

Economic Impact on Host Communities: A Comparative Study of Rohingya and Afghan Exodus

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Abstract

Rohingyas of the Myanmar and Afghans of Afghanistan have achieved the status of refugees while escaping from violent torture and mass killing at their motherland. The Muslim community of Rohingya and Afghanistan witnessed an extreme level of persecution for many years in this regard. Bangladesh has welcomed the Rohingya refugees and Pakistan and Iran received Afghan refugees as these were very next destinations for the refugees. This research paper based on empirical evidence aims to uncover the economic impacts of the refugee crisis on the host country in recent years. In host communities, all the development indicators are facing a downward trajectory in GDP. The influx of migrants is a huge burden for the local economy. The refugee crisis has especially hit the region of Cox's Bazar of Bangladesh, KPK province of Pakistan, and Mashhad and Isfahan. The study aims to draw the attention of policymakers to the deteriorating effects of the influx of refugees both at present and in the future. Furthermore, the crisis is analyzed keeping into consideration the case study of Afghan refugees following the Soviet intervention which also imposed a huge burden on the economy of Pakistan and Iran. Although very limited data is available in this regard the empirical results indicate that Afghan refugees also produced a negative impact on the economic growth of Pakistan and Iran. Few important conclusions are developed through the comparative analysis of these case

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studies which finally entail that refugee influx can never be a boon to a country. Simply, such a crisis lowers real economic activities for host countries.

Keywords: Rohingya refugees, Afghan Refugees, Cox's Bazar, KPK, Iran, ARSA, BIMSTC

INTRODUCTION

South Asia witnessed a massive movement of population across the borders since the twentieth century, including Srilankan Tamils, Afghans, Rohingyas, Chakma, Chin, Tibetans, etc who have been living in their neighboring countries like Pakistan, Iran, India, Bangladesh, Nepal, and Sri Lanka from last six to three decades. The influx of Refugees can bring lots of challenges for the host community, especially economic impact. In order to understand the economic effects, understanding the causation of the migrants is important. Evidently, the community has been forced to expatriation due to diversified causes, first; facing extreme discrimination and torture, second is; the military involvement in the name of development while allowing all forms of exploitations, like; the armed clashes between state and certain groups; lastly the community migrated due to the susceptibility of their livelihood for a better life (Yılmaz & Talukder, n.d.).

Since soviet invasion in 1970s Pakistan, Iran received millions of Afghan refugees whereas at the same time newly born Bangladesh also welcomed refugees from its neighbor Myanmar. Being a developing country Pakistan and Iran overburdened with population that causes a catastrophic effect on its economy. Despite of international aid the GDP of Pakistan lowered with this influx.

This research will reveal migration statistics of Afghan and Rohingya as well as what are the possible implications of Refugee crisis on the host community in terms of GDP, price of commodities, and local wage structures? The main aim of the study is to disclose and understand the changes occurred in the economic data in relation to Rohingya and Afghan migration in the recent years. The research is carried out keeping into consideration the secondary data. All the information is collected from newspapers, reports, web portals, and

online journal articles. Historical evidence, as well as statistical charts along with the relevant descriptive facts have been gathered and presented here with detailed analysis.

Rohingya Refugee Crisis: A Case Study of Bangladesh

Since 1970s, Bangladesh has witnessed multiple waves of refugees from the neighboring Myanmar but in the late 2017 the country has received the largest influx of migrants ever in the history. Following an outburst of violent activities in the Rakhine State, about 745,000 Rohingya refugees fled into Cox's Bazar including more than 400,000 children from August 2017 onwards (OCHA, 2018). As of December 2019, the sub- districts of Ukhia and Teknaf host an estimated 854,704 Rohingya refugees, vast majority of whom live in extremely congested refugee camps (UNHCR, 2019).

Rohingya belongs to Rakhine State of Myanmar also known as illegal immigrants from Bangladesh by the local population. The community claims to be the original settler of the Rakhine State. In brief, Rohingya can be simply defined as Myanmar's ethnic minority even though they are not officially recognized by the Government of Myanmar and are therefore considered stateless people (Kipgen, 2017). Rohingya has recently termed as migrants at international level after their escape from ethnic cleansing by the government forces. Bangladesh has close vicinity with Myanmar which is the main reason why Rohingya first attempted to migrate there even after the fact that the country is a lower middle-income state with dense population and limited resources. However, Bangladesh generously welcomed over 1.1 million displaced Rohingya and still the number is continuously increasing (Sajjad, 2020).

Centre for Policy Dialogue published a report entailing that Bangladesh has already sheltered 205, 000 Rohingya in two major districts of Cox's Bazar. These illegal migrants were entered from 2005 to 2017 at different times. After 2017, the existing Rohingya were multiplied by the new arrivals and reached up to 1 million roaming on the coastal areas of Bangladesh while battling for their survival. Currently, the number is close to 1.3 million

refugees. The sudden influx of refugees on the coastal region has brought tourism at great risk which is the major source of income for the local people. This has directly produced an influence on the GDP of the country. Bangladesh is a developing country with a huge number of people is unable to handle the burden of refugees alone. The former minister of finance AbulMaal Abdul Muhith was afraid of the fact that Rohingya would be a big pressure on the economy of the country (Ibid.).

However, it is evident that the economic condition of Bangladesh is quite stable and still growing slow and steady. The nominal GDP of Bangladesh was 221.415 billion USD in 2016. According to the statistics of Bangladesh Ministry of Finance in 2017, the government revenue was 28.64 billion USD. Though, in order to maintain sustenance of refugees, it would entail at least 1 billion USD annually which is about 3.5% of the revenue generated by the government. It can be clearly observed that managing additional one million would be a great deal for the government. The overall burden would give rise to other issues including public dissatisfaction as well as economic tensions in the country if the crisis goes for an unidentified period of time (Ibid.).

Economic Status of the host country before Rohingya Migration in 2017

Bangladesh is the seventh largest populous country round the globe possessing one of the highest population densities (UNFPA, n.d.). The country has to take up a start from scratch in 1971 as a war-torn country. It has achieved substantial rise and progress in its democratic system as well as economy. The garment sector of the country not only boosted up its economy but also empowered the women population while contributing to the overall GDP. In the meantime, since 90s, the Rohingya community is taking refuge over the coastal areas due to the continuous persecution imposed by the Myanmar military forces. Since August 2017, the exodus has reached up to million refugees which have turned the leadership as well as local quite tensed due to the fact that the host country has limited resources and is

getting overpopulated day by day due to migrants (Yılmaz & Talukder, n.d.). Below is the map of the region and the areas sampled for Rohingya refugees.

Bangladesh has showed steady but positive and continuous growth in all the sectors in the last four fiscal years (2015- 16 to 2018- 19) as presented by the Finance Ministry and Bangladesh Bureau of Statistics. The two fiscal years prior to 2017 are also tabulated to better understand the sector wise growth after the migration. Bangladesh has managed to increase its Per Capita GDP from 2015- 16 to 2017- 18 from 1,385 USD to 1,675 USD. Bangladesh further experienced substantial increase in the Per Capita GNI from 2015- 16 to 2017- 18 from 1, 465 USD to 1, 751 USD. The overall smooth growth in the GNI and GDP clearly indicate that the country is progressing towards the goal of Millennium Development put forward by the United Nations. Table 1 & table 2 mentioned below indicate sector wise growth rate in detail (Ibid.).

Table 1: Sectoral Growth Rate of GDP at Constant Prices, 2015-16 to 2018-19 (provisional)

Industrial origin sector	2015-16	2016-17	2017-18	2018-19(q)
Agriculture	2.79	2.97	4.19	3.51
Agriculture and Forestry	1.79	1.96	3.47	2.58
Fishing	6.11	6.23	6.37	6.29
Industry	11.09	10.22	12.06	13.02
Mining and Quarrying	12.84	8.89	7.00	7.39
Natural gas and Crude petroleum	11.77	0.34	2.25	3.11
Other mining & coal	14.42	21.19	12.66	12.02
Manufacturing	11.69	10.97	13.40	14.73
Electricity, Gas and Water Supply	13.33	8.46	9.19	10.57
Electricity	14.20	9.22	10.19	11.57
Gas	9.91	0.28	2.20	2.85
Water	7.40	11.09	5.66	7.17
Construction	8.56	8.77	9.92	9.63
Service	6.25	6.69	6.39	6.50
Wholesale and Retail Trade; Repair of Motor Vehicles, Motorcycles and Personal and Household Goods	6.50	7.37	7.45	7.70
Hotel and Restaurants	6.98	7.13	7.28	7.43
Transport, Storage and Communication	6.08	6.76	6.58	6.88
Land Transport	6.28	7.06	6.72	6.93
Water transport	3.20	4.10	3.50	3.72
Air transport	1.48	2.79	2.74	6.04
Support transport services, storage	5.19	6.40	9.58	7.20
Post and Telecommunications	6.81	6.98	6.53	7.56
Financial Intermediations	7.74	9.12	7.90	8.32
Monetary intermediation (Banks)	8.85	9.95	8.51	9.42
Insurance	0.54	2.05	1.63	-2.51
Other financial auxiliaries	4.54	9.06	9.05	8.29
Real Estate, Renting and Business Activities	4.47	4.80	4.98	5.15
Public Administration and Defence	11.43	9.15	8.47	6.45
Education	11.71	11.35	7.01	6.50
Health And Social Works	7.54	7.63	7.02	9.15
Community, Social and Personal Services	3.30	3.62	3.65	3.69
GDP at constant market price	7.11	7.28	7.86	8.13

Source: Bangladesh Bureau of Statistics, <http://bbs.portal.gov.bd>

	2015-16	2016-17	2017-18	2018-19(p)
GDP (M.Tk.)	17,328,637	19,758,154	22,504,793	25,361,770
GNI (M.Tk.)	18,326,749	20,607,164	23,531,077	26,497,865
Population (Million)	159.89	161.75	163.65	165.55
Per capita GDP (In Tk.)	108,378	122,152	137,518	153,197
Per capita GNI (In Tk.)	114,621	127,401	143,789	160,060
Exchange rate (Taka per US\$)	78.27	79.12	82.10	83.86
Per capita GDP (In US \$)	1,385	1,544	1,675	1,827
Per capita GNI (In US \$)	1,465	1,610	1,751	1,909

Source: Bangladesh Bureau of Statistics, <http://bbs.portal.gov.bd>

Source: <https://dergipark.org.tr/en/download/article-file/823860>

Even after the steady growth of the economy, Bangladesh is still unable to host and support the huge influx of refugees. Therefore, the overall world community has donated extensively for relief while acknowledging the crisis on humanitarian basis. In most of the cases the donations are made in USD which has further added up to the Gross Domestic Products of the country. It can be observed that the Rohingya influx may not have disturbed the economy of the country directly; it would require some more time. However, the arrival has caused serious trouble for the indigenous people living at coastal region which is known as Cox's Bazar. The region is famous for its tourist attractions. Right now, the areas are densely covered with the workers of foreign aid agencies as well as Rohingya refugees.

The Rohingya migration has produced adverse effects at the coastal areas of Bangladesh especially the district of Cox's Bazar that is famous for agriculture-based business, hotel business as well as tourism. Hotel reservations are thought to be reduced up to 40% when compared to the previous year even in the season when business is at peak in the region

(The New Nation, 2017). Furthermore, in order to continue livelihood, the Rohingya refugees have been serving for cheap rates in the local market. The scenario has created a lot of distress among the local workers. In addition, migrants have demolished around 1500 acres forests of Cox's Bazar for shelter (Mahmud, 2017).

The crisis does not stop here as Rohingya tried their best to leave the host country for Middle Eastern Countries for better livelihood. This has generated diplomatic crisis in a country. Before 25 August 2017, Rohingya community has been in the country for a long period of time where they continuously tried to manage passport illegally to get access to Saudi Arabia and other countries. The Rohingya immigrants were arrested as illegal immigrants and later pending for deportation. The Saudi government was pushing the government of Bangladesh to get back the Rohingya immigrants which affected the image of Bangladesh as well as overseas labor market of the country. Further, the refugee crisis has already badly affected the local market with high food prices; depression at local wage earners, basic rights are hampered as well as security condition is deteriorating in the region (Yılmaz & Talukder, n.d.). Some economic challenges regarding Rohingya crisis is further explained here in detail,

Increased Cost of Living

It is a fact that the Rohingya crisis has increased the chances of crime within a country as well as risks for the overall economy in the long run. If the refugees are not repatriated to their original country, the host country will likely have negative implications. In the Chittagong region, the prices of rice have already increased as there was an abrupt shift in the demand curve due to the sudden rise of the population in the area. In the coastal areas of Bangladesh, the demand for commodities is continuously rising which is why the prices of the goods are growing up with each passing day. The overall situation produces pressure on the national economy as it is likely to accommodate and feed more than one million refugees. Generally, there is no food crisis in the country but the refugee problem has put the locals of the Cox's Bazar in danger which is a challenge for the national economy. The

below table illustrates the pre and post-influx situation of prices while highlighting the hike of prices after the Rohingya crisis in particular (UNDP, 2019).

Table 5.1. Pre- and post-influx prices of essential commodities (Tk.)

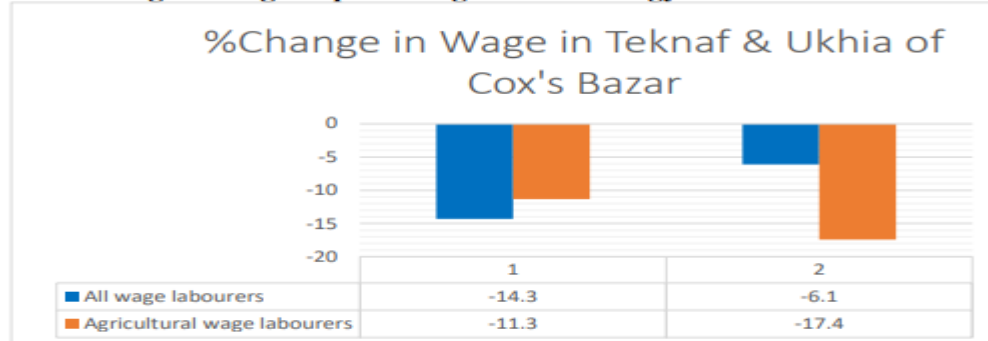
Food item	PRI findings		Action Contre la Faim findings	
	Pre-influx	Post-influx	Pre-influx	Post-influx
Rice	32	38	35	38
Flour	28	35	23	26
Lentils	100	93	102	109
Edible oil	100	90	85	96
Potato	22	30	22	30
Sugar (gur)	60	62	59	60
Salt	22	25	26	32
Meat (beef)	440	500	n/a	n/a
Fish (fresh water)	130	150	n/a	n/a
Other vegetables (leafy and non-leafy)	25	30	n/a	n/a

Source: Action Contre la Faim Market Assessment 2017; UNDP household survey 2018.

Source: <https://reliefweb.int/report/bangladesh/impacts-rohingya-refugee-influx-host-communities>

Huge fall in Daily Wages

As mentioned above there is an abrupt increase in the basic prices of most of the commodities due to the huge influx of migrants. Other issues include the decrease in the wages of the daily workers, the reduced forest reserves, and wild living habitats that have been badly destroyed for refugee relocation purposes. Temporary settlements are established for the refugees with the help of the international community. Below is a chart showing the change in wage percentage in the Ukhia and Teknaf districts of Cox's Bazar. The general wages have been gone down after the influx of refugees (Ahmad & Naeem, 2020).

Chart No.1: Change of wage in percentage after Rohingya influx to Cox's Bazar region.

Source: UNDP Household Survey (2018)

Source:

[https://www.academia.edu/42152884/Adverse Economic Impact by Rohingya Refugees on Bangladesh Some Way Forwards](https://www.academia.edu/42152884/Adverse_Economic_Impact_by_Rohingya_Refugees_on_Bangladesh_Some_Way_Forwards)

Average wages of the workers in the region have decreased from USD 4.91 pre influx to USD 4.20 post influx period especially in the agriculture sector. Apparently; the agriculture wages have been decreased up to 11 percent in the district of Teknaf. Besides falling in the daily wages and raising poverty levels up to three percent in the host community; the profit of local producers and traders is also going down. Fishermen have faced some more serious threats as fishing is strictly prohibited along the border of Bangladesh- Myanmar. According to an estimate, the families associated with this occupation had annual earnings of approx. 70, 000 Tk each year (Ibid.).

Visible Losses in the Tourism Sector

If the Rohingya refugee crisis would be prolonged, there is a great chance of further danger for the tourism industry. Cox's Bazar is getting densely populated day by day which is why the opportunities are also getting insufficient. The circumstances have produced negative effects in the region and the region is losing its attractions gradually. It seems if the situation continues, the migrants would move to other areas which will affect the overall tourists' areas while producing a negative impact on the national economy (Ibid.).

Impact on the National Economy of Bangladesh

In the modern-day world, Bangladesh has been seen as one of the fastest-growing refugee settlements. However, to manage the huge influx the country had to review its budget reducing its budget on development for the fiscal year 2017- 18 to relocate Rohingya. It was expected that the refugee crisis would finally attack the national budget of the country as the foreign aid will slow down over time but the crisis would remain. Bangladesh has also intended to invest about 300 million USD with the assistance of international donor agencies for developing residence facilities at Noakhali and Bhasan Char districts to relocate refugees. UN also supported the crisis initially with 434 million USD for the initial period of migration intending to support Rohingya refugees as well as supporting the local communities. About 70.3% fund was invested until January 2018. The policymakers were still worried as that was not enough to deal with the issue. The Centre for Policy Dialogue estimated that 882 million USD would be required for ten months period (Yılmaz & Talukder, n.d.).

Afghan Refugee Crisis: A Case Study of Pakistan

To make a comparative analysis of the Rohingya refugee crisis and its economic impacts on the host community; the current case study of Afghan refugees focuses purely on the economic challenges faced by Pakistan due to the presence of more than three million Afghan refugees. Most of the studies usually focus on the security implications of the refugee crisis. However, it is very important to understand the issue through the economic lens as well. The data for the period 1979 to 2014 is utilized for the study. The empirical results based on a factual basis formulate that the Afghan refugee crisis has also produced a strong negative influence on the economic growth of the host community in short term as well as long term manner (Baloch, Shah, Noor, & Lacheheb, 2017). The influx of Afghan refugees has lowered the real economic activity of the country. It is ultimately identified that the refugees were simply a burden on the resources of Pakistan on account of sustaining about 2.8 million refugees. Friction between the population of Pakistan and

Afghan refugees occurred due to unemployment, land, water supply, and pasture land disputes. The refugees also claimed that they would not return to their homeland unless ensured an honorable and safe life by the government (Bhatty, 2017).

The Refugee crisis is the greatest and the largest human catastrophe around the world as far as contemporary evidence elaborates. The horrors of conflict and war, persecution, disaster, and violations have forced millions of people to leave their homeland for safety and better livelihood to become international refugees or internally displaced persons. Such displaced persons are more vulnerable to challenges with each passing day. By the end of 2015, according to some estimates around 65.3 million people were displaced around the globe forcibly which was 5.8 million more when compared to the data of the previous year, among them 2.7 million came from Afghanistan. The countries which hosted around 86 % of the world refugees include Pakistan, Turkey, Jordan, Lebanon, Ethiopia, and Iran. The majority of the developed nations round the globe introduced strict laws for refugees. This is the main reason why refugees ultimately fall into poor, underdeveloped, or developing countries (Baloch, Shah, Noor, & Lacheheb, 2017).

Even though the host countries offer generosity for a prolonged displacement of refugees; they also experience long-term consequences in political as well as socio-economic dimensions. It should be considered that the refugees produce both positive as well as negative effects on the economy. The positive impact may involve their contribution to the agricultural land, providing a cheap labor force, inciting new investments, collaborating in bilateral trades, and becoming productive producers. On the other hand, the local population also gets benefits from social facilities, medical care, and schools that are built-in due to the refugee crisis in collaboration with the international community.

Simultaneously, refugees also produce a negative impact as far as the economy of the host community is concerned. Demands for essential commodities get high including other necessities like health, housing, education, transportation, food, and in some other cases the requirement of firewood and grazing also get high. Natural resources are exploited for

settlement purposes. On average, refugees have low skills so they are often at the bottom of every occupation; however, they are the reason for low wages and increased unemployment within a country. Moreover, migration further leads to urbanization that further creates a demographic shift in the long run. There are fewer examples of refugees who play their role in state-building. In most cases, the refugee crisis affects the economies adversely. The empirical evidence clearly shows that challenges exceed potential benefits for the host countries and the local people. However, little research has been conducted and available as far as the economic impact of the refugees in countries like Pakistan is concerned which have provided shelter to millions of Afghan refugees (Ibid.).

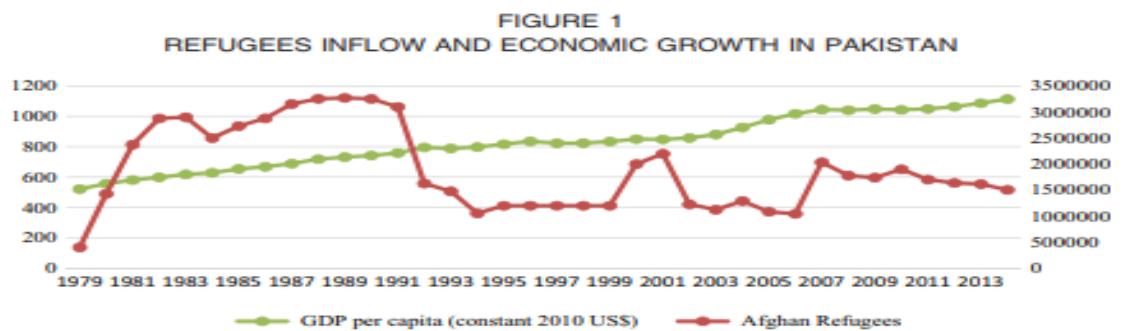
The cold war of the Soviet Union ended in a major refugee crisis in neighboring countries. A large number of refugees overflowed especially in Iran and Pakistan which is one of the major factors why the economic activity is low and unstable in Pakistan. For four decades, Pakistan has been hosting a huge number of Afghan refugees. The refugees fled to Pakistan or elsewhere to look for new lives to avoid violent conflicts not only due to the 1979 Soviet invasion but also due to the recent dislocation due to NATO and U.S. invasion in 2001 onwards. Since 1979, Pakistan has been shouldering a significant number of refugees more than 1.4 million who have been forcibly fled to Pakistan. However, the exact number is yet unknown (UNHCR, n.d.).

Due to these Afghan refugees, Pakistan has experienced a lot of instability as generally viewed by the people of Pakistan. Afghan refugees have the highest concentration in Balochistan and KPK due to the long borders of Afghanistan with these provinces as well as the ethnic connection between the two. To avoid urban crisis, usually, refugees are preferred to be kept in rural areas in the host county but Pakistan has failed to do so. All the Afghan refugees were free to move within Pakistan. There was a significant impact of the refugees residing in the urban as well as rural areas in the shape of higher welfare costs for the local population. In Pakistan, refugees flow mainly in the urban areas which have fuelled the economic crisis, therefore, reducing economic growth. The refugee influx also

produced a severe impact on the high prices of food and housing. Though, in the literature, the potential effects of refugee influx on the host community have received little attention.

It is significant to understand that the countries which usually host the refugees have to face tough decisions regarding access to social programs and the labor market. Economic slowdowns, fiscal deficit, financial loss, loss of infrastructure, and higher inflation are the serious consequences of increasing conflicts. Pakistan has been facing the same consequences including weak security and declining social integration for a long period. The prevailing turmoil of Afghan refugees has extensively undermined the quality of institutions and their ability to undertake much-needed economic reforms and security precautions. The economy faced huge welfare costs which produce effects on the overall economy of the country.

The GDP of Pakistan throughout 1979- 2014 due to the influx of Afghans can be observed below in figure 1:



Note: Refugees are shown in number while economic growth is measured as GDP per capita (constant 2010, US\$).

Source: <https://onlinelibrary.wiley.com/doi/abs/10.1111/imig.12389>

The Afghan refugees are considered a burden because of their additional costs to an already overpopulated and fragile economy and conflict-affected country like Pakistan. A detailed assessment of the impact and costs of Afghan refugees is a major gap. Any fresh evaluation is rare. Pakistan has been facing a refugee crisis for the last forty years however policymakers have recently begun to take note. The exact number of migrants is not exactly

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known because people have fled to the country illegally as well. Human smugglers or those associated with human trafficking also play their role to move migrants in exchange for money. Such scenarios make it quite difficult to track the exact data. A report published in 2016 by the United Nations estimates that around one thousand refugees flee each day to seek refuge abroad (Baha, 1986).

The Afghan refugee influx led to the establishment of new markets during the 1980s as the demand for the commodities went so high. In this regard, the local population took an opportunity to start new businesses, hotels, and restaurants. The job transformation experience by the local Pakistani population after the arrival of Afghan refugees resembles the way NGOs came forward and created new job opportunities for the people of Cox's Bazar (Centlivres & Centlivres-Demont, 1988).

Afghan Refugees Crisis: A Case Study of Iran

The recent developments in Afghanistan led to refugee crises in the world. The countries most affected by the influx of refugees include Iran as well. Over 3 million Afghans are living in Iran around 780,000 Afghan refugees (Tehran Times, 2022), and over 2 million undocumented Afghans along with another 600,000 Afghan passport-holders with Iranian visas (Ibid.). It is estimated that over 300,000 Afghan asylum-seekers have reached Iran this year alone for safety, while UNHCR has only been able to check 24,000 newly arrived Afghans for protection needs (Ibid.). During the last two decades of the 20th century, Iran hosted an enormous number of refugees who are residing till now on the outskirts of Tehran mainly in Mashhad and Isfahan. Focusing on the situation of Iran, a country that has been under the sanctions of the world has many other challenges as well cannot be able to deal with this burden.

The entire idea behind sanctions is to hold a country accountable apparently for not going according to the international standards but the question arises of how these standards are still not met when a country under sanctions is accepting refugees from a country that was

an active ground used and the world powers including some veto powers were present in it. The US has refused to relax bans even for staples like food and medicine (Tasnim News Agency, 2022) even though the Security Council Resolution 2615 exempts' humanitarian assistance along with other activities from sanctions regimes (Ibid.) The world has not acted appropriately to this and the ones to suffer are none other than the refugees.

Iran is deporting thousands of Afghan refugees who fled the Taliban rule including more than 28,000 according to the UN's migration agency (Al-Monitor. 2021). Instead of helping out Iran to find a solution or to get to know if it is true or not the world starts to question Iran's intentions even in such desperate times. This further intensifies the ongoing problematic situation. Guterres said that he will never forget the generosity of countries like Pakistan and Iran as they have for decades hosted millions of Afghans in need (Tehran Times, 2022). However, this appreciation is not enough. Practical work needs to be done and that is where the world is lacking

Starting from what needs to be done is that immediately Iran should be given financial assistance while being monitored and all the amount would be utilized on the refugees. This would be a great help for Iran as well because currently as a weak economy it has a lot of burden and pressure on itself. The second step should be controlling the sanctions and reviewing them accordingly to make all the necessary adjustments so that the refugees get benefitted the most. Iran's efforts need to be acknowledged by the powers as well whose mess is Iran cleaning and playing its part to avoid the humanitarian crises created in the aftermath of the decisions of the world powers.

If the necessary steps are not taken Iran would not be able to support the refugees for long. Their officials have already said that if the international community fails to provide sufficient assistance for Afghans living in Iran within the time, they will be unable to continue to support Afghan refugees (Tasnim News Agency, 2022). If this happens no one would be able to control the humanitarian crises that shall rise. It is necessary for the

neighboring countries to be included in the entire process and aided accordingly. If the world fails the results may be catastrophic.

Analysis and Recommendations

From the above-mentioned case studies of Rohingya refugees in Bangladesh and Afghan refugees in Pakistan and Iran, it can be well observed that the impacts on the host community are diverse. The refugees affect different groups of people belonging to the host community differently. For example, some people and groups get advantages from the rise of such crisis in the shape of foreign aid and relief programs while the same refugees yield severe costs for some other people in a community. Keeping in view the focus of this research paper, case studies have identified five basic themes in which the economy of the host community can be affected during the refugee influx. These include the shortage of food, increased cost of living, huge fall in labor and wages, hike in prices, and exploitation of natural resources that affect the economic development of the host country in long run. While talking about the costs of refugees in host countries, Robert Chambers also elaborates the same outcomes in his paper under the title 'Hidden Losers? The Impact of Rural Refugees and Refugee Programs on Poor Hosts' (Chambers, 1986)

Besides Chambers's view, this research paper further identified some more impacts of refugees on the economy of the host country as it is quite understandable that every area differs from others as far as its resources and approach are concerned. It is observed after carefully analyzing the available data of Rohingya refugees that Bangladesh has further faced destabilization of the tourism sector as well as fishing department especially during the early phase of the refugee influx. Cox's Bazar is considered an important tourist attraction in Bangladesh. Same quandary faced by Pakistan because KPK is the major route pass to the Northern area which is the hub of tourism, While Iran also suffered but not to that extent. After the refugee influx, the credibility of the business has badly tarnished in host countries as the hotels are already occupied by relief workers. Tourists are also very much concerned about their security which has discouraged the travelers in the region. The

supply faced extreme shortages whereas the demand for certain products went so high. However, some local businessmen benefited through this condition as the relief activities took some time to generate so the refugees were bound to buy products from the local vendors. As a result, the prices also went high which badly affected the lower-income group belonging to the host community. However, in the Rohingya Crisis, more than 130 national and international organizations came forward for emergency response afterward (Wake & Bryant, 2018). These NGOs have created new job opportunities for people settled in Cox's Bazar. Centlivres Pierre and Micheline Centlivres-Demont (1988) also identified the same outcomes which were enclosed above in the case study of the Afghan refugee settlement process in host countries during the 1980s.

Even after the fact that job creation has produced the most positive impact but at the same time it entails serious obstructions for the local population of the host community. For example, people belonging to lower economic status lost jobs currently in the case of Bangladesh as well as Pakistan and Iran back in the 1980s as newly arrived Rohingya and Afghans offered their services at much lower wages. Currently, the presence of Rohingya refugees in the districts of Ukhia and Teknaf, Refugees in KPK, Quetta, and the Capital of Pakistan, and the outskirts of Iran are more than double of the local population. Such areas better demonstrate how refugees have shared their burden with the locals while informally integrating within the society (Siddique, 2019).

It is quite evident that the refugee and host communities are equally affected due to mass movement or forced displacement of people (Ibid.). The Rohingya settlements further endangered more than 2500 acres of forests in Cox's Bazar due to the installation of camps and collection of firewood by the refugees as well as locals. This condition has greatly increased the chances of flood and land sliding within the region during monsoon rains.

From the analyzed outcomes, here are some recommendations to benefit host communities as well as refugees alike.

First of all, it is very important to upskill the host country under Global Skill Partnership Model. There is a great need to address the mismatch between the demand of skill and its availability. The migrants or locals need to be trained in skills so that they can be moved away further for better income and livelihood. Skill development initiatives should be taken and negotiated with other countries like the United States, Canada, European Union, Japan, etc. on a bilateral basis. In this way, special skill shortages can be better addressed while having control over the migration process. This would further allow the refugees to contribute to the economy of their host country. Such skilled labor mobility initiatives could be further extended with other countries in the future. However, it is important to promote limited mobility opportunities to ensure safe working conditions and a better image of the host country (Khan & Dempster, 2019).

Global responsibility-sharing is another way to deal with such crisis. Cases from pasts clearly show the way in this regard. Early and speedy planning can help in mitigating the severe consequences like health risks as well as environmental degradation process that directly affect the economy of the country. In this way, the international partnership is required to strengthen local and national development plans to host large refugee populations along with locals. Such approach is already deployed in Syria where Jordan Compact was formulated while securing significant global support to create job opportunities to drive growth in the long run. Through this approach, the locals, as well as refugees, could benefit. According to this agreement, trade concessions are made and investments were balanced with opportunities for the refugee population to better access legal employment. This will also continue to benefit the host country. The compact agreement demonstrates a newly emerging approach to responsibility-sharing. Timing intervention is very much required with a blend of short, medium, and long-term goals that could better serve the hosts as well as refugees. Bangladesh has learned from already existing models by seeking commitments from the international community to support opportunities and growth in the region of the refugee crisis. It could be a key ingredient to

Bangladesh's success (Huang, Ash, Marcus, & Kate, 2018). Pakistan and Iran can also benefit from such models.

For the rehabilitation process of refugees, several donors have provided humanitarian funding to Bangladesh and also expressed to provide support for a long period. These generally include Canada, US, and the UK. However, even more, economic assistance is required to improve the opportunities for Rohingya refugees as well as Bangladesh. Recently, the country is agreed to receive grant support from the Asian Development Bank and the World Bank to respond to the refugee crisis. The Islamic Development Bank and Green Climate Fund could also donate to make a difference as the area is also vulnerable to climate risks due to additional 700,000 refugees. Recognizing the intensity and the scale of the crisis, the world community must think beyond the traditional lines of development and financing on a humanitarian basis. It is a need of time to explore contributions and targeted efforts beyond 'aid.' These may include labor mobility, trade concessions, and regional initiatives for new investments. Bilateral and multilateral trade agreements can catalyze long-term investments in Bangladesh same as Jordan Compact did in collaboration with European Union intending new job opportunities in Syria as well as other host communities where refugees settled.

Other bilateral development institutions like UK's CDC Group and USA's Overseas Private Investment Corporation can be used to increase private investment to improve the business climate in the region.

Last but not the least; partners who have a strong interest in strengthening strategic and economic ties at the regional level should come forward and get engaged in a compact. Due to the Rohingya crisis, the tensions between Myanmar and Bangladesh have stuck progress at the regional level. Economic, as well as diplomatic commitments are required to reinvigorate the relations. For example, the organization of BIMSTEC, SCO, and SAARC can foster trade, technical assistance, and investment in the region especially in priority sectors like tourism and agriculture. China's Belt and Road initiative already planned huge

investments that connect Myanmar and Bangladesh through Bangladesh- China- India- Iran – Myanmar economic corridor. China could plan and accelerate new investments in the region of Cox’s Bazar, Tribal belt, and Quetta for the relocation of sunset industries. Chinese strategic plan with Iran can also help by providing opportunities for Afghan refugees in Iran (Ibid.).

CONCLUSION

The research paper finally concludes that even after the fact Bangladesh, Iran, and Pakistan are developing nations, they have given shelter to millions of refugees. Even though many national and international organizations are working hand in hand to cope with the crisis, there are multidimensional economic issues that have been created directly or indirectly due to the refugee crisis in these countries. There is an extreme scarcity of opportunities for income generation which simply makes the refugee communities more prone to adverse circumstances. Whether it is the Rohingya refugee crisis or Afghan refugee exodus, simply it seems not very easy to tackle such crisis within a short period. The Afghan refugee crisis also demonstrates that coordinated efforts and a long period can only assist in tackling such problems. Human beings have multi-dimensional attitudes and demands which are not possible to fulfill in a temporary environment where they take refugees. When it comes to Rohingya or Afghan refugees, it is very much important to give them citizenship rights first to empower them. Although, Pakistan and Iran have registered many Afghan refugees allowing them free movement and rights to enjoy state facilities. In the same way, Rohingya Muslims should be given rights that could be the first step towards empowerment. This will further open the doors for a permanent solution to the crisis. It should be kept in mind that host countries alone may not fulfill all the demands of the refugees. Rohingya community has land ownership in Arakan. Only citizenship of Myanmar can better fulfill their actual demands of self-identity and respectful living, same is the case with Afghan refugees in Iran and Pakistan. International bodies like SCO, ASEAN, European Union, and United Nations have to play a more active role in making

the Myanmar government realize human rights violations to stop the persecution of Rohingya Muslims. The Myanmar government as well as the new Afghan government should obey and implement international laws for their citizen. Otherwise, it seems that the host community would suffer socially as well as politically in the long run.

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