

# VALLEY NEWS

## Refugees Help Build Economy

Eleanor Mueller

November 27, 2015

Within six years of arriving in Boise, Idaho, Iraqi refugee Salam Bunyan — forced from his Baghdad home for working alongside the U.S. military — realized his version of the American dream by opening a restaurant.

It was the culmination of 17 years of culinary experience in Iraq, a Jordan refugee camp and Boise. He named the Middle Eastern restaurant The Goodness Land.

“Business is very good,” Bunyan said of the restaurant’s success over the past year. “I have big support in the community.”

Bunyan’s story is emblematic of the give-and-take many seeking asylum in the United States experience. Though the safety and financial support provided by their new home grants refugees the opportunity to build new lives, the communities in which they resettled often reap the economic benefits that come with an expanded tax base, supplemented workforce and greater diversity of businesses — like The Goodness Land.

“Refugees over time tend to contribute to growth and economic vitality in any community, and we certainly feel that in Boise,” said Patty Haller, assistant director of the Idaho Office for Refugees. “Most Boiseans see refugees in our community as a very positive influence.”

As the national debate over admitting Syrian refugees continues, many economists and refugee advocates across the nation fear that public officials are missing a point: Although refugees require a minimal amount of cash assistance to get them on their feet, their rapid integration into the workplace and atypical upward mobility have been shown to boost economic growth and employment rates for the nations that offer them legal residence — including the U.S.

“Even though initially they get public support, in most cases they lose that and rely quickly on work,” said Randy Capps, director of research for U.S. programs at the Migration Policy Institute. “It’s a strength of the U.S. system and of the economy.”

Through rapid integration into the workforce, refugees began contributing to the economy faster than any other class of immigrant. Eighty percent of refugees find jobs in their first few months in the country, said Noah Gottschalk, senior policy adviser for Oxfam.

That is mostly thanks to the refugee resettlement agencies handling their cases, which make it a point to find each new arrival employment within 90 days.

“Because of their assistance in that process, they’re very quickly able to become productive members of society contributing back into the economy,” Gottschalk said.

The paychecks earned in their first months of employment mean they pay taxes, contributing back to the tax base that helped get them on their feet.

Zeze Rwasama, director of the College of Southern Idaho’s Refugee Center, gave the example of a refugee who found work at a local dairy plant. Although the agency spent \$2,600 to help resettle him, the man’s annual salary of \$26,000 meant he paid \$4,800 in taxes in the first year.

“Looking at how much money we spend resettling a refugee and how much they pay into the tax fund, it’s not comparable,” Rwasama said. “If refugees weren’t self-sufficient, that would be a problem, but that’s not what’s happening.”

The economic benefits aren’t just at the federal level, either.

Once refugees are employed, they are able to pay rent, buy groceries, and otherwise are consumers in the communities that have welcomed them. That provides an often much-needed boost to local economies, something cities across the nation are coming to appreciate.

According to a study by Chmura Economics & Analytics that focused on Cleveland, refugee service organizations spent \$4.8 million resettling refugees in that area in 2012. That number was vastly overshadowed by the economic impact those same refugees were calculated to have on the area — about \$48 million.

Once they’re financially stable, refugees enjoy a level of prosperity unmatched by other immigrant classes.

In a 2004 study, Kalena Cortes, then a postdoctoral fellow at Princeton University, found that over a decade, refugees had earned 20 percent more, worked 4 percent more hours, and improved their English skills more than their economic migrant counterparts.

The discrepancy likely is the result of a refugee’s unique life experiences, said Alex Nowrasteh, an immigration policy analyst for the Cato Institute, a Washington-based think tank. Having been denied every other option available to them, he said, those who seek asylum are often more than ready to throw themselves headfirst into whatever opportunities they may be granted.

“Refugees are more likely to work, more likely to work more hours, and more likely to see poverty reduction than similarly skilled Americans,” Nowrasteh said. “They’re more upwardly mobile than other immigrants or natives, just because they start at such a low level and many are interested in putting down firm roots in their new country.”

“A lot of economic migrants to the U.S. have the option of returning home” Nowrasteh said. Refugees do not have that option. So they have to make that permanent investment — learning English, getting an education.”

Syrian refugees in particular may be even better equipped to make that investment than others, data show. Coming from a country with relatively high education rates, Syrians are more likely than other immigrants to have high school, college and graduate degrees, Capps said.

“Prior to the war, Syria had high levels of education, which shows in the population of Syrian immigrants residing in the U.S. now,” Capps said. “We don’t expect the profile of a Syrian refugee to be any different.”

Forty percent of Syrian immigrants have college degrees, while only 30 percent of immigrants overall do, Capps said.

Forty-nine percent of Syrian immigrants hold professional jobs, while foreign-born Americans overall hold 38 percent, Capps said.

“It means there’s a good chance they’ll do well here,” he said.

For proof, experts invite Americans to look elsewhere. Although the United States has accepted only a trickle of Syrian refugees — less than 2,000 so far, too small a percentage of the population to draw conclusions at home European countries who have welcomed higher numbers of the asylum seekers already have seen economic benefits.

The European Commission’s fall economic forecasts, for example, calculate that the 3 million refugee arrivals expected before the end of 2016 will produce increases in annual gross domestic product growth ranging from 0.2 to 0.5 percent, while also serving to “translate into additional employment.”

That is perhaps best illustrated in Turkey, where more than 1.8 million Syrians have been resettled already.

As a result, the World Bank has reported the creation of new, higher-wage jobs that allowed for the “occasional upgrading of Turkish workers.”

“What’s happening in Turkey where a decent number (of Syrians) have been allowed to work and start businesses is key to fleshing out what’s going to happen in the United States,” Nowrasteh said. “The wages of many mid- and high-skilled Turkish workers were pushed up because the Syrians occupied the jobs at the bottom of the labor market.”