

Organizing Integration in the Labor and Housing Markets

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Summary

INTEGRATION IN THE housing and labor markets is often addressed separately in research. In this report, however, we show that integration is a multifaceted and mutual process, which involves society as a whole and is constantly evolving. We identify the complex relationships that exist between institutional and organizational conditions, actors in different fields of integration, and foreign-born individuals.

By combining research from different disciplines, we present new perspectives on the link between housing and work for foreign-born individuals, as well as on the importance of companies and other employers when it comes to getting foreign-born individuals established in the labor market. We have identified and particularly focused on the mutuality between how immigration, housing, and work are organized, and how this affects the integration of foreign-born individuals in society and how they get established in the labor market. We also focus on the agency of foreign-born individuals, which we believe is an important aspect of mutual integration processes.

The report contains a general review of the research we believe is the most important in terms of shedding a light on the mutual relationships between organizing housing market integration and labor market integration. Our disciplinary backgrounds – cultural geography, business administration, and sociology, as well as our previous research – have influenced our selection of the reviewed research. More specifically, the report provides an overview of research highlighting the following related issues:

- › How has policy regarding immigration and getting newly arrived immigrants established in the housing and labor markets been organized, and how has it impacted the segregation of foreign-born individuals or their inclusion in the labor market?

- › How is entering the labor market affected by where people reside?
- › What is the role of organizational practices in workplaces and the agency of foreign-born individuals in integration processes?

A broader interpretation of the concept of integration

In everyday speech and current politics, the word »integration« usually refers to a person who has immigrated finding housing and a job. If one instead looks upon integration as an issue for society as a whole, this notion takes on a different meaning to then refer to the cohesion of society or how society is maintained. Theoretically, it is possible to distinguish between integration processes at an individual, organizational, institutional, and societal level, but these processes and their consequences are clearly interconnected. We distinguish between assimilating and integrating/including practices, where the character and results of these relations differ. Therefore, different practices in relation to the agency of foreign-born individuals may, in turn, have different implications with regard to the opportunities for new arrivals to establish themselves and achieve long-term integration in the labor market.

Integration is often discussed as the opposite of housing segregation. In the report, we show that this is a simplified way of looking at these phenomena. Housing segregation concerns about how different categories of people – such as young, old, rich, poor, native-born, and foreign-born – are distributed over different residential areas in a city or a country. Integration, on the other hand, rarely focuses on the spatial aspect. Typically, it refers to residents' perspectives and opportunities to participate in the various spheres of society, such as the labor market, political life, or civil society. Reduced housing segregation does not automatically lead to increased integration in this sense of the word and vice versa, even if there is a link between the two.

In this report, we look at organizational perspectives and elaborate on and analyze how immigration to Sweden has been handled through migration policies and how integration in the form of housing and work has been organized by authorities at the state and municipal levels. Furthermore, we present research analyzing the consequences of housing segregation, neighborhood effects, access to the housing market, as well as the various models focusing on how integrating foreign-born individuals in the workplace is organized in companies.

Organizing integration

In short, the review of the various related research areas shows the following trends:

Migration policies have become more generous concerning labor market migration but have become stricter with regard to refugee and family immigration. Integration policies place ever-stricter demands on those who have been granted a residence permit, and it has become more difficult to freely choose where to live. Research shows that newly arrived migrants experience a more insecure existence due to the fact that there is a time limit on both residence permits and housing (accommodation). The activities organized within the establishment program can vary in quality, and job opportunities vary between different municipalities. We also emphasize that the structural conditions in the housing and labor markets play a key role.

An overall conclusion is that the way in which immigration, integration, and organizational practices are organized produce several intentional, but also unintentional, consequences with regard to the establishment and integration of foreign-born individuals in the housing and labor markets. Since work is important to be able to stay in the country and obtain housing, research indicates that newly arrived migrants prioritize work before studies. This has the intentional consequence of a quick entry into the labor market but can also have the unintended consequence of poorer matching between employees' skills and work tasks. The housing reform, which intends to spread the housing of new arrivals over several municipalities in the country, tends to have unintended consequences since a large portion of the new arrivals (refugees) choose to arrange housing on their own. However, not everyone wanting to settle in the larger labor market regions has the opportunity to do so due to financial constraints, lack of contacts, and housing shortages. This also leads to a concentration of newly arrived migrants in so-called disadvantaged housing areas in larger labor market regions, as they experience difficulties in gaining access to housing in other parts of the city. Thus, it is important to study the long-term consequences of residential areas with regard to integration in the labor market.

The research focusing on neighborhood effects indicates that there seem to be negative effects of living in a resource-poor area and some positive effects of living close to countrymen and belonging to an ethnic group with a resource-rich social network. Thus, we find no evidence that residential areas with a concentration of foreign-born individuals are negative for the integration process.

Research focusing on the role of companies in terms of getting newcomers established in the labor market also shows

that how companies and other organizations are organized in practice is important for the integration of foreign-born individuals in the labor market. These organizational practices determine which jobseekers should or should not be employed, and how the introduction and the subsequent organizational socialization of new employees are to be organized. Organizational practices are not neutral and have different consequences depending on how they are designed. They can focus on the new employee's one-sided adaptation (assimilation) to institutionalized norms and ways of organizing the business, or they can focus on the adaptation of both the new employees and the organization in such a process (a two-way process). How these processes are organized, and possibly changed, also depends on how foreign-born new employees are involved, which tactics they choose, and how they engage and mobilize other organizational participants (all other employees) in these processes.

Our research review also shows that organizations and companies where the new employees' norms and the organizational norms and values are adapted to each other more frequently exhibit a higher degree of cultural diversity among the employees. Some organizations and companies see workforce diversity as an advantage and are thus more open to cultural differences, which, in turn, may contribute to foreign-born individuals being established in the labor market and experiencing long-term integration in Sweden.

Conflicts between integration in the labor and housing markets

When we relate the conclusions from the various themes covered in the report, we notice several conflicts between organizational practices we believe need to be resolved for integration to move in a positive direction.

We show that temporary residence permits and temporary housing solutions can create insecurity and uncertainty, but at the same time contribute to a rapid entry into the labor market. However, a rapid entry can lead to poor matching in the labor market and strong dependencies between employees and employers arising and impeding labor market mobility. The Swedish Establishment Reform was enacted in 2010, and with its 2-year limitation and requirements for full-time employment, coupled with difficulties in finding permanent housing, it impedes the possibility of individual adaptation and limits the individual's opportunity to find his or her own solutions.

The relationship between the Establishment Reform (where responsibility for integration is placed with the Public Employment Service) and the Housing Act (where respon-

sibility for housing is placed with the municipality) leads to social issues. This is especially true if the housing issue is not resolved, which can affect opportunities for foreign-born individuals to pursue education and access housing in areas where there are more job opportunities. The state's responsibility for integration is limited to the issues of integration in the labor market and is not coordinated with the municipalities' responsibility for planning and organizing the housing of new residents and for new and old residents' social integration in the municipality. The two integration spheres of housing and work pull in different directions. New arrivals are drawn to municipalities outside the metropolitan regions to obtain housing, which may reduce housing segregation, but at the same time, they are drawn to the metropolitan regions to find employment, which may increase integration in the labor market. Within the metropolitan regions, they are drawn to the residential areas where their friends and relatives live, as this is where they are able to find housing. Thus, a national labor market corresponds poorly with local housing markets. Furthermore, moving between housing markets normally requires contacts or financial resources.

To gain access to a rental apartment, you often need to have been in a housing queue for a long time, and these queues are local, not national. There is a need for more research on how different municipalities organize housing for new arrivals and which methods work better than others in relation to the context in each municipality. The way housing is organized and regulated is a central issue, as it may affect the housing situation for foreign-born individuals, both in the short and long term. The way the rental market is regulated is important, and changes in organization and rules may, in turn, facilitate the process of obtaining stable housing for new arrivals. For instance, one way is to prioritize those who find a job in a region. Another way would be to review the rules for obtaining a first-hand contract within municipality-owned housing companies, such as requirements concerning a certain type or level of income and requirements in terms of having permanent employment. However, other supplementary strategies to increase the opportunities of new arrivals to find stable housing and to move need to be developed as well.

Conclusions

More measures are needed to enable new arrivals to move, find a permanent residence, and settle in all parts of a city. Making it easier for the arrivals to settle in areas that are socio-economically strong and in areas with resource-rich social networks may result in more favorable conditions for

the integration process. It is necessary to develop an analysis of how and where new arrivals obtain their housing today and which parts of the city are perceived to be closed to them. Based on such an analysis, it is possible to develop support that could facilitate new arrivals getting established in the housing market. We also emphasize that a sustainable integration process should be characterized by a stable establishment in both the housing and labor markets, as these spheres are interrelated.

Efforts and measures regarding housing and work need to be linked. Integration and establishment need to be based on a more holistic perception of a society where different spheres of integration are not looked upon in isolation and where the individual is given an active role. If people are to be able to get established and included in the labor market throughout the country, they also need to be able to live throughout the country and have the opportunity to move.

Establishment programs and labor market initiatives need to be flexible and designed in accordance with specific local and individual needs. They must also promote and actively support companies in terms of developing integrative and inclusive workplace practices.

Workplace integration and related organizational practices and processes aimed at increasing »diversity in organizations« and achieving special benefits from the increased cultural diversity – owing to the specific knowledge, experience, and potential of foreign-born workers who can contribute to better group dynamics and problem solving – should not only focus on a one-sided adaptation of newcomers with a foreign background. Rather, these organizational practices and processes must also be adapted and open to diversity, thus increasing our understanding of workplace integration and inclusion among all employees, regardless of background.

Integration processes rarely work without the active involvement and agency of the foreign-born individuals themselves. Therefore, enabling their active participation, which in combination with the efforts and commitment by other actors counteracts the potential barriers they may encounter in the housing and labor markets, is at least as important in terms of leading to more sustainable establishment and integration.

Limitations

The study did not focus specifically on the issues concerning children, regardless of whether they immigrated with or without their parents. Their situation is special and needs to be addressed in more detail than we were able to achieve within the scope of this report. Nor have we discussed gender differ-

ences or differences between people from different countries, with different ethnic backgrounds, or different sexual orientations. This does not imply that we perceive these issues as less important.

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