

# NOREF Policy Brief

## Foreign labour and labour migration in the small GCC states

Andrew Gardner

### Executive summary

Although large-scale migration to the Arabian Peninsula is often framed as a new or novel situation, an examination of historical accounts reveals cities, ports and peoples intricately connected with the greater Indian Ocean world for more than a millennium. For much of the past century, however, migration to the region has been organised through the *kafala*, or sponsorship system, which is almost ubiquitously posited as the causal force behind current labour-related problems. The right to work in the Gulf Co-operation Council (GCC) states has been globally commodified, and low-skilled workers often pay \$2,000 or more for the right to work in Arabia for a year or more. Low-skilled workers in the GCC states are best conceptualised as emissaries of a larger household livelihood and

investment strategy. Living quarters for such workers in Arabia are often sub-standard, and the enforcement of existing laws, regulations and policies is often poor to inadequate. Youthful and worldly local populations have a demonstrably different attitude to labour rights and issues than their predecessors and elders, and these growing trends should be broadly supported through policy planning in the region. The enforcement of existing regulations and labour laws should also be supported where possible. Finally, the overall number of international organisations now focused on labour rights in Arabia provides ample opportunity for policy planners to seek collaborative relationships that might strategically yield significant benefits.

**Andrew Gardner** is a sociocultural anthropologist and associate professor at the University of Puget Sound in Tacoma, Washington State. For more than a decade his scholarship has focused on labour migration to the petroleum-rich states of the Arabian Peninsula, and he has spent substantial time in Saudi Arabia, the UAE, Bahrain, Qatar, Nepal, India, Sri Lanka and other countries. His scholarship on the topic has been widely published, including the book *City of Strangers* (Cornell University Press, 2010).

Labour migration has been a feature of the Arabian Peninsula for millennia. Historical accounts document ports and cities interconnected with the greater Indian Ocean world: travellers, merchants, entrepreneurs, labourers, slaves, colonial administrators and many others found their way to the Arabian littoral. Many of these transient populations weathered the collapse of the pearl trade and their vestiges can still be found in the region today. All these transient populations were dwarfed, however, by the vast labour forces that began arriving in the late 1960s and early 1970s. Many of the Gulf states were newly independent, and the OPEC embargo vastly increased the value of their petroleum resources. At that point in time, the Gulf Cooperation Council (GCC) states embarked on massive infrastructural development plans, all of which required vast contingents of foreign-born labour. Although traditional migratory patterns had connected the region to Asia, Africa and other parts of the Middle East, the demand for unskilled labour resulted in the expansion of a particular set of historical connections – those to South Asia. Today, as a result, foreign workers comprise a majority of all the workforces in the GCC states and an absolute majority of the population in Kuwait, Qatar and the United Arab Emirates.

Migration to the region is organised through the *kafala*, or sponsorship system. This system is partially codified in law, but is also conceptually moored in long-standing practices, norms and expectations that take social forms. In practice, it takes shape in the work contracts established for the typical two-year period of work in GCC states, along with the requirement that foreign workers cannot change jobs during their time abroad. Each labour migrant is associated with an individual sponsor who in practice is typically the same individual who profits from his or her labour while abroad. From the perspective of many international organisations concerned with labour and human rights, the sponsorship system is the foundation of the problem with the Gulf-wide migration system. From the citizen's perspective, however, the *kafala* is a balanced system: in exchange for the promise of two year's labour, the citizen-sponsor takes responsibility for the foreigner guest in local society. This perspective has a long historical and meaningful existence,

and reinforces the ongoing use of the *kafala* in the GCC.

The *kafala* is one of the defining characteristics of this transnational migration system, but other aspects also merit attention. Pathways to the Gulf vary significantly, but a significant portion of labour migrants arrive via a labour brokerage system geographically located in the sending countries. Labour brokers arrange for work in the GCC states: they link men and women with actual jobs in the Gulf and simultaneously extract a profit from this arrangement. Other migrants avoid labour brokers in sending states and other miscellaneous charges through chain migration: friends, family or acquaintances in Arabia help link potential migrants with a sponsor and position.

Over three decades the right to work in Arabia has been commodified in the global marketplace. While middle-class and professional employees typically pay nothing for the right to work in the region, low-skilled and unskilled workers typically pay between \$1,000 and \$3,000 for the work visas that allow them legal employment in the GCC states. These debts are typically amassed by a household in the sending country and often involve mortgages, high-interest loans and productive resources. The typical migrant, then, is an emissary of a household livelihood strategy. While the migrant works in the GCC states, the debts incurred for the work visa remain in the sending country. Although many attribute the relative lack of collective action against employers in the Gulf to cultural factors specific to South Asia, these debts and the household-level vulnerabilities they engender provide a better explanation for the willingness of the foreign workforce to endure the difficulties, challenges and exploitation encountered in the GCC states.

Living quarters are typically (although not always) arranged directly by the employer or manpower agency. Most low-skilled labour migrants live in labour camps, which can refer to any component of a constellation of domiciles. Most common are large dormitory-style buildings comprising single rooms with separate, shared bathrooms and kitchens. "Labour camps" also may refer to villas, portacabins, and a variety of ad hoc structures that house low-skilled labourers in the GCC states. Although many of these states

have introduced laws and regulations that seek to enforce basic conditions in these camps, they are poorly enforced. Men are often crowded six, eight or 12 to a room, and many camps have poor supplies of water and electricity. Concerns over labour camps present one of the most active areas of state activity in the region, although much of this activity is focused on relocating the labour force offstage to “bachelor cities” and other planned zones intended to segregate the low-skilled labour force from the citizenry and elite foreign residents. This segregation is seen by state and citizenry as normal and just.

Sustained and focused research among labour populations in the GCC states points to a series of recurring problems in the lives of many migrants who work in the region. While this is not meant to be a comprehensive list of those problems and challenges, recurring problems and challenges can include:

- the non-payment of contractually promised wages;
- inordinate/excessive working hours;
- job switching (a worker is promised one job, but arrives to be given another less attractive job);
- unsafe worksite conditions;
- overcrowded living conditions;
- lack of proper documentation;
- failure to release labourers upon expiry of their contracts;
- passing along employer-promised fees to employees (for vacations, licensing, salary withholding, release, etc.);
- no impartial adjudication of labour disputes; no
- impartial or well-staffed institutional audience;
- linguistic barriers for South Asians seeking government adjudication; and
- a poorly developed embassy infrastructure for addressing labour problems.

Overall, this migration system is complex and variegated enough that new problems and challenges often arise rapidly from these general and long-standing conditions. Nonetheless, this list provides at least an overview of the perennial and long-standing concerns reported by the foreign labour populations in the region.

The author of this document has one of the longest-standing research agendas focused on labour migration in the GCC states and this vantage point provides certain specific advantages when it comes to discussing the future outlook of the region’s labour situation, the ongoing advancement of labour conditions, and remedying some of the basic and recurring abuses endured by the unskilled population at work in the region. Although the local context in which the “labour issue” is framed is constantly changing, the following truisms characterise my research experience and therefore serve as basic policy reference points:

- Over time, the region’s heavy dependence on foreign labour supplies has evolved from a clandestine and unspoken secret to a centrepiece of ministry, government and institutional public conversation. The willingness of local populations to discuss the labour situation marks a significant and noteworthy sea change and is a harbinger of significant ongoing change. Policy should endeavour to keep these conversations active and pertinent throughout the region.
- The attitudes of local, youthful populations regarding human and labour rights have significantly diverged from the attitudes previously held by the state, citizenry and governments. Indeed, the vanguard of youth educated in the West and in satellite campuses of Western institutions, and who are otherwise familiar with the self-same Western pedagogy, have recently emerged as one of the most promising and significant vectors of substantial change in the region. Policy planning should endeavour to keep this population active, involved and alert to local labour issues.
- The enforcement of labour and legal regulations remains a particularly difficult feat for most small GCC state governments. Courts, ministries and other entities are poorly supported, understaffed and ineffective. Policy planning in all the small GCC states should endeavour to support government efforts to increase the scope and enforcement of existing labour laws and related legal codes.

- Policy planners in the region must learn to tune out promotional announcements in regional newspapers and other sources that point to significant (but unspecific) headway in the area of labour relations. Instead, such planners must endeavour to develop their own sources of objective, on-the-ground, empirical information about the conditions of foreign labourers and their ongoing treatment.
- Finally, policy planners in the region should be aware that an enormous number of international non-governmental organisations are currently interested in labour rights in the region (including Human Rights Watch, the International Labour Organisation, Amnesty International and many others). Collaboration with these organisations can yield strategic benefits to policy planners in certain situations.

