

The Impact of Immigration on Unemployment: The Case of Türkiye

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Abstract: Political and economic instability and conflict environments at the level of developing countries have increased immigration significantly in the last decade. The economic, political, and cultural impacts of immigration are intensely the subject of scientific research. In this study, the impact of immigration on unemployment, which is one of the economic effects, was examined in the period of 2000-2021 in Turkey. After confirming the existence of a long-term relationship between immigration and unemployment with the co-integration test, the impact of immigration on unemployment is analyzed employing the Vector Error Correction Model (VECM). In the model immigration and real output are the independent variables while unemployment rate is the dependent variable. The outcomes of the VECM indicate that a 1% increase in immigration leads to an increase of 0.50% in the unemployment rate, and a 1% increase in real output reduces the unemployment rate by 2.34%.

Key Words: Immigration, unemployment, Türkiye