Reflections: Book review

Refuge: transforming a broken refugee system

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Can capitalism help refugees? Review of the book **Refuge: transforming a broken refugee system** by Betts & Collier, Penguin Random House, London, 2017, pp. 266. ISBN 9780241289235.

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Less than a year after the beginning of what came to be known as the 'European refugee crisis' of 2015, a UN officer in Lebanon described his work in refugee protection to me as driven by "the idea and the anticipation and the objective that capitalism would benefit refugees at a larger scale than humanitarian delivery can."

The optimistic suggestion that capitalism can help refugees is at the core of Alexander Betts and Paul Collier's book *Refuge: transforming a broken refugee system* (2017). It is by far the most debated book in the field of refugee research and policy published in 2017. Other writers have authoritatively taken issues with several aspects of the volume – from its allegedly "ethnocentric" understanding of the dynamics of refugee migration (Crawley 2017), to the "prickly" manner in which its critique of humanitarianism and the United Nations High Commissioner for Refugees (UNHCR) is articulated (Hargreaves Heap 2017). This review essay will focus on the authors' claim that an aptly regulated capitalism can help saving a collapsing global humanitarian regime – an increasingly influential paradigm within the "neophile" world of international aid and development (Scott-Smith 2015). As Betts and Collier seem to suggest, albeit without fully developing this line of argument, at stake in this global shift is not only the future of refugee governance, but also a possible new legitimacy for global capitalism, one that builds upon and expands traditional notions of "corporate social responsibility". In other words, *Refuge* intercepts, summarizes, and infuses new confidence into a global trend towards humanitarian innovation through new, globalized "refugee economies". As this review will discuss, however, claims of novelty hide a far more complex historical reality.

The authors of the book are a professor of international affairs and director of the Oxford Refugee Studies Centre (Betts), and a professor of economics at Blavatnik School of Government and former director of research at the World Bank (Collier) – highly influential scholars mostly engaging in policy research. Betts in particular has pioneered work on refugee economies, innovation in refugee aid, and extensively consulted for the United Nations and national governments. Written "for a generalist audience" rather than for an academic one, as the authors explain in the introduction, the book is comprised of two main parts. The first one offers a diagnosis of what is defined as the "global disorder" of the refugee regime. This is described as a crisis of governance that reached its tragic peak with the panic-fueled policies that followed the waves of migration across the Mediterranean caused by the Arab uprisings and the Syrian conflict. The second part of the book is devoted to the authors' proposal for rethinking this global regime. The first question they address is framed as ethical in nature, and it concerns the 'duty of rescue'. Such ethical imperative, they claim, should be contextualized within a

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rational acknowledgement of the logic driving states' decisions, namely comparative advantage and burden-sharing in humanitarian policies. Building on this foundation, the central part of the book makes the case for a marriage of humanitarian principles and capitalist economic development. It does so by proposing ways of creating new and more functional 'havens' and restoring refugee economic autonomy, as well as new paths to post-conflict reconstruction and recovery and a new, more synergic global governance. Most of the proposals outlined rely on the political, legal and operational distinction between refugees and economic migrants. In re-affirming this distinction, the book avoids fully engaging with decades of empirical research that has highlighted the complex, mixed character of contemporary migratory movements within and from conflict zones, as well as the unstable epistemologies upon which migration categories rely (see Allen *et al.* 2017; Crawley 2017).

As several critics have pointed out, few would disagree with one of *Refuge's* central claims: that denying refugees the right to work is "a catastrophic error", as the authors authoritatively claimed in an opinion piece for The Guardian (Betts & Collier 2017a). The point is assertively articulated, emerging from a timely and useful synthesis of the failures of the refugee regime. However, their argument about the need to grant access to labour markets in order to make refugees economically autonomous is not a new one, and is far from uncontested (see Crawley 2017). Refugee livelihood assistance has preoccupied the international community since the creation of the League of Nations in 1919 (Easton-Calabria 2015). The link between refugee (and migration) governance, economic development and security has been high on international policy agendas at least since the 1950, when the United Nations Relief and Works Agency (UNRWA) explicitly sought to facilitate job creation in order to remove Palestinian refugees from their relief rolls (Talhami 2003, 139). In the last two decades, the social and economic autonomy of refugees has imposed itself as a policy diktat through the language of self-reliance and resilience (Easton-Calabria 2015; Ilcan & Rygiel 2015). These last two, however, have proven difficult targets to achieve. The economic autonomy secured by integration in local markets in first countries of asylum is often precarious, unstable and elusive to the point that many prefer the rather basic assistance they receive in camps to the self-reliant destitution they experience after settling in cities (Jaji 2012; Newhouse 2015).

Choosing not to engage with the critical literature on these topics, the book focuses instead on two selected case studies, namely Syrian refugees in Jordan since 2012 and refugee policies promoting economic self-reliance in Uganda since the late 1990s. The last one is based on a 3-year research project led by Betts at the Oxford Refugee Studies Centre. Indeed the case study provides interesting examples of refugees' economic agency resulting in small-scale commercial and entrepreneurial initiatives, from retailers of mobile telephones to young people founding non-governmental organizations (NGOs). However, some important questions remain unaddressed. The authors aptly warn against any romanticization of refugee life in Uganda, and mention how, in settlements like Nakivale, the involvement of refugees in trade and retail businesses has produced inequalities as well. Nevertheless, readers are swiftly reassured that the settlement is "at least better than almost every other refugee camp in Africa" (Betts & Collier 2017b, 164). In the context of Uganda's national self-reliance strategy, "young people", the authors write, "at least have the chance to aspire" (Betts & Collier 2017b, 164). This statement begs the question of whether, for the majority of refugees in Uganda, the examined policies and economic initiatives have produced anything more than widespread, precarious self-employment – what the authors refer to as "cultures of self-help" (Betts & Collier 2017b, 167). Issues like the uneven distribution of land and the consequences of the withdrawal of food rations are listed in a short paragraph, but never actually addressed. The assumption that assistance generates dependency is left unquestioned, and there is no discussion of the studies suggesting that, in several hosting countries across Africa, what refugees "tend to see of the drive towards self-reliance is a refusal of UNHCR and NGOs to provide resources" and an attempt at "saving money on refugee aid" (Bakewell 2003, 6).

In the case of the Syrian refugee crisis in Jordan, the authors advance a proposal that promises to address the country's concerns related to both national security and economic development. Central to this move is the transformation of refugees into work force in the context of Special Economic Zones (SEZs). SEZs are bounded geographical areas where business, trade, and labour are subject to special regulations in order to attract foreign investment. As such, they are spatial technologies that

have historically served to put developing countries' vast supply of cheap labour to use in the context of export-oriented industrialization. Over the last few decades, the idea has been revived and expanded to advanced economies through so-called "hub globalization", in which significantly relaxed regulation and the facilitated movement of goods and people in specific areas aim to accelerate the transition from industrial to service economies (Park 2005). According to the fascinating narrative outlined in the preface to the volume, the authors developed the idea of matching refugees and private companies within SEZs while working in Jordan in 2015. In particular, they were inspired by the geographical proximity of the Za'atari refugee camp and the King Hussein bin Talal Development Area (KHBTDA), a SEZ that was then operating "below capacity" (Betts & Collier 2017b, 171). The proposal was promptly taken up by donors and international institutions through the Jordan Compact, approved during the London conference on Syrian refugees of 2016. The international community thus committed to around $2bn in aid and investment for Jordan, while the country agreed to issue as many as 200,000 work permits for Syrians, and to facilitate investment in at least five SEZs. Importantly, the European Union revised the so-called preferential rules of origin, thereby facilitating the export of products manufactured in Jordan, especially in the garment industry. The idea of combining refugee spaces and economic zones, however, is also not entirely new. As Betts and Collier (2017b, 179) quickly mention, it has been experimented, among other places, in Thailand for Burmese refugees and in the Philippines, where the Bataan Refugee Processing Centre, established in 1980, was converted into the Bataan Technology Park in 2014.

Refuge's lack of engagement with such historical and empirical precedents should not be overlooked, because it is what allows the authors to express their optimism on the governability of 'refugee-friendly capitalism'. This optimistic stance is reiterated in the conclusions of the book, where, anticipating potential criticism, Betts and Collier express their faith in the capacity and willingness of states and corporations to prevent exploitative working conditions for refugees (Betts & Collier 2017b, 235–236). In this regard, two major points are worth making. First, as noted, attempts to turn refugees into workers, whether within international organizations, public bureaucracies, or large private companies, have happened in the past and continue to happen in the present. Their outcomes, however, are often not as clean, orderly, and even progressive as Betts and Collier's book seems to assume. UNRWA's early large-scale plans for the employment of displaced Palestinians served a primarily political purpose, namely the integration of Palestinians into neighboring countries, and stalled in the face of refugee opposition and because "the employment of refugees was five times as costly as maintaining them on relief" (Talhami 2003, 139). The success of efforts for the (temporary) economic integration of Syrians in Jordan, promoted by the Jordan Compact, has so far been assessed on the basis of the number of work permits issued. As acknowledged by the International Labour Organization (ILO) in a report published in June 2017, however, what has been measured so far is more likely to be the legalization of previously existing Syrian employment, rather than the creation of new job opportunities through economic development (ILO 2017). "Work permits", the report states, "did not bring significant advantages" (ILO 2017, 55). The majority of the Syrians involved in the ILO study continued to work with no actual written contract and no social security coverage, and experiences of unpaid overtime were common. Even in the presence of improved formal regulations, securing 'decent work' for refugees is a much more elusive, complex target than *Refuge* envisages. Second, global humanitarianism itself is a material assemblage that generates its own economic relations, as well as relying on and facilitating the production of specific 'commodities' – from tents and anti-malnutrition foods to domestic services targeting expatriate aid workers (Jennings & Bøås 2015; Redfield 2013). This material imprint, including the (often precarious) employment the humanitarian sector offers to a growing number of refugees (Farah 2010; Malkin 2015), has effects that need to be taken into account in any discussion of refugee governance. *Refuge* itself includes examples of this entrenched complexity, which are unfortunately left unexplored. Following the new influx of Congolese refugees in 2013, the maize-milling business quoted by Betts and Collier as one of the most successful instances of refugee economic autonomy in Uganda ended up having as one of its main clients the local World Food Program's relief operations (Betts & Collier 2017b, 164). These phenomena highlight uneven geographies of development, aid, and refuge, in which policy outcomes are determined not only by donors' power, humanitarian ethics, and the political and social agency of

refugees, but also by the friction of encounters "that shapes the direction and the form of capitalism as it moves through space" (Domosh 2010, 430).

Refuge provides an agile and readable overview of the intricate crisis of global refugee governance. It is lucid and bold in identifying the "impossible choices with which we present refugees: long-term encampment, urban destitution, or perilous journeys" (Betts & Collier 2017b, 9). "For refugees", Betts and Collier (2017b, 9) write, "these options are the refugee regime". The book advances arguments that have been and will be widely discussed, and that will continue to influence and likely inform refugee policies in the near future. Rather than offering a new cure, however, its proposals are a symptom of how contemporary refugee governance and humanitarianism are deeply affected by what Cowen and Smith (2009, 40) famously described as the "filtration of geoeconomic logic into the gamut of social institutions and mentalities". In the SEZ model advocated by *Refuge*, the incorporation of refugees into the labour force is temporary and not leading to local integration – the preferred 'durable solution' remaining return. Rather, the Syrian refugee crisis is turned into a development opportunity for hosting states, while at the same time giving "a number of multinational corporations" reasons for investing "that partly connect to corporate social responsibility and party to core business interests" (Betts & Collier 2017b, 172). In other words, refugees help global capitalism at least as much as global capitalism helps refugees.

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