Labor Market Access for Refugees:

The Evidence on a Win-Win for Refugees and Hosts

Thomas Ginn

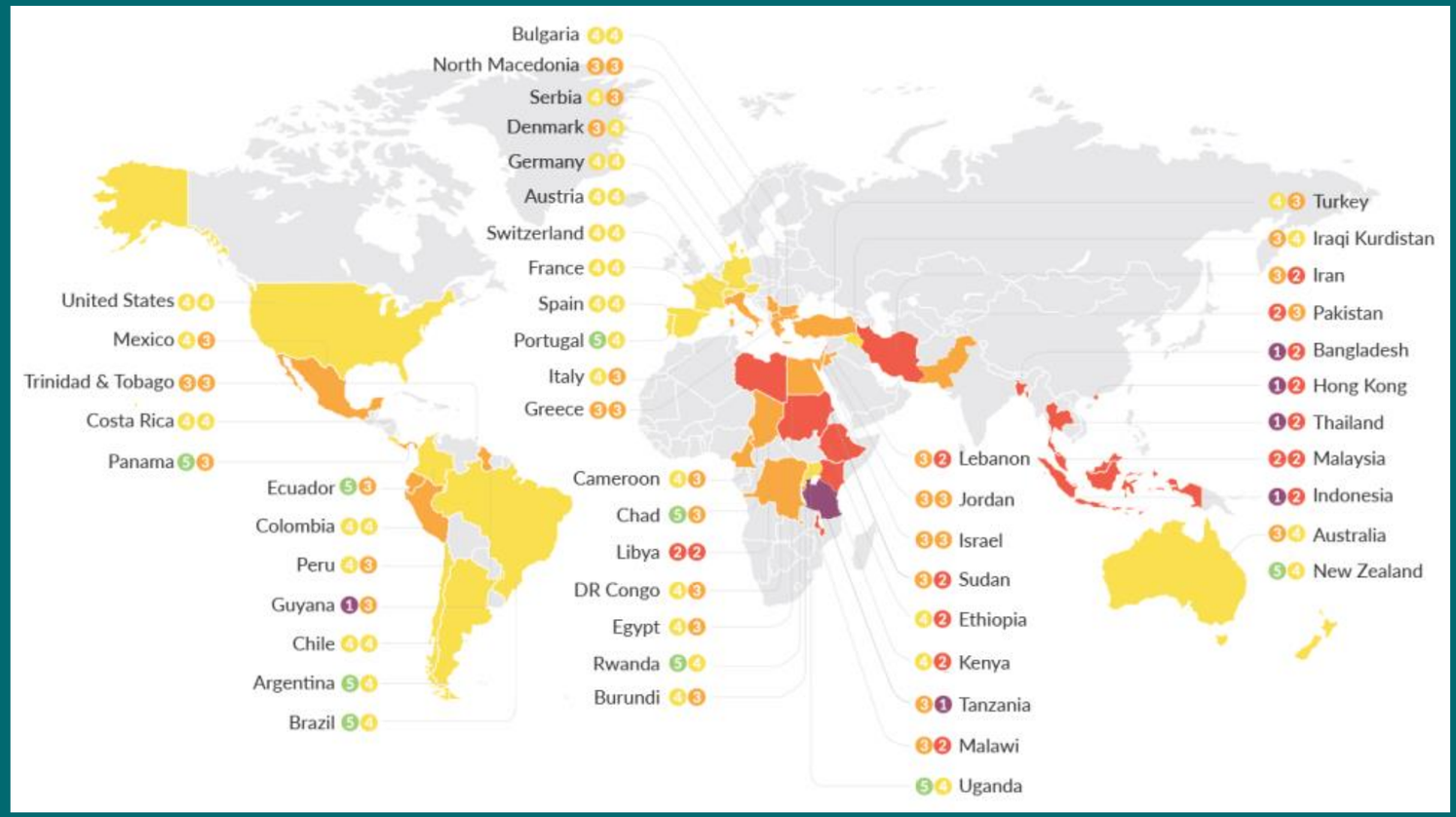
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2022 Global Refugee Work Rights Report

At least 55% of refugees live in a country that significantly restricts their right to work in practice

Refugeeworkrights.org



Importance of Refugees' Work

- Refugees need to work to meet basic needs
- Work also has a positive psychosocial effect (Hussam et al, 2023)
- Could change the perception of refugees from a "burden" to contributors
- Sixty-six percent of refugees live in protracted situations of at least 5 years (UNHCR 2024), while 34% of aid for refugee situations went to development programs in 2020–21 (OECD 2023)

A Better Way Forward

Status Quo

- Work Restrictions
- Aid:
  - Limited Effectiveness
  - Needed for Longer Periods
  - Needed for More Refugees
- Few winners

Global Compact on Refugees

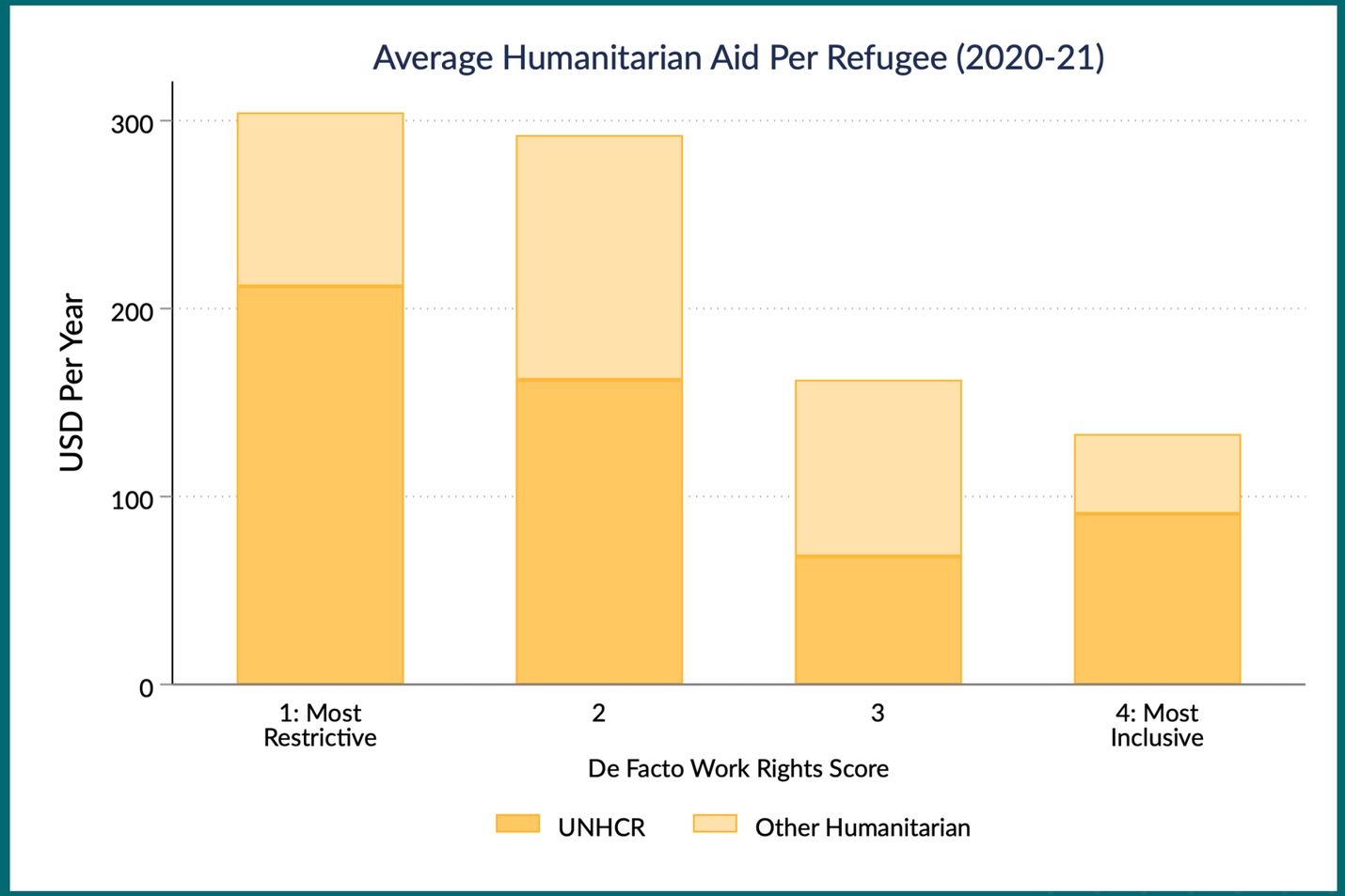
- Work Rights
- Aid:
  - Increased Effectiveness
  - Needed for Shorter Periods
  - Shared with More Hosts
- Refugees and Hosts Benefit

How Do Work Rights Affect Refugees?

- In Colombia, refugees who were offered PEP regularization:
  - Increased consumption (60%), income (31%), business formalization (10%)
  - Especially for men, more educated, and in main cities (Ibáñez et al, 2022)
- In Jordan, refugees with work permits increased income and food security, while reducing child labor (Peitz et al, 2023)
- In Germany, shortening the work ban on asylum seekers increased employment rates by 20 percentage points (Marbach et al, 2018)

How Do Work Rights Relate to Funding?

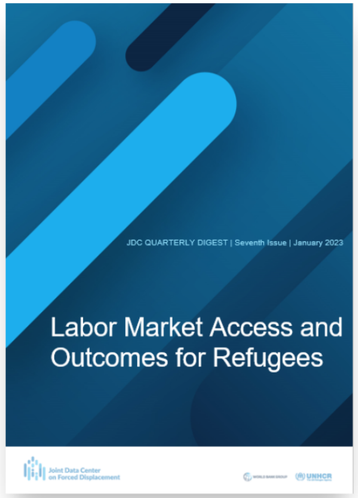
- Countries receiving a two (out of five) use US$160 more per year per refugee than countries scoring a four (Ginn et al., 2025)



How Do Work Rights Affect Hosts?

- Distinct question from hosting refugees on average
- In Colombia, doubling the proportion of PEP holders in a department reduces formal employment of Colombians by 0.1 percentage points, from an average of 65 percent
  - More negative for highly-educated workers and women
- In Germany, shortening the work ban saved the government 40 million Euro per year in social assistance
- On average across LMICs, effects on hosts are no different in countries with and without work rights (Aksoy et al, 2023)

More Evidence on Work Rights



Labor Market Access and Outcomes for Refugees

Refugees' right to work is protected by international law but often violated in practice. This Digest discusses the barriers that host governments impose on refugees' labor market access and reviews the academic research on the effects of these policies and practices have on refugees and host communities. As expected, barriers like employment bans significantly harm refugees' living conditions in most contexts where research is available. However, the evidence also suggests that most segments of the host communities benefit little and may in fact be harmed by restrictions on refugees' work.

Read the full report

- Overall, the evidence suggests a large effect on refugees and a minimal effect on most hosts
- For a deeper dive, see the January 2023 digest from the Joint Data Center

Aid-Sharing and Messaging Increases Political Support

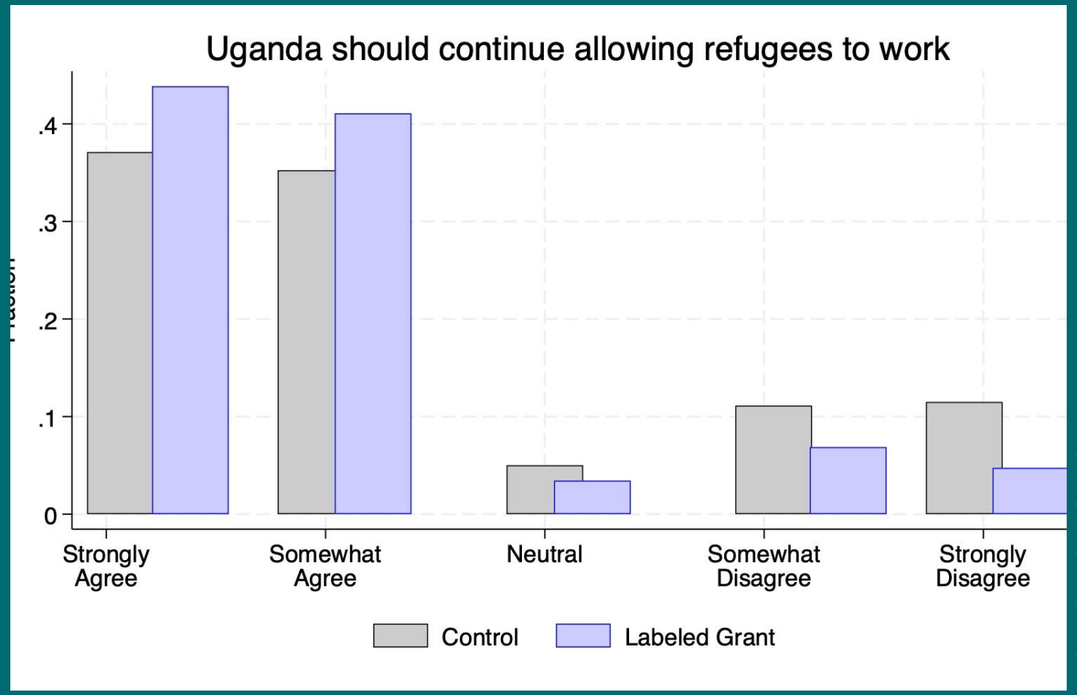
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We experimentally provide grants to Ugandans in Kampala

With and without a short message that says:

- Refugees have the right to work
- 30% of aid is shared with hosts

Increased support for refugees' work rights and improves social cohesion (Baseler et al, 2025)



Is there enough money? No, but...

- World Bank's IDA21 Window for Host Communities and Refugees: USD 2.4 billion for ~20 LMICs to to incentivize policy change
- For practitioners, potential gains from prioritizing cost effectiveness:
  - Baseler et al. (2025): cash grants cost-effective for both hosts and refugees
  - Ginn et al. (2024): evidence review on livelihoods for displacement
  - Ginn and Tang (2025): potential opportunities from internal migration

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Thank You!

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