

Displacement Economies in an Urban World

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Livelihoods & Conflict Research

Urban refugee economies: Addis Ababa, Ethiopia

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Post-conflict urban livelihoods



The urban informal economy's critical role in poverty-reduction, peace-building, and economic recovery in post-crisis or conflict cities, is explored through this impact-focussed research.



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Protracted displacement in an urban world

A comparative research project on the wellbeing, self-reliance and livelihoods of displaced people in urban areas and camps in Afghanistan, Ethiopia, Kenya and Jordan

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Protracted Displacement



- Four countries: comparing outcomes in one Camp and one City
- Three workstreams: Wellbeing, Livelihoods, Governance



Vulnerable in Cities



- Increasingly **displaced people** (refugees/IDPs) move to cities
- Seek opportunities & anonymity
 - BUT vulnerable, if no 'right to work'
- Often join ranks of the urban poor
 - Work in hazardous **informal work**
- Vulnerabilities exacerbated by policy response, e.g.
 - Kenya: legal right to work ~ but often not accessed
 - Ethiopia: legal relaxation ~ but not fully implemented
- Studies have focused on burden of refugees
 - Downplayed their role as agents of development (Zetter, 2014; Haysom 2014)
 - Economic performance inhibited by regulation etc. (Betts et al 2017; Jacobsen & Furst Nichols, 2011)



Informal Economy: Adaptability in Crises

- Previous research shows **adaptability of informal economy** in urban crises, e.g:
 - **Replacement services:** e.g water, electricity
 - **Community solidarity and trust:** a (franco valuta) money transfer system emerged, transport and fuel sharing
 - **Transforming gender roles:** Women adopted low-skilled labour roles & started small businesses in camps
- The PDUW study explores how **displacement economies** (refugees & IDPs) operate & contribute economically.



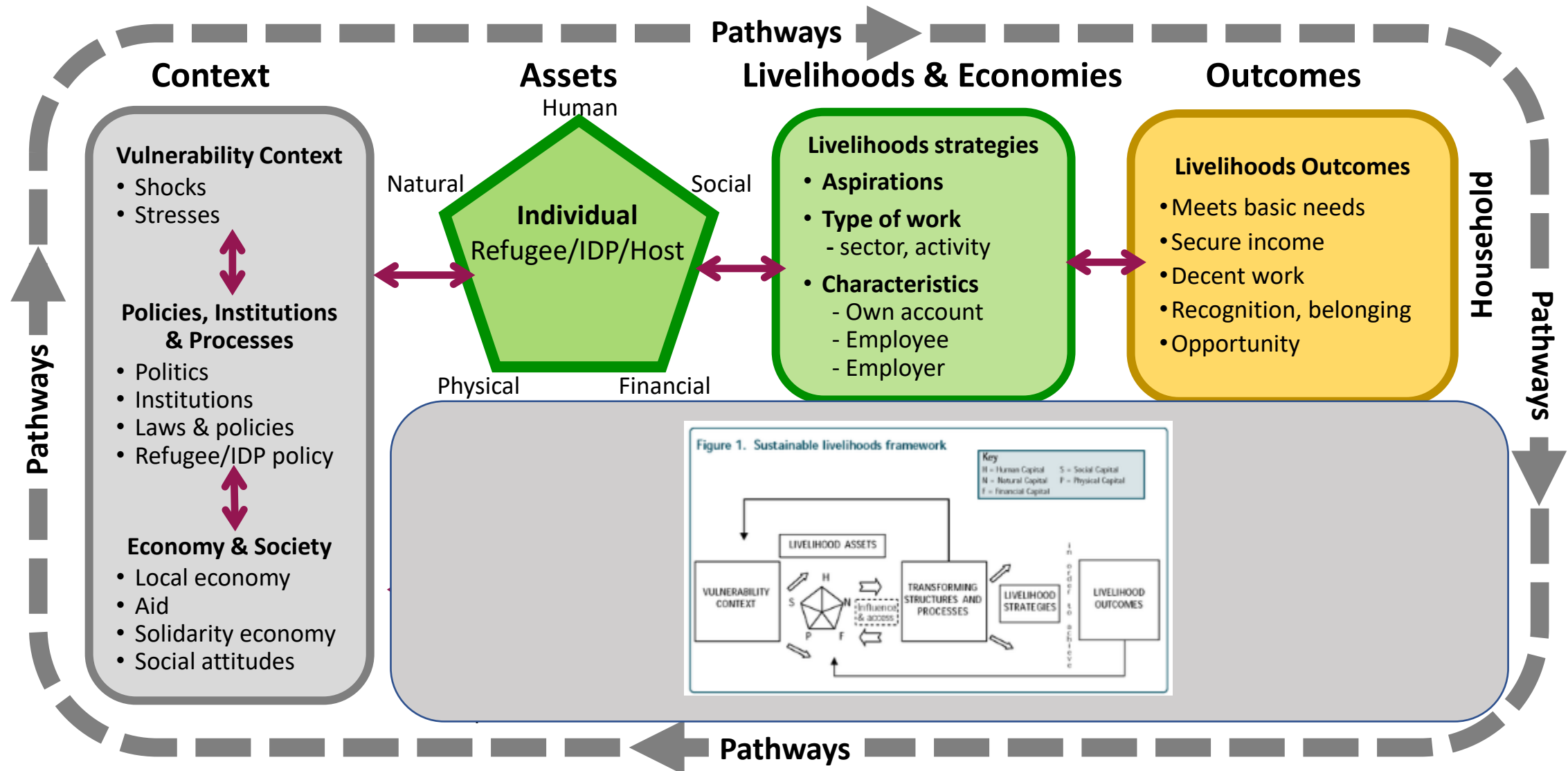
Displacement Economies



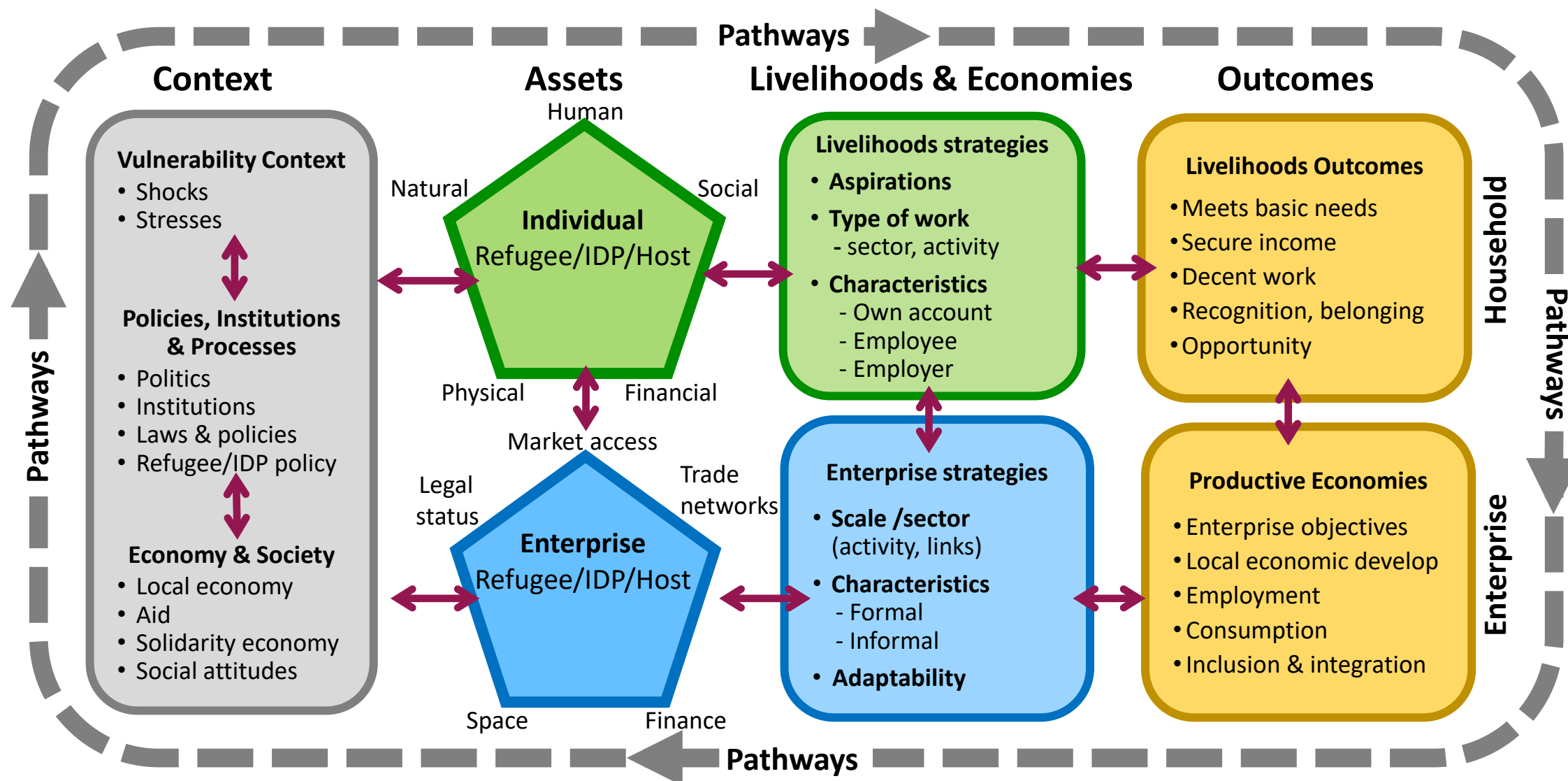
DISPLACEMENT ECONOMIES
are understood as the
collective economy created by
refugees and IDPs through their
livelihood activities, enterprise,
need for **services** and
consumption, and through their
mutual support and **diaspora**
inputs



Displacement Economies Framework (1)



Displacement Economies Framework (2)



Livelihoods & Self-reliance

- Despite prohibitive policies, many refugees are working and self-reliant in cities
- E.g. Kenya refugee main sources of income
 - **City:** 90% working, 2% aid
 - **Camp:** 28% working, 65% aid
- Yet, refugee potential is often unfulfilled – work often does not match skillset



Displacement Economies

- Supply-side local economic development:
 - **Business clusters** (e.g. Bole)
 - **New markets** e.g. products, cross-border trade etc.
- Demand-side customer base (e.g. rental market)
- Reciprocal employment
- Inclusion and integration
- *Yet, unmet potential and hampered aspirations*



Investing in People and Place

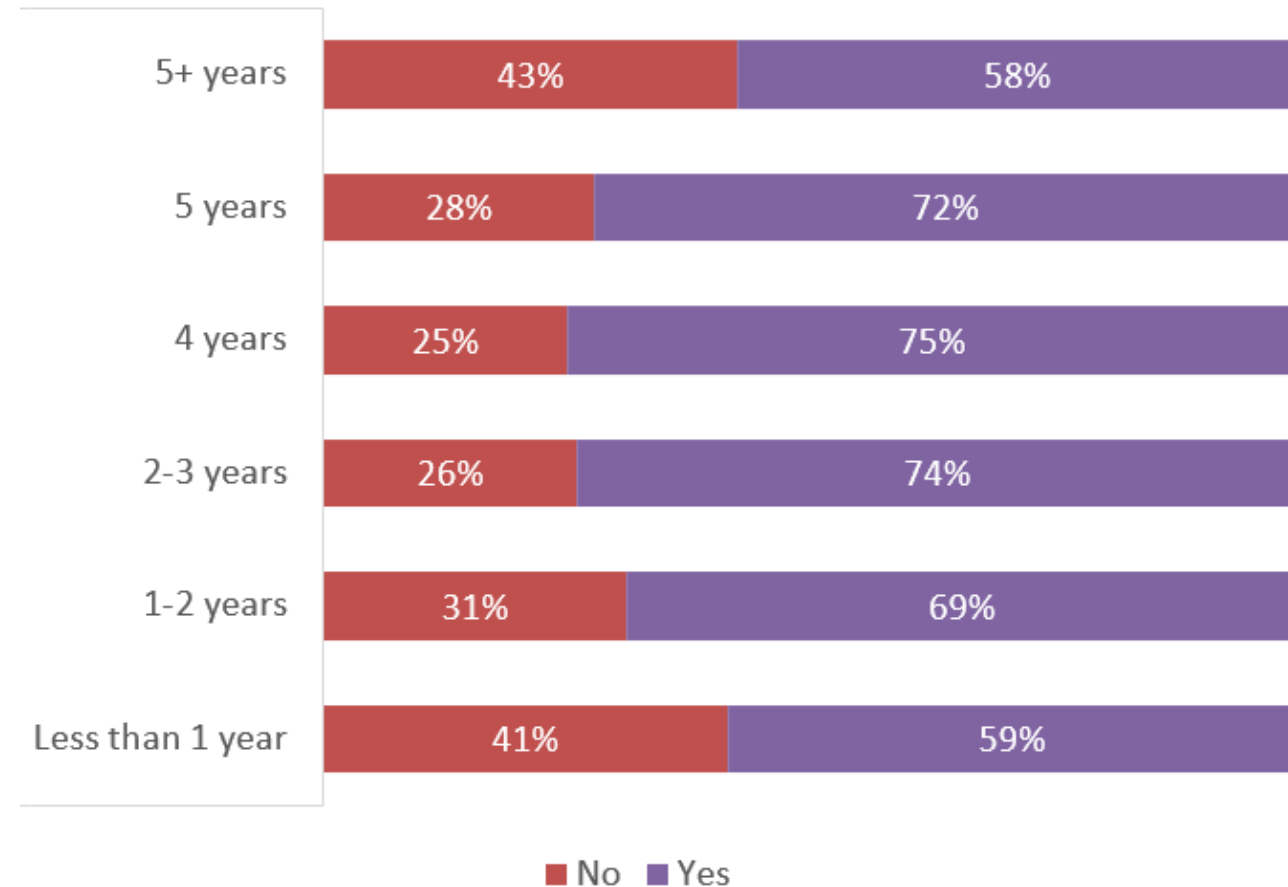


- Policy environments influence intentions to move/secondary migration
- e.g. in Ethiopia, within one year of moving to the city, 60% plan to move

“My problem is that my sons are willing to take the risky journey through Sudan and into Libya and across the sea. I tell them, please don’t leave. But they say “what can we do?” Their assistance has been cut and there is no work.”

(Female Somali refugee, Addis Ababa)

Whether one plans to move by years living in the city



Emerging Lessons

- **Displacement Economies Framework** unpacks dynamic relations between policy context, livelihoods, enterprises and consumption
- We need a better understanding of the enterprise & skills of refugees/IDPs, and conditions/permissions for work
- Need to shift from camp focus and build support the livelihoods/economies of urban refugees/IDPs
- Crucially, requires engagement with the IE – a key part of local economy often ignored in local economic development planning

