Putting Refugee Work Permits to Work

Vicky Kelberer

For decades, humanitarian experts and international organizations have called upon host countries to give more work permits to refugees. Permits are posed as a way to alleviate the poverty of refugees and lessen their dependency on aid. Host countries have traditionally shunned the notion, however, fearing the creation of permanent populations of refugees in competition with citizens for jobs. Most host countries, in fact, have done the opposite, blocking access to work and deporting refugees found working illegally.

There has now been a major shift in the attitude of Jordan, one of the largest host countries of Syrian refugees. In their desperation to stem the northward flow of migrants, European Union countries made work permits for Syrians a condition of Jordan’s aid package at a London donors’ conference in February. According to these requirements in return for favorable loan terms from the International Monetary Fund, Jordan shocked observers by issuing work permits for Syrian refugees in March, a move that had previously been considered “non-negotiable.”

Jordan hosts more than 640,000 registered Syrian refugees, and the government estimates that up to 1.3 million Syrians actually live in the country, between unregistered refugees and Syrians who were residents before the civil war. The vast majority—including 85 percent of those registered with the UN High Commissioner for Refugees (UNHCR)—live outside camps, primarily in cities, alongside poor Jordanians and migrant workers. The new work permit program is intended to wean refugees off what little aid exists; throughout the five-year Syrian refugee crisis, the UNHCR’s appeal has consistently been less than halfway funded. The program is also intended to enable Jordan to leverage aid and investment to stabilize a struggling economy and bolster domestic markets.

The influx of Syrians has helped and hurt the Jordanian economy, which had several pre-existing problems, such as high public debt as a percentage of GDP, dependency on foreign aid, and a high exchange rate of the Jordanian dinar. Many Syrian refugees brought significant capital with them at the beginning of the crisis, but much of that is exhausted, and those who own businesses face backlash for perceived crowding-out of Jordanian competitors. The Jordanian economy is projected to grow by 2.7 percent in 2016, below earlier projections of 3.5 percent and well below the 5 percent the government says is necessary to create sufficient jobs to match population growth and reduce unemployment.

The Syrian civil war, meanwhile, has adversely affected tourism, remittances from Jordanians living in Syria, and regional trade, particularly with Europe, and conflicts in both Iraq and Syria have cut off Jordan’s major land trading routes. Official unemployment hovers at above 13 percent, soaring to 30–40 percent among youth and 50 percent among women, creating a volatile mix of resentment between and within communities competing over scarce resources. Syrians and other migrant groups in particular suffer from these economic shortfalls, and as many as 85 percent live below the Jordanian poverty line.

The Jordanian government has announced targets ranging from 50,000 to 78,000 work permits distributed to refugees in 2016. It aims to create 1.2 million jobs (200,000 for Syrians and 1 million for Jordanians) in the coming years with the help of aid dollars and low-interest IMF loans, which are contingent on the success of the refugee work permit program. Yet only a few thousand Syrian refugees and their employers have actually received permits since the government announced the repeal of permit fees in May.

Syrians have been slow to apply: Approximately 74 percent of Syrian households received income from work in the informal economy in 2015, and many fail to see the benefit of registering when it means they will now need to pay taxes on income and go through the rigmarole of renewing the permits when they expire. Employers are also hesitant to register Syrian workers despite the fee waiver for permits, as registration entails paying a minimum wage and greater protections for workers, the lack of which many

Legibility also focuses on the social landscape of the camp. The UNHCR and SRAD have produced maps overlaid with anthropological data, such as resident region of origin and contact information for corresponding street leaders, allowing for more efficient communication between residents and authorities. Additionally, international NGOs and the UNHCR’s Child Protection and Sexual and Gender-Based Violence sub-working groups created safe spaces for children and women across the camp in July 2014, mapping the distribution of incidents of harassment or assault based on input from refugees. Today, these havens are dispersed across the camp.

Vicky Kelberer is an M.A. candidate in international affairs at Boston University’s Pardee School of Global Studies.
employers see as an advantage of hiring Syrians. Without different incentives, it will likely prove difficult if not impossible to register Syrians already working informally rather than creating new jobs.

Government plans for job creation center on fostering growth in manufacturing, agriculture and construction, the three main sectors where refugees and other migrant workers are currently employed. King 'Abdallah II announced a focus on the Special Economic Zones and other manufacturing districts outside the main urban areas. Such aspirations are not entirely misplaced, but with the high exchange rate of the dinar, Jordanian goods will require preferential treatment in major markets like the EU or United States if they are to compete with the output of countries with lower costs of production. The London Compact agreed upon in February offers just that in EU markets, but the terms of the deal are not yet final. In the meantime, it is likely that Syrian refugees working in manufacturing will only displace the migrant workers from South Asia who dominate the SEZs.

An overlooked area where investment could generate employment is urban infrastructure, in particular housing, water and transportation, all of which is stretched thin by population growth, mismanagement, disrepair and successive refugee crises. The urban housing market was in trouble long before the war in Syria. In 2008, King 'Abdallah led a “Decent Housing for Decent Living” campaign, but construction did not keep up with population growth. Seven years later, the country still fell 48,000 units short of meeting demand. And housing has been sidelined in the response to the refugee influx, culminating in the government’s six-month suspension of urban shelter projects in 2015.

In 2014, UNESCO ranked Jordan the fourth driest country in the world, and the country suffers severe water shortages. More than 76 billion liters of extracted water—enough to meet the needs of 2.6 million people—are lost each year in aging, leaky pipes. Illegal wells siphon additional water from the official water grid. Water conservation, common among Jordanians, has not yet spread among Syrians and other foreign populations, fueling communal tensions. Local water maintenance bodies are extremely understaffed, with one area the size of Hawaii in northern Jordan served by only six engineers.

Transportation infrastructure in Jordan is also unable to meet demand, and one of the most oft-cited effects of the Syrian refugee crisis by native Jordanians is the increase in traffic. The lack of safe, reliable public transportation also keeps women and children at home, restricting their access to what little aid does exist in urban areas. There was no comprehensive, publicly available map of Amman bus and other transport routes until a citizen-initiated project created one in March.

The clear pressing needs aside, there are numerous fringe benefits to investing in improvements to infrastructure, including economic growth and an improved quality of life for all of Jordan’s urbanites. Perhaps most important at the moment, these investments could create thousands of job opportunities for Syrian refugees and Jordanians alike.

Yet the Jordan Response Plan 2016–2018 takes little note of this promise, speaking of upgrades to just over 11,000 housing units, and the construction of 100 units, by 2018, far short of the 48,000 required in 2015 alone. Transportation will receive the third lowest amount of funding by sector through 2018, surpassing only energy and justice. In reality, transportation will likely receive much less investment given funding shortfalls that will force organizations to focus on critical, life-sustaining aid. Improvements to water infrastructure are comparatively well-funded, but the focus on mega-projects such as desalination plants and pipelines leaves the central issues of leakage, management and consumption unaddressed.

The specific needs vary from place to place. In some districts, most buildings are connected to the official water grid, and leakage is not a big concern, but housing prices have skyrocketed and construction has not kept up. In others, local transportation is nonexistent but housing has stabilized. The imperative, therefore, is to shift the aid paradigm from a few large-scale projects to multitudes of smaller ones. It will not be easy.

Leveraging aid and loans for economic benefit does not need to be a zero-sum game. Investing more in urban infrastructure could lead to easier transportation to SEZs, increased income and demand for the goods they manufacture, and rising standards of living for Jordanians. Small-scale intervention on the neighborhood level may not be flashy, but it is crucial. Absent such investment, it is hard to see how Jordan will meet the goals for its work permit program. And refugees and Jordanians may see little, if any, improvement in their daily lives.