MEASURING IMPACT OF REFUGEES ON HOST COUNTRIES

Comments on Maystadt & Calderon

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Measuring Impact of Refugees - MAYSTADT

Impact on welfare, inequality and infrastructure : Evidence from Tanzania

- Refugees are neither nor temporary!
- Many different channels of impact – goods prices, labor markets, infrastructure, fiscal

NOT REALLY DIFFERENT THAN REGULAR MIGRANTS!

Civil War, Forced Migration and Educational Attainment in Destination Areas

- Do refugees displace non-migrants in the destinations - in this case children at school?

NOT REALLY DIFFERENT THAN REGULAR MIGRANTS!

MAYSTADT - Evidence from Tanzania

Main results:

- *Overall positive impact but unevenly distributed*
- *Competitors (farm workers) lose, complements (entrepreneurs) win!*
- *Impact is persistent – WHY?*
- *Structural changes in the economy – through infrastructure?*

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CALDERON - Evidence from Colombia

Main results:

- *Overall negative impact but unevenly distributed*
- *Main negative effect on older cohort of refugee children*
- *Impact on non-migrants is smaller*
- *Very similar to labor market impact of regular migrant inflows!*

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KEY EMPIRICAL ISSSUES/CHALLANGES

- *Endogeneity – Migration decision location choices of migrants & natives' responses to migrant inflows are NOT random.*

- *Refugee inflows are "more" exogenous than regular migrants flows!*

- *There is less selection in refugee composition than regular migrants*

- *BUT location decisions - whether voluntary or settlement – are NOT random*

  - *How does Maystadt solve it?*
  - *How does Calderon solve it?*

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KEY EMPIRICAL ISSSUES/CHALLENGES

Establishing counterfactual – Almost an impossible task :-)

- *What time trend do we assume?*
- *Do we even have panel data? Yes in some cases!*

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KEY EMPIRICAL ISSSUES/CHALLENGES

EQUILIBRIUM SHIFT!

- *Underlying parameters of the economy change*

  - *infrastructure, preferences, productivity, spillovers!*
  - *Build new highways – new schools!*

  - *Then even panel data does not really help* ☺

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WHAT DO WE DO?

- *Regular household data collection (panels)*

- *Detailed data collection on refugees (UNHCR!) – should be part of international agreements*

- *Be creative with respect to "potential" experiments – settlement of Vietnamese Boat people in the US!*

- *Use demographic/anthropological variables as instruments – birth order etc.*

- *External/internal validity*

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