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CHANGE THE WORLD FROM HERE

**Labor Market Integration: The Key to Welcoming Refugees and Migrants in High Income Countries**

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## **Abstract**

This paper explores the economic impacts of integrating refugees and migrants into the labor market of high-income host countries. A review of the literature and an analysis of data from professional reports shows that refugees and migrants generally have a neutral or positive impact on their host country, although impacts vary greatly depending on local policies, the local economy, and characteristics of migrants and natives. Among the potential benefits to host countries are increased GDP, wages, employment rates, and innovation in the labor market. Migrants also have the potential to fill demographic and workforce gaps that may otherwise hurt the economy.

Findings show that in order to maximize these economic benefits, host countries should facilitate labor market integration for migrants by making it a priority. Actors in the private, public, and nonprofit sectors all have a role to play in the facilitation of labor market integration for refugees and migrants. Interviews with nonprofit sector professionals working in the fields of migration and economics add to this project by informing recommendations how the nonprofit sector can assist in the facilitation of labor market integration for migrants. Recommendations to the nonprofit sector include increasing awareness, collaborating between sectors, providing services that directly and indirectly support labor market integration, and advocating for policies and practices that are conducive to labor market integration.

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## **Section 1. Introduction with Literature Review**

While migration has always been a part of human history, technological advancements and an increasingly interconnected world have made movement across borders more attainable than ever before. Individuals and their families are leaving conflict, poverty, and inequality behind, in hopes of creating a better life for themselves and their families. The result has been international migration flows of unprecedented size. In 2015, one in every thirty people were international migrants (IOM, 2017). According to a 2017 report by the United Nations Department of Social and Economic Affairs, there were 258 million international migrants in 2017. This is a dramatic increase from the 220 million international migrants in 2010 and 173 million in 2000.

Because migration is more widely accessible than ever before, the characteristics of these migrants also distinguishes them from past migrants (OECD, 2014). In 2017, Asia and Europe were home to the most international migrants, with 80 million and 78 million, respectively. With 58 million international migrants, North America had the third largest population of international migrants and Africa followed with 25 million international migrants. Twenty countries housed just over two thirds of all international migrants in 2017, with the most living in the United States, Saudi Arabia, Germany, the Russian Federation, the United Kingdom, and Northern Ireland. In 2017, the majority of international migrants were born in Asia (106 million) and Europe (61 million). About 38 million were from Latin America and the Caribbean and approximately 36 million were from Africa (UNDESA, 2017).

Of the 258 million migrants in 2017, 65.5 million people were forcibly displaced. 22.5 million of those forcibly displaced were refugees. In 2016, the largest population of refugees and asylum seekers were in Turkey, with 3.1 million individuals (UNDESA, 2017).

### **Expert Consensus on Economic Impacts**

Naturally, the arrival of so many individuals has altered the countries in which they are arriving. The last few decades have seen noticeably increased efforts dedicated to understanding the impact of these individuals on their host countries. As a driver of political decision and public perceptions, the economic impacts of migrants have been of particular concern. There is a general consensus between most economists and migration experts that migrants generally have a neutral or positive economic impact on their host country. Many have also concluded that specifically integrating refugees and migrants into the labor market increases the likelihood of migrants having a neutral or positive economic impact on their host country (EU, 2016; OECD, 2014; Karakas, 2015; Card, 2001). These economic impacts are primarily to the host country's fiscal situation, labor market, and economic growth (OECD, 2014).

Although the majority of literature is in agreement with these conclusions, some experts in the field disagree. After conducting expansive research for the last 30 years, George Borjas, for example, found that while there are economic benefits, there are also costs, particularly fiscal costs, to the native population. He notes that some natives also benefit more than others

and that due to a lack of consistent data and changing circumstances, it is difficult and sometimes impossible to efficiently measure whether economic impacts are positive or negative (Borjas, 2014).

There is also consensus that effects vary depending on multiple variables, including local policies and practices, the position of the local economy, and characteristics of migrants and natives (EU, 2016). Policies in many high-income host countries allow newcomers to work, although that is not always the case and this is only provided that they arrive through the legal channels. Failure to arrive through legal channels excludes migrants from labor market integration or leaves them at risk of being discovered as undocumented. Some countries set working restrictions for newcomers, such as the ability to work only in certain sectors or only after residing in a country after a certain period of time.

Host country integration practices can also make it difficult for newcomers to integrate into the labor market. If receiving and integration practices are slow or inefficient, for example, individuals may temporarily push them off or skip them altogether and choosing to work instead in the informal economy. Once individuals enter into the informal economy, they often stay indefinitely or for longer than anticipated, putting them at risk of further exclusion from the labor market and legal consequences. This also leaves the host country providing infrastructure and social services to individuals that are not contributing (Commonwealth of Australia, 2018). Policies and practices that do not prioritize labor market integration for refugees and migrants not only put the individuals at risk, but also prevent them from making

most positive impact on their host country possible (Ruhs and Vargas-Silva, 2017 & OECD, 2014).

The economic impact also depends on the state of the local economy in the host country. For example, if unemployment rates in the area are already high, migrants may have an especially difficult time finding work. The demand for certain types of work in the area also plays a role in the impact that refugees and migrants are able to make. There may be jobs available in the host country but if those jobs require skill or education levels that are significantly higher or lower than those held by newcomers, the potential of migrants will either be wasted or migrants will not be able to enter into the labor market. For migrants and host countries to realize the most benefits from labor market integration, labor market demands should match the supply of workers. Local wages should also allow migrants to support themselves relative to the cost of living, otherwise certain benefits to the economy will be missed. Again, migrants may choose instead to enter the informal economy or may not be able to contribute as much economically.

Characteristics of migrants and natives also play a role in how a host country is affected by labor market integration of migrants. A common theory throughout migration research conducted in OECD countries and the European Union is that when refugees and migrants have such characteristics as skill and education levels that are similar to those of natives, migrants may act as direct substitutes for natives and take opportunities that would otherwise be taken by natives. If migrants have skill or education levels that are lower or higher than those of natives, migrants tend to have a complimentary effect, filling gaps in the demographic and



labor market demands. Additional characteristics that influence success of integration are age, gender, country of origin, and duration of stay (Ruhs and Vargas-Silva, 2017).

Migration studies that account for variables such as local policies and practices, the state of the local economy, and migrant and native characteristics will yield the most accurate results.

Failure to address all of these factors may have produced skewed results in early migration studies (Smith, 2012).

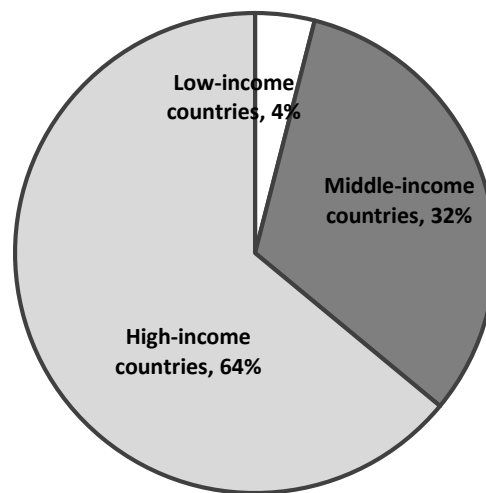
### **The Importance of Studying the Economics of Migration**

In recent years, the unprecedented size and nature of international migration flows have altered the way that host countries operate economically, socially, and politically (Rush, 2015). Economic impacts are of particular concern to host countries, as they often result in social and political changes as well, ultimately having the potential to dramatically alter overall quality of life within a host country. Economic analysis is also a driver of political discourse and can be highly influential in the development of public perception. Policy and public perception largely dictate the success and degree to which refugees and migrants integrate (Glitz, 2012). Therefore, it is important that economic impact analysis is continually studied as international migration continues.

It is widely believed in high income countries that accepting migrants makes it more difficult for the native population to succeed economically. Allowing refugees and migrants to work is one specific way in which native populations often perceive newcomers as inhibitors to their own economic success, as they believe that there is a negative impact on wages and

employment rates. With 64% of international migrants residing in high-income countries and 32% residing in middle-income countries, it is especially important understand whether or not these perceptions are in line with reality (UNDESA, 2017).

**Figure 1. Host Countries of International Migrants by Income of Host Country**



Source: Author's creation, 2018.

Negative perceptions can lead to discrimination, both inside and outside of the workplace. Discrimination, especially from employers, can make it difficult to find work in general and particularly in a place that values worker's rights (Mochanov, 2012). This can also increase feelings of alienation among newcomers and affect their well-being, which can further exclude them from labor market integration and possibly drive them to the informal economy if they feel more of a sense of belonging there.

Inaccurate public perceptions can also lead natives to support political leaders and policies with anti-immigration agendas. Negative public perception of migrant workforce integration can also result in the development of policies that aim to appease public antagonism towards migration (OECD, 2014).

Much of migration and labor market policy is informed by economic analysis (Borjas, 2014) so it is crucial that those debating and developing these policies have a thorough understanding of the economic impacts to make informed decisions (Karakas, 2015). A understanding of the economic effects will allow policy makers to understand that by prioritizing workforce integration for migrants, not only will they lead sustainable and dignified lives in their new homes, but also benefit the host country economy.

Without policies that facilitate migrant workforce integration, newcomers with high skill or education levels may not be working to their full potential and economic benefits may be wasted. Because these individuals will likely continue to arrive regardless of their ability to integrate formally into the labor market, the result could be more strain on the host country, as individuals use infrastructure and social services without contributing (Commonwealth of Australia, 2018). In short, public perception can influence policy and policy can influence public perception. One cannot be addressed without the other if integration efforts are to be fully successful.

This project uses the existing literature and professional reports to evaluate the specific economic impacts of integrating refugees and migrants into the labor market of high-income host countries. In combination with the literature and reports, interviews with experts are used

to recommend how the nonprofit sector should use the economic analysis to support labor market integration.

Before the economic impacts are explored further, a list of the key terms used throughout the paper are defined. Definitions of the terms can vary and are often used incorrectly or interchangeably so the following definitions are intended to provide clarification. Migrants and refugees are discussed together in this paper because there are often similar economic impacts of their integration. The term “migrant” is often used in the paper alone but is inclusive of the specific “refugee” population.

**Migrant:**

According to the International Organization for Migration, a migrant is “any person who is moving or has moved across an international border or within a State away from his/her habitual place of residence, regardless of (1) the person’s legal status; (2) whether the movement is voluntary or involuntary; (3) what the causes for the movement are; or (4) what the length of the stay is” (IOM, 2016).

**Refugee:**

According to the 1951 Convention relating to the Status of Refugees, a refugee is a person who, "owing to a well-founded fear of persecution for reasons of race, religion, nationality, membership of a particular social group or political opinions, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country” (UN General Assembly, 1951).

**Integration:**

The International Organization for Migration generally defines integration as “the process of mutual adaptation between the host society and the migrants themselves, both as individuals and as groups....Integration implies a sense of obligation and respect for a core set of values that bind migrants and their host communities in a common purpose” (Mochanov, 2012).

## **Section 2: Methods and Approaches**

This project uses a mixed method approach to evaluate the economic impacts of integrating migrants into the labor market and recommend how the nonprofit sector can use that information to guide their efforts in integrating migrants into the workforce.

### **Secondary Data**

Secondary data is relied on heavily and includes a literature review and an analysis of data from professional reports by organizations that specialize in migration and economics. Sources published within the last ten years were prioritized. The literature review provides context on the study of migration, recent trends, general expert findings, and the importance of researching the economic impacts of labor market integration. Key terms used throughout the paper are also defined, including “migrant”, “refugee”, and “integration”.

An analysis of data from professional reports discusses specific economic impacts of integrating migrants into the labor market. The final section on recommendations for the nonprofit sector are also informed by this data.

### **Primary Data**

The primary data used in this project consists of responses from three expert interviewees. All interviewees currently work in the nonprofit sector and were selected based on their direct involvement in the fields of either migration or economics. Interviews were semi-structured with a set of core questions and room for elaboration on particular topics of expertise. Questions were related to the impacts of migrant labor market integration and best integration practices. Interview questions can be found in Appendix 1.

Qualitative responses from the interviewees confirm the findings from secondary data, that integrating migrants into the workforce generally yields positive economic impacts. Interviewees shared how their organizations assist in facilitating workforce integration and general best practices for organizations in the nonprofit sector. Names and titles of interviewees are listed below. The third interviewee listed requested that their name and the name of the organization remain anonymous.

- Dr. Yaniv Stopnitzky, Assistant Professor of Economics, University of San Francisco
- Ren Floyd-Rodriguez, Workforce Development Program Manager, Mission Economic Development Agency (MEDA)
- Employment Services Manager, Refugee and Immigrant Workforce Integration Organization

## Section 3. Data Analysis

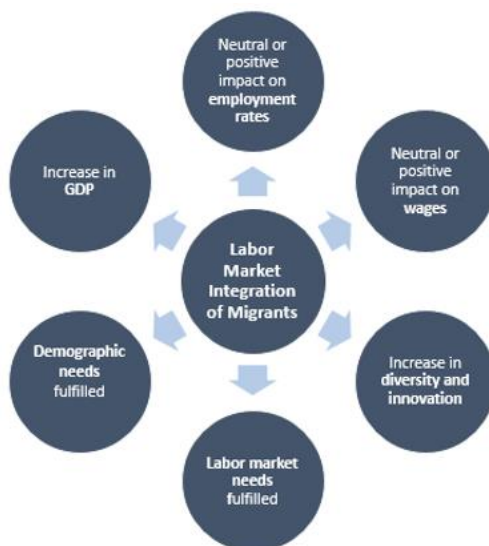
### Economic Impacts

Figure 2 summarizes the impacts of integrating refugees and migrants on the primary areas impacted: employment rates, wages, GDP, workforce innovation, demographic structure and labor market needs. As previously noted, host countries are affected in different ways and to different degrees depending on various factors. Short term impacts can also differ greatly from long term impacts.

Generally, the short-term economic impacts are more adverse and become less significant over time. For example, drops in wages as a result of refugees and migrants entering the workforce are more commonly a short-term effect that becomes less significant in the long term. The same is true for unemployment rates, especially when migrants and natives share the same levels of education and skill set (Ruhs & Vargas-Silva, 2017). Fiscal impacts also tend to be higher and more negative in the short term, as refugees and migrants require more public assistance and may not be employed yet and contributing to those social services (Karakas, 2015). A long initial intake process or lack of labor market integration information and services can exacerbate this problem. As duration of time in the host country increases however, migrants generally tend to put less fiscal strain on the host country as they become employed and are therefore paying taxes and spending in the local economy. Investing resources in the intake process for migrants could ultimately save funds spent on feeding, housing, and caring for refugees and migrants upon arrival (OECD, 2014).



**Figure 2. Economic Impacts of Migrant Labor Market Integration**



Source: Author's creation, 2018.

### **Impact on Employment Rates**

David Card's 2001 study on the labor market impacts on native workers of immigration in the United States found that effects are minimal. Looking specifically at the effects on wages and employment rates of natives, he determined that the impacts of employing migrants are small. He does note however, that the impact on both wages and employment opportunities for natives could be more significant in areas with large migrant populations. Natives in these areas could be particularly affected if migrants tend to have low education levels and the native population is has many young people or many individuals with lower education levels.

The theory of more negative impacts as the result of the substitute effect are confirmed by Christopher L. Smith's 2012 study on the impact of low-skilled immigration on the youth

labor market. He specifically finds that youth are more impacted by the arrival of low-skilled migrants, as they are more likely to have lower skill and education levels. They also have less experience in the United States labor market. Their employment rates are particularly affected and a key finding was that that youth are more likely to be fired than adult immigrants.

### **Impact on Wages**

Like other types of impacts, the impact on wages is typically neutral to minimal. When refugees and migrants have similar characteristics to natives, they tend to seek the same type of work and serve as substitutes for natives. This increase in competition can bring down wages. Of course, there are other contributing factors, such as how willing natives are to accept the decrease in wages. Having more experience in the local labor market may drive them to negotiate for higher wages, making it difficult to measure the impact on wages. This may actually result in other migrants being negatively impacted by newly arriving migrants. In contrast, if migrants and natives are seeking different types of work, overall increases in productivity can bring wages up for natives.

A study of wage impacts in the United Kingdom also found that although the impact on average wages is minimal, it is more substantial to the distribution of wages. Native workers that earn lower wages, for example, are more likely to see drops in wages than those that earn higher wages. It is worth noting however, that even for the decrease in wages for natives earning low-wages, the impact is still relatively small (Ruhs & Vargas-Silva, 2017).

**Impact on GDP**

In a study of OECD countries over the last 50 years showed that impact to GDP was on average, close to zero. Even when slightly more impactful, it was often not by more or less than 0.5%. The study also concluded that in countries where integration is more successful, migrants typically contribute more to the GDP (EU, 2015).

In an interview with Ren Floyd-Rodriguez, the Workforce Development Program Manager at Mission Economic Development Agency (MEDA), she noted that an increase in GDP was one of the primary economic benefits of integrating refugees and migrants into a host country. Floyd-Rodriguez specifically noted that more spending in the local economy and more fiscal contributions are expected as a result. More labor market participation also contributes to economic growth (Kondle-Seidl & Bolits, 2016).

In a separate interview with an (anonymous) Employment Services Manager at an organization that works in refugee and immigrant workforce integration services, the individual shared that a total of 915 program participants landed jobs in the United States, which contributed an estimated \$42 million into the economy via tax revenue and increased consumer spending.

**Impact on Innovation**

The skills and experience of refugees and migrants can drastically differ from host country natives. Their diverse perspectives can contribute to progress in the labor market of

their host country (OECD, 2014). Migrants that are accepted in countries specifically for their skills and experience, such as those with H-1B visas in the United States, naturally are able to contribute to growing sectors, such as technology and medicine. Strenuous circumstances often bring out entrepreneurship in refugees and migrants that host country natives may not have. Many open their own businesses, not only sustaining themselves and their families, but and creating more jobs (Y. Stopnitzky, personal communication, March 28, 2018).

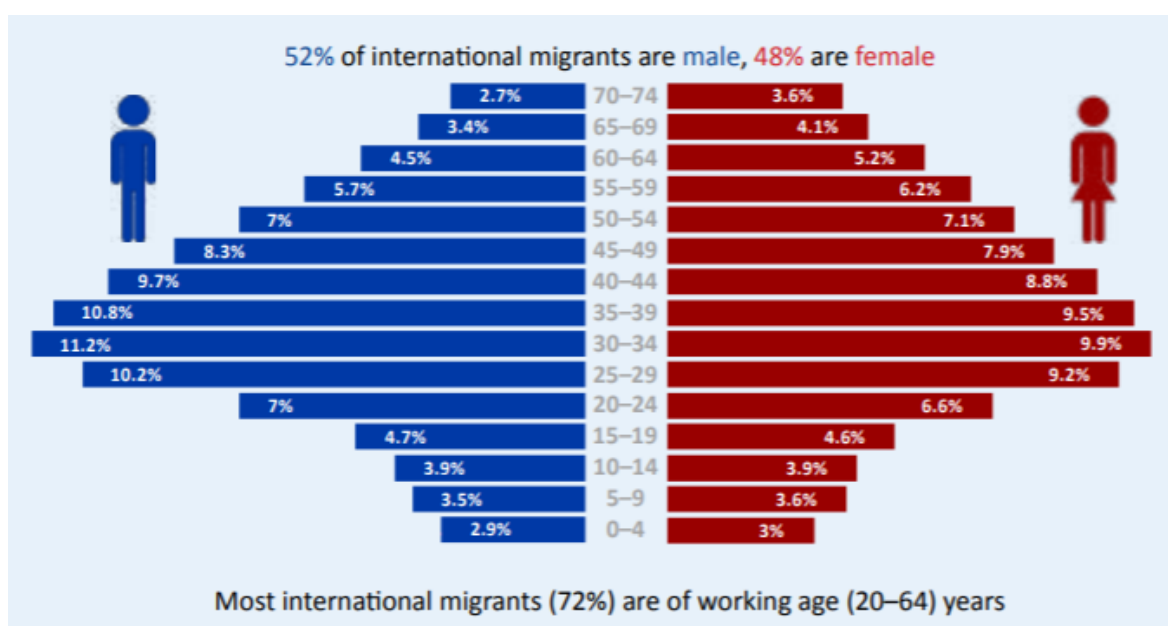
### **Impact on Demographic and Labor Market Needs**

Because the population of so many high-income countries is ageing, the amount of people taking from social services may increase faster than those of working age are contributing. It is estimated that the working age population in the European Union will drop from 211 million in 2013 to 202 million in 2060 (EU, 2015). As stated by Vitor Constancio, Vice President of the European Central Bank,

“This is a very acute problem because for years Europe has been doing a sort of collective demographic suicide. To change the demographic trends, promoting birth is not enough. It also has to be done through immigration. If not, we’re creating a great difficulty to growth and to the welfare of future generations” (Karakas, 2015, 4).

With the majority of international migrations of working age (as seen in figure 3), their working will result in more fiscal contributions that retiring natives are no longer contributing. Refugees and migrants can also fill the jobs of that these individuals are leaving (Karakas, 2015).

**Figure 3. Working Age of International Migrants in 2015 by Gender**



Source: IOM, 2017.

Certain sectors may also be in need of workers if natives are not fulfilling these jobs or if sectors are growing. Michael Clemens' 2013 study analyzed the effect of foreign labor on native employment in North Carolina and found that in the United States, native workers prefer long periods of unemployment to manual harvest and planting labor. He suggests that if there continues to be a demand for this type of labor in the country, migrants will need to continue

to fill these demands. Another study shows that migrants in the United States and Europe entered into the declining sectors that are unattractive to the native population, such as jobs in machine operation, production, maintenance, and repair (OECD, 2014). On the other hand, in 2014, migrants in the United States made up 22% of individuals that became employed in growing sectors, such as health-care, science, technology, engineering, and mathematics. In Europe, migrants made up 15% of that same population (EU, 2015).

By taking jobs that are unattractive to the native population or are in growing sectors, refugees and migrants increase the total productivity of the labor market. Rather than taking jobs, as is the common misperception, refugees and migrants often enhance economic activity and allow for more productivity where it would otherwise be slowed (Y. Stopnitzky, personal communication, March 28, 2018).

## **Section 4: Implications and Recommendations**

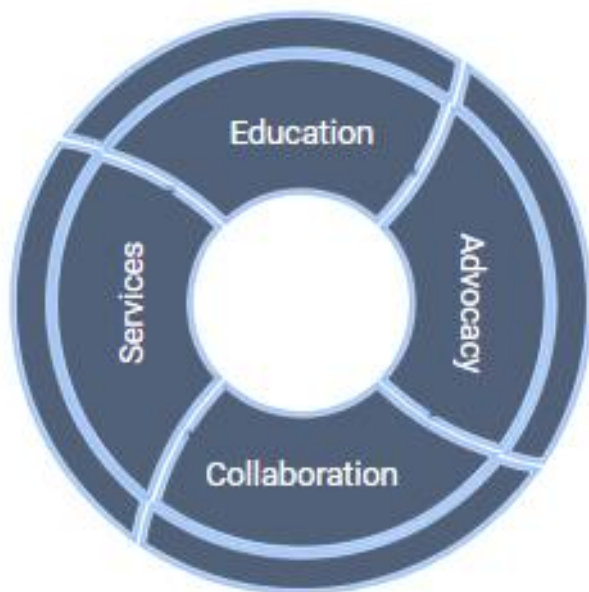
Given that research suggests that the success and degree to which migrants integrate is largely determined by the local political and economic situation in a host country, as well as the characteristics of natives and newcomers, efforts to facilitate labor market integration should be focused on acknowledging these realities and shifting them wherever possible to make them conducive to integration.

Failure to support the labor market integration could result in significant consequences to the host country. In 2016, The Migration Policy Institute found that in the United States, nearly 2 million immigrants with college degrees were stuck in low-skilled jobs or were unable to find work, wasting an estimated \$10 billion in potential tax contributions. Gaps in labor market and demographic needs could continue to go unmet. It has also been found that long-term unemployment, especially when young, can lead to lower pay and higher unemployment. It can also diminish a migrant's health, and again, leave them taking more social services than they are contributing (OECD, 2017).

In addition to the consequences to the host country, refugees and migrants themselves suffer from labor market exclusion. Their dignity, livelihood, and safety are at risk (Rush, 2015). The dependents of these individuals are also impacted. The anonymous Employment Services Manager at the workforce integration organization revealed that services provided by the organization indirectly supported 630 family members by connecting individuals with jobs (Employment Services Manager, personal communication, April 12, 2018).

Action on the part of the private, public, and nonprofit sectors is imperative if the economic benefits of integrating migrants are to be maximized. The social responsibility of the nonprofit sector more than other sectors increases its level of responsibility for leading these efforts. Because so many nonprofit organizations are already highly involved in issues related to migration, many have a base understanding of the needs and the willingness to increase that understanding. The recommendations below are rooted in increasing understanding, as well as advocating, collaborating, and serving in order to support refugees and migrants to become successful and self-sufficient in their new home.

**Figure 4. The Responsibility of Nonprofits in Supporting Migrant Integration**



Source: Author's Creation, 2018.



**Educate Within the Sector**

Nonprofits must first educate themselves to determine how best to educate others and take further action. Professional and governmental reports and studies on current migration trends, local policies, and the position of the local economy should be used to understand how to educate others, direct advocacy efforts, design services, and increase collaboration. Resources should be dedicated to ongoing educational efforts of nonprofit employees at all levels to ensure that they are equipped to share information to those outside the sector and advise clients appropriately.

**Educate Outside the Sector**

Once nonprofits have a thorough understanding of the situation, they should systematically disseminate that information to other involved actors, such as natives, employers of migrants, any partnering organizations. Information should include how integrating migrants into the labor market can benefit the economy and other actors specifically. Natives, for example, should know that integrating migrants into the labor market causes a neutral or slightly positive impact to local employment rates. The fact that migrants have the potential to innovate and fill certain demographic and workforce needs is especially important for employers to understand (Employment Services Manager, personal communication, April 12, 2018).

Educational efforts should aim to combat stereotypes, reduce discrimination, and get buy-in from natives, and serve as a starting point for further communication and collaboration.

The positive economic impacts should also be shared with political leaders, policy makers, and other governmental actors to ensure that policies, practices, funding, and services are designed based on accurate and timely information. Refugees and migrants should also have the same information in order to advocate for themselves both inside and outside the workplace (Hooper, Vincenza Desiderio, & Salant, 2017).

### **Collaborate with actors inside and outside of the nonprofit sector**

Nonprofit organizations should collaborate with actors in the public, private, and nonprofit sector to maximize the benefits of migrant integration for all. Collaboration should aim to increase understanding of needs, challenges, and best practices. Productive debate should be encouraged to develop innovative, effective, and efficient solutions. Communication should be regular, systematic, and transparent. Collaboration efforts should occur through whichever modality is best suited for the involved actors, such as online forums or in-person networking events. Among the most crucial to be involved in collaboration efforts are political leaders, policy makers, social service providers, employers, human resource employees, professors, and economists.

Actors should collaborate to ensure that complimentary services are provided that span all of the needs of the refugee and migrant populations. Connections should be made so that actors can send customers between organizations for the services needed. Social service providers should also develop connections with employers that wish to participate in corporate social responsibility initiatives by hiring refugees and migrants (Employment Services Manager,

personal communication, April 12, 2018). Other especially important topics of collaboration include protection of workers and transfer of qualifications.

### **Advocate for the Prioritization of Integration**

One of the primary forces preventing successful labor market integration is the policy regime. Migrants are willing and able to work and they are able to find work, but sometimes governmental policies and processes slow down or stop them from obtaining work (Y. Stopnitzky, March 28, 2018). Nonprofit organizations should advocate for policies, practices, funding, and services that prioritize the labor market integration of refugees and migrants.

Specifically, policies should allow refugees and migrants to work immediately and without restriction. They should ensure worker's rights and protections. Nonprofits should push for practices and procedures that move quickly, so as to increase the speed of integration and of ultimately achieving self-sufficiency. Nonprofits should also advocate for governmental services to fill migrant needs. Nonprofits should also advocate for resources and subsidies to be directed to practices and services that allow migrants to integrate quickly and effectively (Hooper, Vincenza Desiderio, & Salant, 2017). Processes for transferring of skills and qualifications should be developed with the understanding that many newcomers are educated and skilled but do not have documentation to prove it or the documentation is not worth the same (CEDEFOP, 2014). Overall, the nonprofit sector should advocate for governmental support of labor market integration for refugees and migrants.

**Add or Adjust Services to Meet Needs of Migrants and Local Economy**

The addition or adjustment of services should only be completed after educational efforts to ensure maximum effectiveness of services. Services should be tailored specifically to the needs of individuals and the economy and with consideration of local policies and practices. For example, if migrants in the area tend to have advanced skill and education levels, the organization should create partnerships with organizations that need to fill positions that require advanced skill and education levels. If migrants tend to have low literacy rates, nonprofits should provide pre-literacy level English courses. Because characteristics of migrants vary, nonprofit organizations must collaborate with one another to ensure that a wide range of complimentary services are provided (Mochanov, 2012).

**Provide services that address short and long term needs**

Refugees and migrants tend to enter into jobs that require lower skill and education levels, even if they possess higher skill or education levels. To avoid skill underutilization (a.k.a. brain waste) and increase job mobility, nonprofit organizations should provide both immediate and continuing labor market integration services (Borjas, 2014). For example, ongoing and multi-level language courses can be helpful as migrants develop their language skills, as can career-advising and job-placement services for individuals that have been in the host country for longer periods of time.

**Provide services that are directly related to employment**

The nonprofit sector should provide services that are directly related to employment, such as help developing a LinkedIn profile, job-placement, job training, resume-writing assistance, interview practice, salary-negotiation support, and courses focused on worker's rights and local work culture (Employment Services Manager, personal communication, April 12, 2018). Collaboration between organizations should ensure that organizations unable to meet certain needs can direct customers to alternatives.

**Provide services that support employment**

Cultural and structural barriers can significantly impede refugee and migrant efforts to find work (Employment Services Manager, personal communication, April 12, 2018). The nonprofit sector should provide services that are not only directly related to employment but that support employment efforts, such as technological training, language courses, childcare services. Services supporting the overall development and well-being of individuals is conducive not only to labor market integration, but social and political integration as well, all of which increase the individual's chances of living successfully and sustainably in their new home and making the maximum economic impact on their host country (Y. Stopnitzky, March 18, 2018). Collaboration between organizations should ensure that organizations unable to meet certain needs can direct customers to alternatives (Benton, et. al., 2014).

**Collect data on customers served**

In a general effort to increase the quantity and improve the quality of migration data, the nonprofit sector should collect information on the characteristics of all customers served, whenever possible and within information-collection regulations. This information should be used for the educational purposes listed above.

## **Section 5: Conclusions and Limitations**

Dramatic increases in international migration in the last decade have changed and will continue to change the economic, social, and political climate of host countries. An understanding of the economic impact is imperative, as it is both a reason for and cause of policy development and public perception. Policy and public perception can significantly influence the quality and degree to which refugees and migrants integrate into the labor market and ultimately impact a host country's economy.

Research shows that refugees and migrants typically have no impact or a slightly positive impact on GDP, wages, and employment rates. They can fill demographic and labor market needs in the host country and contribute diverse and innovative perspectives. The more that host countries support the labor market integration, the more of these benefits can be realized.

The responsibility of supporting labor market integration for refugees and migrants belongs to the host country at large. As a leader of social change, the nonprofit sector will need to initiate efforts and mobilize other actors. More research should be conducted on how exactly the nonprofits can inform others inside and outside the sector, using information that is digestible and actionable.

A primary limitation to this study and other migration studies is lack of consistent and comprehensive data collection. Difficulty collecting migration data will likely persist, as it is often lost in transition or because individuals are hesitant to contribute out fear of consequences.

This study also addresses only the benefits and not the costs of the efforts required to achieve those benefits. A more comprehensive look into the costs is needed, although an estimate will be difficult to produce, given the many variables and ever-changing circumstances. Migrants have already begun to shape certain realities that are being studied and it is difficult to identify which factors are the cause of these changes and which are the results. The cost would also just be an estimate based off other estimates. Nevertheless, a cost-benefit analysis would ideally be conducted for each integration effort. Costs should include those that are economic, social, political, and environmental.



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### Appendix: Interview Questionnaire

Please briefly describe your experience working with refugees and or migrants and answer the questions below based on your knowledge and experience.

- 1) Based on your knowledge and experience, what are the economic impacts of integrating refugees and migrants into a host country labor market?
- 2) Is it important to integrate refugees and migrants into their host country labor market? Why?
- 3) What are the consequences of not integrating refugees and migrants into their host country labor market?
- 4) How can host countries best integrate refugees and migrants into the labor market?
- 5) Who do you believe is responsible for facilitating the workforce integration of refugees and migrants? Why?
- 6) What do you believe is the nonprofit sector's role in facilitating the workforce integration of refugees and migrants?
- 7) What do you think is the best way to spread information regarding the benefits of workforce integration of refugees and migrants? What is the best way to persuade businesses to hire refugees and migrants?
- 8) How does your organization or program assist (directly or indirectly) refugees and/or migrants integrate into the workforce?
- 9) What short and long term goals do you expect to see from clients as a result of participating in your programs?
- 10) Can your name, your organization's name, and excerpts from your responses be used in this research paper?

### Author's Bio



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Samantha Wilkinson is a Disbursement Services Specialist in The Office of Accounting and Business Services at The University of San Francisco and a student in the school's part-time Master of Nonprofit Administration program. She obtained her bachelor's degrees from Sonoma State University in Global Studies and Spanish and completed a year of her schooling in Madrid, Spain. Samantha studied international migration at both of the universities. During and after her time in Spain, Samantha had the opportunity better understand global perspectives by visiting Western Europe, Northern Africa, Southeast Asia, and Central America for academic, volunteer, personal, and professional purposes.

Passionate about providing affordable services to the San Francisco area's migrant and refugee communities, Samantha volunteered as a Literacy Coach for students from Eritrea and Ethiopia at Refugee Transitions. Developing personal relationships with the individuals was a highlight of her time at the organization, allowing Samantha to expand her awareness and deepen her appreciation for the challenges that forced migration can present. She is committed to working towards creating more equal and inclusive communities.