

# Migration in the GCC countries

## *A double-edged sword*

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*Everyone is familiar with images of oil-rich Gulf States constructing beautiful skyscrapers or palm-shaped islands. At first glance these oil-rich countries seem to thrive on their wealth and the sky is literally the limit. Behind this wealthy façade lays a darker truth about exploited migrant workers and a schizophrenic set of cultural values. This article looks behind this façade to examine socio-cultural, political and economic impacts of migration in the GCC countries.*

### Key points

- Dependence on Migration
- Socio-cultural and Political Impacts
- The Economic Situation
- Conclusion: Future of Migration in the GCC Countries

### Dependence on Migration

Since the discovery of oil in the late 1930s, Gulf States have attracted more and more migrant workers. Migration to the GCC countries grew to 4.5 million in 1985. After a negative migration rate during the Gulf War the number is increasing again. Today the GCC countries (Bahrain, Kuwait, Oman, Saudi Arabia, Qatar, UAE) have a total population of 48 million, 46% of which are migrants. In some countries however the percentage of migrants is almost 90% making the GCC countries highly dependent on migrants. Most migrants are low-skilled workers from developing countries in South Asia like India and Pakistan (Middle East Institute, 2010). These migrant-workers together with natural resources like oil are the pillars on which the GCC-wealth is built on.

### Socio-cultural and Political Impacts

In four out of six countries in the GCC the number of non-citizens exceeds the number of native citizens, causing a loss of national culture. Despite the Arab-Gulf states' booming economy, local attitudes toward migrant-workers combined with increasing dependence on guest-workers cause a growing disparity in the region.

In states like Qatar and UAE 1 in 10 people is a citizen, 6 out of 10 come from India, the rest from countries like Pakistan or Bangladesh (Noora, 2012). This demographic-imbalance in turn causes a cultural-imbalance. Illustrative of this imbalance are the separated compounds on which immigrants are housed, often in squalid conditions, thus creating a socio-spatial division between locals and migrants.

	Citizens	%	Non-Citizens	%	Total Population
Bahrain	568,399	46%	666,172	54%	1,234,571
Kuwait	1,056,900	39%	1,616,026	61%	2,672,926
Oman	1,957,336	71%	816,143	29%	2,773,479
Saudi Arabia	20,941,242	73%	7,745,391	27%	27,136,977
Qatar*	174,279	11%	1,357,563	89%	1,531,842
United Arab Emirates	947,997	11%	7,316,073	89%	8,264,070

Source: Noora, 2012

The system behind the migratory process is called 'Kafala'. It is a sponsorship system based on individual labor contracts which decide how long a guest worker can stay in the country. This way the employer acts as a 'middle man' between migrant and state, thus making control over migration difficult (Noora, 2012). On the one hand this system makes it almost impossible for foreign workers to obtain permanent residency and legal rights. On the other hand, by bypassing the government, the state loses direct contact and control over migrant workers. In reality migrant workers often stay far longer than their labor contract runs making the system rather ineffective.

## The Economic Situation

The Gulf States are the third biggest receiving region for labor migrants in the world. Immigrants from Western-Europe and North-America are concentrated in the high-skilled sectors while immigrants from Asia are usually employed in the low-skilled sectors with low wages and less rights.

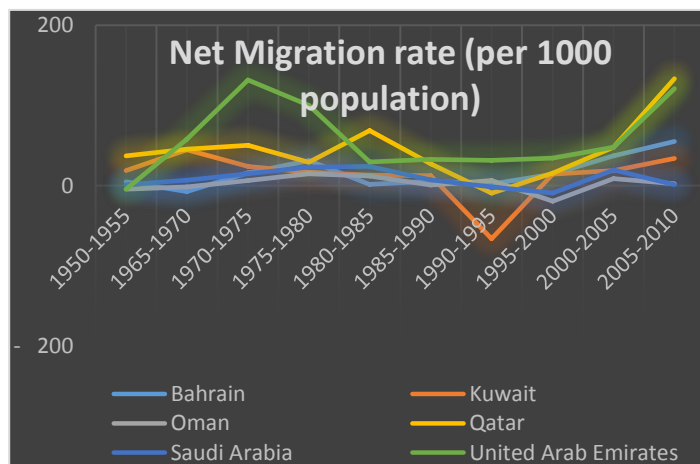
The Gulf States have a small population and low education rate, while the migrant sending countries have high rates of unemployment and low wages. Temporary migrants to the GCC benefit from higher wages and therefore the possibility to support their families with remittances (Talk Together, 2012). On the other hand Gulf States profit from cheap labor. This would seem a win-win situation. Nevertheless, this conclusion has to be regarded critically.

The way Dubai managed the real estate market crisis in 2008 and 2009 illustrates the lack of rights of the temporary migrants. When the labor contract of temporary migrants expire they simultaneously lose their residence permit. Thus, to avoid a high unemployment rate, Dubai forced the migrants to move back to their homeland. That way the extent of the crisis was minimized, while the migrant sending countries had to deal with unemployed returning migrants. This way migrants seem to be used as a tool for avoiding economic crises by sending them home when needed.

Furthermore, the biggest part of the temporary workers in construction i.e. stay far longer than desired and could be more adequately described as permanent workers, only without legal rights or proper wages (average = \$ 180 a month). This way heap migrant labor obstructs a healthy domestic labor market, leaving low-skilled natives who are willing to work without a job.

## Conclusion: Future of Migration in the GCC Countries

The effects of migrants in GCC countries have two sides. Migrant workers are the fuel driving the domestic economy, whereas they also cause a lot of problems concerning cultural identity and the labor market. The root of this problem lays in the Kafala system. Because migrant workers only need a job contract and employers sponsor their residency, the government has no direct control over the migrant workers. As seen in the graph the net migration rate is climbing so in order to obtain some control over these migrant workers the GCC governments should reform their migratory policy toward a more state-controlled process. If they don't, uncontrolled migration will continue to increase and may well become a loose cannon in the future.



Source: United Nations (2013)

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*All writers of this text are students in Human Geography & Planning at the University of Groningen.*

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