



GÖTEBORGS UNIVERSITET

Department of Social Work

Master of Science in Social Work with Specialization in Human Rights

**EMPLOYMENT: A CRUCIAL TOOL FOR INTEGRATING
IMMIGRANTS AND FOREIGNERS IN SWEDEN**

Semester: Autumn 2010
Author: Kwaku Gyening Owusu
Supervisor: Professor Bjorn Gustafsson

List of Contents

Acknowledgement	iii
Abstract	iv
Definitions	iv
Background	v
Research Questions	vi
Research Methodology	vi
Data Collection Method	vii
Chapter 1: Statistical and Literature Review	1
Part 1: Statistical Data on Labour Market	1
1.1 Historical Waves of Immigration and Skilled Workers in Sweden	1
1.2 Employment, Unemployment and Labour Force Participation in Sweden	4
1.3 Employment and Unemployment among Immigrants and Natives in Sweden	7
1.4 Unemployment among Immigrants in Sweden	8
1.4 Unemployment Rates of Immigrants in Norway	12
Part 2: Review of Recruitment Process and Earnings in Swedish Labour Market	13
Reviews	13
Case1 Case 2	13
Case 3 Case 4	14
Case 5	15
Chapter 2: Theoretical Perspectives	16
2:1 Human Capital Theory	16
2.2 Disparate Treatment Theory	17
2.3 Unconscious Bias Theory	18
Chapter 3: Analysis	19
3.1 Stereotypical Discrimination	19
3.2 Perceived Low Skills	22
3.2.1 Refugee Factor	22
3.2.2 Ethnicity Factor	23
Chapter 4: Discussion and Conclusion	24
4.1 Discussion	24
4.2 Conclusion	25
Bibliography	27
Translations	30
Appendix	31

Acknowledgement

I really thank the Almighty God for guiding me and protecting me to complete my studies at Gothenburg University. I also thank my supervisor, Professor Björn Gustafsson who assisted me and guided me throughout my whole research work. His comments and directions brought me this far to complete this research. I also thank Ing-Marie Johansson my programme coordinator for her constant assistance and support during my studies at Gothenburg University. I also thank all the staff and Lecturers of my department. Lastly I thank my Parents, my brothers, my fiancée and my two kids for being there for me at all times and supporting me morally and financially during my studies. God richly bless you all.

Abstract

The research focuses on the labour market and immigrants from outside Europe and OECD countries living in Sweden. We investigated two main questions; the first was; what accounts for higher unemployment rates among immigrants from outside Europe and OECD countries in Sweden? And the second, what accounts for lower wages and earnings of immigrants from outside Europe and OECD countries in Sweden. We collected data by reviewing secondary sources of research on labour market statistics, recruitment process of some companies, earnings of heterogeneous immigrants and natives living in Sweden. We analyzed our data with human capital theory, disparate treatment theory and unconscious bias theory. Our findings were that, stereotypical discrimination by employers was the cause for higher unemployment rate among immigrants from outside Europe and OECD countries and perceived low skills by employers was the cause for lower earnings among immigrants from outside Europe and the OECD countries.

Key words: Immigrants, Labour Force Participation, Unemployment, Labour Market, Discrimination, Refugee, Ethnicity, Integration

DEFINATION OF WORDS

In this work the following words are often used interchangeably and must be defined:

- **IMMIGRANT/ FOREIGNER** : Person born outside Sweden or the country in question but legally resident in the country in question

“The longer the exclusion from gainful employment, the higher the risk of being also excluded from full participation in social and political life.”¹

Bernard Gazier and Günther Schmid

Background

Recent studies have revealed that 214 million people or 3.1% of the world population live outside their country of origin.² This has been due to economic, political and social factors also referred to as the push and pulls factors of immigration which has resulted in widespread multiculturalism in many countries. In Sweden cities like Stockholm, Goteborg, Malmo, Linköping, and Jönköping among others have witnessed a growth in multiculturalism. Along the issue of multiculturalism is the issue of high unemployment rate and low incomes earnings among immigrants as compared to natives in Sweden; A sign which does not speak well of a multicultural society since high unemployment rates and low earnings among immigrants can have several repercussions including ‘economic un-freedom’,³ poverty⁴ and social exclusion⁵.

Reasons for high unemployment and slow integration of immigrants in Sweden have been labelled on the lack of Swedish literacy skills⁶ or Sweden Human Capital⁷ of immigrants but this assertion is poorly supported since research has shown that immigrants employability rate do not change much after gaining Swedish language skills. The lack of Swedish language skills is often used as pretext to explain why immigrants are not securing jobs⁸. A research by Vilhelmsson found out that “ the labour market status of young individuals with immigrants backgrounds is weak compared to that of native-born individual despites the fact that many of

¹Schmid G. and, Gazier B. (2002) *The dynamics of full employment; social integration through transitional labour market* edited by Günther S and Bernard G, Edward Elgar Publishing Limited, Cheltenham UK, p xi

² UN Department of Economics and Social Affairs

³ Sen, A. (1999), *Development as Freedom*. Oxford: Oxford University Press p 72

⁴ Gustafsson, B. Zaidi, A. Franzen, E. (2007). Financial Poverty, *International Journal of Social Welfare* 16: p S75

⁵ Bask, M. (February 2005), ‘Welfare Problems and Social Exclusion Among Immigrants in Sweden’, *European Sociological Review*, Vol. 21, Number 1, p 74-5

⁶ The Local, *Sweden to Reward Quick Learning Immigrants* <http://www.thelocal.se/18208/20090313/> 30.07.2009

⁷Rydgren, J. (July 2004). ‘Mechanisms of Exclusion: Ethnic Discrimination in the Swedish Labour Market’, *Journal of Ethnic and Migration Studies*, Vol. 30, No. 4, p 702 (This also takes into consideration language skills and competence).

⁸ Peroz E. & Rosca O. (2007) *Youth Unemployment in Gothenburg (Sweden) among native Swedes and Immigrants: A Qualitative Study of Labour Market Exclusion*. Gothenburg University, p 36

those concerned were born in Sweden and have attended the Swedish compulsory school (grundskolan)”⁹. In other developments and research by Peroz and Rosca, immigrants’ youth with basic education and subsequent higher education in Sweden found it hard entering the Swedish labour market as compared to their native colleagues¹⁰. This helps us to understand the issue of language being used as a pretext to justify high unemployment among immigrants. The issue of low wages of immigrants is not related to lack of Swedish literacy skills but continue to persist in Swedish labour market. Immigrants and native employed for similar jobs results in immigrants earning lower incomes than natives. This is a very common phenomenon in Sweden¹¹.

Although high unemployment and low earnings persist among immigrants than natives, there is also a complex phenomenon of differences in unemployment rates and earnings levels among immigrants as a heterogeneous group or immigrants based on their country of origin/birth. This phenomenon is quite unusual for people who relate, treat or think of immigrants in the labour market as homogeneous in group. In reality immigrants’ unemployment rates and salary earnings rates are very heterogeneous in Swedish labour market.

Research Questions

In order to better understand the level of heterogeneity of immigrants in Sweden, we have limited our research to two main questions:

- What accounts for higher unemployment rates among immigrants from outside Europe and OECD countries in Sweden?
- What accounts for lower wages and earnings of immigrant from outside Europe and OECD countries in Sweden?

Research Methodology

Our research is a literature review in strategy and qualitative in methodology. We adopted a qualitative method to get a broad understanding and view of the researched phenomenon and

⁹ Vilhelmsson, R. (2002), *Ethnic Differences in Swedish Youth Labour Market, Wages and Unemployment of Immigrants and Natives in Sweden*, Stockholm University p 2

¹⁰ Peroz E. & Rosca O. (2007) *Youth Unemployment in Gothenburg (Sweden) among native Swedes and Immigrants: A Qualitative Study of Labour Market Exclusion*. Gothenburg University p 36

¹¹ Johansson, M. and Katarina, K. (2007). *Wage Differences between Women and Men in Sweden-The Impact of Skill Mismatch*, Working Paper 2007: 8(Götzens: Institute of Future Studies, Götzens) p34

also enable us to understand how humans interpret, construct and reconstruct their social world¹². In our methodology, we reviewed statistical data on labour market, recruitment processes and earnings levels of natives and immigrants as a homogeneous group on one hand, as well as immigrants as a heterogeneous group (based on the region of origin). We theorised the reviewed data with Human Capital Theory, Disparate Theory and Unconscious bias Theory to enable us find reasons why higher unemployment rate and lower earnings of immigrants from outside Europe and OECD countries continue to persist in Sweden.

The pattern and structure of this work has been divided into 4 main chapters. In chapter 1 there are two parts. The first part mainly includes review of statistical data on immigration flow, labour market in Sweden and some OECD countries. The second part is a review of recruitment processes and earning levels of natives and immigrants heterogeneously grouped in their country of birth/origin. The second chapter focuses on theories of unemployment and low earnings. The third chapter is an analysis of reviewed recruitment process and low earnings with the theoretical frameworks adopted. The last chapter is discussions and conclusions.

Data Collection Method

Through literature review we collected data from secondary sources from websites, articles, working and discussion papers as well as books to support our research. The website includes Statistics Sweden, Statistics Norway, ILO, UN, EU and other websites. The articles were mostly from journals including International Journal of Social Welfare, European Journal of Scientific Research, International Migration, Journal of European Social Policy, Harvard Civil Rights-Civil Liberties Law Review, European Sociological Review, Journal of Economic Literature and Industrial Relations Law Journal, Soziale Welt. Working papers were from the Stockholm University Linnaeus Center for Integration Studies, Institute for Labour Market Policy Evaluation and Institute for Future Studies. The Discussion papers were from Forschungsinstitut zur Zukunft der Arbeit. Books used were mainly Formal Education and Earnings by Fäeßler, Social Research Methods by Bryman, Social Work Skills by Trevithick, Development as Freedom by Sen, Education for Development: An Analysis of Investment Choice by Psacharopoulos and Woodhall, The Dynamics of Full Employment: Social Intergration through Transitional Labour Market by Schmid and Gazier among others.

¹² Bryman A.(2004), *Social Research Methods*, Oxford: Oxford University Press, p 20

Chapter 1: Statistical and Literature Review

Part 1: Statistical Data on Labour Market

The beginning of this section comprises history of immigration in Sweden and the ethnic background of immigrants in Sweden. The middle section is statistical data on unemployment and labour market participation for both immigrants and natives in Sweden. The latter part of this section is a comparison of unemployment of immigrants based on their birth region residing in Sweden and Norway another Scandinavian country.

1:1 Historical Waves of Immigration and Skilled Workers in Sweden

According to information from Statistics Sweden, Sweden registered the first wave of immigrants in 1875 with a population of 2805 and by 1994 immigrants that entered Sweden had increased to a population of 83,000 the highest number ever to immigrate into the country but by 2008 this number has been overturned by another great wave of immigrants numbering 101,171¹³. Reasons for the increase in immigration to Sweden are related to several factors. Majority of immigrants that arrived between the 1950s to the 70s were from other Nordic countries and mainly for employment purposes. Migrating to Sweden was easy for these immigrants due to the intra-Nordic migration policy in 1954 which allowed citizens of Nordic member states to freely migrate and work within the Nordic Common Labour Market.¹⁴ The other chunk of immigrants that arrived in this era came from southern and western Europe also for employment reasons.¹⁵

Other groups that entered Sweden are other Europeans¹⁶. This occurred upon Sweden's entry into the European Union in 1995, thus it became legally binding for Sweden to freely allow immigration of any EU citizen to reside in Sweden¹⁷. Hence, Europeans could immigrate freely into Sweden so far as they originated from EU member states.¹⁸

¹³ Statistics Sweden: *Population and Population Changes 1749-2008*
http://www.scb.se/Pages/TableAndChart_26047.aspx 03/10/09

¹⁴ Gustafsson, B. Zheng, J (2006). Earnings of Immigrants in Sweden 1978-1999, *International Migration* Vol. 44 (2), p 82

¹⁵ Ibid p 82

¹⁶ Ibid p 82

¹⁷ European Countries, Sweden http://europa.eu/abc/european_countries/eu_members/sweden/index_en.htm 03/10/09

¹⁸ A Constitution for Europe: *Non-discrimination, citizenship and free movement of persons*
http://europa.eu/scadplus/constitution/justice_en.htm#CITIZEN 3/10/09

The group of immigrants that began entering Sweden in the last 60 years was refugees and asylum seekers¹⁹. As a signatory to the UN Geneva Convention of 1951 which enforces member states to admit refugees and asylum seekers, Sweden has incorporated this convention into its Aliens Act of 1954 and has played a very positive and impressive role in admitting refugees to its safe country. It is documented that in the cold war era; that is from the 1950s to 1980s asylum seekers and their relatives originating from Estonia, Hungary, Czechoslovakia, Chile and Poland came to Sweden.²⁰ Subsequent numbers of asylum seekers came from Iran, Iraq, former Yugoslavia and Somalia, thus as at 2005 the total number of Immigrants that resided in Sweden had hit over a million, making the immigrant population 12.4% of the total population in Sweden²¹. See Fig 1.

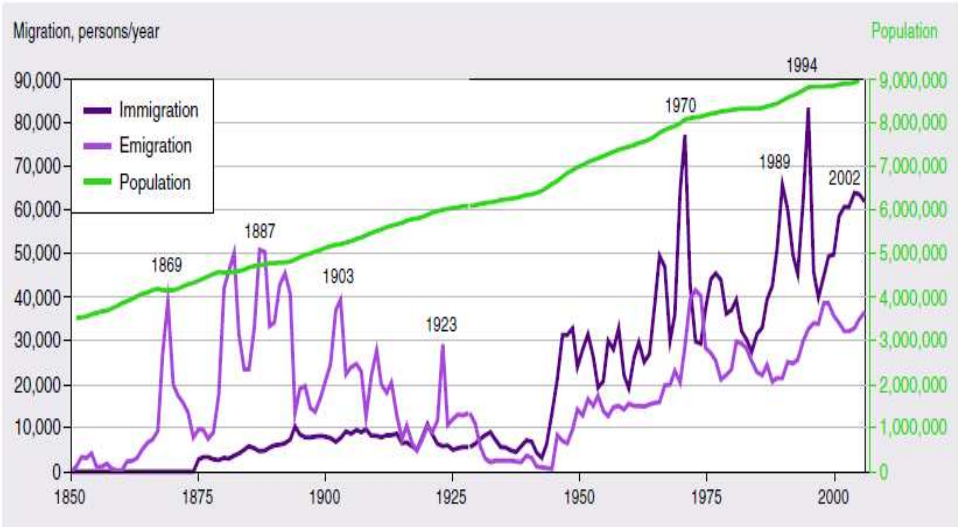


Fig 1: Immigration waves and population of Sweden 1851-2004
Source: Statistics Sweden and Sweden Social Report 2006

Regarding the ethnic composition of immigrants in Sweden, we see on Table 1 that, the majority of immigrants in Sweden as at 2004 are people from the Nordic countries totalling 25.2% of immigrants in Sweden. This can be due to the Nordic Common Labour Market that was established after the Second World War. The Middle East and North Africa follows with 19.9% for reasons of political instability in Lebanon, Iraq, Iran, Afghanistan etc resulting in high refugee immigrants. Sub-Sahara has the lowest immigrant population of just 4.7%.

¹⁹ Gustafsson, B. Zheng, J(2006) Earnings of Immigrants in Sweden 1978-1999, *International Migration* Vol. 44 (2), p 82
²⁰ Ibid p 82
²¹ Ibid p 82

Country/region of birth	Year							
	1900	1930	1950	1960	1970	1980	1990	2004
Population in Sweden (1000s)	5,136,441	6,142,191	7,041,829	7,495,129	8,076,903	8,317,235	8,590,630	9,011,810
of which born in Sweden (%)	99.3	99.0	97.2	96.0	93.3	92.5	90.8	87.8
All foreign-born persons (1000s)	35,627	61,657	197,810	299,879	537,585	626,953	790,445	1,100,262
of which born in (%)								
The Nordic countries	60.3	53.9	50.1	58.0	59.7	54.4	40.4	25.2
Western Europe*	33.6	34.0	21.0	21.3	14.8	12.4	10.5	9.3
Eastern Europe	4.4	9.5	26.3	17.1	11.3	10.9	11.6	10.6
Southern Europe	0.7	0.8	1.6	2.6	10.8	10.5	8.9	15.1
Middle East & North Africa	0.1	0.1	0.1	0.2	1.4	4.5	13.7	19.9
Sub-Saharan Africa	0.2	0.5	0.2	0.1	0.4	0.9	2.5	4.7
Central and Eastern Asia	0.2	0.7	0.4	0.4	0.8	3.4	6.3	9.4
Latin America	0.4	0.5	0.3	0.3	0.6	3.0	6.2	5.8

*Including USA, Canada, Australia and New Zealand.

Table 1: Ethnic composition of population in Sweden 1900-2004

Source: Statistics Sweden and Sweden Social Report 2006

In the last 100yrs Sweden was not considered an industrialized country among its contemporaries but after the 2nd world war it rose to the level of an industrialized country after economic expansion partly due to the reconstruction of European countries that had been devastated by the war²². The increase in demand for products to reconstruct war devastated Europe meant that Sweden will also require more skilled workers to complement the native Swedish labour force which was encountering some shortages, hence skilled workers were recruited from the Nordic countries²³ and with the Nordic Common Labour Market in place it was easier for the skilled workers to be recruited into the labour market.

But in the 70s, employment and recruitment pattern changed due to some factors. One of the factors was that the trade unions begun to see immigration as producing some negative side effects which included “delaying of industrial transformation through the steady supply of workers to replace Swedes who had moved into the service sector. This supply of labour also served to depress wage increases within industry, which will otherwise have occurred due to the scarcity of labour”²⁴. As a result of this, immigration had its fair share of criticism from the Swedish public with much complains on the preservation of the traditional industrial structure rather than allowing it to undergo significant transformation²⁵. The above reason together with the effect of the oil crises led the Swedish government to make changes towards

²² Bevelander P. (2004). *Immigration patterns, economic integration and residential segregation: Sweden in the late 20th Century*, Malmo University Electronic Press, p 6

²³ Ibid p 6

²⁴ Ibid p 7

²⁵ Ibid p 7

work immigrants originating from countries outside the Nordic Common Labour Market²⁶. The changes in immigration laws introduced an application for a permit before entering Sweden as well as arranging for jobs and also securing accommodation; this consequently cut down the number of work immigrants entering Sweden²⁷.

Apart from these reasons, Swedish industrial labour market also suffered some shortfalls in the number of labour immigrants due to some structural changes which ushered in demand for service sector workers than industrial sector workers (skilled workers)²⁸. There was also a decline in work immigrants from the Nordic countries especially Finland due to diminishing living standard and an increase in demand for labour in Finland itself²⁹. Labour immigration flow after this period was reduced until the 80s when the new phase of immigrants that entered Sweden was predominantly refugees, asylum seekers and their relatives³⁰. As stressed earlier the incorporation of the UN Geneva convention of 1951 into the Swedish Alien Act of 1954 enforced Sweden to take on refugees and asylum seekers. The unique aspect of the Swedish Alien Act of 1954 was that it also allowed rejected asylum applicants of the UN Geneva convention to apply for a de facto refugee, war rejecter or humanitarian reasons³¹ to be granted asylum, permanent residence or temporal protection.³²

1:2 Employment, Unemployment and Labour Force Participation in Sweden

In the recent past years, Sweden has had a very favourable labour market than most of her contemporaries. Data received from the ILO and published in the Swedish social report 2006 indicates that among its peers Sweden has performed quite well in their general unemployment³³ (Whereby, general employment includes female-male ratio and participation, the total employable age population participation and the effectiveness of the trade unions.) See Fig 3, 4

²⁶ Gustafsson, B. Zheng, J(2006) Earnings of Immigrants in Sweden ,1978-1999, *International Migration* Vol. 44 (2), p 82

²⁷ Bevelander P. (2004) *Immigration patterns, economic integration and residential segregation: Sweden in the late 20th Century*, Malmo University Electronic Press, p 6

²⁸ Ibid p 8

²⁹ Ibid p 8

³⁰ Ibid p 8

³¹ **De facto refugees** are people who refer to political conditions or some circumstances in their country of origin as bases of insecurity and fear: **War rejecters** are people who have fled war or military interference: **Humanitarian reasons** also refer to countries in a state of war.

³² Bevelander P. (2004), *Immigration patterns, economic integration and residential segregation: Sweden in the late 20th Century*, Malmo University Electronic Press, p 9

³³ Bäckman, O. And Franzen E. (2007). Employment and the labour market, *International Journal of Social Welfare*: 16, p S36-7

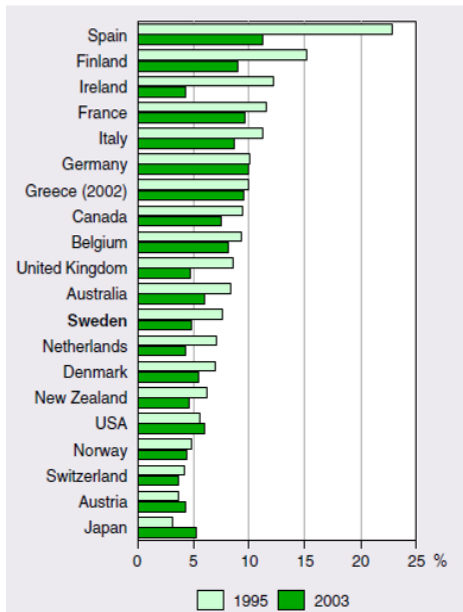


Fig 2

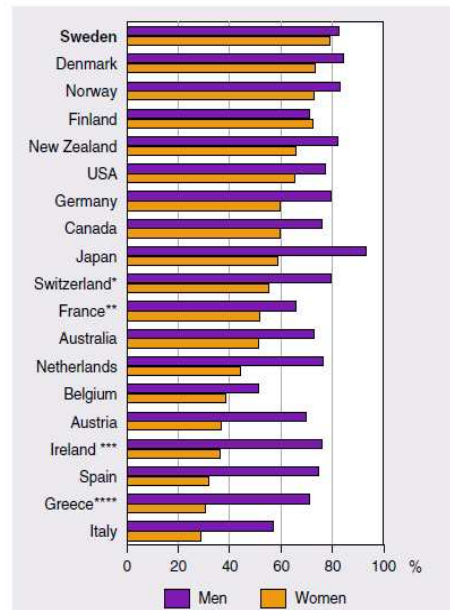


Fig 3

Fig 2: Unemployment rate among 20 countries in 1995 and 2003. **Fig 3:** Labour force participation among men and women aged 55-59 in 19 countries (2003)
Source: ILO and Sweden Social Report 2006

That notwithstanding, Sweden's employment rate has also encountered some sensitive shortfalls (Fig 4). It has been surveyed that as at 1993, unemployment among men and women rose to a peak of 9.7% and 7.6% respectively but before that the unemployment rate was a steady 2-3 % with the mid 80s recording a slight increase to 4%³⁴. Explanation for the high unemployment rate in the 90s has been related to economic downturns and recession in those years. On Fig 4 we see that 2004 witnessed an increase in unemployment again. On the issue of labour force participation it was also steady from the 70s for men but women on the other hand increased in labour force participation till its peak in 1990. In the early 90s the economic downturn ushered in a reduction of labour force participation and high unemployment rates for both men and women.



Fig 4: Unemployment rate and labour force participation. Men and Women. 16-64 (2004)
Source: Sweden Statistics/AKU and Sweden Social Report 2006

³⁴ Ibid. p S37

The rise in unemployment rates in 2004 (Fig 4) began to decrease in the 2nd quarter of 2005 on Fig. 5. Then from the 2nd quarter of 2006, unemployment rates began to decrease until end of the 4th quarter of 2008 when the labour market in Sweden began to witness increase again. As at September 2009, the unemployment rate in Sweden stood at 8.3%³⁵. But we need take note that the increase in unemployment rates from the 4th quarter of 2008 and till now is partly due the trickle effect of post financial recession that hit the world in 2008 as such the Swedish economy like other major economies suffered losses and high redundancy³⁶. The other reason is the changes in the Swedish labour force surveys to meet the international standard of labour force reporting which as of October 2007 included unemployed full time students actively looking for work.³⁷

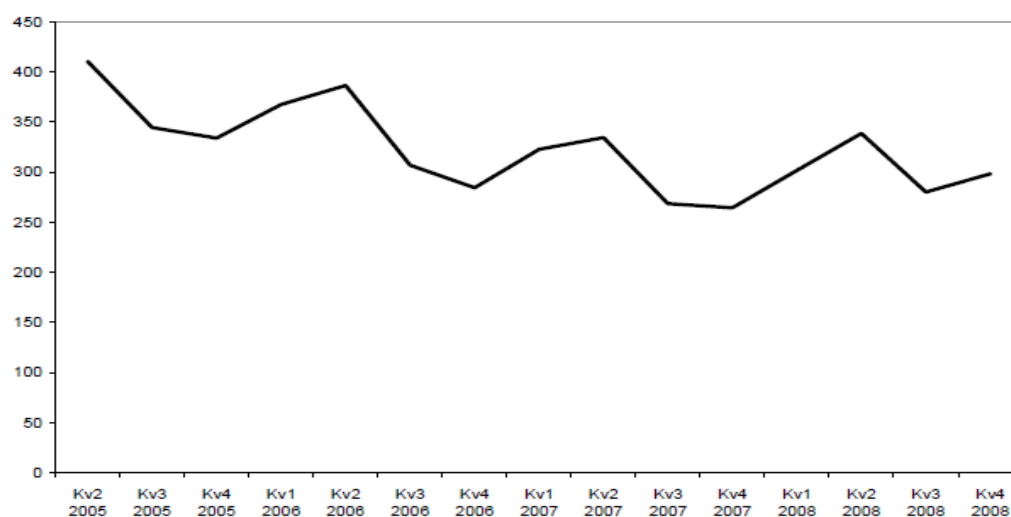


Fig 5: Unemployed (thousands) aged 15-74 years, 2005-2008, quarterly
Source: Statistics Sweden (LFS)

Regarding real numbers (Table 2) we can see that as at the end of the 2007 the actual number of unemployed persons were 297.500 (6.1%) and this rose to 304.700 (6.2%) by 2008. As of January 2009 the number of unemployed persons was 350.700 (7.3%) and by June 2009 as many 502.600 (9.8%) people were unemployed. In this era Sweden begun experiencing the consequential effects of the 2008 economic recession and as a result it was been very hectic within the labour sector. For instance some prominent industries factories and plants in Sweden such as Volvo suffered total layoffs numbering about 2000 workers out of which

³⁵ Statistics Sweden, *Labor Force Survey*, http://www.scb.se/Pages/Product_23276.aspx 23/10/09

³⁶ Statistics Sweden, *New Reporting in the Labor Force Surveys(LFS) from October 2007* <http://www.scb.se/statistik/AM/AM0401/documents/LabourForceSurveys.pdf> 23/10/09

³⁷ Statistics Sweden, *New Reporting in the Labor Force Surveys(LFS) from October 2007* <http://www.scb.se/statistik/AM/AM0401/documents/LabourForceSurveys.pdf> 23/10/09

some plants in Gothenburg and Umea suffered the most³⁸. From a gender perspective we can see that it was in 2009 that unemployment rates among women recovered from being the most unemployed gender as compared to the previous three years which recorded higher unemployment rate for women. Although events occurring in the post recession years are very significant and have been noted and discussed, it will not play a vital role in our research since the causes for it has been outside the reach or control of the Swedish labour market.

	Employed, thousands			Unemployed thousands	Unemployment rate ^[1]			Labour force rate ^[2]		
	Total	Men	Women		Total	Men	Women	Total	Men	Women
2005	4,347.6	2,280.9	2,066.7	366.8	7.8	7.8	7.7	70.8	73.6	67.8
2006	4,429.4	2,330.8	2,098.6	336.3	7.1	6.9	7.2	70.8	73.7	67.9
2007	4,540.7	2,390.3	2,150.4	297.5	6.1	5.9	6.5	71.1	73.9	68.3
2008	4,593.0	2,421.8	2,171.1	304.7	6.2	5.9	6.6	71.2	74.0	68.3
Year/Month										
2009										
Jan	4,478.4	2,346.0	2,132.5	350.7	7.3	7.5	7.0	69.8	72.5	67.0
Feb	4,459.5	2,339.7	2,119.8	387.3	8.0	8.0	7.9	72.7	72.7	67.2
Mar	4,458.8	2,331.7	2,127.1	403.6	8.3	8.5	8.1	70.1	72.7	67.5
Apr	4,460.2	2,330.6	2,129.6	402.8	8.3	8.9	7.6	70.1	72.9	67.2
May	4,486.7	2,344.9	2,141.8	445.6	9.0	9.3	8.8	71.0	73.6	68.4
Jun	4,606.7	2,409.2	2,197.5	502.6	9.8	10.0	9.7	73.5	76.2	70.8
Jul	4,646.1	2,440.5	2,205.6	398.1	7.9	8.5	7.2	72.5	75.8	69.1
Aug	4,537.4	2,377.6	2,159.7	392.8	8.0	8.3	7.6	70.8	73.7	67.9
Sep	4,477.6	2,348.8	2,128.7	404.8	8.3	8.4	8.1	70.0	72.8	67.2

Table 2: Labour force age 15- 74 years, by Sex annual average 2005-2008; and monthly for Jan- Sep 2009

1) Unemployed in per cent of the labour force

2) Labour Force in percent of the population 15-74 years old

Source: Statistics Sweden, Labour Force Survey

1:3 Employment/Unemployment Rates among Immigrants and Natives in Sweden

Reviewing employment and unemployment rates from immigrants-native perspective, we realise that immigrant's employment rates in the past 4 to 5 decades had different storyline from the recent 2 and half decades. In fig 6 and 7 we see two sides of the story in a 'genderized' perspective. The employment rates among immigrant men and women were far better and steady than native men and women. As we stated earlier, the 50s and 60s was when the economy of Sweden grew as a result of needed materials to rebuild Europe after the Second World War and this had called for skilled workers accounting for foreigners being the most employed as well as the changes in immigration laws and the oil crises in the 70s affected this pattern and from the 70s immigrants began witnessing sudden change in

³⁸The Local 'Volvo to Layoff 600 workers', <http://www.thelocal.se/15314/20081029/> 09/11/09

employment patterns³⁹. Employment rates between natives and immigrants increased in gap to the detriment of immigrants. It was not until the 90s that foreign born women began to move up steadily to reduce the gap, while foreign born men and natives continue to increase in employment rates but maintained the difference gap.

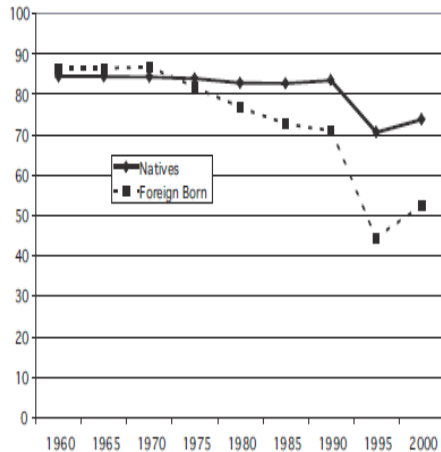


Fig 6

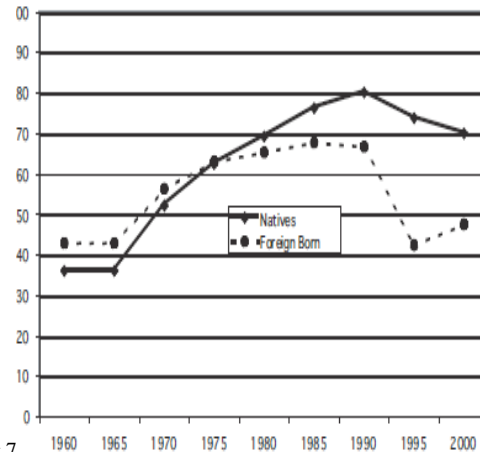


Fig 7

Fig 6: Age Standardised Employment Rates for Foreign Born and Native Born Men Aged 16-64, 1960-2000 (percent). **Fig 7:** Age Standardised Employment Rates for Foreign Born and Native Born Women Aged 16-64, 1960-2000 (percent)

Source: Bevelander (1995, 2004) and Statistics Sweden

1.4 Unemployment among Immigrants in Sweden

The unemployment rate among immigrants is still on the increase. In Fig 8, a quarterly unemployment research among foreign born men and women is full of fluctuation. As of 2nd quarter of 2005, unemployment among foreign born women has been better than that of their men until the first quarter of 2006. In the third quarter of 2006, foreign born men became the most unemployed group until the first quarter of 2007. This was maintained until the first quarter of 2009 when foreign born men became the most unemployed again. We also see that on the whole, unemployment levels fell below 14% between third quarter of 2006 and fourth quarter 2008, but shot past 14% at the end of 2008 due to the economic downturn that the world witnessed. Our interest being before 2009, we see that unemployment rates for foreign born men and women as at the end of 2008 was below 12% and above 12% respectively.

Statistics of unemployment for immigrants based on country of origin also differ greatly. The data presented under Fig 9 comprising of surveys from 1992-2002 shows that, Immigrants from western countries recorded the best unemployment rates while Middle East & North Africa recorded the worst rates.

³⁹ Gustafsson, B. Zheng, J(2006) Earnings of Immigrants in Sweden ,1978-1999, *International Migration* Vol. 44 (2), p 82

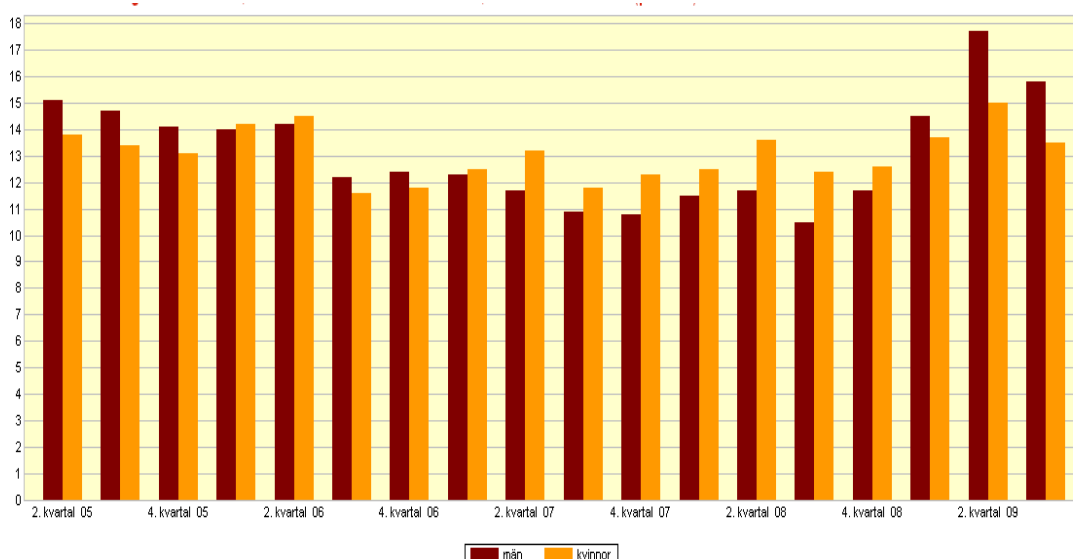


Fig 8: Befolkningen 15-17år (AKU), andel i procent efter kön, tid

Arbetskraftstillhörighet=arbetslösa, intrikes utrikes född=utrikes födda, Ålder=totalt 15-74 år. (Procent)

Unemployment rates in percentage among foreign born men and women; 15-74 years (between 2005 2nd quarter-2009 2nd quarters)

Source: Statistics Sweden, Labour Force Survey

Both groups maintained their positions on the curve even in 2002 when general unemployment rate in Sweden begun to improve. Only immigrants from Southern Europe made significant position changes by moving from among the least unemployed immigrant group in the early 90s to the category of the most unemployed immigrant group in the late 90s. Reasons for the drastic change among Southern Europeans has been due to the high influx of refugees from Yugoslavia in the mid 90s, who increased the unemployment rates for Southern Europe, hence though the existing core workforce for southern Europe had not diminished the new arrivals increased the unemployment rate among Southern Europeans⁴⁰. On the general outlook of the curve there has been high unemployment rate recorded among all the groups on the graph excluding Southern Europe. Two reasons have been given; first, the Swedish economy suffered an economic downturn in the early 90s as stated earlier and second Sweden witnessed a high influx of immigrants around the same era making unemployment rates rise among most groups even native born Swedes⁴¹. But in the early 2000s we can see that unemployment rate among the worse group fell to 6% and was rather

⁴⁰ Bäckman, O. And Franzen E. (2007) Employment and the labour market, *International Journal of Social Welfare*: 16: p S45

⁴¹ Ibid p S44-45

decreasing with time towards 2002 and subsequent years to come until 2005.

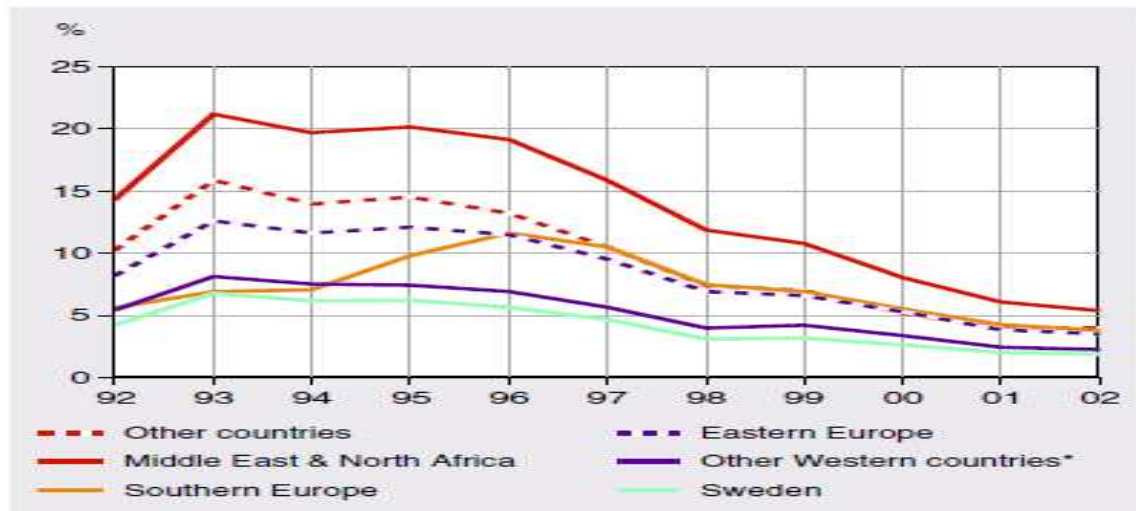


Fig 9: Persons registered as unemployed for 180 or more days per year, by country of birth, 1992-2002. Per cent of the population aged 20-64

*Other Nordic Countries, Western Europe, USA, Canada, Australia and New Zealand

Source: Sociomedical database, EpC/National Board of Health and Welfare and Social Report 2006

In fig 10; we see a high unemployment rate in the country. From 2005 immigrants from Africa, Asia, South America and other countries recorded the worst unemployment rates among the immigrants groups being 23.2%, 23.1%, 14.5% and 14.1% respectively. Nordic countries recorded the best unemployment rates followed by EU citizens and European member states. In 2006 unemployment rates seemed to be getting better and some numbers began to change. Asia became the most unemployed group with 20.3% followed by Africa with 20.2%, other countries recording 13.7% and South America recording 12.8%. In 2007, Africa took over the mantle again from Asia recording 19.0% followed by Asia with 18.4%, other countries with 16.8%, and then South America with 9.0%. As at 2008, Africa maintained its worst position followed by Asia then other countries and for the first time North America and Europe before South America recording 8.4%. We can calculate that on the average, among the foreign born groups unemployment rates is best among the Scandinavian countries (Norden) followed by EU excluding Nordic countries then Europe then North America followed by South America, other countries, Asia and Africa recording the worst unemployment rates over the four year survey. The survey also helps us understand that among the foreign born groups, Europe has the largest working group, followed by the northern countries, then Asia with other countries being the less populated. We can also see that although Europe has the largest working population and other countries having the smallest working population neither of them are the worst unemployed.

2005

TTAB 20 (15-74 år)

Kön

Födelse-land	Inrikes och utrikes födda, jämförelse. Befolkningen fördelad efter arbetskraftstillhörighet, kön och födelsevärldsdel.								
	1000-tal				Ej i arbetskraften	Befolkningen (4)+(5)	Rel. arb. löshets-tal (3) i procent av (4)	Rel. arb. krafts-tal (4) i procent av (6)	Sys-sättnings-intensitet (1) i procent av (6)
	I ARBETSKRAFTEN								
	Sys-sel-satta	därav i arbete	Arbets-lösa	Summa					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Båda könen									
Inrikes födda (Sverige)	3 805,0	3 186,7	277,4	4 082,4	1 610,5	5 692,9	6,8	71,7	66,8
Utrikes födda efter världsdel									
Europa	342,3	284,0	36,6	378,9	203,3	582,2	9,7	65,1	58,8
Sydamerika	30,3	25,9	5,1	35,4	12,1	47,5	14,5	74,5	63,8
Nordamerika	15,2	12,7	1,8	16,9	4,9	21,8	10,4	77,6	69,5
Asien	121,0	102,3	36,3	157,2	93,9	251,1	23,1	62,6	48,2
Afrika	30,0	25,6	9,0	39,0	19,1	58,1	23,2	67,1	51,6
Övriga länder	3,8	3,2	0,6	4,4	4,8	9,3	14,1	47,9	41,2
Summa utrikes födda	542,6	453,7	89,4	632,0	338,1	970,1	14,1	65,1	55,9
därav									
Norden	143,9	121,0	8,7	152,6	84,4	237,0	5,7	64,4	60,7
EU25 utom Norden ¹⁾	94,2	76,9	8,0	102,2	49,5	151,6	7,8	67,4	62,1
2006									
Inrikes födda (Sverige)	3 865,3	3 243,2	251,3	4 116,6	1 612,2	5 728,8	6,1	71,9	67,5
Utrikes födda efter världsdel									
Europa	344,3	285,1	35,7	380,0	211,1	591,1	9,4	64,3	58,2
Sydamerika	35,8	30,3	5,3	41,0	13,8	54,8	12,8	74,8	65,2
Nordamerika	16,4	14,0	1,8	18,2	5,5	23,7	9,8	76,7	69,2
Asien	134,9	114,2	34,5	169,4	101,4	270,8	20,3	62,6	49,8
Afrika	28,2	23,7	7,2	35,4	16,9	52,3	20,2	67,7	54,0
Övriga länder	4,5	4,0	0,7	5,2	5,2	10,4	13,7	50,3	43,4
Summa utrikes födda	564,1	471,4	85,1	649,2	354,0	1 003,1	13,1	64,7	56,2
därav									
Norden	139,7	115,4	8,0	147,7	86,2	233,9	5,4	63,1	59,7
EU25 utom Norden ¹⁾	94,2	77,9	8,1	102,4	50,9	153,3	7,9	66,8	61,5
2007									
Inrikes födda (Sverige)	3 942,2	3 335,9	216,6	4 158,8	1 600,7	5 759,5	5,2	72,2	68,4
Utrikes födda efter världsdel									
Europa	351,1	292,6	32,2	383,3	219,7	603,0	8,4	63,6	58,2
Sydamerika	39,6	33,4	3,9	43,5	14,8	58,2	9,0	74,7	67,9
Nordamerika	15,5	13,9	1,4	17,0	7,5	24,4	8,5	69,4	63,6
Asien	156,1	135,2	35,1	191,2	103,0	294,2	18,4	65,0	53,1
Afrika	31,0	26,6	7,3	38,3	16,2	54,5	19,0	70,4	57,0
Övriga länder	5,1	4,1	1,0	6,1	3,1	9,2	16,8	66,7	55,5
Summa utrikes födda	598,5	505,9	80,9	679,4	364,2	1 043,6	11,9	65,1	57,3
därav									
Norden	136,7	114,4	6,7	143,4	87,5	230,8	4,7	62,1	59,2
EU25 utom Norden ¹⁾	96,8	80,5	7,0	103,8	53,7	157,6	6,8	65,9	61,4
2008									
Inrikes födda (Sverige)	3 959,7	3 350,3	218,1	4 177,7	1 612,3	5 790,1	5,2	72,2	68,4
Utrikes födda efter världsdel									
Europa	359,9	303,3	34,4	394,3	223,2	617,5	8,7	63,9	58,3
Sydamerika	42,7	37,2	3,9	46,7	13,7	60,4	8,4	77,3	70,8
Nordamerika	15,2	13,4	1,6	16,8	8,0	24,8	9,3	67,6	61,3
Asien	174,5	150,0	37,0	211,5	106,9	318,5	17,5	66,4	54,8
Afrika	33,6	28,4	8,8	42,5	14,5	56,9	20,8	74,6	59,1
Övriga länder	7,3	6,5	0,9	8,2	3,1	11,3	11,1	72,5	64,4
Summa utrikes födda	633,3	538,9	86,6	719,9	369,5	1 089,4	12,0	66,1	58,1
därav									
Norden	131,3	109,7	7,5	138,8	88,6	227,4	5,4	61,0	57,7
EU25 utom Norden ¹⁾	104,0	86,9	7,4	111,4	56,7	168,1	6,6	66,3	61,9

1) Utrikes födda EU25 utom Danmark, Finland

Fig10: Labour Force Survey Annual average 2005-2008: Domestic and Foreign-born persons, comparison. Population Breakdown by activity status, sex and birth continent

Source: Sweden Statistics, Labour Force Survey

1.5 Unemployment Rates of Immigrants in Norway

A comparative analysis with Sweden's neighbour, Norway is virtually the same story. On table 3, immigrants from outside Europe and the OECD countries recorded the highest rates of unemployment with Africa recording the worst as usual followed by Asia. The slight difference is that South and Central America have better unemployment rates than Eastern Europe unlike that of Sweden.

	August 2008			August 2009			Changes, total 2008-2009
	In total	Males	Females	In total	Males	Females	
	<i>Per cent</i>						
Registered unemployed, total	1.8	1.7	1.8	3.0	3.3	2.6	1.2
Non-immigrant population ¹	1.5	1.4	1.5	2.5	2.8	2.1	1.0
Immigrants registered as residents, total	4.6	4.1	5.3	7.5	8.0	6.9	2.9
The Nordic countries	1.9	1.9	1.8	3.3	3.9	2.7	1.4
Western Europe else	1.8	1.7	2.0	3.4	3.5	3.2	1.6
EU countries in Eastern Europe	2.3	1.7	3.5	8.3	9.3	5.9	6.0
Eastern Europe else	5.7	5.3	6.1	8.3	9.0	7.7	2.6
North America and Oceania	1.9	1.8	2.0	2.9	3.2	2.5	1.0
Asia ²	6.5	5.8	7.4	9.0	8.7	9.3	2.5
Africa	10.4	10.3	10.5	14.2	15.2	12.3	3.8
South and Central America	4.7	3.9	5.4	8.0	8.2	7.8	3.3

¹ Non-residents included, 615 (2008) and 1 288 (2009).

² Turkey is included.

Table 3: Registered unemployed by immigrant background, region of birth and sex. In per cent of the labour force in each group. By the end of August 2008 and 2009

Source: Statistics Norway

In summary we have seen the descriptive analysis of unemployment rates between immigrants and natives. We have also seen the level of unemployment among immigrants in a gender perspective. We have also seen the descriptive analyses of unemployment levels among immigrants as a heterogeneous group. We see that unemployment rates for immigrants have changed over the decades; from the impressive decades of the 30s -50s, to the unimpressive decades of 80s -2000s. We have seen that even when unemployment rates fall in Sweden, the positioning of the most unemployed and least unemployed still maintains as it is. We have also seen that people born in Africa, Asia, and South American have always been the most unemployed in comparison to people from Europe and OECD countries. We have also seen that similar trends are found in Norway.

Part 2: Review of Recruitment Process and Earnings in Swedish Labour Market

This section is a review of articles on recruitment processes as well as earning levels based on immigrant's region of birth and natives in Sweden. The articles include experiments and research on how employers conduct their recruitment and earnings levels in Sweden. In total we reviewed some 5 articles. The first three are on recruitment process and remaining two are on earnings levels of natives and immigrants as a heterogeneous group. Below are the summary of their findings:

Reviews

Case 1: *This was an experiment conducted by Eriksson and Lagerström. The experiment adopted the services and data from 'My CV' an internet based job searching engine provided by the Swedish Public Employment Office⁴². In this job portal, jobseekers who find a vacancy that interest them must fill their personal details, job experiences and academic qualifications required by the job⁴³. Applicants are then invited through an email provided by the applicant for an interview by employers to find the most qualified applicant for the position⁴⁴. Having the same access to the job search portal like employers, the researchers were able collate the number of applicants who were contacted by employers. The findings through regression analysis was that, certain ethnic groups, older searchers and searches who are unemployed received the lowest rate of contact from the employers⁴⁵. Also the research confirmed that employers use ethnicity, age and employment status as criteria to sort out applicants.⁴⁶ See appendix 1 for the numbers in fractions.*

Case 2: *In another experiment conducted by Bursell, applications were sent to job vacancies in Stockholm that had been advertised on an internet site called Platsbanken⁴⁷. 15 occupational categories were sampled to represent the Swedish labour force including*

⁴² Eriksson S. and Lagerström J. (2007) 'Detecting Discrimination in the Hiring Process: Evidence from an Internet-Based Search Channel' Working Paper April 2007:19 (Uppsala: Institute for Labour Market Policy Evaluation, IFAU), p 4

⁴³ Ibid p 4

⁴⁴ Ibid p 4

⁴⁵ Ibid p 5

⁴⁶ Ibid p 5

⁴⁷ Bursell M. (2007) 'What's in a Name? – A field Experiment Test for the Existence of Ethnic Discrimination in the Hiring Process' Working Paper 2007:7 (Stockholm: The Stockholm University Linnaeus Center for Integration Studies), p 10

public and private sectors⁴⁸. Applications were paired with one Swedish sounding name and one with a foreign sounding name (either from Arabic or Horn of Africa) and all applicants had Swedish high school qualification and CVs together with personal letters were written to meet the requirements of the jobs advertised⁴⁹. Contacts from the firms or employers showed that, the most contacted applicants were native Swede, male with high social status background and high quality CV⁵⁰. Please see appendix 2 for details.

Case 3: In this work, Herdberg researched persons place of birth, neighborhood of residence and ethnic background and their level of participation in the Swedish labour market from a database called (PLACE) which is a unique longitudinal data updated annually by Statistics Sweden⁵¹. The findings were that there was low participation in the labour market by immigrants with place of birth in Asia and Africa followed by South America, then North America, also high participation from Nordic and EU members and other Europeans who lived in Malmo and Stockholm greater regions⁵² (please see appendix 3). Also there was low labour market participation from distressed neighbourhoods of which people living in such neighbourhoods were mostly immigrants.⁵³ The research also found that vulnerable Swedes had faster entry into job markets than immigrants with considerable gaps between them even though foreign born employment status have improved and is converging over the years⁵⁴.

Case 4: Gustafsson and Zheng's research was to find out the earnings levels of foreign born and native born in Sweden. The research categorised foreign born into three groups; North/West (North America, Australia and New Zealand), Non European (refugees and their relatives) and South and East Europe.⁵⁵ The findings of the research was that "while relative earnings of foreign born to natives deteriorated for most categories during the period studied, this did not apply to young adults from North/West Europe... among the

⁴⁸ Ibid p 10

⁴⁹ Ibid p 11

⁵⁰ Ibid p 10

⁵¹ Hedberg, C. (2008) 'Entrance, Exit and Exclusion: Labour Market of Foreign Born Adults in Swedish "Divided Cities" Working Paper. 2008:1 (Stockholm: The Stockholm University Linnaeus Centre for Integration Studies) p 7

⁵² Ibid p 13

⁵³ Ibid p 13

⁵⁴ Ibid p 15

⁵⁵ Gustafsson, B. Zheng, J (2006) 'Earnings of Immigrants in Sweden, 1978-1999', *International Migration* Vol. 44 (2) p 107

upper-middle-aged immigrants of the same origin, earning continued to further deteriorate compared with earnings of their native-born counterparts”⁵⁶ See appendix 4.

Case 5: *Aria and Skogman’s research on immigrants’ earnings in Sweden was conducted based on name change from foreign sounding names to Swedish sounding names and its effect on earnings. Data (names) selected for the research were mainly names that were changed not because of marriage reasons and these names were taken from the (Patent- och registreringsverket, PRV) the Swedish Patent and Registration Office.⁵⁷ (See appendix 5). The abandoned names retrieved were then coded to Finnish or Asian/African or Slavic or Latin⁵⁸. According to the researchers, 37% percent of the abandoned names originated from Asian/African countries while 29% originated from Slavic countries⁵⁹. The research also found out that the earnings of those who changed their names compared to the controlled group had some divergence and higher salary earnings, thus the older the name change, the greater the earning divergence with the controlled group.⁶⁰ (Please see appendix 6) The research also found that people changing their names to Swedish sounding names increased their probability of being called for an interview where they had a better chance of proving their skills and capabilities for the job⁶¹.*

The five case reviews of recruitment process and earnings in Sweden tell a lot about the labour market in Sweden. It explains the heterogeneous nature of immigrants’ participation and level in the labour market in Sweden. We have seen that natives and immigrants from Europe and OECD countries like USA and Canada have had better employment rates and lower unemployment rates compared to immigrants from Africa, Asia and South America. We have also seen that immigrants from Africa, Asia and South America have always been salaried lower than natives, Europeans and North Americans. In the next chapter we have theorised this phenomena of higher unemployment rate and lower earnings among immigrants originating from outside Europe and OECD countries.

⁵⁶ Ibid p 108

⁵⁷ Arai M. and Skogman Thourise, P. (2007) ‘Giving Up Foreign Names: An Empirical Examination of Surname Change and Earnings’ Working Paper. 2007:1 (Stockholm: The Stockholm University Linnaeus Centre for Integration Studies), p 10

⁵⁸ Ibid p 12

⁵⁹ Ibid p 16

⁶⁰ Ibid p 18

⁶¹ Ibid p 7

Chapter 2 Theoretical Perspectives

Based on the data and literature reviewed, we have theorized the phenomena of higher unemployment and lower earnings among immigrants from outside Europe and OECD countries with Human Capital Theory, Disparate Treatment Theory and Unconscious Bias Theory.

2.1 Human Capital Theory

The theory was first pioneered in 60s by Theodore Schultz and later expanded by Gary Becker in '*investment in human beings*'⁶² and Jacob Mincer in '*schooling, experience and earnings*'⁶³. The theory explains that people spend time to engage in something not for the sake of present needs but for future enjoyment sake thus it is the "investment people make in themselves that enhance their economic productivity"⁶⁴. This kind of increase in productivity is mainly in the form of educating oneself to meet the demands of labour market and also to make one have the necessary skills to compete in the labour market or to be in high demand by the labour market as well as earn better salary. The theory stresses that "education increases the productivity and efficiency of workers by increasing the level of cognitive stock of economically productive human capability which is a product of innate abilities and investment in human beings"⁶⁵.

Human Capital theorists have researched that investment in humans through formal education yield enormous social and economic development for countries and labour markets. As explained "Human resources constitute the ultimate basis of wealth of nations... capital and natural resources are passive factors of production, human beings are the active agencies who accumulate capital, exploit natural resources, build social, economic and political organization, and carry forward national development"⁶⁶. Labour markets and companies who

⁶² Blaug M, (Sep., 1976), 'The Empirical Status of Human Capital Theory: A Slightly Jaundiced Survey', *Journal of Economic Literature*, Vol. 14, No. 3 p 827

⁶³ Burdett et al (2009), *Human Capital Accumulation and Labour Market Equilibrium*, Discussion paper No. 4215, June 2009, (Bonn: Forschungsinstitut zur Zukunft der Arbeit, Bonn), p 2

⁶⁴ Olaniyan, D.A and Okemakinde, T. (2008), 'Human Capital Theory: Implications for Educational Development', *European Journal of Scientific Research*, Vol. 24, No. 2 p 158

⁶⁵ Ibid p 158

⁶⁶ Psacharopoulos, G and Woodhall, M. (1997), *Education for Development: An Analysis of Investment Choice*. New York, Oxford University Press, p 102 in Olaniyan, D.A and Okemakinde, T. (2008), 'Human Capital Theory: Implications for Educational Development', *European Journal of Scientific Research*, Vol. 24, No. 2 p 158

want to achieve success recruit the best and productive workers with the right qualification and skills. Thus human capital has always been very essential and crucial for labour the market. Applicants with fewer skills and less productive qualities find it difficult getting jobs and are remunerated with lesser salary than people with either education and or skills⁶⁷. Education and skills remain and is asset to people who posses them and this makes them in higher demand and better remunerated by the labour market due to their scarcity. As Ingmar Fägerlind explains “assets, such as the quality of education, have both strong direct and indirect effects on earnings”⁶⁸. As such to integrate into any labour market with lesser or no skills or education means one can encounter some employment hindrances or lesser salary.

2.2 Disparate Treatment Theory

This is one of the theories of employment discrimination. It was developed as a result of evidence in racial disparities experienced by blacks in American companies owned by whites and very popular during the Civil Rights Act of 1964 Title VII in the USA⁶⁹. According to this theory, employers discriminate against people due to their race, colour, ethnicity or gender and in light of this; people who are qualified or equally qualified for a position, promotion or higher wage are treated less favourable than other people for racial reasons⁷⁰.

Disparate treatment in recent decades are either individually perpetuated or systemically perpetuated in the labour market.⁷¹ According to Green, individual disparate treatment has more to do with the an individual or a set of decision makers being motivated by racial reasons to refuse a person of her/his promotion, or salary increase whiles in systemic disparate treatment the focus shifts to the organisation as an entity where certain hidden rules do not permit people of certain race or ethnicity to either be promoted or remunerated with better salary etc.⁷²In Systemic disparate treatment there is a pattern of practice or structural hue where you can easily confirm discrimination by the way different ethnic groups, races or gender are promoted, salaried or represented as compared to the other ethnic groups or

⁶⁷ Blaug M, (Sep., 1976), ‘The Empirical Status of Human Capital Theory: A Slightly Jaundiced Survey’, *Journal of Economic Literature*, Vol. 14, No. 3 p 838

⁶⁸ Fägerlind, I. (1975). *Formal Education and Adult Earnings*. Stockholm: Almqvist & Wicksell International, p 78 in ⁶⁸ Blaug M, (Sep., 1976), ‘The Empirical Status of Human Capital Theory: A Slightly Jaundiced Survey’, *Journal of Economic Literature*, Vol. 14, No. 3 p 845

⁶⁹ Gold, M.E. (1985) ‘Griggs’ Folly: An Essay on the Theory, Problems, and Origin of Adverse Impact Definition of Employment Discrimination and a Recommendation for Reform’ *Industrial Relations Law Journal*, Volume 7, Number 4, p 431.

⁷⁰ Ibid p 431

⁷¹ Green, T. K. (2003) ‘Discrimination in the Workplace Dynamics: Towards a Structural Account of Disparate Treatment Theory’ *Harvard Civil Rights-Civil Liberties Law Review*, Vol. 38 p 113, 119

⁷² Ibid p 113-4, 119

gender⁷³. For example “it is ordinarily to be expected that non-discriminatory hiring and promotion practices will in time result in a work force more or less representative of the racial and ethnic composition of the population in the community from which employees are drawn.”⁷⁴.

2.3 Unconscious Bias Theory

Unlike open discrimination which used to be publicly advertised signs like ‘No Entry for Blacks and Coloured People’ or ‘No Entry for Irish’, discrimination has taken on a different forms; a more subtle level, very difficult to detect⁷⁵. This kind of discrimination is explained as unconscious bias theory. In this theory social psychologist have researched and found that, “the natural human process of categorizing like objects together and related cognitive biases can result in and perpetuate individuals’ implicit reliance on stereotypes”⁷⁶. According to the theory, “stereotypes cause discrimination by influencing how individuals process and recall information about other people”⁷⁷. The theory explains that stereotypes are “person prototypes that act as implicit expectancies that influence how incoming information is interpreted and remembered... once a person has stored information in this manner, the memory distorted by stereotype is the retained memory as opposed to the ‘raw’ incoming information”⁷⁸. In other words when a group or a person from minority race is seen or comes into mind of a stereotypical person, because of the distorted information in the mindset of the stereotypical person for this group, ethnicity or person, discrimination sets in during any decision making⁷⁹.

In practical cases like the labour market, stereotypes ignore and do not consider people from minority groups for some jobs since they see it as non-traditional for people from ethnic some groups or race or even gender to be employed in such positions.⁸⁰ In a survey conducted by economists from Massachusetts Institute of technology and University of Chicago to test for unconscious bias, several similar curriculum vitae with stereotypical white sounding names and African American names were sent to jobs advertisements; applicants with white

⁷³ Ibid p 120

⁷⁴ Ibid p 120

⁷⁵ Strum S. (Apr., 2001) ‘Second Generation Employment Discrimination: A Structural Approach’ *Columbia Law Review Association* Vol. 101, No. 3 p 459-60

⁷⁶ Lee, Audrey J (2005), ‘Unconscious Bias Theory in Employment Discrimination Litigation’ *Harvard Civil Rights-Civil Liberties Law Review* Vol. 40, p 483.

⁷⁷ Ibid p 484

⁷⁸ Ibid p 484

⁷⁹ Ibid p 484

⁸⁰ Ibid p 484

sounding names received 50% call back interviews than African American sounding names.⁸¹ As the theory explains, “once people have developed stereotypic expectancies, they ‘remember’ stereotype-inconsistent behaviour that did not actually occur... stereotype-inconsistent behaviour that did occur is stored in a more diffuse manner and is thus less readily retrievable by the decision-maker”⁸². This explains how unconscious bias prevails in hiring process to the detriment of minorities, distant ethnic groups and women.

Chapter 3: Analysis

In our analyses with the three theories, we have found that the kind of social injustice prevailing in the Swedish labour market accounting for higher unemployment and lower earnings among immigrants from outside Europe and the OECD countries are due to two main factors: **Stereotypical Discrimination** and **Perceived Low skills**. Although there are some overarching similarities, we found stereotypical discrimination being the main cause for higher unemployment rate and perceived low skills being the main cause for lower earnings among immigrants from outside the Europe and OECD countries.

3.1 Stereotypical Discrimination

The evidence reviewed from the recruitment processes in *case 1, 2, and 3* has one common theme; lesser call rates and low job market participation for names from certain ethnicities, race or colour. This is what we refer to as stereotypical discrimination. As unconscious bias explains it, stereotypes that discriminate have the idea that people of a certain group, race or ethnicity do not deserve certain positions or jobs in society since people of such descent do not traditionally meet the requirements⁸³. As explained, this is due to the retention of distorted memory as opposed to the raw information of stereotypes⁸⁴. We also saw the strong stereotypical nature of the Swedish recruitment system when data showed better call rates, better employment rates and higher earning rates for people that are not ethnically distant from native Swedes. Most of time people from the same or close ethnicity of the stereotypes are selected over an equally or more qualified applicant who is ethnically distant. In a hypothetical situation: A stereotypical employer from country ‘A’ in Africa will prefer to employ citizens of country ‘A’ or in instances an African due to their cultural and ethnic

⁸¹ Ibid p 485

⁸² Ibid p 484

⁸³ Ibid p 484

⁸⁴ Ibid p 484

closeness, historical closeness, similar traits or characteristics or appearance, inter-marriages, inter-migration, regional treaties etc but will not prefer to employ an European, or an American or an Asian due to the cultural and ethnic distantness. For stereotypes, a minority will be a minority in all human endeavours or a foreigner will continue to be a foreigner. Hence for stereotypes, qualification for a job vacancy is based more on ethnicity with little emphasis on experience, education etc which are the traditional recruitment prerequisites for getting employed as explained by human capital theorist. This has been the case in the Swedish labour market where ethnically distant minorities are stereotypically discrimination against.

Our justifications for stereotypical discrimination playing role in recruitment process in Sweden is that; a critical review of *case 1* shows that, the determining factors for applicants' selection to job interview included age, employment status and ethnicity of the applicant⁸⁵. It is acceptable to use age as a determining factor for employment since employees cannot employ people who are almost on the verge of retiring or too young and inexperienced to be employed, similarly someone unemployed for a long while can mean that she/he has no interest or motivation to work or she/he might be lazy to work (even these are assumptions not facts). But to use ethnicity in recruitment process is only permissible when the job reference, nature or responsibilities requires a native speaker/accent or for security reasons certain jobs must be just for natives. Aside that, to use ethnicity as a determining factor in other job recruitment process is plain stereotypical discrimination. In appendix 1 of *case 1*, we see that people with African, Asian and Arabic names recorded the worst probability of finding jobs (0.05, 0.12 and 0.18) respectively.

Similar trend can be seen in *case 2*, where stereotypical discrimination is evident in the recruitment process. In *case 2*'s experiment; we saw that paired applicants had similar qualification and were all educated in Sweden. The only difference among the applicants was names. That is Swedish sounding names and foreign sounding name from Arab and horn of Africa descent. The call back rates as shown in appendix 2 for the applicants with Swedish sounding names was as high as 20.8 while those of foreign sounding names was as low as 4.3. The difference in call back rates clearly depicts the use of names as basis for determining applicants to be contacted or not to be contacted. Selection based on names which obviously

⁸⁵ Eriksson S. and Lagerström J. (2007) '*Detecting Discrimination in the Hiring Process: Evidence from an Internet-Based Search Channel*' Working Paper April 2007:19. (Uppsala: Institute for Labour Market Policy Evaluation IFAU, p 28

depicts ethnicity is also a strong confirmation of stereotypical discrimination in the recruitment process. As explained by the unconscious bias theory, in stereotypical discrimination one cannot clearly see that there is this kind of discrimination since it is not done institutionally, rather it a psychological process and it is innate or part of the conscience of the discriminator⁸⁶. So it is not physically seen or witnessed easily. Signs of stereotypical discrimination can only be seen through a collation of research and experiments. According to Lee, individuals are able to control their unconscious biases especially when a test is administered to examine stereotypical discrimination⁸⁷. This makes it very difficult for people to claim stereotypical discrimination even in law courts.

Certain similarities can also be seen in *case 1* and *case 3*. This is the evidence of close ethnics or related groups like EU members and OECD in the Swedish labour market as compared to that of other immigrants. In *case 1* (appendix 1), we see that after Swedes, the other groups that do well in the probability of finding jobs after registration are those with Nordic names recording a close mark of 0.21 to that of the Swedish which is 0.23. We also see similar results in *case 3* where research was conducted on how often people from distressed neighbourhood get employed; there was low employment and very slow entry in the labour market for people from distressed neighbourhood than people from non-distressed neighbourhood. Resident of these distressed neighbourhoods was mainly people from Africa and Asia whiles people from non-distressed neighbourhood were mainly Nordic and EU citizens. *Case 3* also show that, vulnerable Swedes also had faster entry into job market than distant ethnic immigrants from Africa and Asia.

To remind ourselves with earlier statements made concerning stereotypical discrimination, the ethnic based selection procedure of employers makes them prefer to recruit people of a closer relation in terms of region, inter-migration or long relations and this is very typical of *case1, 2 and 3*. The preference for people not ethnically distant from stereotypes group is mostly preferred. We have seen that explanations for impressive employment rate of EU and Nordic and North American citizens in *case1, 2 and 3* help us understand that regional bodies like the European Union, the Nordic Common Labour Market, ethnic and cultural relations make them a preferred group to be employed by stereotypical employers than other immigrants from outside the Europe and OECD countries. The preference for vulnerable Swedes to

⁸⁶ Lee, Audrey J (2005), 'Unconscious Bias Theory in Employment Discrimination Litigation' *Harvard Civil Rights-Civil Liberties Law Review* Vol. 40, p 484

⁸⁷ *Ibid* p 486

immigrants from Africa and Asia who are even more vulnerable and a minority, explains a very strong stereotypical discrimination in the recruitment process of companies in Sweden.

3.2 Perceived Low Skills

As human capital theory explains, the motivation for an employer to employ an applicant or highly remunerate her/him is due to certain human capital skills possessed by the applicant which makes the applicant more distinct and of rich value from other applicants⁸⁸. In Sweden's labour market even though human capital skills play a role in earning rates, the process of determining this can be very discriminatory. We found that low wages or salary earnings of immigrants can be explained by a general perception of low skills of immigrants by employers in comparison to people from developed countries or Sweden. Even with education and human capital skills, (appendix 8) immigrants in recent decades still encounter low levels of earnings in the Swedish labour market while immigrants from outside Europe and OECD countries earning far lower than other immigrant groups. According to disparate treatment theory, the unequal treatment of people from a different group, descent or ethnicity as that of the native group is due to the belief that, people of such race do not meet the kind of treatment meted to colleagues of the native group or preferred group⁸⁹. These unequal treatments expressed by the theorists can be in the form of disbursement of opportunities at the workplace like high pay rates, promotion, or even employment to certain position of higher ranks.⁹⁰ We found two factors influencing the reason why employers perceive people who originate from countries outside Europe and the OECD with low skills and thus should earn lesser salaries: These are **refugee factor** and **ethnicity factor**.

3.2.1 The Refugee factor

The refugee factor can be seen in *case 4* where results for the cohort groups: North/West (North America, Australia and New Zealand), Non European (refugees and their relatives) and South and East Europe, show that non Europeans which mainly constituted refugees and their relatives received lower earnings as compared to their native colleagues and other Europeans at work. We realise that recent immigrants from outside Europe and OECD countries were mainly refugees and asylum seekers (see appendix 7) and not necessarily

⁸⁸ Blaug M, (Sep., 1976), 'The Empirical Status of Human Capital Theory: A Slightly Jaundiced Survey', *Journal of Economic Literature*, Vol. 14, No. 3 p 838

⁸⁹ Gold, M.E. (1985) 'Griggs' Folly: An Essay on the Theory, Problems, and Origin of Adverse Impact Definition of Employment Discrimination and a Recommendation for Reform' *Industrial Relations Law Journal*, Volume 7, Number 4, P 431

⁹⁰ Green, T. K. (2003) 'Discrimination in the Workplace Dynamics: Towards a Structural Account of Disparate Treatment Theory' *Harvard Civil Rights-Civil Liberties Law Review*, Vol. 38

labour immigrants where they would be regarded as skilled and educated. Qualifications and skills of refugees or asylum seekers mainly from developing countries might not be regarded equal to Swedish, European or OECD qualifications due to lack of standardized equivalences and recognition procedures in the labour market. For instance qualifications in vocational and technical disciplines might not be recognized by labour market recruiters in Sweden. Also, refugees and asylum seekers may not have documentation as evidence of their qualification and skills due to loss of these documents or certificates during political instability and conflicts in their home country. This explains the influence of the refugee factor in the perception of low skills of immigrants from outside Europe and OECD countries.

3.2.2 The Ethnicity factor

The ethnicity factor' is in some way similar to the refugee factor but has some distinct characteristics. In *case 5* we see that immigrants' originating from outside Europe and OECD countries who changed their names to Swedish/European /American sounding names had an increase in their earnings and the longer the name change the higher the earning rate (appendix 6). We concluded that employers in *case 5* perceive that names are ethnic related and to have a type of name from certain ethnicity determines whether you are from a lowly skilled group or highly skilled group. As disparate treatment theorists explain, the kind of treatment employers mete to a person or group in a discriminative way is linked to the ethnicity of the person or group⁹¹. As we have seen in *Case 5*, there is positive effect of name change on salary. This means salary determination by employers in *case 4* and *5* is indirectly determined by ones ethnicity. In appendix 5 all the 434 Africans and Asians who abandoned their names to Swedish/American or European sounding names had positive effects and increase in their salary earnings. We find that there is an ethnicity factor embedded in the salary settings in the labour markets. We also see that to originate from a group pre-determines your skills and subsequently your salary. The ethnicity of an employee from countries outside Europe and OECD fuels and influences the perception of low skills and consequently low salary in Swedish labour markets.

⁹¹ Gold, M.E. (1985) 'Griggs' Folly: An Essay on the Theory, Problems, and Origin of Adverse Impact Definition of Employment Discrimination and a Recommendation for Reform' *Industrial Relations Law Journal*, Volume 7, Number 4, p 431

Chapter 4 Discussion and Conclusion

4.1 Discussion

The Social Policy department of the UN defines social integration as “enabling of all social groups to live together in productive and cooperative harmony”⁹² Their aim is that member states “create a society for all based on respect for human rights and fundamental freedoms, cultural and religious diversity, social justice and meeting the special needs of vulnerable and disadvantaged groups, democratic participation and rule of law”⁹³. We have seen high levels of inequality among immigrants originating from outside Europe and OECD countries in the Swedish labour market. We have also seen evidence of lower earnings and higher unemployment rates among immigrants from outside Europe and OECD countries in the Swedish labour market. We have also seen significant gap between them and other immigrants from Europe and OECD countries. We realised that human capital (skills) theory required for determining who should participate and who should earn high salary, play very little role in the case of immigrants from outside Europe and OECD countries in Sweden. Instead much emphasis is placed on ethnicity, background, race and origin as pre-determination. This has been explained by disparate treatment and unconscious bias theory.

The situation faced by immigrants from outside Europe and OECD countries in the labour market is a complex issue with many constituents playing part in this phenomenon. We realise that even though stereotypical discrimination and perceived low skills have been used to explain high unemployment and wage differences in Sweden respectively, They at times support each other with some overarching similarities. What we mean is that, we can also argue that stereotypical discrimination can cause lower earnings among immigrants from outside Europe and OECD countries. But this argument is limited in that; they only explain just the surface and not in-depth as the original have. This is because, we notice that, lower wage earners from outside Europe and OECD countries do get better and increased salaries even without name change. The increase in their salary happens after they have worked in Sweden for a longer period (see appendix 4). Meaning after sometime employers realise they have acquired enough skills and experience in Sweden to receive remuneration closer or similar to native colleagues or colleagues from Europe and OECD countries. We can thus

⁹² United Nation, Social Policy Section, *The Social Development Situation and Prospect of Asia...*
<http://www.un.org/Depts/escap/sps/paper1c.htm> 29/09/09

⁹³ Ibid

understand that the issue of lower earnings has little to do with stereotypical discrimination rather it is a perception that people from these regions have lower skills which has the possibility of developing into higher and competitive skills after working in Sweden for sometime. In light of this we still think and conclude there is a stronger relationship with a perception of low skills to lower earnings of immigrants from outside Europe and OECD countries than stereotypical discrimination.

4.2 Conclusion

We have tried to find out the causes of higher unemployment rates and lower earnings among immigrants from outside Europe and OECD countries. With human capital theory, we have seen that employers in Swedish labour market do not use the ideal standards and processes of recruitment rather stereotypical discrimination is used in the recruitment process as explained by unconscious bias theory resulting in higher unemployment among immigrants from outside Europe and OECD countries. We have also understood that lower wages and earnings among immigrants from outside Europe and OECD countries is due to perceived low skills which is fuelled and influenced by the refugee and ethnicity factors as explained by disparate treatment theory.

We conclude that these huge inequalities that continue to persist in Sweden requires some form of empowerment which will give them reasonable choice and invaluable alternatives⁹⁴ for immigrants from outside Europe and OECD countries to gain greater control over their everyday lives and endeavours⁹⁵. As empowerment addresses and corrects the impact of inequalities, oppression, marginalisation and discrimination in society⁹⁶ more needs to be done either by employers, social workers and other stakeholders to change this unequal trend. Societies that have had persistent inequality in the job market have led to the rise of self employment as a way out for immigrants originating from outside Europe and OECD, but integration of them into the mainstream labour market still lacks behind⁹⁷. According to welfare concepts one can be socially excluded due to welfare problems like unemployment, low wages, poverty, and illiteracy, single parenthood, receiving social assistance, living in

⁹⁴ Trevithick P. (2005). *Social Work Skills: A Practice Handbook*. London Open University Press, p 219

⁹⁵ Ibid p 219

⁹⁶ Ibid p 219

⁹⁷ Özcan, V., Seifert, W. (2000). Self Employment of Immigrants in Germany: Exclusion or Path to Integration? *Soziale Welt*, Vol. 51, No. 3

disreputable neighbourhoods or bad housing and substance abusers⁹⁸. Immigrants who experience hard economic conditions like unemployment and low wages, experience some sort of exclusionism from the main society. This tends to affect them psychologically since “an individual’s sense of coherence is impaired, and his or her sense of exclusion tends to increase the longer he or she is unemployed”⁹⁹. Other far reaching impact can also be “loss of work motivation, skill and self confidence, increase in ailments and morbidity (and even mortality rates), disruption of family relations and social life, hardening of social exclusion and accentuation of racial tensions and gender asymmetries”¹⁰⁰.

The effects that are associated with higher unemployment and lower earnings of ethnically distant immigrants in the labour market are very negative. Although the government has instituted positive discrimination, labour immigration and tougher anti discrimination laws in Sweden¹⁰¹, fewer changes have occurred. A further research into possibilities and alternative ways of integrating ethnically distant immigrants into mainstream labour market in Sweden is still open and will be welcomed.

⁹⁸ Bask, M. (February 2005), ‘Welfare Problems and Social Exclusion Among Immigrants in Sweden’, *European Sociological Review*, Vol. 21, Number 1, p 74-5

⁹⁹ Bäckman, O., Franzen E. (2007). Employment and the labour market, *International Journal of Social Welfare*, 16 pp S35

¹⁰⁰ Sen, A. (1999). *Development as Freedom*, Oxford, Oxford University Press p 94

¹⁰¹ Bideke Maria and Bideke Marcus. (2007) *Racism in Sweden* (ENAR Shadow Report 2007) p 17-8

BIBLIOGRAPHY

- Arai M. and Skogman Thourise, P. (2007) *Giving Up Foreign Names: An Empirical Examination of Surname Change and Earnings*, Working Paper. 2007:1 (Stockholm: The Stockholm University Linnaeus Center for Integration Studies)
- Attström, K. (2007) *Discrimination against Native Swedes of Immigrant Origin in Access to Employment: A Research study on Stockholm, Malmö and Gothenburg, utilizing the ILO discrimination practice testing approach*, International Migration Papers 86E (Geneva:ILO)
- Bäckman, O, Franzen E. (2007). Employment and the labour market, *International Journal of Social Welfare* 2007: 16: S35-S66
- Bask, M. (February 2005). Welfare Problems and Social Exclusion among Immigrants in Sweden, *European Sociological Review*, Vol. 21, Number 1, 73-89
- Bideke M. and Bideke M. (2007). *Racism in Sweden*, ENAR Shadow Report 2007
- Bevelander P. (2004). *Immigration patterns, economic integration and residential segregation: Sweden in the late 20th Century*, Malmo University Electronic Press.
- Bitterman, D. (2007). Summary Social Report 2006, *International Journal of Social Welfare* 2007: 16: S5-S10
- Bitterman D. and Franzen, E. (2007). Residential Segregation, *International Journal of Social Welfare*: 16: S127-S162
- Bitterman, D. Gustafsson B. and Österberg T. (Nov, 2007) *Economic and Ethnic Polarisation among Children in Sweden's Three Metropolitan Areas*, Discussion Paper No.3185. (Bonn: Forschungsinstitut zur Zukunft der Arbeit)
- Blaug M, (Sep., 1976). The Empirical Status of Human Capital Theory: A Slightly Jaundiced Survey, *Journal of Economic Literature*, Vol. 14, No. 3: 827-855
- Bryman, A. (2004). *Social Research Methods*, Oxford: Oxford University Press
- Burdett K., Carrillo-Tudela C. and Coles M. G. (June, 2009) *Human Capital Accumulation and Labour Market Equilibrium*, Discussion paper No. 4215. (Bonn: Forschungsinstitut zur Zukunft der Arbeit, Bonn)
- Bursell, M. (2001) *What's in a Name? – A field Experiment Test for the Existence of Ethnic Discrimination in the Hiring Process*, Working Paper 2007:7. (Stockholm: The Stockholm University Linnaeus Center for Integration Studies)

- Eriksson S. and Lagerström J. (2007) *Detecting Discrimination in the Hiring Process: Evidence from an Internet-Based Search Channel*, Working Paper April 2007:19 (Uppsala: The Institute for Labour Market Policy Evaluation IFAU)
- Fägerlind, I. (1975). *Formal Education and Adult Earnings*, Stockholm: Almqvist & Wicksell International
- Gold, M. E. (1985). 'Griggs' Folly: An Essay on the Theory, Problems, and Origin of Adverse Impact Definition of Employment Discrimination and a Recommendation for Reform, *Industrial Relations Law Journal*, Volume 7, 429-598
- Green, T. K. (2003) Discrimination in the Workplace Dynamics: Towards a Structural Account of Disparate Treatment Theory, *Harvard Civil Rights-Civil Liberties Law Review*, Vol. 38 p 91-157
- Gustafsson, B. Zaidi, A. Franzen, E. (2007) Financial Poverty, *International Journal of Social Welfare* 16: S67- S90
- Gustafsson, B. Zheng, J (2006). Earnings of Immigrants in Sweden, 1978-1999, *International Migration* Vol. 44 (2): 79-117
- Hedberg, C. (2008). *Entrance, Exit and Exclusion: Labour Market of Foreign Born Adults in Swedish "Divided Cities"*, Working Paper. 2008:1. (Stockholm: The Stockholm University Linnaeus Center for Integration Studies)
- Johansson, M. and Katarina, K (2007). *Wage Differences between Women and Men in Sweden-The Impact of Skill Mismatch*, Working Paper 2007: 8. (Götzens: Institute of Future Studies, Götzens)
- Larsen B. and Waisman G, (2008) *Who is Hurt by Discrimination?*, Working Paper 2008:4. (Stockholm: The Stockholm University Linnaeus Center for Integration Studies)
- Lee, Audrey J (2005). Unconscious Bias Theory in Employment Discrimination Litigation, *Harvard Civil Rights-Civil Liberties Law Review* Vol. 40, 401-503
- Mau, S. Burkhardt C. (2009). Migration and Welfare State Solidarity in Western Europe, *Journal of European Social Policy* 19 (3) 213-229.
- Özcan, V. and Seifert, W. (2000). Self Employment of Immigrants in Germany: Exclusion or Path to Integration? *Soziale Welt*, Vol. 51, No. 3, 239-302
- Olaniyan, D.A and Okemakinde, T. (2008), Human Capital Theory: Implications for Educational Development, *European Journal of Scientific Research*, Vol. 24, No. 2, 157-162
- Peroz, E and Rosca, O.(2007). *Youth Unemployment in Gothenburg (Sweden) among native Swedes and Immigrants: A Qualitative Study of Labour Market Exclusion*. Gothenburg University, Gothenburg.
- Psacharopoulos, G and Woodhall, M. (1997) *Education for Development: An Analysis of*

Investment Choice, New York, Oxford University Press

Rydgren, J. (July 2004). Mechanisms of Exclusion: Ethnic Discrimination in the Swedish Labour Market, *Journal of Ethnic and Migration Studies*, Vol. 30, No. 4, 697-716

Schmid, G and, Gazier, B (2002) *The Dynamics of Full Employment: Social Integration through Transitional Labour Market* edited by Günther S and Bernard G, Edward Elgar Publishing Limited, Cheltenham UK

Strum S. (Apr., 2001). Second Generation Employment Discrimination: A Structural Approach, *Columbia Law Review Association* Vol. 101, No. 3 p 458-568

Sen, A. (1999). *Development as Freedom*, Oxford: Oxford University Press

Trevithick P. (2005). *Social Work Skills: A Practice Handbook*. London Open University Press

Vilhelmsson, R. (2002), *Ethnic Differences in Swedish Youth Labour Market, Wages and Unemployment of Immigrants and Natives in Sweden*, Stockholm University, Stockholm

Vinnerljung, Bo et al (2007). Children and Young People at Risk, *International Journal of Social Welfare* 16: S163-S202

Waisman G. and Larsen B. 2008 *Do Attitudes Towards Immigrants Matter?*, *Working Paper 2008:5*. (Stockholm: The Stockholm University Linnaeus Center for Integration Studies)

INTERNET WEBSITES

United Nations Organisation: www.un.org

European Union: www.europa.eu

Statistics Sweden: www.scb.se

Statistic Norway: [www. http://www.ssb.no](http://www.ssb.no)

The Local, Sweden, <http://www.thelocal.se>

Translation

SWEDISH

Man
Kvinnor
Kvartal
TTAB 20 (15-74 år)
Inrikes
Och
Utrikes födda
Jämförelse
Befolkningen
Fördelad
efter
arbetskraftstillhörighet
kön
födelsevärldsdel
I ARBETSKRAFTEN
Sysselsatta
Därav I arbete
Arbetslösa
Summa
Ej i arbetskraften
Befolkningen
Rel.arb.löshetstal i procent
Rel.arb.kraftstal i procent
Sysselsättningsintensitet i procent
Födelseland
Av
Båda könen
Inrikes födda (Sverige)
Utrikes födda efter världsdel
Europa
Sydamerika
Nordamerika
Asien
Afrika
Övriga länder
Summa utrikes födda
därav
Norden
EU25 utom Norden
Utrikes födda EU 25 utom Danmark, Finland

ENGLISH

Male
Female
Quartely
TAB 20 (15-74years)
Domestic
And
Foreign born
Comparison
Population
Allocated
after
activity status
sex
continent of birth
IN THE LABOUR FORCE
Employed
Whereof in work
Unemployed
Sum
Not in the labor
Population
Unemployment rate in percent
Labor force figures the Percent
Employment rate in percent
Country
Of
Both Sexes
Born in Sweden (Sweden)
Foreign-born by continent
Europe
South America
North America
Asia
Africa
Other countries
Total foreign born
hence
Scandinavia
EU25 excluding the Nordic countries
Foreign-born 25 EU except Denmark, Finland

APPENDIX

Appendix 1

Descriptive statistics about the contacts received, the responses to these contact and the probability of finding a job (in fractions)

Group	Fraction receiving at least one contact	Average number of contacts received	Average number of responses per contact	Probability of finding a job after registration
All	0.28	0.72	0.21	0.22
Men	0.28	0.84	0.21	0.23
Women	0.28	0.61	0.21	0.22
Swedish name	0.28	0.73	0.20	0.23
Foreign name	0.27	0.65	0.23	0.18
Nordic name	0.30	0.80	0.22	0.21
African name	0.25	0.43	0.16	0.05
Arabic name	0.23	0.44	0.28	0.18
Asian name	0.18	0.38	0.36	0.12
Other foreign name	0.27	0.64	0.22	0.19
Age 20-25	0.22	0.46	0.17	0.21
Age 26-35	0.28	0.69	0.19	0.27
Age 36-50	0.32	0.89	0.24	0.22
Age 51-	0.34	1.00	0.23	0.14
Employed	0.35	0.98	0.20	0.40
Unemployed	0.24	0.57	0.21	0.18
Labor market program	0.24	0.61	0.26	0.12
University student	0.32	0.87	0.16	0.20
Other adult student	0.31	0.71	0.16	0.11
High school student	0.18	0.42	0.16	0.10
On parental leave	0.35	0.84	0.22	0.16
Primary education	0.33	0.97	0.19	0.17
Secondary education	0.23	0.48	0.21	0.21
Post-secondary education	0.30	0.80	0.21	0.25

Source: Eriksson S. and Lagerström J. (Working Paper April 2007:19)

Appendix 2

Call Back-Rates, Percent and Ratios

	1) No call-back	2 Call-back for both	3) Call-back foreign name only	4) Call-back Swedish name only	5) Relative call-back rate ¹¹	6) Net discrimination ¹²	7) Number of applications
All applications	59.1	15.8	4.3	20.8	1.8	40.3	3552
Weighted total*	52.1	17.1	4.5	21.4	2.1	41.3	3552

* All occupations given the same weight

Source: Bursell M. (Working Paper 2007:7)

Appendix 3

Employment rate in 1993 by country of birth (cohort born 1953-1965)

Country of birth	Greater Stockholm region			Greater Malmö region		
	Total pop. (25-40)	Employed pop.	Employment rate (%)	Total pop. (25-40)	Employed pop.	Employment rate (%)
<i>Sweden</i>	340178	283425	83.3	104853	80070	76.4
<i>Nordic countries + EU15</i>	34365	23501	68.4	5422	3270	60.3
<i>Europe (except Nordic countries + EU15)</i>	10003	5289	52.9	7654	3481	45.5
<i>Western Asia</i>	21698	8155	37.6	5215	948	18.2
<i>Eastern and South East Asia</i>	6910	3359	48.6	1955	642	32.8
<i>Africa</i>	8564	3796	44.3	1449	355	24.5
<i>North America & Oceania</i>	2753	1410	51.2	582	226	38.8
<i>South- and Central America</i>	8128	4171	51.3	1505	627	41.7
<i>No data/Stateless</i>	272	151	55.5	67	23	34.3
<i>Total pop.</i>	432871	333258	77.0	128708	89642	69.6

Source: Hedberg, C. (Working Paper. 2008:1)

Appendix 4

EFFECTS OF 1 PER CENT UNEMPLOYMENT ON ANNUAL EARNINGS AMONG TYPICAL INDIVIDUALS BEING NATIVES OR FOREIGN-BORN IN VARIOUS REGIONS

	North/West	South/East	Non-Europe	Native
20-year-old immigrant recently arrived to Sweden and native				
Men	-0.088	-0.141	-0.151	-0.084
Women	-0.065	-0.128	-0.119	-0.085
30-year-old immigrant recently arrived to Sweden and native				
Men	-0.058	-0.124	-0.116	-0.058
Women	-0.038	-0.099	-0.083	-0.048
Balanced Panel				
Men	-0.066	-0.073	-0.061	-0.028
Women	-0.038	-0.035	-0.053	-0.007
30-year-old immigrant who arrived ten years earlier to Sweden and native				
Men	-0.059	-0.096	-0.092	-0.058
Women	-0.042	-0.083	-0.091	-0.048
Balanced Panel				
Men	-0.060	-0.068	-0.096	-0.028
Women	-0.037	-0.033	-0.047	-0.007
40-year-old immigrant who arrived 20 years earlier to Sweden and native				
Men	-0.048	-0.051	-0.033	-0.032
Women	-0.037	-0.038	-0.031	-0.011
Balanced Panel				
Men	-0.035	-0.038	-0.054	-0.016
Women	-0.025	-0.020	-0.027	+0.002

Source: Gustafsson, B. Zheng, J (2006)

Appendix 5

Type of name abandoned and region of birth for name changers. Number of persons

<i>Birth Region:</i>	Type of name abandoned.					<i>Total obs.</i>
	Finland	Latin	Asia/ Africa	Slavic	Others	
Finland	145	0	10	8	3	166
Latin countries	0	28	1	1	2	32
Asia/Africa	0	0	434	9	18	461
Slavic countries	7	5	22	317	9	360
Other European count.	1	17	23	112	48	201
Other countries	2	2	14	7	16	41
<i>Observations</i>	155	52	504	454	96	1,261

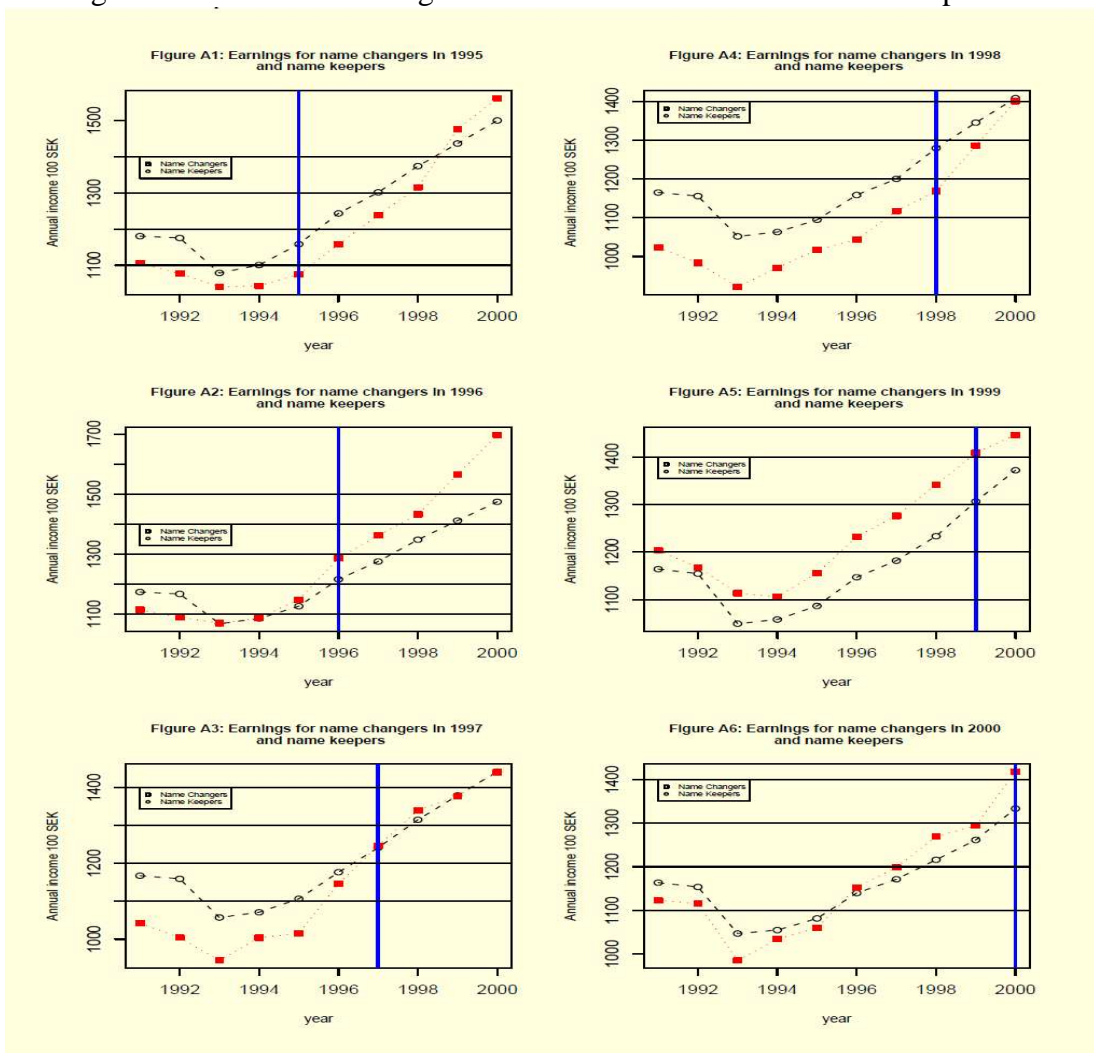
Notes:

i) Slavic countries are Poland and countries belonging to the former Yugoslavia and Soviet union.

Source: Arai M. and Skogman Thourise, P. (Working Paper. 2007:1)

Appendix 6

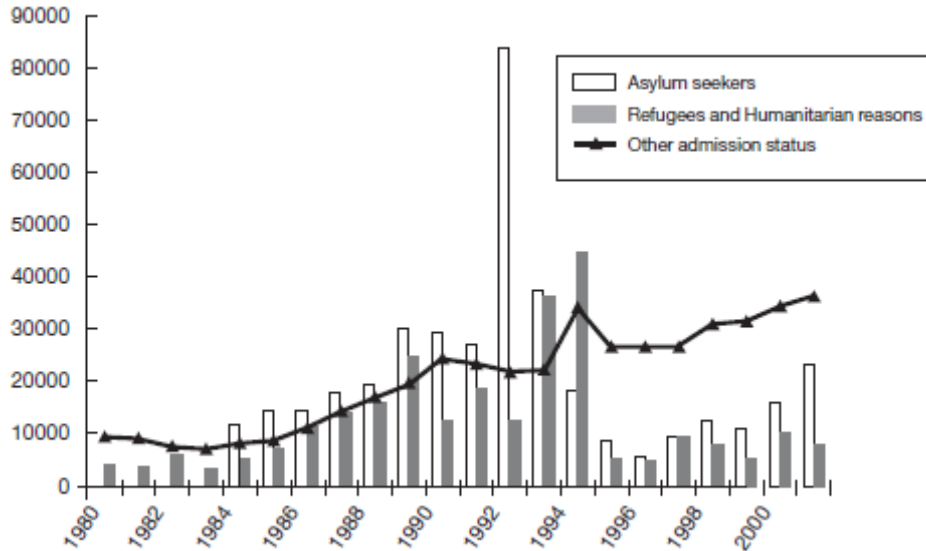
Earnings for Native Name Changers in 1995-2000 and Native Name Keepers



Source: Arai M. and Skogman Thourise, P. (Working Paper. 2007:1)

Appendix 7

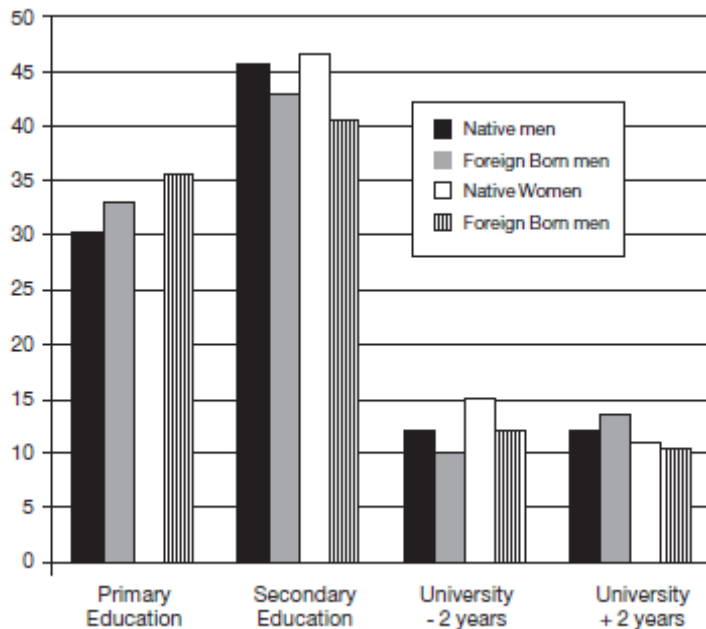
Asylum seekers, Refugees and Humanitarian reasons and immigrants with other admission status, 1980-2001 (Absolute numbers)



Source: Bevelander P. (2004), . The Swedish Migration Board

Appendix 8

Age standardized Educational Levels Native and Foreign Born men and Women, 25-64, 1995 (percent)



Source: Bevelander P. (2004), Educational records- Statistics Sweden