Testing the Utopia of Borderless World:
Visa Policies, South-South Migration and Urban Crime in Ecuador

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Ecuador's Controversial "Open Doors" Policy

"We are in the middle of a campaign to dismantle the invention of the 20th century of passports and visas."
- Rafael Correa, 17 May 2008

- Universal visa freedom implemented on 20 June 2008

- Partial reversal on 1 December 2008 and 3 September 2010

The Political Salience of the Case Study

"Correa is a consumptive patient, whose cough is infecting everyone else."
- *Marcel Salamin,* July 2008

"Ecuador is causing the instability of all of the Americas."
- *Mario Zamora,* July 2008

"Visas for the importers of crime!"
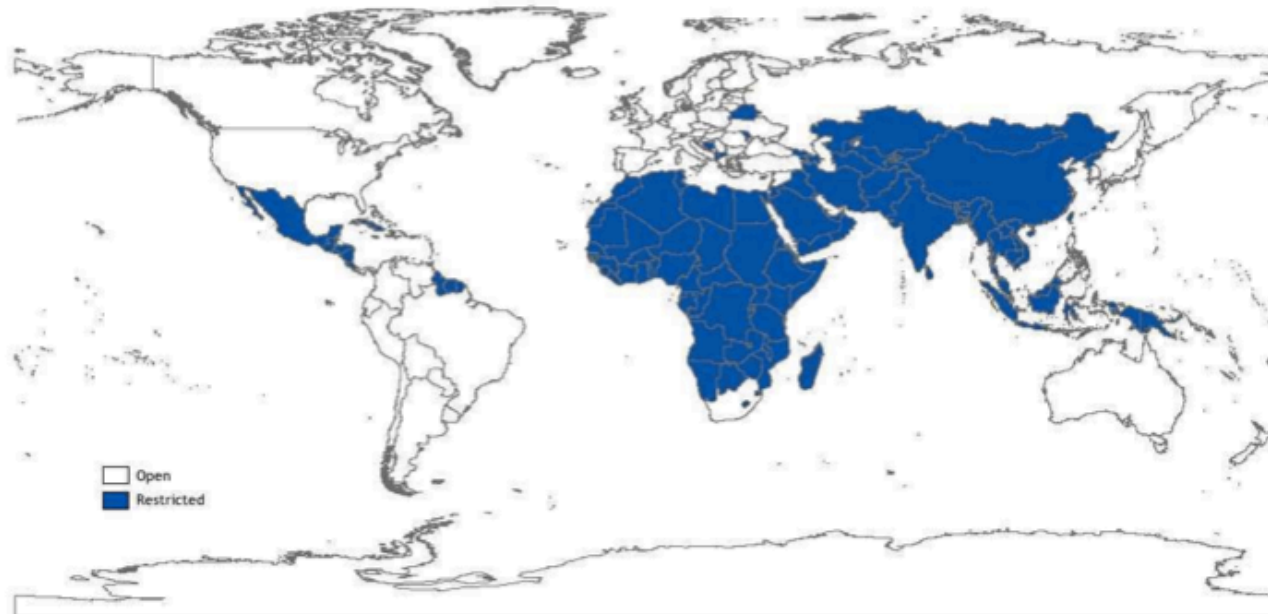- *Jaime Nebot,* November 2010

Research Questions

- Did the "open doors" policy lead to increasing south-south immigration?

- What are the aspirations and capabilities of south-south immigrants?

- Did increasing south-south immigration increase crime in Ecuador?

- Did the "open doors" policy lead to increasing south-south immigration?

Countries affected by "Open Door" Policy

Methodological Considerations:

Natural Experiment vs. Difference-in-Difference

- Comparative interrupted time-series design with partial reversal of initial treatment (Meyers 1995)

- The source of variation of the visa policy was exogenous to changing immigration flows.

- Peru as comparable "control group"

         - Comparison of immigration flows from restricted and unrestricted countries before and after the policy change
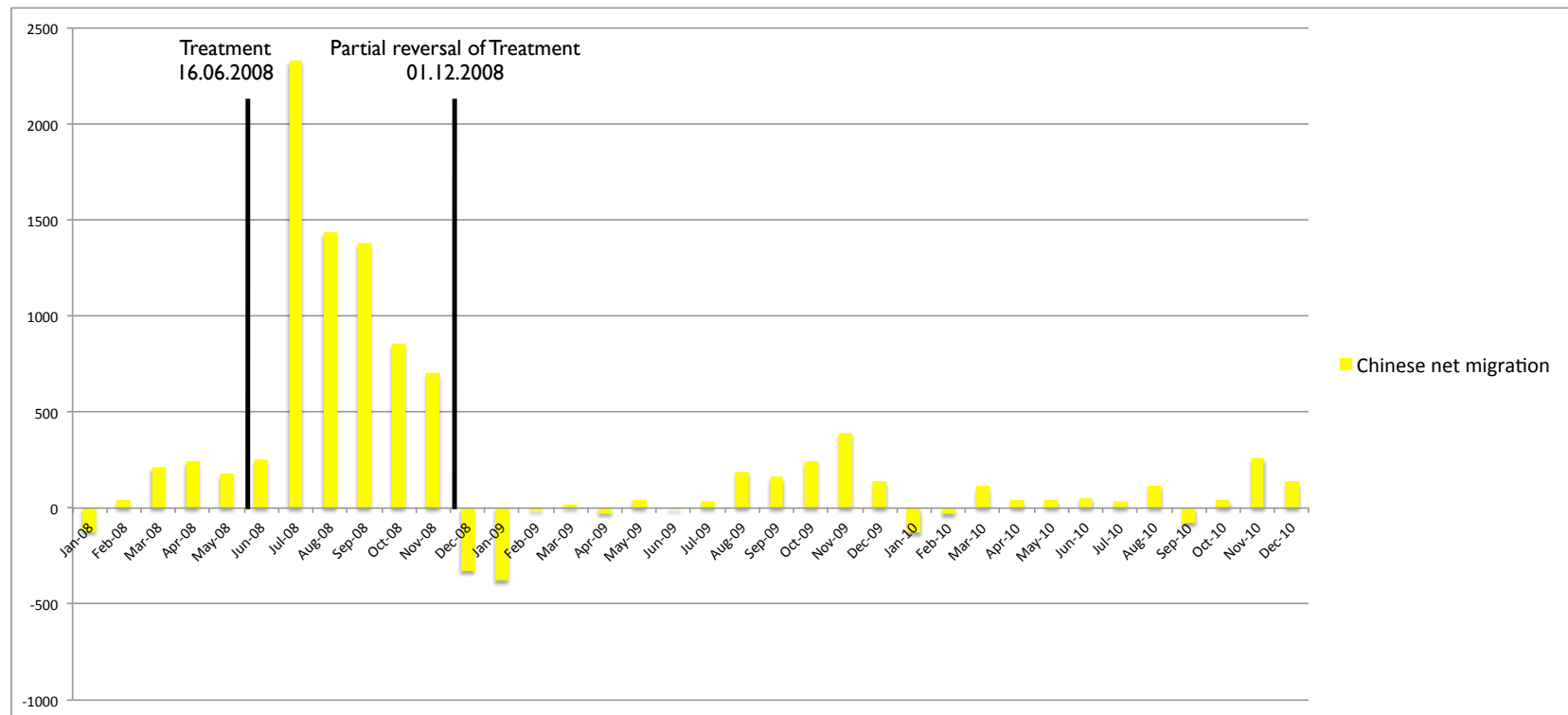
- "Natural Experiment"

Annual Net Migration Flows from Specific PRCs

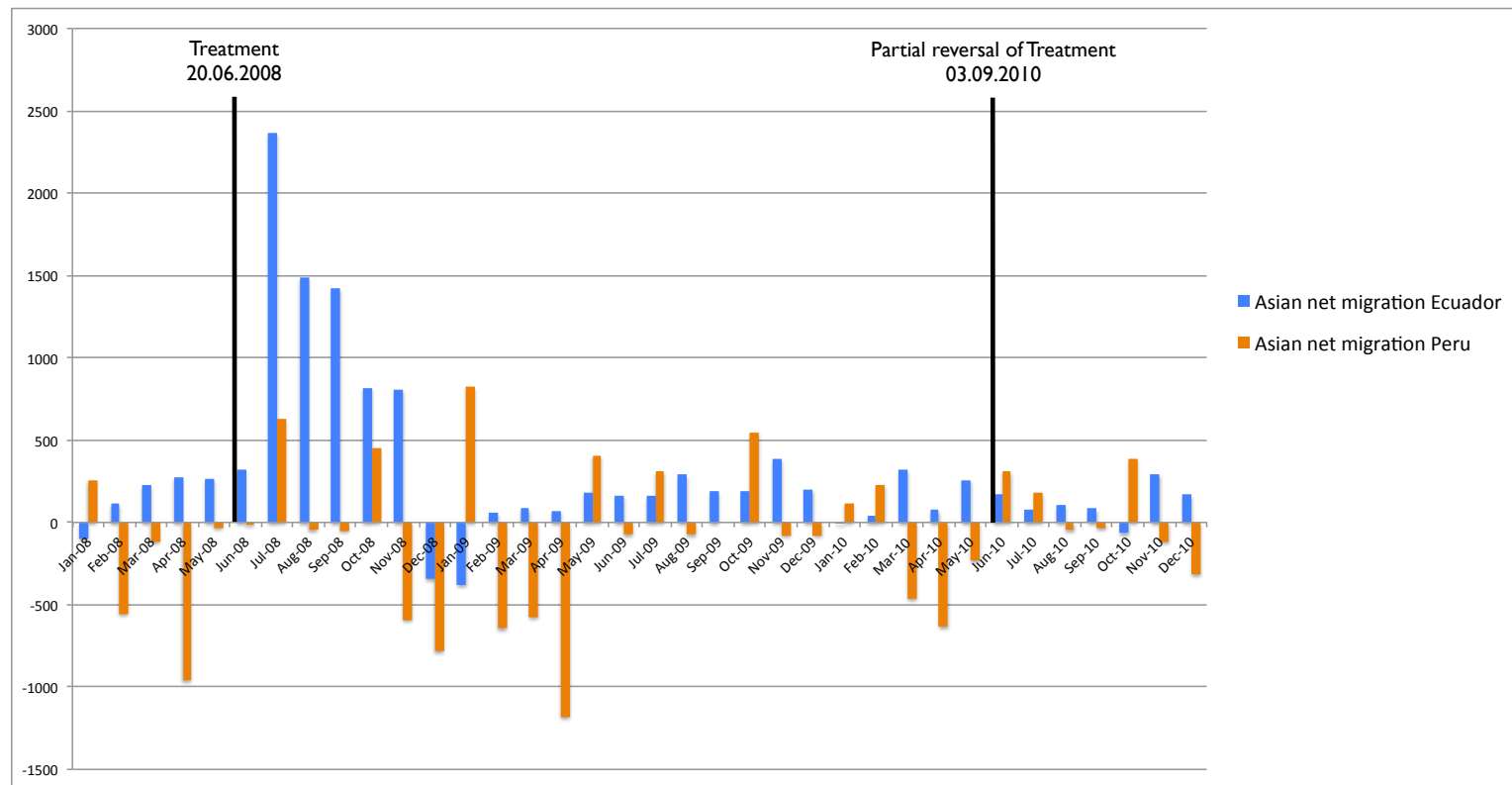| Region	Country	2002	2003	2004	2005	2006	2007	2008	2009	2010	TOTAL 2008-2010
Africa	Eritrea*	0	0	0	0	0	-2	0	236	398	632
Africa	Ethiopia*	2	8	0	0	0	2	21	132	144	309
Africa	Kenya*	-6	-18	-5	2	8	1	5	198	82	267
Africa	Nigeria*	2	1	5	4	3	3	34	247	133	432
Africa	Somalia*	0	:	0	2	0	0	0	16	54	72
:	:	:	:	:	:	:	:	:	:	:	1,712
Asia	Afghanistan*	-2	-175	-38	-22	-4	3	4	44	4	-186
Asia	Bangladesh*	-2	4	5	-8	6	1	54	214	276	550
Asia	China*	-36	184	379	16	353	359	7,240	723	551	9769
Asia	Nepal*	4	20	40	-24	-5	-8	41	158	114	340
Asia	Pakistan*	7	30	15	-3	9	32	43	205	221	559
											11,032
Caribbean	Cuba	-360	670	669	225	295	-33	1,013	3,967	2,030	8476
Caribbean	Haiti	-11	31	-8	-2	1	-7	83	696	511	1294
											9,770

Source: Own elaboration based on data of the Dirección de Migración de Ecuador, 2011
(*countries for which visas have been reintroduced)

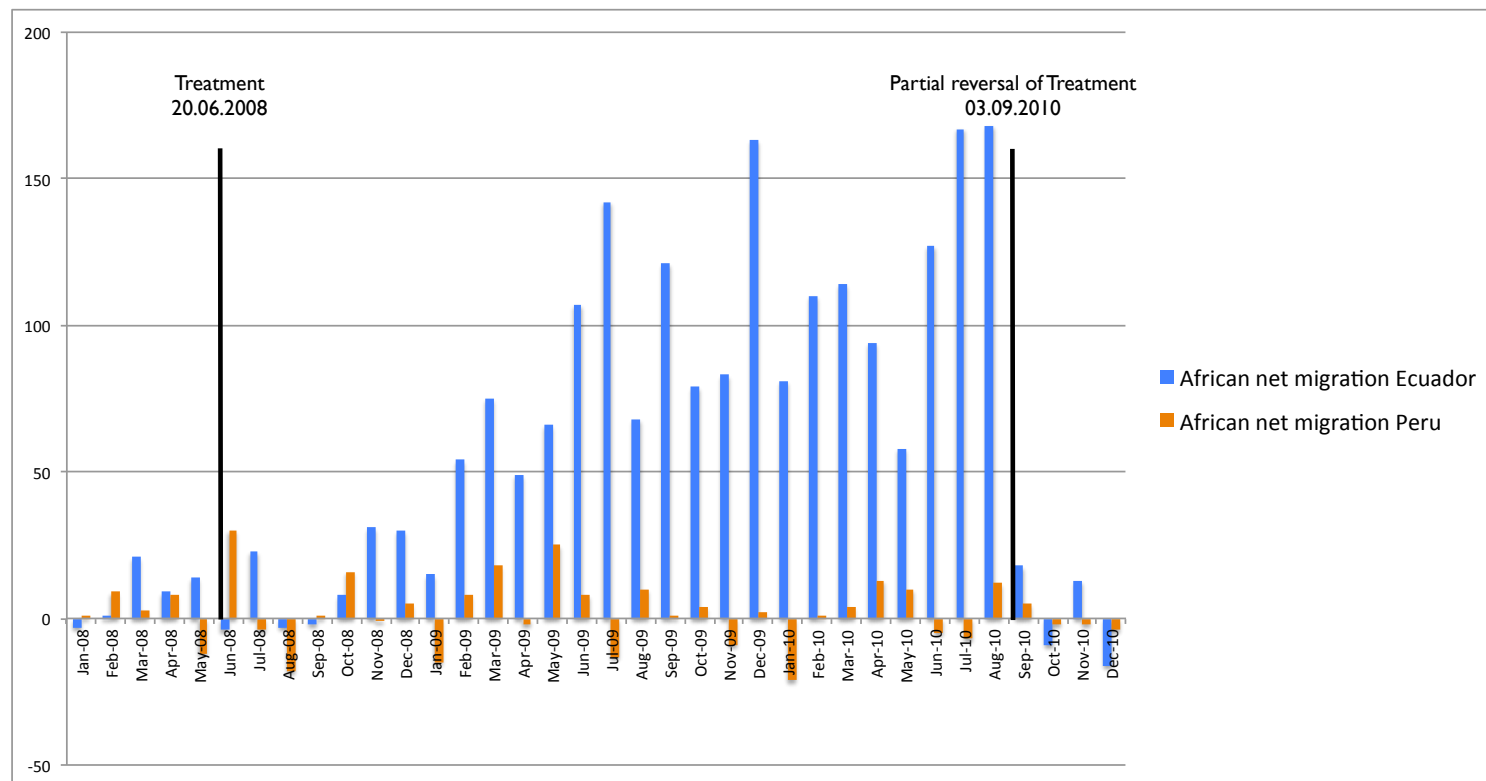# Chinese Net Migration to Ecuador 2008-2010

Treatment
16.06.2008

Partial reversal of Treatment
01.12.2008

Chinese net migration

Source: Own elaboration based on data of the Dirección de Migración de Ecuador, 2011

Asian Net Migration to Ecuador and Peru 2008-2010

Treatment
20.06.2008

Partial reversal of Treatment
03.09.2010

3000
2500
2000
1500
1000
500
0
-500
-1000
-1500

Jan-08 Feb-08 Mar-08 Apr-08 May-08 Jun-08 Jul-08 Aug-08 Sep-08 Oct-08 Nov-08 Dec-08 Jan-09 Feb-09 Mar-09 Apr-09 May-09 Jun-09 Jul-09 Aug-09 Sep-09 Oct-09 Nov-09 Dec-09 Jan-10 Feb-10 Mar-10 Apr-10 May-10 Jun-10 Jul-10 Aug-10 Sep-10 Oct-10 Nov-10 Dec-10

■ Asian net migration Ecuador
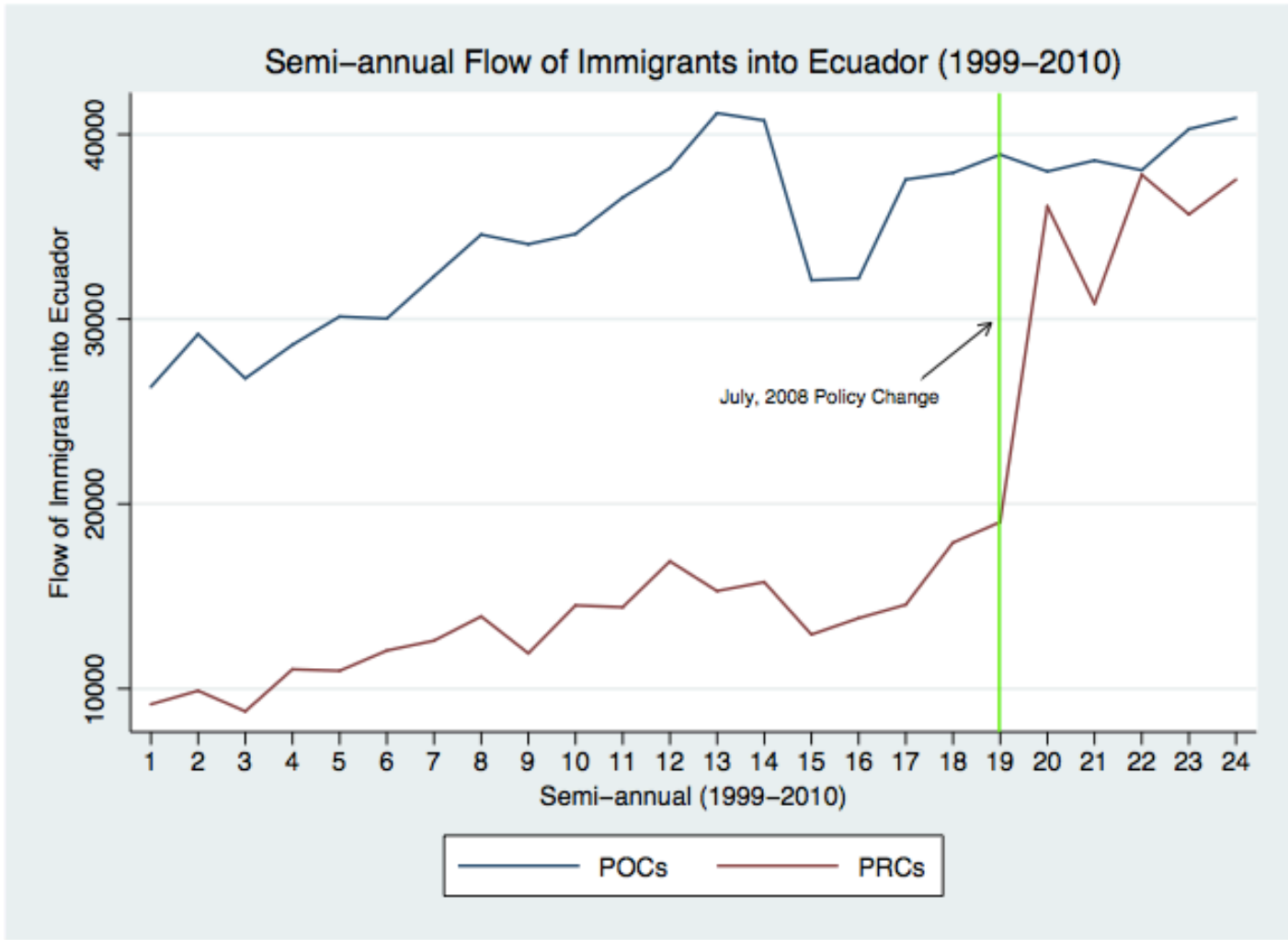■ Asian net migration Peru

Source: Own elaboration based on data of the Dirección de Migración de Ecuador, 2011

African Net Migration to Ecuador and Peru 2008-2010

Source: Own elaboration based on data of the Dirección de Migración de Ecuador, 2011

- "Difference-in-Difference"

Semi-annual Flow of Immigrants into Ecuador (1999–2010)

Annual "Immigrant" Flows from Specific PRCs

Country	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Reversed												
Afghanistan	70	37	52	326	465	890	545	7	11	28	70	62
Bangladesh	6	11	12	11	1	17	41	9	11	107	321	362
China	826	1,418	2,306	3,190	3,049	3,710	3,229	3,567	4,855	14,468	7,844	6,879
Eritrea	0	0	0	0	0	0	4	8	8	9	256	411
Ethiopia	20	28	24	16	20	25	30	58	23	44	175	188
Kenya	27	63	50	42	35	51	75	40	49	52	267	164
Nepal	18	11	11	43	68	179	210	18	12	82	234	159
Nigeria	24	24	43	53	40	39	71	81	66	94	545	359
Pakistan	50	57	91	52	119	92	92	88	114	179	497	518
Somalia	6	8	4	4	1	1	0	2	0	0	17	55
Other Notables												
Cuba	1,854	1,798	1,891	2,137	2,459	2,946	2,917	3,139	4,763	10,955	27,065	27,001
Haiti	106	188	298	162	154	192	165	112	134	270	1,257	1,618
India	599	425	538	664	671	965	780	613	795	1,212	1,570	2,060
Iran	67	98	86	71	76	44	62	74	128	84	269	232
Myanmar	4	3	8	3	6	2	7	1	4	42	130	158
W. Sahara	20	68	56	94	35	75	36	9	24	128	233	240
Sri Lanka	23	16	29	17	9	24	11	14	22	37	178	255

Difference-in-Difference Design

$$M_{cm} = \varphi X_{cm} + \alpha V_{cm} + \rho P_{cm} + \epsilon_{cm}$$

where M_{cm} is the log of the number of immigrants from country c entering Ecuador/Quito/Guayaquil in month m. X_{cm} is a "policy" indicator, and φ is the coefficient of interest measuring the effect of the policy on PRCs. The terms V_{cm} and P_{cm} are, respectively, indicators for POCs and PRCs and the implementation date of the policy.
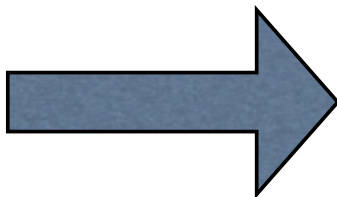
- Result: Ecuador's policy of "open doors" led to a 28-30% average increase of monthly migration from PRCs.

- What are the aspirations and capabilities of south-south migrants?

Migrants' Aspirations

- 90 day visit

- Visa Overstayers

Tourism

Irregular stay & work

Obtaining residence status

Criminal Activities

Irregular Transmigration

Forced Migration

Determinants of South-South Immigration:

	Ecuador	POCs	PRCs	Reversed
GDP per capita PPP	$7,738	$25,293	$8,908	$1,914
Average Years of Education*	8.07	10.07	6.94	5.84
Share of Population 15-24 yrs.	19%	15%	20%	20%
Inequality	49.3	36.6	41.7	36.6
Distance (km)	-	8,873	11,038	14,304
Language (Spanish)	-	19%	8%	0%

* Average number of years of education for individuals above 15 years of age
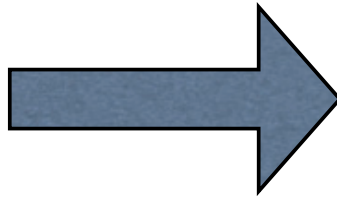
Abandoned Asylum Applications (until June 2011)

COUNTRY	ASYLUM APPLICATIONS	ABANDONED APPLICATIONS	ABANDONED IN PER CENT
ERITREA	97	82	85%
CHINA	94	59	63%
BANGLADESH	187	93	50%
SOMALIA	23	10	44%
ETHIOPIA	48	20	42%
NEPAL	52	21	40%
HAITI	965	356	37%
PAKISTAN	344	99	29%
NIGERIA	311	88	28%
CUBA	5,735	734	13%
KENYA	1	0	0%

Source: Own elaboration based on data of the Dirección de Migración de Ecuador

Migrants' Aspirations

- 90 day visit

- **Visa Overstayers**

Tourism

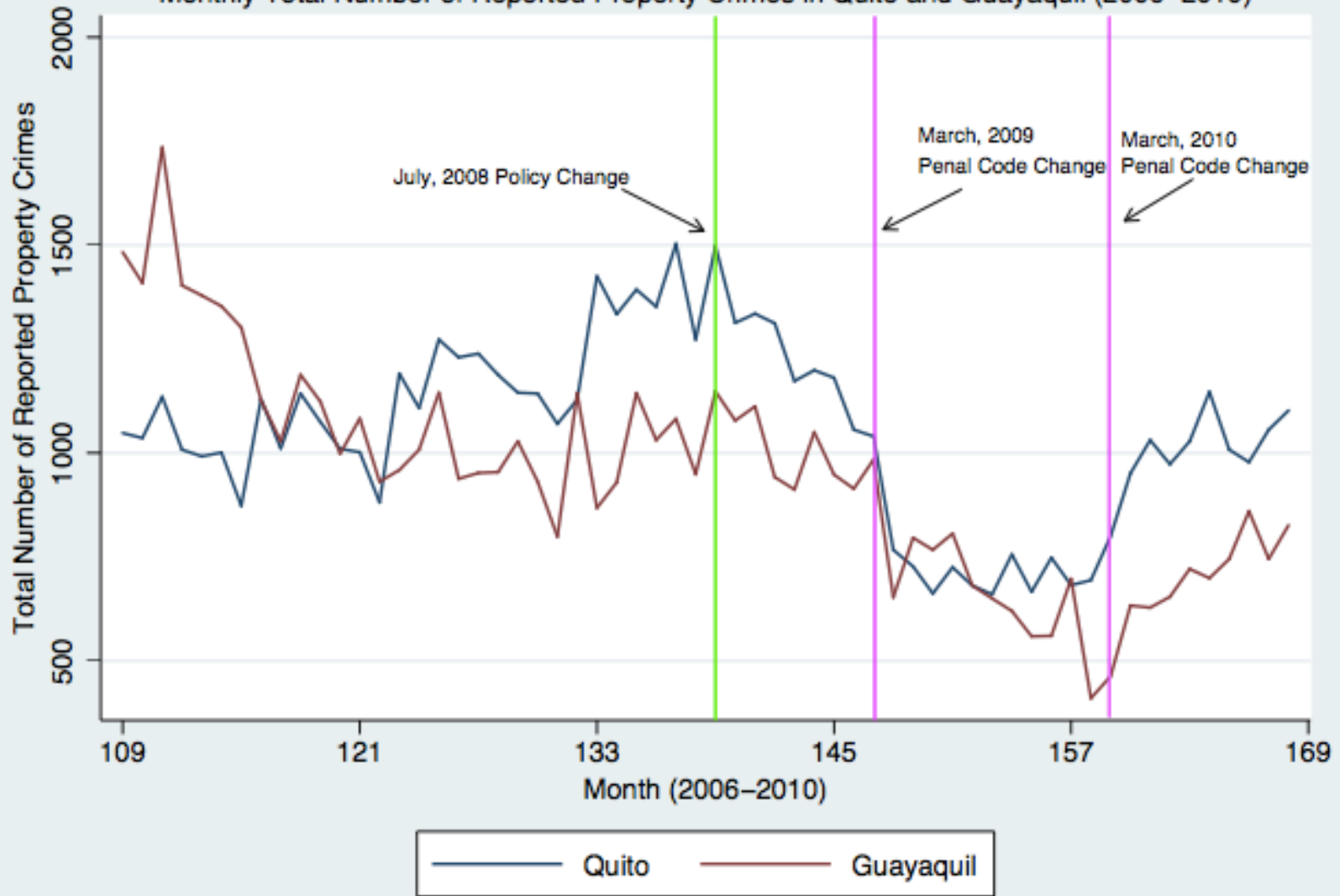**Irregular stay & work**

Obtaining residence status

Criminal Activities
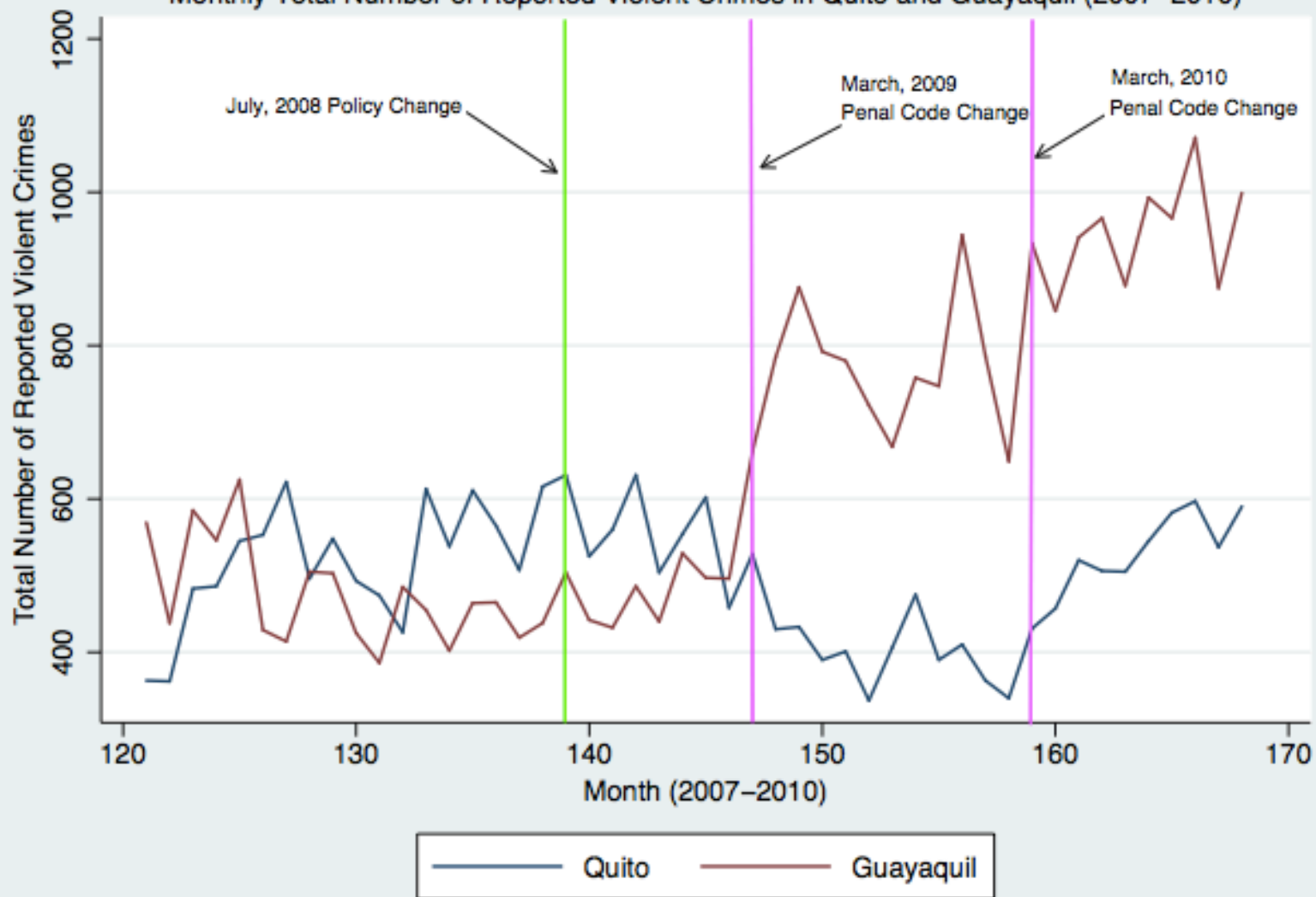
Irregular Transmigration

Forced Migration

- Did increasing south-south immigration increase crime in Ecuador?

Monthly Total Number of Reported Property Crimes in Quito and Guayaquil (2006–2010)

Monthly Total Number of Reported Violent Crimes in Quito and Guayaquil (2007–2010)

Estimating the Relationship between South-South Immigration and Urban Crime

$$C_{cm} = \beta M_{cm} + X'_{cm}\gamma + \mu_c + \tau_m + \varepsilon_{cm}$$

where C_{cm} is the log of the number of crimes reported in city c during month m, M_{cm} is the log of the flow of immigrants from PRCs, X'_{cm} is a set of control variables, μ_c are city fixed effects, τ_m is a quadratic time trend, and ε_{cm} is an error term. The parameter of interest is the elasticity of crime with respect to the flow of immigration, which is identified by β.

- Results: A 1% increase in PRC immigrant flows is associated with a 0.08% increase in property crimes and a 0.17% decrease in violent crimes. Given the 28-30% average increase of monthly migration from PRCs, the policy change is associated with an 2.2-2.4% increase in property crime and a 4.8-5.1% decrease in violent crime.

- Policy Reactions & Conclusion

Thank you!

Policy effects on PRCs:

| | Ecuador | | Quito | | Guayaquil | |
VARIABLES	1999-2010	2006-2010	1999-2010	2006-2010	1999-2010	2006-2010
policy.visa	0.298***	0.279***	0.304***	0.259***	0.044	-0.145
	(0.066)	(0.088)	(0.067)	(0.090)	(0.070)	(0.096)
policy	0.102**	0.108	0.054	0.056	0.135***	0.146**
	(0.052)	(0.068)	(0.052)	(0.068)	(0.050)	(0.067)
visa	-1.583***	-1.565***	-1.463***	-1.418***	-0.884***	-0.695***
	(0.031)	(0.064)	(0.032)	(0.065)	(0.033)	(0.071)
Constant	3.106***	3.101***	2.862***	2.860***	2.217***	2.205***
	(0.024)	(0.048)	(0.024)	(0.048)	(0.024)	(0.048)
Observations	17,708	7,291	15,406	6,490	12,122	4,947
R-squared	0.154	0.128	0.143	0.114	0.071	0.051

Standard errors in parentheses
*** p<0.01, ** p<0.05, * p<0.1