****

**FEMISE Euromed Report no. 4 :**

**Repatriation of Refugees:**

**Conditions, Scenarios, Economic Costs and Reconstruction plans in Conflict-afflicted Arab Countries[[1]](#footnote-1).**

**Contributors (To be revised)**

Dr. Ibrahim Elbadawi, President of FEMISE and Managing Director of ERF

Dr. Samir Makidisi, Institute of Financial Economics, American University of Beirut, Lebanon

Dr. Semih Tumen, Associate Professor of Economics at TED University, Turkey

Dr. Belal Fallah, Director of research at Palestine Economic Policy Research Institute-MAS, Palestine

Dr. Roger Albinyana, Director of Mediterranean Regional Policies and Human Development, IEMED, Spain

Dr. Maryse Louis, General Manager, FEMISE

Dr. Alma Boustati, SOAS, University of London, UK

Ms. Jala Emad Youssef, AUC, Egypt

Ms. Dalia Rafik Selim, ERF, Egypt

**Introduction**

The prospects for early repatriation of refugees who have fled conflicts in Arab countries in recent years do not yet look promising. The conflict in Yemen is at a stalemate; Libya is wedged in a power struggle between two military/political factions; Iraq is struggling to recover from decades of instability; and Syria remains a country at war.

Nevertheless, not only have discussions about repatriation started at both national and international levels, but there is also a steady, though still limited, stream of refugees in neighboring countries trickling back to their war-ravaged homes. With the doors of naturalization and resettlement all but closed and the socio-economic situation in host countries weakening, the refugees have found themselves caught in very difficult circumstances.

While mass repatriation at this stage remains premature for all four war-torn countries, the current situation dictates that we recognize and unpack the issue of repatriation in all its dimensions, so that if and when the time comes, informed actions can be taken. This would help to support the most positive outcomes – primarily for the refugees, but also for other stakeholders, such as host communities and those left behind in the conflict countries.

With these considerations in mind, this year’s ERF-FEMISE Euromed Report discusses the issue of repatriation in general and as a potential solution to the refugee crisis in South Med countries. This is accomplished through undertaking a rounded approach that begins with an understanding of the characteristics of refugees and repatriates, as well as their decision-making processes.

This is followed by a thorough analysis of scenarios for political settlements and reconstruction, and what they mean for repatriation, with a focus on the role that the international community can play to ensure a sustainable return. In particular, the Report attempts to answer the following questions:

* What are the main characteristics of refugees from these countries?
* What are the factors that affect refugees’ decisions to return or not to their home countries?
* Under what conditions would repatriation be considered a sustainable solution for refugees’ problems in these countries?
* What are the implications of different scenarios of conflict resolution and reconstruction for repatriation?
* What role can the international community play to ensure a sustainable return of refugees?

From a policy perspective, the Report aims to contribute to debates on post-conflict repatriation and reconstruction in the South Med region, highlighting some possible scenarios, their implications, and the potential role of the international community. There is a particular focus on Syria since its conflict has led to the emergence of millions of refugees who, at the time of writing, make up the majority of the total refugee population in the region.

The Report also contributes to the growing literature on the enabling conditions, challenges, and processes of repatriation, exploring it in the context of the Arab refugee crisis, and thereby filling a gap in knowledge on its economic and political impacts.

The Report is organized into four chapters and a final set of conclusions.

Chapter 1 explores the demographic and socio-economic characteristics of refugees from South Med countries, with a particular focus on Syrian refugees. It also touches on the responses of host communities and the challenges that they face. The analysis in this chapter includes countries that disproportionately accommodate Syrian refugees, namely Turkey, Jordan, Lebanon, and Germany.

The aim of this chapter is to shed light on the difficulties that the refugees face in their host countries, especially in terms of economic outcomes related to education, poverty, and the labor market, and social outcomes in terms of acceptance by and integration into host communities (or lack thereof). It also highlights the diverging experience of refugees depending on their country of asylum and whether they live in camps or not. This chapter sets the stage for the rest of the report by highlighting the critical stage that the refugee crisis has reached, contextualizing the experience of refugees, and stressing the urgency of finding a sustainable solution.

Chapter 2 analyzes the various dimensions of refugees’ decision-making processes about whether or not to repatriate, with a particular focus on households headed by women. It begins with an analysis of the factors that pushed (or pulled) early repatriates to return to Iraq, Syria, and Yemen. It then undertakes a literature review of the various security, political, economic, and social considerations behind refugees’ decisions about repatriation, and how the information that guides these decisions are collected and processed.

In addition, the chapter briefly discusses the economic and political conditions for sustainable repatriation for both the returnees and for the home country. Finally, the conditions for return – as reported by the Arab refugees themselves – is discussed, with a focus on Syrian refugees. The aim of the chapter is to highlight the role of refugees as independent decision-makers despite their limited agency, and to pinpoint the factors that are their priorities when considering whether, when, and how to return home.

Chapter 3 follows up with a discussion of political settlements and reconstruction plans in the region. This is accomplished through a thorough understanding of the literature on reconstruction and repatriation, a detailed mapping of stakeholders’ goals and responses, and a brief discussion of past experiences of political settlement in the Middle East and North Africa (MENA) region.

This is followed by a discussion of potential scenarios of political settlements and the accompanying reconstruction plans that would facilitate the process of sustainable repatriation, distinguishing between refugees in neighboring countries and those in Western countries. The aim of the chapter is to give an informed, realistic picture of the most favorable settlement and reconstruction plans that would ensure the sustainable return of refugees.

Chapter 4 analyzes the economic costs of conflict, post-conflict growth scenarios drawing on the experiences of other South Med countries, and the potential contribution of repatriation to political transition, post-conflict development, economic growth, and reconstruction, again with a particular focus on Syria. Using satellite data and GIS-based estimates, the chapter quantifies the extent of economic destruction in the four conflict countries.

Post-conflict growth scenarios are discussed based on an extended version of the World Bank’s Long-Term Growth Model. These include an optimistic scenario that leads to quick economic recovery and a pessimistic scenario that drags out the cost of conflict for decades. Finally, the economic consequences of repatriation for both the home and host countries are elaborated, along with a detailed analysis of repatriation experiences from selected countries.

The conclusions link together the main findings of each chapter, bringing out the Report’s coordinated theme in addressing the major issues of repatriation. In addition, they provide policy insights into how to address this issue so as to ensure a sustainable and dignified return of the refugees to their home countries.

**CONCLUSION**

**By: Samir Makdisi**

The major problem for repatriation of refugees is the persistence of the conflicts from which they have fled. These continue in varying forms and at varying intensities in the four countries discussed in this Report – Iraq, Libya, Syrian, and Yemen. Final settlements of the conflicts that may lead to national reconciliation are yet to be reached. The fact that all these conflicts have involved extensive direct and indirect foreign interventions – both from other Arab countries and elsewhere in the world – has not only made their resolution more difficult but it has also made the nature of any settlement uncertain.

When the Arab uprisings broke out in 2011, hopes were raised that they would lead to the establishment of democratic regimes in the region and open the door for broad-based development. Yet as of mid-2019, with the exception of Tunisia, these hopes have not been realized. It remains to be seen whether any final settlements could lead to genuine democracy, particularly in those countries where persistent civil conflicts have forced millions to become refugees, mostly in neighboring countries but also beyond.

Given current conditions, voluntary repatriation – as defined by Article 33 of the 1951 UN Refugee Convention (voluntary, safe, and dignified return) – is not commonly feasible. The reasons are the lack of robust and credible political settlements of the conflicts that, among other things, would guarantee the micro security of returnee individuals and communities as well as both their human rights and their property rights.

In addition, there is an absence of a substantial reconstruction agenda, which, in turn, hinges on the achievement of meaningful political settlements. The relatively limited voluntary repatriation of certain refugees has been made under specific conditions that permitted their return.

With these considerations in mind, this Report reaches five main conclusions.

**Refugees from Arab conflicts: scale and characteristics**

First, the conflicts in the region (in Syria and Yemen principally, but also in Libya and Iraq) have caused millions to flee their homeland or forced them to be internally displaced within their own countries. It is estimated that as of mid-2019, 6.4 million refugees had fled from Syria with the majority settling in neighboring countries. Turkey has received half of them, while Lebanon and Jordan have a combined share of about 2.4 million. About a million refugees have settled in Europe, mainly in Germany and Sweden.

In Yemen, over two million have experienced internal displacement, mostly in Houthi-controlled territories with spillovers into neighboring African countries. Between 2014 and 2018, over three million Iraqis suffered internal displacement, while over 280,000, mostly women and children, were forced to seek refuge in neighboring countries, mainly Turkey. Estimates for forced internal displacements in Libya are not available.

Refugees who have settled in Jordan, Lebanon, and Turkey have mostly come from rural and poorer areas in Syria. Over half of them are children and most of the adults are not well educated. Poverty is widespread. It is estimated that half of the Syrian refugee households suffer from very poor living conditions with a very high unemployment rate among those able to work. The prospects for potential integration in their host countries are very low.

By contrast, Syrian refugees in Europe are better educated and more economically able. Should they decide to settle in the countries of their refuge, the prospects are probably high.

**Incentives for refugees to return**

Second,most refugees would opt to return to their home countries but there are multifaceted conditions that govern their return, security at home being one of the most important. At the same time, in deciding on return, refugees take account of the political, economic, and social factors in both the host and home countries. Interestingly, there is also a gender dimension to repatriation in that men and women have different priorities and act differently.

Restoration of security in certain parts of a country in conflict, as in Syria, has induced

a limited return of refugees who hail from these parts. But a major issue here is that to the extent that a political settlement has not yet been reached, this type of return may not be sustainable: the conflict may erupt again in areas considered to be safe or secured by the state.

A wider consideration in this regard is the nature of a political settlement and specifically whether it is politically inclusive and could lead to democratic forms of governance. Refugees may view returning home as a political act equivalent to recognizing the legitimacy of the regime in the home country. Unless they feel they will be protected by the state, they may opt not to return and contribute to the rebuilding process.

Equally, refugees’ perceived economic interests play a role in their decision to return or not – that is, their expectations of the conditions of livelihood in their home country and of opportunities for work and access to social services. Here the gender issue enters the picture. Households headed by women tend to be more concerned with the provision of services, especially schools and hospitals for their children, while men are more concerned with the availability of work opportunities and access to livelihood.

Other considerations that influence the decision of refugees to return or not include family circumstances in exile and in the home country. For example, the presence of family back home can act as an important pull for refugees; but if their children are in school in the host country, this could delay the decision to return. Furthermore, consideration of prospects for reintegrating in the communities they had left could influence the decisions of refugees considering repatriation.

The considerations outlined above indicate clearly that in the absence of a genuine peace, repatriation of refugees faces many uncertainties. While the host countries are nonetheless eager to push in this direction, the voluntary return of refugees will continue to be severely constrained as a consequence of these considerations.

Of those who did return voluntarily, available UNHCR information (2017) on Syrian early repatriates (about 3% of the total) indicates that 58% of the returnees are men citing joining family members as the main reason for return. This is followed by, first, the deteriorating conditions in the country of asylum; second, an improved security situation back home; and finally, the desire to work.[[2]](#footnote-2) The returnees mostly hailed from Turkey (40%), followed by Lebanon (36%), and a small number from Iraq, Jordan, and Egypt.

According to a 2019 World Bank study, demographic variables that are positively correlated with return include being single, male, and less educated. Of the pull factors, the most important is security and then available services, such as education and health facilities. Push factors include efforts undertaken by countries of asylum to induce premature return, especially in Lebanon, a hostile environment and unsustainable living conditions.

**Rebuilding the social contract between refugees and the post-conflict regime**

Third, whatever motives drive refugees to go back home, their return should be viewed as a process of political rapprochement between citizen, community, and state, which calls for the rebuilding of the social contract between the refugee and the state. This implies proper recognition of the political roots of the armed conflict and not only its humanitarian dimension, and of the need for safety and security to be guaranteed through a political process that creates inclusive governance mechanisms, ends criminal impunity, and facilitates reintegration, demilitarization, and access to justice.

The more genuinely inclusive the post-conflict regime, the greater the incentive for refugees to return.While this process may take time given the existing fragmentation within post-conflict scenarios, efforts to prepare refugees for a return have to begin in advance:for example, providing legal assistance and identifying trusted community mediators.

In practice, while the emerging post-conflict regime is normally the outcome of national reconciliation of the main parties, it may continue to exhibit strong elements of clientelism. In other words, post-conflict governance may fall short of the ideal inclusivity that would serve the common interest rather than catering to a client-patron relationship.

Looking at the MENA region, past political settlements, such as those following the Algerian and Lebanese civil wars (in 2002 and 1990 respectively), are a good illustration. In the former case, the settlement was credible but incomplete: a strong state grip by a group of elites of economic resources (mainly oil) and political power created a clientelist structure, and transitional justice was not enforced. In the latter case, the settlement known as the Taif Agreement only managed to realign the political shares of religious sects in governance (the so-called ‘consociational democracy’) but did not eliminate existing inequality in citizens’ civil rights, as had been hoped.

While a large number of Lebanese citizens who left the country during the civil war did return once a political settlement was reached, a good number opted not to return, especially those who had emigrated to the United States.

For the countries currently in conflict, effective repatriation of refugees presents a huge challenge. It requires having sustainable political settlements leading to the establishment of democratic governance that in turn would support the safe return of refugees and open the door to their participation in planned reconstruction projects.

**Resources for reconstruction**

Fourth, in drawing up reconstruction plans, we should keep in mind that key drivers of growth in low- and middle-income countries include public capital, public infrastructure investments, private capital investments, human capital, total factor productivity, demographics, and labor market outcomes. Making available the resources needed to finance the required investment in all of these areas, as well as the workforce to implement them, is a huge challenge facing post-conflict reconstruction plans. Foreign financing will play a crucial role, as too will potentially returning capital as well as remittances from those staying abroad.

Considering specifically the case of Syria, empirical work shows that if there were a large amount of reconstruction assistance and repatriation forthcoming, and hence high investment within the first decade of reconstruction, then Syria would be able to surpass its 2010 GDP and GDP per capita levels in 10 years’ time.

But of course, this optimistic scenario may not emerge. An alternative pessimistic scenario, which embeds the assumptions of limited guarantees for micro-security/property rights, low reconstruction funds, and low investment, suggests that it would take two or three decades for Syria to catch and surpass its 2010 GDP levels.

These findings imply that high post-conflict economic performance is possible in Syria if long-term political stability is achieved, market-friendly mechanisms are redesigned to obtain efficient allocation of resources throughout the economy, appropriately designed reconstruction and repatriation programs are implemented, and those programs are supported by sustainable financing facilities.

Remittances of Syrians (basically of those in the process of integrating into the socio-economic life of their host countries) could be a major channel through which migration may influence the wellbeing of individuals at home.

As for repatriation, if returning migrants are highly skilled, then repatriation has a clear positive impact on the economic outcomes in the home country. Further return migrants would contribute to reconstructing national institutions and raise their quality. On the other hand, one should bear in mind that the repatriation movement could lead to a limited decline in wages and a small increase in the unemployment rate in the short run.

**New models of reconstruction and repatriation**

Fifth, a cautionary conclusion is in order. It is not surprising that, so far, repatriation efforts have been much less successful than expected. As indicated above, lack of security in the home countries and anticipation on the part of the refugees of recurring conflicts is a major explanatory factor. Until hostilities are permanently ended and a genuine national reconciliation is achieved in the countries suffering from conflict, particularly Syria and Yemen, a sustained program of repatriation is clearly not expected to succeed to any great extent.

But even when peace is restored, it is essential for the parties concerned (national governments and international organizations), when designing future repatriation programs of refugees, to address other hindrances that have been associated with the so far limited return of refugees. This would include, among others delineated in the conclusions above, a lack of coordination between the parties concerned with repatriation, a failure of the home country to address issues of property rights, and a lack of sufficient international support for repatriation programs.

Past repatriation and reconstruction efforts were intended to address specific regional or country-specific concerns. But while the effects of existing Arab conflicts and their associated refugee problems remain basically regional concerns, they have now spilled beyond the region to become a global problem. This implies the need for coordinated policy action between all the governments and international organizations concerned to reach an all-encompassing solution that accounts for this new dimension of the refugee problem.

Past regional models and/or individual country efforts may no longer be useful or sustainable. Looking forward to the post-conflict phase, new reconstruction models and institutions would need to be designed to avoid the inefficiencies of the past and lay the foundations for sustainable programs of repatriation.

**References**

* Crisp, Jeff, and Katy Long. 2016. ‘Safe and Voluntary Refugee Repatriation: From Principle to Practice.’ J. on Migration & Hum. Sec. 4: 141.
* Elbadawi, Hanan. 2018. ‘Syrian Refugees in Lebanon: Potential Forced Return?’ Atlantic Council. 2018. <http://www.atlanticcouncil.org/blogs/menasource/syrian-refugees-in-lebanon-potential-forced-return>.
* Marks. 2018. ‘Pushing Syrian Refugees to Return.’ Carnegie Endowment for International Peace. 2018. http://carnegieendowment.org/sada/75684.
* UNHCR. 2007. ‘Chapter 7: Solutions for Refugees’ in ‘The 10 Point-Plan in Action.’ UNHCR. 2007.

<https://www.unhcr.org/publications/manuals/5846d10e7/10-point-plan-action-2016-update-chapter-7-solutions-refugees.html>

* UNHCR. 1995. ‘Handbook on Voluntary Repatriation: International Protection.’ UNHCR. 1995.

<https://www.unhcr.org/publications/legal/3bfe68d32/handbook-voluntary-repatriation-international-protection.html>.

1. *This EuroMed report has been produced with the financial assistance of the European Union within the context of the FEMISE program on: “Support to Economic research, studies and dialogues of the Euro-Mediterranean Partnership”. The contents of this report are the sole responsibility of the authors and can under no circumstances be regarded as reflecting the position of the European Union.*  [↑](#footnote-ref-1)
2. Available data on the repatriation of refugees from the other countries in conflict is fragmentary and unreliable. [↑](#footnote-ref-2)