



► Refugees are builders of economies, not a burden

Episode 5 – Refugees at work – What are their prospects?

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► Transcripts

► Tom

With the number of refugees increasing worldwide, the majority are living in low- to middle income countries, many of which have fragile or weak economies. The length of displacement has also steadily increased, with the average length of displacement now more than a decade. Thus, there is a critical need to explore the constraints and opportunities related to refugee employment, self-sufficiency and the right to work in host countries.

What is more, researchers are examining refugees' livelihood strategies, and their "agency" or involvement in the design, planning and implementation of development support. This includes the aspirations of refugees, how they function as economic actors, how refugee economies develop, and how they can become self-employed entrepreneurs and gain economic self-sufficiency in practice.

These are some of the issues we're exploring in this new podcast series "Refugees at work: What are their Prospects?" It's being presented by the ILO's PROSPECTS programme, or "partnership for improving prospects for forcibly displaced persons and host communities."

I'm your host Tom Netter for this series of podcasts. In this episode, we talk to Alexander Betts, Professor of Forced Migration and International Affairs and Pro-Vice Chancellor at Oxford University, and Bisimwa Mulemangabo, PhD Candidate and Lead Researcher at the University of Oxford Refugee-Led Research Hub.

Alex and Bisimwa, welcome to the podcast. So let's start with the basics. Alex, what are the different kinds of economic activities and employment that refugees are engaged in?

► Alexander Betts

It's great to join you, Tom. There's a whole range. It really depends on context. Refugees are obviously hosted by countries around the world, rich, low-income, middle-income. There's a whole variety of factors that shape the economic activities and employment activities that refugees undertake. On the first level, the right to work shapes what refugees can do. Even when there is no right to work, displaced people still find ways to engage in livelihoods activities, but they're often constrained to the informal economy. Where the formal economy is available, they'll take those opportunities, but where it's not, the informal economy often becomes the next best solution. In many contexts where refugees are displaced, as the majority are in low- and middle-income countries, sources of income can depend on employment, but also humanitarian assistance, also remittances.

So being able to work is one part of refugees access to income and the ability to support themselves and their households. It also depends on the market context. Are they hosted in predominantly agricultural economy, a manufacturing economy, a service sector economy? Very often culture will also shape economic activity. So many people will want to continue with the types of livelihoods activities they may have undertaken in their country of origin.

So, a lot of my research is focused on East Africa and in many host countries, Somali refugees will focus on commerce and often won't be used to doing agricultural work and so won't. Whereas Congolese refugees might focus more on agriculture where it's available. Rwandans, for instance, might engage in dairy farming where they've got those experiences. Where others hosted in the same economies won't. Even where formal economic jobs are not available or in remote camp-like environments, there are opportunities sometimes to work with humanitarian organizations and NGOs. Incentive work, as it's often known, is sometimes available often very poorly paid, often capped by host governments, people will be able to work for a UN organisation or an NGO where that opportunity is available.

But I think where the informal economy is the last resort, self-employment becomes a big opportunity for displaced people, often just at the level of subsistence, often very small businesses that might have no employees or one employee who might be a family member. And those opportunities often reflect the constraints that displaced people face. But we shouldn't neglect that for a few, professional employment opportunities, traditional sort of

middle-class professions are sometimes available. We have teachers, we have doctors, we have lawyers. And actually, the challenge for many refugees is having those qualifications recognised, and being able to access the work permits to be able to have careers that advance them in careers that have a trajectory and an opportunity to change their lives and those of their communities. So I think the message is it depends very much on a number of things, the right to work, the market opportunities, the economic culture that people have come from.

► Tom

Thanks, Alex. That was very interesting. Now, Bisimwa, do you have anything you'd like to add or any observations you'd like to share with us on this?

► Bisimwa Mulemangabo

Yes, thank you very much. And thank you really for taking the time to speak with me. Yes, I would like to add a few observations from my experience, my experience living in Uganda and also my experience living and working in Kenya. So, I would like really to stress the issue of access to different economic activities within the host communities. So, what we're seeing is that increasingly refugees, entrepreneurial activities are really being affected by what the current economic situation in the region, specifically in Uganda and in Kenya.

So, there's increasing competition over limited resources and that has intensified over time as the number of refugees increases, we see more refugees really sort of clashing with host community members. For example, in Kampala, refugees who have been for a long time involved in petty trading and hawking of their items along the streets are no longer allowed to do that. And so some refugees find it really very difficult in the urban area and they relocate to the camp settings, where also, there's no access to work opportunities and food security is really alarming in those areas in the camp settings.

So, what is happening also, we see the issue of refugees also in some areas being politicized. Refugees are being unfairly charged high accommodation fees. And this is because they are seen as a threat to the local communities. Landlords do not want to rent out their houses to refugees anymore. And so refugees' economic activities are being affected. And some of them are really being forced to go back to the settlements or the camps. So, this is affecting refugees from various countries, refugees from South Sudan, refugees from DRC, and so on. So as a result, we see this anti-refugee sentiment and increased discrimination. Many refugees are then requesting to be transferred to refugee camps.

So, I think despite that, refugees still remain resilient. They are still finding ways of surviving by creating small groups, by networking with their communities and communities outside their countries of residence. And this is really becoming a kind of a trend that is ongoing. Yeah, so economic activities are being affected, but refugees remain resilient.

► Tom

Okay. Interesting. Now I'd like to continue, Bisimwa. Can you describe in more detail the kind of livelihood strategies that refugees undertake?

► Bisimwa Mulemangabo

Yeah, so refugees really engage in various activities. And most refugees are self-employed. They are mostly self-employed as in most contexts, refugees do not have access to formal employment. They engage in petty trades, agricultural production, some value addition, and so on. I'll give an example of the context in Uganda where refugees have the right to work. A majority of refugees from the DRC in the urban areas engage in trading, trading of cloth fabrics, locally called Bitenge, while camp-based refugees from the DRC engage in small agricultural activities. And there is also a variation in terms of activities based on the countries of origin. And Prof. Alex has elaborated on this.

But while refugees have this right to work, you realize that they do not have access to really formal employment, especially in the private sector, the private sector that is not really so accommodative of refugees. And so refugees try to mobilize the little resources they get from remittances and from friends and colleagues around in the country of asylum to start their small activities.

And so, we also have refugees that have come together to form what they call refugee-led organizations. And what they are doing is they are really sort of trying to come up with innovations, products and services that they provide to fellow refugees and host community members. And so they create job opportunities for both refugees and host community members. So we also see refugees who are kind of settled in areas that are in proximity of their country of origin, trying to take a risk because of a difficult kind of situation, the livelihood situation in the camps, trying to take these dangerous decisions to try to go back to their country of origin, to try to see if they can have access to foodstuff and which foodstuff they bring to the refugee camps and sell so that they can survive.

We also see refugees, some few refugees, a limited number of refugees have networks within the region, but also globally. And they link with these networks so that they can have access to some products that are needed within their communities. They do what they call inter-regional and sometimes global trade with friends, family members who are outside the country of asylum. So refugees really are engaging in various, you know, activities so that they can survive and support their communities.

► Tom

Okay, let's move along to the next question. I wanted to ask Alex, how does the idea of decent work configure in refugees' livelihoods?

► Alexander Betts

One of the challenges is that historically, many of the employment opportunities that refugees have faced have been described as dirty, dangerous and demeaning, the 3Ds. And when people are compelled to restrict their employment activities to the informal economy, when they often face discrimination, when they perhaps don't have access to adequate humanitarian assistance or live in urban areas where humanitarian assistance is limited and there's limited social protection provided by host governments, they often have to resort to whatever they can to survive. And there are a variety of risks that come with that.

And I think it's very important that we recognise that there needs to be an alternative to that, that work should be decent work. And that means that it has to respect people's human rights. And it's important to recognise that socioeconomic rights are a very big part of international refugee law and the 1951 Convention on the Status of Refugees, that refugees have socioeconomic rights under international human rights law, and work should respect those rights. It should also respect people's human dignity. It should be dignified work. It should involve fair remuneration. And I think that doesn't mean that we have to think about refugees being paid disproportionately or over and above what we would expect the host community of a country to be paid. But it does mean that work should have some safeguards, some guardrails to ensure that it reflects those minimum standards that it supports freedom, equity, dignity.

I think it's also important in terms of how we define the scope of decent work to think also about what meaningful career trajectories can look like. That actually when we think about work, there will be different career pathways for different people. And that the fact of being displaced shouldn't limit the scope of ambition that people should aspire to. And actually, can we think in creative ways about graduation, about career pathways, about what it is to be able to access education, vocational training, higher education, to be able to progress and have career mobility.

► Tom

Well, one of the things that has been referred to is host communities. I want to ask Bisimwa, how do refugees contribute to local economies and how do the livelihoods of refugees and their hosts interact?

► Bisimwa Mulemangabo

Yes, refugees contribute to the local economies in many ways. First, refugees by creating their social enterprises, they employ some of the members of the host community. They create jobs for both refugees and host community members. So this is one way of contributing to the local economies. The second way is that when refugees innovate, come up with innovative products that are indeed needed in the market, they sell, get an income, but also pay taxes. And these taxes is a contribution to the local revenues that indeed then goes into development projects within the host country.

We also have refugees, a few refugees, who have been able to access formal employment, either in international or national organizations, or a few companies that have been able to grant jobs to refugees. Refugees contribute to the development of these companies and these organizations. And in this way, of course, refugees contribute again to the local economies through taxes, tax payment. So refugees really contribute in various ways. We also have refugees who have been able to access formal higher education, and they are indeed contributing in the education sector.

In the context of Uganda, for example, and Kenya, I have colleagues with whom I'm working at the Refugee Research Hub that are really partnering and working with local institutions of higher education, and they are really contributing to the knowledge. And this is very important because in this way, they really contribute to the knowledge, especially in forced migration knowledge that is from the source, that is really knowledge from experience, which is very important. And they are informing some of the policies, some of the programs that are ongoing within the refugee space in these countries. So refugees who have skills and indeed they come with skills, with knowledge, they are contributing to the local economies in various ways.

► Alexander Betts

Exactly as Bisimwa said, I mean, I think refugees bring skills, talents, aspirations to host societies, and they're often framed by host community politicians or by the media as a burden on receiving societies when actually they can be a massive asset to receiving countries. And we see examples of that. So across low and middle-income countries, very often refugees move to cities, but sometimes they move to border regions, to camp and settlement contexts. And these are often very remote, arid locations. And hosting refugees can contribute to opportunities for governments to develop those areas, to have the funding that comes with humanitarian assistance, but also the talent pool, the markets, the small businesses that emerge.

And very often that entrepreneurial spirit, that the markets that emerge interact with those host communities in ways that create extraordinary opportunities. So, in the context of Turkana County in northwest Kenya, the Kakuma refugee camps have been recognized by the local governor as a massive opportunity. The previous governor of Turkana said, we have two assets in Turkana, oil and refugees. He'd lived through the experience of the large-scale repatriation of South Sudanese refugees back to the country and realized how that undermined the local economy. And so, when South Sudanese refugees came back, he said, we need to make the most of this opportunity to build markets, to attract investment, to ensure better road infrastructure, connectivity to electricity, and ensure that the interaction with the local host Turkana community really benefited Kenyan nationals.

And I think around the world, increasingly, governments are seeing that, which is why more and more progressive government policies are emerging, where countries like Colombia, Turkey have given refugees the right to work and recognize that their interaction with markets is an opportunity rather than just a challenge. And it takes really brave politicians to articulate that in ways that we don't often see in rich countries where refugees are scapegoated. And yet across the rich world, there are demographic challenges, demographic pyramids mean there's a need for labour, both skilled and unskilled, and yet the politics gets in the way of the economic logic.

In our Refugee Economies programme in Oxford, we've looked at the interaction between refugee communities and host communities. And we've looked particularly at what determines social cohesion. When is it that host communities have positive attitudes towards refugees? And one thing we've found that matters is contact. So social scientists talk about contact theory. The more in groups interact with out groups, the more positive the attitudes can be. Whereas if they don't have that interaction, sometimes there are negative attitudes. And the types of interaction that mattered most are economic interactions. When refugees are customers of host community businesses, when they're employees, that can lead to positive attitudes. So the interaction that comes on the economic level when it's available, can really shift social cohesion in communities.

► Tom

Well, in this context, what are the sort of policy recommendations that you would prioritize for governments and international organizations that would enhance refugee access to sustainable livelihoods and decent work? Let's begin with Alex, and then we'll conclude with Bisimwa. Alex?

► Alexander Betts

Yeah, I think there's so much that needs to be done in this space. And the first and most obvious one is the right to work. Refugees need to be able to have access to employment opportunities in the formal economy. In order to access decent work, rights-based policies have to be implemented that respect socioeconomic rights. The right to work, yes, but also the other rights that link to it, the right to set up a business, the right to have freedom of movement, the right to own property. And those are very unevenly distributed across host societies. So in Uganda, the right to work and some freedom of movement is available. In Colombia, in Turkey, there's a partial right to work for refugees.

But in other countries from Kenya to Tanzania to Thailand, those rights have been very much restricted. So we need to shift that. And rich countries are also included in that. In Europe, for instance, yes, refugees have the right to work, but there are restrictions on the timeframe before asylum seekers can access the right to work that are different across European countries. And that leaves people locked out of labour markets, facing wage differentials compared to citizens, facing often a reinforcement of discriminatory boundaries that shift the opportunities that are available. So the rights-based framework, the legislation that's available, has to move towards socioeconomic rights.

I think the second aspect that's really important is this isn't just about government. Government, for the most part, can't create jobs and employment opportunities. The private sector does, business does. But the level of business engagement between the humanitarian sector and business communities remains, I think, relatively limited. A lot of business engagement has been in the Global North, in Europe, North America, or Australia. And it's been focused very much on the corporate social responsibility, the ESG frameworks of businesses, creating internship pathways for talented refugees.

Where we need a lot more thinking is what that looks like in low and middle-income countries. How do we engage businesses, including small and medium-sized enterprises? How do we create incentives for them to think about nurturing refugee talent, to relocate to the areas in cities, in rural areas, where refugees are based and to recognise that this is a business opportunity and where necessary to subsidise it, to support it, to give them opportunities to understand that refugee talent is available and it can support business in all sorts of different parts of the world.

I think the third thing I'd highlight is the need for an integrated approach. That approaches to support opportunities for citizens, for the host community, should sit alongside refugees. Good socio-economic policies for refugees have to be good policies for the host community. Policies that support market-based development in refugee-hosting areas can float all boats. They can lift opportunities for everyone. And there have been examples of this that I've seen around the world. So in Ethiopia, for instance, in the Dolo Ado refugee camps, cooperatives were created with IKEA Foundation support that employed both refugees and host community members in broadly equal numbers, a sort of 50-50 split. And we found that those opportunities in agriculture, in livestock, in commerce, in small business development, not only raised income levels for both groups, but they also changed attitudes, creating more social cohesion.

There's an awful lot that can be done. There are other things that are important. Education leads to employment, not just academic education, but vocational education that needs to be strengthened across the board. And in all of this, there are huge gender dimensions. Systematically, refugee and displaced women have less access to educational opportunities, employment, and lower income levels. And so thinking seriously about the economic lives of refugees from a gendered perspective also really matters within the policy context.

► Tom

Thanks, Alex. Just to move on Bisimwa, can you offer us your thoughts on this? And also, can you explore refugee agency, the concept of refugee agency?

► Bisimwa Mulemangabo

Yes, thank you very much for the question. So, I think first of all, we have to appreciate that while the Refugee Convention sets the minimum standards in terms of the rights and freedoms, states are at different levels of compliance. So, some countries have made considerable progress, countries such as Uganda and Colombia, are more progressive in terms of their policies and inclusion of refugees, while other countries are really lagging behind to fulfill their obligations under the convention.

So, this means that policy recommendations would vary from country to country. But overall, the main recommendations would be for governments to open up and support freedom of movement for refugees. And I think this is very important in the context of globalization, access to markets, networks, opportunities, and access to certain services such as education, health, and so on. I think access to you know these CTDs, Convention Travel Documents, is very important for refugees and open up opportunities for them.

Secondly, it is important for governments and international organizations to work together to allow refugees access the labour markets and to sensitize the private sector about the rights to work for refugees because in most contexts, private sector actors are not aware of refugees and the rights of refugees and they have for a long time been left out of the refugee response, as professor put it.

So, and then finally, on the question of agency, I think this is also very important. And it is also a recommendation, I would say, because recognizing and supporting refugee agency is very important. That is involving refugees in the design, planning, and implementation of aid is important to respond to their needs because refugees know what they need, what they want. But oftentimes, response actors sit in New York or Geneva or London to plan without the involvement of refugees. This often leads to this sort of misalignment between aid expectations and refugee response in very various contexts. So, you see what is being done does not really produce the expected results. And we see refugees keeping in this vicious cycle of, you know, aid. They are always in need. They are always providing the same aid, the same services over and over again.

So, again, refugee agency is basically really, I would say, refugees' ability to navigate the intricate environment and institutional structures to make a living and achieve their aspirations. Refugees have their aspirations. They know what they want. And this must be recognized. But what we see is there are often no opportunities for refugees to make their own choices. And others, the international organizations, the UN agencies, donors, and host governments decide on behalf of refugees. They decide about where refugees should live, what kind of employment activities they should be engaged in, and what kind of future actually refugees should have and a refugee generations should have.

So I think this has to be really taken into consideration during planning and execution of aid, because what we see is increasingly refugees are living in situations of protractedness where refugees are in situations of exile for decades. The refugees who came in 1990s, for example, we still have them in some camps and settlements within East Africa. And their children are still refugees and we don't know what's happening to the children of their children. So I think i-nvolving refugees to create solutions, durable solutions, I think it's really key and important in responding to a refugee needs, but also in supporting refugee livelihoods and self-reliance.

► Tom

Well, that was a very comprehensive and wide-ranging interview and really highlights the research and findings you're working on. So, I want to thank you both for providing us with your expertise and knowledge on these issues.

That's all we have time for today, but there's more about the overall issue of refugees at work in our podcasts. You've been listening to the podcast series, Refugees at Work: What are their prospects? For more on this, go to www.ilo.org/prospects. Meanwhile, thank you for your time.

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