



**GLOBAL  
DETROIT**

# Economic Impact of Refugees in Southeast Michigan



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# Global Detroit



Global Detroit is a nonprofit regional economic development initiative that believes immigrants and refugees are critical to job creation, regional growth, and prosperity. Global Detroit is revitalizing Metro Detroit's economy by mobilizing its immigrant potential. We are an innovator and expert in connecting international talent with regional businesses' unmet talent needs, catalyzing the growth and development of immigrant entrepreneurs, revitalizing neighborhoods, and building a globally-competitive and inclusive region.

Global Detroit has launched leading-edge programs in immigrant entrepreneurship, neighborhood revitalization, international student talent retention, and professional talent connection. Through groundbreaking research, targeted communication, and advocacy, Global Detroit is building regional infrastructure, inclusive

policies, and institutional change to make the city and the region national leaders in economic development strategies that position immigrants to spark robust growth and widespread prosperity in our region, as well as to revitalize neighborhoods.

In addition to our local efforts, Global Detroit has spearheaded the creation of the Welcoming Economies Global Network (WE Global), a ten-state regional collaborative of 20 peer local immigrant economic development initiatives across the Rust Belt. WE Global Network is a project of Welcoming America, run in partnership with Global Detroit.

# Acknowledgments

This study was undertaken as part of a larger effort to build a regional refugee resettlement collaborative in Southeast Michigan. Global Detroit, partners at Welcoming Michigan-Michigan Immigrant Rights Center and the four refugee resettlement agencies in the region—Samaritas, Catholic Charities of Southeast Michigan, Jewish Family Services of Washtenaw, and U.S. Committee for Refugees and Immigrants—formed a core group to launch such an endeavor amidst the growing global refugee crisis in 2015. Thanks to the generous support from the McGregor Fund, as well as funding provided directly from Samaritas, the refugee resettlement collaborative developed a strategic plan to prioritize areas of collaboration around using volunteers, tackling transportation and housing barriers faced by refugees, and facilitating joint efforts around communications around refugee issues in Southeast Michigan. Following a communications effort to tell refugee stories as part of Immigrant Heritage Month in June 2017, the release of this economic analysis is the second product of the collaborative's efforts.

The bulk of the study was written over the summer of 2017 through the efforts of Global Detroit's Executive Director Steve Tobocman; Professor Elisabeth Gerber, Professor and Associate Dean at the Ford School of Public Policy at the University of Michigan; and Jacqueline Mullen, a Master's candidate in public policy at the Ford School. Regional resettlement agencies and nonprofit organizations deserve much credit for providing data and feedback while continuing to provide critical resettlement and integration services to area refugees in an environment of devastating revenue constraints.

Global Detroit would like to thank the numerous economists and experts, both locally and nationally, many of whom spent hours with us to consult about our methodology and research: David Kallick and Xiao Cheng (Fiscal Policy Institute); Audrey Singer (Urban Institute); Patrick Anderson (Anderson Economic Group); Karen Phillippi (Michigan Office for New Americans); Andrew Lim, Kate Brick, and Nan Wu (New American Economy); Benjamin Cabanaw and Nicole Adams (Michigan Department of Health and Human Services); and Jeanne Batalova (Migration Policy Institute).

Gratitude also must be expressed to local nonprofit organizations that provided data and information about their experiences on the ground and in many other ways supported the completion of this report: Mihaela Mitrofan and John Yim (Samaritas); Shrina Eadeh (Jewish Family Services of Washtenaw County); David Bartek, Farrah Shammass, and Atheel Zora (Catholic Charities of Southeast Michigan); Tawfik Alazen (U.S. Committee for Refugees and Immigrants); Hassan Bazzi, Najwa Hadous, and Madiha Tariq (ACCESS); Christine Sauv  (Welcoming Michigan-Michigan Immigrant Rights Center); Sharon Hannawa (Chaldean Community Foundation); Kimberly Hassan, Nida Samona, and John Daoud (Arab American and Chaldean Council); and Rami Hanna (United Community Family Services).

Additionally, early research for the study was conducted by more than a dozen graduate students who took a seminar class in the Winter 2017 semester at the Ford School of Public Policy at the University of Michigan that was taught by Elisabeth Gerber and Steve Tobocman. Unfortunately, the seminar coincided with President Trump's executive orders aiming to pause refugee arrivals in the United States and ban travel from key predominantly Muslim countries. As resettlement agencies were dealing simultaneously with damaging budget cuts and heavier workloads, collecting the necessary data for the study had to be delayed for a few months.

Finally, thanks to those who agreed to have their stories shared in this report: Zeyad Jabo, Rand Koraeel, Yasir Ibrahim, Bashar Nazo, and Hala Alshalchi. It was a pleasure and an inspiration to interview them.



**We find that, in 2016 alone, refugees resettled in Southeast Michigan over the past decade generated between \$229.6 million and \$295.3 million in new spending, along with between 1,798 and 2,311 jobs.**



# Overview of the Moment

The nation and many local communities in Michigan are mired in a debate about refugees. On one side are those who believe the United States must continue to play a leadership role in accepting refugees. This belief is often offered on a number of grounds: a moral and ethical imperative for humanitarianism; our national character as a place of refuge and beacon of freedom; or our country's status as a world leader. Those opposing refugee resettlement often argue that accepting refugees, especially from the Middle East, threatens our national security. This is despite the fact that zero refugees have been implicated in a fatal terrorist attack in the U.S. since the Refugee Act of 1980 created systematic vetting procedures. Refugees are the most thoroughly vetted of any foreign visitors to the United States.<sup>2</sup> **What largely has been missing from the debate is a consideration of the local economic impacts that refugees have on the communities that serve as their new homes.**

This study is an attempt to provide that analysis for Southeast Michigan (Macomb, Oakland, Washtenaw, and Wayne Counties), which has been home to over half of the refugees resettled in Michigan over the ten-year period of 2007-2016.

This study is being released at a critical moment. President Trump announced in late September 2017 that the U.S. would only accept 45,000 refugees in the coming fiscal year—the lowest ceiling since U.S. Presidents began setting the annual ceiling on refugee admissions in 1980. While local and national debates rage about refugees, this also is an important moment in world history. There are more refugees across the globe (22 million, over half of whom are children) than at any time since the Second World War.<sup>3</sup> Most (84%) of the world's refugees are hosted in developing countries like Turkey, Pakistan, Lebanon, and Jordan. While less than 1% of refugees worldwide are referred for resettlement by the United Nations High Commissioner for Refugees (UNHCR), the United States has traditionally accepted the largest number of these referrals—over 3 million refugees since 1975. Recently, other nations—especially in Europe—have stepped up their leadership around the current refugee situation, while actions by the Trump Administration have decreased the United States' role in providing a place of refuge.

*“The United States is proud of its history of welcoming immigrants and refugees. The U.S. refugee resettlement program reflects the United States' highest values and aspirations to compassion, generosity and leadership.”*

— U.S. Department of State  
Bureau of Population, Refugees, and Migration <sup>1</sup>

<sup>1</sup> “Refugee Admissions,” U.S. Department of State Bureau of Population, Refugees, and Migration, <https://www.state.gov/j/prm/ra/index.htm>

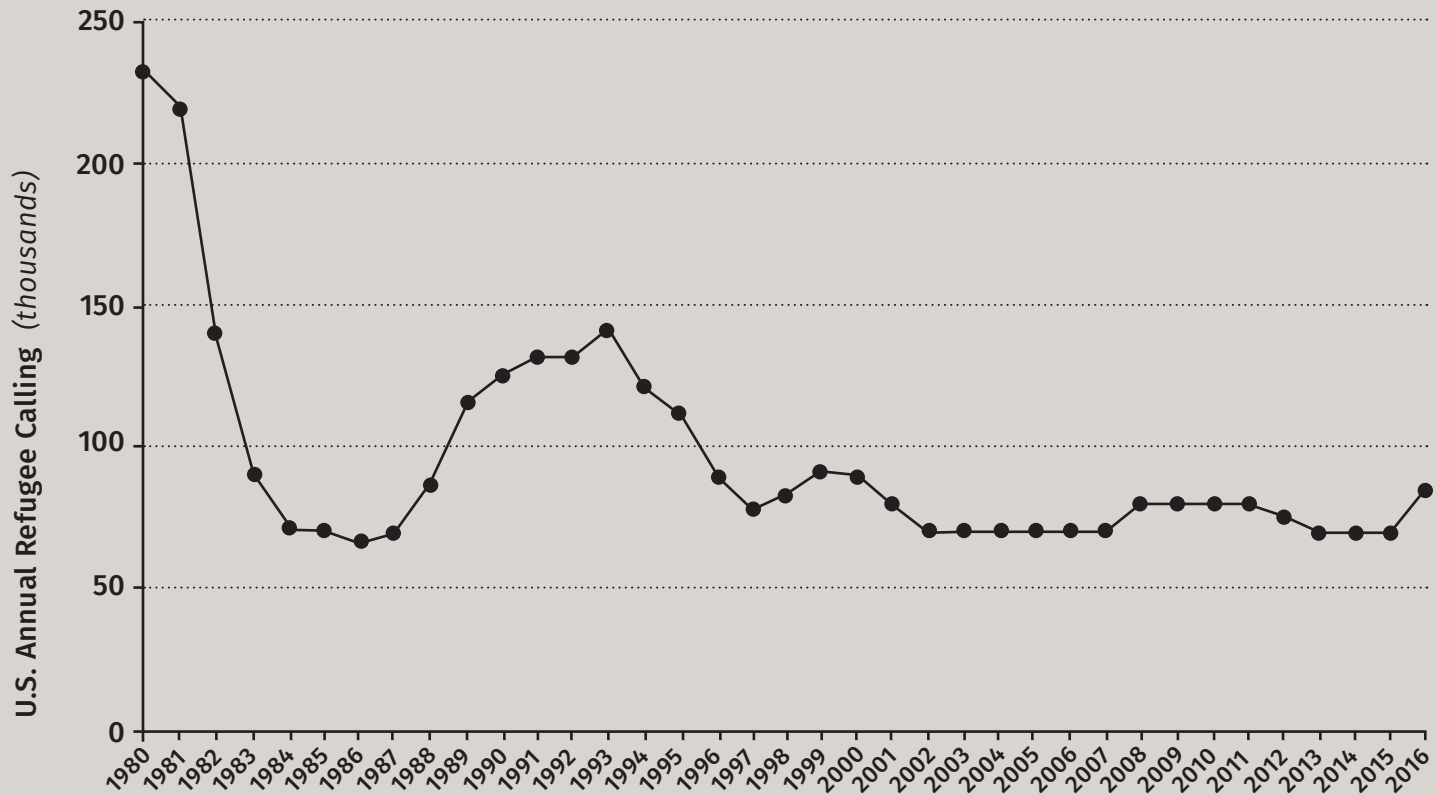
<sup>2</sup> Alex Altman, “This Is How the Syrian Refugee Screening Process Works,” *Time*, November 17, 2015.

<sup>3</sup> “Figures at a Glance,” UNHCR, accessed July 2017, <http://www.unhcr.org/en-us/figures-at-a-glance.html>



# U.S. Annual Refugee Resettlement Ceiling, 1980-2016

Figure 1. U.S. Annual Refugee Resettlement Ceiling, FY 1980–2016



Source: U.S. Department of State, Bureau of Population, Refugees and Migration

**Michigan was the fourth largest state for resettlement in 2016 and has resettled over 34,000 refugees over the last decade, the fourth largest state over that longer period as well.**<sup>4</sup>

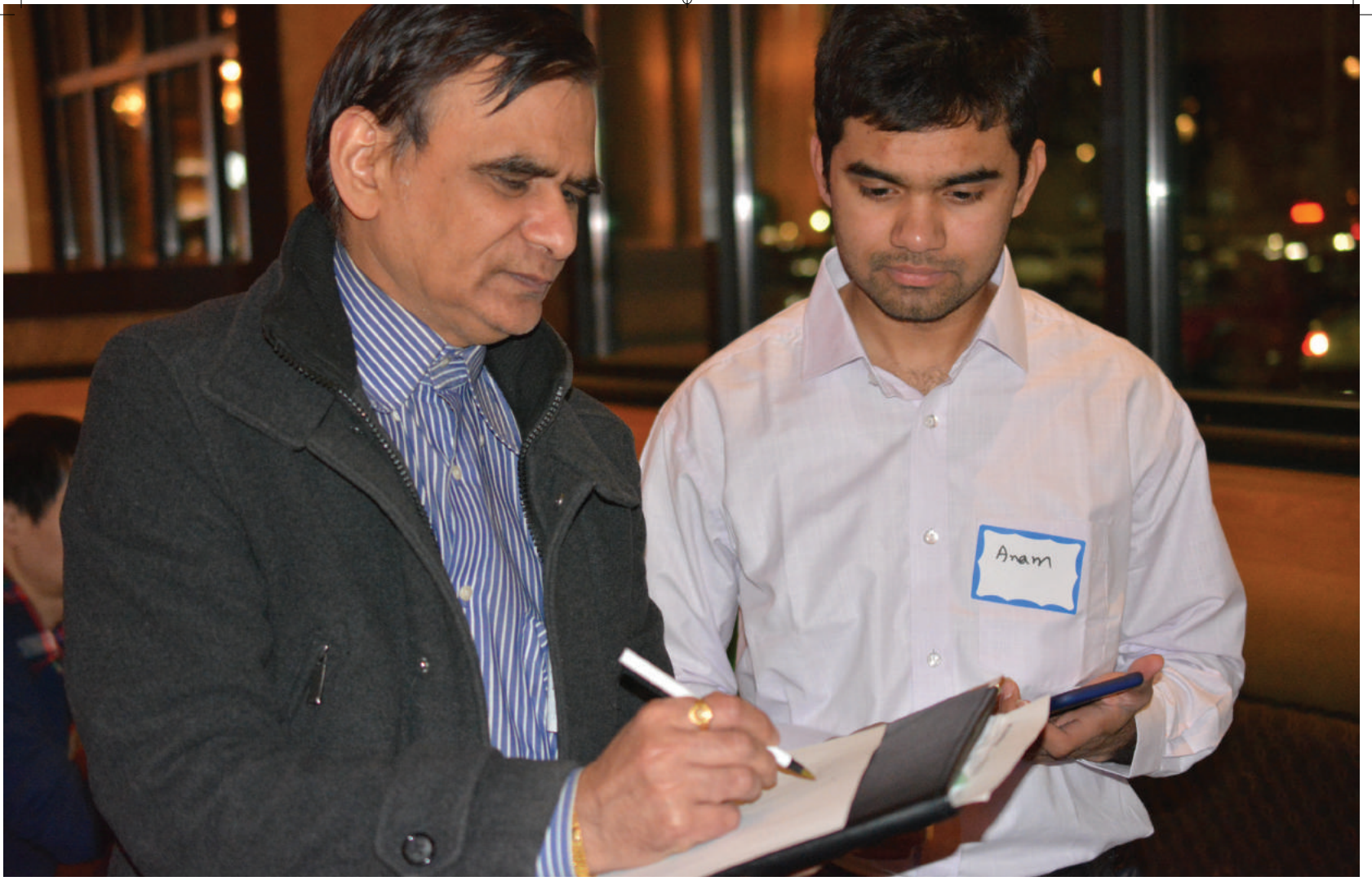
Michigan was the only state that lost total population in the 2010 Census, but has worked hard to reverse that trend since then. Refugees have been an important source of population stabilization and growth. In fact, the number of foreign-born residents in Michigan—which includes refugees—is responsible for all of the state’s net population growth since 2010.

Michigan’s foreign-born population has grown by 64,000 residents since 2010, which is 14,000 more than the state’s overall population growth, suggesting that the state is still losing U.S.-born population.

**With the world’s densest Arab population outside the Middle East (and second in total number only to Los Angeles), Metro Detroit is the top destination for Iraqi refugees in the U.S.**<sup>5</sup>

<sup>4</sup>U.S. State Department fact sheet at <https://www.state.gov/j/prm/releases/factsheets/2017/266365.htm> and Worldwide Refugee Admissions Processing System (WRAPS), “Refugee Arrivals from January 1, 2007 through December 31, 2016,” Refugee Processing Center, accessed at <http://ireports.wrapsnet.org/>.

<sup>5</sup>“Detroit is a Dream Come True for Iraqi Refugees,” Alexia Fernandez Campbell, The Atlantic, March 18, 2015 at <https://www.theatlantic.com/politics/archive/2015/03/detroit-is-a-dream-come-true-for-iraqi-refugees/431898/>





The Refugee Processing Center (RPC), a data hub operated by the U.S. State Department, ranks Michigan as the second leading state after California in terms of resettling both Iraqi and Syrian refugees over FY2006—FY2017.<sup>6</sup> With the fourth-largest Syrian population of any metro area in the U.S., Metro Detroit is well positioned to play a leadership role in helping to address the Syrian refugee crisis. Currently, there are an estimated 5.5 million refugees from Syria, the largest single source of refugees in the world.

Southeast Michigan was on track to continue playing a prominent role in resettling refugees when the combination of President's Trump's desired pause in refugee resettlement and announcements to halve the number of refugees accepted in the U.S. severely decreased resettlements. Despite the disruption in the flow of refugees, Michigan still welcomed 1,098 refugees from January through July 2017.

Understanding the economic impacts that resettled refugees create can help inform local leaders in Southeast Michigan as they consider the issue of refugee resettlement. The integration of new refugees is an endeavor that ultimately falls upon the public, private, nonprofit, and philanthropic sectors, as well as the neighbors and communities where refugees resettle.

## **Best Practice: Building a Regional Refugee Resettlement Collaborative in Southeastern Michigan**

Southeast Michigan (Macomb, Oakland, Washtenaw, and Wayne Counties) is home to more than half of all the refugees resettled in Michigan over the past ten years. While there is a great deal of informal collaboration among the resettlement agencies, nonprofit and ethnic service organizations, government, and others who help integrate refugees into the region, no formal collaborative group existed. The growing global refugee crisis in 2015 inspired Global Detroit and partners at Welcoming Michigan—Michigan Immigrant Rights Center, the four refugee resettlement agencies in the region (Samaritas, Catholic Charities of Southeast Michigan, Jewish Family Services of Washtenaw, and U.S. Committee for Refugees and Immigrants), a number of social service agencies, as well as local and state government, to develop a collaborative to support refugees both during and after their 90-day resettlement period. Through generous support from the McGregor Fund, as well as funding provided directly from Samaritas, the refugee resettlement collaborative developed a strategic plan. Following a communications effort to tell refugee stories as part of Immigrant Heritage Month in June 2017, the release of this economic analysis is the second product of the collaborative's efforts.

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<sup>6</sup> WRAPS data at [http://ireports.wrapsnet.org/Interactive-Reporting/EnumType/Report?ItemPath=/rpt\\_WebArrivalsReports/Map%20-%20Arrivals%20by%20State%20and%20Nationality](http://ireports.wrapsnet.org/Interactive-Reporting/EnumType/Report?ItemPath=/rpt_WebArrivalsReports/Map%20-%20Arrivals%20by%20State%20and%20Nationality)

# Who Is a Refugee and What Happens during Resettlement?

A refugee is a person who has been forced to flee their home and is unable to return due to a well-founded fear of persecution based on religion, race, nationality, political opinion, or membership in a particular social group. Only the most vulnerable of refugees, less than 1% of the total, are flagged by the UNHCR<sup>7</sup> for resettlement. Those eligible for resettlement in third countries must be unable to return to their home or live in safety in neighboring countries. Vulnerable cases may include women or children at risk, survivors of violence, those with medical needs, or those waiting to be reunited with their family. Anyone who may pose a security threat or who has committed a serious crime is ineligible for resettlement.

After identifying vulnerable individuals, the UNHCR screens and interviews every candidate. The UNHCR assigns refugees to countries based on the quotas each country has submitted. The United States then completes a thorough vetting process for each refugee assigned to the U.S. and makes the final decision on whether to accept the case. Refugees are the most carefully scrutinized group of any people traveling to the United States. The process takes 18–24 months on average and refugees remain abroad until it is completed.

**The vetting includes:**  
**8 U.S. federal government agencies**  
**6 security databases**  
**5 background checks**  
**4 biometric security checks**  
**3 separate in-person interviews**  
**2 inter-agency security checks**

Once an individual or family has been accepted by the UNHCR and U.S. refugee resettlement clearance processes, they are assigned to one of nine organizations that partner with the federal government to resettle and integrate refugees in their new communities. The nine organizations work through local partners to help resettle refugees in our communities. In Southeast Michigan, four nonprofit agencies currently serve as the initial resettlement agencies for refugees: Samaritas (formerly Lutheran Social Services of Michigan), Catholic Charities of Southeast Michigan (CCSEM), Jewish Family Services

of Washtenaw County (JFS), and the local affiliate of United States Committee for Refugees and Immigrants (USCRI).

Known as the Reception & Placement (R&P) program, the four resettlement agencies provide supportive services to refugees during their first 90-days in the United States. Funded by the Department of State, refugees receive a minimum of \$925.00 per capita, distributed during the 90-day resettlement period, to support with basic necessities such as food and housing.

The local resettlement agencies provide high-intensive case-management services such as airport reception, access to health services, job placement, cultural orientation, and housing placement to arriving refugees. The program ultimately aims to position refugees to achieve self-sufficiency and become integrated community members as soon as possible.

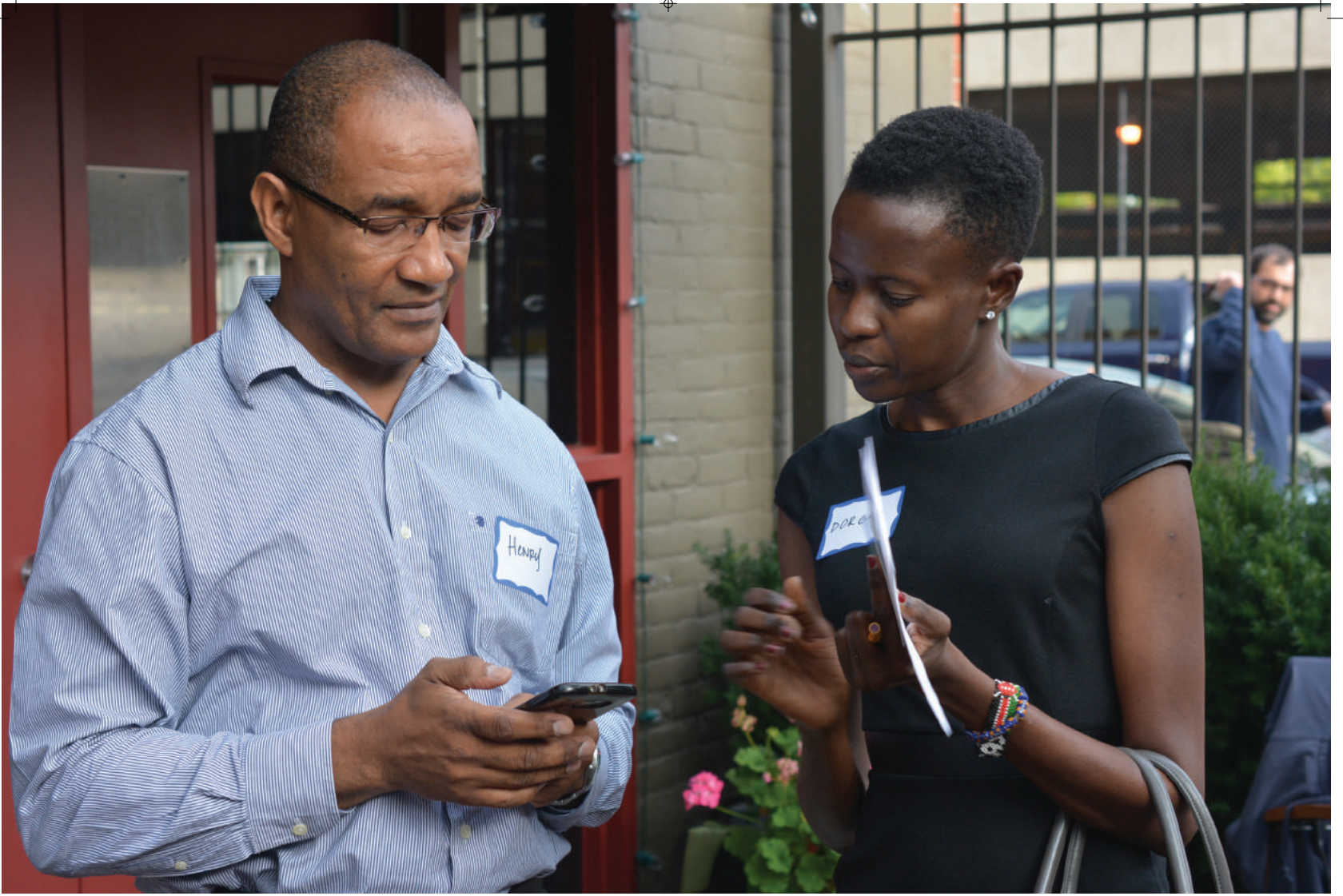
Local resettlement agencies also connect refugees to ongoing supportive services, such as employment, English as a Second Language, and behavioral health programs, to ensure effective integration into their new communities in the United States. Many of these additional services continue after the 90-day resettlement period, so refugees can successfully integrate into their new communities.

A little-known fact about refugee resettlement is that some assistance, such as their airfare, must be repaid. The International Office of Migration (IOM) issues a travel loan for which a refugee must sign a promissory note and must repay after six months after their arrival to the U.S.

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<sup>7</sup> “Resettlement in the United States,” UNHCR, accessed July 2017, <http://www.unhcr.org/en-us/resettlement-in-the-united-states.html>







# Refugees in Southeast Michigan

## Counting the Number of Refugees

According to our review of State Department data, information from the Michigan State Office of Refugee Services of the Michigan Department of Health and Human Services, as well as surveys completed by the four area refugee resettlement agencies, **there were 21,466 refugees resettled into Macomb, Oakland, Washtenaw, and Wayne counties between 2007-2016.**

## Secondary Migration

We asked resettlement agencies, nonprofit organizations, and other experts to estimate secondary migration into and out of the region. We wanted to determine whether the 21,466 individuals of resettlement refugees based on the agency surveys and WRAPS data might undercount or over count the number of refugees living in Southeast Michigan in 2016. Secondary migration is very difficult to track and there is no precise tool to measure it. Our survey respondents estimated that there were greater inflows into Southeast Michigan than outflows. Respondents also mentioned that migration flows varied depending on individual refugees' countries of origin. For instance, many Iraqi Chaldean refugees move into the region after being resettled elsewhere due to the large Chaldean community in Southeast Michigan. One survey respondent mentioned a refugee who came from Colorado because he couldn't access halal meats in his city of resettlement. Another respondent wrote: "Refugees like to live near their communities so they can feel some kind of belonging. It's not surprising to see them move to an area where they can share a common interest." Some guessed there were greater inflows of Syrians as well given the relatively large Syrian and Middle Eastern communities in Southeast Michigan. Other refugees, such as Somalis, were estimated to have significant outflows from the region, possibly due to large Somali communities in nearby cities such as Lansing, MI and Columbus, OH.

There is some limited data on secondary migration inflows from the State of Michigan's Office of Refugee Services (ORS) that measures refugees who continue to receive services with ORS contractors. This data, however, does not track the secondary migration of refugees who leave ORS programs or who move after

their ORS services end. The data from ORS tracks that Iraqis and Cubans were the top two nationalities to enter the state over the past year, but that the numbers of such secondary migrants are small compared to the number of new arrivals. ORS data demonstrates that over 100 refugees migrated into Michigan each year from 2009-2015.

Outflows are much harder to quantify, but data from the Office of Refugee Resettlement suggests there are slightly more refugees leaving Michigan than moving in. Because data on the county level, rather than state level, is unavailable, and because of the difficult nature of tracking secondary migration, we do not adjust arrival numbers for this report to account for either inflows or outflows in the region and assume a net effect of zero.

## Special Immigrant Visas (SIVs)

One unique aspect of the refugee population resettled in Southeast Michigan is the large number of Special Immigrant Visa holders (SIVs) among those resettled in the region. SIVs are issued to Iraqis and Afghans who worked for or with the U.S. government and who come to the U.S. as humanitarian entrants. SIVs receive some of the same benefits from Office of Refugee Resettlement as other refugees. In fact, according to WRAPSNNet data, over the last decade, Michigan has received 757 Iraqi SIVs, fifth most of any state, all of whom are resettled in Southeast Michigan. SIVs actually are allowed to choose among metro regions to locate and the fact that so many have selected Southeast Michigan is testament to the region's attractiveness to Iraqis.



# Refugees in Southeast Michigan

## Nation of Origin

The vast majority (90%) of refugees resettled in Metro Detroit are from Iraq. A number of Syrian arrivals, mostly in the last two years, make Syria the second largest nation of origin at 7%. Refugees from at least 26 other nations make up the remaining 3%.

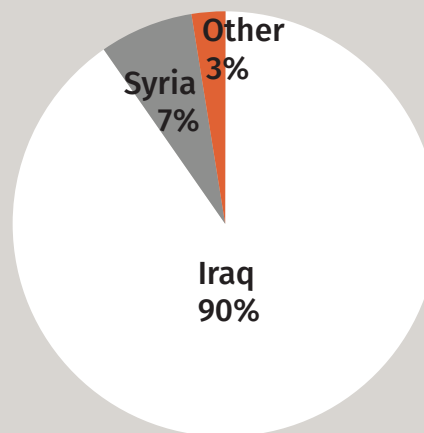
## Age

65% of refugee arrivals in the last decade were working age, or between 16-64 years old. This is similar to the overall population of the region. Another 30% were under 16 years old. Many of these youth have aged into the working age category since their arrival. Just 5% of arrivals were 65 years old or over.

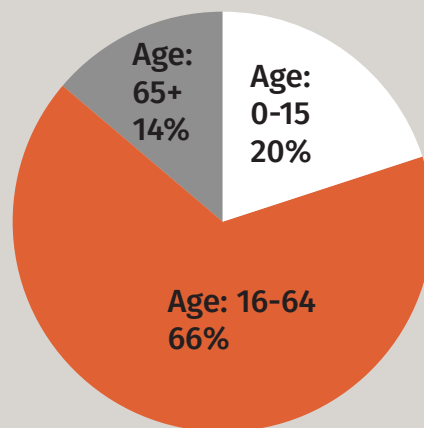
Refugees to Southeast Michigan are younger than the overall population in Metro Detroit, which, like much of the United States, is rapidly aging. While youth make up just 20% of the overall population, they comprise some 30% of refugees. At the same time, while 14% of the general population is 65 or older, only 5% of the refugee population in Michigan is comprised of seniors.

For the purposes of data collection, this report focuses primarily on refugees who have been resettled between 2007 and 2016 in the four counties of Macomb, Oakland, Washtenaw, and Wayne in Southeast Michigan.

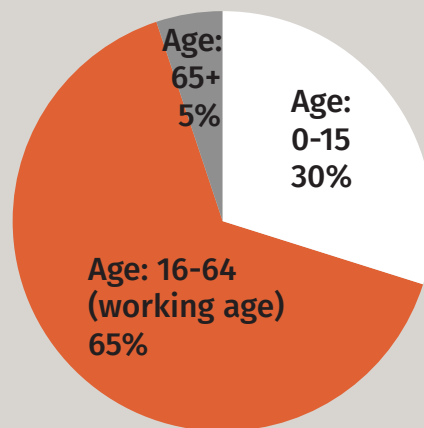
Refugee Arrivals in Metro Detroit by Nation of Origin (2007-2016)



Metro Detroit Total Population by Age, 2015 5-year ACS



Refugee Arrivals in Metro Detroit by Age (2007-2016)



## Refugee Resettlement by County (2007-2016)

All Refugees	Total	Percent of Michigan Total	Percent of SouthEastern Michigan Total
<b>Michigan</b>	<b>34,634</b>	<b>100%</b>	<b>n/a</b>
<b>Southeast Michigan</b>	<b>21,045</b>	<b>61%</b>	<b>100%</b>
Macomb County	7,214	21%	34%
Oakland County	11,245	32%	53%
Washtenaw County	655	2%	3%
Wayne County	1,931	6%	9%
<b>Iraqi Refugees</b>			
<b>Michigan</b>	<b>20,486</b>	<b>100%</b>	<b>n/a</b>
<b>Southeast Michigan</b>	<b>19,121</b>	<b>93%</b>	<b>100%</b>
Macomb County	6,709	33%	35%
Oakland County	10,499	51%	55%
Washtenaw County	408	2%	2%
Wayne County	1,505	7%	8%
<b>Syrian Refugees</b>			
<b>Michigan</b>	<b>1,964</b>	<b>100%</b>	<b>n/a</b>
<b>Southeast Michigan</b>	<b>1,643</b>	<b>84%</b>	<b>100%</b>
Macomb County	431	22%	26%
Oakland County	659	34%	40%
Washtenaw County	127	6%	8%
Wayne County	426	22%	26%

### Geography of Resettlement

Refugee resettlement in Metro Detroit is a decidedly suburbanized experience compared to other major U.S. metro areas. Refugees resettled in Southeast Michigan over the last decade are overwhelmingly placed outside the city of Detroit in communities like Warren, Sterling Heights, Southfield, Troy, Dearborn, and Dearborn Heights. The predominance of Iraqi refugees with ties to family members who live in the suburbs is the single most prominent reason for this trend. Notably, the resettlement data suggests that less than 5% of the refugees resettled in Southeast Michigan between 2007-2016 were in the city of Detroit, though as we will see below, these numbers are now increasing.

<sup>8</sup> Data analyzed by Global Detroit from data attained from Worldwide Refugee Admissions Processing System (WRAPS), "Refugee Arrivals from January 1, 2007 through December 31, 2016," Refugee Processing Center, accessed at <http://ireports.wrapsnet.org/>. Note the data for all refugees includes numbers from countries of origin where a SE Michigan county received more than 10 refugees over the decade in question. It should be noted that we suspect that this chart and the subsequent chart contain numerous errors in the WRAPSNet recording. In addition to the obvious mislabeling of the occasional city or township (including a few names that do not exist), we believe that WRAPSNet often records the city of resettlement by the address of the resettlement agency rather than the location in which the refugee is placed. Given that refugees are often placed near the resettlement agency's office, most of the time this will be in the same county. But these charts should be taken with a grain of salt.



## Best Practices: Global Detroit Cultural Ambassadors

Art Shadda was a professional electrical engineer in Iraq before landing in the U.S. more than a decade ago. Despite his foreign credentials and earning a Master's of Electrical Engineering from Oakland University, he struggled to secure meaningful employment in his field and worked in survival jobs for the better part of the last decade.

In 2015, Global Detroit's Cultural Ambassadors Professional Connector Program introduced Art to Kevin Taylor, an engineer with a strong network of local professionals and decades worth of experience in the Michigan workforce. The Global Detroit Cultural Ambassadors Professional Connector program has matched 180 immigrant professionals with a volunteer connector who helps them build their professional networks in Southeast Michigan.

"Participating in the Connectors Program not only helped me identify new opportunities to network and meet other engineers, it also, through conversations with my Connector, provided me with valuable insights into the intricacies of the job search in the United States. My Connector, Kevin, helped me understand new ways of talking about my experiences and helped me refine my 'elevator pitch' so that I could more effectively and confidently explain why I am the best candidate for the job." Art has since secured a permanent position with a global leader in innovative engineering solutions for military vehicles.



# Refugees in Southeast Michigan 2007-2016

## Cities with Over 50 Refugees

	Iraqis	Syrians
Macomb County	6,709	431
Clinton Township	143	428
Macomb	147	
Shelby	238	
Shelby Township	226	2
Sterling Heights	4,226	
Utica	59	
Warren	1,524	
Oakland County	10,499	659
Bloomfield Hills	76	17
Commerce	74	
Farmington	87	
Farmington Hills	420	7
Hazel Park	228	
Madison Heights	1,022	4
Novi	105	
Oak Park	306	
Rochester	50	
Rochester Hills	94	
Southfield	4,429	594
Troy	2,664	
Walled Lake	68	
West Bloomfield	554	
Wixom	65	
Washtenaw County	408	127
Ann Arbor	359	120
Wayne County	1,505	426
Dearborn	808	367
Dearborn Heights	205	
Detroit	310	20







## Best Practice: OneMacomb

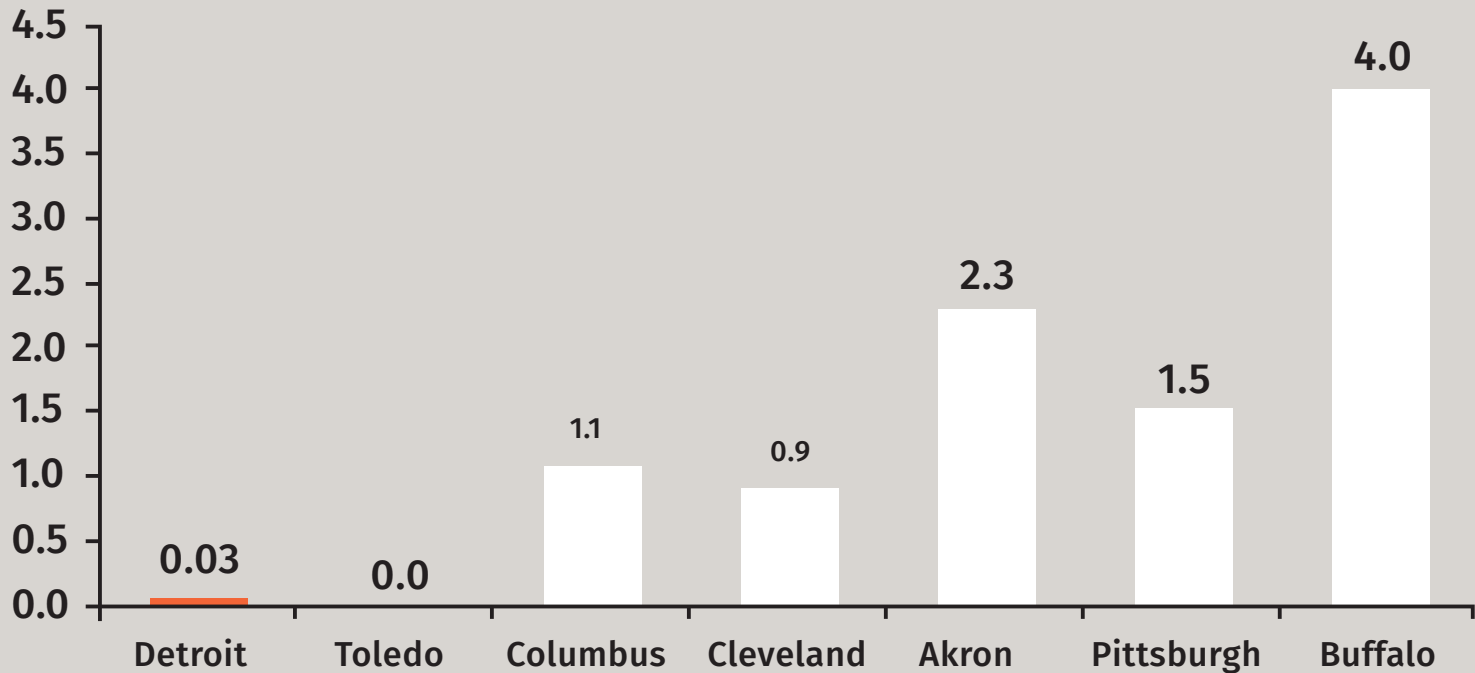
Macomb County is attracting an increasing number of immigrants and refugees who are choosing to make the county their home. Our analysis suggests that Macomb has resettled about 34% of the refugees in Southeast Michigan. Demographers project increased diversity in Macomb's communities, schools and workplaces. What the data does not show is the lives behind these incredible journeys, some through conflict, others through lineage, but all with great aspirations of a new life and place to call home. Just as Irish and German immigrants that filled our borders along with African American migrants from the South, today's immigrants are learning that Macomb has something for everyone.

When newcomers have access to education, jobs and entrepreneurial opportunities, our community is more vibrant socially, culturally and economically. OneMacomb is dedicated to equity and dignity for all and works to create an environment in which successful integration can occur.

The program, launched by community stakeholders including Macomb County Executive Mark Hackel, hosts citizenship workshops, naturalization ceremonies, immigration basics courses, diversity summits, Consular Corps of Michigan events, and OneMacomb business awards to name a few. The program partners with racial and ethnic organizations, refugee resettlement agencies, law enforcement, hospitals, and educational institutions to collaborate on projects and programs that embrace, share and celebrate multiculturalism and inclusion.



## Refugees per 1,000 Population, by city, FY2012



Source: Bureau of Population, Refugees, and Migration, US Census and Ohmura

The 2013 “Economic Impact of Refugees in the Cleveland Area” by Chmura Economics and Analytics provides some additional evidence that the overwhelmingly predominant placement of refugees into suburban communities in Southeast Michigan, instead of sizable numbers of placements into the central city, is somewhat unique among its peer cities, noting that while Akron, Buffalo, Cleveland, Columbus, and Pittsburgh range from resettling between 900 and 4,000 refugees per 1 million population in 2012 alone, Detroit only resettled 30 refugees per 1 million population.<sup>9</sup>

We have reason to believe that this unique pattern of suburban resettlement is rapidly changing in Southeast Michigan. First, as the country of origin composition of refugees being resettled in Southeast Michigan becomes more diverse—including larger numbers of Syrians, many of whom do not have direct ties to the U.S.—refugee resettlement agencies have greater ability to place such “free” cases in Detroit.<sup>10</sup> Second, the efforts of Detroit Mayor Mike Duggan’s

Office of Immigrant Affairs to meet with refugee resettlement agencies and others facilitating refugee integration and to systematically address concerns and build opportunities for Detroit to be a desired destination for refugee resettlement appears to be paying results, with over 300 new refugees placed in the city within the first two years of the Mayor’s Office of Immigrant Affairs launching.

<sup>9</sup> “Economic Impact of Refugees in the Cleveland Area,” Chmura Economics and Analytics, October 2013, p. 21.

<sup>10</sup> The federal government classifies refugees as “free” cases when they have no known established ties to someone in the United States. Refugees, who have an established tie to a relative or friend in the United States, are then classified as “geo” cases.



## Best Practice: City of Detroit Mayor's Office of Immigrant Affairs

In the fall of 2015, Detroit Mayor Mike Duggan announced his intentions for the City of Detroit to open its arms and accept new refugee families being relocated to the area. Working through his newly-created Mayor's Office of Immigrant Affairs, the City established a refugee resettlement working group and coordinated meetings with regional refugee resettlement agencies, leaders in the Syrian and Chaldean communities, social service agencies, city department heads and agencies, and other community-based organizations that work on refugee and immigration issues. Together, the Mayor and his team, as well as this working group, agreed on a goal of resettling at least 50 families a year for the next three years in Detroit.

To achieve this, these groups tackled issues important to the resettlement and successful integration of refugees in the community. Committees formed around employment, housing, transportation, health care, community engagement, education, and public safety. Each committee identified resources and assets, as well as potential challenges, and worked to develop opportunities and solutions.

By all accounts, the work was a tremendous success. Local refugee resettlement agencies began locating new refugee families in housing in Detroit for the first time in years. Within the first 18 months of work, the city was home to more than 80 refugee families, with a total of over 300 residents—almost equal to the total number of refugees resettled in the City in the prior decade. Most of the experiences to date have been remarkably positive, and the agencies, refugee families, and new communities have praised the process. In fact, the City has developed multilingual resources to introduce new refugee and immigrant families to the City's bus system. It has organized a youth soccer team for refugee children to join the local youth soccer program and launched a Welcoming Liaison Program with local universities to connect university student volunteers with refugee families. The City's main objective is to ensure that refugees are properly integrated into their new homes and welcomed by their new neighbors.



# Overview of Our Methodology

This study measures the annual economic activity generated by refugee resettlement in Southeast Michigan in 2016. The study includes refugees resettled in the region over the prior decade (2007–2016). We analyze three major sources of economic activity: (1) refugee resettlement agencies; (2) refugee workers and their households; and (3) refugee-owned businesses. Impact is measured in two ways across these three types of economic activity: local spending and the local jobs created by this spending.

## Data

Quantifying the impacts of the three major sources of economic activity demands a wide range of data, some of which is not readily available. Most notably, the U.S. Census does not categorize refugees separately, but rather places them with other immigrants in the broader category of foreign-born. As a result, this report (similar to other recent studies that seek to measure the economic impact of refugee resettlement) relies on some proxy measures and educated assumptions. We believe that by being clear and transparent about our methods, measures, and assumptions, readers of this report can be confident that the figures we present here reflect our best attempt to produce valid estimates.

## Refugee Resettlement Agencies' Spending

We surveyed the four resettlement agencies for information about their budgets, staffing, and programs. Despite the tremendous strain felt by these agencies in early 2017, they generously spent the time and effort to provide this necessary information, for which we are deeply grateful. We used survey responses to determine economic impact for this section. Our analysis focuses on agencies' refugee-related expenditures for Fiscal Year 2016.

## Refugee Household Spending

As noted, the U.S. Census does not track refugees, but rather includes them in the larger grouping of foreign-born residents. Foreign-born residents are tracked by their country of origin. For the purposes of this study, we adopt the strategy of recent studies that estimate

refugee economic activity by using Census data on the foreign-born residents from specific countries of origin where refugees comprise the majority of immigrants to that metropolitan area. For the purposes of our study, the bulk (90%) of Southeast Michigan's refugees over the last ten years come from Iraq. Moreover, the vast majority of Iraqis that immigrated to the region in the last decade came as refugees. Because refugees make up such a large share of recently arrived Iraqis, we use microdata from the U.S. Census 2011-2015 American Community Survey Integrated Public Use Microdata Series (IPUMS) for all foreign-born Iraqis in the four-county region that immigrated since 2007 as a proxy for Iraqi refugees in Southeast Michigan.

We assume that refugees from Syria, Afghanistan, and other countries, which comprise the remaining 10% of refugees to Southeast Michigan, had roughly similar employment, income, and business ownership outcomes and impacts.

To test whether the Census data serves as an adequate proxy, we also surveyed refugee resettlement agencies and nonprofit community-based organizations who serve refugees about employment and entrepreneurship. Community-based organizations have invaluable experience on the ground, where they interact with refugees beyond the 90-day resettlement period on a daily basis. Survey responses largely mirrored the results from Census analysis and comparisons are noted throughout the report.



## Refugee-Owned Businesses

We relied on the IPUMS estimates of Iraqi-owned businesses as a proxy for identifying the number and industry sectors of refugee-owned businesses in the region. We combined these counts with data from the 2012 US Census' Survey of Business Owners on average sales, receipts and revenues of firms within those sectors for the four-county Metro Detroit region to compute total revenues. Because we expect business establishments owned by recently resettled refugees to be small relative to all firms in a given sector, we rely on the SBO's statistics for non-employer establishments. For the 87% of businesses that are identified as unincorporated, we use the non-employer estimates directly. For the additional 13% that are identified as incorporated, we double the non-employer estimates to capture the notion that these firms are likely to be larger than the unincorporated/non-employer firms but still on the small side.

Resettlement agency and nonprofit organization estimates again served as a valuable second data source to compare our results. This was particularly true where certain data (such as number of employees of refugee-owned businesses) was unavailable from the IPUMS microdata.

## Multipliers

These three sources of spending provide direct economic and employment effects. Additionally, they generate at least two types of additional effects. The first is indirect impact, or the increased spending by those who benefited from the direct impact. For example, if a refugee-owned business pays a supplier for a product, that supplier will in turn purchase raw materials from another business to sustain their supply. The second effect is induced impact, which refers to increased spending by employees of businesses affected by direct and indirect impacts. For instance, a major supplier for a refugee-owned business will hire staff or increase wages for existing staff to fill an order. These employees will then spend a portion of their income in the local economy. For the purposes of this study, we draw from about a dozen previous studies that

used economic modeling to estimate industry- and region-specific multipliers. These multipliers tended to range from a lower-bound of 1.4 to an upper-bound of 1.8. We apply both of these multipliers in our analyses to capture lower-bound and upper-bound impacts, with the true value likely somewhere in between these two estimates.

## Double-Counting

To estimate the total economic impact of spending by resettlement agencies, refugee households, and refugee-owned businesses, it is necessary to account for the partial overlap between these categories of activity so as not to double-count various effects. Specifically, since resettlement agencies and refugee-owned businesses both employ refugees in relatively significant numbers, we must deduct their earnings from the overall impact to avoid double-counting these earnings, as they also should be accounted in the economic impact estimates for refugee households. These two amounts are subtracted from the total estimated economic impact calculated as the sum of the three major areas of economic activity tracked by our study.



# Economic Impact of Resettlement Agencies

The refugee resettlement agencies working in Metro Detroit (Samaritas, JFS, USCRI, and CCSEM) contribute to the regional economy by hiring local residents, purchasing goods and services from local suppliers, paying rent, and otherwise injecting funds spent to resettle refugees into the local economy. In 2016, the agencies' refugee-related expenditures in the region totaled over \$8.7 million.

The result is an estimated direct economic impact of \$8.7 million in 2016 spending from the four refugee resettlement agencies operating in Southeast Michigan. Using a conservative multiplier of 1.4, the agencies' spending spurs another \$3.5 million in indirect and induced effects through additional rounds of transactions. A larger multiplier of 1.8 shows indirect and induced effects could be as significant as \$7.0 million.

The total economic impact in Southeast Michigan from the refugee resettlement agencies is estimated to be between \$12.2 million and \$15.7 million annually. In other words, if the region were to stop settling refugees altogether, the regional economy would be expected to lose between \$12.2 million and \$15.7 million in annual economic activity just from resettlement agency spending.

The agencies' direct employment impact is 117 jobs, including 96 full-time and 21 part-time positions. Including indirect and induced impacts totaling between 47 to 94 additional jobs, the agencies' total employment impact is 164 to 211 jobs.

**In sum, the spending and hiring by refugee resettlement agencies injected between \$12.2 million and \$15.7 million into the local economy, including between 164 and 211 jobs in 2016.**

## Refugee Resettlement Agency Spending in Metro Detroit (2016)

	Amount	Portion of Refugee-Related Budget
Staff Wages	\$2,668,550	30.52%
Supplies or Services	\$2,661,060	30.43%
Cash Assistance	\$1,704,160	19.49%
Other	\$1,710,792	19.56%
<b>Total Refugee-Related Expenditures</b>	<b>\$8,744,562</b>	<b>100.00%</b>

## Impact of Refugee Resettlement Agencies in Metro Detroit

	Direct Impact	Indirect and Induced Impacts	Total Impact
Economic (millions)	\$8.7 million	\$3.5 million to \$7.0 million	\$12.2 million to \$15.7 million
Employment	117	47 to 94	164 to 211



# Economic Impact of Refugee Household Spending

Refugees inject their earnings back into the local economy through their spending, supporting businesses, and jobs. Their work helps local employers and businesses fill unmet talent needs in a wide variety of industries. According to refugee resettlement agencies and refugee-related service organizations, the most common employment sectors for refugees living in Metro Detroit include manufacturing, food service, retail, transportation, hospitality, automotive repair, home health services, construction, nursing and other health occupations, and tailoring. This closely corresponds with Census data, which lists the top five industry sectors for Iraq-born workers as restaurants, motor vehicles and motor vehicle equipment manufacturing, truck transportation, grocery stores, and miscellaneous manufacturing.



## Best Practices: Michigan International Talent Solutions (MITS) Program

In Michigan, employers are experiencing a pronounced shortage of workers in high-demand fields. In 2016, for each unemployed worker there were 19 STEM job openings posted online in Michigan. Refugees and immigrants in Michigan are often highly skilled, coming from backgrounds in engineering, IT, and business and have the capacity to lessen the STEM gap. However, these skilled job seekers often struggle to return to their profession because they lack a professional network and familiarity with the professional job search process in the U.S. In order to connect these job seekers to Michigan employers, Michigan's Department of Licensing and Regulatory Affairs and the Michigan Office for New Americans created the Michigan International Talent Solutions (MITS) Program. The MITS program is a free job search training and coaching program designed to support highly skilled immigrants and refugees in Michigan return to their professional field. Eligible MITS participants who complete the skills training portion of the program advance to one-on-one job coaching. In this program, job seekers undergo training on how to adapt their resume and cover letter to a U.S. format, interview in the U.S., build a professional network, complete job applications and more. The MITS program supports active job seekers from application through salary negotiation and actively seeks to connect skilled immigrant talent with employers across Michigan.

Over the past year alone, MITS received 174 applications and accepted 73 professional immigrants into its program, placing 38 into full-time professional jobs in their industries with an average starting salary of \$50,000. They also helped 3 additional program participants move out of survival jobs and into career pathway "step-up" positions in their fields.

Based on estimates derived from analyses of the IPUMS Census microdata, there were 4,340 households headed by a foreign-born Iraqi in the four-county region in 2015, which we take as our estimate of the number of refugee households.<sup>12</sup> These households earned an average of \$30,524 in 2015, generating a total of \$132.5 million in income.

From this total, we subtract \$13.9 million in estimated federal and state taxes, resulting in total disposable income of \$118.6 million.<sup>13</sup> Assuming a 1% savings rate, an additional \$1.19 million is removed.<sup>14</sup>

As a result, the estimated direct impact of refugee household spending in 2015 in Metro Detroit reaches \$117.4 million.

Through additional rounds of spending, indirect and induced impacts reach \$47.0 million on the lower bound and \$93.9 million on the upper bound.

In total, refugee workers boosted the economy in Southeast Michigan by between \$164.3 million and \$211.3 million.

These benefits included the creation of 939 jobs directly,<sup>15</sup> along with 376 to 751 indirect and induced jobs supported by further spending. Total employment impact is between 1,315 jobs and 1,690 jobs.



**In total, spending by refugee households had an economic impact of between \$164.3 million and \$211.3 million in 2015, including between 1,315 and 1,690 total jobs.**

## Impact of Refugee-Spending in Metro Detroit (2015)

	Direct Impact	Indirect and Induced Impacts	Total Impact
Economic	\$117.4 million	\$47.0 million to \$93.9 million	\$164.3 million to \$211.3 million
Employment	939	376 to 751	1,315 to 1,690

<sup>12</sup> We attempted to make our research as recent and timely as possible. While we were able to receive refugee resettlement agency spending for 2016, 2015 data was the most recent data available from the Census IPUMS microdata. If anything, given both inflation and the continued recovery and growth of the Michigan economy, this would suggest that the 2016 economic impacts from both household earnings and refugee-owned businesses would be even greater than our estimates based on 2015 data.

<sup>13</sup> Taxes are based on an estimated federal tax rate of 8.0% (including contributions to social security and Medicare) and an estimated effective Michigan state income tax rate of 2.5%. We also considered reducing the amount of refugee spending based on foreign remittances, but for Iraqi Americans, World Bank data implies that such remittances are negligible.

<sup>14</sup> We expect there to be some leakage of income spent outside of the four-county region. However, without complex economic modeling software or comprehensive surveying of the population, the precise amount of leakage is virtually impossible to calculate, and therefore is not included here.

<sup>15</sup> Calculated with an employment multiplier of 8 jobs per \$1 million dollars in direct spending.







## Refugee Profile:

# Zeyad Jabo & Rand Koraeel

Zeyad Jabo and his wife, Rand Koraeel, were living in Baghdad, Iraq when the war started. She had earned a bachelor's degree in civil engineering and he held a master's degree in electronics and communications engineering; they enjoyed a middle class life—with ups and downs, but relatively comfortable—when Zeyad's company began working on a project sponsored by the U.S. Government to build up the communications infrastructure in Iraq.

Because of his indirect participation with the U.S., Zeyad and his family started receiving threats. Although he was in danger, Zeyad was reluctant to leave behind their entire life and a job that was helping him provide a better future for his family.

But after his dad received a threat in September 2013, Zeyad, Rand, and their 2-year-old daughter moved to Erbil, Kurdistan, in northern Iraq. The couple could not return to Baghdad, even to withdraw their life savings.

In December 2014, the family arrived in Madison Heights, a Detroit suburb in Oakland County, as refugees thanks to the resettlement efforts of Catholic Charities of Southeast Michigan and immediately began applying for any type of work, from cashier to engineering positions. They were lucky, Zeyad says, because they had many friends in the region who helped them.

With the help of Annie Fenton, Director of the Michigan International Talent Solutions program at Governor Rick Snyder's Michigan Office for New Americans who then staffed the Detroit Office of Upwardly Global, a national nonprofit organization that provides skilled immigrants with job search training and services, Zeyad revamped his resume and went through a mock interview training. After three months,

he accepted a position with a contractor for Comerica Bank as an applications engineer. He asked for his family's government assistance to be cut immediately afterward: "It's a burden to get this help from the government," he explains. "I'm not used to it."

Zeyad is now a technical lead for the Comerica Bank contractor, responsible for a team of people. He recently completed his Project Management Professional (PMP) certification. Even though he is assigned to three different projects amounting to a 170% workload, he still asks for more. "We are hard workers," he says with a smile.

Rand and Zeyad have welcomed their second child since arriving in the U.S. Zeyad's parents, who now live nearby in Sterling Heights, often look after their children. Zeyad estimates 90% of his family and friends live outside Iraq now; about two-thirds have settled in Michigan.

"It's like home here," he says. "My country didn't want me. They kicked us out." He looks forward to becoming a U.S. citizen in two years and to deepening his involvement with the community. Zeyad and Rand have already donated to Upwardly Global as a thank-you for the help Zeyad received. He is now looking for additional opportunities to volunteer and support others.

Rand is taking English as a Second Language classes at a nearby community college. She is pursuing a career in computer-aided design.

"This is the land of dreams," Zeyad explains. Especially working in the rapidly developing technology sector, you have to keep up or you'll fall out. As a friend of his likes to say: "If you let your mind rest, it will rust."



# Economic Impact of Refugee-Owned Businesses



Many refugees start businesses and are self-employed. Often times, self-employment is a strategic response to challenges a refugee may face in finding traditional employment or translating unique occupational skills and experience into the American context.

Refugee-owned businesses create jobs and help grow the economy by purchasing goods and services. Spending by refugee-owned businesses increases transactions among other local firms; those suppliers hire more employees and, in turn, increase their own local spending.





Based on IPUMS Census microdata from the 2011-2015 ACS, the self-employment rate for Iraqis in Metro Detroit that immigrated since 2007 is 2.46%, resulting in an estimated 438 refugee-owned businesses.<sup>16</sup> This is significantly less than the average entrepreneurship rate estimated in our survey of local resettlement agencies and nonprofit services organizations, which was about 10%. We therefore consider this to be a conservative estimate of refugee business ownership. These businesses are in many different industries. According to the IPUMS Census data, the top five industries are couriers and messengers, grocery merchant wholesalers, beauty salons, private household services, and grocery stores.

To estimate the total expenditures of refugee-owned businesses, we use data from the 2012 Economic Census/Survey of Business Owners to calculate the average value of sales, receipts, revenue, or shipments for each of the industries identified in the IPUMS Census data for self-employment. In the 2011-15 ACS IPUMS, of the 438 foreign-born Iraqis that immigrated since 2007 and that report being self-employed, 13% say their businesses are incorporated while 87% say their businesses are unincorporated. For the 381 unincorporated refugee-owned businesses, we use the 2012 Survey of Business Owners statistics for non-employer establishments to calculate the average value of sales, receipts, revenue, or shipments for each of the industries identified in the Census data under the expectation that unincorporated businesses are likely to employ zero or very few additional employees. For the 57 incorporated refugee-owned businesses, we double the average receipts for non-employer establishments since we expect these firms to be somewhat larger than the unincorporated businesses but on the lower



end of employer establishments.<sup>17</sup> The total estimated expenditures of incorporated refugee-owned businesses add up to \$50.1 million in 2015. Applying the same multipliers as in previous sections, the indirect and induced impacts are \$20.0 million to \$40.1 million. Refugee-owned businesses therefore have a total economic impact of \$70.1 million to \$90.2 million.

Based on the Survey of Business Owners data, refugee-owned businesses also employ an estimated 228 employees.<sup>18</sup> Refugee-owned businesses also support between 91 and 182 indirect and induced positions in the region, resulting in a total of between 319 and 410 jobs created.

**In total, refugee entrepreneurs generated between \$70.1 million and \$90.2 million in economic benefits for Southeast Michigan, including between 319 and 410 local jobs.**

## Impact of Refugee-Owned Businesses in Metro Detroit (2015)

	Direct Impact	Indirect and Induced Impacts	Total Impact
Economic	\$50.1 million	\$20.0 million to \$40.1 million	\$70.1 million to \$90.2 million
Employment	228	91 to 182	319 to 410

<sup>16</sup> As in the previous section, we use data on foreign-born Iraqis as our proxy for refugee residents, given the predominance of Iraqis among Metro Detroit's refugee population.

<sup>17</sup> SBO data for employer establishments includes many very large firms and so skews the average receipts for each sector.

<sup>18</sup> Assumes 4 employees per firm (average across sectors) for the 13% of incorporated businesses. This rate reflects the average number of employees per firm estimated in the agency surveys.



## **Refugee Story:**

# *Yasir Ibrahim*

Starting a new life in America was not easy for Yasir, who fled from his war-torn hometown in Iraq in the early 2000s. Yasir arrived in America in 2008 determined to support himself and make a positive impact to his new community. With the help of Samaritas, Yasir enrolled into ESL classes and secured employment early upon his arrival. Despite his busy work schedule, Yasir never stopped finding ways to support others who came to America as refugees. Volunteering at Samaritas as a driver and interpreter inspired Yasir to dream for other ways to support incoming refugees.

Through his sheer resilience and steadfast spirit, Yasir successfully opened his own restaurant, Casper Burger and Escalope in Sterling Heights, in 2017 to employ and empower fellow refugees to self-sufficiency. Wanting to introduce something different than the Iraqi and Mediterranean fare that many of his fellow Iraqis were serving in their restaurants, as well as to demonstrate his own cultural integration, Yasir focuses Casper Burger and Escalope's menus on American food, employing 8-10 workers.

His restaurant is always busy as the quality of the food and service became well known soon after opening. Yasir never imagined that his road to America would mean an open door to start his own business that gives back to others. Nevertheless, Yasir hopes his story can empower others to never stop dreaming for themselves.

# Summary of Total Economic Impact

The sum of economic activity generated by these three sources – refugee resettlement agencies, refugee households, and refugee-owned businesses – estimated to be between \$246.6 million and \$317.2 million. To accurately calculate the total economic impact of these three sources, however, it is necessary to remove several categories of activity that show up multiple times in the analyses. Specifically, we reduce the refugee household spending amounts by \$1.5 million to account for the earnings of refugee employees of resettlement agencies, \$4.2 million in earnings of refugee employees of refugee-owned businesses, and \$8.0 million in earnings of refugee business owners themselves. <sup>19</sup> After removing the quantities, adjusting for taxes and savings, and applying the multipliers, the estimated total economic impact of refugees in Southeast Michigan in 2016 is between \$229.6 million to \$295.3 million and between 1,798 and 2,311 jobs.

**As noted, this estimate is based solely on arrivals from 2007-2016, and the total impact from all refugees resettled in the region, including those resettled in the region prior to 2007, is much larger.** <sup>20</sup>



## Impact of Refugee Resettlement in Metro Detroit (2016)

	Direct Impact	Indirect and Induced Impacts	Total Impact
<b>Economic (millions)</b>	\$164.0	\$65.6 to \$131.2	\$229.6 to \$295.3
<b>Employment</b>	1,284	514 to 1,027	1,798 to 2,311

<sup>19</sup> Some studies also attempt to remove from such estimates any possible substitution effects, i.e., the goods and services that might have been provided by other local businesses had refugee entrepreneurs not done so. For more on the counterfactual, see Appendix 1. While we are not able to include this calculation, using the non-employer statistics is meant to ensure our estimates are on the conservative end.

<sup>20</sup> This economic impact study does not include a fiscal analysis, which would measure state and local tax costs and benefits. Such an analysis was beyond the budget and time that we could devote to this project. Recently, in response to a March 6, 2017 memorandum from President Trump to the Secretary of State, Attorney General, and Secretary of Homeland Security, a draft study dated July 29, 2017 entitled “The Fiscal Costs of U.S. Refugee Admissions Program at the Federal, State, and Local Levels, from 2005-2014” sought to estimate the long-term costs of the U.S. Refugee Admissions Program on the federal, state, and local level. The draft report found that

refugees brought in \$63 billion more revenue to federal, state, and local governments than they cost over the 2005-14 period surveyed. Unfortunately, the report’s official release is mired in politics, but a copy of the report is available online at <https://www.nytimes.com/interactive/2017/09/19/us/politics/document-Refugee-Report.html>

It is estimated that refugees become net contributors to the tax system by their eighth year on average in the United States. Many do so much sooner, some even within a few months. Estimating the taxes paid by refugees is not overly complicated (and, in fact, the New American Economy pegs the state and local taxes paid by refugees in Michigan to exceed \$100 million annually), but determining the public spending—including education, workforce development, emergency needs, and public benefits—required to help integrate refugees involves a level of research beyond our scope. As noted, according to the studies we have reviewed, within a decade, the average net tax impact of welcoming refugees turns positive.



## Refugee Story:

# *Bashar Nazo & Hala Alshalchi*

Bashar Nazo and Hala Alshalchi have been entrepreneurs for many years. In Iraq, Bashar, who has a bachelor's degree in economics and administration, started a videography and photography studio in 1984. He continued running the studio as a side business while working for the United Nations as a linguist and interpreter from 1996-2003. Bashar's wife, Hala, earned a bachelor's degree in biology. She then created two businesses, the first, a gallery that worked with glass and copper and the second, a popular florist business.

In 2003, Bashar became an interpreter and subcontractor for the U.S. Army. But as the situation in Iraq became increasingly dangerous, the couple decided to flee to Jordan in 2006 with their three young children. Unfortunately, all of the possessions they had to leave behind were stolen from their house shortly after.

In 2008, Bashar, Hala, and their three children resettled in Salt Lake City, Utah. They remember vividly the feeling of being in a strange country, especially not knowing anybody else nearby. Nevertheless, they made the best out of their situation. Hala became trained as a lab technician and Bashar resumed his translation work. Still, most of their relatives and friends—even their children's friends—lived in Michigan. After two years, they decided to pick up everything once again and move to Troy, a rapidly diversifying northern suburb of Detroit located in Oakland County, where they still live today.

In Michigan, Bashar wanted to work in the nonprofit sector; as someone who had gone through resettlement, he wanted to serve refugees who were going through similar situations. In 2011, he became a case manager

at Samaritas, a refugee resettlement agency. Hala worked as a phlebotomist, and their two oldest children became an ophthalmologist technician and a medical assistant.

But Bashar's and Hala's entrepreneurial spirit was still there, and as soon as the couple were able, they started their own businesses in addition to their day jobs. Bashar now owns Nazo Vision Inc., a videography and photography business, and Hala runs Hala Flowers, which provides a wide range of florist services. They estimate they both work 60-70 hours or more each week.

Bashar says they have an obligation to work hard, not just for themselves and for their clients, but also to please God. Bashar also believes being able to present the fruits of one's labors to others is what makes us human. "Life without working is nothing," he says.

# Conclusion

Research consistently shows that refugees in the U.S. are motivated, successful, and become fully integrated in their communities over time. Their achievements positively affect their neighbors as well. For instance, refugees' high employment rates result in increased tax contributions and local spending. The New American Economy reports that refugees in Michigan have a combined spending power of \$1.2 billion and contribute \$130 million in state and local taxes each year.<sup>21</sup> Refugees also fuel population growth and economic activity in communities, especially those across the Rust Belt, that have slower growth rates than the rest of the nation. Our study suggests that the more than 21,000 refugees resettled into Southeast Michigan in the last decade contributed over \$225 million to the regional economy in 2016. Similar studies suggest that refugees resettled between 2000 and 2012 in Cleveland contribute \$48 million annually to that regional economy and that refugees contribute \$1.6 billion annually to the Columbus region.<sup>22</sup>

In Michigan, Governor Rick Snyder articulated his goal during the 2017 State of the State address to return the state to a population of over 10 million. In 2015, the most recent year data is available, refugee resettlement accounted for 39% of Michigan's population growth. While Michigan received a large number of refugees in 2015, their importance to population growth has been significant throughout the decade. Population growth helps rebound, stabilize, and grow local economies, and has been particularly important in peer Rust Belt metros. Cities like Cleveland, OH; Columbus, OH; Fargo, ND; Minneapolis-St. Paul, MN; and many more have enjoyed documented successes from refugee resettlement.<sup>23</sup> Across the United States, dozens of city, state, and regional efforts have taken off to welcome, integrate, and embrace the economic potential of refugees. It is our hope that quantifying the economic impact of refugees in Southeast Michigan will inform the conversation about refugee resettlement and integration policies in the region.

**This study shows that refugees and refugee resettlement contribute to the economic activity, job creation, and prosperity of our communities and region in many ways. By working hard, starting**

**businesses, and bringing resettlement money into the region, refugees and refugee resettlement agencies are helping to grow our population and revitalize our regional economy.**

**This study also attempts to show explicitly our data sources, methodology, and assumptions. We believe that similar economic impact studies will have value for other cities, metros, and states that welcome large populations of refugees. We aim to inspire others to replicate, refine, and improve upon our methods and create similar studies in their own regions.**

In today's political climate, it is imperative to advocate for research-based solutions. Our communities should have access to factual information about the economic impacts of refugees and refugee resettlement to consider the issues surrounding them. We hope data-driven studies like this one will help reset the tone around refugee resettlement and demonstrate some of the significant and positive economic contributions being made in Southeast Michigan and other Rust Belt and Midwest communities facing population loss, rapidly aging workforces, and sluggish growth.

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<sup>21</sup> "From Struggle to Resilience: The Economic Impact of Refugees in America," New American Economy, June 2017, accessed at <http://www.newamericaneconomy.org/research/from-struggle-to-resilience-the-economic-impact-of-refugees-in-america/>

<sup>22</sup> "Economic Impact of Refugees in the Cleveland Area," Chmura Economics and Analytics, October 2013 and "Impact of Refugees in Central Ohio: 2015 Report" published by US Together, Community Refugee & Immigration Services, World Relief Columbus, and the City of Columbus, 2015.

<sup>23</sup> For Cleveland and Columbus, one can look at the studies referenced elsewhere in this report that inspired us to develop our own report. Impacts in Minneapolis-St. Paul and Fargo are chronicled in David Dyssegaard Kallick and Silva Mathema, "Refugee Integration in the United States," Center for American Progress and Fiscal Policy Institute, June 2016, pp. 33-40.



# Appendix 1: Survey Questions

Refugee resettlement agencies and nonprofit community-based organizations providing services to refugees were asked some or all of the following questions. We continuously revised questionnaires sent to local organizations as our research process solidified and we attempted to streamline the survey to ensure we did not burden organizations unnecessarily. Some questions, particularly those related to budget and refugee arrivals, only apply to resettlement agencies.

**Q** What are the beginning and end dates of your fiscal year?

**Q** What was your total operating budget for fiscal year 2016?

**Q** What dollar amount of your operating budget went toward refugee resettlement activities?

**Q** What %age/amount of your refugee resettlement budget went toward staff wages?

**Q** What %age/amount of your refugee resettlement budget was devoted to purchasing supplies or services for refugees?

**Q** What %age/amount was given to refugees as cash payment?

**Q** What are the total dollar values of refugee-oriented grants your organization received during the last fiscal year? Please list by granting agency.

**Q** What was the average number of employees (full-time/part-time) working on refugee resettlement services at your agency during the last fiscal year?

**Q** How many refugees are currently employed by your agency?

**Q** How many facilities does your agency own/rent?

**Q** Please provide the number of refugees by age and country of origin that your organization resettled in each of the past 10 years

**Q** Table: # Households; Age 0-15; Age 16-64; Age 65+ for years 2007-2016

**Q** Table: Total; Afghanistan, Iraq; Syria; Other African Nations; Other Asian Nations; Other

**Q** Please provide your best estimates for the following questions. We understand that it is unlikely that you have precise data, but it's extremely helpful to have an estimate based on your experiences with the refugee community.

**Q** %age of refugees (resettled between 2007-2016) that left Metro Detroit?

**Q** %age of refugees (resettled between 2007-2016) that later moved into Metro Detroit?

**Q** Which nationalities most commonly leave the area?

**Q** %age of working-age adults that are employed within two years of being in the area?

**Q** %age of working-age adults that are currently employed?

**Q** %age of households that are self-sufficient?

**Q** %age that send remittances to their families abroad?

**Q** For those who send remittances, what do you estimate is the average annual amount?

**Q** Of those refugees who are currently employed, what would you estimate to be their average annual earnings?

**Q** Of those refugees who are currently employed, what would you estimate to be the average number of hours working per week?

**Q** Across caseloads and on average, how many individuals per household do you estimate are wage earners?

**Q** What are the top two economic sectors that most of your clients work in?

**Q** What %age work in each sector?

**Q** What %age of refugees that your agency has assisted in the past ten years do you estimate to own businesses today (including self-employed)?

**Q** Out of all of these businesses, what %age do you estimate have additional employees?

**Q** Of those businesses that have additional employees, what do you estimate to be the average number of employees?

**Q** Of those businesses that have additional employees, what %age of those employees do you estimate are refugees themselves?

**Q** In which sectors are most of these refugee-owned businesses?

**Q** What other organizations or agencies do you suggest we contact for information about refugee-owned businesses?

# Appendix 2: Placement of Iraqi & Syrian Refugees 2007–2016

## Refugees in SE Michigan (2007–2016)

	Iraqis	Syrians		Iraqis	Syrians
<b>Macomb County</b>	6,709	431	Ortonville	1	
Center Line	20		Pleasant Ridge	0	2
Charter Township	9		Pontiac	5	
Charter Twp Of Clinton	5		Rochester	50	
Chesterfield	1		Rochester Hills	94	
Clinton Township	143	428	Royal Oak	40	
Eastpointe	0	1	South Field	11	
Fraser	18		South Lyon	7	
Macomb	147		Southfield	4,429	594
Macomb Township	5		Troy	2,664	
Mount Clemens	10		Walled Lake	68	
New Baltimore	2		Waterford	45	
New Haven	10		Waterford Charter T.	3	
Richmond	4		Waterford Township	1	
Roseville	6		West Bloomfield	554	
Saint Clair Shores	3		West Bloomfield T.	3	
Shelby	238		West Bloomfield T.	14	6
Shelby Charter Township	41		White Lake	5	
Shelby Township	226	2	Wixom	65	
Sterling Heights	4,226		Wolverine Lake	5	
Utica	59				
Warren	1,524		<b>Washtenaw County</b>	408	127
Washington	11		Ann Arbor	359	120
West Warren	1		Delhi Charter Township	2	
			Saline	6	
<b>Oakland County</b>	10,499	659	Willis	1	
Auburn Hills	6		Ypsilanti	40	7
Beverly Hills	3				
Birmingham	4		<b>Wayne County</b>	1,505	426
Bloomfield	13		Brownstown	5	
Bloomfield Hills	76	17	Canton	15	
Bloomfield Township	13	29	Dearborn	808	367
Clarkston	3		Dearborn Heights	205	
Commerce	74		Detroit	310	20
Commerce Charter T.	4		Garden City	4	1
Commerce Township	26		Grosse Pointe	5	
Farmington	87		Hamtramck	2	38
Farmington Hills	420	7	Harper Woods	4	
Ferndale	28		Highland Park	12	
Hazel Park	228		Inkster	38	
Keego Harbor	12		Livonia	31	
Lake Orion	2		Northville	12	
Madison Heights	1,022	4	Redford	13	
Milford	1		Taylor	3	
Novi	105		Trenton	5	
Oak Park	306		Westland	32	
Orchard Lake	2		Woodhaven	1	



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