

TOWARD UNDERSTANDING LIVELIHOOD FRAMEWORK OF REFUGEES IN MALAYSIA: A CONCEPTUAL PAPER

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Accepted date: 08-07-2018

Published date: 12-12-2018

To cite this document: Ghazali, M. S., Tan, P.L & Subramaniam, G., (2018). Toward Understanding Livelihood Framework of Refugees in Malaysia: A Conceptual Paper. *Journal of Islamic, Social, Economics and Development*, 3 (14), 37-43.

Abstract: *Refugees are commonly viewed as burdensome, helpless, and purely depend on government or agencies responding to refugees' needs because the existing studies mainly report and illustrated lacking, incapability and the burden of refugees into hosting countries. On the contrary, while some studies suggest that refugees have no significant impact, others portray heterogeneous impacts, with some negative impact on poor host-country households. Surprisingly, with 161,359 refugees and asylum-seekers registered with UNHCR in Malaysia for the year 2017, there is limited research are conducted on the livelihood and economic impacts of refugees in Malaysia which have provided shelter to hundred thousands of refugees for more about a half-century. The issue of the refugee crisis is a serious issue in today's geopolitical and has captured incredible responses from both international communities and receiving countries. The policymakers need a clear understanding of the impacts of refugees not only on social and legal aspects but specifically on the economic aspect to cope with these ever increasing refugees who will stay in the host countries for a long time while waiting for relocation. Due to that, the study aims to highlight livelihood strategies as well as economic outcomes among urban refugees in Malaysia. This study proposes a conceptual model of the livelihood framework which comprises the key factors such as human capital, natural capital financial capital, social capital and physical capital. This study is hopefully can support the existing studies which may not extensively explore livelihood and economic outcomes concerning refugee's population in a comprehensive model.*

Keywords: *Refugees, Livelihood, Economic Outcomes*

Introduction

A report by the UNHCR Global trends 2016 revealed that 65 million people or 1 person in every 113, have been forced abandon their homes (UNHCR, 2017). Currently, about 34000 people around the world are displaced every day due to the conflict, persecution, violation of human rights and disaster (UNHCR 2016; A. Baloch et.al 2017). For instance, the tragic catastrophe in Syria has thus far killed roughly half millions of people and uprooted more than 10 million Syrians, whereas around 4.9 million have been driven into exile and 6.6 million internally displaced. On the other hand, the invasion and destabilization of Iraq has forcibly moved 4.4 million people from their homeland, while the civil war in Yemen has dislocated 2.5 million people. Other places with large number of forced displacements include sub-saharan Africa, Afghanistan and Myanmar (Asia and Pacific), El Salvador, Guatemala and Honduras (South America) and Ukraine. In Malaysia, the number of refugees has seen a significant rise over the years. As of 2017, there are some 161,359 refugees and asylum-seekers have been successfully registered with majority hailed from Myanmar, specifically Rohingya ethnics (UNHCR, 2017).

The common stigma of the ‘refugee burden or ill’ are widely accepted in the vocabulary of policy makers and host countries communities (Roger, 2012). The ‘burden’ or negative impacts of refugees on host countries by adding additional welfare costs of refugees’, increasing the prices and demand for essential goods and distract infrastructure such as water availability, sanitation facilities, and transportation (Baloch, Shah, Noor, & Lacheheb, 2017). In Malaysia, refugees are not distinguished from undocumented migrants because Malaysia is not a State Party to the 1951 Convention (UNHCR, 2011), hence, they were ‘lumped’ together as a homogenous group and being marginalized and persecuted (Kok, Lee, & Low, 2017).

One of the most important trends in regards to forcibly displaced persons is the increasing number of refugees hosted in developing countries like Turkey, Pakistan and Malaysia. As end of 2016, developing countries hosted 84% of the world's refugees population (UNHCR, 2017) while Germany is the only western country listed as the top 10 refugees nations. This trend also reflects the deliberate policies of the host countries to increase refugees’ economic self-sufficiency by allowing refugees participation in domestic’s labour market, in turn reducing the social and welfare costs.

Despite the negative impacts of refugees in host countries, they also can produce significant positive economic impacts to host developing countries through their contribution to business process, providing cheap labour through integrating labour markets and increasing local retails income from the sale of goods and services (Akgündüz, Van Den Berg, & Hassink, 2015; Maystadt & Verwimp, 2014; Tumen, 2016).

Due to the emergence of refugee’s numbers in non-signatory parties, it is necessary to investigate the livelihoods and economic outcomes among refugees in Malaysia. The livelihoods formation can be examined through the ability of five livelihood assets namely human capital, social capital, physical capital, natural capital and financial capital to strengthen economic outcomes adaptation ability of refugee’s population in Malaysia. Specifically, the study aims to highlight the formation of livelihood framework as well as economic outcomes and propose a unique conceptual model that may focuses on the need to strengthen the livelihood assets, the relations between the livelihood assets and subsequently to suggest recommendations to strengthen the refugee’s self-sufficiency via the

intensification of their livelihood assets. This study is significant to support the existing studies which may not extensively explore livelihoods and economic outcomes in a comprehensive model

Literature Review

The Livelihood Assets

There have been several interpretations of what constitutes a livelihood. As illustrated by Levine (2014), a livelihood is how individual doing to make a living through manipulating his/her capabilities, skills, tangible and intangible assets. Adding to this, Ellis (2008) pointed out in his study that livelihood strategies chosen by an individual or household is merely determine through their access to resources, structures and process which shaped their pathways. According to this view a livelihood strategy is a dynamic relationship that can't be understood based solely on a simple technical or analysis of the job attainment process, but its required comprehensive framework that would be adequately for formulating policy or any intervention to support them. Consequently, there is no one-framework-fits-all approach to study refugee livelihoods. Although important, a livelihood strategies and policy interventions must addressed some factors associated to the local context, such as legal, economic, social, urban or rural setting, essentially it would change the way livelihood interventions should be deliberate. Fundamentally, the capital assets model provides a basic understanding to formulate the sustainable livelihoods framework. Among such studies, Bebbington (1999) & Scoones (1998) among the pioneers which addressed the capital assets model linked with natural, financial, human, social and physical capital and its play an important role when the study integrated with population lie on the poverty or marginalized scale.

First, natural capital refers to the natural resource stocks (soil, water, air) and environmental services from which resource flows and services useful for livelihoods are derived. Accordingly, natural capitals provide the employment opportunities and also supply the food and other resources to stimulate earnings. Adding to refugee lens, many rural refugees have access to land but they do not have legal rights to ownership which making sustainability livelihood is hard for them to achieve.

Second, financial capital is defined as the monetary (cash, savings and investments) and non-monetary (basic infrastructure) which can liquidate into economic resources. For refugees, financial capital is often low and difficult asset to own due factors associated with low human capital features, high levels of poverty and low earnings (Scoones, 1998).

Third, human capital contains set of knowledge, skills, competencies and abilities that facilitate the successful pursuit of livelihood strategies (Becker, 1993; Smith, 1776). Many problems refugees and migrants experience in the labour market is therefore explained by their lack of human capital. It can be attributed or explained with lack of education (they got their degree in a third world country with lower educational standards), lack of English language skills, lack of local labour market experience, or lack of job seeking skills (Jackson & Bauder, 2014).

Next, social capital concept demonstrates the social bridge in which both individuals and societies can tolerate through collective behaviour, rules and norms that can achieve desired goals (Winters, Davis, & Corral, 2002). As pointed in de Haan & Zoomers (2005),

networking, sharing the similar trust and belief and participation of formalised groups together would increase on the accessibility to resources and capitals.

Finally, physical capital according to Carney, Tamara; Drinkwater & Care (1999) comprises basic infrastructure such as shelter, transport and resources such as water and energy which enable people to pursue livelihoods. Moreover, it has been noted that physical capital in this framework provides the basic facilities to enhance other capital and also important indicator to access quality of institutions involved which that are able to enhance economic well-being (Schultz, 1961).

Economic Outcomes

There is considerable debate in term of economic burdens and benefits of refugees in host countries. Notably, evidence of the economic outcomes and impacts of refugees on host countries is scant due to lack of before-and after data to estimate significant economic outcomes. Moreover, the impacts of new and often unexpected refugee influxes, the complex effects refugees can have on host country economies, and the infeasibility of a comprehensive framework coupled with analytical tools and systematic methodologies to identify refugee impacts (Taylor et al., 2016). Besides, a bulk of existing literature has highlighted largely on refugees' humanity and their sufferings (Akbarzadeh & Conduit, 2016; Connor, 2010; Kok et al., 2017; United Nations High Commissioner for Refugees, 2003; Werker, 2007) but still little on refugees livelihoods strategies especially in different spaces and landscapes in urban areas.

Moving on to economic burden or benefit produce by refugees, Whitaker (2002) through his study has found symbiotic relationship where Tanzanias people also mutually benefited from the presence of refugees and international relief agencies. Similarly with other past studies, the study also showed that others struggled to maintain access to even the most basic resources. Based on a few dimensions of refugee data such as age, gender and class, the study showed that hosts who already had access to resources, education, or power were well-poised to benefit from the refugee presence but other people were disadvantaged and further marginalized (Akbarzadeh & Conduit, 2016; Akgündüz et al., 2015; International Labour Organization, 2014)

Additional empirical evidence is given by Taylor et al., (2016) reveal that cash aid to refugees creates significant positive income spill overs to host country businesses and households. An additional adult refugee receiving cash aid increases annual real income in the local economy by \$205 to \$253, significantly more than the \$120–\$126 in aid each refugee receives. This economic consequences also impact trade between the local economy and the rest of Rwanda where recorded increases by \$49 to \$55. Besides, it is undeniable the study also pointed out that though refugees result in variety of economic, security related and environmental burdens on host country, but still they contribute to state building of the host country.

There is little doubt of the favorable economic consequences of refugee's bursts on neighborhood host countries, especially hosted by developing countries. The study by Dahi (2014) uncovered the role of neighbouring countries such as Lebanon and Jordon in carrying the influx of Syrian refugees. The study highlighted the economic opportunities and challenges for these countries but emphasized that these countries can obtain benefits from these Syrian refugees through investment in economic development. Due to recent internal

conflicts and on-going war in Middle East countries, much refugees studies now has been devoted to their economic impacts on Turkey’s macroeconomic performance. In a recent empirical study by Baloch et al., (2017) which utilizing the refugee macroeconomic data in Pakistan indicate that Afghan refugees have a strong negative impact on economic growth and the study suggesting hosting refugees can never be a boon to Pakistan’s economy. From the literature, there is limited exploration of the economic outcomes of refugees’ influx in Malaysia as well as lack evidence base by which to evaluate the ‘winners’ and ‘losers’ on the existing phenomenon.

The Conceptual Model

Given that the increased numbers of refugees, and the facts that most refugees are likely to stay permanently in this country, this conceptual paper aims to shed light on livelihoods framework and economic outcomes refugees in Malaysian economic narrative. Therefore, the proposed conceptual model is shown in Figure 1.

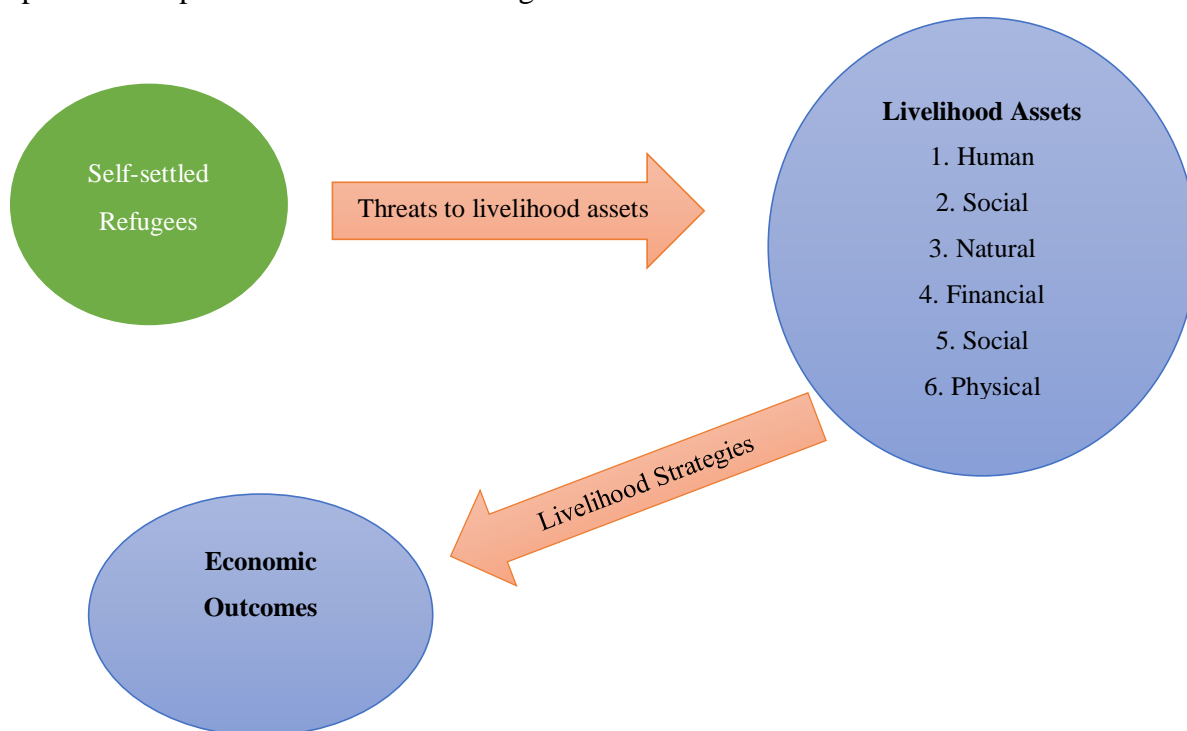


Figure 1: The Conceptual Model

Conclusion and Future Directions

This research methodology will adopt a concurrent mixed method approach (Creswell, 2009). For quantitative approach the questionnaire survey will be adopted. While, for qualitative the following methods such as thematic analysis, interviews, focus group interviews and experts review will be applied. A total of 10 focus groups discussion will be conducted to understand the current economic status of refugees in Malaysia. They are scattered mainly in the Federal Territory, Kuala Lumpur and Klang Valley. Subsequently, a structured questionnaire will be administered to 500 refugees to obtain social economic information of refugees in Malaysia. All data obtain will be processed using Multivariate analysis to fulfil the all objectives in this study. Findings of this study will contribute both to prior understanding on livelihoods strategies and economic outcomes of refugees in Malaysia

and to the field of refugees studies especially in context of Malaysian as a non-welfare state. Notably, future research work is also required to identify how the host country can amplify the positive benefits of refugees while mitigating their negative economic consequences.

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