Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

Afghan Refugees: A Threat to the Economic Security of Pakistan

Dr Riffat Mahmood*

**Higher Education Department, Punjab, Pakistan.*

*Corresponding Email: *riffatmahmood393@gmail.com*

Received: 27 August 2022 **Accepted:** 15 November 2022 **Published:** 17 December 2022

Abstract: Economic security is one of the most critical elements of human security. It refers to the economic capacity of an individual or community. The basic purpose of this paper is to analyze the impacts of Afghan refugees on the economic status of Pakistan. The findings of the research indicate that the presence of Afghan refugees contributes negatively to the economy of Pakistan. Major economic concerns include inflation, poverty, unemployment, weak social safety nets and change in income distribution. The paper ends with the suggestion that the issue of Afghan refugees must be resolved according to the National Action Plan in true letter and spirit. The policy of the state must be clear with national interest as the top priority.

Keywords: Refugees, Human security, Economic security, poverty, unemployment

1. INTRODUCTION

States are very conscious and selective in their support and recognition of refugees. The reason behind careful consideration is not only scarcity of resources. States are always keen to calculate their political advantages in return by recognizing the particular group as refugees. Pakistan has been one of the world's longest refugee-serving states in recent decades with more than four million Afghan refugees. The crisis of Afghan refugees emerged in late 1979 when soviet troops invaded Pakistan. According to United Nations High Commissioner for Refugees (UNHCR) report, Afghan refugees are present in more than 70 states, and 95 per cent are hosted by Pakistan and Iran. The presence of Afghan refugees in Pakistan is creating many security challenges for the state.

The term 'security' is a very broad phenomenon. It is taken commonly in the sense of the quest for freedom from threat and the ability of states to maintain their independent identity. The bottom line of security is survival, while there includes a significant range of concerns about the condition of existence. Conventionally security was defined in terms of the

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)

Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

national security of the states and taken mostly in military terms. The demise of the cold war paved the way for broadening the concept of security in all directions and dimensions.

The Copenhagen school systematically explored the term 'societal security which deals with the protection of core values in the identity of human collectivity and human security. This paradigm shift has changed the state-centric approach to security to an individual-centric approach. Barry Buzan, Waever and Wilde brought new dimensions of security besides the military. Buzan (1991) explains that the security of human collectivities is affected by factors in five major areas: military, political, economic, societal, and environmental. Barry Buzan from the Copenhagen School can be considered the pioneer of the concept of human security, although he did not coin the term.

The concept of human security was first introduced in official terminology in the UNDP 1994 Human Development Report (UNDP 1994). According to the 1994 Report, "human security means safety from such chronic threats as hunger, disease and repression; and protection from sudden and hurtful disruptions in the patterns of daily life—whether in homes, in jobs or communities". (UNDP 1994)

The UNDP Report (1994) includes seven specific elements that comprise human security: economic security (e.g., freedom from poverty); food security (e.g., access to food); health security (e.g., access to health care and protection from disease); environmental security (e.g., protection from such dangers as environmental pollution); personal security (e.g., physical safety from such things as torture, war, criminal attacks, domestic violence, drug use, suicide, and even traffic accidents); community security (e.g., survival of traditional cultures and ethnic groups as well as the physical security of these groups); and political security (e.g., enjoyment of civil and political rights, and freedom from political oppression).

The major focus of the paper is on economic security. According to Buzan (1991), economic security is about access to the resources, finance and markets necessary to sustain an acceptable level of welfare. (p.445). simply refers to the economic capacity of an individual or community. Economic security is one of the most critical aspects of human security. As it links and covers the other domains of security directly and indirectly. With the emergence of new trends and dimensions in the domain of security, the cross-border movement of immigrants (as refugees) is proving as a major challenge for a state. This is the same happening in Pakistan where the presence of Afghan refugees creates grave macro and microeconomic challenges. The purpose of the paper is to highlight the perceived threats to economic security by Afghan refugees as well as the transforming fabric of Pakistan's economy through the concerned domain.

The qualitative research approach has been employed with the inclusion of both primary and secondary data collection sources. Historical, analytical and descriptive designs are used to conduct the study and interpret the results.

Literature Review

Many studies support the argument that the presence of Afghan refugees has contributed negatively to the economic security of Pakistan. Asif Ashraf, Arif Mujahid (1988), John Stephen, Fred Tenner (2004) Ahmad Rashid (2012) fully agree on the negative impacts the Afghan refugees posed on Pakistan's economy.

While there is another narrative as well. Navine Murshid (2013) believes that the arrival of Afghan refugees showed positive impacts on Pakistan's economy. Many NGOs emerged and foreign aid flow increased toward Pakistan. The arrival of refugees was considered a positive

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)

Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

development for the political government as well as to gain legitimacy. Jonathan Baker and Roger Zetter (1995) argue that the presence of Afghan refugees in Pakistan has increased the growth of the economy in the short run but at the cost of adverse distributional consequences for the host population. Net economic outcomes have remained negative in short term, while positive long-term development impacts can be observed in the form of infrastructure development.
Dr Iram Khalid (2016) has elaborated on the concept of national security which covers the economic aspects as well. This work helps to understand the core concept of national security and how it affects by the weakening of economic conditions of the state. Ehsan Mahmood (2013) has elaborated well on the concept of Human Security in Pakistan but the impact of refugees on the economic security of a state is not added.

Theoretical perspective:
Scholars of international relations have developed two major theories regarding the status of refugees.

1. Communitarianism: this approach was given by Stephen Macedo. This approach believes that political communities must regulate their borders strictly. This does not mean the state should not assist foreigners or promote generous immigration policies. Rather, it requires that the state give priority to the needs of the most at-risk local political community, which today means unskilled American workers. They are the most likely to suffer economically as a result of a larger influx of low-wage immigrants. Immigrants usually have a negative impact on the economy as well as a low level of mutual trust. This approach is given in the American context but applies fully to the case of Pakistan as well. As the presence of Afghan refugees in Pakistan not only burdens the economy but also makes the social fabric of society weak and vulnerable.

2. The cosmopolitan approach insists that, from a moral perspective, people are more important than states. Cosmopolitans thus call for a more integrated and open global society that advances human rights on a uniform basis. By stressing transnational bonds, the cosmopolitan perspective affirms the equality of persons and the universality of human dignity. Richard Beardsworth is the pioneer of this approach**.** The communitarian favours a more restrictive approach; the cosmopolitan is a more open one.

Background
Pakistan is not a signatory of the Refugees convention1951 and 1967 protocol. There is only a tri-party Agreement between Pakistan, Afghanistan and UNHCR. This agreement guides and regulates the voluntary and gradual return of registered Afghan refugees from Pakistan. But there are many flaws in the document as it is silent on the unregistered return of refugees and those who want to stay in Pakistan.
According to the report of UNHCR, Pakistan is hosting 1.63 million registered and 1.40 million unregistered Afghan refugees. According to the combined report of the Ministry of SAFRON and UNHCR (2012) Pashtuns are by far the largest (82%) ethnic group among the Afghans followed by Tajiks (5%), Uzbeks (4%), Persians (3%) and others (3%). Quetta is

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)

Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

home to the majority of Uzbeks (76%), Tajiks (48%) and Hazaras (84%). 74% of the Afghans were born in Pakistan whereas 26% were born in Afghanistan. Half (50%) of the Afghan population is under the age of 15, 64% of whom are children (5 to 14). Adults (25 to 59) form the second largest age group (26%) followed by Youth (15 to 24) who make up 20% of the Afghan population.

The database of Pakistan has remained weak on the number of refugees. Khan (2013) quoted that, there are some 7.2 million Afghan refugees of whom 2.2 million are living in Karachi and other parts of Sindh, and 5 million in other provinces. Besides, some 5.6 million immigrants, mostly illegal, from India, Bangladesh, Iran and Burma are living in Pakistan-2.6 million in Karachi and 3 million in other parts of the country. (p.50)

These figures show the presence of some 12.8 million immigrants, equivalent to 7.11 per cent of the country's over 180 million people.

The Afghan refugee crisis in Pakistan did not develop suddenly but there is a long history starting from the late 70s. The influx of Afghan refugees can be seen in the case of Pakistan:

Five waves of Afghan Refugees:

1. When USSR invaded Afghanistan (1979-89) Over 6 million Afghans became refugees, 3.5 million settled in Pakistan and 2.5 million in Iran.
2. The second wave came when the mujahideen took over Kabul in 1992.
3. Third-wave arrived when the Taliban captured Kabul in 1996.
4. From the mid-1990s onwards drought and famine conditions gave rise to the fourth wave of refugees.
5. The fifth wave arrived following the U.S.-led Allied Attack on Afghanistan in October 2001.

A large number of refugees are not only giving birth to social and security concerns but also posing critical challenges to the economic security of the state.

In July 2013 the Government of Pakistan agreed on a new National Policy on Afghan Refugees, drafted in collaboration with the multi-year Solutions Strategy for Afghan Refugees (SSAR), which focuses on voluntary return to safety and dignity, sustainable reintegration inside Afghanistan.

In July 2013 the Government of Pakistan agreed to a new National Policy on Afghan Refugees, drafted in collaboration with the multi-year Solutions Strategy for Afghan Refugees (SSAR), which focuses on voluntary return to safety and dignity, sustainable reintegration inside Afghanistan. The next two terms of governments were overshadowed to combat terrorism in the state, implementing National Action Plan, facing economic challenges and epidemic of covid-19. The issue of Afghan refugees was not addressed responsibly as it needs to be. so its impacts on the economy of Pakistan are retained and left with no action being concerned.

The impacts of Afghan refugees on the economic security status of the state are as follows;

Major Economic concerns:

Inflation:

Price hikes or increases in prices directly add to the economic insecurity of the commoners. The inflation rate in Pakistan averaged 7.71 from 2010 to 2017. Inflations occur in society

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)

Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

when aggregate demand for goods and services rises more rapidly than the productive capacity of an economy. When a large number of refugees entered Pakistan, a sudden market change was observed which in return gave birth to inflation. The data from 1979-83 shows a sudden increase in the rate of inflation which slows down over time. The present government is facing the highest price hike in the history of Pakistan due to corruption, mismanagement, political uncertainty and lack of transparency.

Unemployment:
Unemployment is another extreme form of economic insecurity. Unemployment is the element that contributes to poverty. According to government figures, the unemployment rate is recorded at 6 % while independent sources have reservations about this figure. The community of Afghan refugees is slowly capturing the economic market hubs in major cities which negatively affects the business of locals. The ratio of unemployment in the local population is rising because Afghan refugees are providing cheap labour which in turn minimises employment opportunities.

Poverty:
Poverty is the major cause of economic insecurity in the state. Poverty is conceptualized in three ways which include human poverty (the lack of essential human capabilities especially literacy and nutrition), income poverty (the lack of sufficient income to meet minimum consumption needs, and absolute poverty (the degree of poverty where minimum requirements for survival are not met). Poverty emerged in society when the state remained unable to keep the balance between resources and opportunities. More than 50% of the population is living below the poverty line. (Economic Survey of Pakistan 2015-16).

Fig.1 An Analysis of Poverty, unemployment, inflation and growth rate 1979-1983

Variable	1979	1980	1981	1982	1983
Poverty	16.6	18.9	20.2	24.8	28.9
Unemployment	3.6	3.6	3.47	3.47	3.91
Inflation	8.2	11.9	11.8	5.90	6.36
Growth Rate	3.75	10.21	7.92	6.53	6.70

Source: World Bank Database (World Development Indicators)

Fig.2 An Analysis of Poverty, unemployment, inflation and growth rate 1990-1994

Variable	1990	1991	1992	1993	1994
Poverty	58.96	23.44	15.92	28.65	18.04
Unemployment	2.81	4.91	3.79	4.1	5.2
Inflation	9.05	11.79	9.97	12.34	12.36

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)

Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

Growth Rate	4.45	5.06	7.7	1.75	3.73

Source: World Bank Database (World Development Indicators)

The figure shows the increase in growth rate which is sustained only because of foreign aid. At that time Pakistan was getting huge foreign grants (because of Pakistan's involvement in the crisis in Afghanistan), which shows positive signs of the growth of the state.

Weak social safety nets:
Social safety nets are non-contributory transfer programmes seeking to protect the poor. Safety net programmes can be provided by the public sector or by the private sector as well. Social safety nets are efforts to reduce poverty. The micro-credit programme of the Grameen Bank in Bangladesh is a classic example of such a social enterprise developed in 1983 on the idea that the poor have under-utilized skills. Such efforts are lacking in Pakistan to confront poverty.

Change in income distribution:
The presence of Afghan refugees is also causing a change in income distribution at the governmental level and individual levels. Due to the smuggling of commodities by Afghan refugees, transactions of commodities cannot be included in the tax net and government revenue. While at the individual level, afghan refugees provide cheap labour which ultimately affects the home labour income.

Major Findings:
1. The issue of Afghan refugees did not develop as a sudden case. After the disintegration of the USSR, this region was ignored completely without any rehabilitation measures. The international community including the US had no political strategy for Afghanistan.
2. The statistical management of facts and figures are showing a deficit in coordination between the government of Pakistan and international agencies. The unanimous data will decrease the reservations and make the case of Pakistan clear.
3. The prolonged stay of refugees not only creates a burden on the economy but will make them able to contend for political power. Especially in the areas where Afghan refugees are in majority.
4. The UNHCR has to play a leading and effective role to solve the issue of Afghan refugees by acknowledging the generous role of Pakistan in this regard.
5. The national security of the state must be a top priority. The government of Pakistan must deal with the security concerns posed by Afghan refugees diplomatically and openly before the international community.

Suggestions:
1. The policy regarding refugees must be clear and objective. Policies must be discussed in parliament and must be open for analysis and debate.
2. The parliamentary commission for Humans must bring changes in the law to include refugee definition and all procedural requirements regarding stay arrest and detention under the foreigner's Act.

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)

Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

3. The urbanization move of refugees must be strictly regulated. Areas must be specified for the stay of refugees. Monitoring a small area is easy as compared to regulating scattered refugees in the whole state.
4. Sincere legal efforts are required to stop smuggling as smuggling is a major cause that deprives the government of tax revenue.
5. The Afghan government should take emergency measures to reintegrate its displaced population otherwise the cycle of displacement will continue. The issue of refugees demands serious efforts from the government of Afghanistan.

2. CONCLUSION

The state of Pakistan is confronting with multiple challenges since its birth. These challenges and threats are a result of the rapidly changing internal and external environment. The presence of Afghan refugees in Pakistan is not only creating negative impacts on the economy but giving birth to many other security challenges i.e deteriorated law and order situation, involvement in terrorist activities etc. Afghan refugees with their ideology make the social fabric of Pakistan's society complex and fragmented. This fragmentation leads to a weak and trust-deficit society. The little positive economic growth ratios are because of foreign aid. Their long-term stays in Pakistan without any binding international commitment and lack of a clear national refugee policy are putting a question mark on the performance of the government of Pakistan. The national security of Pakistan can be strengthened if there is economic security. The presence of unregulated Afghan refugees is posing threat to the economic security of Pakistan. Economic security is a very comprehensive concept that is linked with all other domains of security directly or indirectly. Economic security is the heart of national security policy.

3. REFERENCES

1. Asif Ashraf, A. M. (2009). *Economic impact of Afghan refugees in NWFP*. The University of Michigan: Pakistan Academy for Rural Development.
2. Aslam, S. M. (2001). Afghan refugees and their impact on the economy. *Pakistan and Gulf Economist*.
3. Baxter, C. (2004). *Pakistan on the Brink: Politics, Economics, and Society*. United States: Lexington Books.
4. Buzan, B. (1991). New Patterns of Global Security in the Twenty-First Century. *Royal Institute of International Affairs, 67*(03).
5. Buzan, B. (1991). *People, States and Fear: An Agenda for International Security Studies in the Post-Cold War Era*. United States: Lynne Reiner Publishers.
6. Jonathan Baker, R. Z. (1995). Refugee and Labour Movements in Sub-Saharan Africa: A Review Studies on emergencies and disaster relief.
7. Khalid, I. (2016). *Revisiting Pakistan's National Security Dilemma*. Lahore, Pakistan: Peace Publications.
8. Khan, E. M. (2013). *Human Security in Pakistan*. Lahore, Pakistan: BPH Printers.
9. Khan, M. A. (2014). Pakistan's national refugee policy. *Forced Migration Review: Afghanistan's displaced people: 2014 and beyond, 46*.

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)

Journal of Psychology and Political Science
ISSN: 2799-1024
Vol : 03 , No. 01 , Dec 2022-Jan 2023
http://journal.hmjournals.com/index.php/JPPS
DOI: https://doi.org/10.55529/jpps.31.16.23

10. Mahmoudreza Mirlotfi, H. J. (2016). Investigating the Effects of Afghans' Settlement on Physical Development of Sistan Border Village, Southeast of Iran. *SAGE journals*.
11. Murshid, N. (2013). The Politics of Refugees in South Asia: Identity, Resistance, Manipulation. *Routledge Advances in South Asian Studies, 24*.
12. Programme, U. N. D. (1994). Human Development Report. New York.
13. Rashid, A. (2012). *Pakistan on the Brink: The Future of Pakistan, Afghanistan and the West*. United Kingdom: Penguin.
14. Refugee Manipulation: War, P., and the Abuse of Human Suffering. (2004). *Refugee Manipulation: War, Politics, and the Abuse of Human Suffering*. United States: Brookings Institution Press.
15. Solutions Strategy for Afghan Refugees. (2015-16): UNHCR.

Copyright The Author(s) 2022.This is an Open Access Article distributed under the CC BY license. (http://creativecommons.org/licenses/by/4.0/)