

REFUGEES: A HUMANITARIAN PROGRAM THAT IS BENEFICIAL FOR LONG-TERM ECONOMIC DEVELOPMENT

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Abstract

Refugees often portrayed in a negative light. However, Refugees are an asset for the host countries, in particular over longer term. This research explores to what extent refugees contribute an economic benefit for the hosts. In particular, this research's specific research question is as follows: Do refugees harm or benefit host countries' local jobs? This research uses a method of literature review. This research reviews the literatures to understand the key questions in the comprehension of host country benefits. It argues that refugees contribute an economic benefit for the receiving countries and do not harm the local jobs of the host countries. The findings in the research are as follows: first, the specific benefits refugees offer for the longer-term economic development of the host countries. Second, most of the refugees work in low-skilled jobs and do not harm local people's jobs. Conversely, refugees can assist low-skilled local workers lift their skills and work into a higher wage and occupation set. Third, politicians together with the media have the most significant role in shaping the public's perspective towards refugees. Fourth, the proper approach of integration policy leads to empowerment of refugees. Access to employment is the most significant government input to benefit the national economy. Finally, refugees can be an asset rather than a burden in the longer term. This effect is particularly the case in the second and third generations.

Keywords: Refugees, Economic Benefit, Host Countries, Empowerment

1. INTRODUCTIONS

Refugees are often portrayed in a negative perspective. For example, they are seen as a financial burden for the host country . It is inevitable that refugees present costs for the host countries at the initial arrival stage. Initial costs relate to the processing of applications, detention during this process and refugee resettlement programs. For example, according to the Refugee Council of Australia, the budget for resettlement services in the fiscal year 2017-2018 was AU\$178 million. These funds were allocated for 16,250 refugees and humanitarian programs. Meanwhile, the cost of detention of asylum seekers in Australia and to support those in the community during the period of application approval was over AU\$1 billion each year. The offshore processing in the Nauru detention centre cost AU\$714 million.¹

¹ Refugee Council of Australia, The Federal Budget: What it Means for Refugees and People Seeking Humanitarian Protection, 2017-18 Budget, 3 April 2019, <https://www.refugeecouncil.org.au/federal-budget-summary/3/> (accessed 5 May 2019)



Similarly, refugee programs have also incurred high costs in the US. In 2014, the US spent \$582 million per year to resettle 70,000 refugees. The costs consist of medical assistance, social services (english language and vocational training), targeted assistance, victim assistance for people affected by trafficking and torture, and preventative health measures.² In Turkey, a country with the largest numbers of refugees in the world, US\$8 billion was spent during 2011-2015. This cost was counted as 1 per cent of its GDP, spent only for funding Syria refugee housing.³ However, refugees have economic benefits over longer term as discussed in findings and discussion. This research is aimed to give wider perspective over refugees. Therefore, further research regarding the background of refugees in Indonesia is needed in order to get a more detailed view of refugee's economic benefit.

2. METHOD

This research uses a qualitative study with a literature review method. A literature review can be widely described as a more or less systematic way of collecting and synthesizing previous research.⁴ An effective and well-conducted review as a research method creates a firm foundation for advancing knowledge and facilitating theory development⁵

This research mainly reviews all documents related to refugees and migrants and their economic benefit. The researcher obtains data from existing document sources such as books, journals, and articles. By building and uniting these different types of literature reviews, this research takes a broader perspective of the refugee's economic benefit.

3. FINDINGS AND DISCUSSION

3.1. Refugees: Costly at the Beginning -Beneficial for Long Term Economic Development

Despite its costly resettlement program, however it can be argued that refugees could become an asset for host countries over the longer term. It is based on two evidences namely the increase participation of employment and education over generation. According to Graeme Hugo, in their early years of resettlement, refugees had high levels of unemployment compared to other migrants. For example, in 2006 the level of unemployment of refugees and skilled migrants in Australia were 22.5 per cent and 7.5 percent respectively. However, the second generation of refugees had a higher percentage working in professional jobs than first generation. Although it is still slightly lower (almost 80 percent) than Australian born (86.2 percent).⁶

Refugees in Australia also experienced improvement in terms of education, across generation levels. In 2006, it is reported that refugees had a higher education compared to Australian born. The percentage of refugees aged 15-19 for the first and second generation were more than 75 per

² Amber Phillips, Here's How Much the United States Spends on Refugees, 30 November 2015, https://www.washingtonpost.com/news/the-fix/wp/2015/11/30/heres-how-much-the-united-states-spends-on-refugees/?noredirect=on&utm_term=.e71c5036f0f7 (accessed 7 May 2019)

³ Aiyar Shekhar, et.al. "The refugee surge in Europe: Economic challenges." International Monetary Fund, 2016, p.8

⁴ Baumeister, Roy F., and Mark R. Leary. "Writing narrative literature reviews." *Review of general psychology* 1, no. 3 (1997): 311-320.

⁵ Webster, Jane, and Richard T. Watson. "Analyzing the past to prepare for the future: Writing a literature review." *MIS quarterly* (2002): xiii-xxiii.

⁶ Graeme Hugo. "The economic contribution of humanitarian settlers in Australia." *International Migration* 52, no. 2, pp. 31-52, 2014, p.36-39

cent, while for Australian born it was 70.1 percent. For refugees aged 20-24, it was much higher with more than 50 per cent for the first generation and approximately 45 per cent for the second generation. Meanwhile, for the first and second generation of Australian born, it was 28.5 per cent and 28.6 per cent respectively.⁷ The types of the education include degree or higher and diploma or certificate.⁸

The economic contribution of refugees in the US shows similar findings. Based on Evans' and Fitzgerald's research, at the outset refugees living in the United States (US), require high cost inputs due to the direct costs of relocation and welfare programs. However, after six years living in the US, the refugees have higher employment rates compared to the US-born residents. After ten years, the use of welfare and assistance programs such as the Supplemental Nutrition Assistance Programs between locals and refugees is indistinguishable.⁹ Furthermore, refugees who arrive as children have similar performances as US-born children in terms of educational achievement. For adult refugees compared with the US born, they have much poorer human capital skills such as fewer years of education and poor English skills. As a result, they have lower levels of employment and wages during their early time in the US. Nonetheless, refugees gain significant earning capacity over time. Moreover and significantly, it is estimated that over a twenty year period refugees in the US pay \$21,000 more in taxes than they receive in benefits.¹⁰

The refugees' income increases significantly over time, but generally they still have lower wages compared to native workers. Taking a sample of refugees in Maine, Portland, US, from their first job in 2001 compared to their most recent job in 2004, Ryan Allen shows there is an increase of fourteen percent of their wage during their first year of work. From 2001 to 2004 their wage increased from US\$1,570 to US\$1,790. However, refugees earned significantly less than similar workers. It is estimated that the monthly salary of typical workers in 2001 was \$3,146 and 3,195 in 2004. The typical worker only had small increases in their wage of three percent. Although refugees gained impressive earnings compared to typical workers, they earned forty-five percent less than similar workers.¹¹ Similarly, refugees in Australia had the lowest income compared to other migrants. During 2001-2006, the income of the refugees was under \$250 per week, thirty percent lower compared to other types of migrants.¹²

It is not always correct nonetheless to assume that first generation refugees are not highly educated with few skills and do not speak English. Some refugees previously had good jobs with well-developed hard and soft skills and were highly educated. In Sweden in 2015 for example, Morgan Johansson, Sweden's Migration Minister, stated that one third of Syrian refugees who come to Sweden have higher education qualifications such as doctors, engineers, and nurses. As such Sweden will need them even more in the future.¹³ So too in Australia. Nizar, a refugee from Iraq is a PhD in Mathematics from University of North Wales, Bangor, United Kingdom. He was a Lecturer in University Baghdad, Iraq before he and his family fled to Australia in 1999.¹⁴ Similarly, in the United Kingdom (UK), based on interview of 43 refugees and asylum seekers, it is reported that ninety per cent of the participants had been employed in their origin countries.

⁷ Department of Immigration and Citizenship, Australian Government, *"A Significant Contribution: the economic, social and civic contributions of first and second generation humanitarian entrants, summary of findings."*, 2011, p. 33

⁸ Graeme Hugo. "The Economic Contribution", p. 38

⁹ William N. Evans and Daniel Fitzgerald, "The economic and social outcomes of refugees in the United States: evidence from the ACS." No. w23498. National Bureau of Economic Research, 2017, p.32

¹⁰ William N. Evans and Daniel Fitzgerald, "The economic and Social Outcomes", p.32-33.

¹¹ Ryan Allen, "Benefit or Burden? Social Capital, Gender, and the Economic Adaptation of Refugees" *International Migration Review* 43(2), pp.332-365, 2009, p.349

¹² Department of Immigration and Citizenship, "A Significant Contribution", p.31

¹³ Edwin Lane, "How Sweden Tries to Assimilate"

¹⁴ Department of Immigration and Citizenship, "A Significant Contribution." p. 37

Some people worked for the government, others were professionals with relatively high skills and qualifications. The rest had their own businesses.¹⁵

3.2 Refugees Do Not Harm Local People Jobs Because Mostly They Work in Low-Skilled Jobs or Become Entrepreneurs

Despite their economic contribution, there is a fear that an inflow of refugees might create informal job losses for the local people. For example, in 2016, the Australia's Minister of Home Affairs, Peter Dutton, stated that "*these people would be taking Australian jobs, there's no question about that, and for many of them that would be unemployed, they would languish in unemployment queues and on Medicare and the rest of it.*"¹⁶ However it can be argued that refugees do not take local people jobs. Conversely, they can respond to the shortage of low-skilled occupations. For example, Peisker and Tilbury argue that they fill a certain place in the Australian labour market in which the Australian born or other migrant workers avoid. Based on their research, three groups of refugees in Western Australia (ex-Yugoslavs, Africans, and people from the Middle East) were concentrated in low-skilled occupations such as cleaning services, aged care, meat processing, security, building, and taxi driver. These kinds of jobs are avoided by local people because it is seen as a low status and low-paid, in "*a secondary labour market*".¹⁷ In 2008, the National Farmers Federation of Australia reported that there was a shortage of labour in the farming sector. Not only was high skilled labour needed but also low skilled labour was needed in roles such as harvesters and fruit and vegetable pickers. Agricultural production plays a vital role in the Australian economy, with estimates of that \$1.5 billion generated. Here, the shortage of labour poses a serious threat to the national economy.¹⁸

Despite the fact that the majority of refugees work in low-skilled jobs, they still make an economic contribution to the host countries. As argued by Legrain, refugees are an investment who create dividend demands. For refugees who work in 4D jobs (dirty, difficult, dangerous, and dull) such as cleaning services and caring for elderly, they can create a dividend which enables locals to have a higher skilled and jobs with better wages.¹⁹ Foged's and Peri's research of the causal effect of low-skilled immigrants on labour market outcomes of indigenous people in Denmark showed that between 1991 and 2008, the presence of refugees and migrants had upgraded the low skilled native workers into less manual intensive to more complex employment. In addition, there was a significant increase in wages. The jobs complexity increased by three per cent in cities with a high exposure to refugees and immigrants. Furthermore, the wages increased by two per cent for low-skilled native workers. In this study the increase was sustained over thirteen years and suggested as a permanent positive change.²⁰ As discussed before, refugees experience wide gap

¹⁵ Heaven Crawley, "Chance or Choice? Understanding Why Asylum Seekers Come to the UK." Refugee Council, Swansea University Prifysgol Abertawe, 2010, p.40, <https://www.refugeecouncil.org.uk/wp-content/uploads/2010/04/Chance-or-choice-2010.pdf> (accessed 31 May 2019)

¹⁶ Shalailah Medhora, "Are Refugees taking Australian Jobs?" 18 May 2016 <https://www.abc.net.au/triplej/programs/hack/dutton-refugees/7426088> (accessed 5 June 2019)

¹⁷ Colic-Peisker, Val, and Farida Tilbury. "Employment niches for recent refugees: Segmented labour market in twenty-first century Australia." *Journal of refugee studies* 19(2), pp.203-229, 2006, p.203

¹⁸ National Farmers Federation, "Labour Shortages May Thwart Bumper Season", 23 April 2008, <https://www.nff.org.au/read/982/labour-shortages-may-thwart-bumper-season.html?hilite=Summary+of+Labour+Shortages+in+the+Agricultural+Sector> (accessed 27 May 2019)

¹⁹ Phillippe Legrain, "Refugees Work : A Humanitarian Investment that Yields Economic Dividends." *Tent Foundation and Open Network*, 2016, p. 2

²⁰ Mette Foged and Giovanni Peri, "How Immigrants and Job Mobility Help Low-Skilled Workers." 19 April 2018, <https://voxeu.org/article/how-immigrants-and-job-mobility-help-low-skilled-workers> (accessed 30 May 2019)

of salary with the local people. Therefore, it can be argued that rather than taking local people's jobs, refugees provide indirect benefits to the local people through wage increases.

Jaokim Ruist also argues that refugees do not take local people jobs. Different with other types of migrants, refugees migrate mainly due to push-driven rather than pull-driven. Therefore, there is reason to draw less correlation between job market opportunities and patterns of settlement for refugees.²¹ Based on his study of refugees in Sweden, in period of 1999-2007, there was no significant effect of refugees presence for the total unemployment. Refugees mostly took jobs filled by previous immigrants from low and middle-income countries rather than native people.²² The average employment performance of refugees are also relatively poor. For instance, in 2002 after five years resettled in Sweden, the employment proportion of refugees of working age were 39 per cent compared to 76 per cent of the Swedish population. In addition, the types of jobs taken by refugees was primarily below their education level.²³

Refugees also contribute to the economy through entrepreneurship. A number of research studies found that refugees are more likely work as entrepreneurs. Thus, there exists further evidence that refugees and migrants do not harm local jobs. In Britain, migrants are twice as likely to start their own business. Similarly, in Australia, refugees are the most entrepreneurial migrants.²⁴ In other words, refugees create job opportunities rather than taking jobs of local people through entrepreneurship. Furthermore, since the skill and experience of refugees are not recognised by the host countries, it is unlikely that refugees will harm local people jobs.

Not only benefitting the local people, migrants including refugees bring economic benefits to the host countries. For example, as argued by Chu and Grice, the UK would need to triple its savings if the inward migration was cut to zero over the next fifty years. The annual growth rate would decrease to two per cent and national debt would increase to 120 per cent of its GDP by the middle of the century. Therefore, the higher immigration intake over the next five decades would provide better public saving benefits.²⁵ This argument might be the primary cause as to why Germany has high intake of refugees. Germany is well-known country for its open door immigration policy towards refugees. According to Groden, in 2015 Germany made a huge step by approving the claims of one million asylum seekers. The number of refugees is counted as one percent of the total population in Germany in 2015. Germany views refugees as lifting the economy instead of creating fiscal problems. A number of factors for the Germany decision include its lowest birth rate in the world and aging population. Another reason for the decision was, taking Turkey's experience which based on research there is a growing labour force and demands for goods and services by Syrian refugees that has driven local business and also created jobs.²⁶

3.3. Politicians and Media have a Key Role in Portraying Negative Images of Refugees

Despite their demonstrated economic benefit, the public often view refugees as a burden. There are two dominant actors who have major role in framing society's perspective towards refugees: namely politicians and the media. Politicians are the primary contributor to the framing of the public's perspective towards refugees. For example, Tony Blair, the former Prime Minister of the

²¹ Joakim Ruist. "The Labor Market Impact of Refugee Immigration in Sweden 1999-2007." IDEAS Working Research Series from RePEc, 2013, p.2

²² Joakim Ruist. "The Labor Market Impact", p. 1

²³ Joakim Ruist. "The Labor Market Impact", p. 4

²⁴ Phillipe Legrain, "Refugees Work", p. 8

²⁵ Ben Chu and Andrew Grice, "Bring in Migrants to Cut Billions from Deficit, Says Osborne's Watchdog." 13 July 2012, <https://www.independent.co.uk/news/uk/politics/bring-in-migrants-to-cut-billions-from-deficit-says-osbornes-watchdog-7939667.html> (accessed 12 June 2019)

²⁶ Claire Groden, "Germany Needs Migrants. Do We?" *Fortune* 172(5), 2015, pp.12-14

UK perceived that the numbers of asylum seekers who entered the UK generated an economic burden and security threat after the 9/11 incident in the US. Furthermore, Michael Howard, the UK politician had even more extreme perceptions towards refugees where he proposed the UK to withdraw from the Refugee Convention 1951 and send back all genuine refugees who exceeded the quota.²⁷

Similar to the effect of politician behaviour and influence, the media has a significant impact towards the public perspective of refugees. Silva et.al argue that the media not only describe refugees as victims, but also as a threat. They are viewed as trespassers and illegal fortune seekers, a threat to the culture, security and the prosperity system of the host country.²⁸ Furthermore, based on their study of two of the largest newsresearchs in Europe, namely VG newsresearch (Norway) and El Pais newsresearch (Spain), the findings reveal that both newsresearchs primarily relied on politicians and government as sources of information. More than fifty percent of news is quoted from politicians rather than information regarding humanitarian concerns and refugee hardship and suffering.²⁹

Philo et.al. documented similar findings towards the media's role in portraying refugees in a negative light. Based on their study in UK, four out of five media quoted statements from politicians, while only three percent quoted from refugees themselves.³⁰ The journalists use some terms such as 'illegals', 'parasites', 'scroungers', 'would-be immigrants' and 'asylum cheats' which refer to asylum seekers in Sangatte, near Calais, France, in 2002.³¹ In line with this finding, Chouliaraki and Zaborowski stated that in a more recent content analysis of 1,200 newsresearchs in eight European countries,³² refugee quotes constituted only 16.6 percent of the sample, while politician quotes were 66 percent.³³

Fewer media sources explained the story about refugees fleeing to a safe county, as well as to develop an understanding or solidarity towards refugees. Moreover, 58 per cent of the stories had were biased to document the negative effects of the refugees for the host countries such as increasing the terrorism threat, creating economic crisis, and fostering Islamic antipathy. Thus, the refugees remain as negative figures: variously portrayed as an economic burden, transforming into a terrorist threat and as fake victims to people with a different culture. The positive impacts of refugees were rarely described, with only 7.6 per cent in total.³⁴ Similarly, in Australia the media portrays refugees negatively. Although there are findings about refugees economic benefits, the myth of refugees as burdens in society still exist. It is partly because of media reports and populist politician portayals. Furthermore, politicians and media are not easily persuaded by research which support refugees especially if the research emerges from an organisation which supports refugees.³⁵

Given the significant contribution of refugees for long term economic development, Annan et.al, argues that politicians of host countries need to address the negative myths and fears around

²⁷ Greg Philo, Emma Briant and Pauline Donald, *Bad News for Refugees*, Pluto Press, 2013

²⁸ Miguel Franquet Silva et.al, "Improper Distance: The Refugee Crisis Presented by Two Newsrooms." *Journal of Refugee Studies* 31.4 507-27. Web, 2018, p.509

²⁹ Miguel Franquet Silva et.al, "Improper Distance", p. 518

³⁰ Greg Philo, Emma Briant and Pauline Donald, *Bad News for Refugees.*, p.56

³¹ Greg Philo, Emma Briant and Pauline Donald, *Bad News for Refugees*, p.3

³² Czech Republic, France, Germany, Greece, Hungary, Ireland, Serbia and the UK

³³ Chouliaraki, Lilie, and Rafal Zaborowski. "Voice and Community in the 2015 Refugee Crisis: A Content Analysis of News Coverage in Eight European Countries." *The International Communication Gazette*, 79(6-7), pp.613-635, 2017, p. 620

³⁴ Chouliaraki, Lilie, and Rafal Zaborowski. "Voice and Community." p.625-626

³⁵ Richard Parsons. "Assessing the Economic Contribution of Refugees in Australia: A Review of Literature." *Multicultural Development Association*, pp.1-25, 2013, p. 4

migration. So too they should inform the society that well-managed migration can be beneficial. To produce such benefits, a strategy must be developed by political leaders for migrants' integration into their societies as full members of the society, with the obligations and privileges that entails.³⁶

However, there are some barriers to collect information of refugees economic benefit particularly over longer term. According to Parson, many researches about the economic impact of refugees tend to classify refugees into migrants research. For example, the Department of Immigration and Citizenship of Australia (2011) only reported statistics for skilled and family migrants, without included the humanitarian migrants.³⁷ Similarly, in the US, there is lack research about the economic and social contribution of refugees. Most literatures examine the social and economic outcomes of immigrants.³⁸ Given the significant contribution of refugees, the host countries should examine the humanitarian migrants separately from general migrants to find the empirical data of economic benefit of refugees. Furthermore, since refugees resettlement pogram is costly, it becomes more important to quantify refugees' long term economic benefit.

3.4 Government Input for Refugees Empowerment

There is an overwhelming effect for the individual person or for the community due to the arrival of asylum seekers or temporary migrants. For the communities, they have to deal with housing practicality and caring for the integration of newcomers. On the other hand, the newcomers might find themselves in an alien culture, facing a foreign language, and feel destitute and powerless. Therefore, the new community's response will affect their wellbeing.³⁹ Given the new situation faced both by refugees and the new society of the host countries, integration strategy is considered as the best approach for refugees' acculturation within the community.

Integration occurs when refugees can still maintain their culture while integrating with other groups. However, integration is a two-way process and can only be successfully followed by migrants if the receiving country is open and comprehensive in its orientation towards a diversity of culture.⁴⁰ Integration covers essential elements of refugees' empowerment. For example, it consists of placement, reception, assessment and early support, income support and establishment resources, language assistance, education for school-aged children and young people, housing, employment and training, health, and finally hospitable and welcoming communities.⁴¹

The host countries have different approach of integration. For instance, according to Valenta and Bunar, Scandinavian countries such as Sweden and Norway have generous refugee integration programs as well as tolerant attitudes and supporting the cultural diversity.⁴² The two countries emphasise housing and employment from the state. However, this approach does not successfully create equality between refugees and the rest of the population.⁴³ Conversely, Legrain argues that the US' approach is well known as more successful than the EU approach. For example, the

³⁶ Kofi Annan, Ruud Lubbers, and Philip Rudge. "Declaration of the Hague on the Future of Refugee and Migration Policy." *Development*, 46(3), pp.60-63, 2003, p.61

³⁷ Richard Parsons. "Assessing the Economic Contribution", p.2

³⁸ William N.Evans and Daniel Fitzgerald, "The economic and social outcomes", p.2

³⁹ Albert Persaud et.al, "Geopolitical Factors and Mental Health I." *International Journal of Social Psychiatry*, 64 (8), pp.778-85, 2018, p.782

⁴⁰ Mihaela Robila, "Refugees and Social Integration in Europe." United Nations Department of Economic and Social Affairs, pp.1-17, 2018, p. 2

⁴¹ UNHCR, "Refugee Resettlement, An International Handbook to Guide Reception and Integration." 2002, p.52-53

⁴² Marko Valenta and Nihad Bunar. "State assisted integration: Refugee integration policies in Scandinavian welfare states: The Swedish and Norwegian experience." *Journal of refugee studies*, 2(4), pp. 463-483.2010, p. 464

⁴³ Marko Valenta and Nihad Bunar. "State assisted integration" p. 479

number of Somali refugees who were employed in the US was higher than those in Sweden. In 2010, 25 per cent of Somali refugees aged 25-64 were employed in Sweden. Meanwhile in the US it was 57 per cent. In the US, the refugees are given assistance at the beginning of their residency because they are expected to support themselves. On the other hand, the Swedish approach provided refugees with generous social support.⁴⁴ Thus, it can be argued that initial help approach such as in the US might have a better outcome for refugees' empowerment rather than Sweden's approach of generous social support.

There are some factors determining why the US approach is more successful than other countries. The US approach is more responsive to the refugees' needs as well as maintaining proper standards. For example, in the US state of Kentucky, the refugee employment service worked with the professional union to acknowledge refugees who have qualifications as engineers in their origin country. Furthermore, the US government also created innovative programs to address barriers to refugees employment such as access to transport. For example, in Maryland, a big steel company which employed numbers of refugees offered low cost transport for refugees' journey to work. In Vermont, a refugee agency gives financial and language assistance for refugees to obtain a driver's licence.⁴⁵ Government input in providing employment opportunities is the most important aspect of refugees integration. It is because employment enables interactions, giving opportunities to practise local language and boosting self-confidence.⁴⁶ Other factors also affect the economic experience such as the condition of the local job market and/or refugees' sponsorship.⁴⁷

However, a number of barriers are faced by refugees in accessing employment. For example, the skilled and educated refugees hardly work using their skills. It is because their skill is not fully recognised or does not meet the qualification standard of the host countries.⁴⁸ This condition leads refugees to work below their qualifications. According to Parsons, the other hindrances include the lack of workplace knowledge and experience, unfamiliar with recruitment processes, lack of language, and lack of education.⁴⁹ In addition, the other impediments to empowerment of refugees are discrimination and language barriers.⁵⁰ Given the significance economic contribution of refugees, these barriers need to be addressed by the host countries, as well as the development of an integration programme which is supported not only by the government, but also by a welcoming society.

To name some high profile and successful refugees to Australia, the list includes: Frank Lowy and Hieu Van Le as examples of successful first generation refugees. Frank Lowy is the founder of Lowy Institute for International Policy and the owner of Westfield Shopping Centres. Lowy described himself as a boat person, a refugee who made his way from Budapest, fled to Palestine and then to Australia.⁵¹ Meanwhile, Hieu Van Le is currently serving as Governor of South Australia. In 1977, he came to South Australia as a boat person fleeing the Vietnam War. He is the first boat person internationally to serve in Vice Regal Office.⁵²

⁴⁴Phillipe Legrain, "Refugees Work : a Humanitarian Investment." p. 7-8

⁴⁵ UNHCR, "Refugee Resettlement an International Handbook." p. 181-182

⁴⁶ Mihaela Robila, "Refugees and Social Integration.", p. 11.

⁴⁷ Richard Parsons, "Assessing the Economic Contribution." p. 16

⁴⁸Graeme Hugo. "The economic contribution." p.47

⁴⁹Richard Parsons, "Assesing the Economic Contribution." p. 6

⁵⁰ Graeme Hugo, "The economic contribution.", p. 49

⁵¹ Nick O'Malley, Australia 'Moving in the Wrong Direction' Says Frank Lowy, 13 September 2018, <https://www.smh.com.au/national/australia-moving-in-the-wrong-direction-says-frank-lowy-20180913-p503m6.html> (accessed 30 May 2019)

⁵² Karen Ashford, Hieu Van Le's Journey from Boat Person to Governor, 2 September 2014, <https://www.sbs.com.au/news/hieu-van-le-s-journey-from-boat-person-to-governor> (accessed 1 May 2019)

In the US, there are many important and innovative people who were refugees such as Andrew Grove who fled from Hungary when he was 20. He is the inventor of the modern semiconductor industry at Intel, without which iPhone would not exist. The other ex-refugees such as the former State Secretary Madeline Albright, Jerry Yang of Yahoo and Sergey Brin of Google.⁵³ Sergey Brin is a second generation Russian refugee. He is now the co-founder of Google, the second most profitable company in the US.⁵⁴

3. CONCLUSION

Refugees are an asset for the host countries, in particular over longer term. Scholars have proved that refugees are beneficial for the host countries. Case studies in Australia and the US have shown that although refugees work as low-skilled labours, they still are beneficial. At the same time, they also respond to the labour shortage in low-skilled jobs. Moreover, the second generation and third generation are likely to be more successful because they have better education and do not face the language and cultural barriers the first generation experience. Therefore, there is an increase in high skill jobs as shown in the US and Australia. Furthermore, refugees do not harm local people's jobs as feared by the host countries. Conversely, they increase the local people into more specialisation skill jobs, as well as increase the wage of the local workers. To give maximum economic benefit to the host countries, the employment access for the refugees is considered as the most significant input of government.

However, despite its benefit, refugees are often seen as a burden and/or a threat for the host countries and their society. The case study of media in the EU, the UK, and Australia explains the role of the politician and media in portraying refugees as a threat. Most of the negative news in the media about refugees is quoted from the politicians or government, rather than stories about refugees themselves. It can affect the society to see refugees also as a threat. Therefore, integration is considered as the best approach to create two-way understandings between refugees and the host society. A welcoming society could help refugees to integrate and engage well within the community. Finally, no matter how small the economic contribution of refugees, it is worth remembering that refugees enter a country under humanitarian programs. Unlike economic migrants, migrating is not their choice, they are forced to flee because fear, war or persecution in their origin countries. Thus, they are unable to bring material resources. After taking the international obligation to accept refugees, the host countries need to raise public support regarding refugees. Therefore, to gain support from the society, politicians together with the media needs to portray refugees with a positive image. The government input in integration policy, particularly employment opportunity, can make refugees contribute to the economic development significantly.

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⁵³ Ana Swanson, The Big Myth About Refugees, 10 September 2015, https://www.washingtonpost.com/news/wonk/wp/2015/09/10/the-big-myth-about-refugees/?utm_term=.0e32ed98f3c3 (accessed 7 May 2019)

⁵⁴ Phillippe Legrain, "Refugees Are Not a Burden but an Opportunity." Organisation for Economic Cooperation and Development, *The OECD Observer* .308, 2016, p. 2

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