(un)Effectiveness of the Temporary Protection EU Act
A Study with Ukrainian Refugees Job Applicants

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The Russian invasion of Ukraine caused a large refugees' inflow toward the EU. To ease refugees' settling and balancing the economic costs of their integration, the EU has activated a temporary protection regime (Implementing Decision, 2022/382) and Czechia translated it into the "Lex Ukraine."

Valid from March 21, 2022, to March 31, 2023, and it regulates refugees' welcoming. Among other things, it prescribes the immediate and free access to the Czech labour market; all else equal, they should be treated as Czech workers.

There is currently no evidence as to whether this law (or equivalent ones in the EU) has worked and allowed refugees a quick integration into the Czech labour market.

Introduction

This study is relevant for three main reasons.

- **Social Reasons:** United Nations High Commissioner for Refugees' (UNHCR) figures show that Czechia is the 3rd country in terms of quantity of Ukrainian refugees and the 1st in per capita terms (c. 5% of the population).

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- **Economic Reasons:** Refugees may receive 5k czk (c. 210 €) upon entry and for 5 next months. If each refugee received 30k czk, the social security would spend up to 14.4 billion czk, similar to the total cash benefits in various social policies (2019). Plus, there are other social expenditure items (e.g., service and housing).

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- **Future Outcomes:** Labour market access is crucial from the very beginning of refugees' stay (Arehns et al., 2023), and affects future refugees' labour market outcomes and social expenditure.

We use a correspondence test (CT) to measure whether refugees are treated the same as equivalent Czech citizens and foreign permanent residents.

CT does not suffer from endogeneity that is typical of the migration literature (Becker & Ferrara, 2019) and is the gold standard for the detection of discrimination (Gaddis, 2018; Bertrand & Duflo, 2017). We adapt it to verify the effectiveness of the Lex Ukraine.

We contacted firms with fictitious job inquiries for basic unskilled jobs. In these jobs, language, skills, and experience are next to irrelevant (e.g., cleaner, machine operator).

Our manuscript has three main contributions to various literatures. All the hypotheses and tests and pre-registered in AEA RCT Registry

1. We measure the Lex Ukraine effectiveness. **We test whether employers are as likely to respond to Ukrainian refugees as to Czech.** We contribute to the literature on immigration policies effects, in particular labour market policies (Fasani et al., 2021; Giuntella & Lonsky, 2020; Kuka et al., 2020; Pinotti, 2017; Pope et al., 2016).

Cont'd:

2 We distinguish between Ukrainians from the Ukrainian or Russian linguistic group and compare them to Ukrainian and Russian permanent residents. So, we contribute to the literature on intersectional economics (Drydakis et al., 2022; Lahey & Oxley, 2021; Schwegman, 2019) and 'gorup misidentification' (Huang et al., 2023; Krosch et al., 2013).

More concretely, we test two hypotheses.

(A) **We test the presence of a Ukrainian-Russian refugee penalty.** Employers are as likely to respond to refugees from the Russian linguistic group as to refugees from the Ukrainian linguistic group.

(B) Employers are as likely to respond to Ukrainian-Russian refugees as to Russian permanent residents. **We test the possible presence of a Russian penalty**.

Cont'd:

3 We test whether the Lex Ukraine effectiveness changes over time. Initial large support to Ukraine throughout the EU, but first public protests about economic and humanitarian consequences of the war, on the rest of Europe, started already in the second half of 2022. We expect that, as the time passes by, employers' responses in favor of refugees decreased. Thus we contribute to the literature on the time evolution of attitudes toward refugees (Albarosa & Elsner, 2023; Huang et al., 2023; Betts et al., 2023; Bredtmann, 2022; Achard et al., 2022; Steinmayr, 2021; Bratti et al., 2020).

Cont'd:

4 We study possible mechanisms behind the evolution of the Lex Ukraine over time. For now, **we test whether the Lex Ukraine effectiveness changes with war intensity–as proxied by weekly Ukrainian victims**. This analysis contributes to the literature on collectivist psychic numbing (Hanson & Madeline, 2021: Vargas et al., 2021; Slovic et al., 2016; Vastfjall et al., 2014; Slovic et al., 2013).

With the increase in the number of victims, the society's perceived value of life decreases; this theory became popular with the COVID19. As the war proceeds, people's perception of human costs decreases (i.e., lower empathy toward refugees). We expect a concave relationship between victims and proxies for empathy toward them (here is the callback rate).

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  - Callback rate of refugees from the Ukrainian linguistic group increases with the increase in the war victims, at a decreasing rate, suggesting there is collectivist psychic numbing.
  - Callback rate of refugees from the Russian linguistic group is orthogonal to the quantity war victims, which suggests a lower empathy toward them.

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- Each employer received two messages, 7 days apart, in randomized order. Messages were not sent over the weekend.

We have only female applicants–thus female names, without kids. Refugees are mostly women. Men from 18 to 60 years old were barred from leaving the country. Also, there was uncertainty on whether Ukraine embassies could summon men and deport them to Ukraine. Plus, social norms are such that adult male Ukrainians are expected to willingly support their country; man leaving could have been perceived as coming from the negative tail of the productivity distribution (e.g., undisclosed disability, irresponsible).

How did we signal linguistic group and immigration status? Next slides.

- Czech applicants are assigned typical name-surname, while non-Czech applicants are assigned name-surname based on being either Ukrainian or Ukrainian-Russian/Russian. ▸ Names
  Employers receive one email from a Czech applicant, and is 25% likely of receiving a message from a Ukrainian refugee, a Ukrainian-Russian refugee, a Ukrainian permanent resident, and a Russian permanent resident.

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  Employers receive one email from a Czech applicant, and is 25% likely of receiving a message from a Ukrainian refugee, a Ukrainian-Russian refugee, a Ukrainian permanent resident, and a Russian permanent resident.
- We additionally disclosed the linguistic group within the immigration status sentence, see below.

- For refugees, we used two signals. We used some version of the following phrase: "I just came from Ukraine" + we added a sentence as "Apologies for possible grammar mistakes, I am translating this message with Google translate, from Ukrainian/Russian to Czech."

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- For permanent residents, we added something as "I am Ukrainian/Russian and I am a permanent resident." No reference to Google translate, since they are expected to speak Czech.

  ▸ Messages in full

We sent short unsolicited job applications for jobs in ISCO category 8-9 jobs. Based on Ministry of Labor figures, we selected jobs in which female third-country nationals (i.e., neither Czech nor EU citizens) are more frequently employed.

This is the usual type of jobs to which most refugees apply to. Productivity differentials due to education, experience, unobserved skills, or language skills are next to nil. There is no contact with customers and management of coworkers is not expected. Job applications do not need curriculum vitae or cover letter.

2 random samples of firms, from the national statistical office registry of Czech firms and Orbis that typically employ workers in ISCO 8-9.

Firms' probability of being selected is weighted by the regional population out of the national population.

We took five steps to ensure that our investigation followed standard ethical guidelines and beyond (i.e., it did not affect the Czech labor market or actual refugees' chances to find a job).

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1. This study was approved by the University of Cardiff, Carbs Research Ethic Committee (SERC reference: 704).
2. Positive responses were promptly and politely declined, with the help of research assistants.
3. We expected a large number of emails to never reach the employer for various technical reasons, we did not adjust the target sample size accordingly (ps we eliminated the email pairs where at least one of them did not reach the employer).

Cont'd:

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5. The percentage of employers we contacted out of the universe of employers in Czechia is into the centesimal percentage points.

Table 1: Response Rates by Macro Group.

Macro Group	Response	Observations
Czech	15.7%	9,256
Refugee	5.9%	4,631
Permanent Resident	9.3%	4,625
Total	11.7%	18,512

	Test of independence, p-value		
	Czech	Refugee	Permanent resident
Czech	. . .		
Refugee	0.000	. . .	
Permanent resident	0.000	0.000	. . .

Note: P-values from two-sided t-test.

Table 2: Response Rates by Micro Group.

Response Rates by Micro Group:	Response	Observations
Czech	15.7%	9,256
Ukrainian–Ukrainian Refugee	7.3%	2,316
Ukrainian–Russian Refugee	4.6%	2,315
Ukrainian Permanent Resident	12.9%	2,317
Russian Permanent Resident	5.7%	2,308

Test of independence, p-value

	Czech	Ukr.–Ukr. Refugee	Ukr.–Rus. Refugee	Ukrainian Perm. Res.	Russian Perm. Res.
Czech	. . .				
Ukrainian–Ukrainian Refugee	0.000	. . .			
Ukrainian–Russian Refugee	0.000	0.000	. . .		
Ukrainian Permanent Resident	0.001	0.000	0.000	. . .	
Russian Permanent Resident	0.000	0.022	0.091	0.000	. . .

Note: P-values from two-sided t-test.

Table 3: Differences in Response Rate, Results for Refugees and Permanent Residents. LPM.

Variables	(1)	(2)	(3)	(4)	(5)	(6)
Refugee	-0.098***	-0.098***	-0.098***	-0.098***	-0.098***	-0.096***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
Permanent Resident	-0.064***	-0.064***	-0.064***	-0.064***	-0.064***	-0.066***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
Fixed effects:						
Firm sample		X	X	X	X	X
Region			X	X	X	X
Week sent				X	X	X
Week day sent					X	X
NACE						X
N	18,512	18,512	18,512	18,512	18,512	18,512
Adjusted R2	0.017	0.017	0.020	0.055	0.055	0.080

Note: **Mean response rate for the excluded group (Czech applicants) is 15.7%.** Standard errors, clustered at the employers' level, in parentheses. * p <0.10, ** p <0.05, *** p <0.01.

Table 4: Differences in Response Rate, Results for Refugees and Permanent Residents, by linguistic group and citizenship respectively. LPM.

Variables	(1)	(2)	(3)	(4)	(5)	(6)
Ukrainian-Ukrainian Refugee	-0.084***	-0.084***	-0.084***	-0.083***	-0.083***	-0.082***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Ukrainian Permanent Resident	-0.028***	-0.028***	-0.028***	-0.028***	-0.028***	-0.030***
	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
Ukrainian-Russian Refugee	-0.112***	-0.111***	-0.112***	-0.112***	-0.112***	-0.110***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)	(0.006)
Russian Permanent Resident	-0.101***	-0.101***	-0.100***	-0.100***	-0.100***	-0.101***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Fixed effects:						
Firm sample		X	X	X	X	X
Region			X	X	X	X
Week sent				X	X	X
Week day sent					X	X
NACE						X
N	18,512	18,512	18,512	18,512	18,512	18,512
Adjusted R2	0.021	0.021	0.024	0.059	0.095	0.084

Note: We tested diff. between coeff's: **(1)** UkrRusRef are treated the same as RusPermRes, **(2)** UkrRusRef are treated worse than UkrPermRes, **(3)** UkrRusRef are treated worse than UkrUkrRef, **(4)** RusPermRes are treated worse than UkrPermRes, **(5)** RusPermRes are treated worse than UkrUkrRef, **(6)** UkrPermRes are treated better than UkrUkrRef.

Table 5: Differences in Response Rate, Results for 'Ukrainian' and 'Russians'. LPM.

Variables	(1)
'Ukrainian'	-0.030***
	(0.007)
'Ukrainian' * Refugee	-0.052***
	(0.009)
'Russian'	-0.101***
	(0.006)
'Russian' * Refugee	-0.009
	(0.006)
N	18,512
Adjusted R2	0.084

Note: Full model specification. **Mean response rate for the excluded group (Czech applicants) is 15.7%.** Standard errors, clustered at the employers' level, in parentheses. * p <0.10, ** p <0.05, *** p <0.01.

Table 6: Variation over time. LPM.

Variables	(1)
Month (time trend for Czechs)	0.045***
	(0.002)
Ukrainian-Ukrainian Refugee	0.085***
	(0.022)
Ukrainian-Ukrainian Refugee × month	-0.028***
	(0.004)
Ukrainian Permanent Resident	0.101***
	(0.025)
Ukrainian Permanent Resident × month	-0.022***
	(0.004)
Ukrainian-Russian Refugee	0.103***
	(0.019)
Ukrainian-Russian Refugee × month	-0.035***
	(0.003)
Russian Permanent Resident	0.140***
	(0.020)
Russian Permanent Resident × month	-0.040***
	(0.003)

Note: Full model specification (discrete month, in lieu of week vector). Standard errors, clustered at the employers' level, in parentheses. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table 7: Differences in Response Rate, Results for Refugees and Permanent Residents, by linguistic group and citizenship respectively. LPM.

Variables	(1)
Victims/1,000	-0.211***
	(0.049)
Ukrainian-Ukrainian Refugee	-0.200***
	(0.044)
Ukrainian-Russian Refugee	-0.204***
	(0.041)
Ukrainian Permanent Resident	-0.030***
	(0.007)
Russian Permanent Resident	-0.101***
	(0.006)
Ukrainian-Ukrainian Refugee $\times$ Victims/1,000	0.378**
	(0.165)
Ukrainian-Ukrainian Refugee $\times$ (Victims/1,000)^2	-0.241*
	(0.141)
Ukrainian-Russian Refugee $\times$ (Victims/1,000)	0.186
	(0.156)
Ukrainian-Russian Refugee $\times$ (Victims/1,000)^2	0.006
	(0.138)

Note: Full model specification. Victims from 1 week earlier–not cumulated.

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   - Life-during-pandemic survey, which is still conducted and includes questions about the war

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- Winner party's stance in the most recent local elections before war.
- Geographic distribution of refugees.

¡¡Thank you for your attention!!

Email: luca.fumarco@econ.muni.cz

Czech names-surnames are from the Czech population registry, while non-Czech names-surnames are from the Czech Ministry of Interior and Forebears.io, respectively.

Table A1: Combination of name and surname by linguistic group/citizenship.

Linguistic group/citizenship	Names and surname
Czech	Katerina Novakova (3,099)
	Lenka Horakova (3,105)
	Lucie Dvorakova (3,052)
Ukrainian refugee	Olha Shevchenko (1,574)
Ukrainian permanent residents	Zhanna Marchenko (1,520)
	Anzheia Kharchenko (1,539)
Ukrainian-Russian refugee	Evgeniya Sergeeva (1,528)
Russian permanent residents	Galina Goncharova (1,564)
	Evgenia Guseva (1,531)

Note: Number of messages sent per fictitious identity in parenthesis.

Czech

Dobrý den,

Mám zájem o místo a chtěla jsem se zeptat, jestli někoho nepotřebujete. Můžu obsluhovat stroje, ale klidně můžu dělat i ve skladu nebo pomáhat s jinou prací. Jsem sice z Ruska, ale mám tu trvalý pobyt, takže můžu začít hned pracovat. Nevadí mi práce na směny. Můžu si vzít i víkendy, protože nemám děti.

Zdraví,

Galina Goncharova

English

Hello,

I am interested in a position and I wanted to ask if you need anyone. I can operate machines, but I can also work in the warehouse or help with other tasks. Although I am from Russia, I have permanent residency here, so I can start working right away. I don't mind shift work. I can also work on weekends because I don't have children.

Best regards,

Galina Goncharova

◄ Back

Czech

Dobré odpoledne,

Hledám práci a chtěla jsem se zeptat, jestli hledáte někoho, kdo by se k vám přidal. Můžu dělat operátorku strojů, ale třeba i ve skladu nebo různě pomáhat. Právě jsem přijel do České republiky z Ukrajiny a mohu začít hned pracovat. Nemám děti, takže můžu pracovat na směny nebo o víkendech. Píši v ruštině pomocí Překladače Google, takže doufám, že v textu nejsou žádné chyby.

S pozdravem,

Galina Goncharova

English

Good afternoon,

I am looking for a job and I wanted to ask if you are looking for someone to join your team. I can work as a machine operator, but I can also work in a warehouse or help in various ways. I have just arrived to the Czech Republic from Ukraine and I can start working right away. I don't have children, so I can work on shifts or on weekends. I am writing in Russian using Google Translator, so I hope there are no errors in the text.

Best regards,

Galina Goncharova

◂ Back

Czech

Dobrý den,

mocděkuji za odpověď ale užjsemsinašlajinoupráci.

English

Good day,

Thank you very much for the answer but I have already found another job.