

Why do states give refugees the right to work?

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Abstract: This article explains the conditions under which countries allow refugees the right to work in accordance with Articles 17–19 of the 1951 Convention on the Status of Refugees. It explores variation in both the *de jure* and *de facto* rights to work through a mixed-methods approach. Qualitatively, it builds upon research in the East African region, in which there is significant variation in state practice relating to refugees' socio-economic rights. Quantitatively, it draws upon an original dataset to examine the policies of low- and middle-income countries that host more than 1,000 refugees. Coding for the right to work was supplied by and triangulated across three different refugee organizations with relevant expertise. We argue that the *de jure* and *de facto* rights to work are shaped by distinctive actors and mechanisms. *De jure* rights are determined by pay-offs at the 'national' level; *de facto* rights by pay-offs at the 'local' level. While being a signatory of international norms is the most important variable for *de jure* commitment, the degree of decentralization is the most important variable underlying *de facto* rights. These findings suggest that promoting refugee norm compliance relies upon creating incentives at both national and local levels.

Keywords: refugees, employment, right to work, socio-economic rights

JEL classification: O1, O2, J6, Z1

I. Introduction

Most refugees are hosted by low- and middle-income countries. There is considerable variation in the policy response of these countries towards refugees. One of the most important dimensions of this variation relates to the right to work, explicitly identified within Articles 17–19 of the 1951 Convention on the Status of Refugees, and reinforced in international human rights law. Some host countries let refugees work despite hosting large numbers, including Uganda, Turkey, and Colombia. Others, such as Kenya, Tanzania, and Thailand, strongly restrict the right to work. This variation has been

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highlighted by advocacy groups ([Asylum Access, 2014](#)), and described by academics ([Zetter and Ruaudel, 2016](#)), but has not been systematically explained by political scientists or economists.

The right to work for refugees matters for three reasons. First, it is an important right under international refugee law and international human rights law.¹ Second, it is associated with better socio-economic outcomes for refugees, including higher income levels² and better psycho-social outcomes.³ Third, it has been linked to a range of wider benefits for host states and the wider international community, including national development within host countries and reduced demand for onward refugee migration.⁴ Leveraging the right to work for refugees is a priority for many humanitarian and development organizations.⁵ However, achieving this requires a clear understanding of the policies that are likely to lead to work rights for refugees.

This article therefore explores the question: why do some states give refugees the right to work (and other related socio-economic rights such as freedom of residency), while others do not? From the existing refugee politics literature, three broad sets of alternative explanations emerge for variation in low- and middle-income country refugee policy. First, *interest-based* accounts: donors provide incentives for host country adoption of particular refugee policies, often based on issue-linkage across policy fields including trade and development aid.⁶ Second, *norm-based* accounts: states that have signed and ratified international or regional refugee treaties are more likely to adopt tolerant refugee policies.⁷ Third, *identity-based* accounts: whether the particular groups of refugees have either common ethnicity with host nationals or come from rival neighbouring states determines refugee rights in the host country.⁸

Each of these accounts, we suggest, are part of the story, but they miss an important source of variation. They predominantly focus on the intergovernmental level, and implicitly understand refugee politics as shaped by a relationship between the global and national levels. Political elites in capital cities are, according to these accounts, the most salient actors. We argue that this neglects the important role of sub-national politics. In the refugee context, local-level elites in the specific refugee hosting areas—often in remote border regions—may also play a crucial role in determining whether refugees actually get access to the right to work.

More specifically, the right to work for refugees can be disaggregated into the *de jure* right (rights in law) and the *de facto* right (rights in practice). Generally, we argue, the central government determines the *de jure* right to work. In contrast, however, it is often

¹ The right to work and other socio-economic rights are a key part of the 1951 Convention (Articles 17–24). For an account of socio-economic rights in international refugee law, see [Foster \(2007\)](#).

² [Hainmueller et al. \(2016\)](#); [Betts et al. \(2019\)](#); [Todd et al. \(2019\)](#).

³ Evidence of the relationship between employment and refugees' psycho-social well-being can be found in, for example, [Beiser et al., 1993](#); [Ryan et al., 2008](#); [Warfa et al., 2012](#).

⁴ [Clemens et al. \(2018\)](#). For the harmful effects of protracted refugee situations, see also [Harrell-Bond, 1986](#); [Crisp, 2003](#); [Loescher and Milner, 2005](#).

⁵ The right and opportunity for refugees to work is among the most prominent and widely discussed aspects of the recent UN Global Compact on Refugees.

⁶ [Paoletti, 2011](#); [Tsourapas, 2018](#).

⁷ On the influence of international refugee law on refugee policy, see, for example, [Lambert et al., 2013](#); [Gammeltoft-Hansen, 2014](#).

⁸ [Lischer \(2005\)](#); [Abdelaaty \(2021\)](#).

the local governments that determine the *de facto* right to work. Where there is an acceptable pay-off at the national level, it leads to the *de jure* right to work. Where there is an acceptable pay-off at the local level, it leads to the *de facto* right to work. Effectively advancing socio-economic rights for refugees relies upon creating incentives at both national and local levels.

In order to make this argument, we adopt a two-stage mixed-methods approach.

First, in terms of qualitative research, we draw upon already published research based on a comparative case study method to inductively engage in theory-building. Focusing in three refugee-hosting countries in East Africa—Ethiopia, Kenya, and Uganda—we explore variation in the right to work.

Second, in terms of quantitative research, we built an original dataset in order to explore the correlates of *de jure* and *de facto* refugee rights to work. In particular, we use the data set to test some of the propositions that emerge from the qualitative research, as well as to assess alternative explanations that emerge from the literature. The dataset covers the more than 100 countries in the world hosting more than 1,000 refugees (including 73 low- and middle-income countries, on which we focus our analysis). One of the main empirical challenges was to measure ‘the right to work’. In order to avoid bias in coding for the right to work, we triangulated information provided by three organizations with relevant expertise to provide expert coding in relation to the *de jure* and *de facto* rights to work. While these organizations provided key insights, final coding decisions were based on our judgement and any coding error is our responsibility alone.

Focusing on low- and middle-income countries,⁹ we find that the most important variable predicting the *de jure* right to work is a dummy variable identifying countries who have adopted the 1951 Refugee Convention or 1967 Protocol. In other words, international commitments shape whether countries pass legislation allowing refugees the right to work. This is consistent with existing theoretical accounts of the institutionalization of international norms. However, we find that different variables matter for determining the *de facto* right to work. In particular, decentralization is the most important factor explaining refugees’ *de facto* right to work. In other words, the countries that are actually implementing the right to work tend to have given sub-national governance structures with considerable autonomy.

This offers support for the idea that in many refugee-hosting countries, the *de jure* right to work is predominantly shaped at the national and international levels, while the *de facto* right to work relies more upon political buy-in at the local level. As a robustness check, we also explore whether similar mechanisms underpin variation in state practice relating to the right of refugees to choose their place of residency, and find similar results. We also find that results are also similar whether we consider just low- and middle-income countries, or also include high-income countries.

II. Theory

There is an existing literature on states’ compliance with international law (Raustiala and Slaughter, 2002). However, it has rarely examined state compliance with international

⁹ We use the standard World Bank definition of ‘low-’ and ‘middle-income’ countries.

refugee law. One notable feature of international refugee politics is the absence of institutional enforcement mechanisms. In contrast to human rights treaties, the 1951 Convention on the Status of Refugees, for example, has no corresponding treaty body. In the absence of institutional enforcement mechanisms, there is considerable variation in state practice relating to norms relating to refugee rights.

Within the refugee politics literature, there are several accounts that seek to explain the behaviour of host states towards refugees. These generally focus on explaining how relatively ‘generous’ or ‘restrictive’ host countries are, frequently using admissions numbers as the most relevant proxy.

First, *interest-based* accounts. From this perspective, international refugee politics is characterized by collective action failure along donor-host state lines. Generally, ‘Northern’ donor states have the discretion to voluntarily provide humanitarian or development aid to support ‘Southern’ host states, while Southern host states have a (weakly enforced) legal obligation to admit refugees from neighbouring states onto their territory. *Ad hoc* bargains, based on issue-linkages, horse-trading, and conditionality relating to development and trade, sometimes lead to commitment and compliance. For example, Gerasimos Tsourapas shows how Jordan, Lebanon, and Turkey have all adopted ‘rentier-state’ strategies, adapting their refugee policies in order to extract aid, resources, and concessions from key donor states (Tsourapas, 2019).

Second, *norm-based* accounts. A number of refugee law scholars have tried to demonstrate that international law has independent effects on national refugee policies. Thomas Gammeltoft-Hansen, for example, has examined the complex interplay of refugee norms and attempts by European liberal democracies to circumvent obligations under international law. He shows that while states have strong incentives to pursue self-interested policies, free-riding on the provision of other states, they are also interested (on legitimacy grounds) in justifying those policies in a manner that appears compatible with the requirements of international law, iteratively adjusting to meet the requirements of court jurisprudence (Gammeltoft-Hansen, 2014). Others, such as Lambert *et al.* (2013), have explored how international refugee norms and practices diffuse around the world through processes of emulation, within which a range of actors, including jurists and advocacy organizations, play a central role.

Third, *identity-based* accounts. Lamis Abdelaaty (2021) is one of few scholars to include identity as a factor explaining variation in host-country policies towards refugees. Based on quantitative analysis, combined with case studies from Egypt, Turkey, and Kenya, she explains relative levels of host state ‘generosity’, defined mainly in terms of admissions levels. She reveals that the two most important and statistically significant variables are (i) the refugees fleeing a rival state of the policy-makers (‘foreign policy’) and (ii) the refugees sharing the ethnic identity of the policy-makers (‘ethnic identity’). Identity-based accounts for variation in public attitudes towards refugees are also present within the wider comparative politics literature, albeit that they tend to focus on attitudes rather than government policies as the dependent variable of interest.¹⁰

Each of these existing accounts plausibly provides part of an account of host-state compliance with norms relating to refugees’ right to work, and we test each one empirically. However, we suggest that they underplay the importance of the sub-national level,

¹⁰ Bansak *et al.*, 2016; Dinas *et al.*, 2019; Hangartner *et al.*, 2019.

conceptualizing bargaining as only taking place between the global regime and the capital city.¹¹ In contrast, we suggest that the sub-national level is especially important within refugee politics because a significant proportion of refugees are located in camps and settlements in geographically remote border regions. In East Africa, for example, around 90 per cent of refugees are in camps and settlements in geographically peripheral regions of the country. In this context, it is not just the relationship between the international and national levels that matters, but also the role of political actors at the local level.

In the absence of binding enforcement mechanisms at the international level, low- and middle-income state compliance with refugee norms is an outcome of political bargaining between international donor states and host states. However, rather than simply being a two-actor bargaining model involving only ‘donors’ and ‘central governments’, it also involves a key roles for ‘local governments’ within refugee-hosting areas. Donors have the option to provide (or withhold) aid. Central governments have the ability to provide (or withhold) laws and policies relating to refugee rights, and provide resources for their implementation. Local governments may—depending on the degree of delegated authority in the country—have the ability to provide (or withhold) implementation. In some contexts, it is possible that a direct bargaining relationship may emerge between donors and local government actors, which bypasses the central government. Figure 1 offers a simplified illustration of this three-actor bargaining model.

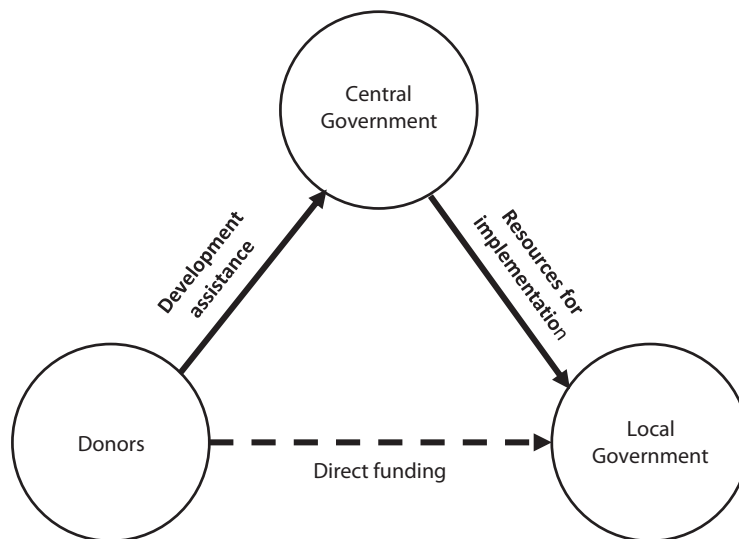
In this context, we analytically distinguish between *de jure* and *de facto* compliance with refugee norms such as the right to work. The two terms have been used widely in legal scholarship to distinguish between the gap between law and practice, and to recognize that the two may diverge. The distinction matters especially in the refugee context because of the geographical nature of the issue, often being concentrated in remote border regions in ways that place *de jure* compliance in the hands of the central government, but *de facto* governance in the hands of local government. We argue that there are distinctive mechanisms underlying *de jure* and *de facto* compliance with the right to work because the former lies primarily in the hands of central government and the latter primarily in the hands of local government.

III. Qualitative research

In order to engage in theory-building, we began by focusing on three refugee-hosting countries in East Africa: Uganda, Kenya, and Ethiopia. They all host significant numbers of refugees, are all in the same region, and all host many of the same nationality groups of refugees. But, crucially, they exhibit significant variation in *de jure* and *de facto* right to work for refugees, which is why we selected them for the qualitative research. Uganda has a long-standing commitment to the right to work, which moved from a *de facto* (in practice) to a *de jure* (in law) right in 2006. Ethiopia changed its legislation from denying refugees the right to work to offering the right to work in 2019, but does not yet implement that right in practice. Kenya denies refugees the right to work in law, but is gradually moving towards increasing refugees’ socio-economic rights in practice in one part of the country, Turkana County.

¹¹ There is a discussion of the role of ‘domestic linkages’ within the compliance literature in International Relations. See, for example, Raustiala and Slaughter (2002).

Figure 1: Multi-level bargaining model: global-, national-, and local-level roles within negotiating the right to work for refugees.



Source: Reproduced from [Betts \(2021a\)](#), p. 217).

In order to explain this variation, we undertook fieldwork in all three countries, in both capital cities and refugee-hosting regions, including with national policy elites and humanitarian organization staff. Given the historically long-standing nature of Uganda's commitment to the right to work (in contrast to Ethiopia and Kenya), we also supplemented the fieldwork with archival research in UNHCR's archives in Geneva.¹²

Following our theoretical framework outlined above, the empirical research reveals a simple pattern: pay-offs from the international level matter. When financial incentives are provided by the international community to the central government, there is a commitment to the *de jure* right to work. When financial incentives accrue directly (or via the central government) at the local level, then the *de facto* right to work can be found. Importantly, one set of rights can exist without the other.

[Table 1](#) summarizes the basic findings of our research across the case studies. Uganda has the *de jure* and *de facto* right to work. Ethiopia offers the *de jure* right to work but not the *de facto* right to work. Kenya has the *de facto* right to work in part of the country but not the *de jure* right to work. And Tanzania, a country in which we did not undertake qualitative fieldwork for this research, is known to have neither the *de jure* nor the *de facto* right to work.¹³

Based on our empirical research, two conditions seem to explain this variation: (i) a pay-off for the central government; (ii) a pay-off for the local government in refugee-hosting regions. Where both conditions are present (Uganda), the *de jure* and *de facto* rights to work exist. Where there is a national pay-off but no local pay-off (Ethiopia), there is the *de jure* but not *de facto* right to work. Where there is a local but not a national pay-off (Kenya), the *de facto* right to work exists but there is no *de jure* right. It is

¹² The qualitative case studies are explained in detail in [Betts \(2021a,b\)](#).

¹³ For analysis of Tanzanian refugee policy, see, for example, [Chaulia \(2003\)](#); [Milner \(2014\)](#).

Table 1: The variation in the right to work for refugees in East Africa

		National government pay-off	
		Yes	No
Local government pay-off	Yes	<i>De jure</i> and <i>de facto</i> e.g. Uganda	<i>De facto</i> but not <i>de jure</i> e.g. Kenya
	No	<i>De jure</i> but not <i>de facto</i> e.g. Ethiopia	Neither <i>de jure</i> nor <i>de facto</i> e.g. Tanzania

this lop-sided development of socio-economic rights which makes Ethiopia and Kenya such fascinating case studies.

By pay-off we mean a direct and earmarked material benefit for either the central or local government. Do they receive a financial transfer which is explicitly dependent upon implementation of the right to work for refugees, which is at a level that is perceived as sufficient for them to provide the right to work to refugees? In Ethiopia, for example, the central government received around \$600m to support its Jobs Compact, part of which required legislative change at the national level. In Kenya, donors committed to support a budget of around \$500m to support the development of the sub-county of Turkana West between 2018 and 2023, in exchange for a commitment to socio-economically integrate refugees (UNHCR, 2019a). In Uganda, both the national and local governments in West Nile and the South-west have consistently received pay-offs in terms of additional development assistance virtually since independence. These pay-offs matter to policy-makers for three broad purposes: offering greater opportunities to host-country citizens, enabling government ministers to claim ‘success stories’ that advance their careers, and for patronage and corruption.

Of course, other factors also matter—law, values, and identity, for example. And the purpose is not to suggest that only interest-based factors relating to multi-level bargaining matter. However, they are a significant part of the explanation, and the purpose of this framework is to provide a simplified heuristic summary of our main empirical findings. The implication is that the right to work for refugees depends upon ensuring an adequate material pay-off to both the central government and the local government within refugee-hosting regions. One without the other will only lead to the partial and lop-sided development of refugees’ socio-economic rights. Meanwhile, the absence of material incentives will likely lead to ongoing encampment and the denial of the right to work.

IV. Cross-country regressions

The case studies provided a basis for inductive theory-building. However, the findings cannot be generalized beyond the East African context. They suggest, though, that the *de jure* and *de facto* rights to work may be shaped by different political mechanisms. In order to test the theoretical propositions outlined above, and implied by our case studies, we created a global dataset, which we use to explore the factors that are correlated with refugee rights using regression analysis. While our main analysis will focus on low- and middle-income countries, results are robust to using the full sample (see [online Appendix](#) for details).

In this section, we describe the strategy we used to construct measures of the *de jure* and *de facto* rights to work for refugees (and for the related right to freedom of movement). We then describe the explanatory variables included in our regression analysis, building on the theoretical framework of section II. We present the estimation method, discuss possible endogeneity issues, and outline the approach we used to rank the relative importance of the different explanatory variables. Finally, we explain our results and their implications.

(i) Measuring refugee rights

Until now, attempts to collect cross-country data on refugee rights have been limited to a few host countries and focus mainly on the right to work. In 2014, the non-governmental organization (NGO), Asylum Access, launched the first cross-country comparison of refugee rights to work in 15 different countries. In 2018, Asylum Access launched an interactive online platform to publicize its results and extended its sample to cover 34 major host countries ([Asylum Access, 2014](#)). In 2016, Zetter and Ruaudel explored the role and impact of legal and normative provisions providing and protecting refugees' rights to work for a sample of 20 major host countries ([Zetter and Ruaudel, 2016](#)). Their analysis highlights the remarkable diversity in legal provisions relating to refugees' rights to work, and showed that in practice refugees work under more restricted conditions compared with nationals. More recently, UNHCR launched the 'Decent Work for Refugees' initiative, which includes a global survey of UNHCR field staff about refugees' rights to work ([UNHCR, 2020](#)).

Our quantitative analysis expands this research by building an original dataset relating to refugees' socio-economic rights. In particular, we expand the existing data in three directions. First, we consider all countries that hosted more than 1,000 refugees in 2017 according to UNHCR data. Second, we include data on both refugees' rights to work and also their rights to choose their place of residency. The justification for this is to explore whether the same variables that appear to explain variation in the rights to work also underlie other related socio-economic rights. Third, we distinguish between the *de jure* rights and the *de facto* application of these rights, in order to explore the propositions that emerge from our qualitative case studies and theoretical framework.

One of the biggest challenges, however, is how to quantitatively measure the *de facto* and *de jure* rights to work in order to assess 'compliance'. In order to maximize objectivity in coding, we collaborated with three 'expert' refugee organizations with a focus on refugees' rights to work as a means to construct the refugee rights variables. Had we constructed the variables ourselves, there would have been a risk of being biased by our research hypotheses. We proceeded by designing a short questionnaire for all three organizations with the following five questions and lists of possible answers:

1. Does national refugee legislation include explicit right to work for refugees? (1 yes, 0 no)
2. If there is a provision, do refugees have the same status as (1) citizens or (0) any foreign worker?
3. Are refugees prevented from working in practice? (1 yes, 2 in parts of the country, 3 no)

4. Does national refugee legislation allow refugees the freedom to choose their place of residence? (1 yes, 0 no)
5. Are refugees prevented from choosing their place of residence in practice? (1 yes, 0 no)

Experts were asked to answer the five questions and provide a source and a justification (optional) for their answer. Mismeasurement is therefore possible. However, because the organizations involved in the construction of the dependent variables were not involved in the design of our research objectives and research hypotheses, we believe that mismeasurement is unlikely to be correlated with our explanatory variables and hence unlikely to bias estimates (Hausman, 2001). We triangulated across the input from the three organizations and, where there was divergence or lack of data,¹⁴ made final coding judgements ourselves. Any coding error is our responsibility.

Based on this input, we constructed four dependent variables using answers to the five questions. First, the *de jure right to work dummy* is equal to one if national refugee legislation includes explicit right to work for refugees and if the status of refugees is similar to citizens (i.e. the answers to questions 1 and 2 are equal to 1). Second, the *de facto right to work variable* is given by the answer to question 3 above; it measures whether refugees are prevented from working in practice. Third, refugees' *de jure right to choose their place of residency* is given by the answer to question 4. Fourth, the *de facto right to choose their place of residency is a dummy* equal to one if refugees are not prevented from choosing their place of residency in practice (i.e. one minus the answer to question 5).

Our final sample includes more than a hundred host countries, which collectively host 98 per cent of the world's refugees. Maps of the four refugee rights variables are shown in [Figures A.1 to A.4 in the online Appendix](#). The maps show considerable variation in these refugee rights, even within the same regions. The purpose of our quantitative analysis is to identify the predictors of this variation. While our main analysis focuses on low- and middle-income countries, results for the full dataset are shown in the [Appendix](#).

(ii) Explanatory variables

Following our theoretical framework, we consider four categories of explanatory variables.

Norm-based explanations (Law)

We consider three variables in the legal domain. First, we construct a dummy equal to one for countries who adopted the 1951 Refugee Convention or the 1967 Protocol. We hypothesize that parties to these international treaties are more likely to grant rights to refugees. Second, we use the rule of law indicator of the Worldwide Governance Indicators to capture the fact that countries respecting the rule of law are more likely to follow international and national law in practice (Kraay *et al.*, 2010). Third, we include legal origin dummies, following the large body of literature identifying

¹⁴ Some experts focused on certain countries or focused on certain questions.

correlations between legal origins, legal rules and regulations, and economic outcomes (La Porta *et al.*, 2008). The base dummy—which is omitted from regressions—captures French legal origins.

Interest-based explanations (Economics)

We consider four variables in the economic domain. First, we consider the logarithm of GDP *per capita* of host countries, which is a good proxy for needs and an excellent predictor of aid allocation. Second, we control for the proportion of adults with stable employment. The latter variable is constructed as:

$$\text{Stable employment rate} = \text{employment rate} (1 - \text{vulnerable employment rate}),$$

where *employment rate* is the share of a country's population aged 15 or over that is employed (%), modelled ILO estimate), and *vulnerable employment* captures the share of own-account or family workers as a percentage of total employment. Data are taken from the World Bank data repository. We hypothesize that refugee rights are more likely to be provided in host countries with a better economic environment.

Third, the magnitude of refugee crises could affect public opinions and socio-economic conditions and therefore influence whether host countries provide rights to refugees. Our regressions therefore include a measure of the number of refugees and asylum-seekers living in the host countries. Data are taken from UNHCR (2019b). The variable has a few zero-valued observations and is highly skewed to the right (skewness = 6.2). We therefore transform the variable using the quantile transformation outlined in Delius and Sterck (2020).

Fourth, we consider the amount of official development assistance (ODA) *per capita* received by the host country. The temporality of this variable is complex: because host countries often grant refugee rights to receive more ODA in the future. It is therefore not completely clear whether ODA should be considered as an explanatory variable or as an outcome. Without credible instrument, we test whether results are robust to adding or removing this variable from regressions (they are). Because the variable has a series of zero-valued observations and is skewed to the right (skewness = 5.9), we transform the variable using quantile transformation (Delius and Sterck, 2020).

Identity-based explanations (Sociology)

We used data from the Ethnicity of Refugees dataset (Rüegger and Bohnet, 2018) to construct a variable whether refugees have ethnical links with the host population and, if so, whether their ethnic group is large and included in politics in the host country. The construction of the variable is described in Table A.1 in Appendix.

Local vs national politics (Politics)

Our theoretical framework illustrates how the relationship between central and local governments could affect refugee rights. Our regressions include two measures that aim to capture the importance given to central versus local governments. First, we consider an aggregate decentralization index (see Appendix Figure A.5) based on the work of Ivanyna and Shah, which accounts for the significance and security of existence of local governments as well as for the degrees of fiscal, political, and administrative decentralization (Ivanyna and Shah, 2012, 2014). Because the variable has a series of zero-valued observations and is skewed to the right (skewness = 4), we transform the variable

using quantile transformation (Delius and Sterck, 2020). Higher values correspond to higher decentralization. The construction of the variable is described in Table A.1 in the Appendix (in the Appendix, we also consider the disaggregated indices of fiscal, political, and administrative decentralization). Second, we control for ethnic fractionalization to account for the degree of internal division within countries (Alesina *et al.*, 2003).

Data sources are described in Table A.1 and descriptive statistics are provided in Table A.2 in the Appendix.

(iii) Estimation

We first estimate a simple linear regression model using Ordinary Least Squares (OLS).

We also estimate the model using two-stages least squares (2SLS) to address the possible reverse causality between refugee rights and the number of refugees and asylum-seekers living in the host country. Qualitative accounts from refugees indeed suggest that they take into account the rights to work and to move granted in different host countries when deciding where to migrate (Betts, 2021a). We instrument the number of refugees and asylum-seekers living in a host country by the total number refugees and asylum-seekers originating from all its neighbouring countries.

Formally, we denote r_{ij} the number of refugees living in a host country i and originating from sending country j and we denote Ω the set of i 's neighbouring countries. The total number of refugees and asylum-seekers living in country i is equal to $R_i = \sum_j r_{ij}$.

The total number of refugees and asylum-seekers originating from sending country j is equal to $S_j = \sum_i r_{ij}$. We instrument R_i by the aggregate $\rho_i = \sum_{j \in \Omega} S_j$, which represents the potential number of refugees that could have reached country i by crossing one international border only. The instrument is a strong predictor of the number of refugees and asylum-seekers living in a host country. The Cragg–Donald F-Statistics for weak instruments is larger than 20 in all regressions. We believe the instrument is exogenous: the number of refugees and asylum seekers escaping neighbouring countries is unlikely to be correlated with refugee rights, except through the endogenous variable.

Despite the use of an instrument to mitigate a risk of reverse causality, we emphasize that our analysis does not rely on exogenous sources of variation and causality can therefore not be asserted. Although we aimed at controlling for variables that are likely to affect refugee rights according to our theoretical framework, we cannot rule out that omitted variables bias our results. Consequently, our analysis identifies some important predictors of refugee rights, *ceteris paribus*, but not necessarily their causes. The results below should be interpreted as correlations and suggestive evidence of possible relationship rather than as a proof of a causal mechanism.

We assess the predictive importance of explanatory variables by decomposing the variance of the dependent variables into contributions associated with each explanatory variable. We follow the approach of Sterck (Sterck, 2019; Hoeffler and Sterck, 2022), who studied various decomposition approaches for a general linear regression model $y = \beta_0 + \sum_{i=1}^n \beta_i x_i + \varepsilon$. The measure of importance we consider aggregates the variation generated independently by x_i (i.e. the variance of $\beta_i x_i$) and the

variation co-generated with other explanatory variables (i.e. the covariance terms $\text{Cov}(\beta_i x_i, \beta_j x_j)$ for $i \neq j$), and expresses the result as a share of the total variation in the dependent variable (i.e. the variance of y). The resulting measure of importance of x_i is

$E_i = \sum_{j=1}^n \text{Cov}(\beta_i x_i, \beta_j x_j) / \text{var}(y)$. This measure decomposes the R^2 of the regression into shares associated with each explanatory variable. The measure can be interpreted as the elasticity of $\text{Var}(y)$ with respect to $\text{Var}(\beta_i x_i)$.

(iv) Results

Our benchmark results are shown in Table 2 for refugees' *de jure* and *de facto* rights to work, and in Table 3 for refugees' *de jure* and *de facto* rights to choose their place of residency. We focus on low- and middle-income countries in this section, noting that similar results are obtained for the full sample (see the Appendix). While we focus on the IV regressions when describing the findings, results are qualitatively similar with OLS regressions.

The most important variable predicting the *de jure* right to work is the dummy identifying countries which have adopted the 1951 Refugee Convention or 1967 Protocol. The coefficient of the dummy is positive and highly significant. Countries that have adopted the 1951 Refugee Convention or 1967 Protocol are 43 percentage points more likely to have a national refugee legislation that includes an explicit right to work for refugees under similar conditions to nationals. Countries with British legal origins are 32 percentage points less likely to offer a *de jure* right to work to refugees. About half of the explained variation in refugee rights to work (i.e. half of the R^2) is explained by norm-based factors. We find weak evidence that ODA is associated with *de jure* rights to work, although the importance of this factor is low. Overall, we find limited evidence supporting the interest-based and identity-based explanations. By contrast, we find that decentralization is positively associated with refugee *de jure* right to work. This variable explains 8 per cent of the variation in the outcome.

In line with our theoretical framework, decentralization is the most important factor explaining refugees' *de facto* right to work. The variable is statistically significant at the 5 per cent level and it explains 10.5 per cent of the variation in the dependent variable. Having adopted the 1951 Refugee Convention or 1967 Protocol is also an important predictor of refugee *de facto* right to work. The coefficient of the dummy is positive and highly significant and its magnitude is large: countries that have adopted the international obligations are 69 percentage points more likely to allow refugees to work in practice. The dummy identifying countries with British legal origins is not statistically significant in this regression, suggesting that legal origins matter less for *de facto* rights.

The results for refugees' *de jure* and *de facto* rights to choose their place of residency are broadly similar. Countries that have adopted the 1951 Refugee Convention or 1967 Protocol are about 35 percentage points more likely to grant *de jure* and *de facto* freedom to choose place of residency for refugees. This correlation is statistically significant and robust. We also find that decentralized countries are more likely to let refugees choose their place of residency. Decentralization seems especially relevant when

Table 2: Predictors of refugees' right to work (low- and middle-income countries)

	(1)	(2)	(3)	(4)	(5)	(6)
	<i>De jure</i> right to work			<i>De facto</i> right to work		
	OLS	2SLS	Ei (%)	OLS	2SLS	Ei (%)
1951 Convention or 1967 Protocol	0.421*** (0.102)	0.430*** (0.0965)	12.29	0.683*** (0.246)	0.688*** (0.225)	9.660
Rule of Law (WGI)	0.0552 (0.102)	0.0653 (0.0948)	0.856	-0.0861 (0.205)	-0.0805 (0.191)	-0.569
British legal origin	-0.319** (0.139)	-0.320** (0.127)	10.38	-0.0984 (0.232)	-0.0991 (0.211)	1.305
Socialist legal origin	0.0354 (0.209)	0.0835 (0.222)		0.0274 (0.411)	0.0543 (0.422)	
GDP p.c. (log)	-0.0293 (0.0918)	-0.0238 (0.0839)	-0.652	-0.124 (0.169)	-0.121 (0.158)	-2.408
Non-vulnerable employment rate	0.00205 (0.00758)	0.00175 (0.00697)	0.479	0.0206 (0.0130)	0.0205* (0.0121)	6.868
# Refugees (quantile)	0.0593 (0.344)	0.240 (0.465)	-0.950	-0.541 (0.547)	-0.440 (0.771)	1.867
ODA (<i>per capita</i> ; quantile)	0.355 (0.253)	0.380 (0.237)	0.265	0.304 (0.446)	0.318 (0.404)	-0.473
Size of ethnic link with refugee group	-0.115 (0.193)	-0.126 (0.176)	0.356	0.219 (0.381)	0.213 (0.348)	0.136
Decentralization	0.232** (0.0952)	0.220** (0.0903)	10.27	0.384** (0.174)	0.377** (0.164)	10.45
Ethnic fractionalization	0.0559 (0.260)	0.0797 (0.257)	-0.179	0.393 (0.388)	0.406 (0.367)	-0.0443
Observations	73	73		73	73	
R-squared	0.330	0.327		0.270	0.270	
F-test 1st stage		42.8			42.8	

Notes: Standard errors in parentheses (* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$). In columns 2 and 4, the number of refugees (quantile) in a host country is instrumented by the total number of refugees originating from its neighbouring countries.

it comes to *de facto* rights. We also find evidence that countries with British legal origins are less likely to grant freedom of residency rights to refugees in their law, although legal origins do not seem to matter in practice.

These results should be interpreted with caution. Correlations might not reflect causal relationships, given the absence of exogenous variation in explanatory variables and the risk of omitted variable bias. The sample is restricted to the number of low- and middle-income countries hosting refugees, implying that statistical power is limited.

Yet, some results appear to be quite robust across regressions and supported by theory. We highlight three general findings. First, countries that have adopted the 1951 Refugee Convention or 1967 Protocol are much more likely to grant rights to refugees, both in law and in practice. This result highlights the power of international commitments and the need to pursue international efforts to support the institutionalization of international norms. Second, decentralization seems to be an important predictor of refugee rights, especially *de facto* rights. The decentralization index we use is a proxy for the relative importance of central versus local

Table 3: Predictors of refugees' right to choose their place of residency (low- and middle-income countries)

	(1)	(2)	(3)	(4)	(5)	(6)
	<i>De jure</i> right to choose place of residency			<i>De facto</i> right to choose place of residency		
	OLS	2SLS	Ei (%)	OLS	2SLS	Ei (%)
1951 Convention or 1967 Protocol	0.338** (0.153)	0.348** (0.137)	8.808	0.327*** (0.103)	0.324*** (0.0941)	7.633
Rule of law (WGI)	0.0982 (0.112)	0.109 (0.108)	1.632	−0.00202 (0.103)	−0.00494 (0.0954)	−0.0971
British legal origin	−0.344** (0.155)	−0.345** (0.142)	7.935	−0.165 (0.119)	−0.165 (0.109)	1.215
Socialist legal origin	−0.111 (0.188)	−0.0615 (0.199)		−0.0843 (0.207)	−0.0982 (0.203)	
GDP p.c. (log)	−0.0141 (0.108)	−0.00843 (0.100)	−0.223	−0.0326 (0.0744)	−0.0342 (0.0687)	−1.951
Non-vulnerable employment rate	0.00491 (0.00867)	0.00460 (0.00811)	1.228	0.0108* (0.00645)	0.0109* (0.00592)	8.456
# Refugees (quantile)	−0.346 (0.347)	−0.160 (0.494)	1.274	−0.414 (0.302)	−0.466 (0.365)	4.325
ODA (<i>per capita</i> ; quantile)	0.299 (0.269)	0.324 (0.250)	0.478	0.251 (0.237)	0.244 (0.213)	−0.539
Size of ethnic link with refugee group	−0.113 (0.195)	−0.125 (0.177)	0.637	0.232 (0.201)	0.235 (0.184)	1.416
Decentralization	0.173* (0.0931)	0.160* (0.0912)	5.293	0.230*** (0.0860)	0.233*** (0.0818)	13.57
Ethnic fractionalization	0.337 (0.274)	0.361 (0.260)	1.420	0.183 (0.201)	0.176 (0.181)	−0.540
Observations	73	73		73	73	
R-squared	0.291	0.288		0.332	0.332	
F-test 1st stage		42.8			42.8	

Notes: Standard errors in parentheses (* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$). In columns 2 and 4, the number of refugees (quantile) in a host country is instrumented by the total number of refugees originating from its neighbouring countries.

government. Its importance strongly implies that the relative autonomy of local government is an important determinant of *de facto* refugee rights. This finding is especially interesting as it supports the insight of our qualitative case studies and theoretical framework that where local governments have autonomy there may be greater scope for *de facto* rights to emerge even in the absence of *de jure* rights, particularly when incentives are provided to local government. Third, we find little evidence supporting identity-based explanations, and we find that conventional interest-based explanations need to be nuanced to take into account the multi-level governance dimension of political bargaining on refugee rights. The number of refugees in the country is not correlated with refugee rights, even after addressing the risk of reverse causality. While countries receiving more ODA tend to grant more rights, the statistical significance of this relationship is not robust and its importance is relatively low. Overall, we find strong support for norm-based explanations and multi-level bargaining explanations for the provision of rights to refugees.

V. Conclusion

Norms relating to the right to work are an important part of international refugee law and strongly related to welfare outcomes for refugees. Until now, however, there has been no systematic attempt to explain variation in state compliance with these norms. The existing literature on refugee policies offers three implicit sets of alternative explanations: interest-based, norm-based, and identity-based accounts of variation, but these competing accounts have rarely been tested empirically.

To assess these competing accounts, we undertook sequenced mixed-methods research. In a first stage, the East African context offered an opportunity to explore within-region variation in the dependent variable of interest: the *de jure* and *de facto* rights to work. This research revealed that pay-offs in terms of international donor incentives to the national government seem to underlie *de jure* commitments; pay-offs to local government in local refugee-hosting regions underlie *de facto* implementation.

In a second-stage, our quantitative analysis of low- and middle-income refugee-hosting countries provides some support for these findings. Despite some caveats relating to the quality of the dataset and challenges relating to omitted variable bias and reverse causality, our analysis appears to confirm that different variables underlie the *de jure* and *de facto* rights to work for refugees. International law plays an important role in shaping both the *de jure* and *de facto* rights to work. This recognition is consistent with much of the existing theoretical literature on the institutionalization of international norms within International Relations scholarship.¹⁵

However, while commitment to international law is the most important variable determining the *de jure* right to work, a different—and in some ways surprising—variable is the most important in explaining variation in the *de facto* right to work: decentralization. The variable is statistically significant at the 5 per cent level and it explains a substantial part of the variation in the dependent variable.

This finding provides support to our theoretical claim that the relationship between central and local governments may affect compliance with refugee norms. Decentralization indicates the relative importance of central versus local government. The aggregate decentralization index we use captures the significance and security of the existence of local governments as well as the extent of fiscal, political, and administrative decentralization (Ivanyna and Shah, 2012).

Our qualitative research in East Africa (focusing on three states with relatively high levels of decentralization) suggests that one of the key causal mechanisms underlying this may be that more autonomous local governments in refugee-hosting regions are able to shape the *de facto* right to work for refugees, regardless of the central government's *de jure* commitment to refugee rights.

In order to explore the generalizability of these results across other norms relating to the socio-economic rights of refugees, we also ran similar regressions based on the same coding process relating to the *de facto* and *de jure* rights to freedom of movement/residency for refugees, and found strikingly similar empirical results.

Overall, we find strong empirical evidence to support a theoretical view that compliance with refugee norms relating to socio-economic rights are shaped by both

¹⁵ See, for example, Finnemore and Sikkink (1998).

norm-based and multi-level bargaining explanations. Identity-based accounts are less relevant to socio-economic rights for refugees than, for example, admission rights (Abdelaaty, 2021), because they tend not be implemented selectively for particular nationality groups.

International organizations and NGOs seeking to improve socio-economic rights for refugees are therefore justified in pushing for the institutionalization of international refugee law, including through signing and ratifying relevant international instruments and institutionalizing them at national level. However, there is also evidence that interest-based incentives are likely to matter, at both national and local levels, as a means to ensure both *de jure* commitment at the 'national' level, and *de facto* commitment at the 'local' level. Given that countries hosting large numbers of refugees appear to be less likely to grant *de jure* or *de facto* rights, it might also be speculated that the level of incentives required to induce compliance may increase as numbers become greater.

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