

ABSTRACT:

Barriers to humanitarian migration, victimization and integration outcomes: Evidence from Germany

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Asylum seekers migrating from developing countries to Europe frequently experience victimization events during their journey, of which the consequences for their economic integration into destination countries are not yet well explored. In this paper, we analyze how victimization during asylum seekers' journey affects their economic integration in Germany using survey data collected in the aftermath of the 2015 refugee crisis. Our identification strategy relies on the plausible random nature of victimization events among asylum seekers, conditional on individual-level characteristics and detailed information on the timing and geography of migration. We start by showing that, accounting for selection effects, asylum seekers who were physically victimized during the journey to Germany suffer from significantly lower mental well-being and general health upon arrival. The physical victimization experience leads refugees to favor joining the labor force and take up low-income employment rather than investing into host-country human capital when compared to non-victimized refugees. We place our findings into both the psychology and experimental economic literature, which suggest that experiencing physical trauma in vulnerable situations results in a "loss of future directedness" or "impatience" among the victimized, leading them to discount future payoffs more heavily.