

Maids in the Middle East

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Abstract

This paper takes a look at the socio-economic implications of the “maid problem” of the Middle East. Countries in the Middle East make up a huge portion of the demand for domestic labour. Post the 1970s oil boom, most of this demand has been met by workers from the more densely populated countries of South and South-east Asia. But with an increasing number of allegations of ill-treatment, terrible living conditions and in extreme cases, assault - it begs the question : what keeps this system going? Economically, this model doesn't conform to traditional demand & supply models. There are overlooked nooks and crannies here, from which the black economy is sustained. We try to take a look at both sides of this convoluted model, from a humane point of view and from an economist's categorical point of view.

Introduction

Modern-day slavery is far from dead. In 2016, on any given day an estimated 40.3 million people were in modern slavery, including 24.9 million in forced labour according to the International Labour Organization. These statistics of enslaved workers and forced labourers are made up, almost entirely, by migrant workers.

Economics is a simple social science - where there is high demand, markets will find a way to supply whatever is demanded. This holds true for a plethora of both legal and illegal goods, suppliers find ways to make profits under the nose of the authorities. But, in this instance, it seems that the authorities choose to turn the other way as the skyrocketing demand for domestic servants in Middle Eastern countries leads to labour brokers essentially trafficking workers from impoverished countries. In Middle Eastern countries, the system of procuring migrant workers for domestic work has been termed as the 'Kafala' system. The Centre for the Study of Labour and Mobility defines the Kafala system as a “sponsorship system that regulates the residency and employment of the workers in the GCC countries.”

What on paper looks like a neat arrangement is far from tidy in reality. The kafala or sponsorship system is one where migrant workers' are sponsored by their employers - the employers have control over the workers' visas and legal status. Thus, the system binds the migrant workers to their employers. Workers aren't allowed to change their jobs without the employer's permission. A combination of physical and legal dependency on the employer gives them immense power of the resource-poor migrant workers and in extreme cases, this immense power grows into a fundamentally incorrect sense of “ownership” of the workers, likening the “kafala” system to a system of forced labour. Here, the breach of fundamental rights meets another huge problem - black economy. The agencies that bring together workers in need of better employment and

potential employers in Middle Eastern countries, achieve this through false advertising and other nefarious techniques. Are their operations fueling the global black economy? Does this black economy have a real economic impact on the host and home nations? And how does this impact the economic policies of home and host nations?



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How the System Works

The Middle-East has been seeing an increasing demand for the domestic workers of foreign origin for years. The main reason is believed to be the impressive financial and the culturally perceived social status of the citizens in the Middle-Eastern nations. The demand has been getting met for years by migration of the female workers from the developing nations - namely, Philippines, Indonesia, Ghana, Sri Lanka, Bangladesh, India etc.

Very often the migrant workers, mostly women, come from the countryside and they have been trying to work it out for their family in the fields, but as the families get bigger, it becomes an impossible task for the family to sustain on their land. The journey from countryside to the desert starts with the recruitment agencies, which are located in the countries of origin in larger cities, and there are middlemen who travel across the countryside to find women to work in the Middle East. The middlemen think that such females don't have any other resort, because back at home, there aren't many jobs that pay enough to sustain an entire family.

The agents promise them a golden opportunity—very vague and impressionistic—and they don't discuss what kind of work, exactly, they are going to do in the foreign land. They don't tell the workers what their salary is going to be, just that they will be earning enough to keep their loved ones comfortable. They employ fraudulent techniques and dishonesty to dupe people in desperate need of better employment. Thus, these workers come into the middle-eastern countries on a visa that is restrained to one specific employer. If the employer decides to fire the worker, then immediately,

the visa becomes invalid, and then according to the law, immediately, she is classified as a criminal. The host country does not have a structure to keep the migrant workers safe.

Home Nation-Host Nation Paradigm

Like other critical problems, the problem of the black economy of the 'army of the maids' and the resultant issues is multi-dimensional. It becomes crucial to study this resultant layout from a macroeconomic perspective. In a 'maid-transaction', we generally have two national economies involved - one of which is 'the employer nation' and the other one being 'the home nation'.

Where the employer nation faces the problem of tracing the principal employer in a 'maid-transaction' that ultimately leads to the very existence of shadow economy, the system of the shadow maid-transactions also satisfies the otherwise unmet demand for the domestic workers in the economy. On the other hand, the home nations view the 'maid-market' as one of the principal means of their remittances.

The home nations, mainly the East-Asian, the South-Asian and some of the African countries, and the current account in their Balance of Payments Account depend upon the very remittances sent by the domestic workers (mainly females) working abroad. It is very intriguing to learn and understand that the sources of remittances from overseas domestic workers to the listed countries are quite well diversified, making remittances resilient to uncertainties in [individual] regions [the Middle-East]. Overseas remittances from the domestic workers to their families in the home countries help to finance consumption and, in that sense, the home economies perceive them as a "driver of domestic demand." This can also help in explaining the glamorization of the work opportunities of the same category at the home nations' airports. So the personal sacrifices overseas domestic workers make to, in many cases, leave family behind for many years to work abroad, is a source of benefit for their home country and, in turn, for the relatives who remain. Thus, this "export" - the outflow of the domestic workers - remains critical to the homeland of the workers.

The employer nations - mainly the Middle-Eastern nations - have been seeing the labour migration into the nations for decades, most of which is attributed to the high demand for the domestic workers. The subject of Economics does indeed have mood-swings. We work out to reduce, if not eliminate, the negative economic forces out of an economic system - like poverty - but when we are finally able to do that, the system implicitly starts 'importing' the very same variables into the system. This is similar to what happened in some of the middle-eastern countries, namely, Saudi Arabia, Lebanon etc. As the nations followed the path of growth and development and the citizens became financially and socially better-off, the supply of labour for a certain section of jobs such as domestic workers declined at a sharp rate. This approbated to the demand of foreign maids that has been increasing ever since. The economies, very often, face the problem of tracing the principal employer - indicating the traces of 'black market' in the system.

Statistical Evidence of Black Economy Presence

In the Middle-East region, domestic workers mostly lack primary labour rights because protective law enactment either does not exist or is not administered at all. 90% of all Kuwaiti households employ a foreign domestic worker. 99.6% and 94.8% of all domestic workers and personal assistants in Saudi Arabia and the UAE are migrant workers. Domestic workers in Saudi work an average of 63.7 hours per week, the second highest rate in the world. With the exception of Bahrain, domestic workers are kept out from the national labour laws and from regulations relating to safety conditions, limiting working hours, safety standards, mandatory break-from-work periods, and other basic standards. A total of 5,179 domestic workers ran away from their Saudi sponsors in the six months from November 2013 to April 2014. Since most domestic workers live with their employers and because their residency status is bound to their employment, their ability to access the means to escape is also restricted.

Role of Labour Brokers

So, who greases the wheels of this well-oiled machine? The labour brokers or middlemen, as they are generously described, play the most pivotal role in this operation. Brokers go to rural areas, single out workers who fit their criteria and are in need of a better source of income. They unabashedly paint false pictures and spin fabricated tales of the Gulf dream to naïve workers, who hope of slogging in the Gulf for a couple of years and then, triumphantly returning home having earned enough to fulfil their modest dreams of owning a house, sending their kids to college or simply, living a life without extreme deprivation/suffocating chokehold of penury. But the price to place a foot in this utopia is always steep. Most brokers charge a couple of thousand dollars paid in cash, of course. This model doesn't fit seamlessly with the typical labour market model - when you sell labour in a market, you generally aren't charged a fee to sell your labour. With outrageous fees demanded of them, the clueless workers take loans with mounting interest rates to pay the fee - they believe they'll be able to pay the lender back with the riches they'll earn. But once they arrive in the so-called 'Land of Opportunity', more often than not the wages they receive are a fraction of what they were promised. The pressure of paying back the debt keeps them working under any physical and mental condition. And so, migrants from India, Philippines, Ghana, and more countries find themselves in a worse situation than before, far from fulfilling any dreams of a normal life now they simply yearn to live without someone's foot on their neck.

It isn't just one single labour broker who runs the entire operation but a tangled web of contractors, sub-contractors and low-level brokers who have spread their roots throughout South Asia, South-east Asia and parts of Africa. The headquarters of these so-called companies could be based anywhere, such as the model. They make money from the "fees" paid to the low-level brokers and use some of this cash to bribe representatives (of employers) to select workers from their roster. As all of the payments made in this unscrupulous business model are done in cold, hard cash, it is not a leap of faith to believe that this money slips into the inviting hands of the black

economy. The exact amount of money in the black economy due to the activities of labour brokers remains vague but given the pivotal role these brokers play, a significant percentage of the money in the shadow economy created by human trafficking would be attributed to this very cause.

Cultural Interference

Middle Eastern cultures are extremely hierarchical, and personal associations are valued over rule of law. Also, it must be noted that the countries in the region did not ban slavery until the 20th Century. Historically, slavery was never criticized and it was normal for the slave owners to have sex with enslaved women and girls, who had no power to refuse. There are very little or negligible social denunciation and poor legal repercussions against those who misbehave with their foreign workers. Racial prejudice could be seen as one of the other reasons resulting in inhumane behavior.

Here, however, it is important to look beyond the realm of media sensationalism and try to see the truth. The truth, sometimes, cannot point towards the statement absolutely deduced by the media reports and statistics. There are families that treat them well and consider them part of the family. But domestic help is inherent to abuse; what makes it worse is the legal system that is constituted in a way that puts them at a pitfall. Considering that a cent percent of the foreign domestic workers in the Middle-East are females, and the laws in the region are set up such that women do not have equal rights, the sickening behavior towards the domestic helpers that is observed very often could be explained. So imagine the worst treatment possible for a maid, and it will be safe to assume that it is happening right now to a maid in these countries.

Imagine a reasonable to polite treatment of maids and we are sure that a good number of maids are experiencing it right now in these countries.

Ideally, the governments of Sri Lanka, Ghana, Philippines, Indonesia, and India - the home nations of most of the maids - should stand up for their citizens working abroad and demand the required steps.

Conclusion

With a partial exception of Bahrain, the Middle-Eastern states do not recognize the migrant workers as their own workers - indicating the lack of belongingness. This implies that the migrant workers do not have access to the labour laws of the country that they are working in. These laws could mediate the relationship between workers and their respective employers - by regulating maximum working hours limit, workers' safety, and other concerned determinants. Taxing the migrant workers might prove to be an effective incentive for the host nations to enable the migrant workers to access the labor laws of the state.

The Middle-East has been suffering from lack of domestic help, often termed as 'the maid problem,' for very long. Whereas, the other developed nations like Japan, UK, USA have barely complained about any such problem. One of the most probable

reasons could be the prevalent culture in the desert. Certainly, it would be impractical to think of triggering a cultural shift to encourage the Middle-Eastern people to do their house chores; a step towards a gradual cultural shift to influence people to at least think about doing their own household chores would not do any harm.

An ideal market is where all the participants, driven by their self-interests, participate to maximise their welfare without any inadmissible practice. Whose duty is it to ensure that there is no inappropriate practice taking place within the market mechanism? In a real case situation like the desert maid problem, it is certainly out of the invisible hand's mastery. This is where the administration's involvement becomes necessary, if not sufficient.

The international community is now beginning to take the critical issue of the black market of maids and its repercussions in the desert more seriously. The Middle-Eastern states have not left an opportunity to proclaim their efforts to tackle the problem of the domestic workers' abuse and the concerning black market system. The degree and faithfulness of the host state's involvement in dealing with the predicament remains a conflicted question - without which the dream of an ideal maid market in the Gulf would remain what is, a dream.

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