

**Sylvi I. Nilsen**

# **Immigration and the Welfare state in a Norwegian context**

**- A literature review on the debate on immigration and the  
welfare state among scholars in Norway**

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Faculty of Social Sciences  
Oslo University College

## **Abstract**

The increasing numbers of immigrants to Norway, and the future of the welfare state in a changing society are an issue under serious debate. This study explores essential elements of this discussion. The research question is: “*What are the issues and arguments of the debate on immigration and the welfare state among Norwegian scholars?*”

The thesis is a literature review, and the methodological approach qualitative. The aim is to investigate the issues surrounding the debate, and as such literature by influential Norwegian scholars has been selected and subjected to the method of comparison. Potential limitations are that the data collection and findings may be influenced by the topic being of substantial political interest, and based on inclusion criteria from sources of commission, i.e. the scholars and myself.

Core findings of the study are that three main issues were focused on in the particular literature; *economic consequences of immigration, immigration and legitimacy of the welfare state and integration and the welfare state*. Within these categories, disadvantages and conveniences of immigration are stated, and various the effects on and of the welfare state proclaimed, though with differing empirical foundations. I further find that the points of view often concern the importance of labour-participation and prognosis of the future which are, to some degree, contested and difficult to verify. Nevertheless, this is a complex debate, and hopefully the thesis provides insight into its broadness and fundamentals.

Key words: Immigration/migration, welfare state, social welfare, legitimacy, demography and integration.

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Sylvi I. Nilsen

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# **1 Immigration and the welfare state**

According to Brochmann and Hagelund (2007), immigration and the welfare state affect each other in three ways. Firstly, the welfare state influences the politics of immigration; secondly, it has an impact on different aspects of the individual immigrants' lives, and thirdly, by being part of the Norwegian society, immigrants are, as anybody else, often consumers and/or producers of welfare. Migration has at all times been a part of human history. As a consequence of globalization and the progress in technology and communication, the number of migrants has risen (Bay, Hellevik and Hellevik 2007). Immigrants' presence in a society, with different backgrounds and cultures, may therefore have an impact on the welfare state and its foundation (Brochmann and Hagelund 2007, 268). Norway is known to have one of the most advanced welfare systems in the world. Its welfare services are said to be universal and generous, and, accordingly, are exceedingly expensive (Brochmann and Hagelund 2007). The welfare system is mostly funded by taxes, and is vulnerable to the balance between contributors and recipients of the system. As a result, facing increasing numbers of immigrants, the future of the welfare state is widely discussed.

Norway's demography is about to change substantially, and with a potential future of a growing elderly population and fewer people in the working generation, the current welfare state may be hard to sustain (Østby 2004). Certain scholars argue that immigrants are an asset and perhaps even necessary to maintain the welfare state. Others argue that too many immigrants end up as recipients of welfare and are therefore seen as a burden on the welfare state. Additional points of view are whether a more multicultural society threatens the legitimacy of the welfare state, and the compatibility of the welfare state with the integration of immigrants.

## **1.1 The study's aims, objectives and research question**

The main aim of the thesis is to explore the relations between immigration and the welfare state, as they appear in debates among Norwegian scholars. I want to clarify what aspects are stressed upon within this topic, and what impact immigration might have on the welfare state the main focus being on Norway. It is a literature review, and the objectives are to search for and find the representative literature on the topic of immigration and the welfare state. This is

done by focusing on recent material written by well known and often cited Norwegian scholars, who can be identified as reliable sources of information.

My research question is “*What are the issues and arguments of the debate on immigration and the welfare state among Norwegian scholars?*” Matters addressed within this are: What impact immigration may have on the welfare state according to the literature, discussion of arguments, and potential gaps in the literature within this topic. To answer the research question I have tried to systematically analyse, compare and discuss the literature and, through this, identify the essence of the debate.

## **1.2 Clarifications and limitations of the study**

The study is completely based on secondary data drawn from academic texts. I considered exploring the different aspects of the debate by reviewing newspaper articles or policy documents, but to answer my research question, I found it more relevant to base the thesis on scientific discourse. This is because research material includes norms of conduct demanding reflection of methods and procedures, and the higher level of scientific accountability than is present in, for instance, many newspaper articles. Nonetheless, attention must be drawn to the fact that, even though most of the data is empirical, this is a topic of highly political interest. Most of the scholars are attached to well known institutions as the Directorate of Integration and Diversity (IMDI), Institute for Labour and Social Research (Fafo), Statistics Norway (SSB), Institute for Social Research (ISF) and Oslo University College. Some of these institutions, like SSB, are known to be independent, while others are funded by or somehow attached to public or private actors in the society. Though most of the data is found to be both reliable and scientific, we should be aware of what institutions are funding and asking for the different studies, because this also influences what aspects are focused on and will, to some degree, have an impact on what is investigated and therefore discussed.

Immigration and the welfare state is a complex topic consisting of various elements, and several issues highlighted themselves by recurring in the literature. Because of the limited time and scope of the thesis, I had to make some choices on what to focus on within the debate. During the literature review I therefore divided the literature and the arguments into *three categories* that were repeatedly discussed, thus found most essential. The first one is the *economic consequences of immigration*, and this includes both the possible costs and gains of

immigration and its effect on the welfare system today and in the future. Literature included, is by researchers Østby and Brox, Bratsberg, Raaum and Røed, in addition to Røed and Schøne. The second category is on *immigration and legitimacy of the welfare state*. This concerns people's feelings towards the welfare state and potential willingness to continue to work and support the system in a changing society with increasing immigration. Professors Halvorsen and Skirbekk and researchers Bay, Hellevik and Hellevik have contributed here. The third category concerns *integration and the welfare state*, and how the welfare system may hinder or facilitate the integration of immigrants. Scholars Brochmann and Hagelund, Wikan, as well as Djuve are some of the authors included in this section. Due to their relevance to the topic and to place the debate in a larger context, some international literature is presented. This is by Professors Alesina, Glaeser and Sacerdote, and Kymlicka and Banting. Journalist and editor Goodhart is severally referred to in the scientific literature category by scholars such as Skirbekk and Bay, Hellevik and Hellevik. I thus found these works relevant for inclusion.

It must be noted that the categories described above have been created due to narrative reasons, seeing that the first two discuss possible future prospects of immigration and the last refer to the present situation which is seen as a precondition for the consequences of the other two. Furthermore, they are a result of a constructed separation of the discussion since all of the issues are closely related and the different literature often touches upon several of them at the same time. Nonetheless, in order to provide a more lucid picture of the debate, I found it relevant to present the arguments and discuss the literature within those categories. Knut Kjeldstadli summarizes this debate by saying that the discussion includes three problem-areas; welfare-expenses, the foundation of solidarity in the society, and the effects of a multicultural politic (Meyer and Kjeldstadli 2008, 17). This coincides with some of my findings, but Kjeldstadli describes the issues as problem areas, not issues with pros and cons, and he is only referring to the expenses within economic consequences of immigration. The selected literature of this study reflects on somewhat additional issues as well, and I therefore found it necessary to create more suitable categories as well as attempting to provide a more objective presentation of the discussion.

One of the limitations of the study is that the findings of the secondary data are not verified or triangulated by own primary research. I also had to make some priorities on what issues in the literature to include, hence more peripheral issues were excluded. Aspects like globalisation



and multiculturalism are brought up, but not elaborated on. Racism and structural discrimination were not mentioned by the scholars, thus found less relevant for this thesis. Concerning welfare, the literature excluded health services and immigration hence these were ignored as well. Consequently, the limitations of the thesis are that the debate explored here is a product of the choices made. It would have resulted in the unearthing of excessive amounts of data if I was to expand the search and inclusion criteria. Focus is therefore on what the selected literature concentrated on, and this is immigration and the welfare state on a structural and macro-economic level. Furthermore, the process of inclusion and the thesis are influenced by me as a person and a researcher.

### **1.3 Structure of the thesis**

The literature review consists of six chapters. This first section introduces the topic and the aims and research question of the thesis. I also present some clarifications and limitations of the study and give a description of its structure. This is to give the reader an understanding of what the study is about, how and why it is conducted, and information about what to expect from the thesis. Chapter two is about the methodology and research design of the study, and describes the process of searching, selecting and reviewing the literature, and some ethical considerations are made. In chapter three, I firstly present short definitions of some of the most central concepts of the topic. These are frequently mentioned in the literature, thus they are relevant in following the debate. Next, I go deeper into the main features of the topic of discussion; migration and the welfare state, and elaborate using history, trends and some facts. This is to give the reader an insight into the theoretical framework and context of the debate, and some background-information including why it is of interest in the society today. Chapter four is the most comprehensive section of the thesis, and includes the reviewing of the selected literature, also referred to as key literature. This section is where I describe and compare the findings of arguments in the literature, and discuss it both methodologically and theoretically. The chapter's main intention is to answer the research question and show the essence of the debate on immigration and the welfare state. The conclusion of the study is to be found in Chapter five, and provides a summary of the thesis, concluding remarks and suggestions for further research.

## **2 Methodology of the literature review**

In this chapter I will describe some methodological considerations of the thesis, the process of searching and selecting literature and the methods used to review the literature.

### **2.1 The approach of qualitative interpretation and content analysis**

This study is a qualitative research since I am reviewing literature hence focusing on meanings rather than measuring quantifiable phenomena (Chambliss and Schutt 2006, 196-197). In the research question, I attempt to explore the aspects of the debate on immigration and the welfare state, by enquiring about the nature of a phenomenon and what factors are involved in the given phenomenon. I further do more than describe, given that I am aiming to explore and find what the particular literatures argue and establish within this topic. The study is, therefore, mainly exploratory. By searching and selecting the representative literature, I am collecting data and, by drawing out the main arguments, I generate findings from the specific data, hence the research may be seen as inductive (Chambliss & Schutt 2006, 9).

In conducting this research, I took into consideration several issues. In the literature review, I examined secondary data, and subjectively selected and interpreted the units of analysis. According to Hart, there is a division between a “positivist” and an “interpretivist” approach to research. The difference is that in the former approach the belief is that there is a universal reality and that some things are true or false (Hart 2005, 194). This refers to objectivity as being possible, and that it should be achieved for a study to be reliable and valid. Believing that truth and falsity are relative concepts, and that human nature is perceived subjectively and within a context is a more “interpretivist” and thereby a hermeneutic approach to research (Hart 2005, 194). According to Taylor, hermeneutics is the theory of interpretation, and interpretation and meaning must be seen in the context of the subjects’ references (Hart 2005). Reviewing and interpreting literature within the social sciences, the study is, in my opinion, within the hermeneutical approach. In this respect, the thesis will not be founded on brute facts, but on readings of meaning, which again are influenced by both the writer’s and the researcher’s (in this case me) self interpretation, our previous experiences, knowledge, readings, culture, values and other references in our lives (Martin & McIntyre, 1994, chapter

13). Accordingly it will be difficult to separate the researcher from the person, which is important to be conscious of this in this type of study.

## **2.2 Searching and selecting literature**

To answer my research question, the basis of the study has to be valid, reliable and authentic. According to Chambliss and Schutt, valid research should be supported by indicators measuring or observing what is intended. Reliability refers to measurement procedures yielding consistent scores (Chambliss and Schutt 2006, 71, 74). The selected literature in the thesis is therefore directly related to the research question and the topic of the thesis and the findings have foundation in the literature. To further ensure a reliable and valid research, searching and selecting literature was done systematically. I used the following search engines: Bibsys, EBSCO and Google Scholar. Bibsys and Google Scholar gave the most optimal results since I was mainly looking for Norwegian scholars. Because of the limits of time and space in this paper I tried to focus on journals and articles, but ended up adding some book chapters and books because of their relevance. In addition, I conducted searches in the websites of the Directorate of Integration and Diversity (IMDI), Institute for labour and social research (Fafo), Statistics Norway (SSB) and Institute for Social Research (ISF).

The following search words were used in English: *Immigration and the welfare state, migration and the welfare state, migration, immigration and welfare, migration + burden, migration + effect, migration + consequences, migration + social security, welfare state + challenges, migration + social security, immigration + Scandinavia*. The search resulted in an overwhelming amount of hits and, in order to reduce and specify, Norwegian search words were submitted, such as; *Innvandring og velferdsstaten, innvandring, innvandring + belastning, innvandring + negativt, migrasjon + velferdsstaten, Norge trenger innvandring, innvandring + positivt, innvandring + konsekvenser, integrering + konsekvenser, integrering + velferdsstaten, innvandring + integrering, innvandring + arbeidskraft, velferdsstaten + utfordringer, innvandring + velferdsstaten + utfordringer*. Both open and advanced searches were conducted, selecting journals, articles and books. Considering the literature, the first findings of articles consisted of arguments enlightening merely some aspects of the debate, but referred to and argued against literature representing differing aspects on immigration and its effect on the welfare state. So, to capture a broader picture, I further used these articles' list

of references and located a few of the scholars by looking at newspapers. This was followed by submitting the repeated names as search words in the data-bases and web-sites.

The selection of the literature was conducted following certain criteria. To be relevant as aspects of the current debate, the literature first and foremost had to be about the topic and to be fairly recent. I therefore read abstracts, list of contents, browsed through articles, and read several thoroughly to make a choice. Ensuring representative literature by the most important scholars in Norway, I looked at the authors' background, citations on their literature, and how frequent their names showed up during the searches. The final selection was completed after deciding on the main categories focused on in the literature, and according to the space available in the thesis.

### **2.3 Reviewing literature and the method of comparison**

According to Hart, a literature review can be conducted in several ways. To analyse the literature you can critically assess definitions and concepts, evaluate methodology, consider agreements and disagreements, develop new understandings through deconstructing categories, and draw up conclusions (Hart 2005, 153). Hart's approach is used as a framework for this analysis, but since it was not feasible or relevant to look at all the features, some priorities were made to answer the research question. To better understand the essentials of the debate, it was found necessary to compare the various pieces of literature. Kjeldstadli describes the method of comparison as looking at similarities and differences of, for instance, corporations, systems, or processes, in order to explore issues and problem-areas, and possibly identify causes. The variables must be synchronized both in time and comparable as objects or phenomena (Kjeldstadli 1988, 437-438, 440). In this case, the objects of comparison are the works of literature and the findings within the literature. As mentioned above, all of the articles/books were chosen based on their relevance to the topic, thereby concerning immigration and the welfare state within a recent timeframe.

To further explain the method of comparison, Kjeldstadli refers to John Stuart Mill and his method of agreement and difference, where the first concentrates on finding the similarities and the latter focuses on the differences (Kjeldstadli 1988, 437-439). In this study, I use both methods, since I seek to identify the mutual problem-areas focused on and agreements and disagreements in the literature. The different aspects are covered by literature with diverse

methodological approaches. These are not compared, but to test the foundation for the arguments and results, they are to some degree described and evaluated. Finally, the results and opinions are not measured as one favoured at the expense of the other, but rather discussed theoretically. Lastly, I touch upon identified gaps in the literature towards the end of each category of discussion.

### 3 Key concepts and theoretical frameworks

To follow the debate on immigration and the welfare state, it is important to obtain an understanding of the concepts, and also to have some information on the history and context of the phenomena. The following concepts are not seen as controversial, or disputed in the literature, but included here in order to specify what they represent in the ongoing debate. In the next section, I therefore first give a brief definition of some of the relevant concepts. This is followed by theories on migration, history and trends of immigration to Norway, and relevant facts about immigration. The same is done to present the Norwegian welfare state, but with a focus on history and typologies, and some general information about the Norwegian welfare system. The purpose of this section is to give an idea on what the topics of discussion are about, why the debate is relevant to Norway today, and to provide a framework for the reviewing of the literature.

#### 3.1 Short definition of key concepts

**Migration:** According to Stephen Castles, migration means crossing the border and taking up residence for a certain minimum period of time. It can be either internal, a move from one area to another within one country, or international, when someone is crossing political borders between states (Castles 2000, 269-270). In the thesis I will mostly refer to international immigration and the movement of non-residents to Norway.

**Types of migrants:** There are different categories of migrants. I will mainly focus on the ones relevant to the thesis i.e. refugees, asylum-seekers, work-migrants and family reunifications.

The 1951 UN Refugee Convention Chapter 1, article 1 defines refugees as persons who have

“...well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable, or owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it.”

([http://www.unhchr.ch/html/menu3/b/o\\_c\\_ref.htm](http://www.unhchr.ch/html/menu3/b/o_c_ref.htm))

Castles defines asylum-seekers as “people who move across borders in search of protection, but who may not fulfil the strict criteria laid down by the 1951 Convention” (Castles 2000, 271). He further describes work-migrants as persons moving, either temporarily or for a long

term, to obtain employment in another country. Family reunification-migrants are referred to as people who "...migrate to join people who have already entered an immigration country under one of the above categories" (ibid, 271).

**Immigrant:** According to Statistics Norway, the concept immigrant includes immigrants who are either born abroad or in Norway, and have two parents with a foreign background (Daugstad 2007, 2-3). However, a more recent definition by Statistics Norway differentiates between immigrants as persons who have moved to Norway and immigrants born in Norway with two immigrant parents. Since most of the selected literature refers to the first and wider definition of immigrants, this is applied in this thesis (<http://www.ssb.no/innvandring/>).

Non-western immigrants are referred to as persons with backgrounds from Eastern-Europe, Asia, Africa, South- and Middle-America and Turkey. Distinguishing between western and non-western countries has recently been revised by Statistics Norway to listing the main-regions instead of just two categories. This is to avoid discrimination and to be more precise (Bjørkeng 2008). In this thesis, the concepts "western" and "non-western" will still be applied, since these are the concepts used in the reviewed literature.

**Welfare state:** According to Esping-Andersen the welfare state can be defined as state-responsibility for securing some basic modicum of welfare for its citizens (Esping-Andersen 1990, 19).

**Social welfare:** The word welfare can be used in different ways, depending on the context. The Oxford English dictionary defines it as the state of feeling well, happiness or well-being (Fitzpatrick, Tony, Kwon, Huck-Ju et.al 2006, 1513). Social welfare is defined as a way of exercising solidarity with others to ensure well-being during times or situations of social risks (ibid, 1306).

**Legitimacy:** The quality or state of being legitimate. Being legitimate can be defined as "being accordant with law or with established legal forms and requirements", or "conforming to recognized principles or accepted rules and standards" (<http://www.merriam-webster.com/dictionary/legitimate> 2008). Some of the literature has focused on possible changes of legitimacy towards the welfare state in the context of immigration, and is therefore found relevant for this thesis.

**Integration:** The concept of integration in relation to immigration recurs in the literature as one of the main topics of discussion. According to the Ministry of Labour and Social Inclusion in Norway:

“Integration is about making arrangements and adaptations to ensure that new immigrants are included in the society. The goal is to ensure that immigrants are able to contribute their resources in working life and general society as quickly as possible” (<http://www.regjeringen.no/en/dep/aid/Topics/Integration-and-diversity/integrerings--og-inkluderingspolitikk.html?id=86693>)

## **3.2 Migration**

The numbers of immigrants from non-western countries to Norway has increased by 4 to 5 times over the past twenty years, and will probably continue to grow (Bay, Hellevik and Hellevik 2007). Norway receives three main categories of immigrants; refugees, reunified family members and work migrants. People arrive from various places and with different motives. Movement often generates tension which often leads to changes in a society. Accordingly, migration is one of the most discussed topics of the western world (Brochmann 2006, 9). In debating immigration and the welfare state, it is important to take a closer look at the main concepts of the phenomenon, and its background.

### **3.2.1 Theories of migration**

According to Grete Brochmann (2006) there are few theories on migration. Several try to explain why and when people migrate, supplemented by theories covering adjustment and integration in the receiving country. Since several aspects touch upon how welfare policies potentially contribute to increase immigration, explanatory theories of migration will be briefly presented here. One of them characterizes push and pull-factors as a reason for migration. Push-factors refer to problematic situations in the sending country such as hunger, unemployment and war which contribute to “pushing” people to migrate. Pull-factors, on the other hand, are positive aspects in the receiving area such as work, a superior welfare-system, peace, and a welcoming climate for immigrants. These are influential factors that may cause people to move to that particular country or to a new area within a country. Brochmann also refers to the theory that underlying motives to migrate are influenced by three pending conditions; development (differences in conditions of living), demography (overpopulation in poorer countries) and democracy (whether people are being suppressed in undemocratic regimes). These factors support movement depending on societal conditions in different areas,



and whether people know about them (Brochmann 2006, 22-24). Motives for immigration are mentioned as relevant by the reviewed literature, and will be discussed further later in the thesis.

### **3.2.2 History and trends**

In “A History of Immigration: The Case of Norway 900-2000”, Brochmann and Kjeldstadli (2008) broadly describe how migration has been part of human history at practically all times. According to them, immigration started in approximately the year 900, and has continued ever since. Even though Norway has a long history of immigration, several refer to it as a new phenomenon, and it seems the time after the 1960s are the period that people primarily associate with the term (ibid).

In discussing immigration in relation to the welfare state, it therefore seems more relevant to focus on the relatively recent immigration. The period after World War II was characterized by a post war optimism, where work migration was welcomed and assisted in the reconstruction of Europe. Immigration also played an important role in the process of industrialisation (Punternvold Bø 2002). Brochmann and Kjeldstadli describe this period as a phase with “open borders” and that immigration in Europe was influenced by an economic boost (with help from the Marshall plan<sup>1</sup>), by the project of rebuilding Europe, and the Cold War. Although quite a number of people migrated from the south to the north of Europe, Norway was relatively unaffected by this trend, and the period before the 1960s is described as calm in terms of immigration (Brochmann and Kjeldstadli 2008, 178). From the 1970s, there was a shift in the public attitude towards immigration from positive to sceptical. With the oil crisis in 1973, European immigration policy changed from recruitment to resentment, and immigrants were viewed as an economic and cultural problem. Norway had newly become a net immigration country and had been introduced to the first Cold-War refugees and a modest number from non-OECD countries. In 1970 there were 260 Turks, 434 Moroccans and 212 citizens from Indian and Pakistan present in Norway, and a trend of immigrants originating from new places could be seen (Brochmann and Kjeldstadli 2008, 194-196).

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<sup>1</sup> The Marshall-plan, also known as the European recovery program, was the primary plan of the United States for rebuilding and creating a stronger foundation for the allied countries of Europe after WWII (<http://usinfo.state.gov/products/pubs/marshallplan/>)

In the 1970s, a “ban on immigration” was passed in numerous European countries, and this caused an increase in the numbers of immigrants entering Norway. 600 Pakistanis arrived during the spring of 1971, and this further resulted in immediate actions to restrict immigration in Norway as well. The “new” migrants were seen as more distant culturally and therefore as a potential threat both economically and culturally (ibid). After this, immigration policies have been dominated by attempts to balance the asset and burden of immigration, which also is one of the elements of the debate described in the thesis.

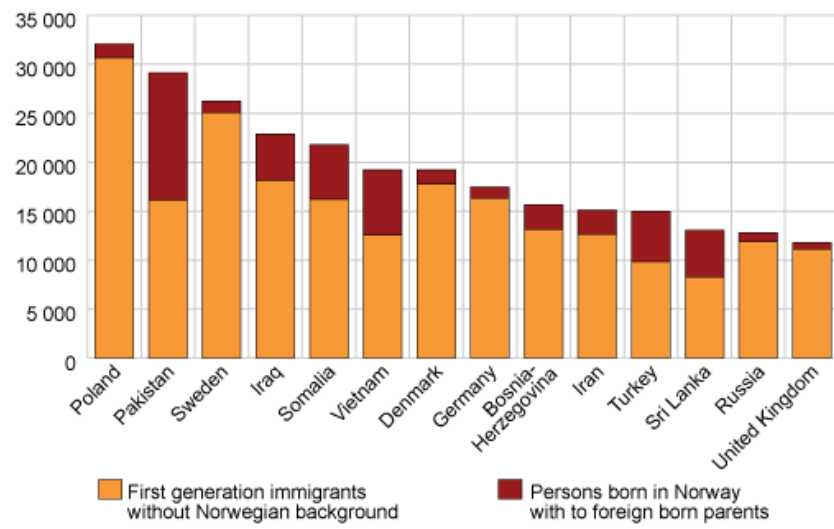
In the 1980s, Europe faced a new segment of immigrants; the asylum-seekers. This led to even further restrictive measures to limit the number of new arrivals. Accordingly, to prevent and handle border-crossing, European countries have since then harmonized and constricted their immigration-policies, and the number of asylum seekers has declined. The media has recently reported that Norway has the largest increase in the number of asylum-seekers in Europe this year, and labelled it as exceptionally challenging (Johansen 2008). However, others argue that considering the countries’ populations, the overall percentage of arrivals is still considerably lower than in Sweden and Denmark, adding that Norway should realize its position in the world and that migration is a continuous phenomenon (Tjessem 2008).

### **3.2.3 Recent facts about immigration and immigrants in Norway**

According to Statistics Norway, 460 000 persons living in Norway today are either immigrants themselves, or born of immigrant-parents. This constitutes 9, 7 percent of the population. Most of the previous immigrant arrivals were from “non-western” countries, including 52 000 from European countries outside the European Union, 174 000 from Asia, 56 000 from Africa and 16 000 from South- or Middle-America. However, the majority of the immigrants arriving in the present day, come from Sweden, Pakistan, Iraq and Poland, and the Polish group is increasing most rapidly

(<http://www.ssb.no/emner/02/01/10/innvbef>; <http://www.ssb.no/innvandring>).

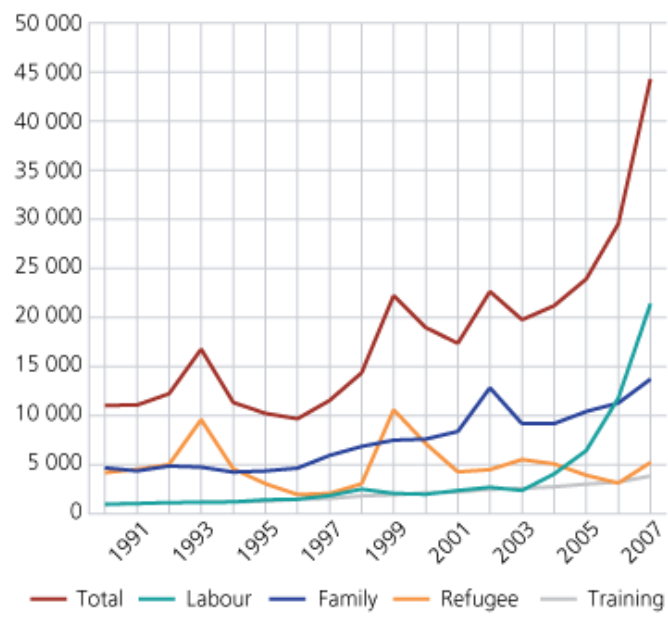
**The largest immigrant groups in Norway. 1.1.2008. Absolute numbers**



**Figure 1** [http://www.ssb.no/english/subjects/02/01/10/innvbef\\_en/fig-2008-04-29-01-en.html](http://www.ssb.no/english/subjects/02/01/10/innvbef_en/fig-2008-04-29-01-en.html)

Statistics Norway reports that from 1990-2007, 27 percent of the immigrants arrived as refugees, 11 percent got residential permission based on family-reunifications with refugees and 13 percent for reuniting with non-refugees. Approximately 17 percent came due to marriage with a resident in Norway and 21 percent arrived as work-immigrants ([http://www.ssb.no/english/subjects/00/00/10/innvandring\\_en/](http://www.ssb.no/english/subjects/00/00/10/innvandring_en/)). Labour-immigration is the most rapidly increasing group today as shown in the table below.

**Immigrations by reason for immigration. 1990-2007**



**Figure 2** [http://www.ssb.no/english/subjects/02/01/10/innvgrunn\\_en/fig-2008-10-02-01-en.html](http://www.ssb.no/english/subjects/02/01/10/innvgrunn_en/fig-2008-10-02-01-en.html)

The reviewed literature focuses on immigrants' participation in the labour market and their effects on the welfare state in this regard. According to Statistics Norway "Registered unemployment among immigrants was 4 percent in May 2008 versus 9.7 percent in May 2005", and immigrants from Africa showed the largest decline ([http://www.ssb.no/english/subjects/06/03/innvarbl\\_en](http://www.ssb.no/english/subjects/06/03/innvarbl_en)). As explained above, immigration has become evident in the Norwegian society. According to the literature, this may affect Norway as a welfare state in several ways. The welfare state and differing systems will be further described in the next section.

### **3.3 The welfare state**

The welfare system is an embedded part of the Norwegian society. According to Seeberg, the Norwegian nation state and state are closely related, and the welfare state is essential for both. Migration and migration policies affect the welfare state, and the changes found acceptable are fundamental for its future. (Seeberg 2007, 31-32). The debate concerns immigration in the context of a welfare state, and the history of the welfare state and different types of welfare states will therefore be explained below.

#### **3.3.1 History and typologies of the welfare state**

According to Stein Kuhnle, the modern welfare state is a European invention in response to the needs and demands for economic and social security in a changing world (Kuhnle, Hatland, and Romøren 2001). During life in a modern society, most people experience one or several social risks such as poverty, unemployment, disability, illness, childbirth and/or old age and the welfare state is seen as a solution on how to protect people financially when these situations occur. One of the theories on the origins of the welfare state suggests that the first was introduced in Germany by Otto von Bismarck, in order to calm the industry's working class in the 19<sup>th</sup> century. The Scandinavian variant is also said to have begun before the 20<sup>th</sup> century, but escalated after World War II. In moving from the old means-tested benefits and protecting only the poorest, to the new system, the main difference was that in the new system workers could earn rights to benefits through employment and/or memberships in funds schemes. Later on, and with credit to the liberal William Beveridge in Great Britain, the idea of a universal welfare state was born, and is seen as the foundation for the welfare states we see in Scandinavia today (ibid, 10).

There are several ways of organizing welfare, and between and within countries there are differing systems. According to Esping-Andersen (1990) there are three types of welfare states. By mapping and evaluating 18 OECD-countries in the 1970s, he examined the quality of social rights, degree of state-involvement and the degree of de-commodification<sup>2</sup>. He further categorized the ideal types into three worlds of welfare: The liberal welfare states (e.g. the USA), refer to the model most similar to the early poor-laws and provide mainly means-tested assistance, modest universal transfers, modest social-insurance plans, and favour high de-commodification. The second world of welfare is the corporatist/conservative welfare state (e.g. Germany and France). In this model the rights are attached to class and status, and traditional family-hood is important, with the state only interfering when the family's capacity is exhausted. The third regime is the social democratic welfare system, exemplified by Norway and Sweden. The essential principles here are universalism and de-commodification, and a fusion of welfare and work, which is most efficient when the majority of the people participate in the labour market and few depend on welfare (Esping-Andersen 1990). The ideals of the last regime are noticeable in the debate on immigration and the welfare state since the focus on labour participation is evident in all of the aspects discussed below. The clusters of countries, however, have been widely criticized but are still found important when discussing challenges within today's welfare states. Within the debate on immigration and the welfare state, it is argued that the way to handle immigration is closely linked to what type of welfare scheme a country has. This is mentioned by Halvorsen, and will be discussed further in chapter four (Halvorsen 2007).

### **3.3.2 The Norwegian welfare system**

The Norwegian welfare system is characterized as both universal and generous compared to other welfare states, but considering the details of the system, we can see that the level and accessibility to the benefits varies (Halvorsen and Stjernø 2006). Norway's social welfare system includes The Norwegian Labour and Welfare Service (NAV) and the Norwegian Health Services. NAV was established on 1 July 2006. Then, the National Social Insurance Scheme (The National Insurance Organisation and The National Employment Service) and The Social Welfare System (Social Assistance) were merged into one comprehensive welfare reform system. Social insurance compensates for, among other things, risks of life, old age,

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<sup>2</sup> "De-commodification occurs when a service is rendered as a matter of right, and when a person can maintain a livelihood without reliance on the market" (Esping-Andersen 1990, 22).

disabilities and unemployment. Social assistance consists of means-tested benefits, and is “the last safety net” for those who are unable to provide for themselves through work and are not entitled to benefits within social insurance (<http://www.nav.no/page?id=805312738>). The state is in charge of policy making and legislation, and the municipalities are the providers of the services. Health services in Norway are based on a decentralized model where the state is responsible through ownership of regional health authorities. These are free to organize the public health services but within the provisions of current legislation and resources available. Immigration and the health services have not been focused on in the literature and are therefore not elaborated on further here. Overall, the system is funded mainly by taxes and, as described above, characterized by a high degree of state-involvement and decommodification (<http://www.helsetilsynet.no/templates/ArticleWithLinks 5520.aspx>).

The welfare state is an essential element of the ongoing debate, because increasing numbers of immigrants may influence how the system works and the potential economic foundation for the system and the population’s feelings of solidarity towards it. By having a universal welfare system, it affects policies of immigration and integration and the lives of the immigrants. By being a part of the Norwegian society, relations to the welfare system are inevitable. In the following chapter these issues will be described and addressed as the selected literature is reviewed.

## **4 Key literature – Findings and discussion**

The particular scholars presented focus on several aspects debating immigration and the welfare state and, even though it is a complex phenomenon, many of the issues are closely related. To more visibly compare and discuss the literature, the chapter is divided into three main areas of discussion. Firstly, I go through economic consequences of immigration. After this, the topic of immigration and legitimacy of the welfare state is examined and finally I explore several aspects concerning integration and the welfare state. The research question is answered by presenting the main features of the different articles/books, describing and comparing the findings, and by discussing and evaluating the selected literature.

### **4.1 Economic consequences of immigration**

The Norwegian welfare state is one of the most advanced welfare-institutions in the world (Stjernø and Halvorsen 2006). Because they are funded by taxes, welfare states, such as the Norwegian, are known to be extremely expensive. Immigrants arrive with different motives, and are categorized as different types such as refugees, asylum-seekers, work migrants and family reunifications (Castles 2000). The motive behind migration and what category they are placed in, often expresses something about where the person comes from and, if permitted to stay in the country, it displays information about the type of legal residency they receive. This relates back to the specific rights and obligations that a migrant is granted. Whether they are able to and allowed to work, and if they are entitled to any benefits, influence the lives of the migrants in the destination-country (Røed and Schøne 2007). The immigrants' status as workers and contributors to the welfare state, or as welfare recipients, may have consequences for the future of the welfare state. According to researcher Lars Østby, Norway will face a considerable demographic challenge in the future. The old age-generation is increasing, and predictions suggest an extensive imbalance between the working generation and the elderly (Østby 2004). Several of the scholars agree that the future may hold a demographic trap, and that maintaining pensions through a generous welfare state may be at risk. Many of the European countries will presumably experience this negative population-growth and, as a result, work-immigration is suggested as a solution (Østby 2003, 3). Consequently, the Norwegian scholars focus on migration and demography, but also on what additional

economic consequences the society may face with immigration. Such consequences include wages and employment.

### 4.1.1 Demography

Both demography and contributions or expenses of immigration are highly relevant to each other, since the possible challenges with both situations concern how to sustain a future welfare in a changing society. As mentioned above, Østby discusses predictions on the future of the welfare state in the context of a potential demographic trap (Østby 2004). Fertility, mortality, retirement age and health and migration are all important factors influencing demography and, naturally, employment is fundamental to finance future pensions. By interpreting statistics from Statistics Norway, Østby found that even though the prognosis for the future cannot be absolute, it shows a clear tendency of numbers of old people increasing. This may outnumber the people working and therefore create problems in trying to maintain today’s pension-system (ibid). As Østby states, the bases for the arguments are statistics predicting the future, thereby showing that it is hypothetical. For that reason, it is vital to be aware that the significant role of other factors can influence the different possible outcomes. Nonetheless, the statistics are reasonable and suggestions based on research and experiences from the past. The prognosis does not seem to be disputed either, but rather agreed upon in all of the literature thus found relevant and probable as foundations for making assumptions within the topic of discussion.

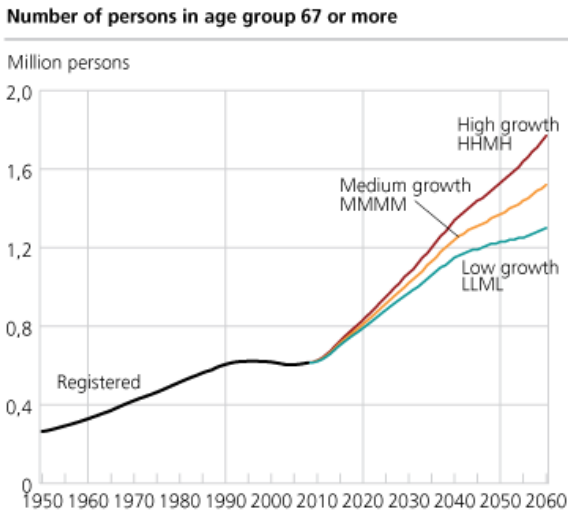


Figure 3 [http://www.ssb.no/english/subjects/02/03/folkfram\\_en/fig-2008-05-08-03-en.html](http://www.ssb.no/english/subjects/02/03/folkfram_en/fig-2008-05-08-03-en.html)



Østby further states that the demographic trap is a problem for most of the countries in Europe, and that Norway may have an advantage such as a better financial situation, and higher fertility rates than her fellow-countries. In discussing immigration as a possible solution, he recognizes the fact that immigration leads to a 6 percent population growth in Norway, and may therefore contribute to changing the situation (Østby 2004, 7). However, since most European countries will experience the same challenges, he argues that the numbers of immigrants will not become sufficient to compensate for the potential negative progress. Labour is predicted to become a scarce resource and, factors as complicated and distant as language, an excluding social environment, and small numbers of immigrants living here, do not show Norway as the most attractive country for future work migrants. Consequently, Østby suggests additional solutions, such as changing the system by either reducing benefits, increasing the taxes, facilitating higher fertility, adjusting the retirement age and putting in place other arrangements to increase the number of people working (Østby 2004).

Like Østby, the researchers Bratsberg, Raaum and Røed (2006) are concerned about the possible demographic trap in the future but, on the contrary, they are worried that immigration may rather add to the welfare burden, than relieve it. The study indicates that immigrants tend to start as contributors to the system but, after a relatively short time, turn into recipients of the system instead which is not helping to solve the challenges already posed by an expected changing demography. Having examined immigrant employment and participation in welfare programs from the 1970s to 2000, they found that in the first ten years, 95 percent were employed, but in 2000 the number had decreased to only 50 percent working, which was substantially lower than the compared group of the native population (ibid, 3-4). Bratsberg, Raaum and Røed have based their study on quantitative methods, and have looked at both incidence and persistence of employment and participation of welfare programmes in a sample of immigrants compared to a sample of the native population. To meet the criteria of reliability and validity, variables describing different individual characteristics, local labour market conditions and comparisons with the immigrant's home-countries are included.

Bratsberg, Raaum and Røed also present and discuss some possible explanations as to why the immigrants' employment careers are extensively shorter than for natives. One of them is that immigrants are sorted out or denied access to the labour market because of discrimination, especially during economic downturns (ibid, 34-35). Another explanation

emphasized is that generous welfare benefits and lack of work incentives in the Norwegian welfare system create dependency and, in addition, attract immigrants more likely to end up as welfare recipients (Bratsberg, Raaum and Røed 2006, 27-32). They further argue that the types of migrants are influenced by the wages and the welfare structures of the destination-country. In one way they agree with Østby that Norway will not attract the “right” type of immigrants to alleviate the costs of the welfare-system, and that solutions must be found elsewhere. However, the reasoning behind this differs.

The conclusions from what happened to this sample and the assumptions of what has been the tendency in Norway from the 1970s up to 2000 are directly based on the empirical findings. However, discussing the future and whether the findings are applicable to new immigrants arriving, in a continually changing society, may be problematic. Similar to the ones mentioned in Østby’s article, changes in the welfare system, immigration and integration policies, in addition to where from and why immigrants arrive in Norway and whether they settle or return to their home countries, are all factors that could change the situation of immigration and the welfare state and limit the suitability of experiences from the past to the future. For instance, in the 1990s, the conditions for disability-pension were tightened, and membership in the National Insurance Scheme, at the time of becoming disabled, became mandatory for one to be eligible for disability benefits

<http://rundskriv.nav.no/rtv/lpext.dll?f=templates&fn=main-j.htm&2.0>).

Modifications in legislation in the welfare system and policies of migration are continuously made to better suit and achieve the desired situation in the society. This could affect the number of future welfare-recipients and what type of immigrants would be arriving. After the expansion of the European Union, the majority of work-immigrants to Norway arrived from Poland and Lithuania (Østby 2006, 30). Will immigrants from Eastern-Europe or other regions show a similar course as the work migrants from the 70s? In a publication on new immigrants from the EU-region and their participation in welfare programs, Østby suggests a possible situation of immigrants not utilizing their rights, even though eligible for benefits. This may be due to lack of information and novelty of the situation and observing a clear tendency may prove difficult with the majority of the immigrants being young men with an obvious motive to work (Østby 2005). Norway is considered a fairly new nation within this topic and, though we should be aware of the changing systems and structures in the society,

Bratsberg, Raaum and Røed's research provides important information and arguments on the topic by describing and discussing the situation so far.

#### **4.1.2 Wages and employment**

Social scientist Ottar Brox, in conjunction with other scholars, presents a different angle to the topic and looks at how work-immigration may have additional economic effects on the society (Brox 2003). In the chapter "Norge trenger mer arbeidskraft: dårlig argument for en god sak" "Norway needs more manpower – poor arguments for a good cause" (my translation), the claim of fulfilling the need for manpower by immigration is specified to mean that Norway primarily desires a certain type of immigrant worker to take up the lowest paid and least attractive jobs (ibid, 39). The chapter is based on a combination of secondary findings and political discussion, and though his arguments appear interesting, the empirical foundation seems to some degree insufficient.

According to Brox, globalisation has led to socio economic changes where prices have declined and the market is characterized by more efficiency and cutbacks (Brox 2003, 41, 48). Work migrants arriving in Norway meet the consequences of this situation, and Brox claims that the state has facilitated import of immigrants accepting poor working conditions and low wages (ibid, 42). One of his main points is that this may lead to decreasing wages and a new lower class in Norway. He asserts that this is seen especially in occupations where unions have a weaker position such as the cleaning-industry (ibid, 44). The reasoning behind these arguments seems unclear. Regulations from tariff deals and state regulations of wages are evident in Norway thus they influence the wages and balance the market. Whilst he may be warning of a potentially tricky future, information on the present and past situation from Statistics Norway describes a wage growth from the start of the 1990s and this directly contradicts his statement ([http://www.ssb.no/english/subjects/06/lonn\\_en](http://www.ssb.no/english/subjects/06/lonn_en)).

Brox (2003) further states that the continuing processes of inequality may impair the progress Norway had made towards equality and providing a generous and universal welfare state. Two elements are claimed to intensify the situation, "the technocracy" (my translation), which relates to forces striving for a free market and cheap labour, and the "moralistic elite" (my translation), who focus on how immigrants are better off occupying low paid jobs in Norway than being unemployed in their home-country (Brox 2003, 49). Even if the political left, the

unions and political right and liberals are highlighted as actors, “the technocracy” and the “moralistic elite” are not presented specifically, which causes difficulties in locating exactly about who and what he is arguing against. It is further claimed that there are few political reactions addressing the situation and Brox is particularly surprised that the left wing parties and the labour unions act passively (ibid, 45, 48).

Brox’ position directs the debate into the pros and cons of maintaining regulating forces on wages and employment in a society, and into immigration’s possible economic effects on the labour market and public finances such as taxes. This is comprehensively tackled by Røed and Schøne (2007). They explore how immigration may affect receiving countries’ economic development with regards to wages and employment. Røed and Schøne’s report is a literature review based on combining secondary findings in literature with economic theories and discussions of the different outcomes within the topic. They examine research from several different countries to see if immigration has had negative impacts on the countries’ wages and employment-rates. Through this, they try to provide some answers as to how increasing numbers of immigrants may affect the Norwegian labour market and if it will be a potential burden or a contribution to the tax-system and maintaining the welfare state in the context of demographic challenges.

Røed and Schøne’s research is based on studies from The United States, Germany, the United Kingdom, Canada and Scandinavia. Most of the findings indicate that a few negative effects on wages related to immigration have been found, but the effect was insignificant. They also claim that the type of work-immigrants is important for how the results turn out. For instance, immigrants with the same skills as the native population may create competition and push wages down. Consequently, this has a negative impact on the group of workers similar to them (Røed and Schøne 2007, 80-82). However, political factors such as laws and regulations should not be undervalued as an influential force on the outcome. Norway’s regulations on wages are seen as relevant in this matter. Brox stressed concerns about the passive nature of the unions and argued for more precautions to regulate the labour market in order to prevent the occurrence of a new lower class. Røed and Schøne (2007) present a different opinion and state that generous tariff-deals and strong unions will prevent wages from sinking as a result of competition from immigrants although in economic downturns, competition may still possibly have a negative effect on employment rates which in the long run could lower the wages. According to Røed and Schøne, regulations will not prevent the wages from sinking

but will rather create rigidity in the system. They do not appear to agree on extensive regulations as a solution to the effects of immigration but rather claim that, because of regulations and rigidity in the system, work migrants may decide to migrate elsewhere hence they are drawn to the particular destinations where and when their services are requested the most (ibid, 83, 85).

According to Røed and Schøne (2007), immigrants moving to Norway are mostly represented in low-skilled jobs. This is explained by Norway's combination of a generous and inclusive welfare system together with a regulatory system ensuring low-skilled workers higher wages compared to other countries. This attracts low-skilled workers, which again creates a higher pressure on the wages in low status jobs (ibid, 10, 83). These arguments concur with some of Brox's arguments and, in this respect predictions of a new lower-class seem realistic. However, it is contradicted by the current information of wages increasing instead of decreasing by Statistics Norway described earlier. Even so, Røed and Schøne (2007) suggest selective immigration of workers with other skills, than the native population, to avoid lower wages. Then the workers will hopefully complete each other and create a win-win situation for all by increasing production. Nonetheless, many high skilled immigrants tend to end up in low-paid jobs because of discrimination and language problems, This results in competition among the low skilled jobs despite the intention (ibid, 83).

Røed and Schøne (2007) have, in addition, looked at how immigration may affect public finances and the tax-burden of the country and describe two factors as relevant. Firstly, motives for immigration are highlighted and these suggest that migrants with different motives and from distant areas, such as asylum-seekers and refugees, may face more difficulties becoming integrated into the labour market than work-migrants. They are, however, not conclusive since the ban on work-immigration from distant areas has led to the arrival of immigrants driven mostly by other motives, and comparisons would be premature (ibid, 87). The second important factor mentioned is that because a substantial amount of the immigrants arriving end up in low-paid jobs and many of them as welfare recipients, the contribution to the tax-system becomes less than its total revenue generation capacity. Nonetheless, it is concluded that immigration may contribute to the future demographic challenge but will not be sufficient to solve the problems alone (Røed and Schøne 2007, 89). Integration of immigrants into the labour market will be discussed further in the last section of this chapter.

Røed and Schøne's findings seem to indicate that immigration may result in somewhat lower wages for the low-skilled workers but, with the appropriate conditions and complementary types of labour, these challenges will resolve themselves, at least to a certain degree. Brox, Røed and Schøne have all identified a potential trend towards inequality. According to Sandmo, globalisation is frequently stated as one of the main causes of inequality, describing it as an inevitable process that has gained speed in recent years (Sandmo 2003, 45). This has led to a more mobile capital, both real (people) and financial, and the mobility of labour is debated (ibid, 48). Sandmo claims increasing numbers of immigrants are likely for most western European countries. He further uses the international trade theory to study the effect of trade liberalisation and the mobility of low and high-skilled labour. The theory implies that since industries produce for a global market, the variation of demands in the countries will complement each other. Accordingly, it will lead to an exchange of the commodities and type of labour the country is fully supplied with, for what they need, something described as factor price equalisation. This concurs with some of the arguments by Røed and Schøne. The theory further explains that immigration of low-skilled workers will reduce the wage differential in the sending-country but will probably intensify the gap in the receiving country as predicted by Brox. However, Sandmo claims that the receiving country will eventually experience a narrowing level of wages because a widening wage-differential creates incentives for the low-skilled to acquire skills (Sandmo 2003, 49-50).

Questions involving the continuing demand of low-skilled labour, even though several become high-skilled, and that high-skilled immigrants are found working in low-skilled and low-wage jobs, are not considered by Sandmo. It is also important to remember that immigration is about the mobility of humans. Are economic theories comprehensive enough to predict the human mind and their choices and enough to foresee the consequences of these choices? Economic theories were essential in Røed and Schøne's research but they also discuss the human aspects by discussing motives and regulations in modern societies as additional factors to be included. Perhaps further research integrating economic models with variables such as education, work-experience and state regulations could give further insight into the foregoing.

### 4.1.3 Concluding remarks

The selected literature debating economic consequences of immigration focuses on the challenges of a changing Norwegian demography, and concentrates on whether immigrants can be seen as a burden or an asset to the welfare system as workers and/or recipients of welfare. Nonetheless, having reviewed the literature, there seems to be a tendency of highlighting the assumption of immigrants as possible burdens of the welfare state and testing rather than exploring the potential of immigrants as contributors. A report by Bjørn Olsen in Statistics Norway, describes findings of young immigrants from non-western countries showing increasing levels of participation in both education and employment (Olsen 2008). This indicates a positive tendency of immigrants becoming contributors to the society and the welfare-system and deserves a more focused discussion of economic consequences of immigration.

In addition, the contents of the literature clearly indicate that work-immigrants cannot solve the demographic trap, but still, what would the situation in Norway be without immigrants today and in the future? In the newspaper *Minerva*, Erling Lae, chairman of Oslo City Council stated that the city's progress and expansion in the past years would have been impossible without immigrants. Though the newspaper-article questioned the economic effects of immigration, the main points are that labour will become a scarce resource and Norway should be aware of the potential within the immigrant population and that they are a contribution to the society at several levels (Meisingset 2008). Whilst the reviewed literature tries to cover this, further elaboration is needed.

Another essential consequence of work-immigration is "brain drain". According to Stalker (2000) "professionals travel between rich countries or from poor countries to rich..." Whether one is high or low-skilled, the main motivation is to increase their income. This may be beneficial for the individuals but for the sending countries it represents a considerable loss of invested training and skills (ibid, 107). The selected literature discusses migration of low skilled and high-skilled workers and a few of the possible effects. These include fears of negative societal changes towards inequality in the receiving country and positive effects by receiving immigrants with the right and complementing level of skills are mentioned. Still, except for looking at wage-differentials, little is said about the effects in the sending-country. Facilitating more work-immigration in trying to solve the nation's demographic challenges

and lack of labour may drain the sending-country of needed professionals and, as a result, have negative societal and developmental consequences in the sending country.

Work migrants have been the main focus here but it should be noted that though the current largest group of immigrants are labelled as work migrants, the previously arriving immigrants in Norway came mostly due to family reunification and seeking refuge. Whether immigrants become workers or welfare recipients and whether they are seen as contributors to or burdens of the welfare system may influence the legitimacy of the welfare state. This will be discussed further in the next section of the thesis.

## **4.2 Immigration and legitimacy of the welfare state**

As mentioned above, it is expensive to maintain a generous and universal welfare state and its funding depends on people being able and willing to work and pay taxes (Halvorsen and Stjernø 2006). With expanding immigration, diversity is growing. The scholars agree that society is changing direction from more homogeneity to more heterogeneity and wonder whether this is compatible with the future welfare state. Defining legitimacy above, we gather that it refers to people's adherence to accepted rules or standards. A welfare state is built up according to rules and standards and people with different cultures and backgrounds may have differing opinions and thoughts about these rules. Accordingly, the scholars focus on how change towards a heterogenic society may affect the legitimacy of the welfare state. This is firstly discussed in relation to the concepts of trust and solidarity and then followed by scholars concentrating on the transition from a homogenous to a heterogenic society.

### **4.2.1 Trust and solidarity**

The literature explores several aspects of this topic but there seem to be some agreements and disagreements. For instance, the scholars focus on what is needed to maintain the welfare state and refer to the importance of trust and solidarity. Knut Halvorsen's article "Legitimacy of Welfare States in Transitions from Homogeneity to Multiculturalism: A matter of Trust" is concerned about whether trust is linked to negative views on immigration and how this again relates to differing welfare regimes (Halvorsen 2007). Halvorsen sees trust as a part of social capital in the context of the welfare state. Assumptions made are whether people will continue to trust that increasing numbers of immigrants will maintain the reciprocity of the welfare state



depends on, and if liberal and multicultural immigrant policies may affect the welfare state (ibid). Halvorsen's article looks at several definitions of trust and sums them up by explaining that it refers to expectancy of others' actions and the belief that others will not do them any harm. He further divides trust into several categories. Particularized trust is described as trust among our selves and those similar to us and is also related to the concept confidence which refers more to trust in institutions. Generalized trust is defined as trust in strangers (Halvorsen 2007, 242-243, 250). The different definitions are essential to look at the importance of trust at different levels of the society and the effects of changes in the said society. The article is mainly concerned with societal and structural levels and points out that socially homogeneous societies, are more likely to be trusting. This indicates that when a society becomes more heterogenic, for example with increasing immigration, the degree of trust will become lower (Halvorsen 2007, 247).

Halvorsen's research is based on both secondary findings in literature and primary empirical findings achieved by comparing and measuring variables such as trust, regime types and individual variables. The methodology is apparent which results in arguments that are directly based on the findings of the research. The findings and arguments presented concern immigration and legitimacy of the welfare state and, consequently, I found them relevant for the debate. When examining the concepts in the literature, it is imperative not to lose sight of the fact that the findings involve and measure phenomena like legitimacy, trust and solidarity. These concepts are abstract and not concrete facts, hence not straight forward and easy to measure, and they refer mostly to emotions and attitudes that people judge subjectively. Concepts describing feelings may mean different things to different people. Accordingly, in the Social Sciences it is important to develop definitions and conceptualizations that are agreed upon (Chambliss and Schutt 2006, 52-53). I believe Halvorsen meets the criteria for reliability and validity by credible definitions and by using expressions that cover the relativity of the concepts in his questions hence has sufficient empirical foundation for his arguments (Halvorsen 2007, 245).

Subsequent to this, Halvorsen's article explores trust in relation to the welfare state and Esping-Andersen's regime types. Findings suggest that trust is strongly associated with regime types but the particular regimes do not necessarily cause trust (Halvorsen 2007, 253). Social democratic welfare states with universal benefits, like Norway, have been measured to have a higher degree of trust and positive association between trust in institutions and people

(ibid, 247). However, when it comes to confidence and trust in institutions and the welfare state, there is a more general view that immigrants “take out more than they give in” in all of the regime types, including “high-trust-countries” like the Scandinavian ones (ibid). This indicates that the legitimacy of several types of welfare states may be challenged by immigration from ethnic minorities, at least if immigration policies fail to facilitate integration. It should be noted though that Esping-Andersen’s welfare-regimes have been criticized both in terms of the classification of countries and for not including health services and other factors (Kennett 2004, 185-193). Research depending on other classifications of regime types may in that case have had a different outcome.

Several of the issues described above, such as trust and solidarity, are discussed in Sigurd Skirbekk’s “Nasjonalstaten – Velferdsstatens grunnlag” “The Nation state – a foundation for the welfare state” (my translation). He argues that the politics of welfare depend on strong national companionship and mutual solidarity (Skirbekk 2008). Skirbekk agrees with Halvorsen, but does not refer to him, in relating trust to the expectancy of others and further argues that trust depends on feelings of national companionship in the context of a nation state. His assumptions concentrate on how increasing numbers of immigrants and exceeding diversity may affect the morality and solidarity towards the nation state and the welfare state, thereby challenging the foundation of the welfare state (ibid). Society is changing and solidarity and trust are seen as complex matters. Transitioning from homogeneity to heterogeneity and changes in culture are some of the processes influencing the welfare state. Both Halvorsen and Skirbekk state that Norway has a homogenous population that is characterized by a high degree of mutual trust and trust for the institutions in the country such as the state (Skirbekk 2008, 36, 76-77). This trust and loyalty are developed through the history of the nation. Immigrants may not share the same history for the nation state and consequently have a different opinion of it. Accordingly, Skirbekk argues that some of the challenges of modernity might be a weaker solidarity and that welfare politics is vulnerable to a decline in people’s feelings towards the welfare policies. Immigration brings about changes in a society and, if solidarity deteriorates, whether geographically between generations or, culturally, this may therefore challenge the welfare state in the long run. The welfare state presupposes solidarity at a state level in order to be sustained (ibid, 35-43).

Sigurd Skirbekk’s intention is to shed light on some of the neglected areas within the debate of the welfare state. He discusses important aspects of culture, nation building and some of

the challenges the modern welfare state is facing but bases this on unsatisfactory empirical foundation. It is evident that he thinks the importance of the nation state is an undervalued issue regarding the future of the welfare state and that its sustainability may be threatened in a changing society with an increasing amount of immigrants. Looking at methodology, the literature is not directly based on data but more a combination of scientific writing and political discussion (Skirbekk 2008, 9). In one way, this balance may be what makes the content of the book especially comprehensible regarding the debate yet somehow it sometimes makes it difficult to grasp the foundation for the arguments and statements. Occasionally, it is unclear what is based on empirical evidence and what the author's mere opinions on the matter are. This is supported by arguments by Frank Meyer and Arnfinn H. Midtbøen (to be published in Norwegian Journal of Migration Research). They criticise Skirbekk for statements contradicting contemporary research by Bay, Hellevik and Hellevik, and Kymlicka and Banting and for the insufficient empirical foundation such as not specifying his references or basis for his arguments.

In the above cited literature, the arguments stress how the legitimacy of the welfare state may be challenged by immigration. Bay, Hellevik and Hellevik share Skirbekk's and Halvorsen's interest for the impact of immigration on the Norwegian welfare state and the possibility of a more heterogenic society but have a different point of view on the possible effects of immigration on the welfare state.

#### **4.2.2 From a homogenous to a heterogenic society**

Bay, Hellevik and Hellevik (2007) have questioned whether the change towards a more heterogenic society is weakening the trust between members of society and that towards institutions, and whether homogeneity is a precondition for solidarity and feelings around collectivism. By studying whether the degree of trust declines due to more immigration, including individual variables like education and additional resources in certain Norwegian communities, they found that attitudes toward immigrants were influenced by both peoples' self-interest, their culture and values (Bay, Hellevik and Hellevik 2007, 382). This corresponds with certain findings by Skirbekk and Halvorsen, mentioned above. However, the results from Bay, Hellevik and Hellevik suggest that increasing numbers of immigrants in a community are not associated with further negative attitudes towards immigrants. On the contrary, it seemed like additional numbers of immigrants showed a tendency of warming up

to people who were being more positive and trusting to them (ibid, 394). On the other hand, having explored peoples' sense of collectivism and trust in the institutions, they discovered that increasing numbers of immigrants can negatively affect attitudes towards the welfare state and therefore they would not completely reject increasing immigration as a possible challenge towards the legitimacy of the welfare state. Nonetheless, and opposed to Skirbekk and Halvorsen, the article concludes that more immigration will, in the worst case scenario, rather lead to welfare chauvinism than people turning against the welfare state in general (ibid).

Bay, Hellevik and Hellevik base their arguments on a multivariate and causal analysis. Applying contextual variables describing ethnic diversity in certain Norwegian communities, they have measured the significance of collectivism, political trust and level of economy against attitudes towards the welfare state. Some of the variables taken into account, like the members of immigrants in the communities and level of education, are exact and constant but, in the same vein, several of the findings in this study concern abstract attitudes and feelings and demand that we take cognisance of the fact that the concepts are relative. Another aspect, which the scholars have pointed out themselves in the article, is that the number of immigrants living in Norway is still marginal and it may be relatively early to conclude on any effect on attitudes towards the welfare state.

The debate on immigration and the welfare state is not exclusive to Norway and to enhance our understanding of the internal debate, certain international literature has been found to be relevant. As mentioned above, there are several types of welfare states and this may affect how immigration is viewed. A number of international scholars have speculated on whether immigration itself may be the reason for how the welfare state has evolved and will evolve in the future. In the article "Why doesn't the US have a European-style welfare state?" Alesina, Glaeser and Sacerdote have tried to explain the differences between the welfare states of the United States, Germany and Sweden. This is based on empirical data and presented with mathematical models and economic arguments. They argue that the roots of the welfare state are to be found in economic redistribution and social altruism and conclude that the causes of the differences are mainly because the USA has significantly more racial heterogeneity than Europe. People are more altruistic and feel more solidarity with people that are more like themselves. In terms of distribution, many of the poor are minorities and are seen as more different (Alesina, Glaeser and Sacerdote 2001).

Journalist and editor David Goodhart agrees with them and introduces “the progressive dilemma” where a high level of solidarity, substantial social cohesion and generous welfare, paid out of a progressive tax systems, and diversity are not compatible (Goodhart 2004). He has presented his arguments in the essay “Too diverse” and, though his methods and empirical foundation seem insufficient, his article is still frequently referred to in scientific literature. Goodhart states that even if it does not have to mean that people are hostile towards people of different origins, most of us would in the long run prefer to share with “our own kind”. Goodhart argues that, since British society has become too diverse and complex, and in reference to the welfare state, the instinct will be to favour one’s own. If the population becomes too diverse, this may lead to a less redistributive welfare state (ibid). These opinions seem to be buttressed by Halvorsen and Skirbekk’s arguments although the concept of trust is not the main focus and the contexts of the studies differ.

Kymlicka and Banting (2006) present another point of view, coinciding more with Bay, Hellevik and Hellevik. In their article “Immigration, multiculturalism and the welfare state”, they categorize the topic of concern as the heterogeneity/redistribution trade off. By adopting existing models including factors associated with variation in social spending and adding variables of migrant stock, they have tested the hypothesis of the progressive dilemma and Alesina, Glaeser and Sacerdote’s and Goodhart’s arguments. The hypothesis, that a more diverse population will erode the welfare state, is refuted by comparing the evidence on social spending and public support. They find no significant tendency of either less spending or less public support of the welfare state posterior to increasing immigration. Secondary data from existing research is referred to and this supports their conclusion. They do, however, mention several notes of caution such as that immigration may not be substantial enough for deviations to happen yet and that particular findings indicated large changes in the population could interfere with social spending. The findings are also based on preliminary tests since they did not have reliable cross-national data of levels of different types of ethnic heterogeneity or consistent available data on levels of welfare spending (Kymlicka and Banting 2006).

The international scholars, presented above, have based their conclusions on countries with a longer historical experience with immigration than Norway, i.e. such countries as the United States and the United Kingdom. Several of the articles are mentioned in the Norwegian literature and even though the findings are not generalized directly, it is indicated that they are found highly relevant and applied as background for developing hypotheses in several studies

on immigration and the welfare state. The conclusions from the United Kingdom and the United States suggest that racial heterogeneity is a threat to the European welfare state. Nonetheless, both of these countries have different backgrounds to that of Norway historically, culturally and politically e.g. with reference to imperialism, colonialism and racism. Thus, comparing the nations' present situation and future may prove problematic. The political regimes and systems differ between the countries and are influential factors concerning both immigration and welfare. As described above, they are not categorized in the same type of welfare regime and the characteristics of the liberal welfare and the social democratic regimes contain substantial differences (Esping-Andersen 1990). This may raise questions on how applicable the experiences from the United States and the United Kingdom are to Norway. Still, their findings are generally used indirectly in Norwegian literature and not as a basis for any conclusions. In this respect, the international literature is indeed relevant. Experiences from other countries provide an insight into the issues elaborated on in other regions which may enhance research and knowledge on similar phenomena in the Norwegian situation.

#### **4.2.3 Concluding remarks**

In the debate on immigration and legitimacy towards the welfare state, the literature includes various issues. The media's role in affecting people's opinions is mentioned but more could have been said on this. Today's society is widely influenced by the reality that the mass media presents and, by the same token, so is people's attitudes. The population's actual knowledge on immigration, integration and the welfare state is undetermined and further research on causal explanations of people's attitudes is needed.

The literature above also touches upon the topic of integration and the structure of the welfare system, and its ability to facilitate integration will be further discussed in the following section.

### **4.3 Integration and the welfare state**

The literature reviewed above has dealt with consequences of immigration concerning economic effects on the society and immigration as a possible threat against legitimacy towards the welfare state. Several of the scholars seem to see both topics as closely related to

the issue of integration. If and how people are integrated may have an impact on immigrants' participation in the labour market instead of being welfare recipients which again reflects on the legitimacy of the welfare state due to a possible effect on the native population's attitudes towards immigration. As defined above, according to the Ministry of Labour and Social Inclusion in Norway, the political goal of integration is about facilitating inclusion of immigrants in the mainstream society and to give everyone equal opportunities (<http://www.regjeringen.no/en/dep/aid/Topics/Integration-and-diversity/integrerings--og-inkluderingspolitikk.html?id=86693>). The intention is to apply this in the labour market as well as the welfare system. In this vein, immigrants using their resources to work are seen as important.

In examining the facts on the ground, one ends up having a feeling that, the focus seems not to be on work-migrants but on assisting all types of immigrants to work which is not just beneficial to the individuals but for the society as well. Nonetheless, the welfare system is deeply imbedded in the Norwegian society and the structure of the system may not always facilitate integration. Dependency and policies of integration are key concepts here and are some of the issues the scholars call attention to. According to Halvorsen (1999), dependency can be seen as the opposite of being self-reliant and the immigrant is here referred to as being dependent on financial support from the state. Welfare dependency is also related to arguments of people adopting helplessness by having access to generous welfare-benefits, and thereby not using their resources in the labour market (Halvorsen 1999, 57-58). This is of great concern at several levels. Integration in relation to the structure of the welfare system and the efficiency of various integration programs will be discussed within the selected literature below.

#### **4.3.1 The structure of the welfare system – a hindrance or facilitator of integration**

In this part of the discussion, the literature refers to integration in terms of having equal opportunities with emphasis on being able to join the labour-market and the welfare-programs. Even though the same is of great concern in discussing economic consequences, the centre of attention here is more on the structure of the welfare system in relation to immigrants working or receiving financial support from the state. The selected literature agrees on the goals of integration but provides some different angles to the debate.

Brochmann and Hagelund (2007) have presented an overview on Norwegian research on the topic and studied whether immigration may threaten the welfare state and how the welfare system may hinder or facilitate integration. Brochmann and Hagelund's article is a literature review based on secondary findings of existing research on immigration and the welfare-state in the Nordic countries. They present correlations between immigration, integration and the welfare state and, although they describe many different aspects, few answers are given. Their article revolves around how the welfare state and immigration continuously affect each other. On the one hand, the welfare state is an important factor regarding immigration and integration policies and, on the other, immigrants influence the policies of the welfare state, introducing new challenges with multiculturalism and becoming consumers of and contributors to the welfare state (Brochmann and Hagelund 2007, 268).

Brochmann and Hagelund express the importance of labour in funding the welfare state and further assume a low employment rate amongst immigrants as a possible challenge towards the welfare state (Brochmann and Hagelund 2007, 267). This tallies with some of the arguments on legitimacy and economic consequences of immigration. Statistics Norway, however, has reported a decline in immigrant unemployment, and has stated that the numbers have gone down by 50 percent over the past three years ([http://www.ssb.no/english/subjects/06/03/innvarbl\\_en/](http://www.ssb.no/english/subjects/06/03/innvarbl_en/)). This suggests a tendency of low participation in the labour market as a decreasing problem and, therefore, contradicts the previous assertion.

Subsequent to the reviewed literature above, Brochmann and Hagelund (2007) described the Norwegian welfare system as both generous and advanced. They argued that integration is about providing the same opportunities in the society but declared that Scandinavian welfare states are not as universal as claimed before. Eligibility for several of the benefits is often based on membership in the National Insurance Scheme, earlier employment, and previous earnings. This severely limits the universality and the possibilities of participation and the system risks excluding certain groups in the population (ibid, 269). Another problem discussed is the efficiency of the welfare programmes and the possibility of their compatibility with the plurality of the immigrant population. There seems to be a dilemma between providing excessive universal benefits and targeted benefits to facilitate integration and meet the needs of both the immigrants and the native population. On the one hand, if the benefits become too general and "universal", the welfare system may discriminate against



some. If the benefits available are not in sync with the needs of the immigrants, or if no existing benefits are designed for the particular problems of the immigrant's needs, this could cause unintended consequences like exclusion or dependency. The cash benefit for parents of infants<sup>3</sup> is used as an example of a universal and general benefit that may have different consequences for immigrant families and not the native population because of its potential impact on integration, family-structure and chances of employment (Brochmann and Hagelund 2007, 270). On the other hand, overly targeted benefits for particular groups may cause stigmatization and reinforce the division between immigrants and the native population which also hinders integration (ibid, 270-271). Brochmann and Hagelund further claim that there is insufficient research in this field so far and, although the researchers agree that measures must be taken to improve the politics of integration and immigrants' position in the labour market, there is no consensus on the best solution (Brochmann and Hagelund 2007, 272).

Norway has become a more heterogenic society and, how to construct one welfare system to accommodate all, is seen as a challenge. In looking for answers, literature by Kymlicka and Banting (2006) seems relevant here. In the same report mentioned above, they investigate some similar issues, concerning universal versus targeted benefits to hinder or facilitate integration. Brochmann and Hagelund state several pros and cons and equally suggested targeted benefits as a potential cause for stigmatisation. Kymlicka and Banting have tested the hypothesis on whether targeted policies to accommodate integration and diversity, herein called multiculturalism policies (MCPs), aggravate the problem rather than solving it. By constructing an index measuring whether the extent of MCPs adhered to public spending and public support for the welfare state in several western countries, they found no evidence to support the hypothesis. Subsequent to this, they concluded that MCPs may focus on differences but in a positive way hence their being "de-stigmatizing". MCPs together with nation building policies may also increase solidarity towards both immigrants and the welfare state (Kymlicka and Banting 2006). The scholars draw attention to the fact that the findings are based on insufficient existing data and must therefore be seen as preliminary results.

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<sup>3</sup> Cash-benefit for parents of infants is a benefit for those who have children between one and three years of age who do not use publicly maintained day care institutions (<http://www.nav.no/805369180.cms>)

Unni Wikan provides a different angle to the topic of integration and immigration and in her book “Mot en ny norsk underklasse” “Towards a new lower class in Norway” (my translation) she argues that the integration of immigrants in Norway has failed (Wikan 1995). Wikan claims that through excessive facilitation of all programs, ranging from welfare and activation programmes to minority language training in school, we are depriving the immigrants of their self esteem and potential use of resources to become equal participants in the Norwegian society. This causes a cycle of dependency and she stresses that it is time to give immigrants the opportunity to earn the respect they deserve. She further argues that, culture which has replaced race as the new concept to underline differences, has been misinterpreted and has had its differences but by misinterpretations. Because of this, it discriminates just as well (ibid). It is unclear whether she is referring to targeted or universal benefits as part of the problem. It seems more like it is a general problem of both the systems in the society and the population’s attitudes but possibly indicates an opposition to multicultural and targeting policies. The book is based on some secondary data but, according to Wikan herself, it rests mainly on the author’s previous self-claimed knowledge and experiences from living in the Middle East, prior research on poverty, information about the Norwegian welfare system and common knowledge of attitudes in the population (Wikan 1995, 11). The book discusses essential issues within the topic but occasionally the empirical foundation for the arguments seems unconvincing and generates more questions than answers. That having been said, the book was written several years before the introduction of current literature but was deemed relevant because of the publicity and attention the author and her statements still get in the present debate.

Issues of dependency and integration in the context of social welfare are also discussed by Bratsberg, Raaum and Røed (2006). In their article “The Rise and Fall of Immigrant Employment: A Lifecycle Study of Labour Migrants to Norway”, they introduced and discussed the possible explanations as to why an extensive number of immigrants that they researched on ended up on the welfare scheme instead of continuing to participate in the labour market. The same hypothesis of the importance of integrating immigrants into the labour market shows its importance here and the structure of the welfare system combined with family-structures is seen as essential (Bratsberg, Raaum and Røed 2006). According to Bratsberg, Raaum and Røed, aspects of the Norwegian welfare system may give the immigrant population weak incentives to work. For instance, since immigrants on average earn less, the social security replacement ratio becomes higher in case of unemployment or

disability. This is reinforced by the family-structure of many immigrant households. Dependent wives and children make them eligible for supplementary benefits especially if granted disability-benefits and, consequently, low wage earners with many children may reach the same and sometimes even higher levels of financial support from the welfare system than in paid employment. They also found a larger systematic difference of several receiving disability-pensions among immigrants with larger families than in childless families and in the native population, but no foundations for a likelihood of poorer health among immigrants with many children (ibid, 28-31). This corresponds to some of Brochmann and Hagelund's findings which suggest how an overly general and universal system may have unintended consequences for the immigrant population and result in dependency on welfare instead of returning to the labour market. Once again, it should be noted that, according to Statistics Norway, numbers of employed immigrants are increasing and this possibly challenges the statements above (<http://www.ssb.no/emner/06/01/innvregsys/>).

Bratsberg, Raaum and Røed's (2006) arguments are based on quantitative data and the comparison of income levels with levels of benefits. The findings have been interpreted in relation to their research on employment histories and participation in welfare programs of labour migrants from the 70s (ibid). Although their results of a higher tendency of disability among migrants with several children are supported by their data, the interpretations of issues of health differences could have been elaborated on further to better understand the foundations for their arguments. The immigrant population is not homogeneous and diverse groups of people may respond differently to the various types of welfare benefits which again may influence how the welfare system really works. Future groups of immigrants may differ both geographically and culturally from the sample used and accordingly the critique concerning problems of applicability from the past to the future is certainly relevant here as well.

In their analysis of the Norwegian Welfare System and immigration, Bratsberg, Raaum and Røed's and Brochmann and Hagelund's articles point out conditions as learned helplessness, lack of incentives to work and unintended consequences of general benefits. This is related to the concept of welfare dependency. Some of the arguments indicate a generous and universal welfare state as part of the explanation for a low employment rate among immigrants. This leads the discussion into matters of possibly deteriorating work ethics and lack of stigma which are explored further by Halvorsen (1999). His research on employment commitment

among the long-term unemployed in Norway, based on a sample from unemployment records, found no indications of an emerging culture of dependency (Halvorsen 1999). Although the study cannot be used to generalize on the immigrant population, I still find it interesting as an aspect that could have been developed more. A suggestion of further research could be to conduct the same type of study as Halvorsen, but in the process looking at employment commitment among a selective sample of immigrants instead of the whole population. This could possibly give an indication on whether a culture of dependency is occurring in the immigrant population as indicated above.

#### **4.3.2 Integration programs - from welfare to work**

The reviewed literature and Djuve concur on the main goals of integration, and in this section Djuve's evaluation of the efficiency of different programmes to assist the integration of immigrants into the labour market will be discussed. These are the introduction programme, qualification programmes within The Norwegian labour and welfare administration and language training. Kavli describes the introduction programme as a training programme for immigrants with the status of refugees, persons granted humanitarian status and their family members (Kavli 2006). They have a right and obligation to take part in the scheme and the purpose is to provide basic Norwegian language skills, insight into the Norwegian society and preparation for participation in working life. The qualification programmes within the Norwegian labour and welfare administration include those for the whole population but provide some services especially targeting immigrants. Norwegian language training and studies of social knowledge are compulsory for newly arrived immigrants and provided by the state (Kavli 2006). Djuve discusses these programmes and evaluates their efficiency where she also questions the society's strict demands for integration to work (Djuve 2006).

In Djuve's article, integration is defined as equalizing opportunities and diminishing inequalities between the native and immigrant population (Djuve 2006, 37). Furthermore, the importance of achieving a balance between including immigrants in the mainstream society and recognizing the distinctiveness of the different cultures are described. In the 1990s, research findings suggested weak language skills, low participation in the labour market and a high level of welfare dependency among immigrants in spite of generous spending on facilitating integration. This resulted in a new trend of directing more immigrants from welfare to employment and has become an important issue in several western European

countries (ibid, 37-38). Accordingly, she finds some of the current work oriented programs central discussing integration.

The article is based on secondary findings, such as already existing evaluations of the first trial versions of the introduction programme in Norway and previous surveys on the efficiency of integration programs in Norway, Sweden, The Netherlands, and The United States. Djuve presents and discusses the findings, and questions the efficiency of the approaches in the schemes. According to Djuve, one of the main aims of the introduction programme is to prevent welfare dependency (Djuve 2006, 38). The programme is based on a balance between obligations and rights and, to ensure participation, both the stick and carrot are used, reducing and increasing the benefits after attendance. Findings suggest factors as economic sanctions as less important for the immigrants' language progression and transition from welfare to work. However, the quality of the program proved to be crucial for the efficiency. Experiences from the USA and the Netherlands indicated that a more intensive scheme, offering several training hours per week, is more efficient whilst in Norway this was found less significant. Further, facilitating for the participants to have an active role both in the programme and for their own economy was important and separating the service from the social services seemed beneficial (ibid, 38-40). Evaluating language training, a mix between classrooms based learning and practical learning was found most efficient and in Norway classroom-education is generally provided, due to limited resources.

The qualification programs, offered by The Norwegian labour and welfare administration are found more efficient among immigrants than the native population. Findings also suggest a need for improved cooperation between the introduction programme and the programs in the Norwegian labour and welfare administration to maximize the potential of immigrants becoming workers instead of welfare recipients. Djuve (2006) further claims the need for a more holistic approach to integration, including the labour-market and the native population to a greater extent, since the programmes have little influence on variables like discrimination in the society. It is finally concluded that though many assumptions can be made from the findings, it is premature to evaluate the true effects of the programs since they have only been in existence for a few years (Djuve 2006, 43). Other methodological problems mentioned, were that measuring the transition from unemployment to employment and the relation to efficiency of programmes, proved difficult because of the substantial differences in the unemployment groups compared. Though the conclusions are vague, the article still provides

some well founded arguments claiming that in order to provide targeted programs for the integration of the immigrant population, quality is particularly important for them to work as intended.

### **4.3.3 Concluding remarks**

In this section of the debate, I find that the literature focuses mostly on the issues of integration and the importance of activating “passive” immigrants into the labour market. There seems to be a tendency of highlighting targeted benefits as a better means to facilitate the integration of the immigrant population. Stigma is mentioned as a potential negative effect of targeted benefits but more could have been said on this. The facilitation of language and work training is discussed and proves to be essential for both integration and sustaining the welfare system. However, there seems to be a need for further studies concerning those who are unable to work due to health problems or social concerns. For instance, refugees and asylum seekers have backgrounds including personal and often traumatic experiences from war and prosecution. Are these issues particularly addressed? Could they be seen as influential factors for immigrants not to be employed? The immigrants’ health is also relevant in parallel discussions of consequences of immigration but should definitely be of more concern in discussing labour participation.

It is further noticeable that generalizations of the immigrant population are frequently made. Awareness should therefore be drawn to facts on immigration showing a continually changing immigrant population consisting of numerous nationalities, including variations in background and culture both between and within the groups. In this sense, multiculturalism is a neglected area of the debate, in spite of its significance seeing that it may influence the reciprocal relationship between the immigrant population and the welfare-system.

## 5 Summary and conclusion

The central aim of this thesis has been to explore the main strains in the Norwegian scholarly discourse on immigration and the welfare state. This has been done by conducting a literature review among scholars and comparing and discussing their arguments and findings. The thesis consists of six chapters. The intention of the introduction was to give a short description of the topic, how immigration and the welfare state are connected, and introduce the research problem. I further presented an overview of what the thesis is about and how it was conducted. The following chapter has reported the process and methods behind the thesis, showing that the selection of literature was done systematically and following criteria so as to ensure reliability and validity. Furthermore, the chapter gives a description of the method of comparison and how it is applied here by comparing the literature and the pros and cons of the debate. The aim was to provide openness and clarity on what is done and why. Definitions of concepts and frameworks for the phenomena were described to give the reader knowledge and perspective on the history, background and theories surrounding the issue of discussion. In chapter four, the literature is reviewed in response to the research question and the findings will be summarized below with some concluding remarks.

Immigration has become a highly relevant contemporary issue and is widely discussed in the media, within politics and among the general populace in Norway. Its relation to the welfare state is the focal point addressed here and the literature shows that this is of great interest given the ever increasing number of immigrants. In an endeavour to provide an answer to my research question, I find that there are three main concerns focused on within the literature. The first is about economic consequences of immigration. The literature agrees on the high costs of maintaining the welfare state and the importance of immigrants participating in the labour market. One of the main concerns is how immigration may affect the welfare state's challenges within a changing demography. One opinion is that immigrants possibly can contribute as tax payers in addition to structural improvements of the system, while a conflicting argument predicts future immigrants as an additional burden on the system. The latter was based on surveys with results from previous experiences with work immigrants. Subsequent to this, arguments on immigration's consequences on wages and employment suggest that immigration could possibly lead to lower the wages of unskilled workers. Here, the literature is divided as to the degree to which wages will be affected and whether

regulations by the state and involvement of the unions can improve or worsen the situation. Again, these particular scholars are concerned about the future and especially about the negative effects of immigration. The future is vulnerable to external and internal processes such as economic upturns and downturns, and policies and situations in the sending and receiving country. The issue of immigrants as potential contributors in the system was pointed out as a potential gap in the literature and a positive tendency of immigrants' increasing participation in the labour market will possibly have an impact on whether economic contributions will outbalance the burden or not.

The second aspect focused on is how immigration may affect people's views concerning the legitimacy of the welfare state. In this section, the scholars agree on characterising the Norwegian welfare state as universal and generous but they disagree on the impact of immigration. Several of the arguments have identified trust and solidarity as fundamental to the sustenance of the welfare state and that immigration may negatively impact on the way people feel about it, while the opposing scholars have argued that increasing numbers of immigration do not have the suggested impact on trust, public support, or social spending. These schools of thought are based both on empirical findings and mere opinions as part of a political discussion. The level of immigration and the situation in the receiving country vary. The future situation seems to be of relevance and the preliminary findings are related to the past and current situation. Discussing a prognosis for the future and foreseeing what to come may prove difficult. Potential gaps mentioned were the lack of attention to the role of the media and questions concerning the basis for people's attitudes. Changes in both the system and in contents of the public debate towards immigrants may also be essential for the consequences proposed above.

Integration and the welfare state are the third and last category found essential in the literature and can be seen as a fundamental factor for the consequences related to the first two categories of legitimacy and economy. Here, the scholars continue to concentrate on the importance of immigrants' participation in the labour market, adding issues of dependency, but paying attention to how the welfare system works as a factor of integration. Several of the scholars have drawn attention to whether welfare benefits should be universal or targeted, suggesting effects such as dependency or exclusion. While some of the scholars indicate selective benefits and policies as accommodative towards diversity and "de-stigmatizing", other opinions state that it is time to respect the immigrant population as similar and equal to



the native population and end the “unnecessary” actions underlining the differences between the native and immigrant population. The risk of welfare dependency recurs in the pros and cons of how the system should be structured and a concern of not recruiting enough people to participate in the labour market is evident. The gaps and limitation of this section are also reflected in the other segments discussed, and draw attention to the immigrant population as a diverse and complex group of people. The differences between and within the various cultures and nationalities and between previous and future groups of immigrants are crucial in investigating the impact immigration may have on the welfare system and vice versa.

As we can see, the main issues discussed are the different consequences of immigration on the society but with an extensive focus on how to sustain the welfare state in the context of increasing numbers of immigrants. Though labour participation and integration seem relevant to all the categories, the arguments and angles used in tackling the topic differ and, by looking at the methodology, so do their empirical foundations. Since the overall goal was to illuminate the different aspects and not to measure them against each other, I will not conclude by saying certain statements are superior to others. I will let the evaluation and discussion of the arguments speak for themselves. I do, however, wish to call attention to the importance of this debate. Perhaps with an open and comprehensive discussion, along with the remembrance of the equality of the human being and the right to a certain standard of living for all (stated in The Universal Declaration of Human Rights), the possibility of sustaining a generous and redistributive welfare state in the context of immigration and a changing society increases. (<http://www.un.org/Overview/rights.html>).

As mentioned earlier, several aspects are not included in the thesis, and suggestions for further research could be the undertaking of a literature review with different inclusion criteria, adding issues such as globalisation, multiculturalism and structural racism. It would also be interesting to see whether a literature review on policy documents and newspaper articles would tie in with the findings here. Other ideas could be to triangulate this study by doing primary research and investigate attitudes on immigration and the welfare state by conducting qualitative interviews with informants in the scientific community, or perhaps in the respective populations, as samples of the native or immigrant population could provide a fresh and new perspective on the matter.

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