

Vulnerable Migration and Democracy Index in the European Union. A Panel Data Perspective

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Abstract

Migration is an intense subject of debate, being brought to light in the wake of the events of 2015. The migration crisis in 2015 has generated a wave of migration unprecedented in our recent history.

This study focuses on European Union countries, before Brexit, and emphasises how vulnerable migration can be influenced by the type of democracies according to the classification of Democracy Index. The results show that there is a direct and significant relationship between vulnerable migration and the type of democracies of a state. Political participation and civil liberties are directly proportional to the number of asylum seekers.

Key words: vulnerable migration; democracy index; panel data; European Union

J.E.L. classification: C23, F22, P16

1. Introduction

Migration was and still is an intensely studied phenomenon, mainly due to the fact that it can generate multiple changes in a society (Manning and Trimmer, 2020; Jaumotte et al., 2016; Azeez and Begum, 2009). One of the main concerns was about studying the determinants of migration. Faist (2000) has developed three levels of analysis when it comes of the reasons of migration:

- Macro level – which incorporates the main factors related to political and economic aspects;
- Mezo level – which incorporates the main determinants related to personal decisions;
- Micro level – which incorporates the main factors related to the need for social recognition.

For the macro level, Faist (2000) identifies four important categories: economics, politics, cultural, and demography and ecology. The literature regarding the relationship between migration and economic determinants has been studied intensively (Mayda, 2010; Jennissen, 2004).

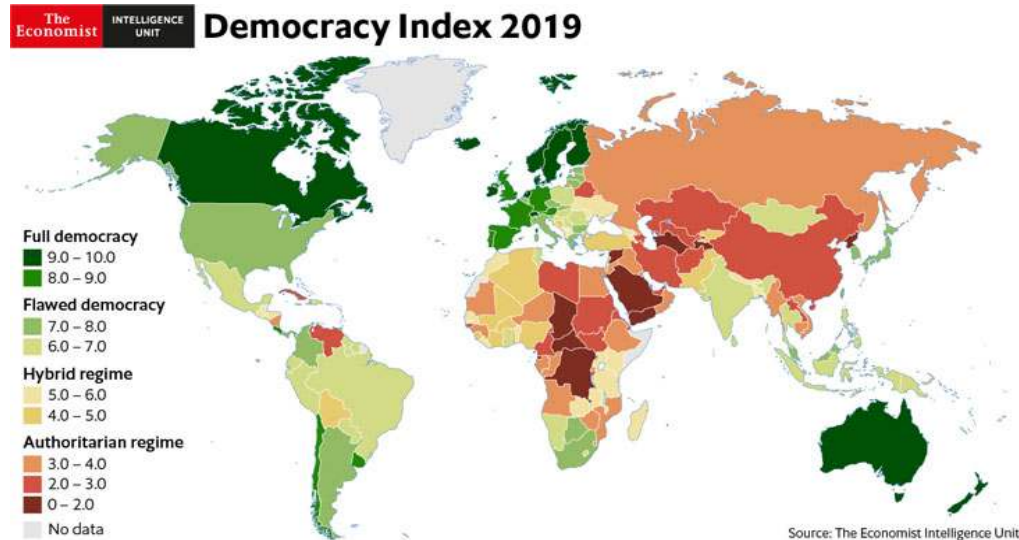
A less studied area at macroeconomic level is the relationship of migration with politics. Politics, as a part of macro level regarding migration determinants, can encapsulate various thematic areas. In this study, the main focus is on the influence of the type of democracy of a state on migration, especially on vulnerable migration. The literature identifies several types of democracies depending on different aspects and criteria taken into account. According to the Economist Intelligence Unit (2019), the Democracy Index identifies four classes of democracies:

- **Full democracies:** for these countries, the basic political freedoms and civil liberties are respected. A supportive political culture leads to a flourishing of democracy. In these countries, the mass-media and the judiciary system are independent, and the government actions are likely to be satisfactory.
- **Flawed democracies:** for these countries (although they have free and fair elections and basic civil liberties are respected), media freedom is somehow limited and controlled. Significant weaknesses such as issues in governance, a rudimentary political culture and a low interest in political participation also exist.
- **Hybrid regimes:** for these countries, elections are either free or fair. The government usually puts pressure on the opposition parties and corruption is strongly spread. The civil society and political participation are weak. Mass-media and the judiciary system are

usually subjected to pressures and are controlled.

- **Authoritarian regimes:** most countries here are dictatorships. Usually, in these countries, the civil liberties, political pluralism and the independence of media and judiciary system are absent. Elections, if they occur, are not free and fair.

Figure no. 1. European Union Countries by democracy type according to Democracy Index 2018



Source: <https://www.eiu.com/topic/democracy-index>

For this study, vulnerable migration was considered as the number of asylum seeker. An asylum seeker is defined by UNHCR (2020) as a person who seeks international help due to state conflict and persecution in the native country.

In light of the 2015 events, migration can also be regarded as consequence of the political issues of a state. A great deal of the migrants come from the Middle East, a conflict zone at the shore of the European Union, which generated social upheavals (Park, 2015; Metcalfe-Hough, 2015).

Most Middle Eastern countries are authoritarian regimes or hybrid regimes, as shown in Figure no. 1, which may be a push factor for migration. In this case, the question is how does democracy influence vulnerable migration? Is there a significant and direct relationship? Can the regime of a country be a pull factor for migration? The European Union countries are usually flawed or full democracies, which may be a factor of attraction for people who come from states with restricted freedoms.

2. Literature review

Most studies focus on the socio-political aspects of democracy in relation to migration (Kapartziani and Papatthanasiou, 2016; Skelcher et al, 2013). Kapartziani and Papatthanasiou (2016) showed that the refugee crisis has revealed flaws in European Union policies regarding refugees and asylum seekers that affected and slowed down the course of a democratic system.

Docquier et al. (2011) analysed the relationship between the democracy index and emigration for six major countries belonging to the full democracies category: the United States of America, Canada, Australia, Germany, the United Kingdom and France. The results of the authors showed that emigration can delay the democratic reform of a receiving country, but on the other hand, it can help improve and develop the democratic process in sending countries. It can be claimed that migrants remit democracy (Pérez-Armendáriz and Crow, 2010).

The literature regarding migration and democracy is scarce from a statistical perspective, but, even so, this subject is not to be neglected when it comes to the main determinants of migration. Consequently, this article is meant to enrich the literature regarding the relationship between migration and democracy.

3. Method and Data

Panel data models are used for data sets that are compound of cross-sectional and time dimensions. The linear regression model for panel data has the following form, as Hsiao (2014) describes it:

$$y_{jt} = \beta_{0j} + \sum_{i=1}^k x_{ijt} \cdot \beta_{ij} + \varepsilon_{jt}$$

Where: $j = 1, \dots, M$, M refers to crosssectional entity, represented in this study by the country;
 $t = 1, \dots, T$, T refers to the time observations, represented in this study by the timed dimension - year;

- y_{jt} refers to the dependent variable for country j and year t ;
- x_{ijt} refers to the independent variable i ($i = 1, \dots, n$) for country j and year t ;
- β_0 refers to the intercept which is common for all countries;
- ε_{jt} refers to the residual term.

When referring to panel data, there are various types of linear regression models to estimate, but the most used are fixed effects models and random effects models. This article explores the relationship between asylum seekers and the components of the Democracy Index by comparing the two types of previously mentioned models. Docquier et al. (2011) used a panel data regression model for an unbalanced panel having as dependent variable the Democracy Index and as independent variables emigration.

Asylum seekers who are counted by the „final decision on appeal means a decision granted at the final instance of administrative/judicial asylum procedure and which results from the appeal lodged by the asylum seeker rejected in the preceding stage of the procedure” (Eurostat, 2008).

The Democracy Index is a tool of measuring the democracy of a state, based on five categories, which also constitute the components of the Democracy Index: electoral process and pluralism, the functioning of government, political culture, political participation, and civil liberties. The index takes values from 0 to 10 where: a score over 8 shows that those countries are full democracies, a score between 6 and 8 signifies flawed democracies, a score between 4 and 6 shows that those countries are hybrid regimes, and a score under 4 shows that we are dealing with authoritarian regimes. Figure no. 1 presents the European Union countries by democracy type, according to the score of Democracy Index from 2018. For each democracy type, the countries are ordered from the smallest to the highest value. In order to enhance data comparability, the Democracy Index scores were multiplied by ten.

Table no. 1. European Union Countries by democracy type according to Democracy Index 2018

Democracy type	EU Countries
full democracies	Spain, Malta, Austria, United Kingdom, Germany, Luxembourg, Netherlands, Finland, Ireland, Denmark, Sweden
flawed democracies	Romania, Croatia, Hungary, Poland, Bulgaria, Slovakia, Greece, Latvia, Lithuania, Slovenia, Cyprus, Czechia, Italy, Belgium, France, Portugal, Estonia

Source: Author’s calculation

The dataset consists of 28 cross-sectional groups, referring to European Union countries before the Brexit, from 2012 until 2018. All results were estimated using Stata 13.

4. Empirical results

To study the relationship between democracy and vulnerable migration, two different panel data regression models for both fixed and random effects were estimated. The dependent variable taken into account was asylum seeker applicants. The independent variables of the first model were the components of the Democracy Index: Electoral Pluralism Index, Government Index, Political Participation Index, Political Culture Index, Civil Liberties Index. The Democracy Index was used

as independent variable for the second model. In both situations, a dummy variable to highlight the migration crisis was included. The results are displayed in the subsequent tables.

Table no. 2 Summary statistics from the regression model

	Fixed effects	Random Effects	Fixed effects	Random Effects
Independent variable(s)	Democracy Index components		Democracy Index	
R-sq within	0.1392	0.1381	0.0555	0.0547
R-sq between	0.0356	0.0568	0.0483	0.0483
R-sq overall	0.057	0.074	0.0479	0.0491
Rho	0.758445	0.772044	0.74564	0.738424
Number of observations	196			
Number of groups	28			

Source: Author's calculation

Table no. 3 Result from the panel data regression model on Democracy Index components

	Fixed Effects (FE)		Random Effects (RE)	
	Coef.	P>t	Coef.	P>z
AsylumApplications				
ElectoralPluralismIndex	215.5559	0.787	150.6476	0.838
GovernmentIndex	114.8712	0.698	188.9334	0.398
PoliticalParticipationIndex	438.4408	0.043	469.5455	0.012
PoliticalCultureIndex	-478.584	0.017	-411.778	0.01
CivilLibertiesIndex	607.9248	0.047	530.2904	0.067
RefugeeCrisis	4833.445	0.008	4531.528	0.01
_cons	-74518.6	0.335	-73440.9	0.265
F statistic(for FE) / Wald Statistic (for RE)	4.37	0.0004	27.68	0.0001

Source: Author's calculation

Table no. 4 Result from the panel data regression model on Democracy Index

	Fixed Effects (FE)		Random Effects (RE)	
	Coef.	P>t	Coef.	P>z
AsylumApplications				
DemocracyIndex	862.6687	0.124	639.167	0.063
RefugeeCrisis	4390.691	0.005	4323.073	0.005
_cons	-63763.74	0.153	-45919.59	0.095
F statistic(for FE) / Wald Statistic (for RE)	4.88	0.0087	10.86	0.0044

Source: Author's calculation

Hausman was used to choose between fixed and random effects. In both estimated models, the Chi Square statistic of Hausman test was not statistically significant. This means that random effects models are appropriated for the analysis. The random effects model shows that variables vary over the countries, so, in our case, it is a proof that there are differences in the European Union countries in terms of the level of democracy.

In case of the first estimation, we observe that Political Participation Index and Political Culture Index are significant at a 5% level of confidence and Civil Liberties Index is significant at a 10% level of confidence. Political Participation Index and Civil Liberties Index have a direct influence on asylum seekers which means that, if a state respects the civil liberties and encourages political participation, people will consider this as a pull factor. An interesting aspect is the inversely

proportional connection between asylum seekers and Political Culture Index of a country. Political culture usually refers to the shared values and beliefs towards politics of the people of a country (Chilton, 1988). People who come from countries where freedom is restricted may not perceive the importance of the political culture. Hence, this may be the reason of the inverse relationship between the two variables.

In the second model, the relationship between vulnerable migration and Democracy Index is directly proportional. This means that countries with a higher democracy score (and, therefore, belonging to the category of full democracies) are an attraction for vulnerable migrants. In both estimations, the dummy variable for highlighting the refugee crisis is highly significant at a 5% confidence level and has a direct influence on the number of asylum seekers.

The results show that there is a direct and significant relationship between the vulnerable migration and the level of a state's democracy. This aspect should be a trigger for governments in order to revise their policies and rules.

5. Conclusions

This article was meant to enrich the literature regarding the relationship between migration and democracy, especially from the perspective of vulnerable migration.

The results showed that there is a direct and significant relationship between vulnerable migration and the level of democracy in a country. This confirms that people, in addition to economic well-being, seek to have their rights and freedoms respected. Future studies need to focus on other aspects of a democratic state, such as economic freedom or corruption.

Vulnerable migration is a rather difficult topic to debate, mostly due to its tangled definition. However, more categories of vulnerable migrants need to be added to the study in order to capture a clear image of the phenomenon. Kapartziani and Papatthasiou (2016) showed that corruption is an important aspect of a democracy and also that the European Union needs to review its migration rules and laws regarding refugees and asylum seekers, in order to keep alive the spirit of democracy that it portrays.

6. Acknowledgment

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