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UNIVERSIDAD PONTIFICIA

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Facultad de Ciencias Humanas y Sociales

Grado en Relaciones Internacionales

Trabajo Fin de Grado

# Challenging the notion that “refugees belong in camps”

Alternative settlement for migrants. The  
case study of Ecuador.

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Madrid, Abril 2022

## Index

<b>1. Introduction</b> .....	1
<b>2. Purpose and Motivation</b> .....	2
<b>3. Research goals and questions</b> .....	4
<b>4. Theoretical Framework</b> .....	5
4.1 Definition of refugee and migrant	5
4.2 Historical evolution of camps	6
4.3 Problems of Refugee Camps	6
4.3.1 <i>Problems of refugee camps for migrants</i>	
4.3.2 <i>Economic impact of refugee camps in the host country</i>	
4.4 Theories of alternatives to camps	9
3.4.1. <i>Integration models</i>	
3.4.2. <i>Challenges in hosting refugees in cities</i>	
<b>5. State of the Art</b> .....	12
5.1 Evolution of migration in Ecuador	12
5.2 Current situation of migrants in Ecuador	14
5.3 Economic overview	15
5.4 Policy review	17
5.5 Evolution of Aid	17
<b>6. Methodology</b> .....	19
<b>7. Analysis and discussion</b> .....	21
7.1 Economy	21
7.1.1 <i>Labor market</i>	
7.1.2 <i>Economic growth</i>	
7.2 Policy implications	24
7.2.1 <i>Domestic policy</i>	
7.2.2 <i>UNHCR action policy</i>	
7.3 Social Perceptions	28
7.4 Concluding remarks	30
<b>8. Conclusions and proposals</b> .....	32
<b>9. Bibliography</b> .....	34

## **1. Introduction**

The United Nations High Commissioner for Refugees estimates that the number of people forcibly displaced worldwide is nearly 70.8 million people, as a consequence of natural disasters, armed conflict, or poverty among others (UNHCR, 2021).

As a solution to this situation of homelessness people find themselves in, governments and international organizations often resort to the establishment of refugee camps. However, numerous studies in the last decade have shown the negative implications that refugee camps have on the people they are hosting and in the host country where the camp is placed. In addition, in the last decades there has been surge of forced displacements, namely to the United States from Latin America, to Europe from north Africa, Syria and Iraq, and the recent migration from Ukraine. Thus, theories on alternatives to refugee camps are gaining popularity.

Ecuador is the country in Latin America that receives the largest inflow of migrants as a consequence of forced displacements, mainly from Venezuela. According to the UNHCR (2021) there are 57,232 refugees in Ecuador, while the number of forced migrants from Venezuela is 508,935. These figures illustrate the importance of studying the conditions in which displaced people are living in. However, regardless of the inflow of migrants, no refugee camp has been established there. Therefore the objective of this project is to evaluate whether an integration plan is successfully being implemented in Ecuador to host migrants into their cities while not harming the local population and economy.

During the formulation of this study, the use of the appropriate terminology was considered essential, thus in section 4, a definition for migrant and refugee will be provided, context will be given on the evolution of camps, the main problems of refugee camps will be established and the main theories on alternative to camps will be discussed. Moreover in section 5, context on the economic, social and migration status of Ecuador will be studied. Additionally, section 7 will analyze the impacts of migration in the economy, the policy implications that migration has had and how it has shaped the social perception of migrants. Finally, this project concluded that an integration plan was not successfully implemented, instead the Ecuadorian government opted for a liberal entry policy without setting in place programs for the integration of migrants into the society and economy of Ecuador. Therefore, migration has certain avoidable consequences in the economy such as an impact in the low-skilled labor.

## **2. Purpose and motivation**

6.6 million people live in refugee camps (UNHCR, 2021). Due to the large amount of people living under this system it is vital to study it and ensure that we can develop and implement the best possible plan for the host countries as well as for the affected people.

Among this group of affected people it can be included forced migrants and refugees alike. As will be studied in section 4, the terms migrant and refugee make reference to different groups of people, as they have different legal status. However, these groups share some experiences as a consequences of the mobility element, from the perspective of the host society into which they integrated, these groups are often perceived as a same collective and share the struggles of integration, search for employment, and job dynamics.

Nonetheless, host countries are generally reluctant to welcoming migrants into their societies. Due to the fear of negative repercussions to their economies and the impact that this might generate on their citizens, by creating more competitive markets, increasing the availability of the low skilled workforce for lower salaries and the creation of the call effect of more migrants. The impact of large amounts of migrants into the host societies will be further discussed in section 4 of the project.

However, on the other side of this situation are the people who have been forcibly displaced. These people face two options, either settling in cities or staying in refugee camps. The second can be perceived as a more secure option that will ensure some basic guarantees such as security, access to food and water, sanitation, and accommodation. Nevertheless, while refugee camps provide all the above-mentioned needs, they also curtail the freedom of movements of the people staying there, exclude them from the labor market, limit their access to opportunities and resources, and limit the ability to have control over their lives, but most importantly, it creates a dynamic of dependency that is extremely hard to break from.

Refugee camps have an impact on the lives of millions of people; developing an alternative option of shelter has the potential to significantly increase the quality of life of this people while creating a model of sustainable development and economic growth of the host societies. This would be groundbreaking, especially for the migrants who are in a protracted situation.

The objective of this project is to determine whether there are alternatives to refugee camps that are not only beneficial for the affected people, the migrants and refugees, but to the host societies as well, making special emphasis on the economic advantages. Furthermore, the

approach that is going to be explored is the reception of migrants and refugees into cities and what the economic consequences would be. Moreover, as progressively less migrants opt to stay in camps in the fear of the negative consequences already mentioned, more people decide to search for opportunities of a better life in the cities. Therefore, it is fundamental to discover, develop and implement a plan of reception that protects the refugees in the cities and guarantees the economic sustainability of the host countries. Alternatives to camps are going to be the future of settlement of migrants. An example of this can currently be appreciated in the case of people fleeing Ukraine.

Furthermore, this approach has not been extensively studied yet. The complexity of the situation also requires that the plan is adapted to every case in order to have the most successful approach for each case. One plan does not fit all cities and all refugees.

Latin America is an interesting case study. There is a significant amount of displaced people that migrate withing borders, however, refugee camps are not stablished in the long term in this region. Ecuador is the country of the region that more migrants receives in a year, nonetheless, it doesn't have stablished any long-term settlement for these migrants. With this project we intend to evaluate what strategies have been implemented to integrate the refugees in the population form the local governments and assess the performance of International Organizations in Ecuador.

### **3. Research goals and questions**

The primary goal of this project is to evaluate whether an integration plan is successfully being implemented in Ecuador to host migrants into their cities while not harming the local population and economy. With this project we intend to evaluate what strategies from the local governments have been implemented to integrate the migrants in the population. The secondary goal is to assess the performance of International Organizations such as UNHCR in the development and implementation of said plan. This is a key element of the project as alternatives to refugee camps could be implemented more frequently in the future and the role that UNHCR has to play in the development of a successful integration plan is essential.

Therefore, the research question is: Is the arrival of migrants harming the economy of Ecuador? As there has been proven the multiple beneficiary factors that migrants enjoy while being hosted in cities, this project is going to intend to analyze the impact that this has in the host country, by analyzing the economy, the policies, and the impact in society.

Furthermore, the premises that this project is based on are the following:

Hypothesis 1: Migrants do not have a negative impact in the economy.

Hypothesis 2: UNHCR is not providing enough services and aid to the migrants in Ecuador.

Hypothesis 3: While migrants don't have a negative impact in the economy, the lack of measures for integration negatively affects the local society.

Hypothesis 4: Migrants do not negatively influence the labor market, particularly in the skilled labor.

## **4. Theoretical Framework**

### **4.1 Definition of refugee and migrant**

It is essential to make a clear distinction between the concept of “migrant” and of “refugee” as the distinction among them translate into different implications and rights. The definition of refugee was first drafted in the Article 1 of the 1951 Refugee Convention, and it is defined as; “A person who owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it.” (UNHCR, 1951)

This definition can be quite restrictive as it delimited the situations in which a person can be a refugee based on the factors mentioned above and because this “well-founded fear” has to be demonstrable. Hence, people migrating in pursue of a better life or fleeing from poverty and instability are not included inside this definition. Due to this, other regional treaties have been adopted, creating their own definition of refugee. An example of this is the Cartagena Declaration of 1984. This declaration is not binding and has been ratified by 10 Latin American countries. In said declaration, a refugee is defined as “Persons who flee their countries because their lives, safety or freedom have been threatened by generalized violence, foreign aggression, internal conflicts, massive violation of human rights or other circumstances which have seriously disturbed public order.” In this definition, the term involves a broader groups of people and it is more inclusive with the forcibly displaced migrants.

In addition, according to the Refugee Convention of 1951, being granted the status of refugee allows the migrant to enjoy some rights such as the right to access elementary education, public relief and assistance, and labor registration and social security. To some effects, refugees are treated like the nationals while migrants cannot. This can exacerbate the differences and access to opportunities to migrants, creating a more discriminatory environment towards them. Nonetheless, if a person has not been granted the status of refugee, they will not be able to enjoy these rights.

On the other side, the term migrant has not been defined under international law. Therefore, due to the broader sense that the word includes, the definition that is going to be used in this

project of migrant is involving these peoples that match the refugee definition of the Cartagena declaration and those people who have been forced to leave their country of origin due to the poor conditions in which they lived, violence and economic instability.

## **4.2 Historical evolution of refugee camps**

For as long as humans exist we have migrated. In the face of conflict, natural disasters or scarcity of resources, people have moved to other places and often integrated into their societies. It was not until early 1950s that we appreciate the emergence of refugee camps (Damme, 1995). The migration crisis preceding the independence of Bangladesh supposed a turning point in the perception of refugee camps. 1.000 camps were established to host the 10.000.000 people, where basic services such as healthcare were provided. This case was very peculiar as in less than a year the people returned to their newly independent country, Bangladesh (Damme, 1995). The success in the management of this crisis served as a proof of concept that refugee camps could work, and from that point the UN and other IOs started to recur more to refugee camps when there were mass migrations with the objective of serving as a temporary solution to their homelessness. Nonetheless, the Bangladesh case was successful partially due to two main reasons. On the one side, refugees were divided among a large number of smaller camps, which allows for a more localized and focalized control of the camp and its people. On the other side, the crisis had a limited temporality, in which the camps meant a temporary solution to the problem.

## **4.3 Problems of refugee camps**

### *4.3.1 Problems of refugee camps for migrants*

Back in 1994, Harrel-Bond pointed out at the downsides of refugee camps and specially in the negative effects that they caused in people. Harrel-Bond (1994) argues that while camps can be useful in a crisis with a limited temporality, in any other case it “prevents the reconstruction of social life”. The first problem that is raised is the faster spread of diseases due to a higher concentration of people in a limited space in unsanitary conditions, among these are common epidemics of measles, cholera, dysentery, and meningitis (Damme, 1995).



In second place, large camps lead to a degradation of the environment surrounding the camps, this is due to an increased use of resources in the area such as the collection of wood for lighting fires or the contamination of the water sources, which also contributes to the spread of diseases.

In third place, camps foment passivity from the affected population, it makes them reliant in the nourishment provided by the camps authorities as there is an inability to cultivate the land surrounding the camps (Damme, 1995). In addition, the distribution of resources inside the camps is not made based on needs, but on an equitable distribution of resources. Furthermore, these factors connected to the inability to work, especially if freedom of movement is limited or if the camp is not situated in proximity to other settlements, creates a hopelessness and increases the dependency relation towards the provider of aid, as it deprives the migrant from being self-sufficient.

In fourth place, another major problem that refugee camps pose is the funds allocation. While refugee camps need a constant and considerable amount of funding to be maintained, this entails prioritizing the needs of the refugee population in contraposition with the local population needs. In addition, the enclosedness of the camps prevents the refugees from integrating in the host country's society, hence not learning the language and economic and social culture of the place. Impeding even further the integration and being self-sufficient.

To summarize, the effects of camps among the refugee population include the encouragement of passivity, as a result of the lack of autonomy, it leads to hopelessness, and absolute dependency on food aid which can lead to nutrition-based problems as the quality or quantity of the food can be insufficient (Damme, 1995).

Nowadays, Harrel-Bond arguments are still being shared among the scholar circles studying refugee camps and their effects. Therefore, after analyzing this data and added to the fact that most migrant people are not refugees, and therefore don't enjoy of a status of special protection, it is clearer than ever that there is a need to change the system of refugee and migrants accommodation and aid.

#### *4.3.2 Economic impact of refugee camps in the host country*

Moreover, when analyzing the impact of refugee camps in the host countries, we can appreciate that there is a tendency towards being reluctant to hosting refugees. Notwithstanding, recent scholarly articles have highlighted the benefits that hosting refugees can bring to your country's

economy, society, and labor market. In Loschmann, Bilgili and Siegel (2019) article they have found a correlation between refugee camps and a positive impact in the neighboring local population's economy, they conclude so, by studying the case of 80,000 Congolese in a protracted situation in Rwanda. In addition, it is also important to note that Rwanda adopts integrative policies that promotes an environment where exchanges are encouraged.

In first place, they have noted how the proximity of refugee camps creates a new economy in which the population distances from a subsistence economy to a more developed wage employment economy, which in turns, generates more wealth, benefiting locals and refugees alike. In second place, they appreciate a social exchange in which the authors observe an increase in women's self-employment in the areas that are proximate to the refugee camps. They conclude how gender dynamics can be influenced by other cultures. In last place, and as a direct consequence of the factors mentioned above, there is a significant increase in the asset ownership of households, male and female alike. The authors conclude that the arrival of refugees supposes important changes in the labor market, household wellbeing and a higher economic activity locally (Loschmann, Bilgili, & Siegel, 2019) (Alix-Garcia, Artuc, & Onder, 2017).

Furthermore, the arrival of refugees into a society can stimulate the local economies where dynamism, expansion and innovation experience a window of opportunity, changing the regional economic activity (Loschmann, Bilgili, & Siegel, 2019).

In addition, refugees can also represent a cheaper source of labor, especially in agricultural economies (Whitaker, 1999). A direct consequence of this is a more competitive economy (Maystadt & Verwimp, 2014), but also an increase on the amount of land cultivated and therefore, in the amount produced (Whitaker, 1999). While an increased competition might not be beneficial for low skilled local workers, it is for local hirers, that is the local producers, as well as for local high skilled workers, due to the creation of a new source for work within the camp (Maystadt & Verwimp, 2014).

Therefore, as we can appreciate the significant advantages that an exchange between refugees and locals can provide for both communities, an integrative policy where migrants are not placed in camps, but otherwise integrated among the population can likewise provide the same benefiting advantages. As Alix- Garcia et al. (2017) argue, these benefits aforementioned are a direct consequence of the arrival of migrants themselves and not of refugee camps. In the

following section alternatives to hosting refugees in camps will be analyzed according to the scholarly studies.

#### **4.4 Theories of alternatives to camps**

Alix- Garcia et al. (2017) argue that the effects of refugee settlement are unevenly distributed among the areas in proximity to the camps, and not nationwide. The distribution of these benefits directly depend on "policy choices and the institutional environment", as was seen in the Rwanda case. In addition, the authors highlight how there are several factors that influence the positive and negative economic impact of the arrival of refugees to the host society. These are: "the rules that regulate the interaction between the refugee and the host community, the degree of market development in the host region, and the connectivity of the host region" (Alix-Garcia, Artuc, & Onder, 2017). Among the institutional factors that could have an impact on the extent to which migrants influence the host community can be highlighted the market development, the transportation costs, and the mechanisms of aid distribution.

In relation to the preferences of migrants, Biehler and Kipp (2019) argue that the fact that refugees settled in camp is significantly decreasing over time is an indicator that refugees themselves prefer to settle in urban areas. In addition, they add that of the 20 million refugees worldwide in 2018, only 30% live in camps, however, it is important to point out the lack of data for a great proportion of them, which is probably an indicator that those live in urban areas (Biehler & Kipp, 2019). The authors argue this is due to the fact that overall, the population is displacing to urban areas. Furthermore, there is a correlation between the growth of the cities of developing countries and this urbanization trend, which also coincides with the main host countries of migrants (Biehler & Kipp, 2019).

Furthermore, amongst the reasons why refugees prefer to be hosted in cities we can highlight better protection in regard to prosecution due to an anonymity factor, the facilitated access to a diaspora community, a guaranteed freedom of movement and the expectations of accessing to a job market, higher education and better healthcare system (Biehler & Kipp, 2019).

Moving on, a case of success that can be observed as an alternative to refugee camps is the Guinea crisis of 1989 where migrants from Liberia and Sierra Leone settled in towns and small cities along the border. The Guinean government decided not to establish camps, and instead, those towns that accommodated migrants, would receive support. Furthermore, instead of

creating independent facilities for migrants, they provided free access for them in the already established services (Damme, 1995). In addition, supplementary resources were allocated to the preexisting healthcare facilities in order for them not surpass their capacity levels. The cost of this medical program is predicted to be around \$4USD per year and per refugee. This program reduced the malnourishment rates in comparison with the situation in refugee camps. As a conclusion, the healthcare system benefited the local population and the refugees alike and the incorporation of new agriculture techniques brought by the migrants avoided an overconsumption of resources.

#### *4.4.1 Integration models*

One strategy that has been broadly discussed is instead of providing refugees with direct services (free food, accommodation, healthcare, etc.) refugees should be given money as an alternative (Biehler & Kipp, 2019). On one side, for the host countries this will stimulate local markets by maintaining trade and the already established structures. On the other side, for the International Organizations this strategy will reduce costs and efforts of storage, distribution, etc. In addition, for the refugees it will give them a greater sense of independence and autonomy.

Alix-García et al. (2017) present different integration scenarios and their outcomes, taking as a starting point the status quo of refugee camps, and proposing more integrative models that progressively separate from the status quo. Among the settlement options they propose a partial integration scenario, a complete integration scenario and a decampment scenario. They explain how in the short term, a change in the refugee settlement affects incomes and employment. The integration of refugees to the labor market has an impact in the supply and demand forces, as more refugees integrate, the labor supply increases and therefore the purchasing power of migrants. Hence, while a greater labor supply decreases wages, a bigger purchasing power increases prices. Moreover, another short-term effect of the integration is that as there is a greater demand for goods and services, the price of non-tradable goods such as electricity, water, real state and local transportation increases however, this is counteracted by a bigger labor supply, which in turn decreases wages.

Moreover, analyzing the Rwanda case, the policy that the government has adopted towards the migration of a large group of refugees from the Democratic Republic of Congo includes the right to work, to access education and a respect of the freedom of movement. Theoretically,

this ability to engage in the economic life should be effective in the integration of the Congolese migrants, nonetheless, the accommodation of the migrants into camps, added to the lack of abundant arable land, the extensive overpopulation, and the limited working opportunities, leads to the fact that in practice, the migrants in Rwanda are dependent on humanitarian aid (Loschmann, Bilgili, & Siegel, 2019). The hosting and direct integration into cities could offer a solution to the problem of disintegration.

#### *4.4.2 Challenges to hosting refugees in cities*

The rapid urbanization of cities in developing countries has nonetheless a double standard. The cities provide the basic services that people need, making this factor an attractive opportunity for migrants. However, an added influx of people to the cities makes resources scarce, as it exceeds its capabilities, making local population and migrants vulnerable. Notwithstanding, the international cooperation system still struggles to address properly this issue and get the aid to those in need. While the UNHCR drafted a “Policy on alternatives to camps” in 2014, they still have not implemented a successful plan that addresses the systematic need to support cities that receive migrants. Biehler and Kipp (2019) point out at the causes for this lack of planning the complexity that planning humanitarian aid in a city has and the need to cooperate with municipal administration. As a consequence of this, organizations often establish services to support the migrants instead of strengthening the already implemented urban services (Biehler & Kipp, 2019). For instance, establishing new medical installations instead of helping develop the healthcare system of the city. This approach is effective for solving short term programs, nonetheless, in the longer term it is not helping improve the capabilities to assist the overall population.

Furthermore, another impediment or drawback to getting the aid into the migrants in the cities is that these are often not registered as migrants hence, it makes it almost impossible to localize them and distinguish them from the local poor population (Biehler & Kipp, 2019).

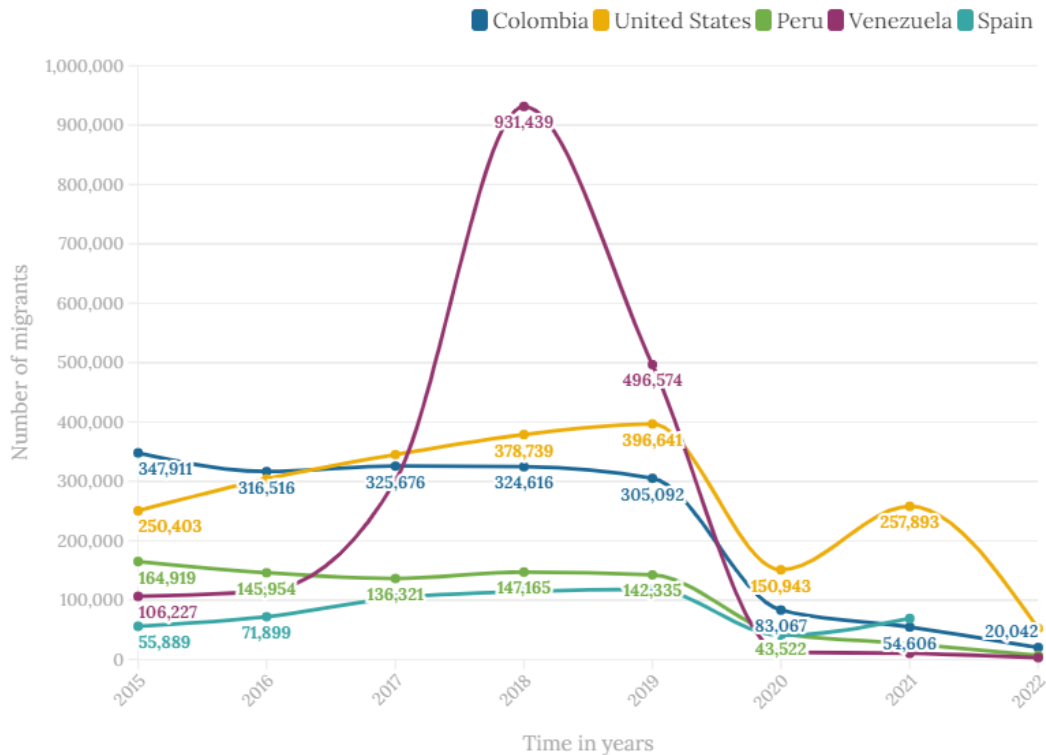
In addition, when designing the aid giving plans, it is essential to consider how can this aid help the host city develop and benefit in an efficient way while refugees benefit. Nonetheless, organizations such as UNHCR provide aid based on the status of the individual (whether they are a refugee or not) and not based on the needs that the overall population might have. This approach hinders the benefiting of the host society from the aid giving (Biehler & Kipp, 2019).

## 5. State of the Art

The objective of this section is to provide an overview into the current migration, economic and policy situation in Ecuador.

### 5.1 Evolution of migration in Ecuador

Graph 1. Number of migrants arriving to Ecuador by nationality (2015-2022)



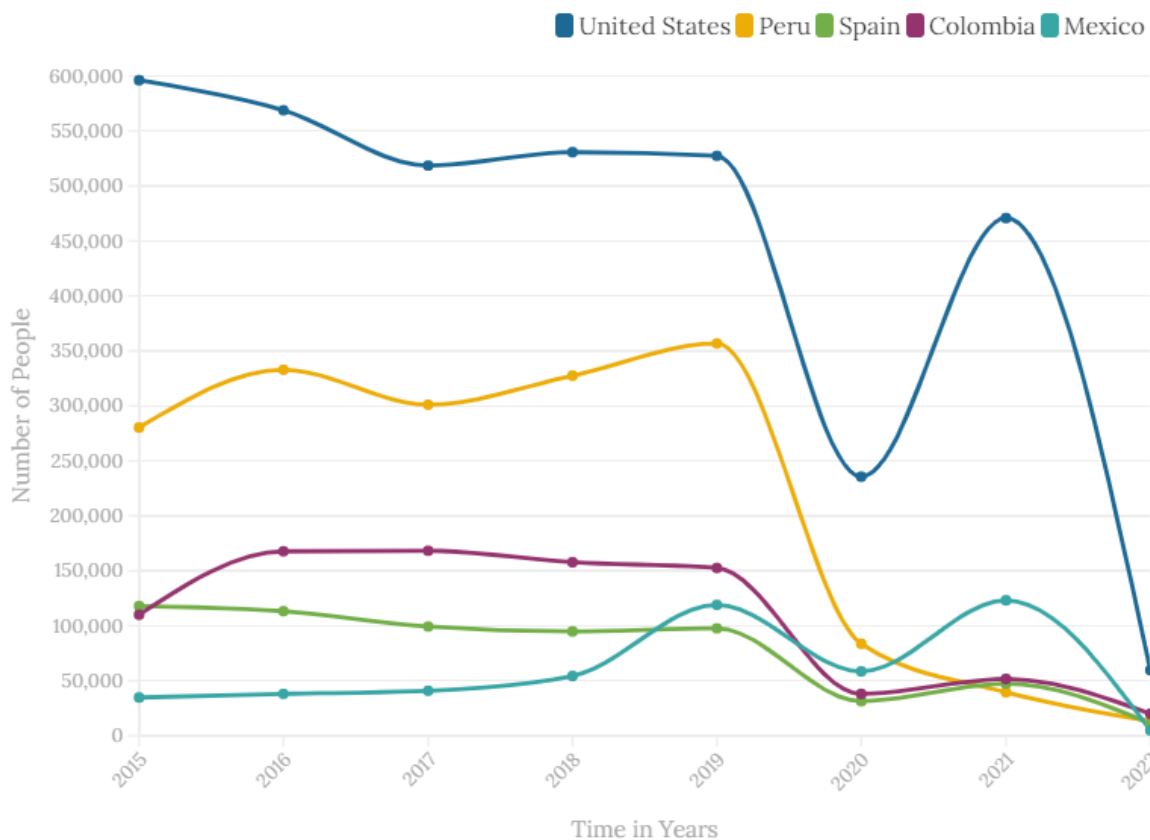
Source: Data retrieved from (Gobierno de Ecuador , 2022) Graph of own elaboration.

Until 2001, the migration flows in Ecuador were majorly outwards, however, the political instability of neighboring countries led to a dramatic increase in the number of migrants arriving to Ecuador. As we can appreciate in the graph 1, the migration flows to Ecuador have been somewhat stable since 2015. Notwithstanding, there are several factors to highlight. The first one is a surge in the migration numbers arriving from Venezuela in 2018 and the second one a decrease of migration in the year 2020 as a consequence of the COVID-19 pandemic. In addition, these figures were extracted from official data provided by the government of Ecuador, therefore, it does not include the irregular migration of undocumented people. This illustrates why, through most years the United States has been the main country from which people migrated from, portraying the tourism from said country and not a permanent and established community of migrants from the United States in Ecuador. Overall, we can

appreciate how the vast majority of migrants come from the US for tourists motives, and from Colombia and Venezuela in pursue of better standards of living and improved wellbeing (Gobierno de Ecuador , 2022).

Besides, UNHCR (2021) has published estimations regarding the unofficial migration rates in Ecuador. It is estimated that since 2016 more than 2.2 million people migrated to Ecuador. Furthermore, it is the main transit country for Venezuelans, as Ecuador has become the second largest receiver of Venezuelans after Colombia. In addition, in 2019, the migration through the Colombian border was significant, it was estimated that on average 1,950 people arrived to Ecuador each day. Finally, the official figures conclude that there are more than 450,000 Venezuelans living in Ecuador (UNHCR, 2021).

*Graph 2. Number of people emigrating from Ecuador to other countries (2015-2022)*



Source: Data retrieved from (Gobierno de Ecuador , 2022). Graph of own elaboration.

Furthermore, as we can observe, Ecuadorians also migrate in significant numbers themselves, being the most favored destination the United States, and neighboring Peru, followed by Colombia, Mexico and Spain. However, as it happens with the previous graph, this does not include unofficial data of people who migrate in caravans with the final destination of the

United States, which illustrates how the actual number of people emigrating from Ecuador might be significantly higher.

In 2012, the IOM pointed out at four characteristics that had marked the previous decade of migration in Ecuador. These were a decrease in the outflow of migrants from Ecuador, a slight increase in immigration, a profound increase in forced migration and finally they noticed a tendency for migrants to return to their home countries (Paredes, 2012). As we can appreciate, many of these characteristics are still present in the last years as main features of the migration in Ecuador, among which we can highlight a decrease in the outflow of migrants due to the pandemic and an increase in the forced migration flows.

## **5.2 Current situation of migrants in Ecuador**

According to IOM, in 2022 there were a total of 785 thousand migrants living in Ecuador, which accounts to a 4.4% of the total population (International Organization for Migration, 2022). According to UNHCR, 82% of migrants arriving to Ecuador fear returning to their country due to insecurity, fear of armed groups, generalized violence and difficulty to access food and labor (Giménez, 2021). This shows the main reasons why people flee their countries into Ecuador. Furthermore, in a survey by UNHCR, 407 Venezuelan families and 391 Colombian families were interviewed and the researchers found out that 82% of the families had at least one of the following characteristics: 18% were survivors of violence or abuses, 18% had a chronic medical affection, 12% were single parents, and 11% had a disability (Giménez, 2021). These discoveries shed light into the situation of vulnerability and precariousness in which the families that migrate find themselves in.

Furthermore, another major problem that affects the migrants settling in Ecuador is the lack of legal documentation. The lack of information and available documents are the principal causes that lead migrants to be in an irregular situation. In Ecuador, 73% of Venezuelans and 42% of Colombians do not possess all the legal documentation (Giménez, 2021).

Moreover, as a consequence of the impact of the pandemic in the economy of Ecuador, 90% of families are working in informal activities or are unemployed. Only 4% has a formal work and 3% are business owners. In addition, of the interviewed families, 3 in 4 families stated that their primary need as covering basic needs such as food, housing and clothing. They also stated that often they must recur to reducing the intake of food, borrow money to buy basic needs,

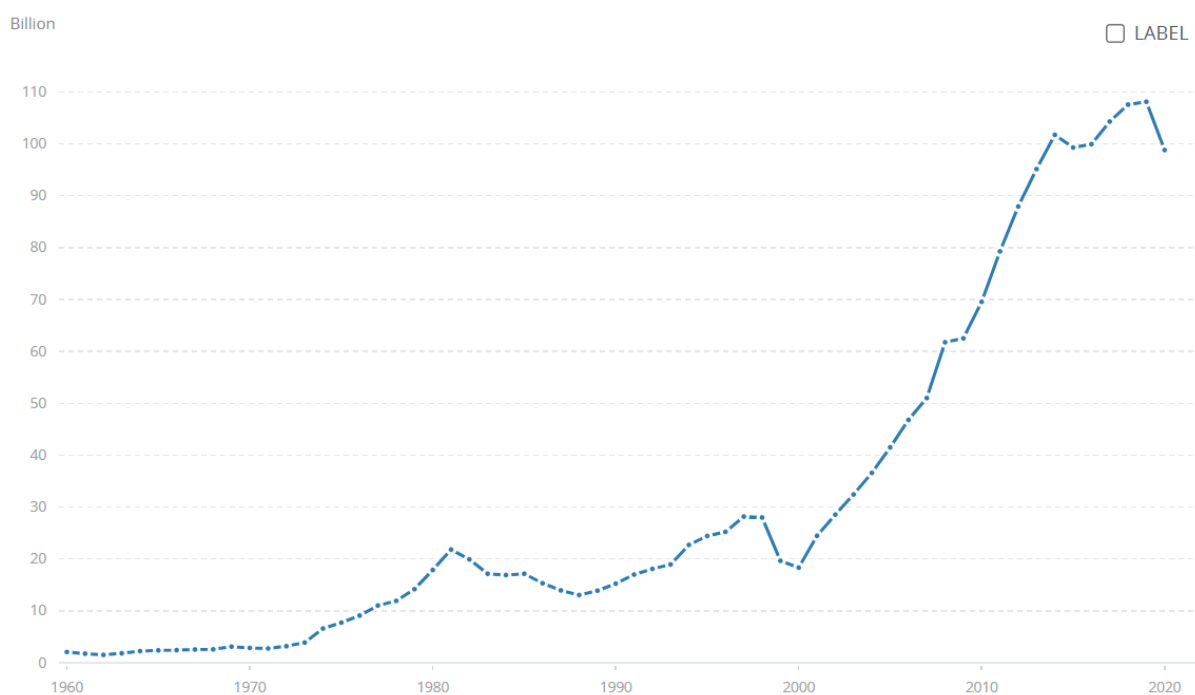


limit the consumption of non-essential goods and reduce the food intake of adults to prioritize the children (Giménez, 2021). The lack of employment and their described needs reflect on the precarious situation in which migrants in Ecuador are currently living in.

Besides, in relation to the integration of the migrants in the society, 95% of the interviewees stated that they had a neutral to positive relation with the local population.

### 5.3 Economic overview

Graph 3. Evolution of the GDP in Ecuador in current US\$ (1960-2020)



Source: Screenshot from (World Bank, 2020)

As it can be appreciated from the previous graph, the GDP of Ecuador experienced a significant growing phase starting in the year 2000. Nonetheless, this growth was interrupted by the COVID 19 crisis, making the economy experience a slight recession in 2020. A minor decrease was also observed after 2014. Notwithstanding, the economy of Ecuador was very insignificantly affected by the 2008 financial crisis. Its highest point was achieved in 2019 with 108.108 billion US\$.

In 2022 Ecuador's economy stood with a GDP of \$192.8 billion, a negative growth of 7.5% in the last year, and an inflation of -0.3 (The Heritage Foundation, 2022). Furthermore, according

to the world economic freedom status it has been categorized as having a “mostly unfree” economy due to weaknesses in “property rights, government integrity and investment in freedom” (The Heritage Foundation, 2022). Furthermore, the unemployment rates account for a 6.2% (The Heritage Foundation, 2022). Finally, Ecuador counts with poorly organized and under sourced public services (healthcare, education, and social protection) (The World Bank, 2021).

The arrival of migrants to Ecuador started to rise in 2017, nonetheless this arrival was preceded by unfavorable economic conditions. The oil prices were deteriorating from 2014, which had a direct impact on the rate of economic growth in the country. In addition to the reduction of the prices of oil, the government was not able to depreciate their currency and did not count with a significant access to foreign borrowing. These factors led to a significant decrease in the access to liquidity for the government therefore leading to a reduction of the government spending. This phenomenon was reflected in macroeconomic terms in a stagnation of the GDP growth in 2015 and a decrease of 1.2% in 2016 (Olivieri, Ortega, Carranza, & Rivadeneira, 2020).

Besides, as a consequence of these deteriorating conditions, the labor market was negatively influenced taking a particular downturn the level and quality of the jobs. Hence, the informal employment rose significantly until the highest level in the last 10 years was achieved. In addition, between 2013 and 2018 there was an increase in unemployment and a decrease in the number of hours worked. The consequences of assembling all these worsening conditions resulted in an increase of workers in the labor market, which in the context of a deteriorating economy, is counterproductive to growth (Olivieri, Ortega, Carranza, & Rivadeneira, 2020).

Furthermore, another consequence of these conditions is appreciated in the education and healthcare systems. In the education instance, a more competitive labor market leads to an increase in the education enrollment as more skilled labor is needed in order to improve the possibility of accessing the market. Nonetheless, while the government was unable to increase the public investment, more people were using the public education services, leading to a deterioration of the quality. A similar instance can be appreciated in the healthcare, where the lack of investment has led to a low maternal and child health specially when compared to neighboring countries (Olivieri, Ortega, Carranza, & Rivadeneira, 2020).

## **5.4 Policy review**

The swift that Ecuador experimented in the beginning of the 21<sup>st</sup> century had a profound impact in the perception of the Ecuadorians, and as a consequence, in the policy formulation as well. Therefore, in 2007, the government along with civil society organizations inaugurated the National Migration Secretariat. In addition, in 2008, the rights of migrants were formally recognized in the Ecuadorian Constitution. This illustrated the will of the political elite to rise the importance of migration policies and therefore acknowledged migrants as important stakeholders, specially by recognizing their contribution to the development of the nation and in the political arena. Finally, they reserved six seats of the National Assembly to the members of the diaspora community (Paredes, 2012). In addition to these, the government also counts with the National Plan against Human Trafficking and the National Plan of Refuge.

However, one critique that remains is the need of long-term policies on migration, procedures for ensuring the respect of the rights of migrants and covering their needs and demands. Instead, the IOM suggests that Ecuador should push to implement more effective integration and management policies focused on the migrants, making a special emphasis in the social protection and development of these communities (Paredes, 2012).

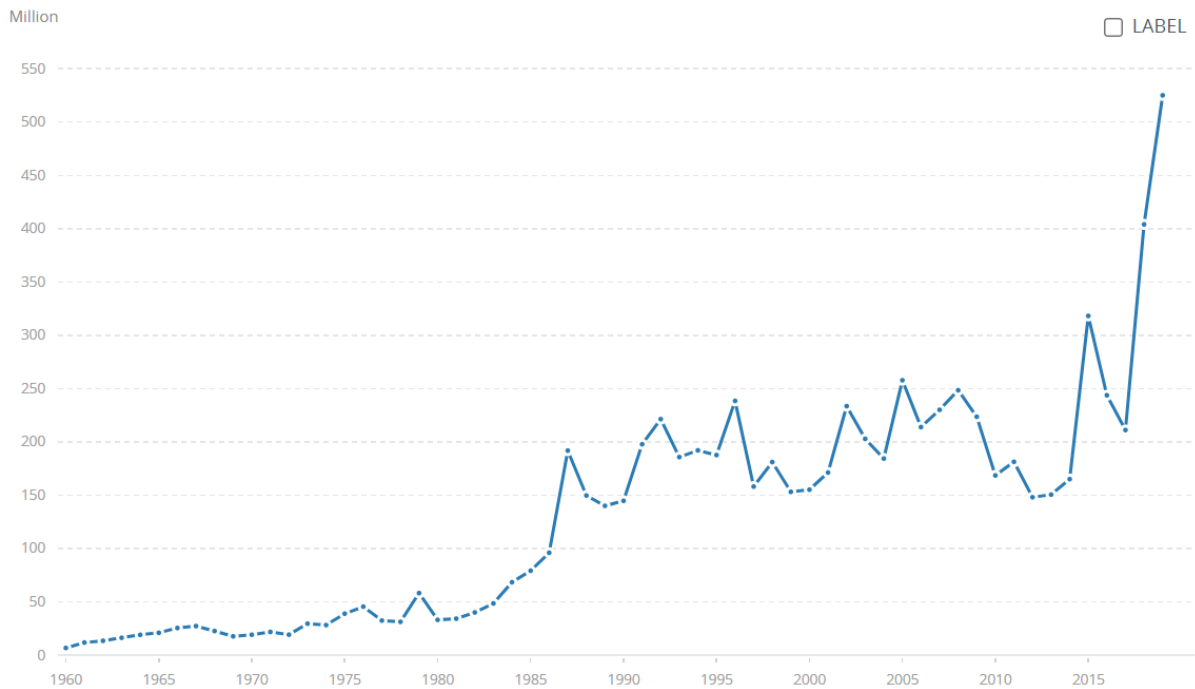
Recently, the Ecuadorian government announced the starting of a broad process that will look to improve the legal inclusion of the Venezuelan people in the country.

Ecuador is the country in Latin America that has officially recognized more people with the refugee status. This number surpasses the 70.000 people, 97% of which are Colombian (Giménez, 2021). The policy review will be further analyzed in section 7.

## **5.5 Evolution of aid**

Numerous non-governmental organizations, international organizations and international development cooperation projects provide aid to Ecuador in order to improve the wellbeing of the population and migrants in the country.

*Graph 4. Net official development assistance and official aid received in Ecuador (current US\$) (1960-2019)*



Source: Screenshot from (The World Bank, 2019)

As we can appreciate, before the COVID19 pandemic started in 2020, the amount of aid that Ecuador received accounted for 525,049,987 USD. Notwithstanding, in this number the aid is distributed along infrastructure, wildlife conservation and development among other projects. In order to appreciate the amount that was invested into providing for migrants arriving to Ecuador, it is needed to analyze the data provided by UNHCR.

The UNHCR begun their activity in Ecuador in 2000. With the main objective of delivering protection and solutions to people who are in situation of seeking for asylum, refugee status or are stateless. The activities are carried out along with the national authorities, and NGOs. Therefore, this illustrates the importance of analyzing the impact that these institutions create upon each other and in the final result of the project; the aid provided to the migrating people.

## **6. Methodology**

The methodology used in this study can be divided based on several factors, these are the method used in the study, the nature of the data, the timeframe in which is studied, the chronological dimension and the sources used.

In first place, based on the method used in the study, it can be appreciated that the project is going to follow an inductive method. This is because the conclusions achieved from studying the Ecuadorian case will serve as a starting point in order to extrapolate them to other similar cases. Therefore, a generalization might be made by analyzing the observations of the particular case.

In second place, regarding the nature of the data, the data analyzed will mostly be quantitative as we are trying to measure the impact of migration in the economies. Notwithstanding, qualitative data will also be considered. On one side, the quantitative data will provide objectivity to the results achieved, liberating from any preconceived ideas and biases that the readers might have prior to reading this project. The statistical method applied will be descriptive. Through this tool we will be able to organize and classify the quantitative indicators obtained through measurement, this will favor the appearance of tendencies and trends in the case studied that otherwise are not immediately perceived. On the other side, some qualitative measurement will also be used, especially in the personal interpretation and analysis of the data, in addition it will be used in metrics such as the improvement of the quality of life of migrants in Ecuador, the suggestion of improvements in the policy or better aid distribution.

In third place, in relation to the timeframe used, a diachronic method will be applied. The timeframe studied will be based in a long period of time accounting from the early 2000, when the migration movements started in bigger numbers, until the present day with the objective of studying the changes that have been experienced over that period of time and their evolution in relation to other factors.

In fourth place, the chronological dimension utilized in this project is mainly going to be historical as it will describe phenomenon and facts as happened in the past based on a documentary analysis. However, a descriptive factor will be present as well. This is because some of this phenomenon described will also be present in current times. As mentioned previously, the analysis will take place from early 2000 to 2022.

Finally, looking into the sources used, in this project the sources will be bibliographical and methodological. Regarding the bibliographical sources, these will provide information of likewise studies that have investigated a similar case study and can provide information on the integration of migrants in Ecuador. The methodological sources will consist of the extraction of numerical data from official sources and further analyzing and contrasting them. Thus, the analysis and interpretation of secondary sources and databases will be the main source used in this project.

To summarize, the methodology used for this project to find an answer to the research question is going to be based on the analysis of data provided by official sources databases such as the World Bank, UNHCR and the government of Ecuador, as well as a bibliographical review of scholarly articles that have analyzed the impacts of migration in Ecuador. All these sources will be contrasted and interpreted. The project will be limited to the time frame between 2000 and 2022. Special emphasis and attention will be given to the years in which more migrants arrived with the subsequent few years until the impact could be noticed, for instance, in 2018, Ecuador received the largest number of people migrating from Venezuela. Therefore, 2018 is a key year for the analysis of this project, in addition, the following years will also be studied so that the real impact can be noted and extend the impact scope so that no real repercussion is overlooked.

In addition, the definition that will be used in this project to classify the groups of people's studied is the definition of migrant rather than refugee. This is because the term "migrant" is more inclusive and takes into account those people moving in an irregular way that have not been granted the refugee status. This status is known to be restrictive and can take long periods of time to be granted, this is because there are specific requirements that must be met and able to provide proof of persecution. However, many of the migrants are fleeing from poverty and political instability, which is not acknowledged in the refugee definition, but making them a product of forced displacements.

## **7. Analysis and discussion**

In the following section, the impacts of migration in the Ecuadorian economy will be studied. Special attention will be given to the Venezuelan migration, as they represent the greater number of migrants living in Ecuador. Additionally, the domestic and UNHCR policy in the country and the social perceptions of migration will also be studied. This is because the policy choices will have a great implication in the economic impact, in the number of migrants arriving and in their quality of life. The social perceptions will be analyzed as a byproduct of the perceived impact of migration in their local economy. Therefore, there is a dynamic relation in which the policy influences the economic implications, and the policy is made by individuals who might be subject to the biases of the social perceptions. Hence, these three pillars are being analyzed in this project as they are interconnected.

### **7.1 Economy**

#### *7.1.1. Labor market*

The economic situation that the country is going through has been affected by the pandemic, which had a direct impact on the migrant people living in Ecuador. 90% of the families that had been interviewed in the UNHCR survey, were working in informal activities or were unemployed. Only 4% had a formal job and 3% were owners of business (Giménez, 2021).

In the study carried out by Olivieri, Ortega, Carranza, & Rivadeneira (2020) they analyzed the impact of the Venezuelan migration to Ecuador. In order to do so, they select the time frame of when migrants started arriving in larger numbers in 2016 until September 2019. The factors that they take into consideration include “participation and employment rates” as well as “employment quality, informality and earnings”. In addition, they study the areas where the migrants tend to settle to focus their study in those areas and analyze the impacts that the migrants have in those regions.

The conclusions that they reached can be compiled in three key points. Firstly, they noticed that the number of Venezuelans living in Ecuador was of 470,095 as of the first quarter of 2019, this represents 3% of Ecuador’s total population. In addition, they noticed the division of the territory of Ecuador, out of 221 cantons, 52% of Venezuelans living in Ecuador settled in four cantons, which portrays a high concentration of migrants in the same regions rather than uniformly distributed along the country. Secondly, they noted how the migrants do not choose

their settlement places on account of the entry points, but rather based on a higher income areas, hence, Venezuelans have a high mobility. Thirdly, they did not notice any major influence in the workforce in the areas that received more migrants in proportion to the previous population numbers. Nonetheless, in relation to the Ecuadorians with a low education in these regions, they noticed a decrease in the quality of the job and a reduction of the salary. In comparison with areas where no major migration inflow has been noticed in proportion to the population numbers and workers with the same profile, those that are exposed to migration in high numbers lead to a decrease in a 6% in an “adequate employment” rate, a 5% increase in informality of the job and a 13% drop on the hourly salary (Olivieri, Ortega, Carranza, & Rivadeneira, 2020). These data indicates how the areas with high concentration of migrants experience a slight reduction in the quality of the employment, nonetheless, this situation could be reverted if migrants did not settle in highly concentrated communities and instead assimilated more evenly into the population.

According to a study made by the World Bank, only 15% of Venezuelan migrants in Ecuador that were of working age had a legal status, while 65% had a job (The World Bank, 2020). Another problem can be identified from this figures. While the migrant population are in pursue of jobs, they do not have a legal status, due to lack of documentation or because they have not applied or being granted the refugee status. This is translated into migrants being forced to take upon informal jobs, in low-skilled industries and with lower quality and salaries. Not having the right legal work permits reduces their employment options significantly.

Moreover, the low-skilled and young local labor are the group that are most affected by the arrival of migrants, which makes the repercussions of the arrival to be highly unevenly distributed. With an increase in the supply of low-skilled labor with the arrival of migrants, makes markets more competitive and this competition reflects with the negative impact on locals with no formation, but specially in the reduction of the salaries, for migrants and locals alike. 57% of Venezuelans in Ecuador have informal jobs and 71% have temporal contracts. While Venezuelans work 5 hour more on a weekly basis than Ecuadorians, they yet receive 42% less salary for the same work (The World Bank, 2020). Therefore, there is an impact experienced in the areas of the work such as the quality of the work made, the formality of said work and lower salaries compared to workers in other cantons where proportionally to the population size there are less migrants. However, it can be appreciated, how some of these negative figures are a result of structural problems in the employment market in Ecuador, as 52% of Ecuadorians work in an informal sector and 41% have temporary contracts (The World



Bank, 2020). Therefore, this illustrates how the entirety of the employment market needs reformation to foment indefinite contracts, increase wages and improve the working conditions.

This effect has been observed as well in similar cases where a large inflow of migrants has joined the labor market, namely the impact of the Syrian migrants in Turkey, where migrants mainly recur to informal and low-skilled jobs. However, this labor integration model has the greatest impact on the local workers in a vulnerable situation, the effects are experienced disproportionately, among regions and among social classes. Therefore, (Clemens, Huang, & Graham, 2018) propose in their study to grant formal labor market access (LMA) to migrants. These access will include the right to work and to be owners of businesses. By having the right to work, these migrants will also have the opportunity to access skilled labor (Clemens, Huang, & Graham, 2018). In addition, in order to make this access to the labor market most effective, it should be accompanied by policies that regulate and recognize the labor formation that the migrants received in their home country. These factors combined, will help reduce the pressure in the low skilled labor force in Ecuador and the arrival of migrants in the labor market will be more evenly distributed.

### *7.1.2 Economic growth*

It is a common misconception among regions with a high income of migrants, that migration is detrimental to the economy. As was studied in section 5, Ecuador's economy was already stagnating before the wave of arrival of migrants due to a variety of reasons. Therefore, there is not in appearance any factor indicating the possible negative repercussions of their arrival into the economy.

Besides, if migrants were granted access to labor and salaries that corresponded to their educational degree, this could have a significant impact on the overall economic growth of the country (The World Bank, 2020). In the case of Venezuelan migrants in Ecuador, it is estimated that these benefits in the overall economy could amount to a 1.6 range to 1.9% rise of the GDP of Ecuador (The World Bank, 2020). However, the main limitations discovered that impede that growth are the lack of a legal status and not being able to certify the educational level completed. As of 2020, only 20% of Venezuelans have been able to register their professional titles (The World Bank, 2020).

Moreover, by increasing the school participation of migrants, the real benefit could be higher, as the country would benefit from the future generation human capital. Besides, higher school participation would as well liberate a great percentage of the workforce, the mothers who would have free time to incorporate the labor market and become financially independent (The World Bank, 2020). Therefore, the policy choices of the host country are essential to obtain the greatest benefit possible for everyone from the mass arrival of migrants.

## **7.2 Policy Implications**

### *7.2.1 Domestic policy*

Traditionally, South American countries have opted for policies that favor the freedom of movement and residency, facilitating the protection of the rights of the people in movement. Therefore, we can appreciate in several countries a renewed constitutional and judicial laws in relation to migration in Argentina (2004), Uruguay (2008), Ecuador (2008) and Bolivia (2013) in a shift towards progressive post neoliberal approaches (Velasco, 2020). This approach represents a contrast with the traditional conservative approach of the western countries in migratory regulation. In this context, it is important to study the Ecuadorian case as it represents one of the most radical constitutional reforms in migratory matter.

In 2008, the Ecuadorian Constitution was reformed introducing new rights. The right to migrate was recognized and the identification of any human being as illegal for its migratory condition was impugned (Article 40 of the Ecuadorian Constitution), the right of asylum and refuge was recognized (Article 41) and the principle of universal citizenship was advocated (Article 416) (Velasco, 2020). The Article 416.6 states that “Propugna el principio de ciudadanía universal, la libre movilidad de todos los habitantes del planeta y el progresivo fin de la condición de extranjero como elemento transformador de las relaciones desiguales entre los países, especialmente Norte-Sur.” (Constitución de la República de Ecuador, 2008). Moreover, Article 423 introduced the concept of “integration”, specially of the Latin American countries and the Caribbean as a strategic objective of the State. Finally, article 13 confers equality on the rights to foreigners and nationals. In addition, in 2008 an executive order was approved in which the visa requirement for any citizen of the planet was removed for a period up to 90 days (Velasco, 2020).

Moreover, regarding the policies implemented by the government of Ecuador as a response to the migratory crisis, several can be pointed out. In the summer of 2018, the government declared a state of emergency as a consequence of the massive migration flows, the purpose of this announcement was to provide a humanitarian corridor (Donoso, 2022). In addition, this state of emergency implied as well certain policies aimed at the protection of human rights, overlooking the migratory status of people. On one side, the Interior Ministry established an Organic Law of Human Mobility that regulated the immigration procedures. Besides, the specific migration of Venezuelans is regulated independently in the bilateral Ecuadorian-Venezuelan Migratory Statute, centered in protecting the migration and guaranteeing the safety of movement (Ministerio del Interior, 2018).

In July 2019 the government of Ecuador announced they were going to start issuing humanitarian visas. This visa creates rights and obligations, namely the right to work in the territory and multiple entries into the country during a time period of two years. However, the project shows some shortcomings. These regularization its only applicable to migrants who have not violated the laws in Ecuador, who have entered the country in a regular manner before the 26th of July of 2019, or if when entered in a regular manner have not overextended their stay (The World Bank, 2020). In the present, this is translated by the figures that represent that whereas 80.4% of the Venezuelans entered Ecuador in a documented manner, in 2020 64.7% were in an irregular status as a consequence of overextending their temporal, humanitarian or work visas (Arguelles, Santana, & Locatelli, 2020), excluding them from being eligible to the humanitarian visa. Another policy implemented by Ecuador consisted of allowing migrants who had a visa in a third country to use Ecuador as a corridor to get to the country where they possessed their visa (Donoso, 2022). Nonetheless, the lack of ability to track the migrants means lack of ability to protect them and provide for them.

Therefore, it can be observed that the government of Ecuador has passed several symbolic regulations, nonetheless, the majority of Venezuelans in the country are still undocumented and in an irregular manner, which is the source of the economic problems mentioned in the previous section.

With the objective of capitalizing the benefits of the Venezuelan migration in Ecuador in favor of a sustainable development, it is needed to rebalance the socioeconomic conditions between migrants and the host communities. While there are imbalances, there won't be a collective benefit. In this case, it is particularly important to develop and implement effective policies

that manage the integration of migrants, as the situation of political and economic instability in Venezuela is not going to be sorted in the short term. In accordance with an in-depth study of the impacts of the Venezuelan migration carried out by the World Bank in collaboration with the State Peacebuilding Fund, they selected three elements of particular importance to capitalize the benefits of migration in favor of the sustainable development. While drafting policies, three elements must be taken into consideration: economic integration, social inclusion and the local communities (The World Bank, 2020). These must not be negatively influenced.

The report suggest policies based on three key pillars for improvement. The first pillar for improvement concerns the strengthening of opportunities. In this they suggest improvements such as the regularization of the migratory status, the recognition of educational titles and facilitating the access to information regarding rights and obligations.

The second pillar is centered in the construction and reinforcement of the human capital by creating multisectoral programs that would maximize the contribution into society of individuals. It includes policy recommendations such as maintaining free and unrestricted access to health services for migrants, guaranteeing the school enrollment through the whole year allowing children to incorporate to school and avoiding a higher risk of child labor (an estimated 56% of Venezuelan children and adolescents are not schooled in Ecuador), working towards the reduction of the chronic malnourishment in the local Ecuadorian population (24.9%) as well as in the Venezuelan population (17.8%), reduce the adolescence pregnancies, decrease the discrimination against girls in school and increase the protection towards victims of gender violence. Finally, the report suggest that sensibilization campaigns should be launched with the objective of informing the social services providers and ensuring the uniform application of the normative to avoid discrimination towards migrants in the health and education sectors. All these recommendations aim at having an integrated population and at increasing the capabilities of individuals to contribute to society, be educated and have financial independence, in locals and migrants alike.

The third and last pillar focuses on the lifting of barriers that harness social cohesion and integration. Among these are policies that target the generalized xenophobia among the local population, increase the sensibility of the population about the children's rights, foment the cultural integration among Ecuadorians and Venezuelans and strengthening the trust between the population and the state institutions.

These policies recommendation are vital for ensuring a beneficial and prosperous cohabitation between locals and migrants. These policies would benefit both social groups and favor the development of the Ecuadorian economy by increasing the schooling rates, formal employment and increasing the welfare of the general population. Thus, while the constitutional reform and Organic Law of Human Mobility, laid a foundation for inclusivity, these policy recommendations would materialize the developments and integration of a unified society.

In addition, Clemens et al. (2018), suggest the granting of formal labor market access as a solution to the market effects of the arrival of migrants, this is “wherein refugees’ (and migrant’s) access to the labor market is unrestricted by the government in law and in practice.” (Clemens, Huang, & Graham, 2018). They suggest that if host governments provide regularized access to the labor market, this would ensure the more even distribution of migrants into the different sectors of the labor market, solving the problematic of the oversupply of cheap labor in the low-skilled sectors and helping reduce the burden from the most disadvantaged group of workers, that is, the low-skilled Ecuadorian workers. In addition, this policy would increase the economic productivity of Venezuelans in Ecuador and allow entrepreneur opportunities, which would benefit migrants and locals alike.

### *7.2.2 UNHCR action policy*

United Nations High Commissioner for Refugees (UNHCR) has not settled any refugee camp in Ecuador, however, the Venezuelan migration crisis is still one of the most prominent of the last decades. Therefore, the aim of this section is to determine the action policy of the UNHCR in Ecuador, and analyze what aid is being provided to the migrants that arrive there. UNHCR has been operating in Ecuador since the year 2000. Nonetheless, according to their operational data portal, “The operation in Ecuador is fundamentally driven to deliver protection and solutions to a variety of persons of UNHCR’s concern such as asylum-seekers, refugees, and stateless people.” (UNHCR, 2021). This statement suggests that the UNHCR its only concerned in aiding those people in need that have some sort of legal or regularized status, but exclude forcibly displaced migrants.

There are 57.232 refugees in Ecuador form several nationalities, whereas the number of migrants specifically from Venezuela in Ecuador are 508.935 (UNHCR, 2021). Hence, a vast majority of the people in need of aid are excluded from the aid and services provided by the UNHCR.

Due to the fact that the Ecuadorian government allows the entrance of migrants, and because they do not have major integration impediments such as language barriers, there are no refugee camps established in the country, nonetheless, the migrants are in a situation of abandonment, where no financial aid is provided, making them begin their new life in Ecuador in a situation of precariousness, and hindering their opportunities of integration in the society from the beginning. According to UNHCR (2021), 64% of migrants shortly after arriving, mainly need material assistance, namely cash transfers to cover urgent basic needs, primary food and housing.

Among the main activities that UNHCR develops in Ecuador, not centered in the direct aid of refugees are data collection, provider of information and to spread awareness. In relation to the aid they provide to people eligible to the refugee status, during the firsts days of their arrival they are provided with housing, basic food and personal hygiene utensils, however they do not provide cash and the aid they offer its temporal,

Notwithstanding, the work that UNHCR carries out in informing and helping people obtain the refugee status is remarkable. By the achievement of the refugee status people are able to enjoy protection from the organization. Being able to receive the aid they need. As well as enjoying rights such as the access to work and being self-employed, the guarantee that you are not going to be deported, regular permanency in Ecuador, free transit, non-discrimination, having access to the judicial system, educational system, health system, social security, civil registry, financial system, etc. (UNHCR, 2019).

### **7.3 Social perceptions**

As previously mentioned, this study departs from the premise that the perceived economic impact of a migrating group, can shape or change the perception that the population has of said groups. Hence, it is important to study the social relations between the groups, in order to analyze, if in the long run, the perceptions change along with the economic impact. However, changes in the peoples mentality takes more time than the evidence of the positive impact to manifest, as changes take more time to settle in the collective perception of a social group.

On one side, from the Venezuelan perspective their perceived discrimination in society will be studied. Almost half of the Venezuelans that have migrated to Ecuador (49.3%) have experienced discrimination (Arguelles, Santana, & Locatelli, 2020), almost 40% of the total

experienced this discrimination to a large extent due to their nationality (The World Bank, 2020). Furthermore, the fact that most migrants have been informally employed and do not hold a legal status in the country, is not beneficial for their further inclusion in the society nor for the perception of the locals. According to (Jacques, Linares, & Useche, 2019), 87% of Venezuelans in Ecuador were living in poverty and 61% under extreme poverty. This relation between a people and their socioeconomic lifestyle can lead to a generalized rejection of the migrants and to *aporophobia* (Jacques, Linares, & Useche, 2019), this is the rejection of the poor or helpless, who apparently cannot provide anything in return (RAE, 2022). Additionally, 51% of Venezuelans consider that their interaction with the local population was carried out with difficulty (UNHCR, 2021).

Moreover, school attendance is one key challenge in the process of integration, more than 50% of migrant children do not go to school, the principal reasons behind this are the inability to cover the education related costs such as material or transportation, or because they do not possess identification documents (The World Bank, 2020). This contributes to the discrimination of migrant women, as children don't go to school, its typically them who have to stay back and take care of them.

On the other side, Ecuadorians perceive migrants in an overall negative manner. This is not only due to the labor implications explained above, but also with the arrival of migrants, the perception of insecurity has risen among the Ecuadorians (Jacques, Linares, & Useche, 2019). This insecurity perception is accentuated by social media and the spread of news in the traditional media that give more importance to the pieces where a migrant has done something illegal, portraying Venezuelans negatively (Jacques, Linares, & Useche, 2019). However, while Ecuadorian believe that Venezuelans increase crime rates, yet robberies and homicide were in 2020 at the lowest after five years, including those regions where the migrant population is majoritarian (The World Bank, 2020). Moreover, they also represent less than a 1% of the total users of health, education and social services in Ecuador (The World Bank, 2020).

Additionally, very different perception of both groups can be observed towards each other. In regards to similarities in their cultures, 66% of Ecuadorian believe that they do not have common values with the Venezuelans, while only 39% of Venezuelans agreed with that premise (The World Bank, 2020). This data portrays a bigger problem of perceived distance in

one side of the population, these perceptions of difference is what could lead to structural racism.

#### **7.4 Concluding remarks**

Finally, as was explained in section 4, according to Alix-Garcia et al. (2017) the factors that will regulate the impact of migrants into the society and their easiness to integrate depends on three main factors. These are (1) the rules that regulate the interaction between migrants and locals, (2) the degree of market development and (3) the connectivity of the region. As was studied through this section 7, in the case of Venezuelans in Ecuador apparently they meet the requirements to conform an integrated group in the society, nonetheless, in practice it is not fully accurate. In first place, while the legislation in matters of migration is very open in theory, in practice it does not have the intended effects as migrants would need more policies that would facilitate the integration into society and into the labor market. In second place, concerning the degree of market development, in section 5, we noted how the Ecuadorian macroeconomics are not very favorable and in section 7, how the employment conditions are not ideal for Ecuadorians either, harnessing economic development for the country and hindering the economic potential of migrants and locals alike. In third place, Ecuador is a highly connected region, serving as a gateway for migrants on the move to third countries. Therefore, even though Ecuador has very solid foundation to an open and prosperous country, they still have much to construct and to bring down walls that hinders the process.

Furthermore, in relation to the initial hypothesis made, discoveries were made for each of them that require elaboration based on the documentary analysis.

Hypothesis 1: Migrants do not have a negative impact in the economy.

As it was studied in this project, migrants arriving in Ecuador do not negatively influence the economic development of the country, on the contrary, if given the appropriate resources, such as the recognition of their professional formation, they have the potential to have a positive impact, therefore hypothesis 1 was confirmed.

Hypothesis 2: UNHCR is not providing enough services and aid to the migrants in Ecuador.

This hypothesis has been confirmed. As this project proposes, refugee camps are being less and less implemented with the study and discovery of all their downsides for host countries



and for the people migrating. The UNHCR should not simply step back from the settlement of refugees, leaving a gap between the aid received and that needed. The UNHCR should evolve and adapt to the needs of people in need, refugees and forced migrants alike.

Hypothesis 3: While migrants don't have a negative impact in the economy, the lack of measures for integration negatively affects the local society.

Hypothesis 3 was not confirmed. The lack of integration measures in Ecuador for the migrants, makes them be perceived in a negative manner. They don't necessarily negatively impact the local population beyond the increase of competition in the low-skilled workforce, however, the perception that the locals have of the migrants is overall negative, associating them with criminality rates.

Hypothesis 4: Migrants do not negatively influence the labor market, particularly in the skilled labor.

Hypothesis 4 was confirmed. Migrants do not negatively influence the skilled labor market because their access to it is broadly restricted, nonetheless, a negative impact has been observed on the low-skilled labor as a consequence of a surge in supply of cheap workforce, gathered in few geographical areas.

## 8. Conclusion and proposals

The primary goal of this project was to evaluate whether an integration plan was successfully being implemented in Ecuador to host migrants into their cities while not harming the local population and economy.

Several conclusions can be extracted from this project. Firstly, it was observed how the impact that a group has into the economy, shapes how this group is perceived by the population, possibly because by extension if the economy of a country is going positively, then the livelihood of their citizens will also increase. Moreover, this perception by individuals also influences other aspects such as the policies, as it is individuals drafting them. Thus, a cycle of perception can be created from the impact on the economy. The irony in this instance is that if the policies were more inclusive, the migrants could have a real positive impact on the economy of the country, and therefore, in people's lives. From the economic perspective, stereotypes are constructed and can be perdured in the social perceptions of a group.

In addition, the granting of the refugee status has great impact, the main repercussion of being granted the refugee status is being recognized as having rights that are equitable with those of the national population. Nonetheless, the granting of this status is highly restrictive, leaving migrants worldwide with no legal protection and subject to neglect. Furthermore, these disparities in the rights can lead to a greater inequality between the locals and the migrants, further exacerbating the differences and leading to the spread of stereotypes and widening the gap between "us" and "them". Additionally, Ecuador is the country in Latin America that has officially recognized more people with the refugee status. This number surpasses the 70.000 people, 97% of which are Colombian (Giménez, 2021). However, the majority of the migrants in Ecuador are Venezuelans, illustrating a disparity in the granting of the status based on nationality, which might be indicative of a deeper problem of assimilated structural racism.

The secondary goal was to assess the performance of International Organizations such as UNHCR in the development and implementation of said plan. As was observed, the performance of the UNHCR was oriented solely towards the short-term aid of refugees, excluding a lot of people in need from their aid, and having overall an unsatisfactory performance.

Therefore, a proposal that would address some the problems mentioned is to establish a system for the recognition of the professional formation of migrants in their country or origin. This

solution would target several problems. Firstly, if migrants can diversify their professional choices, it will alleviate the pressure from the low-skilled labor. Moreover, by allowing migrants rights to work, it will activate the economy by incentivizing investment, the creation of businesses and generate work. Initiatives such as this one would increase the economic prosperity. These two policies combined could increase the economic productivity of the migrants, would help to distribute more evenly through regions and labor sectors the surge in workforce and significantly improve the quality of life of migrants, becoming an impulse for the economies instead of a burden. Finally, this policy recommendation can be extrapolated to any other country receiving an inflow of migrants.

Furthermore, to the research question, Is the arrival of migrants harming the economy of Ecuador? We can conclude that the arrival of migrants to Ecuador is not harming the economy in macroeconomic terms, as no correlation was observed between the effects of the migration and fluctuations in the GDP of the country. Notwithstanding, the migration flows are not benefiting the economy either due to the repercussions in the labor market, where the young and low-skilled labor is being negatively influenced by the surge of cheap workforce. However, as mentioned in section 7, these negative repercussions could be diminished through the application of proper policies that could favor the prosperity and integration of migrants.

Ecuador still needs improvement in several areas, namely schooling, healthcare, malnourishment of the population and quality employment among others. Thus, the integration of Venezuelan migrants should be seen as an opportunity to work together towards a better standards of living, benefiting everyone alike.

In conclusion, this project intended to analyze dignifying solution to the crisis of mobility. An alternative model for the reception of migrants can be appreciated in the European Union's response to the Ukrainian war, this response could be used in the future as a roadmap to illustrate the alternatives to refugee camps. In view of the facts portrayed in this project, if managed correctly, a migration inflow could be highly beneficial for the host country while providing a respectful alternative settlement for the migrants. Finally, as the tendency of reception of forcibly displaced people moves away from refugee camps, it is vital to explore solutions that respect the dignity and needs of the people on the move.

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