



## If US won't take more Syrian refugees, extend trade agreements to those who do

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Almost 6 million Syrians have left their home country due to the civil war. Most of them are in the Middle East: 2.7 million in Turkey, 1.1 million in Lebanon and 640,000 in Jordan. The United States has resettled a mere 3,619 here while Europe has accepted **over 1 million**. Western nations aren't politically eager to accept more fleeing Syrians due to fears of terrorism and the cost to taxpayers.

Allowing Americans to privately sponsor refugees, increasing the numbers or giving them priority for work visas would all ease the humanitarian crisis. If those options are not politically possible, the United States and other Western nations have other options to help Syrian refugees in the Middle East that will help keep them there.

The United States and Europe should extend even more generous free-trade agreements (FTAs) to Turkey, Lebanon and Jordan. In exchange, those governments will hand out legal work permits to the Syrian refugees and remove all restrictions on their employment, entrepreneurial activity and living arrangements. They shouldn't face extra fees, or wage or labor market regulations. Likewise, firms that hire the Syrians shouldn't face any extra burdens, fees or taxes.

Expanded FTAs will lessen the humanitarian burden and improve the livelihood of Syrians at zero fiscal cost to the West. All we'd give up are a few tariffs and customs procedures that make us worse off anyway. Enhanced FTAs will spur domestic industry in nations housing Syrians, sucking up refugees and natives alike in an expanding economy.

More income, employment and options for the Syrians will help them start their lives anew and decrease the pressure to leave. A handful will use their newfound income to smuggle themselves to the West, but the desperate humanitarian urgency will diminish. Instead of a mad scramble to resettle asylum seekers showing up on Europe's coasts, an orderly process of refugee resettlement can continue at lower numbers while the Syrians start their lives again.

Free-trade agreements can make a big difference in Middle Eastern countries hosting Syrians. The 2001 U.S. FTA with Jordan helped expand their exports from \$229.2 million to almost \$1.5

billion in 2015 — much of it concentrated in the labor-intensive apparel industry. Europe also has an FTA with Jordan.

Trade with Jordan is already so liberalized that little can be done to improve it besides freeing agricultural commodities — a big potential employer of lower-skilled Syrians. Europe and the United States should also listen to Jordanian complaints about our trade deals and unilaterally amend them to their liking. Jordan is already issuing and expanding **work permits to Syrians** without **negative economic consequences**; Western trade actions can help make sure both continue.

Expanding the Jordanian FTA to Turkey and Lebanon can also help. Lebanon is a small country with a major port but a lot of political instability made worse by European-style labor market regulations that encourage black-market hiring. According to an International Labour Organization **report**, "Most Syrian refugees work as informal labourers, whereby 92 percent of workers do not have a contract. Around 72 percent are hired on an hourly, daily, weekly, or seasonal basis; only 23 per cent are paid a regular monthly salary."

Lebanon's government is currently issuing permits to some Syrians, but they aren't allowed to start businesses in many parts of the country. Removing strict labor market regulations that cause black-market employment would relieve that situation. The promise of a generous FTA and access to a rich market could provide the impetus to spur labor market and refugee reforms.

Turkey, on the other hand, is a larger and more modern economy with greater political stability. They've begun to grant permits to Syrian workers, but with minimum wages and a prohibition on more than 10 percent of employees in any single firm being Syrian. An FTA with Turkey should insist on removing those regulations while simultaneously opening up the American market to Turkish firms, giving a huge incentive to hire the Syrians and many Turks.

Free-trade agreements with Middle Eastern nations hosting Syrian refugees will accomplish important humanitarian and economic goals in that beleaguered region while satisfying other political goals in the West, like keeping the Syrians out. Ultimately, the United States should welcome in more Syrian refugees. But targeted FTAs can at least make a big difference in the mean time.

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