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Privatisation of Migration & Refugee Services & Other Forms of State Disengagement

By Jane Lethbridge

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ABOUT PUBLIC SERVICES INTERNATIONAL RESEARCH UNIT (PSIRU)

The Public Services International Research Unit (PSIRU) investigates the impact of privatisation and liberalisation on public services, with a specific focus on water, energy, waste management, health and social care sectors. Other research topics include the function and structure of public services, the strategies of multinational companies and influence of international finance institutions on public services. PSIRU is based in the Business Faculty, University of Greenwich, London, UK. Researchers: Prof. Steve Thomas, Dr. Jane Lethbridge (Director), Dr. Emanuele Lobina, Prof. David Hall, Dr. Jeff Powell, Sandra Van Niekerk, Dr. Yuliya Yurchenko

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EXECUTIVE SUMMARY

There are an estimated 244 million international migrants and about 50% of international migrants live in 10 urbanized, high-income countries. The estimated total number of refugees in the world is 21.3 million, representing 9 % of all international migrants. The large majority of refugees are hosted in developing regions. About a quarter are living in Turkey (2.5 million), Pakistan (1.6 million), Lebanon (1.1 million), and Iran (0.9 million). More than half (54%) of all refugees came from three countries: Syria (4.9 million), Afghanistan (2.7 million) and Somalia (1.1million).

There are several UN Conventions which set out the rights of refugees and migrants and these provide a human rights framework for campaigning. The 1951 UN Geneva Convention Relating to the Status of Refugees recognises the right of persons to seek asylum from persecution in other countries was amended in 1967 with a Protocol which removed geographic and temporal limits of the 1951 Convention. This provides minimum standards for the treatment of refugees. In 1948, the Universal Declaration of Human Rights was adopted. Several subsequent agreements have expanded the human rights covered, including legal and civil rights and economic, social and cultural rights. The 1990 UN International Convention on the Protection of the Rights of All Migrant Workers and Their Families came into force in 2003. Similarly, International Labour Organization Conventions on Migrant Workers, ILO C97 and ILO C143 provide full labour rights protection for migrant workers on the basis of equal treatment and non-discrimination. However, the low level of ratification of these instruments continue to be an obstacle in the full enjoyment of migrants of their human and labour rights.

Countries provide welfare and administrative services for asylum seekers and refugees but increasingly, these, like other public services, have been subject to privatisation and other forms of Public –Private Partnerships (PPPs). In some countries, the privatisation of these services has been taking place for long enough to show not only the poor quality of services and working conditions but the long term effects of privatising services which were traditionally part of welfare services. The recent increase in refugees has also led to new business opportunities for companies, many of which are providers of other public services such as prison services or social care. This report examines the effects of the privatisation of services for refugees and migrants at national and international level.

Privatised services

In the United States there has been an expansion of immigration detention, including family and children centres, since 1980s, with legislation that sets a minimum number of detention beds (34,000). Two companies, Geo Group and CCA, dominate the privatised detention provision and are highly dependent on government contracts for revenues. These companies lobby to promote their own business models not human rights. The working conditions and quality of services provided is poor and human rights are not respected.

In the UK, several decades of privatisation of services for refugees and migrants, including housing, show consistently poor quality services with service providers showing a lack of respect for the human rights and dignity of refugees, especially women and children. As in the United States, there are two companies, G4S and Serco, which dominate the provision and are dependent on government contracts. They lack the expertise to provide services for refugees.

The Nordic countries also have several years of privatisation of services for migrants and refugees with increasing outsourcing during the recent rise in the number of asylum seekers. Companies involved in these services often have background in health and social care services. Private equity investors recognise the provision of services for asylum seekers as an investment opportunity.

Germany, Austria and Switzerland have used the private sector in a more limited way to provide services for asylum seekers. As in the Nordic countries, some health and social care companies deliver services for refugees and asylum seekers and private equity investors involved in companies delivering services.

In other European countries, there has been an increase in outsourcing of services for migrants and refugees, often beginning with health services. Governments see the private sector as a solution to the increased demand for services rather than expanding their own capacity to care for them.

The EU outsources services for refugees and migrants in several ways: by outsourcing to airline carriers and working with the security industry to promote their policing of EU borders. A 'hot spot' approach has been adopted recently to facilitate support from EU agencies to EU member states.

Impact

Privatised services cause the deaths of refugees and migrants across Europe due to poor care, destitution, unsafe living conditions, police violence and deportation. Countries with the highest number of reported deaths have privatised services for refugees and migrants. Detention affects the health of refugees and migrants in the short and long term and the mental health of staff is affected by working in detention centres.

The Australian experience of 'off-shoring' shows that it results in poor quality services, the isolation of migrants and refugees from sources of support and the alienation of local populations. Refugees and migrants, especially children, regularly experience abuse which affects their physical and mental health. Health professionals are directly affected by working in 'off-shored' services and have their professional judgements undermined. Their professional ethical standards are compromised by working for privatised services and their own health is affected.

Middle East – Turkey

The Turkish government has taken responsibility to provide services directly in refugee camps but the legal position of refugees in Turkey is insecure because Turkey has only signed the 1951 Geneva Convention and the 1967 Protocol with 'geographical restrictions'. Refugees from outside Europe cannot claim asylum. Legislation which provides for temporary protection for refugees provides access to public services but does not guarantee legal rights and freedoms.

A major problem is providing access to jobs for refugees. Many refugees have found jobs through informal labour networks which do not recognise labour rights. Increasingly, refugee children are being employed because they learn quickly and will not challenge the working conditions or pay. The current political situation and the purges of public servants will affect the well-being of the local Turkish population as well as refugees making some existing tensions worse.

Middle East - Jordan

Jordan has a long history of receiving refugees and has received increased international aid to support them but Jordan has not signed the 1951 UN Convention and its 1967 Protocol relating to the status of refugees. Refugees do not have legal rights to public services and freedom of movement.

Refugees live mainly outside camps but there are growing tensions with local populations over competition for scarce water resources, jobs, health and education services. Employment is a major issue and a recent Jordan-EU trade deal will support the entry of 200,000 Syrian refugees into employment. A €100 million loan from the World Bank will also contribute more jobs in Qualifying Industrial Zones but these have a poor record of respecting labour rights with weak enforcement from government institutions.

Labour recruitment

Private recruitment agencies and labour brokers are forms of privatized labour recruitment. Private agents play a significant role in moving migrant workers from one country to another in return for fees. Many

engage in illegal activities, for example, helping migrant workers to cross borders illegally, raising their fees on arrival in the host country and involving migrant workers in smuggling and trafficking systems. Private recruiters charge workers exorbitant recruitment fees which lead to workers' bonded in debt and vulnerable in the hands of recruiters. The failure to stop these abuses does not only damage the migrant workers. It also harms the workers in the destination countries because their wages are undercut and poor working conditions go unchallenged. Attempts to change the systems of labour recruitment with more government regulation have been undermined by the power of the labour recruiters and the large number of sub-contractors, which are difficult to regulate.

Multi-lateral Development Banks (MDBs)

MDBs see the recent increase in migration as an opportunity to promote privatisation and public-private partnerships (PPPs), especially in countries which are hosting large numbers of refugees. The International Financial Corporation (IFC) also sees new opportunities to encourage the private sector to deliver public services, presenting it as extra 'fiscal space' for governments and promoting PPPs. Investments by the World Bank Group often result in social, economic and environment changes which lead to more forced migrations.

UN agencies

Private companies have worked previously with UNHCR through corporate social responsibility programmes but UNHCR is now investing in partnerships with the private sector to help generate employment opportunities and other business opportunities, involving large multinational companies.

Like UNHCR, the International Organization for Migration (IOM) has previously worked with companies through corporate social responsibility programmes and buying goods and services from them but it is now investing in partnerships with the private sector to deliver IOM programmes, a form of outsourcing. Globally the private sector sees new business opportunities in working with refugees and migrants.

Conclusion

The privatisation of services for refugees and asylum seekers has a direct impact on the quality of services, which results in services which are inappropriate and insensitive and which ignore human rights. There is incontrovertible evidence that the detention of asylum seekers and undocumented migrants leads to poor mental health and the longer the period of detention, the more damaging the effects. PSI and EPSU oppose detention of migrants simply for failing to hold valid residence permits. This position is backed by the case law of the US Supreme Court and EU Court of Justice.

Companies being awarded contracts often have previous experience of prison privatisation or other forms of detention in Anglo-Saxon countries, in others they have previous experience in social care. There is a lack of transparency about how contracts are awarded and managed which creates governance problems for public agencies managing the contracts and there is indication that the lowest bid is the main award criterion, which has been consistently been condemned by EPSU and PSI.

There is a growing market in migration management services in Europe and globally with private equity companies buying and selling companies delivering these services.

Private companies are increasingly making money out of refugees and migrants because governments are unwilling to provide services. The private sector views the global migration crisis as a business opportunity and is being supported in exploiting these new opportunities by IFIs, MDBs and international agencies as well as by EU agencies, such as Frontex and EASO.

Workers in the privatised services are often unqualified, not properly trained and poorly paid, which results in services being delivered in ways that do not respect the human rights of asylum seekers and refugees and lack a 'public sector ethos'. Service users often feel unable or are afraid of complaining about poor quality of

services. Workers are often abusive and bullying towards them, which is further compounded by a lack of public scrutiny and quality standards. Workers delivering services, such as health, have their professional integrity undermined by the way in which services are managed.

Off-shored' asylum services create isolated centres where abuse is difficult to monitor and asylum seekers are alienated from government services, legal advice and other forms of support. Developments at EU level to outsource asylum responsibilities to third countries such as Turkey and Libya must be carefully watched. Outsourcing of migration management services which should be part of public welfare services raises wider issues because the commodification of these services results in them being seen as economic activities that do not reflect the imperative to protect human rights or promote social inclusion.

IFIs and MDBs view the global migration crisis as a way of extending their promotion of public-private partnerships and privatisation. UN agencies, such as UNHCR and IOM are developing stronger partnerships with the private sector to outsource some of their services.

Private labour recruitment agents are responsible for undermining the labour rights of migrant workers and permanent workers in the receiving countries. PSI has worked over the last 15 years to improve wages and working conditions, to reduce the economic pressure to migrate, to improve the quality of health and social services and to ensure that the human rights of migrant workers are respected.

When refugees and migrants are seen as a resource for the host country and measures are introduced that facilitate their integration including by making mainstream public services sensitive to migrant needs, then this can result in benefits for both migrants and host countries. Governments require political will to put these measures in place, using or resorting to the public provision of services, in cooperation with social partners and civil society.

All migrants and refugees are entitled to the full protection of their human rights. It is the obligation of States to have their rights protected. The low ratification of the UN and ILO Migrant Workers Convention remains an obstacle to the full enjoyment of migrants of their human rights.

Finally, as evidence in this study shows, States are disengaging from this human rights obligation and relegating it to the private sector and through forms of off-shoring and outsourcing.

RECOMMENDATIONS

Quality public services

Campaign for quality public services for refugees and migrants to be delivered by the public sector and abandon the privatisation of these services.

Advocate for equal treatment and non-discrimination in access of refugees and migrants to quality public services, ensure funding of public services, with an adequate number and well-trained staff. Quality public services plays an indispensable role in promoting inclusion and cohesion in society and countering xenophobia and all forms of intolerance.

Health services and professionals

Work with health trade unions and other professional bodies to highlight how privatised services compromise the professional judgements of health professionals and affects their health and quality of service.

Business models

Make the business models of the companies involved in the privatisation of services for refugees and migrants better understood showing that the underlying profit motives are detrimental to the human rights of refugees and migrants.

Off shoring

Campaign against all forms of off-shoring and outsourcing of services for refugees and migrants. The detailed evidence of Australian off-shoring shows that it results in the abuse of adults and children and the denial of basic human rights.

Oppose the outsourcing of State obligations to human rights and humanitarian law, such as those promoted in the EU-Turkey Deal, EU-Libya agreement and other similar forms of bilateral agreements that deter migration and refugee flows. Evidence shows that these agreements do not reduce irregular migration, but only makes the migration channels more dangerous and puts migrants and refugees vulnerable in the hands of smugglers and traffickers.

Valuing refugees and migrants

Campaign for institutions to recognise how institutional racism affects the way public services are delivered and how this results in the denial of basic human rights.

Work with other agencies and local authorities to promote social policies aimed at the sustainable and rights-based integration of refugees and migrants into local economies and societies.

Addressing root causes

Integrate the campaign for migrant and refugee rights with efforts to address the root causes of migration and forced displacement in promoting democracy and peace, tax justice, fair trade, decent work, social protection and implementation of the 2030 sustainable development goals (SDGs).

PRIVATISATION OF MIGRATION AND REFUGEE SERVICES AND OTHER FORMS OF STATE DISENGAGEMENT

The main research question aims to examine the impact of the privatisation of services for refugees and migrants at national and international levels.

There are six objectives:

1. To investigate the extent of privatisation of key public services in migration, asylum and refugee services
2. To profile selected case studies which include origin, transit and host countries
3. To examine how privatisation affects human rights, social justice and quality public services
4. To examine the impact of a market orientated approach to migration and humanitarian situations
5. To examine the impact of IFIs and MNCs have on migration and forced displacement
6. To identify Public-Private partnerships and the impact on public services

This research has drawn from an analysis of policy documents, academic research, government and NGO and trade union research, media reports, company financial reports and international and national statistics.

The report is structured in seven sections:

1. Global migration trends;
2. Privatisation of services for refugees, asylum seekers and migrants;
3. Impact of privatisation;
4. Middle East;
5. Labour Recruitment;
6. IFIs, MDBs and international agencies;
7. Conclusion;
8. Recommendations.



Family in refugee camp