ANALYSIS OF ECONOMIC ACTIVITIES IN REFUGEE CAMPS

Old title:
FINANCIAL AND SOCIO-ECONOMIC EVALUATION OF REFUGEE CITIES COMPARED TO THE CURRENT CONCEPT OF REFUGEE CAMPS

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Project outline

In 2016, UNHCR counted 65.3 million People of Concern (PoC). PoC, as defined by UNHCR, includes refugees, people in refugee-like situations, asylum seekers (pending cases), returned refugees, internally displaced persons (IDPs), returned IDPs, stateless persons, and others of concern (UNHCR, 2016a). Never before such a large number of people had to flee due to ongoing conflicts, wars, terrorism or just devastating economic situations in their home countries. Severe disasters, genocides, civil wars, cruelties against other ethnic or religious groups as well as other crises have been in the world as long as there has been human kind. Over the time, millions of people were killed and tortured. Nevertheless, there have not been that many crises at one time as in the 21st century. During the last decade, the number of people classified as PoC almost tripled. Of the aforementioned 65.3 million people, 21.3 million people are defined as refugees, and of these, approx. four out of ten live in refugee camps (UNHCR, 2016a; UNHCR, 2014). Another source even names the number of people living in camps 17 million (Poiret, 2015), probably deriving from the situation that also other persons of concern than refugees do live in camps. Even if camp dwellers do not represent the majority, they are of major concern to international communities and organizations since the World War II.

This severe world war displaced around 40 million people, which had to be supplied (Chalabi, 2013). Thus, for the first time in history, official refugee camps were established as well as international law and organizations were created, like the Intergovernmental Committee on Refugees in 1938, the United Nations Relief and Rehabilitation Administration in 1943, the International Refugee Organization in 1948 and the Geneva conventions (1949). The newly created organizations and committees determined how to conduct humanitarian actions during armed conflict – conventions which are still up to date. Also during this time, namely in 1950, the United Nations High Commissioner for Refugees (UNHCR) was founded. UNHCR, like other organizations, were created to protect people having lost any kind of protection, e.g. because they had to flee their country of origin or were displaced internally (UNHCR, 2009).

Albeit, humanitarian organizations can only work if third countries receive and take care of refugees. The 145 countries, which have signed the 1951 Refugee Convention, are expected to cooperate with UNHCR to protect the refugees and their rights. These so called host countries are responsible for securing the basic needs of refugees, such as food, clothing, medical treatment, and accommodation (UNHCR, 2005). Besides UNHCR, asylum countries can get assistance by the international community, NGOs, as well as other UN organizations (e.g., UNHCR, WFP and UNICEF) to provide for such services.
For accommodation, host countries – like Jordan – can insist in establishing refugee camps, usually supported by UNHCR (UNHCR, 2014). A refugee camp is called as such when refugees reside in a place and where, usually, host governments and/or humanitarian actors provide assistance and services in a centralized manner. They often include reception centers, public housing and tents or containers. Since the beginning of their official existence, refugee camps are discussed controversially.

**Advantages of camps**

One of the main advantages of refugee camps is their visibility to the international community. Thus, they are more likely to be funded long-term (Kleinschmidt, 2015). Further, host countries argue that they can better control the presence and movement of refugees, if allocated in camps and, thus, improve public order and security. During emergencies and large-scale refugee influxes, they are an effective tool for quick operational response, rapidly providing protection as well as life-saving assistance (UNHCR, 2014). Another benefit of camps is the quick identification of people in need and the delivery of essential services.

UNHCR supports the establishment of camps, especially to ensure that refugees receive admission to territory and access to asylum, but camps always represent a compromise. For the UN organization, a camp is the least preferred type of accommodation for refugees, due to the many disadvantages described below.

**Disadvantages of camps**

Setting up refugee camps usually signifies huge investments in infrastructure and systems for the delivery of basic services, like electricity, safe water, sewage and garbage, without ever earning any profits (UNHCR, 2014). The running costs for maintenance and operation of these facilities and systems are high and often last for many years or even decades. As the refugees often cannot work, they depend on daily supplies of the authorities, like the camp management, especially regarding food and water. For instance, to run Zaatari camp in the north of Jordan, approx. US dollars (USD) 500,000 per day are necessary only for people’s primary care (food and water) (Rodgers, 2013). Annually, this amount sums up to USD 182.5 million. The camp is a 500 hectare sized area built in the desert (Kleinschmidt, 2015). It is close to the small town Zaatari, 12 kilometer linear distance from the Syrian border, and hosted in its peak-time (2013) about 110,000 people. Not only in Zaatari, governments raise their concerns regarding refugee camps, because of an increase of competition for limited economic opportunities and scarce resources, like water and land, resulting in tensions between local communities and refugees (Miller/Kleinschmidt, 2016).

Camps can also distort local economies and affect the surrounding environment negatively, because valuable local resources need to be distributed to a higher number of people. Further, many regions cannot compensate the amounts of garbage and sewage camps produce (UNHCR, 2014). Rarely, when camps are not needed any longer, can investments in infrastructure, camp building, and management be surrendered to local communities, especially if they were located in an isolated area.

The average stay in a refugee camp amounts 17 years – an unbearably long stay for all parties: Organizations, the local communities, host governments, and in particular refugees (UNHCR, 2004). People’s rights and freedom are limited too often; they rarely have the opportunity to exit the camp area and/or to work legally outside of the camp. National or localized law prevents them to work legally and restricts their access to the public education systems. Those with formal professional skills are equally denied to contribute to their living costs and integrate
better into the host country. Thus, this dependency to third parties weakens their ability to manage their own life and perpetuates the trauma of experiences, such as violent conflicts and displacement (RefugeeCities, 2016; Miller/Kleinschmidt, 2016; UNHCR, 2014).

In addition, the longer camps exist, the less financial support is generally given by the international community. Thus, NGOs and UN organizations are forced to leave the camp or to dramatically reduce their support (UNHCR, 2014). In underfunded camps, critical protection risks increase for its residents. The less funds are available, the more people are exposed to risks: sexual and gender-based violence, child protection concerns, human trafficking and forced recruitment or indoctrination increase. Educational measures for young people are non-existent or underfunded, leaving whole generations behind (Sungu, 2016). Camp inhabitants are often forced to inactivity, work illegally, and develop unauthorized businesses like trading food aid, and prostitution, regularly leading to a loss of their self-determination (UNHCR, 2005). Thus, many refugees decide to leave the camps, willingly avoiding registration by UNHCR or host countries, violating national laws and policies and facing serious consequences like detention, confiscation or destruction of property or businesses.

Due to these downsides, new debates have come up, arguing that humanitarian aid as established in the 20th century is outdated and needs to be renewed. Paul Collier, a British development economist, calls the current refugee policy “insulting and foolish” (Stoisser, 2017). Insulting, because camp residents hardly get the opportunity to make a living and because their dependency of aid organizations and donors take away their dignity. Foolish, because this type of aid is expensive for the international community. Collier argues that refugees need the right to work, best case in a city-like settlement with “a functioning power supply and other infrastructures, decent logistics and a legal environment to be able to establish a proper business” (Stoisser, 2017).

**Objectives of the PhD study**

The overall objective of this PhD project is to find out how economical activities evolve in a refugee camp. It is divided into two main parts: An economical and a political one. The economical part of the analysis is supposed to answer the question which level of infrastructure and services is present in each examined camp. The political part of the study focuses on the existing power structures in each camp. The results of both parts will then be compared with the level of economic activities in order to conclude which level of a) infrastructure and services and b) which type of power structures might be necessary to create economic activities and thus, make the camp residents independent from humanitarian aid.

**PhD Design**

About six refugee camps will be studied desk-based for both analytical parts. Out of the ten biggest refugee camps, of which eight are located on the African Sub-Saharan continent, the researcher chose the following camps for her study (UNHCR 2016b):

- Kakuma in Kenya, established in 1992, as it is the biggest refugee camp of the world counting 187,550 residents.
- Hagadera, also in Kenya (105,998 residents), established in 1992, because it has evolved to a vibrant city with a strong economy and a strong central market.
Zaatari, situated in Jordan, which was established in 2012. In 2016 the camp counted 77,781 residents. This camp was temporarily the second biggest camp in 2013 and declined to number five of the ranking list. It is well-equipped, has also vibrant markets and is therefore a good showcase for this study.

Panian in Pakistan (62,264 residents) was established in 1980, but only in 2008 recognized as an official camp. Some residents have never lived in another place than the camp.

Mishamo in Tanzania, with 62,264 camp dwellers, was established in the 1970s, but recognized not before 2014. Many residents pursue agrarian lifestyles and often generate food surpluses, helping to contribute to local economic development.

Azraq, situated in Jordan, which is not one of the 10 biggest camps of the world with its 53,757 residents (UNHCR, 2017). However, this camp was fully planned before established and thus, a useful showcase for this study.

Additionally, two of the camps – Zaatari and Azraq in Jordan – will be observed through fieldtrips. One field trip to Zaatari camp already took place in September 2016. The next fieldtrip is planned for mid-2018.

For the economical part, a specifically designed measurement tool (Camp Performance Indicator System) will accompany the case studies of the aforementioned camps. Such a tool consists of approx. 100 different indicators clustered in these four categories and six sub-categories:

(A) Labour Market Perspective including (I) Job Opportunities Level and (II) Social Investments and Dependencies Level

(B) Organizational Perspective, including (III) Educational Level and (IV) Self-Administrative Level

(C) Transport and Logistics Infrastructure Perspective, including (V) Infrastructure and Facilities Level as well as (VI) Service System Level

(D) Demographics

The researcher wants to use these indicators to compare the evolvement of the camps including their economic activities with each other.

For the political part, the power structures of the aforementioned camps will be examined and compared to existing theory, based on Lukes “Three faces of power”.

Taking the gained results, the researcher will then carry out expert interviews to evaluate the meaningfulness of the analysis.

Framework conditions

The Phd project is a cooperation project between University of Applied Sciences Fulda (economic part) and University of Kassel (political part). It has started initially in Fulda in May, 2016. University of Kassel was included through the “Promotionskolleg für Soziale Menschenrechte (doctoral study course for social human rights) which began in October, 2016 between Fulda and Kassel. The researcher of this Phd project was accepted as associated member of the course. The supervisor from University of Kassel, Prof. Dr. Christoph Scherrer, accepted the supervision in June 2017. The supervisor from Fulda is Prof. Dr. Dorit Schumann-Bölsche.
Between September 2016 (after the first field trip to Jordan) and May 2017, a first publication was written and submitted to the Journal of Humanitarian Logistics and Supply Chain Management in June 2016. The paper is attached to provide more information about the here presented PhD project and the status quo of the completed work.
## Time schedule for PhD project

<table>
<thead>
<tr>
<th>ID</th>
<th>Name of task</th>
<th>Start</th>
<th>End</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Literature examination Phase I – Definition of topic and first results</td>
<td>02.05.2016</td>
<td>31.01.2017</td>
<td>39,0w</td>
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<td>2</td>
<td>Establishing Camp Performance Indicator System and researching data regarding Eastar camp</td>
<td>01.09.2016</td>
<td>30.12.2016</td>
<td>17,0w</td>
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<td>3</td>
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<td>4</td>
<td>Literature examination Phase II – Introduction into literature about Power Structures and establishing case studies</td>
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<td>15.12.2017</td>
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<td>5</td>
<td>Preparing interviews for first round: Conference in Würzburg in 2017</td>
<td>02.10.2017</td>
<td>31.10.2017</td>
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<td>7</td>
<td>Evaluation of interviews first round</td>
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<td>29.12.2017</td>
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<td>8</td>
<td>Analysis – Economical Part: „Feeding” Camp Performance Indicator System with available data</td>
<td>01.08.2017</td>
<td>28.02.2018</td>
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<td>9</td>
<td>Analysis – Political Part: Comparing available data with theories (Lukes etc.)</td>
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<td>10</td>
<td>Field trip to Jordan</td>
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<td>20.07.2018</td>
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<td>11</td>
<td>Preparing interviews for second round</td>
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<td>01.08.2018</td>
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<td>12</td>
<td>Conducting second round expert interviews</td>
<td>03.09.2018</td>
<td>03.10.2018</td>
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<td>13</td>
<td>Evaluation of interviews second round</td>
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<td>31.12.2018</td>
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<td>14</td>
<td>Writing of thesis</td>
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<td>31.07.2019</td>
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<td>15</td>
<td>Revision phases</td>
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<td>13.12.2019</td>
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Sources


