, over the past 15 years, the Swedish government has proposed initiatives to promote citizenship, language training, skill recognition and combatting discrimination.

**Citizenship**

Acquiring citizenship and becoming a resident is a means of integrating into the host country and economy. Studies have shown that there is a positive correlation between acquiring citizenship and integration, especially among non-EU, non-North American migrants.\(^{64}\) Those who acquire citizenship have claim to the same rights and opportunities as those of the native born, including access to job opportunities that may require the applicant to possess citizenship status. As Borevi (2014) writes, “Rights are particularly crucial for integration, as they provide the necessary integrative glue for the entire society.”\(^{65}\)

It is also expected that as immigrants spend more time in the host country and eventually acquire citizenship, their language skills, cultural capital and


\(^{64}\) Bevelander & Pendakur, “Citizenship, Co-ethnic populations, and Employment Probabilities,” 220.

networking will improve, thereby improving their opportunities within the labour market. As a result, citizenship both acts as a symbol of commitment to residing in Sweden and demonstrates inherent possession of country-specific skills to potential employers. To employers, hiring a citizen is arguably more appealing than a non-citizen simply because their position is more stable and are more likely to retain their position of employment.66

Jus sanguinis – translated from Latin as “right of blood” – has been the policy of Sweden since the signing of the Citizenship Act of 1894.67 This means that citizenship is acquired based on descent or blood relations.68 Since 1979, citizenship has been granted to any individual born to a Swedish mother, regardless if the individual was born abroad.69 The same legislation states that if an individual is born to a Swedish father and mother with a foreign background, he or she must be also be born in Sweden in order to acquire Swedish citizenship automatically.70

For those citizens with foreign backgrounds and neither parent is of Swedish origin, the process is more arduous. Section 11 of the Swedish Citizenship Act reads as follows:

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An alien can apply for and be granted Swedish citizenship (be naturalized) if he or she

1. has provided proof of his or her identity
2. has reached the age of eighteen,
3. holds a permanent Swedish residence permit,
4. has been domiciled in Sweden
   a. for the previous two years in the case of Danish, Finnish, Icelandic or Norwegian citizens
   b. for the previous four years in the case of a stateless person or one who is considered to be a refugee under Chapter 3, Section 2 of the Aliens Act (1989:529)
   c. for the previous five years for other aliens, and
5. has led and can be expected to lead a respectable life.\(^{71}\)

Foreign-born citizens must comply with each requirement in order to apply. While the process for citizenship acquisition is a longer period for foreign-born individuals versus those with at least one Swedish parent, the requirements in Sweden are far more favourable than other European countries.\(^{72}\)

Since 2000, the Government of Sweden has taken measures to further ease the process of residency and citizenship acquisition for foreign-born citizens. Prior to 2001, it was not possible to hold dual nationality. In the event that a Swedish citizen

\(^{71}\) “Swedish Citizenship Act.”
acquired a foreign passport, he or she renounced their Swedish citizenship. The Swedish committee report of 1999, however, showed that a growing proportion of Swedish citizens were working and living abroad, and that many foreign-born citizens in Sweden retained strong ties with their country of origin. In response, the Social Democrats amended the Citizenship Act in 2001 to allow citizens in Sweden to possess two passports. With the implementation of the new amendment, Sweden became the first nation among the Nordic countries to do so.

Scholars argue that implementing the right to dual nationality can have a positive effect on integration. Sejersen (2008) posits that the Swedish decision can be viewed as an “immigrant approach” to dual nationality, meaning that the emphasis of the legislation was to increase integration within the immigrant population. Ugland (2014) writes, “The 2001 decision to allow dual citizenship is consistent with a multicultural approach to immigration integration, where citizenship is regarded as a tool of integration and not a reward for successful integration.” Instead of forcing immigrants to choose between their citizenship and better economic and social opportunities within Sweden, they now have access

75 Sejersen. “I Vow to Thee My Countries,” 535.
76 Ibid.
to both. Foreign-born citizens who choose to retain their foreign passports are no longer penalized in the context of the labour market.

In 2008, the Alliance coalition passed an immigration law with the purpose of attracting European migrants. The main accomplishment of the legislation is that third country nationals can now arrive as labour migrants, insofar as an employer provides them a job offer. The immigrants are given temporary residence permits, which last for two years. These can be renewed. After four years, labour migrants are able to apply for permanent residence permits. Migrants from the European Union (EU) or European Economic Area (EEA) are also to be given preference for open positions. A further aim is to make it easier for migrants to obtain work permits and to allow students and asylum seekers to remain in Sweden.

The Swedish government under the ruling Alliance coalition further liberalized its citizenship policy with respect to refugees as a response to the crisis in Syria. In September of 2013, the number of Syrian refugees reached 2 million. In response, Sweden, one of the largest recipients of refugees within the European Union, further amended the Citizenship Act to benefit those fleeing from Syria. Although this influx causes unemployment to rise in the short-term, the amendment

79 Ibid.
facilitates an easier path to citizenship. Normally, asylum seekers must apply at the Swedish border or, if already in Sweden, at the Swedish Migration Agency's application offices. From there, the Agency determines whether the applicant is eligible by assessing their identity and grounds for asylum. The goal of the Migration Agency is to ultimately reach a decision within a three-month period, but may take longer depending on the information received or if there is a high influx of applications during the same period. As of 2013, the Swedish government simplified this process for Syrian refugees by automatically granting them permanent residency either at the border or for those already located within Sweden. Although these refugees, like all other accepted refugees, must reside in Sweden for four years before they can apply for citizenship, their path has been made easier by automatically acquiring a resident permit upon arrival.

In 2015, the Swedish parliament once again approved amendments to the Citizenship Act that entered into force on April 1st. The significant change brought about by this legislation was that children with either a Swedish mother or a Swedish father are to be granted citizenship automatically, regardless of place of birth. This replaces the requirement that an individual born to a Swedish father

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84 Ibid.
85 Ibid.
and a mother with a foreign background had to have been born in Sweden to acquire citizenship. For those individuals of a foreign-born background born to a Swedish father, this change in legislation allows for an accelerated process of integration.

Since 2000, the Swedish government has introduced several key pieces of legislation accelerating naturalization to improve economic integration among foreign-born individuals. For immigrants, citizenship promotes integration because it symbolizes stability, knowledge and commitment to future employers. The right to dual citizenship allows for immigrants to hold their status as a citizen of another country, as well as the status of a Swedish citizen. In doing so, foreign-born individuals as a whole have a higher prospect of employability and a greater chance for general labour market success. The amendment in 2013 to grant automatic permanent residency to Syrian refugees is not only a moral decision, but also one that addresses integration. Granting them permanent residency ensures stability, and are then, as a consequence, more likely to pursue citizenship. Lastly, the 2015 reform to grant citizenship to individuals born abroad to Swedish fathers expedites the naturalization process and consequently facilitates integration into the Swedish labour market. By simplifying the process and granting citizenship to certain groups of individuals, the Swedish government has addressed an obstacle that limits the economic (and social) integration of foreign-born citizens.

Language

Given the importance and necessity of language within the current labour market, the Swedish government has implemented measures to improve the capabilities of foreign-born citizens. In 2006, the government launched a pilot project (now defunct) aimed at accelerating the integration of refugees through the Swedish Public Employment Service. One facet of the program was to promote language learning. Organized through municipalities who were given bonuses for each individual that successfully completed Swedish for Immigrants (SFI), the government also introduced incentives to encourage immigrants to learn Swedish within a specific period of time. Bonuses were awarded based on performance and allocated to each level of proficiency.88

The pilot project was eventually replaced in 2010 by the Introduction Plan, which currently offers a more comprehensive language-training program. Once arriving in Sweden and acquiring residency, refugees have the option of participating in the Introduction Plan whereby they are given financial support among other benefits. The 18-month Introduction Plan also requires individuals to partake in mandatory language training.89 Its goal is meant specifically to teach immigrants how to read and write, and to generally improve their capabilities of

communicating in Swedish.90 Once meeting with the landed refugee, a caseworker determines the proficiency, skill-set, and ambition of the individual, and assigns him or her to one of three programs.91 All of the courses are free, and once the course is completed, the recipient earns a grade and certification.92

Further recognizing the importance of continuing the program, the Government of Sweden pledged to increase funding to SFI in both 2008 and 2012. In 2008, the government spent SEK 61 million to provide additional skill-enhancement training to teachers of SFI.93 In 2012, the government further proposed to increase remuneration from 2013-2015 of SEK 50 million to municipalities that administer the program. Because of increases in enrolment in the program, the government also plans to increase the number of teachers to meet the demand.94

Through the pilot project, the Introduction Plan and efforts to boost SFI, the Government of Sweden has recognized the importance of language within the Swedish labour market, especially for newly arrived refugees. The Introduction Plan (and the 2006 pilot project before it) seeks to improve the language capabilities of foreign-born individuals by offering language-training courses free of charge. By

91 “Finding the Way.”
93 “Update on policy developments.”
implementing this program, the government has taken direct aim at improving the skills of migrants in order to better integrate them economically.

**Skill Recognition and Job Mapping**

In Sweden, recognition of foreign qualifications is an obstacle that inhibits the labour market success of immigrants. The Swedish Government has recognized this barrier and enacted various types of legislation to either make it easier for employers to recognize the credentials of foreign-born applicants or for foreign-born applicants to achieve recognizable Swedish workplace skills. From 1997 to 2002, the government implemented the Adult Education Initiative (Kunskapslyftet), which was overseen by the Ministry of Education. Municipalities received funding from the government and were ultimately responsible for designing and operating the adult education infrastructure. When enacted, the government introduced and emphasized the aim of “validation”, which was defined as “a process that involves a structured assessment, evaluation, documentation and recognition of the knowledge and skills a person possesses, regardless of how they were acquired.” The overall aim of the program was therefore to provide additional education to those who were recently unemployed or to those who had low levels of education. The government also sought to match skills with job vacancies through "targeted

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95 Diedrich & Styhre. “Constructing the employable immigrant,” 766.
97 Schuster, Vincenza & Urso, Recognition of Qualifications, 146.
recruitment and information activities, individual courses of studies [and] more
guidance and orientation courses." 98 Perhaps most importantly, the initiative was
targeted to those who had been most affected by structural shifts in the economy,
such as those employed in the manufacturing sector. This was, of course, an
important program for immigrants in Sweden who arrived with limited education
seeking low-skill jobs; not only did the initiative seek to match skill sets with job
vacancies but also targeted those who were unemployed due to structural shifts in
the economy.

The pilot project introduced in 2006 not only provided language-training
incentives, but also offered direct labour market training in the form of ‘step-in’
jobs. According to the Ministry of Integration and Gender Equality (2008), ‘step-in’
jobs were meant to combine language training and part-time employment, either in
the private or public sector. The government subsidized these jobs in order to
encourage employers to employ more foreign-born individuals and recently arrived
refugees. The amount of the subsidy equalled 75 percent of the total salary, with a
maximum of SEK 750 per day. 99

As part of the Introduction Plan brought into force in 2010, the Swedish Public
Employment Service (Arbetsformedlingen) currently provides a job-mapping
service to refugees that hold a residence permit and relatives of accepted refugees.
This service is run through private service providers that have contracts in place
with the Public Employment Service. In the first step of the process, an employment
officer evaluates the skills of the individual and determines the necessary level of

98 “The Adult Education Initiative.”
99 “Update on policy developments.”
support for that individual. From there, the individual selects a service provider, who then calls the individual to set a meeting. Once finished, the service providers are active in helping integrate the individual into the labour market and society in general. As per the Swedish Public Employment Service website, the providers help immigrants with, among other things: support in finding and applying for work, help in creating application documents, contacts with employers, motivational meetings, computer training, study and vocational guidance, study visits, activities at workplaces and general language training.\(^{100}\) In order to continue to receive support, the individual must actively look for work while also submitting reports to the service provider. The duration of the program is typically three months in length.\(^{101}\) However, providers can reassess whether or not the individual requires an additional three months of supporting and matching.\(^{102}\)

In 2013, the Swedish Council for Higher Education (UHR) was officially established (as a result of a merger of several departments).\(^{103}\) The UHR is responsible for both recognizing the qualifications of both foreign higher and post-secondary vocational education. In order to have their credentials evaluated, individuals must submit copies of their grades, certification, list of subjects taken and proof of identity.\(^{104}\) Upon evaluation, the UHR provides to applicants a

\(^{101}\) Ibid.
\(^{102}\) Ibid.
\(^{104}\) Ibid.
statement indicating the validity of their credentials in comparison to the equivalent Swedish qualifications. This statement can then be used when applying for open positions with the job market. For immigrants, this organization and the service they provide present opportunities for individuals whose job skills are not easily recognizable by Swedish employers.

Through various measures, the Swedish government has implemented a variety of policies to better recognize credentials and thus integrate foreign-born individuals. The aim of the Adult Education Initiative sought to validate skills of recently unemployed individuals affected by structural shifts in the economy. For immigrants and refugees who arrived with foreign qualifications and lower-level skills sets, this policy looked to directly improve their labour market performance.

To better accelerate the economic integration of migrants, the 2006 pilot project offered part-time employment in the form of step-in jobs. This allowed for immigrants to learn workplace skills firsthand, arguably making their credentials more desirable to potential employers. The Introduction Plan emphasizes both language training as well as a job-mapping service performed by a caseworker that directly assesses the proficiency of the migrant. The UHR provides a similar service in that they look to translate the educational qualifications of foreign-born individuals. In sum, the Swedish government since 2000 has been active in implementing programs and institutions that either aim to recognize the skills sets of migrants or to encourage the development recognizable skills.

105 “Recognition of foreign qualifications.”
**Discrimination**

The Swedish government has also recognized that immigrants to Sweden are discriminated against in the labour market. The Swedish committee report of 2005 investigated, documented and acknowledged the existence of structural discrimination against minority groups. The report concluded that a unified law would be most effective in combatting this form of negative bias.\(^{106}\) Correspondingly, the government has taken active steps to implement such a law. Most notably, in 2009, the government introduced anti-discrimination legislation in the form of the Discrimination Act (Swedish Code of Statutes 2008:567). The aim of the policy is to address the instances where individuals have been discriminated against in the workplace or in the application process on grounds of sex, transgender identity, ethnic origin, religion, disability, sexual orientation, and age. Some of the measures introduced are compensation for those that have been discriminated against, and the right for non-profit organizations to bring an action on behalf of an individual. For education providers, sanctions can now be levied against them if they are not proactive in deterring discrimination. Lastly, the Government of Sweden installed the Equality Ombudsman to oversee the implementation of the Act and to order financial penalties against those who discriminate.\(^{107}\)

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Assessment of Legislation Efficacy

Since 2000, the Swedish government has been active in promoting legislation and policies to accelerate the economic integration of foreign-born individuals. Although it may too early to determine the ultimate success of these policies, a rough direction can be derived: certain programs have been effective while others have not. Over the last 15 years, the unemployment rate for foreign-born immigrants has consistently exceeded the national unemployment rate and that of the foreign-born population. From 2002 to 2013, the national unemployment of Sweden has risen from 6 to 8 percent, averaging roughly 7.3 percent (Chart 1). The unemployment rate for native-born individuals during the same period has risen from 4 to 6 percent (Chart 2). Meanwhile, the foreign-born unemployment rate has averaged approximately 13.6 percent, rising from 10 to 16 percent from 2002 to 2013 (Chart 2). Overall, these figures suggest that foreign-born economic integration has stalled. Furthermore, as time has progressed, the gap between native and foreign-born labour market performance has widened. If we are to consider the implications of these numbers from a policy perspective, it seems that, at first glance, the policies of the Swedish government have not achieved their goal of foreign-born economic integration.

Several government reports support this claim. The Swedish Agency for Public Management (Stanskontoret) is an agency of the Swedish government that is responsible for analyzing the efficacy of certain government programs. The analyses of the Agency cover a wide range of topics, from defence to healthcare to
education. In 2011, both the Swedish Agency for Public Management and the
Swedish Public Employment Service performed survey reports of the 2010
Introduction Plan. The initial findings suggest that the policy did not impact the
immigrant labour market as much as had been hoped. As summarized by the
International Organization for Migration report (2013),

The...[reports] after the first enforcement year indicate rather moderate results
and a number of challenges, not rendering as yet the expected effects as far as
impacting on the concerned group’s establishment on the Swedish labour
market.109

In 2013, the Swedish Agency for Public Management conducted a report on
validation activities for foreign-born citizens. Their findings were similarly
pessimistic. Their report reads:

Few newly arrived immigrants have their competence validated in accordance
with the profession-oriented industry models procured by Arbetsformedlingen.
Of those new arrivals covered by Arbetsförmedlingen’s establishment activities it
was only some ten individuals who commenced such a validation in 2011, which
corresponds to less than one percent of the total number of individuals involved
in establishment activities the same year.110

While only a few years have passed since the implementation of the Introduction
Plan, the survey reports suggest that the challenges for foreign-born individuals
continue to exist. Despite the aims of the policies set forth by the government, many

immigrants continue to face challenges in the labour market. The results of these survey reports thus reinforce the general negative trends of unemployment for the foreign-born population in Sweden.

Scholars suggest that validation may also prevent immigrants from integrating into the labour market. In their 2013 study, Diedrich & Styhre (2013) have found that the validation process may have unintended consequences for immigrants. More specifically, they find that these individuals are further marginalized and discriminated against once they have been comprehensively assessed. They argue that,

While employability is seen, at the outset of the project, as being connected with inefficiencies in the administrative and bureaucratic procedure of settlement support, it becomes linked to the problematic nature of recent immigrants’ prior foreign experiences once it has been translated into concrete assessment activities: the initial translation alludes to the notion that recent immigrants are not employable because of the inefficient working of the administrative system of settlement support the subsequent further translation of this idea, and its re-embedding in local contexts, sees defects in the prior (foreign) experiences of immigrants.¹¹¹

For immigrants, their skill set may only further act as a means of structural discrimination. In other words, the more it is proven that these individuals are not capable of performing work in Sweden, the less likely they are to be employed.

Government policies on citizenship and naturalization may also have a limited positive effect for immigrant labour integration. Helgertz, Bevelander & Tegnimata (2014) argue that despite the efforts of the government to accelerate the process of citizenship, the benefit of naturalization varies across immigrant groups; for some the benefit is positive, for others, it is negligible. Their results show that

individuals from Eastern Europe and Latin America benefitted little from a “naturalization premium”, while for groups from Africa and Asia, a more positive effect was observed. They argue that the latter group experiences more of a benefit because of the severe degree of marginalization relative to other groups; African and Asian groups have more to benefit from a more discriminated position when acquiring citizenship. Moreover, immigrants who performed better in the labour market in terms of income were “disproportionately” more likely to choose to acquire citizenship. In sum, their findings show that naturalization does provide an overall net benefit, but is limited in its reach.”

Kogan (2003) also emphasizes the relatively small gains made by acquiring citizenship. In her study of ex-Yugoslavs in the Austrian and Swedish labour markets, she finds that the positive gains by naturalizing in Sweden are minimal. She argues that because Sweden is a “country of permanent migration where permanent residents enjoy similar economic and social rights as native Sweden,” naturalization does not have a pronounced impact on labour market outcomes.

The results of these findings suggest that government initiatives attempting to accelerate economic integration have not reached their desired aims. From a macroeconomic perspective, the unemployment rate of the foreign-born population has only risen over the last 15 years. Moreover, the foreign-born unemployment rate has increased at a faster rate than the native-born population. These figures indicate an overall lack of success in the labour market for immigrants, which may

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be attributable a lack of efficient government programs. Certain reports suggest that that is the case. Swedish government survey reports find that the Introduction Plan and validation policies have been only adequate in their performance. Further, studies show that naturalization, while important, does not significantly accelerate labour market integration or for all immigrant groups. Despite the efforts of the government to grant citizenship status to a wider range of individuals, studies show that naturalization, in general, does not have an entirely comprehensive impact.

However, for all of their detractors, there are certain caveats to consider when analyzing the efficacy of these programs. First, regardless of its comprehensiveness, naturalization does improve the labour market performance of certain foreign-born groups. This suggests that the programs promoting citizenship promote a net benefit in terms of achieving economic integration. Second, language-training policies may have a significant impact on labour market performance for newly arrived immigrants. Language, especially for Sweden’s modern service economy, has been shown to be a necessary skill in order to integrate into the job market. While statistics quantifying the number of foreign-born Swedish speakers is limited, there is evidence that speaking Swedish improves labour market performance. Among Finnish immigrants to Sweden, Rooth & Saarela (2007) have found that Finnish men, with close to “perfect” language skills were 23 percent more likely to find employment than those who had “imperfect” Swedish-speaking capabilities.114 A study by Saarela & Finnäs (2007) reinforces the significance of this result, finding that “the labour market performance of the [Swedish-speaking

Finnish immigrants] lies close to parity with that of native Swedes (emphasis added).” These results indicate that language can indeed be a determining factor with respect to immigrant labour market success. We can infer that the Swedish government has implemented a policy that can improve employability for immigrants by making language courses mandatory. However, it is important to note that these findings reflect only the success of Finnish immigrants. Finns, who have a similar appearance, history and values to Swedes, are naturally more likely to integrate into the labour market than, for example, non-EU citizens. It is possible that, even with perfect language skills, immigrants from African or Asian countries would be less employable than Finns with perfect language skills.

A third caveat to consider is that the amount of immigrants arriving in Sweden has increased consistently every year, and this has an effect on the overall likelihood of employment of the foreign-born population. Naturally, this has had an impact on the ability for new immigrants to find work as the overall number increases each year. As the number of new immigrants arrives, more individuals will be looking to find work. If the number of available jobs does not proportionately increase with the number of new entrants into the job market, the unemployment rate will rise. The emphasis here is that the substantial number of new, low-skilled foreign-born individuals entering the job market will naturally cause unemployment to rise; to assume that government policies can effectively reduce the unemployment in the short run with respect to this type of population increase would be short-sighted.

Given this assessment, it can be concluded that the response of the Swedish government to integrate the rapid rise of immigrants has been effective in some areas and ineffective in others. The emphasis to improve language skills and ease the process of naturalization has promoted economic integration among foreign-born individuals. The findings of this paper reflect the arguments made by Rooth & Saarela (2007) and Ugland (2014), who argue that both language skills and citizenship respectively act as a means of achieving integration. Consequently, we can infer that the programs initiated by the government promoting both citizenship acquisition and language training are helpful in raising the performance of foreign-born individuals in terms of wage and employability. On the other hand, the findings of this paper also reinforce the notion that despite government spending to promote economic integration, some of the policies enacted by the government have fallen short in promoting increases in wage and employability. First, validation and skill-mapping programs, as argued by Diedrich & Styhre (2013), have not been overly effective in economically integrating migrants. Second, the effects of the anti-discrimination legislation are generally unknown. Although more research is required, there remains a possibility that the anti-discrimination legislation has not deterred employers from discriminating.

Lastly, despite the overall negative macroeconomic trends for foreign-born individuals, it is important to consider exogenous factors as well. More specifically, the overall negative economic performance of the foreign-born population should be viewed through a prism of rapid immigration. A rapid increase of immigrants with low-level skills will naturally cause unemployment to rise in a service-based
economy such as in Sweden. Therefore, the overall labour market underperformance of the foreign-born population cannot be analyzed on the merits of government programs alone. While validation and skill-mapping programs have fallen short in their goals, the overall increase in foreign-born unemployment and wage disparity cannot be attributed simply to their shortcomings. When analyzing (or discrediting) the merits of these government integration programs in macroeconomic terms, the unparalleled rise of immigrants to Sweden must be taken into account. After taking into consideration the efficacy of programs oriented towards promoting citizenship, language, skills recognition and discouraging discrimination, this paper finds that the policies of the Swedish government to economically integrate the rapid rise of immigrants in the 21st century has been mixed.

**Discussion**

In much of the Western world, there has been an increase in the number of immigrants seeking a better future for themselves and their families. They arrive for various reasons, ranging from higher education, family reunification, economic opportunity, and to seek asylum. Sweden is no exception to this phenomenon: it is one of the largest recipients of immigrants in Europe relative to its population size and the second-most active country in Europe in terms of absolute refugee settlement (see Table 1).
The instability of the Middle East and Africa has caused many Syrians, Eritreans and to seek refuge. Sweden is the second-largest recipient of refugees in Europe (Table 1). The consequence of these factors together is not only that Sweden’s domestic population is shifting -- roughly 14 percent of the population is foreign born, ranking 10th in the OECD in terms of percentage of foreign-born of the overall population\textsuperscript{116}-- but also that the labour market is more prone to shift. The arrival of immigrants from these countries implies that their skills are not as easily transferable as, for example, individuals from EU countries. This causes unemployment to rise, especially for those who are foreign-born. Broadly speaking, immigrants arriving in Sweden face numerous obstacles upon moving to Sweden and integrating into the labour market.

The government of Sweden has recognized this, and over the past 15 years has implemented various bills and policies to accelerate foreign-born economic integration. This paper has focused on policies specific to citizenship, country-specific skills, and discrimination. The reason for this is that each of these factors contributes to labour market performance of immigrants, either positively or negatively.

Naturalization acts a signal to employers that an immigrant is committed to both residing in Sweden and to retaining his position of employment if hired. The government has been active in making citizenship, naturalization, and residency available. The right to dual citizenship was enacted in 2001, allowing those

possessing a foreign passport to hold a Swedish one as well. This in turn allows for migrants to become Swedish citizens without renouncing their previous citizenship, thereby improving their employability in the Swedish labour market. In 2008, legislation made it possible for foreign-born citizens to arrive in Sweden as labour migrants. These individuals were able to acquire temporary residence permits, and the opportunity to renew the permits for another term after two years had passed. Provided these individuals resided and worked in Sweden for a total of four years, they could then apply for a permanent residence permit. Granting labour migrants the opportunity to acquire residency provided a pathway for them to acquire citizenship. Similarly, the 2013 decision to grant permanent status to Syrian refugees accelerated the integration process. Syrian refugees were given the same rights to live and work as native-born Swedes, and are now able to find work faster. After four years, they, like other refugees, are able to apply for citizenship.

The 1997-2002 Adult Education Initiative, the 2006 pilot project and 2010 Introduction Plan were all introduced to further stimulate integration by different means; these programs specifically focused on both improving the language skills of migrants and recognizing their qualifications. The Initiative promoted additional education programs and targeted those specifically who had either become recently unemployed or recently arrived in Sweden. The pilot project, under the supervision of both the government and the municipalities, introduced incentives to

119 Ibid.
120 Ibid.
121 “Swedish Citizenship Act.”
122 “The Adult Education Initiative – A unique programme for adult education.”
motivate recent migrants to learn the Swedish language and offered part-time employment in the form of ‘step-in’ jobs.\footnote{123} Finally, the Introduction Plan coupled language learning in tandem with cultural learning and skill-recognition.\footnote{124} The Swedish government realized the importance of country-specific skills in terms of language and skill recognition and has been active in promoting them through various programs since 2000.

Discrimination in the labour market has been observed by scholars and also recognized by the government as an integration challenge. The government in turn drafted the Anti-Discrimination Act in 2009.\footnote{125} Under the Act, those who discriminate are liable to pay fines and are subject to penalties, while those who are discriminated are eligible for reparations.

Evidence suggests that immigrant economic integration remains an issue. Statistics show that foreign-born unemployment in Sweden has increased since 2000 (see Chart 2). Government surveys also demonstrate that the various integration programs have underachieved in meeting their goals. Survey reports show that the Introduction Plan and validation procedures have underperformed in terms of integration and immigrant labour market performance. Further, it has been shown that validation procedures meant to better integrate foreign-born individuals may actually hinder their employability.

It would, however, be short-sighted to completely discredit the government integration programs. Studies have also shown that citizenship does have an overall

\footnote{123} “Update on policy developments.”
\footnote{124} “Adult education and training in Sweden.”
\footnote{125} “New anti-discrimination legislation and a new agency, the Equality Ombudsman.”
positive effect on labour market performance, as does knowledge of the Swedish language. Citizenship has had a significant impact for those immigrants who are more culturally and linguistically different from Swedish, whereas language skills have been found to have a profound impact in both employability and income for immigrants. We can infer, then, that government programs promoting these two areas have been worthwhile.

It is also worth noting that Sweden is currently experiencing an immigrant influx like never before in its history. Hundreds of thousands of immigrants are arriving each year and a large majority of them are low-skilled immigrants and refugees. Considering that Sweden’s economy is based on service skills such as language, a large increase in immigration will inevitably lead to high unemployment. Put differently, rising foreign-born unemployment may not necessarily mean that government programs are ineffective. Rather, high unemployment for immigrants can be partially attributed to exogenous factors.

Overall, the efficacy of the Swedish government initiatives since 2000 to improve immigrant economic integration in terms of both employment and wage has been mixed; certain programs have been more effective than others in terms of labour market success for immigrants. This paper has demonstrated that programs promoting citizenship and language training are effective, whereas validation and skill recognition may be ineffective. There are also other factors -- such as the rise in immigration -- influencing the labour market performance of immigrants; this makes it more difficult to isolate and observe which government programs are truly worthwhile. This leaves room for further research in several areas. First, it would be
useful to analyze the economic outcomes of non-EU immigrants that have perfect language skills versus those with little Swedish-speaking capabilities. The results of such a study would determine the degree of efficacy that government language programs provide. Second, a qualitative study of discrimination based on interviews of non-EU immigrants may provide insight as to whether the Discrimination Act has been at all effective. Taking these two approaches would lend further support in determining the efficacy of Swedish government programs meant to improve economic integration among immigrants.
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Appendix A

Chart 1:
Swedish National Unemployment Rate (2002-2013)


Chart 2:
Native and Foreign-born Unemployment in Sweden (2002-2013)

**Chart 3:**
Native and Foreign-born Participation Rate in Sweden (2002-2013)


**Chart 4:**
Native and Foreign-born Unemployment by Gender in Sweden (2002-2013)

Chart 5:  
Number of Asylum Applications  
(1984-2014)


Chart 6:  
Residence Permits Granted  
(1980-2014)

Source: “Residence permits granted 1980-2014 pursuant to the Geneva Convention, conscientious objectors, de facto refugees, persons in need of protection, humanitarian reasons, temporary permits, quota refugees, temporary legislation, previous temporary permits and impediments to enforcement,” Swedish Migration Agency, accessed June 23,
Appendix B

Table 1:
Asylum Decisions among EU-27 and EEA Countries (2014)

<table>
<thead>
<tr>
<th>Country</th>
<th>Total Number of Decisions</th>
<th>Total Positive Decisions</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>16610</td>
<td>4920</td>
<td>29.60%</td>
</tr>
<tr>
<td>Belgium</td>
<td>20335</td>
<td>8045</td>
<td>39.60%</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>7435</td>
<td>7000</td>
<td>94.10%</td>
</tr>
<tr>
<td>Croatia</td>
<td>235</td>
<td>25</td>
<td>10.60%</td>
</tr>
<tr>
<td>Cyprus</td>
<td>1305</td>
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<td>76.20%</td>
</tr>
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<td>Czech Republic</td>
<td>1000</td>
<td>375</td>
<td>37.50%</td>
</tr>
<tr>
<td>Denmark</td>
<td>8055</td>
<td>5480</td>
<td>68.00%</td>
</tr>
<tr>
<td>Estonia</td>
<td>55</td>
<td>20</td>
<td>36.40%</td>
</tr>
<tr>
<td>Finland</td>
<td>2340</td>
<td>1270</td>
<td>54.30%</td>
</tr>
<tr>
<td>France</td>
<td>68500</td>
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<td>21.60%</td>
</tr>
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<td>Germany</td>
<td>97275</td>
<td>40560</td>
<td>41.70%</td>
</tr>
<tr>
<td>Greece</td>
<td>13305</td>
<td>1970</td>
<td>14.80%</td>
</tr>
<tr>
<td>Hungary</td>
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<td>510</td>
<td>9.40%</td>
</tr>
<tr>
<td>Iceland</td>
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<td>25.00%</td>
</tr>
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<td>37.70%</td>
</tr>
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<td>Italy</td>
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<td>20580</td>
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</tr>
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</tr>
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<td>70</td>
<td>37.80%</td>
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<tr>
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<tr>
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</tr>
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</tr>
<tr>
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<td>7640</td>
<td>4905</td>
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</tr>
<tr>
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<td>Rejected</td>
<td>Rejection Rate</td>
</tr>
<tr>
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<td>--------------</td>
<td>----------</td>
<td>----------------</td>
</tr>
<tr>
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<td>720</td>
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<tr>
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</tr>
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<td>21800</td>
<td>15410</td>
<td>70.90%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>25870</td>
<td>10050</td>
<td>38.80%</td>
</tr>
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Chart 7: Asylum Decisions among EU-27 and EEA Countries (2014)