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The business of welcoming migrants

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Abstract

Research reveals that local people working to welcome migrants to their city and to Germany find that the local "arrival infrastructure" is part of the humanitarian sector of a globe-spanning migration industry. Grants fund low wage temporary employment and the supervision of volunteer labour, while funding is channelled to national and transnational service-providing corporations. Migrants become items of inventory, a form of commodity used to secure further funding. The devolution of state services to the migration industry channels charity funds into private forms of capital accumulation and rule-making, which stand outside of democratic citizen control.

Theme

Mobility Infrastructure

Keywords

Migrant services, integration, migration industry, humanitarian, arrival infrastructure, capital accumulation.

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Sitting in a pleasant garden in Halle (Saale), Mikael,[2] who had worked organising, administering, and writing grants to sustain local migrant services, voiced his disillusionment. Then, looking back on how he had become part of the "integration business", he highlighted the way in which, as he worked to develop local infrastructures to deliver migrant services, his humanitarian motivations were transformed into the capital-seeking outlook of a businessman. He explained that he found himself thinking only of fundraising in a business that operated as follows: "You take the money but others are allotted to do the work. You give out work and a small amount of money. They produce statistics from this work and you write a good report. You use the money you get [...] to finance your organisation."

Writing about the what are considered "shocks" to the social order, Naomi Klein[3] has made clear that financiers seize moments of disasters, including those that prompt mass migrations, as opportunities to restructure and intensify the ways they accumulate capital. This was true in 2022 – the year of our research – when the Russian efforts to annex all of Ukraine prompted mass migration including to Germany and the further development of a migration industry, including local humanitarian services in Halle. Mikael's description of these services as an integration business reflects his experience of participating in a globe-spanning migration industry, which stands between the movement of migrants seeking safe harbour and the barriers to their mobility and settlement imposed by nation-states and supranational organisations. The term "migration industry" is increasingly used to acknowledge the nexus of private and public organisations, non-governmental organisations, and government agencies that profit from human mobility.[4] Migration scholars speak of the industry's infrastructure to focus attention on the organisations and actors who continually process individuals into refugees and migrants.[5] They have described the various facets of this migration industry including some of its agents, brokers, and intermediaries, its increasing use of technological barriers to human movement, the exploitation of carceral labour within private detention centres, and the growth of a humanitarian sector.[6] However, little attention has been paid to how local organisations delivering migrant services in cities of settlement become profit-making businesses.

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[2] All personal and organisational names are pseudonyms. However, the names of official agencies are retained. This research followed informed consent procedures with interview partners, which included assurance of anonymity. The research was funded by Max Planck Institute for Social Anthropology, Halle (Saale), Germany.

[3] Klein, Naomi. 2007. *The shock doctrine: the rise of disaster capitalism*. Metropolitan Books/Henry Holt and Company; See also Xiang, Biao. 2021. Shock mobility: convulsions in human migration are having large impacts. *MoLab Inventory of Mobilities and Socioeconomic Changes*. Department 'Anthropology of Economic Experimentation'. Halle (Saale): Max Planck Institute for Social Anthropology. Available online at: https://www.eth.mpg.de/molab-inventory/shock-immobilities/shock-mobility. Last accessed 20 September 2021.

[4] See for example Ninna Nyberg Sørensen and Thomas Gammeltoft-Hansen eds. 2012. *The Migration Industry and the Commercialization of International Migration*. London: Routledge; and especially, Hernández-León, Ruben. 2012. Conceptualizing the Migration Industry. In: *The Migration Industry and the Commercialization of International Migration*, edited by Thomas Gammeltoft-Hansen and Ninna Nyberg Sørensen, 24-44. Routledge London.

[5] Xiang, Biao. 2021. The emerging 'mobility business'. *MoLab Inventory of Mobilities and Socioeconomic Changes*. Department 'Anthropology of Economic Experimentation'. Halle (Saale): Max Planck Institute for Social Anthropology. Available online at: https://www.eth.mpg.de/molab-inventory/mobility-business/emerging-mobility-business. Last accessed 20 September 2023; Xiang, Biao, and Johan Lindquist. 2014. Migration Infrastructure. *International Migration Review*, 48 (1): 122-148.

[6] Lindquist, Johan, Biao Xiang and Brenda Yeoh. 2012. Opening the Black Box of Migration: Brokers, the Organization of Transnational Mobility and the Changing Political Economy in Asia. *Pacific Affairs* 85 (1): 7-19.

To explore how the "arrival infrastructure", the local services that migrants encounter in the initial processes of settlement, are part of the humanitarian sector of the global migration industry our research team examined the governance, funding, and provision of migrant services in Halle in eastern Germany in 2022-2023.[7] Our interlocutors included people of both non-migrant and migrant background of varying ages, including people born locally and those from other regions in Germany, and the world. The project director, three student researchers, a project coordinator and a project consultant located and spoke with 53 interlocutors, representing 42 organisations, government offices, or projects. The organisations researched were not a random sample; they represented the broad range of governmental, public/private charitable, service, religious and independent voluntary organisations in the city. About half of our interlocutors were leaders or staff in organisations working with migrants; 30% were volunteers and 21% were officials or governmental staff. Thirty-eight of these interview partners were of German background and fifteen of migrant background, four of whom were Ukrainian.

Humanitarian Migration Services as part of the migration industry

Although humanitarian activities to assist refugees from flood, famine and war would seem to be "driven by motives other than merely commercial gain, there is increasing evidence that such a mobilisation is part of a 'humanitarian industrial complex'".[8] In Halle our interlocutors revealed their entanglement with four interrelated aspects of the local humanitarian industry.

(1) Substitution of outsourced services for public services to migrants

The German federal government, rather than directly providing a structure of migrant services, has created multiple barriers that impeded migrant settlement and then provided public monies to organisations that assist migrants to overcome these barriers. These monies – sometimes supplemented by allocations by the individual states – fund dense networks of local migrant integration projects. The funding streams for these projects are supplemented by grants from foundations and charities, which in turn received monies from the federal government or from public charitable donations. The local arrival infrastructure provides the advice, training, and

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[7] Meeus, Bruno, Bas van Heur, and Karel Arnaut eds. 2019. *Arrival infrastructures: Migration and urban social mobilities*. Palgrave McMillan; Çağlar, Ayse, David Himler-Preukschat, Nina Andresen, Tanja Maier, Nataliia Kolchanova and Saskia Schwaiger. Summary Points of the Key Finding of the Panel "Arrival Infrastructures for the Displaced from the Ukraine in Vienna" Available online at: https://www.iwm.at/event/arrival-infrastructures-of-the-displaced-from-ukraine-in-vienna. Last accessed 10 September 2023;
We built on more than two decades of research about the relationships between migrants and "city-making" in Halle. See Glick Schiller, Nina, and Ayse Çağlar. 2016. Displacement, emplacement and migrant newcomers: rethinking urban sociabilities within multiscalar power. *Identities: Global Studies in Culture and Power* 23 (1): 17-34, 2013; Locating Migrant Pathways of Economic Emplacement: Thinking beyond the Ethnic Lens. *Ethnicities* 13 (4): 494-514, 2011; Downscaled Cities and Migrant Pathways: Locality and Agency without an Ethnic Lens, in *Locating Migration: Rescaling Cities and Migrants*; Glick Schiller, Nina and Ayse Çağlar, eds. Ithaca: Cornell. Çağlar, Ayse, and Nina. Glick Schiller. 2018. *Migrants and City-Making: Dispossession, Displacement, and Urban Regeneration*. Duke University Press, 2021.
[8] Gammeltoft-Hansen, Thomas and Ninna Nyberg Sørensen, op cit: 9; Dadusc, Deanna and Pierpaolo Mudu. 2020. Care without Control: The Humanitarian Industrial Complex and the Criminalisation of Solidarity. *Geopolitics* 27 (4): 1205-30.

communications contacts with official offices that migrants need to access the German social support system.

The arrival of several thousand Ukrainians in Halle highlighted this contradictory German migration policy, which serves to channel public funds into temporary short-term projects administered by poorly funded local non-profit organisations linked through networks to large national charitable, welfare, religious or service organisations. For example, as Laureen, a staff member of a local short-term project explained, the funding for her project comes from a federal grant that is administered by the state of Sachsen-Anhalt. “The state passes the money on to the city. The city then pays it to the chartable institution that applied for the grant on a quarterly basis.”

In the case of Ukrainians, the federal government dropped many of its barriers to services for non-citizens, granting Ukrainians not only temporary residence status but also access to publicly funded job centres, day care, schools, universities, healthcare, employment, welfare, housing subsidies and stipends for daily living, housing and furniture. However, as do all other newcomers, Ukrainians still have to access complex bureaucratic systems: applications for services remained in German, official offices had only German-speaking staff, and appointments were often unobtainable.

One of the major services supplied to migrants is counselling. Counselling in this context means not psycho-social support but assisting migrants to overcome bureaucratic barriers so that they could settle in the city. Laureen, whose short time project was considered “a counselling centre” explained: “In the past, there was still counselling at the Foreigners’ Registration Office. Today, this no longer happens and everything is now buffered by the counselling centre.” Ali, a refugee and a part-time staff member working for the local branch of an international service organisation stated that his and other projects are needed because the system “is too complicated. [Migrants] can’t get appointments. There are not enough workers and thousands of people.”

(2) Producing commodities and profit-making services: the integration business[9]

Several researchers have argued that migrant labour or migrants themselves, who are encapsulated within the migration industry, become the commodities of this profit-making system.[10] Migrants providing labour in carceral settings and trafficked individuals, who are forced to no-exit labour in fields, factories, or brothels, are commodified labouring bodies. However, some migrants, whether in detention centres, refugee camps or in humanitarian integration projects don’t labour but are commodified as inventories who are counted, recorded, accumulated, stored, and moved. Providers – whether humanitarian organisations, landlords, or language schools – treat migrants as a form of stock-in-trade, which must be accumulated before the provider can bill for services. As billable

[9] For a further consideration of this question, see Wenger, Julia. 2023. The Commodification of Refugees. Master Thesis, Martin Luther University, Halle (Saale), Germany.

[10] Kyle, David. 2000. *Transnational Peasants: Migrations, Networks, and Ethnicity in Andean Ecuador*. Baltimore, MD: The Johns Hopkins University Press; Salt, John, and Jeremy Stein. 1997. Migration as a Business: The Case of Trafficking. *International Migration* 35 (4): 467-94, p 471.

items migrants become items in "an asylum market, in which neoliberal norms of market competition, economic efficiency and dispersed responsibility are central."[11]
In our research we found inventories of migrants were necessary for organisations to obtain government and charitable funding grants to secure the salaries of administrators and to legitimate applications for future funding. Staff members spoke of the constant pressure to obtain migrants and create production statistics. It was in this context, that several staff members spoke of finding themselves "in the integration business". The pressure to produce statistics documenting each project's stock of refugees or other migrants was intense and unending. Laureen, working in the counselling centre, described this constant pressure to collect statistics.

Margret, a staff member for the local office of Historic Charity, a multinational religious charitable organisation, also emphasised that while the goal of her projects was "integration", which for her projects meant "encouraging social participation. […] so that they can, for example, conclude self-determined contracts, find work, study," she had little time to offer such assistance. The only paid staff member in two different projects, she faced enormous pressure to produce activities and participant numbers, which could document each project's productivity and maintain the organization. And yet, despite these efforts, projects were not ensured continued funding.

> We register [counts of project participation] in a large Excel table […] how many people of the target group we have reached, how many people of the host society we have reached, how many events have taken place and which ones […] Accordingly, a lot of statistics are collected… Funding initially came from the federal government […] The project funds were extended several times and then suddenly we no longer received funding.

(3) Non-profit organisations profiting from unpaid volunteers

Volunteer labour is fundamental to the contemporary humanitarian industrial sector in Germany, as in many countries, and more prominent at times at which migrations are being narrated as a crisis and social shock. In Halle, local projects and organisations were linked to the Volunteer Coordinating Agency, which served as the local actor in the EU-wide efforts to promote civic engagement by recruiting volunteer labour for various public services and projects. An evaluation of these efforts on the national level acknowledged that it was after the reduction of public services and the growth of private services, that the federal government increased its encouragement of civic culture and volunteer efforts.[12] Migration services provided by volunteers are part of this broader initiative.

Relatively minimal amounts of funds obtained from funders for migrant services go to the actual provision of services, since the labour at the local level is provided by volunteers and low-waged short-term precarious workers. Several respondents reported that administrators promoted

[11] Darling, Jonathan. 2016. Privatising Asylum: Neoliberalisation, Depoliticisation and the Governance of Forced Migration. *Transactions of the Institute of British Geographers* 41 (3):230-243, p 230.
[12] Ebert, Olaf, Birger Hartnuß, Erik Rahn and Carola Schaaf-Derichs. 2002. *Freiwilligenagenturen in Deutschland*. Stuttgart: W. Kohlhammer GmbH.

voluntary work in order to save money. Almost all of the national offices of the migrant service organisations located in Halle stressed the importance of volunteer unpaid labour and pressured local staff to solve their problems of too much work for their small staffs by finding more volunteers.

Viktoria, who worked in the local office of an international charitable organisation, reported that the central office reduced the project budgets to compete for grants by having "even more work taken over by the volunteers". Elena, who worked in an all-volunteer organisation serving asylum seekers noted that

> volunteerism is definitely important […] because otherwise many things would not work in Halle. If you solve or reduce acute needs through volunteerism, it also takes […] pressure away from the city. However, there are many areas that are run by volunteers [such as the vital services provided by her organisation], which should not happen […] Social work and the counselling stuff that is run through volunteers is a disaster. There is such a high need for social workers in Halle and so few paid positions, which are often precarious.

We repeatedly were told that "employment contracts are always designed only for the period of one year […] But normally this is always extended. [After] three years the contract is over and then there is a new tender." Outsourcing vital services to short term projects staffed by temporary low wage workers and volunteers, gives local, regional, and national governments the flexibility to change the size and nature of the workforce depending on changing conditions. At the same time, funding necessary services through temporary short-term projects makes it difficult for organisations to retain experienced staff and for staff to build up expertise. As Margaret, who worked for an international charity noted "That's tragic, because if you have something that works well, where people know where they have to go, it's stupid not to continue to promote it."

Moreover, these policies don't result in public savings. Rather instead of governments using public monies to provide secure well-paid employment, they channel public funds to private businesses, corporations, and non-government administrative salaries. Activities and services must be constantly reconfigured and differently promoted to satisfy the requirements of each new tender. The constant inefficient churn of projects creates new businesses as new office space is rented and private vendors are contracted to provide new websites, publicity, and brochures.

However, most of the funding goes to maintain the overarching administrative hierarchy of the central offices of humanitarian projects and their corporate for-profit services. The influx of millions of euros into migrant services in recent years from an array of federal, state and city sources, the European Union, foundations and charitable donations, supported institutional hierarchies rather than direct government services in a multi-billion-euro humanitarian arrival industry. In 2019, before the pandemic and the Ukrainian war, the Federal government spent about 14.6 billion euros on services related to migrants with approximately 6.3 billion euros of this allocated to the individual states and the municipalities.[13]

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[13] *Facts not feelings: Malteser Migration Report*. 2021. p. 22. Available online at:

Many of the national offices of welfare, religious, charitable, and service organisations have the status of a "German limited liability company, or GmbH, [which] is increasingly used in Germany to create not-for-profit entities" that are exempt from most taxes but do accrue corporate capital through wholly owned subsidiary businesses.[14] Kristin, a staff member in Historic Charity, explained that under the name of the transnational corporation for which she worked "there are many different companies. There are companies that are allowed to make profits and there are areas that are not allowed to do so." Historic Charity is one of several organisations our research team encountered that maintained this Janus-face humanitarian/corporate profit-making profile. In Halle, Historic Charity provided non-profit refugee services but, elsewhere in Germany, it owned an array of businesses including nursing homes, training institutes, and counselling programs that profited from publicly-funded contracts. Meanwhile the humanitarian activities insured that the holding corporation maintained its tax-free non-profit government status. This allowed the corporation to collect tax-free donations, and government grants to sustain the organisational infrastructure and public profile.

Conclusions

Staff and volunteers found that their humanitarian desires to contribute to social justice through welcoming and assisting migrants to settle in their city became a mode of capital accumulation, diverting public monies to local private businesses and into corporate coffers. In exploring how migrant services can be considered part of the migration industry, it becomes clear that this industry is not an isolated domain of economic activity. Rather its infrastructural dynamics reflect the broader restructuring of neo-liberal economies and the constitution of neoliberal selves around the world.[15] This restructuring includes the global growth of temporary low waged work, the decline of state services and efforts to replace them with "civic engagement", volunteerism and charitable activities. Placing the system of migrant services including its arrival infrastructures within a concept of migration as an industry allows us to understand that all of us, migrants and non-migrants, are situated within a system of exploitation in which public monies and efforts are utilised for private corporate gain. This perspective links migration studies to discussions of the need to transform global processes of social and economic displacement and dispossession into more just forms of social provisioning.

https://www.malteser.de/fileadmin/Files_sites/malteser_de_Relaunch/Angebote_und_Leistungen/Migrationsbericht/2021/Malteser-Migration-Report-2021.pdf. Last accessed 05 September 2023.

[14] Council on Foundations 1997-2023. Nonprofit Law in Germany. Available online at: https://cof.org/content/nonprofit-law-germany. Last accessed 05 September 2023; See also Federal Court (Bundesgerichtshof), 16.5.2017 – II ZB 7/16, and NJW (Neue Juristische Wochenzeitschrift) 2017, 1943.

[15] Harvey, David. 2005. *Brief History of Neoliberalism*; Harvey, David 2004. The 'New' Imperialism: Accumulation through Dispossession. *Socialist Register* 40: 63-87; Cahill, Damien, Melinda Cooper, Martijn Konings, and David Primrose eds. 2018. *The Sage Handbook of Neoliberalism.* London: Sage.