

Labor Market Effects of Syrian Immigrants in Turkey

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Abstract

The Syrian civil war that started in 2011, has caused millions of Syrians fled from their country. As one of the closest countries, Turkey has received more refugees than any other neighboring countries. The figure as of March 2017 is almost 3 million. This paper tries to estimate the impact of Syrian refugees on the labor market outcomes of natives in Turkey. Syrian refugees who do not have work permits, supply informal labor to the Turkish labor market. Using both ordinary least squares and instrumental variable estimations, we find that the natives and Syrian refugees are substitutes to a significant degree, resulting in informal job losses for Turkish workers. There is an increase in formal jobs, but affecting only men. Wage effects are also significant. Hourly and monthly wages for formal jobs show an increase, consistent with the increased labor demand. More interestingly, monthly wages for informal jobs also increase while hourly wages remain unaffected which can be explained by an increase in working hours.