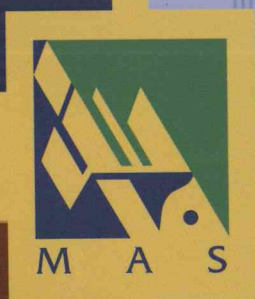


**Palestinian Labor Migration into
Ramallah and Al-Bireh Governorate:
Causes and Economic Effects**



PALESTINE ECONOMIC POLICY RESEARCH INSTITUTE

2008



M A S

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This study was prepared by Palestine Economic Policy Research Institute (MAS) research team, particularly by the following researchers:

Senior Researchers: Dr. Fathi Srouji, Research Coordinator, (MAS).
Mohammad Khalifeh, Research Associate, (MAS)

Research Assistant: Philip Khoury, (MAS)

Reviewers: Dr. Bassim Makhool, Researcher and Economist.

Editorial Assistant: Dr. Fathi Srouji, (Arabic)
Miranda Hurst (English)

Layout: Lina Abdallah

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Foreword

The term ‘migration’ could be the most important word in a national Palestinian dictionary. Jewish migration from all parts of the world to Palestine has taken place before and after 1948, continuing in various volumes and at various times. There has also been Palestinian migration from cities and villages of origin in 1948 and further migration in 1967. In the aftermath of the first gulf war 1990/1991, the West Bank and Gaza Strip witnessed a reverse phenomenon; some Palestinians who had been working in the Gulf States moved back to Palestine.

There is a substantial discussion in development economics literature about the phenomenon of migration and its role in the development process. The literature addresses migrating outside the national borders of a country as well as internal migration- within the national borders: rural-urban migration, urban-urban migration, etc... Within the context of migration in Palestine, MAS conducted two simultaneous studies regarding Palestinian labor migration. The first explores Palestinian labor migration to Ramallah and Al-Bireh Governorate whilst the second examines the Palestinian brain drain to outside of Palestine.

The study at hand explores the former phenomenon and analyze thereof its major aspects . The first considers the economic, social and demographic characteristics of the migrants. The second investigates the reasons for migration from a migrant perspective, and the third is an analysis of the effects of migration in the three localities surveyed with the Ramallah and Al-Bireh Governorate. The study concludes with policy recommendations that, if employed, will help deal with this phenomenon.

I would like to thank the research team that has conducted this study along with Dr. Suleiman Al-Rabadi and Garry Sotnik, who have since left MAS but who participated in certain components of the study. I also thank Dr. Basim Makhoul for evaluating this study at short notice. His valuable inputs added a new dimension and boosted the quality of the paper.

I would also like to thank the Palestine Central Bureau of Statistics, (PCBS) which contributed generously to the cost of the survey, and conducted it with great professionalism and quality. Their outstanding personnel had a noteworthy role in acquiring the necessary data for the analysis process and for reaching the results the study concluded with.

I would like to conclude by expressing my gratitude towards the Friedrich Ebert Foundation, for their generous support in financing this study and the other which deals with the brain drain phenomenon. If it were not for this generous support, it would not have been possible to conduct both of these studies. I hope that this cooperation continues in the future, so that we are able to conduct further studies of mutual concern.

Dr. Fadle Naqib
Acting Director General

Executive Summary

This is a study about Palestinian labor migration into the Ramallah and Al-Bireh Governorate (R&B). The specific objectives of the study are to: describe the characteristics of the migrant labor; to explore the motivations behind the migration process; to analyze the effect of migration on the migrant himself, on the source region and on the R&B; and to propose policy recommendations to deal with this phenomenon.

The evidence that the phenomenon exists includes: common opinion, officials of both public and private sectors, and official data comparing the results of the 2007 census with the 1997 census. As results show, there has been an increase of 25% in the population of the West Bank (WB) between 1997 and 2007. A 30% growth in the population of R&B, (greater than the overall WB change and much higher than changes in many other governorates), implies that there has been substantial movement into this Governorate. Figures indicate that between the censuses, the increase in the population of Tulkarem Governorate is 18% and 10% in Jerusalem Governorate.

This study tackles many questions: What are the demographic, social and economic characteristics of migrants? What are the determinants of Palestinian labor migration (pushing and pulling factors)? What are the economic effects of the Palestinian labor migration? What are the effects on migrants themselves, on their source regions and on the areas receiving migrants?

In order to fulfill the outlined objectives, the study used both secondary and primary data. Secondary data includes publications of the: Palestinian Central Bureau of Statistics (PCBS), Palestine Economic Policy Research Institute (MAS), United Nations and Israeli Central Bureau of Statistics. Primary data was collected through a questionnaire, developed and prepared by the team of researchers and administered by the PCBS. 850 households were surveyed from the three main cities of R&B. The three cities are Ramallah (250 households), Al-Bireh (400 households), and Bitonia (200 households). The sample in each location is proportional of the population residing in each city.

In the final stages of the study, a workshop was held in which the results of the study were outlined. The participants were very active and their comments were most helpful.

The published study first describes, using secondary data, the situation in Palestine, (briefly for the last century and in detail for the years 2000-2007). The description includes economic, social, and political events, concentrating on their impact on the labor market.

Results of the study show that the age of individuals in the sample ranges from 1 year to 98 years, with an average age of 26 years. Individuals were classified according to their age into three groups: 1-14 years (35.2%), 15-64 years (59.8%) and 65 years and older (5.0%). This means that the dependency ratio (dependents/labor force: 40/60) is 67%.

Results show that 50.3% of the sample is female. In the case of migrants, females form 54.3% and males 45.7% of the total number of migrants. As for the work force in the non-migrant families, 39% are working while the remaining portion is not. In contrast, 41% of the work force of migrant families is working.

Out of the migrant males in the work force 63% are working, 37% not, and out of the migrant females in the work force age, 17% are working. In contrast, 58% of the non-migrant males of working age (above 15 years of age), (42% not), and out of the non-migrant females in the manpower age 18% are working, the others, not. Results show that most of migrants are married and most of the non-migrants are single.

With regard to levels of education, results show that most of migrants were in preparatory and secondary school (52.1%). In comparison, 56.2% of the non-migrants fall into this bracket. Other figures show that migrants, in general, are more educated than non-migrants. The percentage of bachelor holders is 17% of migrants, and 10% in the case of non-migrants. 4% of the former hold higher degrees, while only 1% of the later have post graduate studies or doctorates.

Results also show that both migrant and non-migrant families tend to be nuclear rather than extended. 93% of the migrant families and 94% of the non-migrant families consists of a wife, spouse and their children.

Further results found that most of migrants (31%) migrate from R&B itself to the main three cities in the governorate. This confirms the idea that there

is rural-urban migration and migration of refugees living in surrounding Palestinian refugee camps into neighboring cities. Other governorates as sources of migration can be ordered as follows: Jerusalem (11%), Nablus (10%), Hebron (6%), Jenin (4%), Gaza as a whole (4%), Tulkarm (2%), Qalquilia (2%), Tubas (1%) and Jericho 1%. It is also the case that a proportion of migrants are Palestinians returning from abroad (28%).

The study found that common reasons for migration to R&B are: accompanying labor migrants (34%), labor migration (21%), marriage (17%), returning to Palestine (11%) and factors related to the Israeli occupation (4%). If the reason of accompanying is added to the reason of labor migration, we can conclude that 55% of migration is due to labor movement.

The factors related to the Israeli occupation, pushing people to migrate were fully studied. 73% of people who saw the Israeli occupation as being the dominant reason for migrating to R&B said that the separation wall and checkpoints were the deciding factors for migrating. Other reasons for migration that are related to the Israeli measures are: confiscation (17%), recurrent aggression (6%) and other (4%).

Further reasons for migrating were also investigated. In general they are: buying houses in the main three cities, a desire to educate children in Arabic schools and social problems with family members.

Two other 'pulling' factors were investigated: facilitation of migration and bearing the cost of migration. With regards to the former, results show that the groups of people that took the migrant into their home are, in 89% of cases, first degree relatives (parents, children, husband or wife). In fact, 54.3% of migrants usually reside with the nuclear family (husband, wife and children). 32.7% joined one or both of their parents and 2% joined their children who had already migrated.

The results also found the groups that provided part or all of the expenses of migration. According to their relative weights, they are self-reliance 32.5%, parents' assistance 30.1%, nuclear family 29.9%, other relatives 4% and other sources 1%.

Other factors that may push a labor migrant are also analyzed. Unavailability of land in the region of origin is investigated. Results show that 94% of surveyed migrants were landless before moving to R&B. Only 6% of them or their families owned land in the source region. The average

area of owned land was 5.1 dunums, with land ownership ranging from 0.2 to 100 dunums, (with only two cases of 100 dunums).

The status of a person in the labor market before migration is discussed. Results convey that the majority of migrants (65%) were unemployed before migrating and also had no desire to work. Being either a student or a housewife were the main reasons for not engaging the labor market, 31% and 25%, respectively. This explains the fact of low labor participation in general and women labor participation in particular.

The occupation of an individual before migration may provide an incentive to migrate. The variety of occupations that migrants engaged in their source areas were classified and investigated. Results show that migrants were engaged in the following occupations: professionals (28%), personal services (such as hairdressers and beauticians) (23%), manual labor workers (19.3%) and a primary occupation in sales (11%).

The study identifies the effect of migration on the migrant himself with two criteria: change of labor force status and change in income. In fact, full time work has increased from 27% before migration to 35% after migration. In addition, 43% of the respondents indicated an increase in their income, 37% indicated stability in their income and only 20% indicated a decrease in their income after migrating.

Negative effects on source regions were discussed with highly ranked officials, (such as the Governor himself). Major negative effects are: a decrease in human capital with a concentration of human capital in R&B, higher cost burdens on the new migrants due to an increase in costs in R&B such as the cost of schools, apartments, other rent, land prices, services etc., less development in the source regions than that found in receiving ones, and social gaps.

Positive effects on source regions were analyzed. There are 386 labor migrants, who work on a full time basis, who can participate in sending back remittances to their home regions. 67 of them (17%) send monthly remittances. This low percentage can be attributed to the fact that the majority of migrants are nuclear families. The remittances ranged from 2% - 60% of the migrants' incomes. It is mainly spent on supporting the family or relatives in the source regions. Low proportions go to support education.

Political effects on source regions were also discussed. There are various Israeli measures that are considered to be 'push factors', pressuring Palestinians into migrating. These pressures had been the main reason for migration according to 4% of the migrants surveyed. In addition, migration from Jerusalem to R&B is 16%, and from the areas adjacent to the grain line, it is more than 15%.

Effects on R&B were discussed by interviewing key figures in the governorate. The positive effects can be summarized as follows: a concentration of many and various institutions in R&B has made it a well-known city throughout the world, visited by many foreign delegates; the economy is better promoted and money is absorbed more into R&B; there is an increase in demand for housing, a rise in the price of rent and improved promotion of communication and transportation.

Negative effects on R&B can be summarized as follows: a change of social components present, (it has become much more diverse, limiting social relations and diminishing social ties and creating more pride and racism between geographic areas within Palestine); an increase in traffic congestion; and, an increase in demand on public services such as water and electricity.

Finally, the study proposes some recommendations, including:

- ✧ Creating job opportunities in source regions. This could be done by redistributing the allocation of public institutions in an efficient manner across different areas in Palestine.
- ✧ Civil society institutions and non-governmental organizations should redistribute their activities throughout Palestine.
- ✧ Promoting private investment in the source regions, through tax cuts, investment incentives and so forth.
- ✧ Encouraging and promoting the private sector in investigating and seeking investment opportunities in source areas and forgotten areas.
- ✧ Improving the coordination of the efforts of all stakeholders in order to assist Jerusalem citizens in remaining in Jerusalem and to prevent evacuation of the holy city.
- ✧ Improving the utilization of the role of Palestinian negotiators in concerning the alleviation of the effects of checkpoints and borders.
- ✧ Urging the international community to place serious pressures on Israel in order to alleviate its aggression against Palestinians, especially to facilitate transportation and trade.

- ✧ Conducting studies that target the capability and potential for each Palestinian governorate.
- ✧ Enhancing transportation, especially between R&B and the rest of the governorates.
- ✧ Channeling donor money into infrastructure and the transportation network and concentrating capital expenditures in these fields.