

**ICMPD Working Paper 05**  
**Earning Rights: Economic Status  
and Access to Citizenship**

**Claire Healy & David Reichel**

**May 2013**

## About ICMPD

The International Centre for Migration Policy Development (ICMPD), established in 1993 by Austria and Switzerland, is an international organisation working in migration-related fields. Although ICMPD has a European base, it carries out its activities throughout the world, including in Europe, Africa, Central Asia and the Middle East. Through its six Competence Centres, ICMPD provides its 15 Member States and numerous partners with in-depth knowledge and expertise in dealing with the phenomenon of migration. It does so by applying a holistic 3-pillar approach: research, capacity building and migration dialogues.

ICMPD's Research Unit aims to further knowledge on migration-related issues, to facilitate cooperation and synergy within and beyond the research community and to respond to an increased demand for a more policy-relevant research. It has built up a reputation for research on international migration trends, patterns and policies in the wider European context based on comparative analysis. This work is policy-orientated and empirical with an interdisciplinary and international approach.

### Acknowledgements

We would like to thank Rainer Bauböck, Bernhard Perchinig, Albert Kraler, Sébastien Chauvin and Blanca Garcés-Mascreñas for comments. The views expressed in the paper are those of the authors, who are solely responsible for any errors.

---

International Centre for Migration Policy Development (ICMPD)  
Gonzagagasse 1  
A-1010 Vienna  
Austria  
[www.icmpd.org](http://www.icmpd.org)

International Centre for Migration Policy Development  
Vienna, Austria

All rights reserved. No part of this publication may be reproduced, copied or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission of the copyright owners.

The contents of this publication are the sole responsibility of the authors.

## ICMPD Working Paper 05

# Earning Rights: Economic Status and Access to Citizenship

Claire Healy & David Reichel

### Abstract

Various EU member states include in their naturalisation framework some form of approximation of the concept defined by the UK government as “earned citizenship”, requiring that prospective citizens prove that they “deserve” national citizenship. In this article, we examine this concept of earning citizenship in the narrowest sense of the economic and employment stipulations that a number of countries apply in deciding who may be granted their national citizenship, and who may be granted EU Long-Term Resident (LTR) status. While much recent research has focused on the effects of naturalisation on immigrants’ economic and employment status *ex post facto*, this article will examine an earlier stage in the process to identify the extent to which new citizens and EU long-term residents have been pre-selected on the basis of their economic situation. The specificities of economic and employment requirements vary considerably among EU member states, but also, within states, the actual requirements in terms of jobs and income are generally not stipulated in the same way for LTR and national citizen status. Generally, more open access to citizenship indeed, as expected, leads to more naturalisations. More restricted access to citizenship may also have an impact on increasing acquisitions of LTR status, as the second-best option, though only in countries where the latter status is somewhat more accessible. The analysis indicates that economic and employment requirements may represent a particular obstacle in the context of member states with otherwise relatively open access to citizenship.

Keywords: Citizenship, Nationality, Naturalisation, Long-Term Residence, Employment

## Contents

Introduction .....	3
Methodology and data .....	4
Different avenues for settlement in the EU .....	4
Nationality as a legal status .....	4
From national citizenship to “enhanced denizenship”: The Long-Term Residence Directive .....	5
An EU Long-Term Resident Permit or an EU Passport? .....	6
Employment status and citizenship acquisition .....	6
Economic resource requirements for naturalisation and LTR.....	8
No or minor economic resource requirements.....	10
Employment and means of subsistence as requirements for access to LTR status and national citizenship.....	11
Economic Requirements only for Access to LTR status .....	15
The influence of naturalisation and LTR policies on acquisitions of citizenship and LTR status .....	18
How do economic and employment requirements influence naturalisation? .....	22
Conclusions.....	24
References.....	26

## Introduction

The notion that sovereign states in Europe have the right to “choose” who may immigrate to their country, largely on the basis of economic criteria, has been pervasive, and is even more manifest in the way in which states select new national citizens. Various European Union (EU) member states include in their naturalisation framework some form of approximation of the concept defined by the UK government as “earned citizenship”, requiring that prospective citizens prove that they somehow *deserve* national citizenship (Joppke, 2009: 40). In this Working Paper, we examine this concept of earning citizenship in the narrowest sense of the economic and employment stipulations that a number of countries apply in deciding who may be granted their national citizenship. In this comparative analysis, the question posed to these EU member states is: how rich do you have to be in order to join the “club”?

An essential distinction between nationality and EU Long-Term Residence (LTR) status is that, while national citizenship remains a status with access restricted by individual countries, the EU requires its member states to offer EU Long Term Residence status as an alternative to third-country (non-EU) national residents who cannot, or do not wish to, naturalise. Access to EU LTR status is also restricted, but compulsory minimum standards are set across the Union by Council Directive 2003/109/EC concerning the status of third-country nationals who are long-term residents. Due to the increasing significance of LTR status as an alternative to the acquisition of national citizenship for foreign residents in the EU, economic and employment requirements for obtaining this status are also explored here.

The description of the methodology and data used is followed by a comparative analysis of citizenship policies in Europe, with a special focus on the employment and economic resource requirements stipulated in the national laws concerning access to national citizenship, as well as to LTR status, for immigrants and their descendants living in the EU. The final section sheds light on the interplay between LTR status and citizenship acquisitions, and discusses the influence of the economic and employment-related conditions within naturalisation policies on actual naturalisation rates.

## Methodology and data

This Paper sets out the state of the art in relation to the meaning and implications of the acquisition of national citizenship, together with theoretical indications for the significantly less well-researched area of LTR status. A comparative analysis of national policies for citizenship and LTR status will be carried out, concerning the regulation of access to the two statuses on the basis of economic resource requirements. Our analysis is based on national legal frameworks in the 27 EU member states. This analysis was informed by data from the European Union Observatory on Citizenship (EUDO Citizenship) and from an assessment of national laws.

Furthermore, the national policy requirements will be correlated with actual rates of naturalisation in the countries under study, in order to examine the influence of policies that include economic and employment requirements on immigrants' likelihood to naturalise. This section is grounded in existing research on naturalisation rates, propensities and causal relationships, combined with a comparative analysis of these requirements from the Migrant Integration Policy Index (MIPEX)<sup>1</sup> as they interact with naturalisation rates in the EU.

## Different avenues for settlement in the EU

### Nationality as a legal status

The word “citizenship” has a myriad of different connotations and interpretations, depending on the national context and the language it is used in. In essence, national citizenship can be defined as the legal bond between an individual and a nation-state, a concept that dates back to the “social contract” theories of the seventeenth and eighteenth centuries in Western Europe.<sup>2</sup> Non-citizens still enjoy many citizenship rights, but it is only national citizenship that, at least in theory, grants full access to all available rights in a given country. The additional rights that a resident can gain through naturalisation are manifold and depend on their legal status prior to naturalisation. In general, they can gain additional rights in terms of security of residence (protection from deportation), enhanced access to the labour market on a par with the citizen-born, social rights (e.g. enhanced access to the welfare state) and most prominently political rights, including national suffrage.

---

<sup>1</sup> MIPEX is an interactive tool with a database of assessments of immigrant integration policies, produced by the British Council and the Migration Policy Group. Policies are measured in all EU countries, Norway, Switzerland, Canada and the USA. See [www.mipex.eu](http://www.mipex.eu).

<sup>2</sup> Thomas Hobbes, John Locke and Jean-Jacques Rousseau were the most significant theorists on the social contract in Europe.

It is worthy of note that this trend has, in recent decades, been opposed to some extent by the advent of increasing rights granted to non-citizen residents in European Union countries. This has led some scholars to herald a new form of citizenship, often referred to as 'denizenship' (a concept drawn from British law) (Bauböck, 1997) and based on duration of legal residence rather than the naturalisation process (see: Kostakopoulou, 2008). Consequently, the exact form of legal integration experienced through naturalisation cannot be as easily defined, due to the various statuses allocated to different groups of residents in EU countries, which, as set out below, vary in terms of ease of access, depending on the member state in which the immigrant plans to settle.

### **From national citizenship to “enhanced denizenship”: The Long-Term Residence Directive**

An offshoot of the rise of the supposedly homogenous nation-state in Europe, the equiparation of citizenship and nationality during the nineteenth and early twentieth centuries led to the nationalisation of citizenship rights (Marshall, 1977 [1964]). Thereafter, large-scale international migration from the mid-twentieth century instigated an instability in the coincidence of nation and state, putting in question the concept of national citizenship (Medved, 2001). There is an increasing dissociation between rights and legal nationality (Thomas, 2002). Long-term residents have been granted increasing rights, dating from the initial situation of deprivation of rights of the *Gastarbeiter* of the 1960s and 1970s in Northwest Europe, who gradually acquired some social and some limited political rights but were generally excluded from national citizenship, a form of *civis sine suffragio* (Soysal, 1994). The continued exclusion of long-term residents from citizenship has been highlighted as problematic for the European polity (see, for example, Atikcan, 2006).

This gradual erosion of distinctions between citizens and non-citizens in the “old” pre-2004 member states of the EU (Bloemraad, 2006) culminated in the 2003 Council Directive concerning the status of third-country nationals who are long-term residents (2003/109/EC). This Directive introduced LTR status, designed as a tool to enhance the rights of long-term resident third-country (non-EU) nationals in EU member states, and was to be transposed into national laws by January 2006. LTR Status suggests a concept of citizenship that is broader and more inclusive than nationality. EU Long-Term Residents now theoretically have uniform rights - most notably secured residence status - approximating those of a national citizen, though they cannot be characterised as fully equal rights, particularly in terms of suffrage. It is in some states' interpretation of conditions of access to these rights that national laws are running counter to the objective of the Directive in restricting access to these rights, rather than promoting it (Acosta Arcarazo, 2011) and not focusing on duration of residence as the main criterion. Among these conditions is the requirement that the prospective long-term resident have stable and regular resources.

## An EU Long-Term Resident Permit or an EU Passport?

A pressing policy question for the EU is whether LTR status is now more attractive than the national citizenship of a member state (Joppke, 2009), with its concomitant EU citizenship. Reports of the demise of the significance of nationality may, however, be greatly exaggerated. In the specific area of economic and employment requirements for access to the two legal statuses – nationality and long-term residence – the relative ease with which they can be acquired varies significantly across member states. This is due to a wide divergence in naturalisation policies, which coexists with a certain level of harmonisation in terms of access to LTR status. So economic and employment requirements make it easier to access nationality in some member states, and easier to access Long-Term Resident status in others. Other requirements and conditions for accessing LTR and nationality differ within and across countries, among them, “integration” conditions (see: Acosta Arcarazo, 2011), yet a comprehensive comparative analysis is not available at the time of writing.

Besides differing possibilities to access the two statuses, there is no information available about the meaning third-country nationals attribute to LTR status in comparison to nationality. The only indicator available is the low number of LTR status holders in the EU (see below). This can, however, be partly explained by the fact that LTR status is a recent development and many third-country nationals may not be informed about the existence of the status or are not sure what it implies. Although the numbers of EU citizenship acquisitions by third-country nationals currently outnumber acquisitions of LTR status, there is still a considerable share of the third-country national population in the EU who neither apply for nationality nor for LTR status. This leads to the question of whether these people do not want to acquire a more secure residence status or, which is more likely, that these people cannot access or have been refused LTR status or nationality.

## Employment status and citizenship acquisition

If the intended purpose of economic and employment requirements within naturalisation and LTR policies is to achieve better economic and employment outcomes among long-term residents and new citizens, then it is essential to assess the extent to which these requirements achieve these goals. The relationship between employment status and naturalised status has been analysed by several scholars to date, though mostly in the form of country-specific case studies. The main tenor of the studies is that higher socio-economic status increases the likelihood to naturalise, and naturalisation also partly improves the socio-economic status of the new citizens *ex post facto*. Concerning LTR status, although the deadline for transposition of the LTR Directive was 2006, it is still difficult to rigorously analyse factors influencing acquisition of LTR status - due to the short duration of relevant statistical series - and



the outcomes for people who have the status, and consequently no studies are as yet available on these factors and outcomes.

A recent comparative study conducted by the OECD looked at the relationship between citizenship acquisition and the labour market integration of immigrants (OECD, 2011), to investigate whether acquiring nationality improves employment and economic outcomes. The comparative analysis of 10 EU countries,<sup>3</sup> as well as Norway, Switzerland, Canada and the USA, showed that in most countries naturalised immigrants have a significantly higher probability of being in employment. Naturalised men have a higher probability of being in employment in Belgium, Germany, Denmark, France and Sweden. This relationship is not observed for men in Austria, Spain, Luxembourg and the Netherlands, based on the data used for the OECD study.<sup>4</sup> For women, higher employment probabilities of naturalised citizens compared to non-citizens have been found in Austria, Belgium, Germany, Denmark, France, Netherlands and the United Kingdom (Liebig & Van Haaren, 2011).

This study shows that in most countries, naturalised citizens are more likely to be employed in highly skilled occupations, particularly those who have migrated from lower-income countries. The study also suggests that naturalised immigrants have comparably higher incomes than immigrants and their descendents who have not naturalised. Finally, the under-representation of immigrants employed in the public sector is not as pronounced among naturalised citizens as it is among non-naturalised immigrants (Liebig & Van Haaren, 2011).

Cross-sectional data provide the basis for the study, which means that the precise role of citizenship acquisition in influencing economic status cannot be clearly identified. Previous studies have rarely specifically assessed the possibility of pre-selection of people with a higher socio-economic background within the naturalisation process. Therefore two questions remain open: first, the extent to which non-citizens' employment situation before naturalisation influences their propensity to naturalise; and second, to what extent citizenship acquisition can contribute to the improvement of the employment status of new citizens after naturalisation.

Several case studies use longitudinal data, which allow us to assess the effect of the employment situation prior to citizenship acquisition and the effects of naturalisation on the employment situation thereafter. Most often, studies investigate the economic consequences of naturalisation and therefore try to explain (a better) employment status by the fact that people have naturalised and not the other way round. Most of these studies, however, also treat naturalisation as the dependent variable, which means

---

<sup>3</sup> The European countries are Austria, Belgium, Germany, Denmark, Spain, France, Luxembourg, the Netherlands, Sweden and the UK.

<sup>4</sup> The data were mainly drawn from the Labour Force Survey. For a detailed description, see methodological annex in Liebig & Von Haaren, 2011.

that factors underpinning the naturalisation decision were also investigated. Although the results of research on the economic consequences of citizenship acquisition are different for various countries (e.g. Yang, 1994, Bevelander and DeVoretz, 2008, OECD, 2011, Fougere & Safi, 2009, Reichel, 2011a) and sometimes ambiguous within countries (e.g. results for Sweden in Kogan, 2003, Scott, 2008, Bevelander and Pendakur, 2009 and Engdahl, 2011), most studies clearly identify a pre-selection of applicants with higher socio-economic status. Nevertheless, one must not lose sight of the fact that economic status is not the only explanatory factor for naturalisation. The many other factors include naturalisation policies, contextual factors related to the country of origin and country of naturalisation and other individual factors (Yang, 1994, Dronkers & Vink, 2012, Waldrauch & Cinar, 2003).

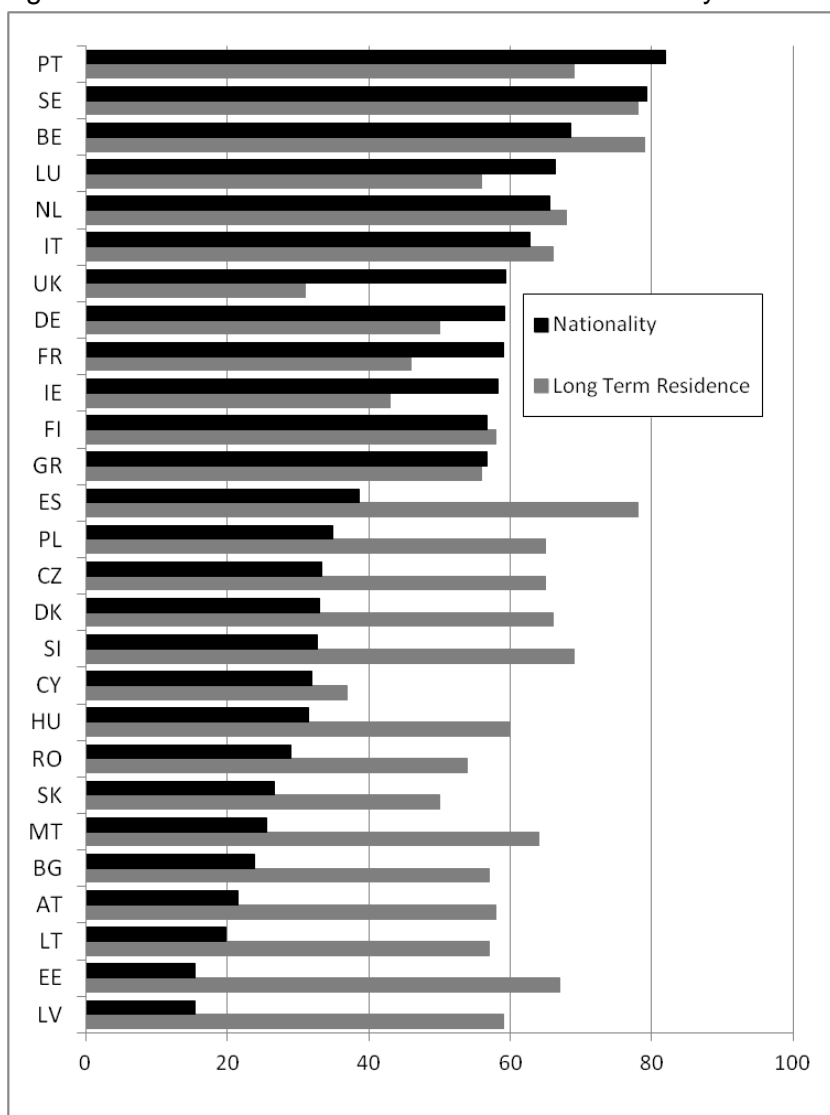
## Economic resource requirements for naturalisation and LTR

Various requirements need to be met by applicants for national citizenship in order to be eligible for naturalisation. These requirements may include duration of residence, renunciation of former citizenship, clean criminal records, 'good character' clauses, language and country-specific knowledge, other 'integration' requirements, as well as economic and/or employment requirements (for comparative analyses of naturalisation requirements in European countries, see for instance Goodman, 2010, Vink & de Groot, 2010, Howard, 2009, and Waldrauch, 2006).

A quantitative comparison of policies for access to nationality was elaborated as part of the Migrant Integration Policy Index (MIPEX), the third version of which was conducted in 2010 (Huddleston et al, 2011), complemented with a comparison of requirements for accessing LTR status in EU countries. The index ranges from 0 to 100, whereby 0 represents quite limited access and 100 relatively open access. The MIPEX is very useful for a general overview of policies, and stands up to a number of empirical checks, though actual policies, legislation and statistics are also referred to in this Paper in order to ensure accuracy.

Figure 1 below shows the results of the indices in the 27 EU member states. Evidently there is no negative or positive correlation between the two indices ( $r=0.1$ ), which means that easier access to nationality does not imply easier or more difficult access to LTR status in terms of the design of policies. In 19 countries, access to LTR is easier than access to nationality, as indicated by the MIPEX. Perhaps surprisingly, national citizenship is significantly easier to access than LTR in, for example, the UK, Germany and France.

Figure 1: MIPEX 2010 Results on Access to Nationality and Long Term Residence



Source: MIPEX 2011 (Huddleston et al, 2011)

One of the indicators of the Long Term Residence strand within the MIPEX, as well as of the Access to Nationality strand, measures the economic resource requirements needed to acquire the respective status. Countries requiring no economic resources or employment requirements for accessing LTR status score 100. Countries that require resources higher than social assistance but where the resources are not linked to employment score 50. Where access to LTR is linked to employment and people on social assistance are excluded from access, a country scores 0.

The categories for measuring economic resource requirements for accessing nationality are similar but with some nuances. Countries score 100 if there are no economic resource requirements, and 50 points are assigned to countries that require minimum income as defined by the official poverty threshold, while no points are obtained if a country requests additional requirements such as employment, stable and sufficient resources or higher levels of income (MIPEX 2011).

Table 1: Economic resource requirement for access to nationality and long term residence in 27 EU Member States in 2010

		Long Term Residence		
		0	50	100
Access to Nationality	0	Austria, Germany, Denmark, United Kingdom, Italy	Bulgaria, Hungary, France, Romania	
	50	Latvia	Lithuania, Finland, Slovenia	Estonia, Poland
	100	Spain, Cyprus, Greece, Ireland	Czech Republic, Luxembourg, Malta, Netherlands, Sweden, Slovakia	Belgium, Portugal

Source: MIPEX 2010 and authors' own data

Table 1 above presents the overall results of the comparison of economic resource requirements, based on MIPEX and further research to validate MIPEX.<sup>5</sup> Theoretically nine groups can be distinguished based on the economic resource requirements for access to nationality and LTR status. In the following we focus on the “extreme” cases only, that is, one country that applies no economic resource requirements for access to both statuses (Belgium), one country that only applies moderate economic requirements to access to LTR status only (Portugal), countries that apply comparably strict requirements for access to both statuses (Austria, Germany, Denmark, UK<sup>6</sup> and Italy), as well as the intriguing cases where access to nationality is not restricted in terms of economic requirements yet strict economic resources are requested for accessing LTR status (Spain, Cyprus, Greece and Ireland). Perhaps counter-intuitively, there are no countries that apply full economic and employment restrictions to the acquisition of citizenship, but not to access to LTR status.

### No or minor economic resource requirements

Belgium is the only EU Member State that limits neither national citizenship nor LTR status on the basis of socio-economic criteria. In Belgium an immigrant may naturalise after just four years of legal residence, making the status of citizen in fact slightly easier to access than LTR status in terms of duration of residence, though MIPEX indicates that overall it is easier to access LTR status in Belgium.

In Portugal, enhanced access to national citizenship is due to the top-MIPEX-scoring nationality regime, introduced in 2006 and in force since 2007, which made access to national citizenship generally much

<sup>5</sup> In the cases of Ireland, Italy, Portugal and Spain, MIPEX was found not to be fully accurate.

<sup>6</sup> It merits mention that the UK does not implement LTR status, so a comparable status was chosen for analysis.

easier, as well as abolishing any economic requirements (Healy, 2011). LTR status in Portugal, on the other hand, is subject to proof of assured means of subsistence for at least one year. Means of subsistence are legally defined, based on the wording of the LTR Directive, as “stable and regular resources sufficient for the essential needs of the foreign citizen, and, where applicable, his/her family, namely for food, accommodation and health and sanitary care”.<sup>7</sup>

## Employment and means of subsistence as requirements for access to LTR status and national citizenship

The UK, Denmark, Austria, Germany and Italy apply strict economic requirements for access to both legal statuses, while France applies some economic requirements to access to LTR status, and full economic restrictions are in place for access to nationality. It is clear that many other factors also influence the attractiveness and accessibility of national citizen vs. LTR status, but again these states can be divided up into those who require a longer period of legal residence for nationality than for LTR status (such as Austria), those who require a shorter period (such as Belgium), and those who require the same (such as France).

In France there is a requirement in the nationality regime that is highly open to discretionary interpretation by the local police conducting the enquiry into the applicant’s “behaviour and loyalty”, that the applicant’s “professional situation” be examined.<sup>8</sup> The new Immigration Law approved in June 2011 conditionally provides for LTR for immigrants after an uninterrupted period of at least five years’ legal residence.<sup>9</sup> As well as the requirement for health insurance, the intention to settle in France, which is crucial for the decision on granting the LTR permit, and “republican integration” requirements, the employment status of the applicant, whether they have a job, and their financial means, are examined. The income must be at least equal to the Guaranteed Inter-Profession Minimum Salary (SMIC – €16,380 gross p.a. for 2011).<sup>10</sup> The resources should be “stable, sufficient and regular, in order to meet his/her needs”, and any social benefits are excluded. This is remarkable in view of the opinion of the Court of Justice of the EU (CJEU) in a case on a similar provision of the Family Reunification Directive that “recourse to the social assistance system” (Article 7(1)c of Family Reunification Directive and Article 5(1)a of LTR Directive) should not be interpreted as applying to someone “*who has provided evidence of having stable and regular resources to meet general subsistence costs, but who, given the level of such resources, will nevertheless be entitled to claim special assistance to meet exceptional, individually*

<sup>7</sup> Arts. 2 and 10, *Portaria* (Administrative Circular) no. 1563/2007 of 11 December. Authors’ own translation.

<sup>8</sup> *Décret* of 30 December 1993, Art. 36, as amended by *Décret* no. 2010-725 of 29 June 2010 - Art. 3; Circulaire relative à la déconcentration de la procédure d’acquisition de la nationalité française par décision de l’autorité publique of 27 July 2010.

<sup>9</sup> Loi no. 2011-672 of 16 June 2011 relative à l’immigration, à l’intégration et à la nationalité.

<sup>10</sup> Service-Public.fr (April 2010) “Carte de “résident de longue durée - CE””. Authors’ own translation.

*determined, essential living costs, income-related remission of charges [...] or income-support measures...*<sup>11</sup>

An applicant for German citizenship is required to have a right to residence in Germany without a limit as to duration, as well as a duration of eight years of legal residence in the country. The applicant must also have sufficient financial means in order not to have recourse to unemployment benefit or social assistance. What is of course specifically relevant in the German case is that, *ex lege*, the applicant must also give up their previous nationality. LTR status in Germany is in itself a residence permit without limit as to duration, but in order to be granted the status, among other language and residency requirements, the applicant must prove that they have a “secure and regular income” that guarantees their subsistence and that of their dependent family members, and adequate accommodation.<sup>12</sup>

Austrian requirements for naturalisation are among the most demanding in the European Union. Besides several other strict requirements for accessing citizenship (cf. Cinar & Waldrauch, 2006; Reichel, 2011a), sufficient means of subsistence must be demonstrated. This is defined as regular income from employment, maintenance claims and/or insurance payments throughout the three years prior to naturalisation. This income should be sufficient to make a living without having to rely on social assistance and must be in excess of the sums defined in the Social Welfare Law.<sup>13</sup> These target rates in 2010 were around €780 per month for single households and €1,175 for couples). However, since the changes in the citizenship law in 2009, certain regular expenses, such as rental costs, loan or maintenance payments reduce the income valid for inclusion in the calculations for the income level needed for naturalisation. This means that rental costs exceeding €253.50 per month do not count as income. Taking into account the average monthly costs for rent, charges and electricity, single households need a net income of at least €1,000 (Stern, 2011).<sup>14</sup>

Requirements for LTR status in Austria were significantly amended by Article 45 of the new Settlement and Residence Law (NAG), passed in 2011. Together with requirements for a legal right to sufficient accommodation for the applicant and her/his family, comprehensive health insurance and certain integration test requirements, the applicant must also prove that their long-term residence will not lead to any financial burden on the state. In accordance with Article 11(5), this requires that the applicant has their own “secure and regular income” facilitating subsistence without recourse to social welfare and in

<sup>11</sup> Case C-578/08 *Rhimou Chakroun vs. minister van Buitenlandse Zaken* [2010] cited in Acosta Arcarazo, 2011.

<sup>12</sup> Gesetz zur Umsetzung aufenthalts- und asylrechtlicher Richtlinien der Europäischen Union (EUAufhAsylRUG) k.a.Abk.; G. v. 19.08.2007 BGBl. I S. 1970 (Nr. 42), 2008 I S. 992 (art. 9a). Authors' own translation.

<sup>13</sup> Article 10 (5) of the Austrian Staatsbürgerschaftsgesetz.

<sup>14</sup> There are currently changes in the nationality law proposed, but the new law has not passed Parliament yet. It is not known whether economic requirements will be altered.

excess of the sums set out in the General Social Welfare Law,<sup>15</sup> as is the case for naturalisation (see above).

In the United Kingdom, where the residence requirement for naturalisation is five years, the official requirement is merely to prove that the applicant has paid taxes for those five years.<sup>16</sup> This goes some way towards explaining why more people in the UK are eligible for nationality than for LTR status, resulting in a relatively high naturalisation rate for 2008 of 5.2 percent.<sup>17</sup> For long-term settlement (the UK opted out of the LTR Directive), on the other hand, as of April 2011, Tier 1 migrants must meet the same income criteria that applied when they last extended their permission to stay in the UK, while those who have been in Tier 2, or who have held work permits, must be being paid the appropriate rate as stated in the UK Border Agency codes of practice, specifying that the skill level must be graduate level, N/SVQ level 3 or above.<sup>18</sup>

Although it opted out of the LTR Directive, the UK represents an example *par excellence* of LTR status and nationality being two alternatives for migrants who have resided in the country legally for five years, whereby LTR represents an advantage for immigrants from countries like Ukraine and China which do not allow their citizens to hold any other nationality, in that the applicant is not required to give up their nationality of origin. However, largely due to problems with eligibility, other conditions for acquisition and lack of security of status, the UK scores significantly lower on the MIPEx index for LTR status than it does for naturalisation (MIPEx 2010).

As in Germany, access to Danish citizenship is significantly more restrictive than access to permanent residence status. Indeed, permanent residence status (the equivalent of LTR status) is a requirement in order to acquire national citizenship, as in the new Greek provisions (see below), and nine years of legal residence are required, as well as having no overdue public debts and giving up the nationality of origin. The provisions of the Danish Agreement on Nationality with regard to “self-support” stipulate that the applicant has not received any social welfare for one year prior to the application (not including isolated or minor benefits), nor for an aggregate period of more than six months within the previous five years.<sup>19</sup> Thus, although the duration of residence requirements for naturalisation are significantly higher than for LTR status, the economic requirements are much more measured and easily attainable.

---

<sup>15</sup> In fact, the NAG 2011 goes into some detail in Art. 11(5) on the meaning of “secure and regular income”, defining it as being reduced by outlays such as rent, loan payments, securities and allowances paid to third parties not living with the applicant, with some exceptions. In relation to allowances such as alimony and other liabilities, only the portion of the sum paid above the minimum subsistence rate is deducted. Authors’ own translation.

<sup>16</sup> UK Border Agency (September 2010). *Guide AN – Naturalisation as a British citizen – Guide for Applicants*; Section 6 (1) of the British Nationality Act, 1981.

<sup>17</sup> Eurostat database.

<sup>18</sup> See UKBA: “Occupation Codes of Practice for Tier 2”.

<sup>19</sup> Agreement on Nationality of 8 December 2005, as amended by the Agreement on Nationality of 22 September 2008, as appended to the Circular Letter on Naturalisation No. 61 of 22 September 2008 (for all Police Commissioners, the Commissioner of the Copenhagen Police, all Regional State Administrations, the High Commissioner of Greenland and the High Commissioner of the Faroe Islands).



The residency requirement for LTR status (“permanent residence permit”) in Denmark is only four years of legal residence on a temporary permit (Denmark also opted out of the LTR Directive). In addition to residency, however, the applicant must obtain 100 points based on three categories: Fundamental requirements (70 points), active citizenship (15 points) and supplementary requirements (15 points). The fundamental requirements include extensive economic and employment conditions such as having no overdue public debts, not having been on social welfare for the previous three years and until the permanent residence permit is granted, and having been in full-time employment in Denmark for at least two and a half out of the previous three years and until the permanent residence permit is granted. Furthermore, in order to obtain the 15 supplementary points necessary, the applicant must also fulfil one of the following three requirements: full-time employment in Denmark for at least four of the previous four and a half years, or completion of a higher educational programme, professional bachelor’s degree, business academy or vocational upper secondary programme in Denmark, or passing the official Danish exam, level 3 or an equivalent or higher Danish language test.<sup>20</sup> The favourable MIPEX score for Denmark, therefore, relates to issues such as the overall eligibility conditions, the duration of validity of the permit and access to employment, social welfare, healthcare and housing, for those who have a permanent residence permit.

In order to apply for Italian citizenship, a foreign applicant with no other specific ties and not benefiting from bilateral agreements with Italy must have resided in the country for at least ten years (four years for EU citizens and five years for people who are stateless or have refugee status).<sup>21</sup> The employment-related requirement for citizenship is to submit tax returns on income for the previous three years.<sup>22</sup> As of June 2010, LTR status in Italy is subject to an Italian language test, and the standard requirements for income and accommodation for family reunification apply, as set out in the Consolidated Text on Immigration (*Testo Unico sull’Immigrazione*) of 1998, Art. 9.<sup>23</sup> The applicant must have a minimum standard of accommodation for themselves and their family members, an annual income earned by legal means no less than annual social benefits for themselves and one family member, and the same again for each further family member. They must have a contract with a duration of one year, or be self-employed on a continuous basis. These requirements may be waived for students or for religious reasons.<sup>24</sup>

<sup>20</sup> Danish Immigration Service (New to Denmark.dk 18.05.2011) “Permanent Residence Permit”.

<sup>21</sup> Legge 91/92 e successive modifiche e integrazioni, art.9 c.1, lett.f.

<sup>22</sup> Ministero dell’Interno (2011). “Concessione della cittadinanza italiana a cittadini stranieri residenti in Italia” on [www.interno.it](http://www.interno.it).

<sup>23</sup> Our thanks to Alessandro Maiorca for clarifying this issue.

<sup>24</sup> Art. 29, Testo Unico sull’Immigrazione, 1998.



## Economic Requirements only for Access to LTR status

In Spain, where the duration of residence necessary for naturalisation is highly dependent on the nationality of origin of the applicant, no economic requirements apply. For access to Spanish nationality, a “sufficient degree of integration into Spanish society” must be attested to. This rather general formulation may also be interpreted to include the stipulation that the economic status of citizenship applicants is taken into account (Carrera, 2009).

The new Immigration Law – no. 2 of 2009, implemented by a Regulation in 2011, transposes a number of EU Directives, including the LTR Directive. Article 32 of the law provides for access to LTR status for immigrants who have resided legally in Spain for five years. The Regulation implementing the law includes in Title VI both a long-term residence permit that is specific to Spain, and an EU LTR permit. The Regulation sets out the conditions for access to EU LTR status in Article 152, which include public or private health insurance and having “fixed and regular resources for their own maintenance, and where applicable for that of their family”.<sup>25</sup> These are further specified as being equal to the terms and sums that apply to family reunification and can either consist of the applicants’ own means or income from work (equivalent to the Multi-Purpose Public Income Indicator (IPREM) - €6,390.13 p.a. for 2011). These terms and sums are specified in detail in Article 54 of the Regulation.<sup>26</sup> Documentation must be provided to prove that the applicant has “sufficient economic means to cater for her/his needs and those of her/his family”, including medical assistance if he/she is not covered by Social Security to the minimum sum, for him or herself, and for dependent family members a further 50 percent of the IPREM per person (though there may be a reduction for children). It is interesting to note that according to the Regulation, economic requirements apply only to applicants for EU LTR and not to applicants for Spanish Long-Term Residence, making the latter easier to access.

In Article 54(2), the Regulation states that the EU LTR permit will not be granted in Spain if there is no prospect of maintenance of economic means for the year subsequent to the application, based on the income and means of the applicant during the previous six months. In calculating income, any social welfare benefits will not be included, but the income and means of members of the immediate and cohabiting family are included. If the applicant does not currently have an income, they may present other proofs of funds. The social security contributions of the applicant must also be certified by the competent Immigration Office.<sup>27</sup>

<sup>25</sup> Ley Orgánica 2/2009, de 11 de diciembre, de reforma de la Ley Orgánica 4/2000, de 11 de enero, sobre derechos y libertades de los extranjeros en España y su integración social. Authors’ own translation. Our thanks to Mariona Illamola Dausà for clarifying this issue.

<sup>26</sup> Real Decreto 557/2011, de 20 de abril, por el que se aprueba el Reglamento de la Ley Orgánica 4/2000, sobre derechos y libertades de los extranjeros en España y su integración social, tras su reforma por Ley Orgánica 2/2009.

<sup>27</sup> Real Decreto 557/2011, de 20 de abril, por el que se aprueba el Reglamento de la Ley Orgánica 4/2000, sobre derechos y libertades de los extranjeros en España y su integración social, tras su reforma por Ley Orgánica 2/2009.

It may be that, as interpreted by the Greek legislator, LTR status is in fact not an alternative to national citizenship at all, but a step along the way. The 2010 amendments to Greek citizenship law provide for a requirement for EU LTR status in order to acquire Greek citizenship after seven years of legal residence (submission of application after five years), with a transitional provision for submission of the application after five years of residence with any status (except provisional statuses) until the LTR provisions are fully in force.<sup>28</sup> Therefore the question of which status is more accessible or more attractive becomes irrelevant, as, *ex lege*, there is no access to citizenship – which does not entail economic or employment requirements – without first accessing LTR status, which stipulates an annual income or credit in a bank account of €8,500, plus 20 percent of this for a spouse and an additional 15 percent for any children.

The Cypriot citizenship law (Law no. 43/67) dates back to 1967 and has been subject to a total of eleven amendments, with the most recent amendment in 2001. Law no. 141(I)/2002 on the Population Data Archives is also relevant to naturalisation. Cypriot citizenship law is characterised by its discretionary nature (Trimikliniotis, 2010). The residence requirement for naturalisation as a Cypriot is five years, as is the case for Greece, but eight years for students, visitors, the self-employed, athletes, domestic workers and nurses, as well as spouses, children and other dependents (Trimikliniotis, 2010). As in the case of Greece, there are no income requirements for access to nationality, but in contrast to the Greek case, the Cypriot law does not stipulate that the prospective citizen already have LTR status, making naturalisation theoretically more accessible. Despite its discretionary nature, the naturalisation rate among third-country nationals in Cyprus was just over 3 percent in 2008, while in Greece it was only 1.8 percent in the same year (although this was before the Greek amendment was in place).<sup>29</sup>

Law no. 8(I)/2007 provides for access to LTR status in Cyprus. Applications for LTR by immigrants who have temporary migration status for at least five years are rejected (see Cypriot Supreme Court Judgement in *Motilla*, 21 January 2008) and the Cypriot government has actively sought to reduce the number of people eligible, in direct conflict with the purpose of the Directive. The requirements to be granted the status are highly demanding, and include: a certificate of social insurance payments for all years worked in Cyprus; a bank account statement if relevant; and an employment contract for an indefinite period or for at least a period of eighteen months, or a declaration of self-employment. In 2009, just 22 people had LTR status in Cyprus,<sup>30</sup> a status that clearly must be “bought” at a very high price in the country.

In Ireland, naturalisation applications are characterised by significant bureaucratic delays and a high level of discretion for the Minister of Justice, and pure *ius soli* provisions were removed by popular

<sup>28</sup> Art. 2 para δ and para ε, line aa, and Art. 25, of the March 2010 Amendments to Greek citizenship legislation.

<sup>29</sup> Calculated on the basis of Eurostat data for 2008.

<sup>30</sup> Eurostat database.

referendum in 2004. The duration of legal residence necessary is five years,<sup>31</sup> and there are no income requirements. For LTR status in Ireland, which also opted out of the LTR Directive, the only specified requirement is to be in “gainful employment on application and during and after the application process,”<sup>32</sup> making the policy distinctly less stringent than in other states.<sup>33</sup> Ireland scores lower for LTR status perhaps on the basis that it opted out of the Directive, and yet the naturalisation rate, at about 4 percent for third country nationals in 2008, is lower than the LTR acquisition rate, which in 2009 was around 5.18 percent.<sup>34</sup>

Therefore it is clear that even in countries where economic and employment requirements apply only to applicants for LTR status, there is a significant variation in the specific economic hurdles to obtain the status. It is crucial to examine, in this context, the impact of these policies in terms of statistics, while acknowledging that this set of requirements is just one group within a whole range of other conditions to which applicants for national citizenship or LTR status are subjected.

The LTR Directive requires member states to request from third-country nationals that they “*provide evidence that they have stable regular resources which are sufficient to maintain himself/herself and the members of his/her family without recourse to the social assistance system of the Member State concerned. Member States shall evaluate these resources by reference to their nature and regularity and may take into account the level of minimum wages and pensions prior to the application to long-term resident status*”.<sup>35</sup>

In the European Commission’s (EC) report on the application of Directive 2003/109/EC concerning the status of third-country nationals who are long-term residents, compliance with transposition measures was analysed. The report concluded that the Directive had generally neither been transposed nor implemented correctly by many states, and in 2007, infringement proceedings were initiated against twenty of the twenty-four states participating (European Commission, 2011). The EC reports several problems concerning the transposition of the Directive, including problematic transposition of Article 5(1) on resources and health insurance. The EC criticised the restrictive interpretation of the resources requirement in six member states,<sup>36</sup> where resources are required from family members applying for LTR status without considering the income of the sponsor (European Commission, 2011). In addition, the EC sees higher fees for processing applications for LTR status as problematic. Fees ranging from €260 to

---

<sup>31</sup> Irish Nationality and Citizenship Act 1956 (no. 26 of 1956), as amended by the Irish Nationality and Citizenship Act 1986 (No. 23 of 1986), the Irish Nationality and Citizenship Act 1994 (No. 9 of 1994), the Irish Nationality and Citizenship Act 2001 (No. 15 of 2001) and the Irish Nationality and Citizenship Act, no. 38 of 2004.

<sup>32</sup> Irish Naturalisation and Integration Service: “Long Term Residency”.

<sup>33</sup> Long Term Residency (Fees) Regulations, 2009.

<sup>34</sup> Calculated on the basis of the Eurostat database.

<sup>35</sup> Article 5, Directive 2003/109 (EC).

<sup>36</sup> Bulgaria, Estonia, Greece, Malta, Poland and Romania.

€600 in six member states<sup>37</sup> were cited and the issue is the subject of infringement proceedings before the CJEU (European Commission 2011).

## The influence of naturalisation and LTR policies on acquisitions of citizenship and LTR status

Generally, a relationship between naturalisation regulations and naturalisation rates can be observed in European countries. It is important to note, as mentioned above, that legal regulations concerning access to nationality are not the only factors that influence naturalisation rates (cf. Dronkers & Vink, 2012, Waldrauch & Cinar, 2003). The situation and structural conditions in the country of origin of the non-citizen in question, as well as individual characteristics, are equally or even more important influencing factors. In addition, historical, cultural and practical concerns may also come into play (Janoski, 2010), as well as issues related to the actual implementation of the legal regulations (Healy, 2011).

As mentioned above, it is too soon to obtain accurate data on acquisitions of EU LTR status among immigrants in member states. Nevertheless, the MIPEX does assess LTR policies in general, finding clear differences between member states, despite the fact that Directive 2003/109 applies to 24 EU member states (excluding Denmark, Ireland and the UK). Nevertheless, the statistical influence of naturalisation regulations, mostly measured through the MIPEX, has been shown by several studies (cf. Reichel, 2011b, Dronkers & Vink, 2012, Sartori, 2011 and Janoski, 2010). This means that, as would be expected, the more open access to citizenship is, the more people do naturalise.

Such a relationship cannot be observed for the MIPEX assessment of Long Term Residence and actual rates of acquisition of EU LTR status, as per the Eurostat database, in the 25 pre-2007 EU member states ( $r=0.09$ ). Hence, restricting access to national citizenship does influence the number of people naturalising, but restricting access to LTR status does not necessarily influence the number of people taking up LTR status. This must be taken with the caveat that it is, as yet, still difficult to accurately assess statistics and implementation of the legal provisions for LTR status in the 24 member states that have transposed the Directive. LTR rates are defined as the number of people holding EU LTR status as a percentage of all non-EU citizens living in a country, as presented in Figure 2 below.

<sup>37</sup> Bulgaria, Cyprus, Greece, France, the Netherlands and Portugal.

Table 2: Naturalisation and Long Term Residence in the EU in 2009:

Country	Citizenship Acquisition		Citizenship Acq. TCNs		Long-Term Status*	
	Number	Rates	Number	Rates	Number	Rates
AT	7978	0.9	7113	1.3	166607	30.4
BE	32767	3.2	26567	8.4	1774	0.6
BG	7140	29.3	7114	35.0	124	0.6
CZ	1149	0.3	879	0.3	49207	18.8
CY	4073	3.3	1746	3.8	22	0.0
DE	96122	1.3	81505	1.8	2103	0.0
DK	6852	2.1	6370	3.0	2790	1.3
EE	1670	0.8	1667	0.8	187411	91.5
ES	79590	1.4	78522	2.3	19986	0.6
FI	3413	2.4	2972	3.3	16	0.0
FR	135842	3.6	120239	4.9	1905	0.1
GR	17019	1.8	16462	2.1	134	0.0
HU	5802	3.1	1737	2.3	3537	4.6
IE	4533	1.0	4271	5.6	3946	5.2
IT	59369	1.5	53590	1.9	45247	1.6
LV	3235	0.8	3225	0.8	207	0.1
LT	203	0.5	203	0.5	19648	50.4
LU	4022	1.9	1352	4.6	n.a.	n.a.
MT	817	4.5	615	6.2	165	1.7
NL	29754	4.7	20844	6.0	19351	5.6
PL	2503	5.2	2292	7.7	4524	15.2
PT	25570	5.8	21903	6.1	2331	0.7
RO	9399	3.0	9177	36.3	9679	38.2
SE	29525	5.4	21449	7.3	381	0.1
SI	1792	2.5	1571	2.4	25860	39.0
SK	262	0.5	169	0.9	2946	14.9
UK	129257	3.2	125364	5.2	n.a.	n.a.

Source: Eurostat (tables migr\_pop1ctz, migr\_reslong, migr\_acq, data extracted in August 2010), authors' own calculations. Note that empty cells indicate lack of data. Naturalisation data for BG and UK refer to the year 2008. \*Only EU LTR considered, thus excluding other nationals long term residence permits.

These rates varied widely in the EU member states in 2009, ranging from a low of 0.018 percent in Finland to a high of 91.5 percent in Estonia, where almost all non-nationals are classified as EU Long Term Residents. In most countries the LTR Rate is very low – perhaps due also to low levels of

awareness of eligibility for the status, and of the rights attached, among immigrant communities - and ten countries report LTR Rates below 1 percent. In turn there are a few countries with very high LTR Rates. Most of the countries with higher LTR Rates are 2004 accession states, namely Slovakia (14.9), Poland (15.2), the Czech Republic (18.8), Austria (30.4), Slovenia (39.0), Lithuania (50.4) and Estonia (91.5) (see Table 2). In the Austrian case, this is partly due to the highly restrictive nature of access to nationality, but also to positive policies in terms of converting residence permits into LTR status since 2005. Romania has a high LTR Rate at 38.2 percent, whereas in Bulgaria LTR status does not play an important role (0.6).<sup>38</sup>

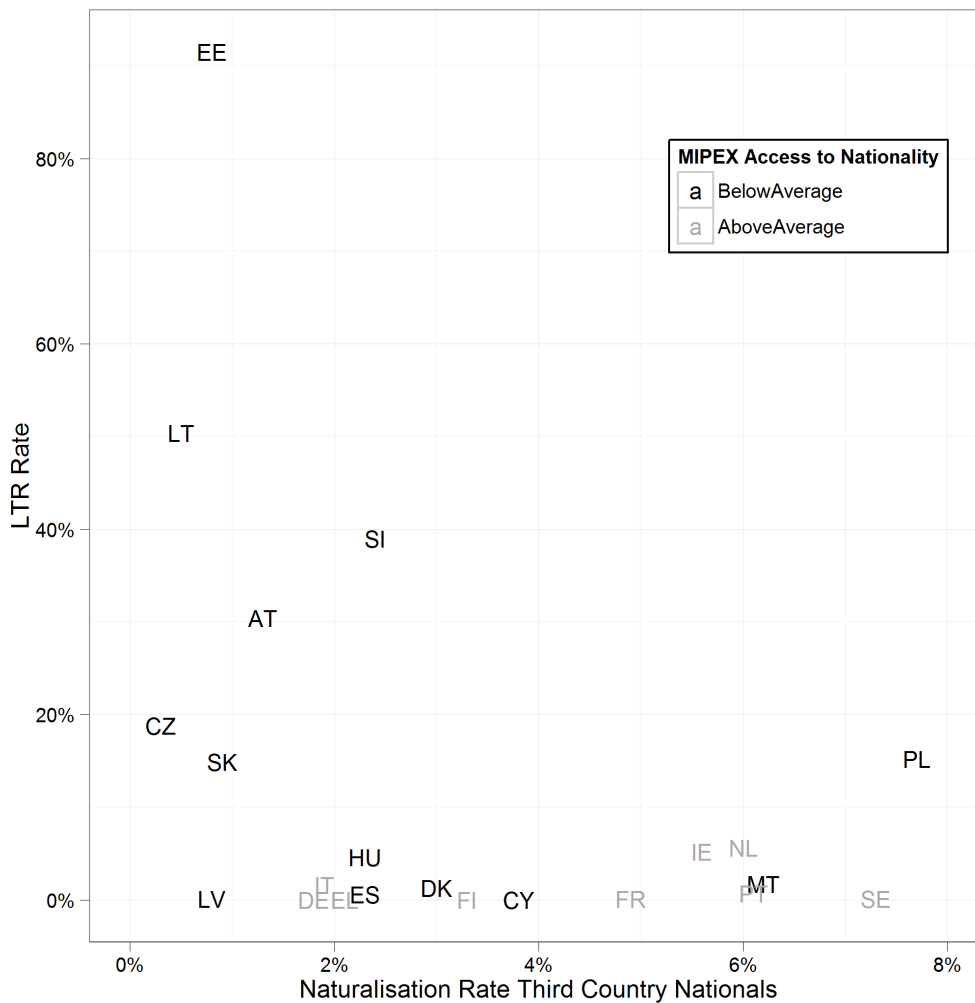
What is interesting is that there is a negative correlation between the naturalisation rates in 2009 and the LTR Rates for the same year ( $r=-0.4$ ), as it is mainly countries with very low naturalisation rates that show high LTR Rates. This confirms the hypothesis that naturalisation and LTR status cannot strictly-speaking be seen as alternatives in a context of freedom of choice, but rather immigrants who wish to settle in EU member states find themselves only eligible for one status or the other. The statistical relationship between LTR rates and the MIPEX assessment of Access to Nationality reveals that there is a clear negative association, at  $r=-0.5$ . This relationship is not linear, but rather results from the fact that all countries with exceptionally high LTR rates tend to restrict access to national citizenship, as indicated by the MIPEX.

Most of the pre-2004 EU member states score higher in the MIPEX 2010 assessment of Access to Nationality, all of them above 50 (Figure 2). Among these above-average scoring countries, comparably low LTR Rates are found, with the highest LTR rate in the Netherlands, at 5.6 percent. While the Netherlands does not score highly in MIPEX 2010 in terms of eligibility and conditions for access to LTR status (58 and 47 points, respectively), it presents an attractive prospect once it is obtained, scoring 79 and 88 points for security of status and rights attached, respectively. In Ireland, which opted out of the Directive, the rate is 5.2 percent, which may be related to the significant bureaucratic delays in acquiring national citizenship, as mentioned above.

---

<sup>38</sup> There are no statistical data available on long-term residence in Luxembourg and the United Kingdom.

Figure 2: Naturalisation Rates of Third Country Nationals and EU LTR Rates 2009



Source: Eurostat (tables migr\_pop1ctz, migr\_reslong, migr\_acq, data extracted in August 2010), MIPEX 2010, authors' own calculations.

Several countries scoring below 50 on the MIPEX Nationality 2010 indicator, which are mostly 2004 and 2007 EU accession countries, also show low LTR Rates, including Spain, Denmark, Hungary, Cyprus, Malta, Bulgaria and Latvia. As indicated above, it is almost exclusively Central and Eastern European countries that show higher LTR Rates.

Finally, regulations concerning access to citizenship affect the likelihood to naturalise in different ways, depending on which kind of regulations are in place. It appears that the regulations concerning dual citizenship are important factors influencing naturalisation rates and thus the likelihood to naturalise (Reichel, 2011b, Mazzolari, 2009, Huddleston & Tjaden 2012).



## How do economic and employment requirements influence naturalisation?

In the absence of a comparable EU-wide dataset to facilitate investigation of the causal relationship between naturalisation and employment, we must resort to aggregate cross-sectional data for an international comparison. In the countries where no economic resource requirements are in place for accessing nationality, naturalisation rates are higher than in countries where economic resources are required for naturalisation. For instance, countries with strict economic resource requirements, scoring 0 on this MIPEX indicator, show an average naturalisation rate of 2.47 percent for 2007.<sup>39</sup> About the same naturalisation rate is evident among countries scoring 50 on the MIPEX indicator for economic resource requirements (indicating that some income requirements are in place), at 2.39 percent. Countries that did not demand economic resources for naturalisation in 2007 show a higher naturalisation rate in the same year at 3.1 percent.

However, this difference was only observed for 2009, and the relationship between economic resource requirements and naturalisation rates is partly misleading. Countries with economic resource requirements in general tend to have stricter naturalisation regulations, as indicated by the MIPEX, which is why the relationship cannot be clearly established. Differentiating between below-average MIPEX countries and countries that show above-average MIPEX scores, we find that economic resource requirements have a very minor impact on the naturalisation rate, and that only in the countries with more open access (see Figure 3).

This is an – albeit weak – indicator that economic resource requirements influence the naturalisation rate only in countries with otherwise relatively easy access to citizenship, while in countries where other factors restrict access to citizenship economic requirements do not outweigh the selective effect of other factors. Definitely, further research with longer time series is needed to confirm this relationship.

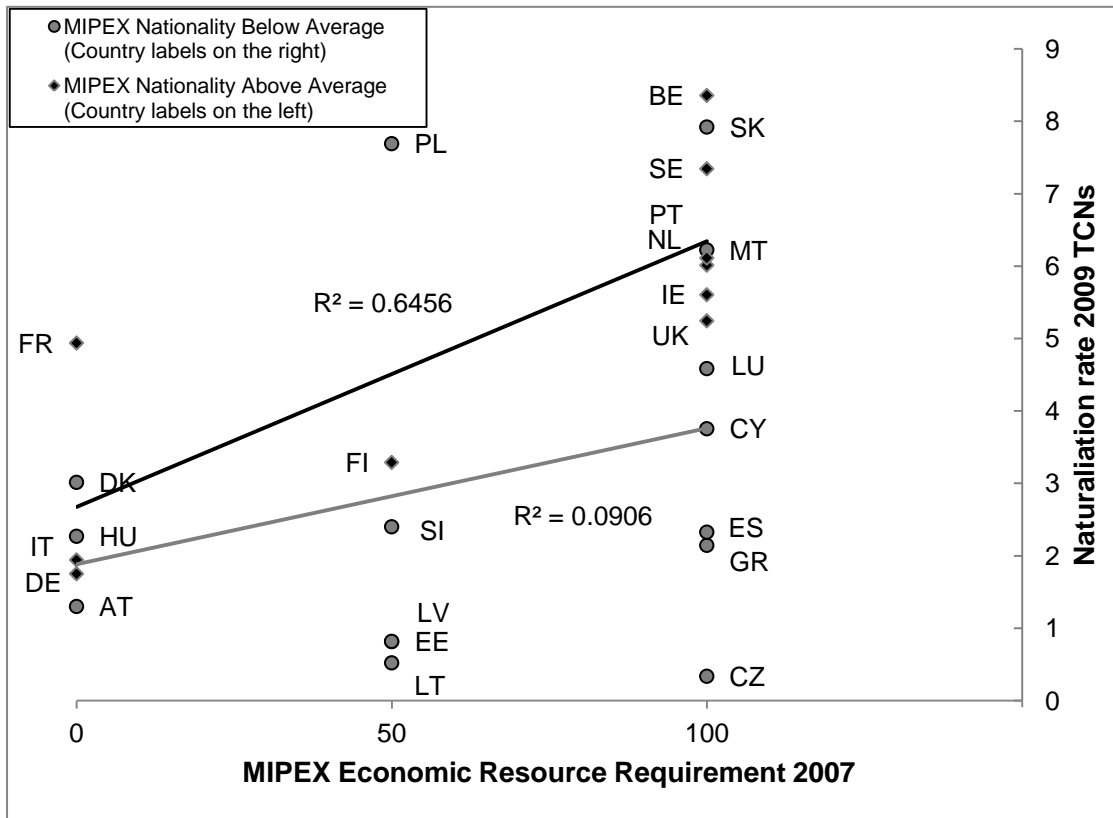
Nevertheless, in view of the fact that studies in several countries found people with higher socio-economic status more likely to naturalise regardless of whether or not economic resources are required for naturalisation, it can be concluded that other factors explaining citizenship acquisition, including other naturalisation requirements, may outweigh economic resource requirements in the selection of more affluent people as new citizens.

---

<sup>39</sup> We used data for 2007, since the MIPEX assessment of Access to Nationality for 2007 can be better applied to the naturalisation rate in 2007 than MIPEX Nationality 2010 to the naturalisation rate in 2009, as the naturalisation statistics for 2010 are not available from Eurostat at the time of writing.



Figure 3: Economic resource requirements 2007 and naturalisation rates of third-country nationals 2009



Source: Eurostat (tables migr\_pop1ctz, migr\_reslong, migr\_acq, data extracted in August 2010), MIPEX 2010, authors' own calculations.

## Conclusions

For over two centuries in Europe, the admission of migrants across the borders of a sovereign state has commonly been made conditional on that person not being destitute. The inclusion of means of subsistence within admission regulations is therefore one of the oldest migration policy instruments. A lack of economic resources and a person's subsistence below a poverty threshold have long been major reasons for refusal of entry and even for expulsion or deportation. In more recent times, such preconditions have been applied to many different categories of migrants – including, most recently, EU citizens from post-2004 Member States – not just with regard to their entry into the country, but also as a requirement for access to various types of longer-term migration status. As a transitional phase in the migration history of an individual in the EU, they may also be subject to economic and employment requirements in order to become an official long-term resident of the Union, with the attached rights as set out in the LTR Directive, and/or in order to become a national citizen. As is clear from this analysis, the presence and the nature of such requirements varies widely across the territory of the European Union.

From a state perspective, it appears that countries with strict access to citizenship welcome LTR status as an alternative to more open naturalisation policies. When comparatively examining the “choice” between LTR and national citizen status on the basis of economic requirements, it emerges that this choice manifests itself within different parameters in different member states. In terms of EU-wide harmonisation of policies, as well as policy coherence within individual member states, it should be noted that not only do the specificities of economic and employment requirements vary among states, but also, within states, the actual requirements in terms of jobs and income are generally not stipulated in the same way for LTR and national citizen status. Furthermore, in some cases, there is discretion in relation to this requirement for access to one of the statuses for settlement, and not for the other.

Regardless of the existence of economic and employment requirements, people who fare better in the labour market tend to have easier access to secure residence status and national citizenship, perhaps not only due to migration and citizenship policies. There are many more reasons why middle- or upper-class immigrants find it easier to naturalise, such as higher awareness of conditions of access and the rights attached and certain exemptions from integration requirements. The decision to permanently settle in a country has been shown to be one of the strongest motivations for applying for national citizen status (Huddleston/ Tjaden 2012, Reichel 2011a), which is assumed to be linked to the ability to invest more in their own professional advancement.

A guiding principle of EU law and policy is that of non-discrimination. Indeed, in Article 21, the Charter of Fundamental Rights of the European Union sets out a prohibition of any discrimination on any ground

(including an explicit mention of “property”). The LTR Directive itself, in Recital 9, states that economic considerations should not be a ground for refusing LTR status, given that the Directive establishes duration of residence as the “main criterion for acquiring the status of long-term resident” (Recital 6). Therefore the strictness and the variety of economic resource requirements for LTR status among participating member states are in conflict with two of the principal objectives of the Directive itself, establishing duration of residence as the main criterion for accessing the relevant rights, and harmonisation of EU law on this issue.

It is undeniable that the question of who should be granted access to secure residence and full national membership in any given country is also a normative consideration. Denying access to long-term residence status and national citizenship to people in less favourable economic circumstances certainly neither improves these people’s economic status, nor the economy of the country of destination as a whole. Neither does it lead to the removal of these “economically weaker” residents from the member state, but rather consigns them to living with other forms of residence authorisation that limit their rights as well as their employment opportunities, catching them in a vicious circle.

## References

Acosta Arcarazo, D.

2011 *The Long-Term Residence Status as a Subsidiary Form of EU Citizenship: An Analysis of Directive 2003/109*. Leiden and Boston: Martinus Nijhoff Publishers. Immigration and Asylum Law and Policy in Europe, vol. 23.

Atikcan, E.

2006 "Citizenship or Denizenship: The Treatment of Third Country Nationals in the European Union" Sussex European Institute. *SEI Working Paper* no. 85.

Bauböck, R.

1997 "Citizenship and National Identities in the European Union" *Harvard Jean Monnet Working Paper* 4/97.

Bevelander, P. and DeVoretz, D. (eds.)

2008 *The Economics of Citizenship*. Malmö University, MIM.

Bevelander, P. and Pendakur R.

2009 "Citizenship, Co-ethnic Populations and Employment Probabilities of Immigrants in Sweden." IZA Discussion Paper No. 4495.

Bloemraad, I.

2006 *Becoming a Citizen: Incorporating Immigrants and Refugees in the United States and Canada*. Berkeley and Los Angeles: University of California Press.

Carrera, S.

2009 *In Search of the Perfect Citizen? The Intersection between Integration, Immigration and Nationality in the EU*. Leiden and Bosten: Martinus Nijhoff Publishers.

Cinar, D. and Waldrauch, H.

2006 "Austria." In Bauböck Rainer, Ersboll Eva, Groenendijk Kees & Waldrauch Harald (eds), *Acquisition and Loss of Nationality. Policies and Trends in 15 European States*. Volume 2: Country Analyses. Amsterdam University Press, IMISCOE Research, 19–62.

Council of Europe

2001 2nd European Conference on Nationality. “*Challenges to National and International Law on Nationality at the Beginning of the New Millennium*” Proceedings. Strasbourg: Council of Europe.

DeVoretz, D. and Pivnenko, S.

2008 “The Economic Determinants and Consequences of Canadian Citizenship Ascension.” In Bevelander Pieter and DeVoretz Don (Eds), *The Economics of Citizenship*. Malmö University, MIM: 21–62.

Dronkers, J. and Vink, M.

2012 “Explaining Access to Citizenship in Europe: how Policies Affect Naturalisation Rates” In *European Union Politics*, 13(3), 2012.

Engdahl, M.

2011 “The Impact of Naturalisation on Labour Market Outcomes in Sweden.” In, OECD (Ed): *Naturalisation: A Passport for the Better Integration of Immigrants?* OECD Publishing.

European Commission

2011 *Report from the Commission to the European Parliament and the Council on the application of Directive 2003/109/EC concerning the status of third-country national who are long-term residents*. COM (2011) 585 final, Brussels, 28.9.2011.

Fougère, S. and Safi, M.

2009 “Naturalization and employment of immigrants in France (1968-1999).” In *International Journal of Manpower*. Vol. 30 No.1/2, 2009: 83–96.

Goodman S.,

2010 “Naturalisation Policies in Europe: Exploring Patterns of Inclusion and Exclusion.” EUDO Citizenship Comparative Reports. Available at: [eudo-citizenship.eu/comparative-analyses](http://eudo-citizenship.eu/comparative-analyses) (accessed March 2011).

Healy, C.

2011 *Cidadania Portuguesa: A Nova Lei da Nacionalidade de 2006* [Portuguese Citizenship: The New 2006 Nationality Law]. Lisbon: Immigration Observatory (summary translation in English available at: [www.oi.acidi.gov.pt](http://www.oi.acidi.gov.pt)).

Howard, M.

2009 *The Politics of Citizenship in Europe*. Cambridge et. al: Cambridge University Press.

Huddleston, T. et al.

2011 *Migrant Integration Policy Index III*. British Council, Migration Policy Group. Available at: [www.mipex.eu](http://www.mipex.eu) (accessed in March 2011).

Huddleston, T. and Tjaden J. D.

2012 Immigrant Citizens Survey. How immigrants experience integration in 15 European cities. Brussels: King Baudouin Foundation/ Migration Policy Group.

Janoski, T.

2010 *The Ironies of Citizenship: Naturalisation and Integration in Industrialized Countries*. Cambridge et al.: Cambridge University Press.

Joppke, C.

2009 "The Inevitable Lightning of Citizenship" in Ricard Zapata-Barrero (ed.), *Citizenship policies in the age of diversity: Europe at the crossroads*. Barcelona: CIDOB Foundation: 37–53.

Kostakopoulou, D.

2008 *The Future Governance of Citizenship. The Law in Context Series*. Cambridge: Cambridge University Press.

Liebig T. and Von Haaren, F.

2011 "Citizenship and the Socio-economic Integration of Immigrants and their Children. An Overview across European Union and OECD Countries." In OECD (Ed), *Naturalisation: A Passport for the Better Integration of Immigrants?* OECD Publishing

Marshall T. H.

1977 [1964] *Class, Citizenship and Social Development. Essays by T. H. Marshall*. University of Chicago Press: Chicago and London.

Mazzolari F.

2009 "Dual Citizenship Rights: Do They Make More and Richer Citizens?" in *Demography* 46(1): 169–191.

Medved, F.

2001 “Interaction between citizenship and integration” in *2<sup>nd</sup> European Conference on Nationality: Challenges to National and International Law on Citizenship at the beginning of the new millennium*. Strasbourg: Council of Europe.

OECD

2011 *Naturalisation: A Passport for the Better Integration of Immigrants?* OECD Publishing

Reichel, D.

2011a *Staatsbürgerschaft und Integration. Die Bedeutung der Einbürgerung für MigrantInnen*. Wiesbaden: VS Verlag für Sozialwissenschaften.

2011b “Do legal regulations hinder naturalisation? Citizenship policies and naturalisation rates in Europe.” *EUI Working Paper*, RSCAS 2011/51.

Sartori, F.

2011 “Acquisitions of citizenship on the rise in 2009.” *Eurostat Statistics in focus*, 24/2011.

Scott, K.

2008 “The Economics of Citizenship: Is there a naturalisation effect?” In Bevelander Pieter and DeVoretz Don (Eds), *The Economics of Citizenship*. Malmö University, MIM: 105–126.

Soysal, Y.

1994 *Limits of Citizenship. Migrants and Postnational Membership in Europe*. Chicago und London: University of Chicago Press.

Stern, J.

2011 “Olet! The scope and limits of ius pecuniae as a criterion for citizenship.” *Paper presented at Workshop: “Money and Membership. Financial Conditions and Impacts of Citizenship” IMISCOE Conference 2011, Warsaw Sept 7-9, 2011*.

Thomas, E.

2002 “Immigration and Changing Definitions of National Citizenship”. Paper prepared for presentation at the American Political Science Association Annual Meeting, Boston, August 29-September 1.

Trimikliniotis, N.

2010 *Country Report: Cyprus*. Florence: EUDO Citizenship Observatory.

Vink, M. and de Groot, G.

2010 "Citizenship Attribution in Western Europe: International Framework and Domestic Trends." *Journal of Ethnic and Migration Studies*, 36(5): 713–734.

Waldrauch, H.

2006 "Acquisition of nationality." In: Bauböck Rainer, Ersboll Eva, Groenendijk Kees & Waldrauch Harald (Eds), *Acquisition and Loss of Nationality. Policies and Trends in 15 European States. Volume 1: Comparative Analyses*. Amsterdam University Press, IMISCOE Research: 121–182.

Waldrauch, H. and Cinar, D.

2003 "Staatsbürgerschaftspolitik und Einbürgerungspraxis in Österreich." In Fassmann Heinz and Stacher Irene (Eds), *Österreichischer Migrations- und Integrationsbericht. Demographische Entwicklungen, sozioökonomische Strukturen, rechtliche Rahmenbedingungen*. Klagenfurt: Drava Verlag: 261–283.

Yang P. Q.

1994 "Explaining Immigrant Naturalization" In: *International Migration Review* Vol. 28, Fall 1994: 449-477.