

What is refugee rentierism?

An explainer

Wealthy countries are increasingly paying poorer countries to try to limit migration, with negative effects for people on the move.

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BEIRUT

In the 1960s, Iranian researcher Hossein Mahdavi developed the concept of the “rentier state” to describe countries that generate a significant portion of their income from the extraction and export of natural resources rather than taxation.

Increasingly, scholars have adapted this concept – coining the phrase “refugee rentierism” – to describe the financial bargains struck between wealthier states and countries hosting large refugee populations aimed at preventing

onward migration. These deals, researchers say, have adverse consequences on the international refugee protection system as well as on accountability, transparency, and democratic principles.

“Usually, rentier states receive money because other governments want what they have – resources or access to their land,” said Gerasimos Tsourapas, a professor of international relations at the University of Glasgow in Scotland.

Tsourapas, whose research focuses on the politics of migrants, refugees, and diasporas in the Middle East and the broader Global South, was the first to apply the concept of rentierism to refugees. “In the context of a refugee rentier state,” he said, “we witness the reverse situation: the state receives refugee rent because other governments do not want what they have – namely refugees.”

With the EU signing an [increasing number of agreements](#) to send billions of euros to neighbouring and nearby countries to contain migration, and the US pursuing similar policies throughout Latin America, what exactly is refugee rentierism? And more importantly, what ramifications does it have for people displaced by crises around the world and those undertaking irregular journeys to try to reach safety?

We spoke to scholars and experts to find out.

What are some examples of refugee rentierism?

In May this year, the EU [announced](#) a one billion euro aid package for Lebanon aimed at supporting the crisis-hit country's economy and stemming irregular migration towards Europe.

The deal came as [rising xenophobia and violence](#) directed toward Syrian refugees in Lebanon led to a [spike in the number of people](#) arriving to the EU island nation of Cyprus by boat. NGOs and scholars criticised the deal as a ['bribe'](#) that abandoned efforts to push Lebanon's entrenched and corrupt political class to implement much needed reforms.

"Lebanon is a failed state; hardly anything works anymore. It faces tons of problems, and one billion euros is unlikely to make the situation better," said Assem Dandashly, an associate professor at the Department of Political Science at Maastricht University in the Netherlands.

The EU signed similar deals with [Tunisia](#) last year, [Mauritania](#) in March, and [Egypt](#) in June – to name just some of the more recent of these agreements. "The EU is definitely increasingly keen to use material resources to pay its way out of refugee management," Tsourapas said.

Is the practice of refugee rentierism new?

While the term refugee rentierism is being increasingly used in academic and policy circles, experts say it describes a long-standing practice.

Jordan may be the first example of a country that extracted money from other states to host a refugee population others did not want to deal with, according to Tsourapas.

In 1948, around [70,000](#) of the approximately 700,000 Palestinians who were forcibly displaced by the creation of the state of Israel ended up in Jordan, which viewed them as potential security threats. The Jordanian government negotiated financial support from the US in exchange for hosting the Palestinian refugees.

Jordan doubled down on the strategy following the 1967 Arab-Israeli war, [receiving important financial support](#) from the US, the UK, and other Arab states in exchange for continuing to host Palestinian refugees.

The most prominent example of refugee rentierism, however, may be the March 2016 [EU-Türkiye deal](#) that effectively ended the 2015 Mediterranean migration crisis, which saw over one million people – the majority refugees from Syria – cross the sea from Türkiye to the EU.

Under the terms of the deal, the EU provided Türkiye with six billion euros to support refugees, and Türkiye agreed to a number of policies aimed at stemming irregular migration to the EU.

“This deal set a precedent,” Tsourapas said. “At the time, [President] Recep Tayyip Erdoğan was heavily criticised for his growing authoritarianism, and this deal was a strong example of cynical negotiation over peoples’ lives.”

Do states outside of Europe and the Middle East engage in refugee rentierism?

Since 2012, Australia has sent more than [4,200](#) asylum seekers who arrived by boat to detention centres on the pacific island nations of Nauru and Papua New Guinea. The detention centre in Papua New Guinea has since been closed down, but Australia – from as recently as February this year – has continued to [send](#) asylum seekers to Nauru.

Nauru and Papua New Guinea have received [billions of dollars](#) to cover the costs of running the detention centres as well as other bilateral assistance.

“Peripheral EU states also do engage in such bargaining strategies with other member states.”

According to [Human Rights Watch](#), this policy “resulted in individuals and families with children spending years living in substandard conditions... where they [suffered](#) severe abuse, inhumane treatment, and medical neglect”.

The UK tried to implement a similar policy in 2022 when it [struck a deal with Rwanda](#) to send asylum seekers who

crossed the English Channel by boat to the East African country. After numerous legal challenges, the UK parliament [passed](#) a bill making the policy law in April this year.

The new Labour government, which ousted the UK's Conservatives from power after 14 years in July, has vowed to scrap the plan. But Rwanda had already received over [\\$300 million](#) from the UK under the deal, although no asylum seekers have been sent to Rwanda.

In one of many examples in the Western hemisphere, the US struck a [deal](#) with Colombia and Panama in June to increase border controls and limit migration through the [Darién Gap](#) – a key route for asylum seekers and migrants trying to reach the US southern border. As part of the deal, the US agreed to help reduce poverty and improve socioeconomic conditions in the two countries.

Refugee rentierism is also not just a dynamic between countries in the Global North and the Global South. It is also present between countries in northern Europe, where many refugees try to reach, and southern Europe, where many first arrive on the continent. "Peripheral EU states also do engage in such bargaining strategies with other member states," Tsourapas said.

Greece, for example, received [3.39 billion](#) euros from the EU to manage migration between 2014 and 2020 and is set to receive another 1.45 billion euros between 2021 and

2027.

How does refugee rentierism affect refugees?

For Tsourapas, the concept of refugee rentierism is value neutral. "Of course, countries like Lebanon and Jordan should try to receive as much support as possible from the international community given the sheer numbers of forcibly-displaced people they need to provide for," he said.

However, the deals countries in the Global North make with countries in the Global South to try to contain migration frequently have a negative impact on refugees, asylum seekers, and migrants.

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"After the Second World War, several institutions were created – such as UNRWA, UNHCR, and the IOM – as a way to make sure that labour and forced migration would be managed in an equitable way that respects human rights," Tsourapas said, referring to the UN's agencies for Palestine refugees, refugees, and migration.

Today, of the roughly 43.4 million refugees in the world, [75%](#) are hosted in low- and middle-income countries.

Human rights groups and UN agencies have [criticised](#) policies, such as the UK's Rwanda plan, for undermining the global refugee protection system and ignoring human rights concerns, while continuing to shift the responsibility for hosting displaced people onto the shoulders of countries with fewer resources.

The investigative newsroom Lighthouse Reports, for example, [uncovered](#) a pattern of abuses carried out by security forces against asylum seekers and migrants in Mauritania, Morocco, and Tunisia – all countries the EU has struck deals with in recent years to contain migration.

Lighthouse Reports found that security forces in these countries that have received funding, equipment, and direct support from the EU have rounded up tens of thousands of asylum seekers and migrants in an effort to prevent them from reaching Europe. Those rounded up were dumped in desert border regions where they were vulnerable to kidnapping, extortion, sexual abuse, and, in some cases, died.

“The way the EU handles the refugee issue violates all the values and the norms the EU keeps lecturing other countries about,” Dandashly said.

Is refugee rentierism an effective policy?

Since the 2015 migration crisis, the number of people

crossing the Mediterranean Sea to the EU has [fluctuated](#) from a low of around 95,000 during the COVID-19 pandemic in 2020 to a high of just over 270,000 last year. So far this year, more than [99,000](#) have made the journey.

Crises across Latin America have also led to an increase in people on the move in the region. As a result, the number of people crossing the Darién Gap last year reached an all-time high of over 520,000 – three times the number in 2021 – according to [UNHCR](#).

The factors causing irregular migration numbers to fluctuate over time are complex. But in general, when migration deals have succeeded in making one route more difficult to use, [others have opened up](#) or gained in popularity.

The deals countries strike also leave them open to having other countries use migration as a form of pressure to extract political concessions and more money.

In just one example, the government of Türkiye announced in February 2020 that it would no longer prevent refugees from leaving the country toward Greece and even put some people on buses and sent them to the frontier, creating a [manufactured migration crisis](#).

Türkiye was looking to pressure the EU to support its actions in northern Syria and said that aid money the EU had promised for refugees was arriving too slowly. The EU eventually pledged an additional [three billion euros](#) to

support refugees in Türkiye between 2021 and 2023.

“In signing migration and refugee deals, [the EU] encourages more states to use vulnerable humans as bargaining chips,” Tsourapas said. “States can engineer refugee crises from thin air.”

“These deals are short term fixes”, Dandashly added.

“Look at their outcomes. Are they matching the spending?”

Edited by Eric Reidy

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