

PW-AAS-462
ISN: 89 359

THE LOCAL LEVEL EFFECTS OF LABOR OUT-MIGRATION
in the
LABOR-EXPORTING COUNTRIES OF THE MIDDLE EAST

An Analysis of Current Information and Areas for Further Research

by
Leslie C. Schmida

NEE⁹035-0-00-1075-00
U.S. Agency for International
Development
1 April 1982

TABLE OF CONTENTS

Introduction	1
Country Introductions	5
-Yemen Arab Republic	5
-Egypt	7
-Jordan	9
-Lebanon	11
-Syria	12
Remittance Effects	13
-Yemen Arab Republic	17
-Jordan	21
-Egypt and Syria	22
Labor Force	23
-Yemen Arab Republic	25
-Egypt	28
-Jordan	30
-Lebanon	32
Replacement Labor	33
-Yemen Arab Republic	33
-Jordan	34
-Egypt and Lebanon	35
Returning Migrants	36
-Yemen Arab Republic and Jordan	38
Agricultural Sector	39
-Yemen Arab Republic	40
-Egypt	43
-Jordan	45
-Lebanon	46
-Syria	47
Construction Sector	48
-Egypt	48
Social Impact	50
Migration and Family Structure	50
Migration and the Role of Women	51
Migration and Fertility	55
Migration, Urbanization and Rural Development	57
-Yemen Arab Republic	58
-Egypt	62
-Jordan	64

Education	65
-Yemen Arab Republic	66
-Egypt	67
-Jordan	69
-Lebanon	70
-Syria	71
Government Policies	71
-Yemen Arab Republic	73
-Egypt	75
-Jordan	77
-Lebanon	79
-Syria	80
AID Project Impact on Migration	82
Migration impact on AID Projects	85
Suggestions for AID	86
Key Research Areas	90
Bibliography	

INTRODUCTION

The migration of individuals between countries for purposes of employment is not a new phenomenon within the Arab region, and the historical nature of such population movements has made it possible to attribute some general characteristics to current labor migration in the Middle East. Perhaps most notable among these is that the entire occupational and social structure is involved; skilled and unskilled, educated and non-educated, married and unmarried, urban and rural dwellers alike are all well represented in the total migration spectrum. Most do not become permanent expatriates, but rather work abroad for periods of between one and four years and eventually return to their home country (Choucri/A, p. 1).

Incentives for migration for employment stem from economic, political and social forces at work in both labor-sending and labor-receiving countries. With the gradual increase between 1950 and the early 1970s in regional labor movements, it became clear that a number of "push factors" present within the labor exporting (capital-poor) countries were encouraging out-migration to the region's capital-rich states. The most significant factors can be summarized as follows: high unemployment and underdevelopment, due in large part to the capital-poor/labor-rich nature of these economies; slow rates of economic and social development; low salaries and wage scales; limited opportunity for professional advancement; lack of technical and professional equipment, and a relatively low status for professionals and skilled labor within the society (Kordy, p. 31).

In contrast to these conditions were "pull factors" in the capital-rich/labor-poor states of the Gulf. Increasing opportunities for employment resulting from large investments in development which accompanied the national-

ization of oil companies in the region, coupled with small populations and therefore insufficient domestic labor forces, provided a demand for labor to which significant numbers of Arab workers elsewhere in the region responded.

The results of these population flows have not been as easy to identify as were the causes, although theorists nonetheless have managed to develop what has become the traditional macroeconomic explanation of the consequences for labor-exporting countries of labor out-migration. This theory maintains, in part, that remittances sent back to migrants' families benefit the home country economy by relieving foreign exchange shortages and easing balance of payments deficits. It also argues that there is a simultaneous reduction in home country unemployment by assuming that migrating labor is not employed anyway, or even if employed, that vacated positions can be easily filled from the unemployed labor pool. Domestic consumption and social expenditure foregone by migrants while abroad is also considered to be beneficial for the labor-exporting country economy, allowing for increased savings and investment, alleviating pressure on domestic resources, reducing imports, and possibly even increasing exports due to purchase of home-country products by emigrants. Finally, long-term benefits are thought to accrue to the labor-exporting country in the form of new skills acquired abroad by repatriating migrants (Birks and Sinclair/H, p. 291; Gerakis, p. 260).

This rosy picture has not been borne out by post-1973 evidence, however. The first major oil price rise in that year led to increasing labor demands in oil-producing countries, and at the same time to depressed economic growth in capital-poor countries. A great increase in labor migration began as capital-rich Arab nations accelerated investments in development and capital-poor Arab nations took advantage of the consequential demand for labor abroad in hopes of alleviating the pressure on their own labor markets.

Contrary to expectations, the selectivity of the capital-rich countries in their demand for labor led, by 1975, to shortages in many skilled and semi-skilled labor categories in the labor-exporting countries. This has had a long-term impact, as well as causing immediate shortages, because of the time and resources necessary to train new individuals to replace those who have migrated (Birks and Sinclair/F, p. 20). The long-term reabsorption into the labor force of return migrants, meanwhile, has not yet been fully explored.

Other adverse effects of this labor out-migration include declines in productivity, for as outflow continues, labor supply in specific categories has shrunk to the point where loss of aggregate output is occurring. Excess demand for the services of those workers remaining has bid up the wage rate and contributed to inflation. Remittances as well have potential inflationary impact if they stimulate consumption instead of investment, putting upward pressure on the price of local goods and services as well as the price of imports.

Labor migration as well may have unforeseen political and economic ramifications. Changing labor supply and demand put domestic pressure on governments for policy responses to either inhibit or facilitate international labor movements. Internationally, migrant labor populations can be indirect and often inadvertent instruments of foreign policy both for sending and receiving countries (Choucri/B, p. 425). Their numbers also raise serious questions about economic dependency, especially for those who expect a decline in the magnitude of out-migration in the next decade; the latter foresee an end to the construction boom in the Gulf, which has been the impetus for much of the migration within the Arab region. Even should this not occur, however, many analysts point to increasing competition with

Asian labor and to the political considerations of host governments, which also foreshadow a decline in the flow of labor from capital-poor Arab states to the oil-producing nations (Birks and Sinclair/H, p. 302).

Thus, labor migration has become something of a "double-edged weapon" for labor-exporting Middle Eastern countries. While it may ease employment pressures, migrants may be those with the greatest initiative or expertise in their fields and their absence often results in severe labor shortages. On the other hand, while labor shortages may create bottlenecks in current production, migrants may return to their home country with badly needed skills. From a rural perspective, migrating small farmers may leave great burdens on their families, but remittances may help raise standards of living and increase the use of farm technology (ILO/A). In short, it is difficult to determine the broad impact of migration flows, especially given the incomplete nature of statistical and descriptive data on this subject. Most research on the effects of labor migration in the labor-exporting countries concerns the magnitude of migration and the general implications of remittances. More precise ideas are needed regarding social costs and benefits versus private costs and benefits, and the long-term versus short-term impact of migration on all sectors.

What follows is an attempt to assess the status of current information on the micro-level effects--both economic and social--of labor migration in the labor-exporting countries of the Middle East, to determine as closely as possible the relationship between AID activities and the phenomenon of labor migration, and to determine areas most in need of further research. Regional generalizations will be followed by country-specific details to the extent that they are available. Due to data limitations, discussion will center on the Yemen Arab Republic, Egypt and Jordan, with supplemental

information concerning Syria and Lebanon provided whenever it is available.

COUNTRY INTRODUCTIONS

Yemen Arab Republic

The Yemen Arab Republic has been the donor of a substantial percent of its working-age population to nearby labor markets. Official YAR Government statistics from the first National Census in 1975 showed that 1.23 million Yemenis were outside the country in that year; this was equal to 19% of a total estimated population of 6.47 million (Swanson/A, p. 55). In comparison, the Swiss Technical Cooperation Service and Birks and Sinclair estimate only 331,649 migrants working abroad in 1975 out of a total estimated population of 4.705 million, although this is equal to 30% of the indigenous male workforce (Ross, p. 1). The Saudis, meanwhile, estimated approximately 1.3 million Yemenis working inside the Kingdom in 1980. The actual number of migrants is not as important as realizing the considerable magnitude of labor out-migration from Yemen, and it has increased dramatically since 1975.

Most Yemenis who travel abroad for employment end up working in Saudi Arabia. They usually emigrate for periods of between two and four years, return for perhaps six months, and then go back to Saudi Arabia for another several years. A large percentage of these migrants are between 15 and 30 years of age, and anywhere from one-half to three-quarters of them are probably married. This has caused a deficiency in males from 15 years all the way to the 55-59 year age group, predominantly in unskilled labor

categories (Socknat and Sinclair, p. 3).

Two major incentives to migrate are commonly attributed to Yemenis; the first is a lack of sufficient modern sector employment. Migration for employment has been shown to correlate inversely with residence in governmental administrative centers where wage employment, services and amenities are predominant. Secondly, higher wages elsewhere in the Gulf induce Yemenis to seek employment abroad. Geographic proximity to wage employment in Saudi Arabia appears to be important as well, for higher wage rates exist in Yemeni districts along the Saudi border (Socknat and Sinclair, pp. 32-34).

Emigration patterns in the YAR differ from region to region, with the Tihama lowland districts along the country's west coast showing less than average migration rates while higher rates exist in more mountainous regions (Socknat and Sinclair, p. 37). Several factors influence the fluctuation in migration rates; one of these is the location of the district, for as mentioned above, migration increases the closer one moves towards the Saudi border and easy border arrangements between the two countries facilitate the flow of labor. In addition, higher rates of migration are found along well-travelled routes. Residence of family members abroad and individual social situations also influence the decision to migrate, and the tradition of emigration is thus greater in some families than in others. The lifestyle of various communities influences migration patterns, inasmuch as Bedouins react to a constraining economic situation by moving around, while settled residents tend to seek work abroad under similar circumstances (Clark/Yemen, p. 13).

Generally speaking, the "brain drain" has not become a significant problem for the YAR despite the magnitude of the country's labor out-

migration, for most migrants are unskilled or semiskilled and work abroad as construction workers. The impact on agriculture has become the most serious consequence of migration, and will be discussed in greater detail later. Suffice it here to say that many of the actual consequences of migration are difficult to quantify due to a lack of reliable data prior to 1973 and limited study of various sectors after that date.

Egypt

The effects of migration in Egypt remain, for the moment, a subject of controversy. Some analysts maintain that out-migration acts as a valve to relieve unemployment, while others such as Eckhaus (Anderson, p. 1) conclude that migration is a major source of output, factor price and income distribution changes in Egypt and that it also has strong negative impact on investment plans and on the achievement of growth targets. The limitations of data available make it impossible to come to any firm conclusions regarding the overall benefit or cost of out-migration for Egypt, although some tentative conclusions on specific aspects of migration are possible.

Estimates as to the magnitude of Egyptian migrants vary, as demonstrated by the chart below.

<u>Source</u>	<u>Estimate</u>	<u>Year</u>
Arab-American Bank	250,000	1975
Birks and Sinclair	397,000	1975
ILO Migration Project	600,000	1976
Ministry of Planning	600,000	1976
Choucri, et. al.	1,000,000	1976
IMF Survey	350,000	1977
Ministry of Manpower	1,390,000	1978

(Source: Mohie Eldin, 1980, in CDSs/E-83/Annex XV)

While such aggregate numbers may not make up a very large percentage of Egypt's total population, the impact on specific sectors has been great. There has been a particularly adverse impact on the Modern sector, and on certain wage and salary rates. In addition, ten public sector industrial companies claim that out-migration is their central concern and a key contributor to their excess production capacity. The latter is largely due to the high cost of training replacements (ILO/A).

Most Egyptians migrate temporarily, spending an average of four years in one country with visits home at an average rate of one per year (Kordy, p. 10). Complete information on the occupational structure of migrants is available only until 1973, and there are limits to extrapolating current estimates from this data due to the large increase in migration since 1973. What we can be reasonably sure of is that the high percentage of migrants from scientific and technical occupations continues; 28% of 1968 migrants fell into this category, as compared with 37% in 1973. The proportion of workers among total migrants declined from 20.8% in 1968 to 16% in 1973, although evidence suggests that this group--and particularly construction workers--increased in number post-1973. The occupational structure of migrants leaving Egypt is completely different than the existing occupational structure in Egypt; for example, in 1973 emigration was 36% scientific and technical, while only 5.5% of the 1976 (?) domestic labor force was categorized in those sectors (ILO/A).

Similar discrepancies are evident in the educational characteristics of migrants; over 3% of Egyptians temporarily employed abroad in 1973 were highly qualified (Masters or Doctoral degrees), compared with less than 2% of such highly qualified personnel in the Egyptian population as a whole. In 1973 again, one-half of all Egyptian migrants had completed

secondary school, and 26% had completed some sort of training school (Birks and Sinclair/D). Only 2.2% of 1973 migrants had no qualifications (Kordy, p. 6), while at the same time, over 50% of the Egyptian population was illiterate. Thus, one observes a maldistribution between the qualifications of national and expatriate populations.

Another generalization which can be made is that most--97.9%--of Egypt's temporary migrants seek employment in other Arab countries. Salaries and wages here are still relatively high compared to other geographic areas, and the lower standards of living which the migrants often adopt abroad allow them to save more (Kordy, p. 4). A 1978 study comparing domestic Egyptian income to migrant Egyptian income by occupation found that the ratio in construction wages was 1:9 - 1:11; among university staff it was 1:10 - 1:13, and among teachers the ratio of domestic to migrant wages ranged between 1:12 and 1:16 (ILO/A).

Jordan

Jordanians are currently working outside their country on a large scale. Jordan has traditionally experienced out-migration of skilled labor, and prior to 1973, the majority of migrants were clerical or more skilled. After 1973, when the scale of demand for labor increased in the region, Jordanians of all skill levels began migrating abroad for employment; for the first time, farm laborers and manual workers left Jordan in large numbers. The unemployment rate declined greatly in Jordan--from 8% in 1971 to 2% in 1975--largely because of out-migration. The other side of the coin, however, is that this has contributed to manpower shortages and to a rise in domestic wage rates (Birks and Sinclair/C, p. 29).

Some difficulty is encountered in attempting to estimate the numbers of Jordanians working abroad. "Transit statistics" are available, although they are incomplete for this purpose, and basic data on "Jordanians living abroad" collected from a 6% sample of East Bank Jordanians in 1975 is not really representative of the population (Hammouda, p. 357). Estimates based on Jordanians in country-of-employment indicate that about 264,700 Jordanians were working abroad in the Middle East in 1975 (57% Jordanian and 43% Palestinian), a number which approaches 50% of the modern sector non-farm civilian workforce from which most migrants originate (Birks and Sinclair/F, p. 48).

As far as general characteristics of migrants are concerned, the Multi-Purpose Household Survey indicates that in 1975, most Jordanians working abroad were between 15 and 34 years old, male, and originally from the Amman District (Hammouda, p. 357). Most had secondary school certificates. The past pattern exhibited by these educated Jordanian migrants was for them to bring their families and relocate in countries of employment. This trend towards increasing permanence abroad occurred particularly among more highly qualified migrants, and was not viewed as an entirely adverse occurrence; the departure of families has been considered at times to be a relief to the Jordanian Economy (Birks and Sinclair/C, p. 10, 42).

Migration in Jordan has selected the most educated or skilled before those who are essentially unskilled or semi-skilled, as indicated by the table on the following page. The migration of qualified personnel has eliminated the problem of an educated unemployed population in Jordan, and as most education is private, migration has not constituted a great cost to the government in terms of academic resources.

Comparison of Level of Educational Attainment
of Jordanians Abroad and the Total
Population 1975-1976

Educational Level	Those Abroad in 1975 (Percent) ¹	Total Population in 1976 (Percent) ²
Less than Elementary	8.4	61.4
Less than Preparatory	15.2	22.4
Less than Secondary	7.2	7.8
With Secondary Certificate	55.9	5.1
Post Secondary Diploma	3.8	1.0
Degree	9.7	2.3
	100.00	100.0

SOURCE: Department of Statistics, *The Multipurpose Household Surveys, 1975, 1976, Jordan, Amman, 1975, 1976.*

1 Sub-Sample of 3,436 persons drawn from total of 17,373 respondents in 1975 *Multipurpose Household Survey*, Department of Statistics, Jordan, Amman, 1975.

2 Sample of 58,183 persons enumerated in 1976 *Multipurpose Household Survey*.

Source: Birks and Sinclair/H, p. 297. **

At least for the short- to medium-term, the Jordanian government has adapted well to its labor outflow. There has been no attempt to stop migration, but instead, arrangements for replacement labor have been facilitated. The government has come to rely on remittances for foreign exchange, and in 1976, remittances contributed 32.4% of the country's GNP (AID/79, p. 34).

Lebanon

An historical characteristic of labor out-migration from Lebanon is that highly skilled workers are leaving the country for good, mostly to the U.S., Canada and France as well as to Australia. One example of this, in quantitative terms, is that from 1962-1966, Lebanon's annual emigration

** It should be noted here, however, that the sample size in this study is small, and therefore may not be completely reflective of the entire migrant population.

of engineers was equal to 35% of the country's yearly graduates in that field (Audroing, p. 175), and many feel that the percentage is at least double that today. Unfortunately, information on Lebanese migration to the Gulf is not so readily available, and the data base in either case is extremely limited. Only two major sources of Lebanese data exist; these include a sample survey of the active population carried out in 1970 by the Central Statistics Agency, and information--employment statistics in particular--collected by the Ministry of Labor. Neither one of these sources provides an accurate picture of employment in Lebanon or of those migrating out of the country (Farrag, p. 96-7).

Lebanon also imports labor which is predominantly unskilled. In 1970, estimates for the non-Lebanese labor force put Syrians at 49.7% of the total, Palestinians at 11.9%, and Egyptians at 6.6% (Farrag, p. 97). Continued civil strife in the country, however, has resulted in a significant decline in the numbers of non-skilled and semi-skilled non-Lebanese labor. Already as many as 300,000 of these workers have departed with their families, and at least in the short run are not likely to return (CDSS/L-82, p. 27). The same can be said for those more skilled and resourceful--both Lebanese and non-Lebanese--whose departure symbolizes a "brain drain" for the country (Tabbarah, p. 23). Meanwhile, the inflow of "replacement" migrants to fill the skill gaps in Lebanon is not likely as long as armed conflict continues.

Syria

Labor migration out of Syria has traditionally consisted primarily of a relatively small number of merchants and small business owners who

permanently migrated to other Arab countries with their families. More recently, Syria has been sending abroad larger numbers of men who are migrating temporarily (Birks and Sinclair/F, p. 50). The numbers of unskilled or semi-skilled seasonal migrants increased substantially in the 1960s and 1970s from what they had been previously, and temporary skilled migrants stayed abroad longer and earned more in the post-1973 period. By 1979, there were as many as 400,000 Syrian workers abroad, which constituted approximately 15% of the labor force at that time (AID/79, p. 5). Precise figures are impossible to obtain, however, for Syrian labor movements have often been informal and go unrecorded.

Migration in the Syrian Arab Republic has been indirectly affected by the demand for labor in the Gulf, since many Syrians work as replacement migrants in countries where large numbers of the local population have travelled to the Gulf for employment. 28% of all Syrian migrants in 1979 (?), in fact, were working in Jordan in precisely this capacity. This kind of temporary migration, while it was encouraged by the government in the 1960s, is now being restricted for fear that the number of migrants may increase and that this in turn could impede realization of the country's development plans (Birks and Sinclair/J, p. 43). Despite such restrictions, however, migration is continuing and Syria is now experiencing some skilled labor shortages, particularly in the private sector (AID/79, p. 5).

REMITTANCE EFFECTS

Conventional interpretation maintains that remittances are without a doubt beneficial to labor-exporting countries; they constitute a much-

needed source of foreign exchange and hard currency, they are a source of liquidity for governments, and they provide balance of payments assistance to deficit accounts (Birks and Sinclair/F, p. 103). On the more personal level, remittances increase disposable income and consumption, raise standards of living, and sometimes result in monetary or capital investments.

More recently, however, evidence has indicated that remittances may in some ways prove to be a disadvantage. One major drawback is the unpredictable nature of this flow of currency, for it is subject to many variables. Remittances decline when migrants make the decision to relocate in the host country, or when they return to their home country either temporarily or permanently. Some analysts--Birks and Sinclair in particular--anticipate a sudden drop in remittance flows to labor-exporting countries, citing two primary reasons for this. One is that, with the end of the construction boom in the Gulf, many migrants who have been working in that sector will be forced to return home, and it is they who have typically remitted a high percentage of their earnings. In addition, due partially to the increasing competition with Asian labor, wage rates are beginning to decline in the Gulf, and this, coupled with inflation, is resulting in a decrease in real wages; hence, remittances are falling (Birks and Sinclair/H, p. 302).

The effect of remittances on migrants' families is an issue even more ambiguous. Although remittances may be greater than domestic wages would have been, and thus beneficial to the family, it is unclear as to how often the family receives the repatriated income directly (ie., how much, if any, goes to a middleman) (Youssef, p. 65). It is also unclear as to whether the remittance funds are channelled most often to meet the needs of the extended family, or the needs of only the migrant's spouse and

children. This is related to questions--also unanswered--regarding the extent of control over these funds exercised by the spouse (Youssef, p. 121).

A more consistent generalization is that remittances are likely to be high immediately following the migrant's departure to the country of employment, and that they tend to decrease later on as the migrant accommodates to life and leisure abroad (Youssef, p. 122). One may also reasonably assume that the larger the number of dependents a migrant has in the host country, the smaller will be the amount of remittances repatriated (Swamy, p. 27).

Certainly the most immediate benefit of emigration is remittances, although the tendency to treat them the same in national accounting procedures as other transfers from abroad such as foreign aid and direct foreign investment may in fact mask their true impact on the economy. While they do have an effect on the balance of payments, their contribution to capital outlays and economic growth is doubtful. Remittances are personal transfers of wealth, and as such, part of them is used for consumption (Ecovit, p. 13); they thus do not result directly in productive investment, although one should consider that an increase in consumption may have the effect of stimulating domestic production which in turn may induce productive investment.

The very nature of remittance flows--that they are often brought back in cash rather than through the banking system--adds to the difficulty in mobilizing them for productive investment (Birks and Sinclair/F, p. 103). Government schemes have not been very effective in mobilizing cash remittances for national use, so the contribution they make to the governments' aggregate development funds is rarely substantial. In fact, Birks and Sinclair argue that any benefit herein of remittances may very well be

outweighed by their promotion of inflation and the distortions that they may cause in the economy (Birks and Sinclair/H, p. 301).

The use of remittances--and indeed even how much of income earned abroad is even sent home--is also affected by a host of financial variables. One of these is the relative real rates of return on financial and real assets in both host and exporting countries (Swamy, p. 26). Another key variable is exchange rate policies, for overvalued currencies discourage remittances through official channels and penalize those who do choose this route; there is therefore a booming black market in the hard currencies in which remittances are earned (Gerakis, p. 261; Swamy, p. 26).

Not much research has been concluded regarding the development impact of remittances at either the local or national level. Much of remittance funds seem to be invested in land, housing, and consumer durables, the former two most often because appreciation on such investments usually exceeds the inflation rate (Ecevit, p. 14; Swamy, p. 27). However, while investment in land might increase productivity, it has also resulted in some places in uneconomic mechanization. Land units purchased are sometimes too small to produce efficiently, and unwise utilization of natural resources has also occurred (Serageldin, et. al., p. 209).

The increased purchasing power made possible by remittances, meanwhile, when used for consumption purposes rather than savings and investment, contributes to inflation. The actual inflationary impact of this extra demand for consumer goods depends on the magnitude of additional demand, its import content, and the capability of local production capacity to meet this new demand. If local production cannot accommodate, short-run supply bottlenecks with accompanying inflationary effects will likely ensue (Ecevit, p. 15). Alleviating these supply bottlenecks by increasing

imports (theoretically with the increased foreign exchange earnings obtained with remittances) can also be inflationary. Ezevit's assumption that this additional demand will likely stimulate investment and therefore increase output and employment in the long run, however, should be questioned. His conclusion assumes an efficiently working market mechanism, adequate supplies of appropriate labor, and other economic conditions often not present in these labor-exporting countries.

Although labor-exporting countries are in need of short-term policies designed to curb inflation and direct remittances towards productive investment, one must not fall into the trap of considering all consumption as "unproductive." Raising standards of living in low income countries is as much a development goal as is directly increasing investment. In the sense that increased consumption improves the health and efficiency of lower-income portions of the population, remittance earnings so directed are productive. However, before an absolute statement can be made regarding the relative social benefit of remittance funds spent on consumption, one needs to determine the multiplier effect of consumption on domestic production--especially of labor-intensive goods (Chandavcukar, p. 39).

Yemen Arab Republic

The volume of remittances flowing into the YAR has made them the mainstay of the Yemeni economy. They constitute the single most important source of foreign exchange, and have succeeded in turning the rapidly growing balance of trade deficit into a total balance of payments surplus. Increases in wage rates in Saudi Arabia have had a great impact on the gross amounts remitted to Yemen, which approached \$1.3 billion a year by 1977;

this was more than the total 1975 GNP for Yemen (Socknat and Sinclair, p. 45). This sum actually understates total remittances, however, for it includes only those amounts channeled through the Central Bank; the value of remittances in the form of consumer durables is unknown but probably substantial. A further portion as well goes unreported, since individuals residing in northern YAR often conduct their transactions in Saudi currency and thus a clear distinction cannot be made between domestically-earned funds and those remitted from Saudi Arabia (Ross, p. 3).

Money supply in the YAR is tied closely to remittances. It grew by 51% in 1974/5 as a result of the 1973 oil price rise and consequent economic boom in the Gulf, and it jumped another 120% in 1975/76. Remittances are responsible for over 80% of this growth in money supply, which leaves the government with control over only 20% of domestic liquidity (Ross, p. 4). This, in turn, has led to increasing "monetization" of the economy and hoarding of cash balances; over 65% of the domestic money supply is held outside the banking system. There is increasing speculation in land and real estate, and trade and finance are the fastest growing sectors of the Yemeni economy (Ross, p. 5).

Although remittances have raised per capita incomes considerably, one needs to take into account inflation. This has been illuminated by Socknat and Sinclair's comparison of per capita GNP in current dollars and the cost of living index for Sana'a, as shown below.

	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>
Per Capita GNP:	100	137	178	203	n.a.
Sana'a Cost of Living:	100	143	181	224	261

It would have been better to compare GNP with the rural cost of living index, given that the majority of remittances are directed to the rural sector, but these figures were not available. In Sana'a, however, inflation

appears to be outstripping any growth in GNP, the latter of which is largely accounted for by remittances (Socknat and Sinclair, P. 44). This demand-pull inflation is only accentuated by Yemen's extremely limited domestic production and investment opportunities (Ross, P. 4).

Most remittances are sent to the migrants' families, although this often occurs only once every several months. The sums are usually sent through a remittance agent who makes monthly payments to the family and has use of the balance in the interim. Migrants returning home temporarily (eg., six months) bring an additional lump sum with them, spend profusely for a time, and then return to Saudi Arabia; they also commonly bring back remittances-in-kind in the form of goods purchased abroad (McClelland, Annex A., P. 2).

A very high percentage of remittances goes towards imports, most of which are accounted for by the private sector. Machinery and transport equipment imports are most rapidly growing, and include a large proportion of private automobiles (Socknat and Sinclair, p. 47). Manufactured consumption goods are also increasing, and there was a ten-fold increase in the value of food imports between 1971/2 and 1977/8. This was in part due to a rise in world commodity prices and a decline in local agricultural production resulting from labor shortages in the agricultural sector, but it was also due to higher consumption levels which many feel are a direct result of remittance funds (Swanson/A, p. 65). McClelland (p. 5), however, maintains that a major portion of consumption is still made possible by domestic economic activity. This is difficult to believe given the magnitude of remittances and their impact as discussed above.

There is a marked difference between remittance investments made by those with land and those without. Land-owning Yemenis tend to invest in

rural areas: in houses, irrigation equipment, tractors, and other means of agricultural innovation. The limited existence of rural investment outlets has led those without land to invest in urban areas (eg., in property), or to attempt to establish themselves as petty traders or taxi-cab drivers (Serageldin et.al., p. 209). Real estate used to be the most popular form of urban investment, but now only the very wealthy can afford to make such investments; the cost of land has increased drastically, and the cost of building materials and wage rates have skyrocketed since 1973 (Swanson/A, p. 82). Retail marketing is in theory another possibility for urban investment, but at present it is not a practical consideration due to a fragmented market and low possible profits (Swanson/A, p. 84). Finally, investment in migration agencies can be very lucrative, but at present it is very difficult to break into this particular market (Swanson/A, p. 83).

Most Yemenis who do invest do it alone or with family members. There are few joint ventures, so the amount of capital which can be mobilized for any one investment is very limited. In rural areas in particular a cooperative role is necessary, for remittances here are dispersed among thousands of small communities (Sackmat and Sinclair, p. 51).

A major issue facing the Yemeni economy is the possible impediment to economic growth which may occur should remittances prove to be temporary. The phenomenal rate of increase in remittances has ceased, and the number of Yemenis returning from Saudi Arabia is greater than the number going. Official remittance statistics for FY 1977/78 show at least a 5% decline in total remittances from the First Quarter to the Third Quarter, and this trend was expected to increase. It is also likely that the decline officially recorded is actually less than the decline in worker earnings, as

the increasing number of returning migrants are bringing capital with them; these lump sums are temporarily accelerating the rate of return of remittances relative to the rate of worker earnings (McClelland, p. 1).

Jordan

Remittances to Jordan have grown rapidly since 1973/4, along with an increase in migrating workers--particularly unskilled and semi-skilled manual workers. They tend to live abroad without their families, and hence save or remit a high proportion of their earnings. Termed "target migrants" by migration experts, these workers will return to Jordan when they have saved a certain sum. In addition, wages in the Gulf have grown, which contributes to the increase in remittances (Birks and Sinclair/C, p. 47). This has been a boon to the Jordanian economy, which has demonstrated a worsening trade balance, from a deficit of \$247 million in 1973 to \$721 million in 1976. Workers' remittances have helped turn this into an overall credit position in the balance of payments (Birks and Sinclair/C, p. 20).

Remittances thus far seem to be expended primarily on consumption goods and real estate speculation rather than savings and investment. Property speculation and housing construction have increased drastically, especially around the Amman District, and stock exchange activity is also up. It is more difficult to assess the impact of remittances on the country's imports, which have increased dramatically since 1974. This has been influenced by remittances, certainly, but is also partially a result of the influx of Lebanese after 1975, increasing numbers of development projects with high import content, and foreign aid. Jordan's inflation rate is high as well,

and although the contribution of remittances to this phenomenon has not been determined, it is likely significant (Birks and Sinclair/C, p. 49).

The expected future decline in remittances is likely to have considerable impact on the Jordanian economy and on employment. Among the first migrants to return will be the less-skilled manual (construction) workers who have typically been high remitters; their return will possibly lead to labor surpluses in certain sectors, in contrast to the current labor shortages. Declining wage rates in the Peninsula as well as the permanent emigration of more Jordanian families will also contribute to this decline in remittances and lead to subsequent pressures on the economy.

Egypt and Syria

Only scanty information is available on remittances in Egypt and Syria, and virtually no information in this regard was obtainable for Lebanon. As for the former, AID estimates for 1979 put Egyptian remittances at about \$2 billion (AID/79, p. 3). This sum is rapidly increasing, and has come to provide a principle source of foreign exchange for the country. Inability to assess the permanence of remittances, however, has made it difficult to devise means of harnessing them for development purposes.

Much of remittances in Egypt are spent on consumption items, which fuels inflation and thus accentuates income inequalities. Such consumption encourages emulation by others, burdening government economic policies and constraining attempts to restrict consumption. In addition, remittances are not subject to Egyptian taxes, so government tax revenue is not being maximized (Choucri/B, p. 434-5). Another question related to remittances

is that when entire families migrate, they often rent property in Egypt to earn extra income; it is not known whether this extra income is exported or invested in Egypt (Choucri/B, p. 435).

In Syria, meanwhile, remittances are officially calculated (1980?) at \$700 million, which exhibits an increase of 10-15% since 1976 (Tarbush, p. 5). Only a portion of remittances are channelled through the banking system, so this amount is probably an underestimate. Remittances in Syria are a significant source of funds for private exchange, and support what some call a "grey market" for currency exchange (AID/79, p. 40).

LABOR FORCE

International migration has probably not had a significant effect on aggregate unemployment in most of the labor-exporting countries of the Middle East, due to the selectivity of migration and the occupational immobility of domestic labor markets. In fact, emigration of key employees may disrupt production, reduce productivity, and even contribute to unemployment in the short run (Serageldin, et.al., p. 254). Even if unemployment is reduced, it is likely to be only temporarily, since most migrants eventually return.

The effects of migration on underemployment are equally as vague. Inasmuch as some migrants depart directly from rural areas and others migrate first to urban centers with the ultimate intention of seeking work abroad, migration perhaps reduces some seasonal underemployment in agriculture. In urban areas on the other hand, there may actually be a resultant increase in underemployment, for in addition to new entrants into

the labor market, the migration process results in the addition of many former rural residents and returning unskilled migrants to the already swollen labor market. The process of industrialization has not alleviated the situation to any great extent, for much of it is capital-intensive (Birks and Sinclair/F, p. 22).

Migration has a more direct relationship to labor shortages, although it is a contributing factor more often than a primary cause of most sector-specific labor shortages in the Arab world. In Jordan and Lebanon, however, and with non-technical professional manpower in Syria, the stock of exported labor exceeds the shortfall in supply; this indicates that labor migration is the primary factor causing labor shortages. An example of the impact this can have upon the development possibilities for these countries is that 19% of the stock of workers in the utilities sector is projected to be exported from the capital-poor Arab nations by 1985. This attains particular significance when one considers that a) utilities are a crucial aspect of the development process in IDCs, and b) progress has been slow here to date in part because of the lack of qualified manpower (Serageldin, et.al., p. 167). Similar problems exist in the construction sector. While replacement labor has been suggested as a means to alleviate this kind of dilemma, GDP has often actually declined when replacement labor has been employed, since the productivity of the latter is usually low (Birks and Sinclair/F , p. 119-20).

Labor shortages are also occurring in the agricultural sector. Out-migration of males from rural agricultural areas has resulted in some places in an increased need for hired labor. At the same time, the supply of wage labor is itself decreasing as opportunities present themselves in urban areas and abroad (Youssef, p. 116). The result is labor shortages

and increasing wages in the rural sector.

Yemen Arab Republic

Migration may account for as much as one-third of all male employment in the YAR, and most adult males migrate at least once if not repeatedly during the course of their productive life (Socknat and Sinclair, p. 1). This has resulted in a relative absence of men aged 25-44 (Clark/Yemen, p. 10), and a low overall sex ratio of 908 men to 1000 women. The geographic distribution of these sex ratios indicates that almost every district has been losing males in the economically active age groups, and in some villages this constitutes as much as 75-80% of the male work force (Allman, p. 160; Swanson/A, p. 63).

In general, it appears that secondary labor reserves in Yemen may be responding to opportunity as shortages occur, for in recent years there has been closer to full utilization of men and more extensive participation of women in the work force. However, the existence of labor reserves does not ensure their utilization in all parts of the country. Underemployment in many of the southern governorates continues to be severe despite significant labor out-migration and has produced labor shortages in some sectors.

Part of the reason for this is that labor reserves may not have the appropriate experience to replace those who have migrated (Socknat and Sinclair, p. 40). In addition, bearing in mind that much of the labor shortage in Yemen is in the agricultural sector, it is difficult to get men to work in the fields by motivations other than kinship ties since earnings from off-farm sectors and abroad are higher. Women are not, as a

rule, available as day labor; few are employed outside domestic grain and livestock production, and most specialize in production for use (Carpacio, p. 99).

The most serious labor shortage in Yemen that has resulted from labor out-migration has been in the agricultural sector, and has resulted in declining production. Excess demand for labor has led to skyrocketing agricultural wages, which rose by 300% between the summer of 1975 and the fall of 1976. During the same time, however, prices for major crops such as sorghum increased by only 30%. This combination of labor shortage, high wage rates and relatively low prices for agricultural products has actually led to the abandonment of farmland in some parts of the country (Swanson/A, p. 79).

Another aspect of this phenomenon is the increase in returns to sharecroppers in rural Yemen. Due to the shortage of agricultural labor as described above, sharecroppers have been able to negotiate more favorable working conditions for themselves; before the early 1970s, sharecroppers received one-third of their crop and had to pay one-half of the zakat (equal to 10% of the total crop), so their net return was only 28%. Now, they work on a 50% retention basis, and have 45% net return after taxes. They are also now working better fields (Swanson/A, p. 75).

Other labor shortages of note are occurring in the construction sector, and the high wages and costs of construction are posing a severe constraint to the current Five Year Plan (Ross, p. 6). There are surpluses, meanwhile, of unskilled and semi-skilled labor in the modern sector, and a surplus as well of university graduate job seekers; modern sector opportunities are not growing fast enough to absorb the latter (Socknat and Sinclair, p. 21).

What is a more striking result of migration, however, is the development of new types of jobs within Yemen itself. Perhaps the most important among these is the relatively new occupation of "wakil mughtaribin" (emigration agent), who is a key figure in the migration process. He handles the economic affairs of the migrants, such as making monthly payments to the family from the migrants' remittances, and often takes advantage of the opportunity in the interim to invest the balance of funds for his own purposes. The "wakil's" occupation is not one worthy of trust by his fellow citizens--especially by the migrants themselves--but he is nonetheless regarded as a "necessary evil." The position is indeed a lucrative one and attracts many who attempt to establish themselves as "wakils" (Swanson/A, p. 56-58).

Migration has also resulted in changes in the wage structure. Contrary to theory, the increase in agricultural wages as described above has not resulted in either consolidation of land or in substantial mechanization. Instead, land prices have become inflated and mechanization has been a function of the applicability of available technology to local environmental conditions rather than directly correlated to declining profits (Swanson/A, p. 70). The wage rate, meanwhile, has risen from YR 4-6 in 1975 to YR 60-70 in 1980. During the same time, the quality of work and length of working day declined. The only market price increases for agricultural products which have kept pace with the rising wage rate are those for ghee, livestock, and qat. Yet, these prices now seem to be stabilizing while the wage rate is not (Carpacio, p. 98-9). Thus is exhibited a very different wage/price structure than that which existed prior to 1973.

Egypt

Migration out of Egypt is said to have "absorbed" professionals, skilled and unskilled construction workers, and--via construction--agricultural workers. Though one would expect a consequent easing of pressure on the labor market for these occupations in both urban and rural sectors, information has not yet been collected which is detailed enough to substantiate this (ILO/A). What is known is that Egypt is experiencing labor shortages in the physical and applied categories: medicine, dentistry, pharmacy, veterinary medicine, agronomy, sciences, engineering, teaching and nursing in particular. The outflow of personnel in these fields is likely contributing to these shortages. Meanwhile, labor surpluses are continuing in the fields of commerce and economics, arts, languages, law, and other theoretical subjects (Kordy, p. 14).

Thus a dichotomy exists in Egypt between occupations with a labor surplus and those with labor shortages, although at the national level Egypt is classified as a labor surplus economy with high unemployment. Given this employment situation at home, and the concurrent shortages of skilled and semi-skilled labor in the capital-rich Arab states, it is surprising that there are less than one million Egyptians working elsewhere in the region. The question arises, then, as to why more unemployed Egyptians have not migrated in response to demand abroad, or been absorbed domestically in attempts to ease labor shortages at home.

Birks and Sinclair have answered this query with the explanation of a relatively immobile workforce in Egypt; hence, there has been little internal readjustment within the labor market to minimize the impact of selective labor exports, and the result is shortages in certain skill

groups despite an overall labor surplus. There is little transfer, according to Birks and Sinclair, from the traditional to the modern sector or from the rural to urban sectors (Birks and Sinclair/F, p. 94). In partial explanation of this phenomenon, Birks and Sinclair posit that the pool of urban unemployment acts as a disincentive for rural-urban migration, as does the assumption that there is not a lot of underemployment left in agriculture (Birks and Sinclair/E, p. 25).

In addition to this, the public sector share of non-agricultural wage employment is approximately 75%, and there are few potential migrants in this group. Government income is steady, and there is employment security in the public sector. Among the other 25% of non-agricultural wage employees, there is a high proportion of unemployment, low educational attainment, and relative lack of employment experience. Out of this 25%, only those with skills are demanded as migrants, and it is precisely these same individuals who have the potential to move to higher occupational levels within the Egyptian labor market (Birks and Sinclair/E, p. 26).

Poor and subsistence level individuals, meanwhile, have difficulty migrating due to institutional constraints. Most Egyptians use a "wasta" (mediator or connection) for visa processing; they need travel funds and access to information, both of which may be difficult to obtain. Many such Egyptians are unable to find work in Egypt, but they cannot mobilize enough resources to migrate (Birks and Sinclair/F, p. 97). Thus, Birks and Sinclair conclude that this segmented labor market explains the low absolute numbers of Egyptians working abroad, the existence of shortages of domestic labor side-by-side with unemployment, and, consequently, the great impact of migration upon certain sectors (Birks and Sinclair/F, p. 98).

Nazli Choucri, with authority equal to that of Birks and Sinclair, has

a different interpretation of labor mobility in Egypt. According to Choucri, agricultural workers have moved to the cities in search of construction jobs which have been vacated by migrants to the Gulf. This has helped alleviate rural unemployment which has contributed to rising wages in the agricultural sector. Similar to the Yemen scenario, then, Choucri sees migration-aggravated labor shortages in the construction sector as promoting increased wages in agriculture (AID/79, p. 21). This contrasts markedly with the rigid immobility of the Egyptian labor market as characterized by Birks and Sinclair. A final consensus as to the validity of either of these views has not been established, although rising agricultural wages tend to support Choucri.

Jordan

A sectoral distribution of employment in Jordan shows that 20% of the labor force works in agriculture. Due to critical labor shortages in this sector, however, Jordan Valley development efforts are lagging. This is due primarily to rural-urban migration which is itself largely a result of international migration. Labor shortages in urban areas caused by labor migrating to capital-rich countries has accelerated the rural-urban movement of workers and left shortages of agricultural labor, only partially filled by immigrant workers from Pakistan, Egypt and Syria. In particular, people are leaving dry-farming areas in hopes of obtaining urban employment. Some do, but in addition there is a tendency for the rural poor to become urban poor, and for the city/country and rich/poor differentials to grow (Serageldin, et.al., p. 195; Graham-Brown, p. 8; Clark/Jordan, p. 3).

Contrary to the Egyptian experience, critical shortages of specific skills in the modern sector have been avoided in Jordan due to high degrees of occupational mobility within the Jordanian labor market. Less skilled workers are replacing the more skilled who have migrated, so instead of suffering a shortage of the latter, Jordan has excess demand for rural and unskilled labor, as mentioned above; this is primarily in the agricultural sector. It is here that most replacement labor occurs (Birks and Sinclair/F, p. 92).

Manpower shortages in general were first felt during the domestic economic boom in the mid-1970s, particularly in the construction sector. Shortages in construction labor and its ever-increasing wage rate was a primary impediment to full implementation of the 1976-80 Five Year Plan. No solution to this continuing problem seems to be possible without a restructuring of wage and salary levels and other restraints on inflation; remittance flows and shortages of labor have contributed to an upward trend in wages and salaries, but there is still a wide gap between returns to labor in Jordan and those to workers in OPEC countries (Clark/Jordan, p. 2).

The most acute labor shortages in Jordan in the immediate future are likely to be of experienced technical workers, mechanics, plumbers, skilled construction workers, nurses, and draftsmen (Clark/Jordan, p. 4). Government offices are also experiencing labor shortages, as exemplified by the fact that the Census Office is two years behind due to insufficient staffing. This is occurring elsewhere in the government as well, for government wages are not high enough to attract and maintain qualified personnel. It would be illuminating here to compare public and private sector wages, but data on the latter is not readily available (AID/79, p. 37).

Lebanon

Unemployment in Lebanon can be disaggregated along levels of educational attainment. The lowest rate of unemployment is for workers with no education, explained in large part by the large numbers of farm workers in this category who tend to have a low incidence of permanent unemployment. There is a high rate of unemployment, meanwhile, among workers with secondary schooling. They are often not willing to accept certain kinds of jobs thought to be inferior, and it is here as well that one finds the highest incidence of foreign manpower. Finally, it should be mentioned that university graduates as well sometimes find it difficult to acquire suitable employment due to the limited number of positions at this level (Audroing and Vemieres, p. 161-2). It would be interesting to know the confessional breakdown of unemployment and migration rates, but no study to this effect is available.

There has been a longstanding tradition of rural-urban movement in Lebanon; large numbers of people tend to migrate to Beirut from the rural areas of Mt. Lebanon, South Lebanon, and the Bekaa Valley, while rural residents in the north migrate most often to Tripoli. Most international migration takes place from Beirut (Tabbarah, p. 11), a good portion of it probably dependent on earlier rural-urban movements to the capital.

Main motivations for the rural to urban movements seem to be social and economic in nature. Although decreasing, the differential between city life and life in rural areas is still significant. The urban work force receives a variety of legal and social amenities, while the rural labor force continues to be largely unprotected (Tabbarah, p. 13,17).

REPLACEMENT LABOR

Replacement labor, as alluded to in the above sections, is in this context defined as a secondary circulation of workers responding to domestic shortages of labor created in labor exporting countries. For example, the many Jordanians migrating to the Gulf leave behind job opportunities which are in turn filled by Egyptian and Pakistani replacement migrants. While the literature on this subject is not extensive, it seems that general problems encountered here include initial increases in wages which tend to exacerbate already significant levels of inflation in the labor-exporting countries, and the relatively low marginal productivity of secondary migrant workers (Birks and Sinclair/F, p. 87). Hence, although labor shortages may be alleviated by the influx of foreign workers, production often stabilizes at levels lower than they were initially.

Yemen Arab Republic

Foreign labor in Yemen includes cadres of high level professional and technical experts, which perhaps should not be termed "replacement" labor since most migrating Yemenis are unskilled and semi-skilled. They, as well as foreign teachers and nurses (mostly Arab), are filling occupational voids endemic to the Yemeni labor force rather than replacing migrating nationals. Migrant workers from the Horn of Africa and Southeast Asia, on the other hand, should be considered replacement migrants, although they often use the YAR as their point of entry to the Gulf with the ultimate intention of working in Saudi Arabia. The latter most often work at construction sites, replacing Yemenis who have gone to Saudi Arabia to do

this same work. While they fill a gap left by departing Yemenis, this at the same time limits the participation of nationals in that part of the economy. There are apparently indications that migrants are taking many jobs that Yemenis could fill, being employed in preference to Yemenis because of the lower wages they command (Serageldin, et.al., pp. 200-201).

Jordan

As discussed earlier, Jordanian agricultural output has declined as a result of rural manpower shortages caused by labor exports to the Gulf as well as rural-urban population movements. It is commonly asserted that without the influx of replacement labor, the agriculture sector would have collapsed (Birks and Sinclair/F, p. 91). Even as it is, agricultural output in Jordan has declined since replacement laborers in general are not as productive as those they are replacing. The major destination for replacement labor--and especially for Egyptians and Pakistanis--is the Jordan Valley, where they work as day laborers or sharecroppers.

In general, foreign workers in Jordan are unskilled or semi-skilled; about half of them are employed in construction and a significant portion of the remainder work in the agricultural sector. They enter the labor market at wage levels lower than those paid to nationals, beginning quite often at 50% of the Jordanian wage rate. An exception to this is skilled replacement labor, especially in the construction sector, which can command wages almost high enough to induce expatriate Jordanians to return from the Gulf (Graham-Brown, p. 29). Many companies with contracts for large projects in Jordan, such as South Korean companies, bring with them their own labor. Jordanian law requires that 25% of any contracting company's

labor must be Jordanian, and in productive industries the requirement for domestic labor is 50%. With unskilled labor, however, the majority of workers are non-Jordanian (Graham-Brown, p. 29).

Some find it useful to distinguish between Palestinians and Jordanians, and perhaps classify Palestinians as replacement workers. The loss of Jordan's West Bank had significant adverse effects on the Jordanian economy, and without the influx of Palestinians which also occurred after 1967, the economy may well have become stagnant. By 1978, the number of Palestinians in Jordan was calculated at about 1.2 million, 683,000 of which were UNRWA-registered refugees and 221,000 of those were in refugee camps.

Approximately 40,000 of about 60,000 foreign workers in Jordan (excluding Palestinians) are Egyptian, many of whom are less well-educated or skilled. However, the sex ratio of the Egyptian expatriate community in Jordan is 100, since many Egyptian women have migrated to Jordan to work as teachers and nurses (Eirks and Sinclair/F, p. 20). In the past, Egyptians arriving in Jordan were given three-month visas which stated that they should not work; they did work, however, and they stayed much longer than three-months. Jordanian regulations have recently been relaxed with regards to Egyptian labor, however (see page 78). Nonetheless, the government remains firm in prohibiting these workers from bringing their families, and they are not allowed permanent status in the country (Graham-Brown, p. 29).

Egypt and Lebanon

The incidence of replacement migration in Egypt appears to be only

slight, with the exception of a few occupations where lack of sufficient skilled labor has necessitated the importation of replacement labor at grossly distorted prices. For example, German welders and Swiss crane drivers have been imported at the equivalent of \$4,350 to \$6,520 a month to finish contracts hindered by the migration of Egyptians (Mackie, p. 56).

In Lebanon, meanwhile, it is difficult to separate the phenomenon of replacement migration from that of immigration. Several waves of immigrants have swept over Lebanon during this century; Armenians after World War I, Palestinians after World War II, and more recently some Syrian and Egyptian expatriates (Tabbarah, p. 7). Clearly working as replacement migrants, however, are a large number of Syrians entering the country each year to perform seasonal agricultural work and then returning to their own country.

Unfortunately, further information concerning replacement migrants in Egypt and Lebanon is not available, and the phenomenon appears to be virtually nonexistent in Syria.

RETURNING MIGRANTS

The implications of returning from migration abroad have not been fully explored, although there are several consequences which are expected to be occurring. According to J.S. Birks, few skills are usually attained by workers abroad, so urban unemployment will likely be exacerbated as more of these workers return to their home country (AID/79, p. 35). A more salient proposal, however, is to say that any skills which migrants acquire abroad are likely to be most marketable in urban areas, so it is here that

most of them will return (Serageldin, et.al., p. 242), and they will likely return at a greater rate than that at which employment can be created for them.

Unskilled migrants will be the first to return when demand for labor in the capital-rich Arab states declines, while highly skilled persons will be the last to leave. The former include replacement migrants as well, who usually have short-term contracts and will be expendable should nationals of the country in which they are employed return in significant numbers (AID/79, p. 35-6). Unemployment problems will theoretically be magnified due to the simultaneous fall in remittances and diminished investment opportunities (Birks and Sinclair/F, p. 101-2).

A social impact can be expected to accompany return migration, especially at the personal level. Those who return from situations of more social freedom to those of less may have difficulties in re-adapting to social restrictions in their own country. This is a problem with women in particular, who may feel isolated or somehow uncomfortable in their native society. It is often women who encourage re-migration if it becomes clear that re-adaptation to the home country will not be easy (Chaney, p. 17).

The extent to which this phenomenon may occur in the Middle East is questionable, however, for much of the migration that does occur is from more open societies to the more conservative Gulf countries, and women do not as a rule accompany their husbands there. More research is needed concerning the implications for development of return migration for both men and women. In addition, as the rate of return migration is lower for women than it is for men, many of the social and economic effects that emerge upon return may be manifest differently for women than for men (Youssef, p. 65).

Yemen Arab Republic and Jordan

A few words can be said regarding the effects of return migration in both the YAR and Jordan; the two countries for which information is available on this subject. The return rate of Yemenis is increasing as more Pakistanis and Indians enter the Saudi labor market and exert downward pressure on wage rates. Thus, the wage differential--the motivation for migration between Saudi Arabia and the YAR--is decreasing, particularly in the construction industry. In addition, Yemenis in Saudi Arabia are employed less on major projects than they are in residential construction, and concessional loans for this in Saudi Arabia are not as readily available now as they were previously. As the rate of return of Yemeni migrants increases, demands directed at the Yemeni government for provision of social services similar to those found in Saudi Arabia also increase, which may result in political disturbances in the short run. The effect upon unemployment levels has not been determined, although it does appear that many Yemenis returning with skills such as carpentry, welding and auto mechanics are opening small businesses.

In Jordan as well, the flow of labor is expected to reverse in the not too distant future. The impact upon the Jordanian economy of net immigration may differ from that in Yemen, however, because there are larger numbers of Jordanians who will permanently emigrate, which will in turn reduce the magnitude of labor repatriating to Jordan. A major question for the country is whether or not the domestic labor market will be as flexible when job opportunities are declining as they were when labor was scarce. Most Jordanians are expected to return to urban areas, which will result in an even larger urban population, perhaps to the further detriment of agricultural production. Changes in tastes and ambitions,

molded by the experience abroad, may well limit the scope of desirable jobs and contribute to unemployment in Jordan, and as in Yemen, may also cause short-term political pressure for the government to increase services and amenities.

AGRICULTURAL SECTOR

Inasmuch as a significant proportion of the labor migrating abroad in the countries under consideration came originally from the rural sector, out-migration was initially thought to be beneficial in that it helped reduce rural unemployment and underemployment. In several countries, however, what has occurred instead has been a deleterious impact on agriculture, sometimes despite the continued existence of unemployed/underemployed rural labor (Zirks and Sinclair/H, p. 293).

In addition to "pull" factors inducing labor to leave rural areas, "push" factors have often resulted as a response to land reform policies and agricultural extension activities. One effect of extending low cost agricultural credit to large farmers for labor-saving innovation, for example, is a contribution to the marginalization of the peasant and thus increased incentive to migrate. Greater land productivity, as well--given static product demand--may have the effect of reducing the price of agricultural goods. Small farmers may be unable to raise their production to compensate for this loss in profits, again adding further incentive to migrate (Peek, p. 753).

If enough of the rural labor force migrates, a decline in the servicing and maintenance of the agricultural infrastructure results. When drought

effects these already resource-strained communities, another push factor is introduced, causing the departure of even more migrants. Thus, a self-reinforcing spiral of agricultural decline gains momentum (Barks and Sinclair/H, p. 294). The following survey of the agriculture sector in the countries covered in this study will lend credence to this view.

Yemen Arab Republic

Only about 1.5 million hectares of land in the YAR--out of a total of 20 million--are cultivated regularly, and an additional 2 million hectares may be brought under cultivation during years with good rainfall. Water has been a primary constraint to agricultural development in Yemen, with long-term country-wide rainfall averaging only 450mm annually. This is distributed unequally, however, and the best soils are often located in areas where rainfall is inadequate. 85% of cultivatable land is rainfed, 7% is regularly irrigated by perennial streams, springs and wells, and 8% is irrigated by spate flood flows (World Bank, p. 92-3).

Yemen's traditional agricultural system is predominantly subsistence, with most production going towards household use and local exchange. Extensive grain and animal production is supplemented by small-scale vegetable and fruit crops for urban markets. The only cash crops of any significance today are qat--a mild hallucinogen--and, to a lesser extent, coffee and cotton. Traditionally, the primary producing unit was the extended patrilocal household. Men and women divided the workload according to established guidelines and expected duties for each sex, and this cooperation then extended to the community level, with different households specializing in one or another activity. Bartering and exchange

were conducted in local, periodic markets (Carpacio, p. 4; Swanson/B, pp. 35-39).

It is difficult to say to what extent Yemeni agriculture has been modernized or commercialized. Land fragmentation has been a barrier to many irrigation schemes, but the shortage of rural labor due to migration has itself led to the abandonment of existing irrigation networks, the collapse of terraces and the failure to maintain fields. This, in turn, has often led to the permanent loss of these lands as productive entities. High labor costs have made it difficult for absentee migrants to maintain their fields, and this coupled with the out-migration of masons has made rebuilding collapsed terraces economically infeasible in the short- to medium-run. Land is not sold, however, for it is both the symbol and the insurance of the migrant's commitment to return to his own country (Swanson/A, p. 76, 79; Birks and Sinclair/F, p. 58; Carpacio, p. 100).

Increases in rural mechanization--mostly pumps and tractors--have occurred as a response to both labor shortages and increasing purchasing power from remittances. There is a problem with appropriate technology, however, for some places environmentally restrict mechanization or changes in the mode of production. For example, the use of tractors as a labor-saving device on some of the mountain terraces has resulted in the collapse of those terraces (Ross, p. 7). In addition, the large increase in tubewells for irrigation--made possible with remittance funds--has resulted in depletion of groundwater resources and excessive salinity, both of which will inhibit agricultural production.

There is some evidence, however, that successful application of technology can stem the tide of migration. In Swanson's study of three Yemeni villages, he found that the village with the lowest rate of out-migration had more mechanization than the other two villages studied.

Swanson suspects that prosperity resulting from the successful application of technology was a key factor in reducing the village's emigration rate (Swanson/A, p. 75).

Labor migration has also led to changes in the cultivation pattern in Yemen. As it became clear that returns to migrants exceeded those to be gained from agriculture and more and more of the rural labor force journeyed abroad, those remaining have sought to reduce labor inputs into agriculture (Birks and Sinclair/H, p. 295). This has been accomplished primarily by reducing seasonal crops and switching to less labor-intensive crops. Qat, which yields a return three to five times as great as that for grain and has minimum labor requirements, has increasingly come to replace coffee, and this trend has been reinforced by a decline in the price of coffee in the 1970s (Birks and Sinclair/H, p. 295); Birks and Sinclair/F, p. 90). Production of higher value crops such as vegetables has increased as well, and areas in which these crops have been traditionally grown have tended to have lower out-migration rates (Ross, p. 7).

In many places, livestock production is often the only possibility for sufficient income in areas suitable for only grasses and grain. However, as livestock has traditionally been a "women's sector," it has often been overlooked in studies of Yemeni agriculture. Livestock products command decent prices in the markets, but there is not much information on the costs of production, labor-intensity, etc. of raising livestock in Yemen. Once these factors are identified, it will be easier to determine the viability of large scale expansion of livestock in Yemeni agriculture (Carpacio, p. 103). This will need to be done with care, however, for overgrazing and consequential environmental degradation is already a problem.

Further disincentive to remain in the agricultural sector stems from the stiff import competition for certain traditional crops. No duty is charged on food imports, which further diminishes the domestic farmer's competitive position. Increasing imports and experience abroad are contributing to changing tastes as well; most grain produced locally is sorghum and millet, but demand is higher for the imported wheat and rice, the latter of which cannot be grown economically in Yemen (Ross, p. 6-7). The tenuous position of the Yemeni farmer thus suffers another blow, adding fuel to the fires that inspire labor out-migration.

Egypt

The Egyptian agricultural sector, while still characterized by some seasonal unemployment, has also been experiencing severe labor shortages. Among the more plausible explanations for this are the labor mobility dynamics as postulated by Choucri (see pp. 29-30). Increased demand for Egyptian construction workers--both domestically and abroad--has opened up new urban-based possibilities for (former) agricultural workers and has encouraged rural out-migration; with the consequent labor shortages, agricultural wages have been driven up (International Islamic Center, p. 43). This explanation should not be considered exhaustive, however, for there are many other variables which may be contributing to the labor shortage in rural Egypt. For example, increases in primary and intermediate school enrollment mean, *ceteris paribus*, that there are not as many children available to work in the fields as there were previously (*ibid.*, p. 73); this assumes, of course, that school enrollments are increasing at a greater rate than that for which population growth alone would account.

The role of rural areas in actually supplying migrants to other Arab nations is even less clear. Rural income in Egypt is at least two-thirds less than urban income, which itself gives incentive for rural-urban migration (Mackie, p. 45). In addition, a pattern of village-town-city-abroad migration has been demonstrated, which indicates that some of these rural-urban migrants will eventually find themselves working, for example, in the Gulf. What is not clear, however, is at what point during this process the goal of international migration becomes articulated. There are, to be sure, residents of rural villages who set out to seek their fortunes abroad, but the extent to which this occurs in rural Egypt--and thus the direct impact of migration on the agricultural sector--is unknown.

There does not seem to have been much change in cropping patterns in Egypt as a result of labor migration, although this may be due more to institutional impediments than to lack of farmer response. The cropping pattern is controlled to a significant extent by the government, with various crops (mostly cereals and clover) rotated around the cultivation of cotton. Selling price for cotton and most grains is set by the government at low levels, and it is only the large landowners who are able to get government permission to grow the more profitable fruit crops (Mackie, p. 45-7).

As far as mechanization is concerned, the fact that most landholdings in Egypt are small (holdings under 3 feddans are tax-free) leads one to the likely--albeit statistically unsupported--conclusion that mechanization has probably not progressed significantly in response to labor shortages. Subsidized seed and fertilizer are available through government agricultural extension offices, but there does not seem to have been much effort to correlate use of such yield-increasing items with the need to raise profits in response to higher production costs, which are in turn a reflection of

rising labor costs. A downward trend of agricultural output and the declining rural/urban population ratio, on the other hand, give credence to the assertion that the marginal productivity of agricultural labor in Egypt is greater than zero (Birks and Sinclair/B, p. 15). Whether the marginal productivity of labor is actually increasing as labor supply decreases is another question, however, which current research has not yet answered.

Jordan

Jordan as well has been experiencing fluctuations in agricultural output, usually explained by variations in rainfall. Birks and Sinclair, however, have offered the alternative explanation that this fluctuation is instead due to the lack of a productive workforce, caused, in turn, by international migration (Birks and Sinclair/C, p. 46; /A, p. 77-8). Although the implications of replacement labor in Jordan have already been discussed (see pages 54-5), it is worthy of note here that while hired labor in the Jordan Valley in 1975 was 100% Jordanian, it was only 20% Jordanian three years later (USAID/ASA-J, p. 6). When viewed in conjunction with Jordan's suffering agricultural sector, this is an indication that a) the departure of indigenous farmers may have affected agricultural output, and b) replacement migrants are less productive than those they are replacing.

Labor migration in Jordan is contributing to changing cultivation patterns and land use. The prevalence of subsistence agriculture is declining as lands are going out of production in favor of alternative employment in urban areas and abroad, and this process has accelerated since

1973. Those that remain on more traditionally-farmed (rainfed) lands in Jordan's upland areas are tending to switch from wheat crops to more lucrative tree crops (USAID/ASA-J, p. 20). Land-use patterns are changing near urban areas as well; as cities expand, former agricultural lands are covered with pavement and cement. In addition, ownership of large land areas near urban centers is falling into the hands of speculators, who can increase their return more by sale than by cultivation (USAID/ASA-J, p. 12)

On a more positive note, rural out-migration either abroad or to urban areas has helped to reduce rural underemployment and fragmentation of land holdings in Jordan, particularly in the Jordan Valley. Ownership and farm size here began to be regulated by law in the late 1950s and 1960s in order to consolidate land holdings, and labor migration has made this all the more imperative. Farmers must now hold a minimum of 30 dunums in order to receive water from irrigation schemes in the Valley (USAID/ASA-J, p.23). Small farmers on adjoining plots, according to J.S. Birks, are beginning to cooperate in using labor-saving devices such as tractors (AID/79, p. 37). All of this implies changing capital-labor ratios and relative contributions of capital, labor and land. On the other hand, fragmentation of land-holdings is still a problem in rainfed areas, where agriculture's poor performance continues to be exacerbated by labor shortages (USAID/ASA-J, p.17).

Lebanon

The relationship between labor migration and the agricultural sector in Lebanon is an elusive one, confounded by the complexities of the war. We do know that shortages of rural manpower exist, and seasonal migration from

Syria helps fill this gap (Tabbarah, p. 23). A 1979 study by Huda Zurayk adds an interesting dimension to the phenomenon of Lebanese rural out-migration. The reduction of fertility in Southern Lebanon, according to Zurayk, has contributed to agricultural decline and to out-migration in the area. Inasmuch as the region's primary agricultural commodity is tobacco--which is labor intensive and relies on the existence of child labor--fertility decline means that fewer children are available for work in agriculture. Fewer children, *ceteris paribus*, also means that they are likely to receive better education, which in turn increases their propensity to migrate to the city and/or abroad (Zurayk, p. 502).

Syria

An equally inconclusive picture is available on the relationship in Syria between the agricultural sector and labor migration. There is apparently a high level of rural to urban migration, perhaps reinforced by relatively low agricultural incomes and the ever-increasing costs of agricultural inputs such as machinery and fertilizer; no information was available on agricultural wage rates in Syria. The government is responding to this situation by attempting to improve rural conditions (Tarbush, p. 36). Some evidence does exist, however, which suggests that remittances from migration are sometimes used in a manner beneficial to Syrian agriculture, as indicated by the following statement made by a Syrian banker:

It is quite common for people to go to the Gulf for a couple of years, save a lot of money, then come back and invest it in apple orchards or orange groves. Their contacts in the Gulf make exports easy, and they are doing very well.

Tarbush, p. 33).

CONSTRUCTION SECTOR

Construction activity is critical to economic development in any country, and the role of manpower herein is central to sectoral productivity. Not surprisingly, then, construction workers dominate the movement of labor in the Arab region, forging a connection in construction activity between labor-exporting and labor-importing Arab countries. The economic manifestations of construction activity in one country are thus transmitted across national boundaries, which--for better or for worse--increases regional interdependence (Choucri/A, p. 2).

Another indication of the importance of examining the construction sector within the context of labor migration is that it has a critical intersectoral relationship with the rest of the national economy; capital formation, especially in the housing and commercial sectors, depends almost entirely upon the construction sector. In both labor-exporting countries--where shortages of construction labor are occurring as a result of labor out-migration--and in the capital-rich Arab states where labor is a scarce factor of production, construction bottlenecks often occur which then impede overall economic growth (Choucri/A, p. 24-6). At the same time, the potential for construction to serve as an "engine of growth" in the labor-exporting Middle Eastern countries is increasing, and residential construction is already a major recipient of worker remittances (Shaw, p. 590).

Egypt

The most illustrative portrayal of the role that the construction

sector plays in the Near East international migration process is that of Egypt; little except illusions to this specific issue were to be found in the literature on other countries in this study, although there was a general consensus that labor out-migration from all of them has had a definite impact on the construction sector in a manner similar to that found in Egypt. This analysis will concentrate on Egypt due to the limits of data available.

According to Ed Anderson (AID), one of the immediate results of the net outflow of skilled construction workers in Egypt is that certain skilled wages will increase relative to other factor returns. This means that the costs of construction work will increase relative to the cost of other goods and services, and construction will most likely become more capital intensive (Anderson, p. 1-2). Demand for construction labor has increased in both rural and urban areas in Egypt, and due to the simultaneous heavy outflow of these workers, construction has become one of the many bottlenecks to development in Egypt (International Islamic Center, p. 46; Choucri/A, p. 27). Despite such substantial out-migration of Egyptian construction workers, domestic employment in this sector is growing, although this is not without higher costs due to re-training of replacements to fill positions vacated by already-trained employees who have migrated (Choucri/A, p. 32).

53% of all emigration from Egypt consists of construction workers, and Mohie Eldin has estimated that by 1976, 60% of the domestic construction labor force had left Egypt (ILO/A; Choucri/A, p. 33). Not surprisingly, this domestic and foreign demand has had tremendous impact on the wage rate in the country. The increase in wages between 1974 and 1978 for domestic construction workers was 52.1%, as compared with a 19.8% increase

in the wage rate in services and a 12.7% wage rate increase in mining and industry. Only agricultural wages exhibited proportional increases similar to those in the construction sector, most likely reflecting scarcity due to competition for employment in construction (Choucri/A, p. 27; ILO/A).

SOCIAL IMPACT

The socio-cultural impact of labor migration has been studied less than the economic aspects, especially in the Middle East. This section attempts to identify the most important issues involved, although the substantive support which lends credence to many of these assumptions has been collected in many developing countries, in regions other than the Middle East. In some cases it may be safe to assume that socio-cultural changes due to migration are similar in the Middle East as elsewhere, but in other cases the unique nature of Middle Eastern society and the characteristics of regional migration may lead one to different conclusions. This is, in short, an area much in need of further research.

Migration and Family Structure

In general it can be said that labor migration contributes to the weakening of traditional family structures. Familial fragmentation is often a consequence of migration; depending upon the length of separation and the level of remittances, migration can lead to the breakdown of many traditional family relationships and to the emergence of new family

structures. Patrilocal and patrilineal family organizations are weakened, and mixed or nuclear family structures emerge in the stead of, or in addition to, traditional kinship organization. Transfer of authority within the family accompanies this shift, as sex roles, norms, and the division of labor within the family change. Other social effects of labor migration documented in various countries include changes in marriage customs, a rise in age at marriage, decreases in fertility, and increases in the divorce rate (Youssef, p. 123). Sufficient information on each of these phenomena, however, is not available to determine the extent to which this might be occurring in the Middle East.

Migration and the Role of Women

An issue which has received more attention in recent years than in the past is the impact of migration upon women. Traditionally considered as "passive" participants in the migration process--that is, as mere appendages to husbands and sons who migrate--women are now seen to play an active role in this process. They are often instrumental in making the initial decision to migrate, even if they themselves remain behind, and usually make most of the departure arrangements. Whether they go or stay behind, women often begin working as wage laborers in response to migration and this contributes to changes in their status and role both in the family and in the community.

Some general differences exist between the motivations of men and women for autonomous migration. While most men are motivated primarily by economic interests--and many women as well state a similar incentive--many more women than men view migration as a means of achieving freedom from

traditional norms and restrictions in their home community. For some women, it may even be the case that they are forced to leave because they have broken socially-defined codes of behavior, and these are certainly more harsh for women than they are for men in the Middle East (Youssef, p. 86-7).

The average age groups for migrating women differ from that of men, as well. Worldwide, the tendency is for the highest proportion of women migrants to be in adolescence, early twenties, or over 50; these figures do not reflect data from the Middle East, however (Youssef, p. 57). In the Middle East, male out-migration occurs predominantly among those aged 25-34, while most (autonomous) female out-migration occurs with women 45 years old and above. The latter is thought to reflect out-migration of widows, while male migration is primarily for employment purposes (Youssef, p. 27). One might surmise, then, that autonomous female migration tends to be more permanent than that of men, though this has not been statistically substantiated.

A common technique for determining the magnitude of out-migration of women is the use of sex differentials, or ratios. The existing sex ratio is compared to the expected sex ratio (based on birth and mortality statistics), and any differences are assumed to reflect migration patterns. These sex differentials for Jordan, Lebanon and Egypt are comparatively low, although they nonetheless indicate male-dominated migration trends; this is partially explained by family movements abroad, especially from Jordan and Lebanon (Youssef, p. 59). Many problems exist with this sort of statistical analysis, however, not the least of which is the fact that currently available ratios are based on census data collected prior to the oil price rise in the early 1970s and hence do not necessarily reflect current patterns (Youssef, p. 27). The great increase in number of

migrants after 1973 has probably consisted primarily of men travelling to the Gulf, so current ratios of women to men in most of the labor-exporting countries are probably much higher than they were at the beginning of the 1970s.

Even if such ratios were up-to-date, it would be difficult to differentiate between autonomous female migration and accompanying migration (Youssef, p. 3,4). It can be safely asserted, however, that Arab migration to oil-producing countries is predominantly male. Islam in particular has been thought to restrict Middle Eastern women's mobility due to the restrictions it places for more conservative believers on the role of women in the family and in society. This limits the impetus for Muslim women to migrate autonomously out of their community in the first place, and it certainly limits the possibilities for women to work in some of the more conservative Gulf states. This leads one to the conclusion that most Arab women who migrate abroad are the wives of migrants seeking work (Youssef, p. 94-6).

The impact of labor out-migration from Arab countries on the women left behind has not been addressed to any significant extent except in the YAR (see McClelland, Ross, Carpacio). Dr. Hind Khattab has examined this issue in Egypt and has documented some revealing developments, but this work is not yet available for reference. Nonetheless, it can be said in general that many of these women have difficulty in accomodating to the new responsibilities they acquire upon the migration of their spouses. They are often required to function as the head of the household in all respects, performing their husbands' role not instead of, but in addition to their own previous familial and social commitments. For example, women left behind often must shoulder agricultural activities and financial

management of the farm previously assumed by their husbands in addition to continuing their own traditional agricultural responsibilities--such as milking the cows and collecting the eggs--and their domestic chores such as child rearing, cleaning and cooking. The results may include adverse repercussions on the health of these women, changes in their position in society, the development of informal support networks, an impact on fertility, and an influence on family stability (Youssef, p. 125). If the migrant's family is rural, the woman's incapacity to assume alone the full maintenance of the land and family may cause agriculture to suffer to the point of barely-subsistence production.

It is sometimes impossible for some of these women to accommodate to all of the expectations and responsibilities thrust upon them in the absence of their spouses. Some come to rely on "mother surrogates," such as their own mothers or elder daughters, who are entrusted with the care of their children. In extreme cases, children in this situation may even be abandoned (Chaney, p. iii). The incidence of child labor--both wage and non-wage--may thus increase in response to migration and the labor shortage it might cause within the family or community.

Remittances, meanwhile, may or may not arrive, or they may be sent initially and decline with the course of time. When remittances are received, they are not always spent wisely or saved, which can have counterproductive effects on the family. When remittances become irregular or cease, meanwhile, the interim performance of women as heads of households becomes a permanent role (Youssef, p. 122). Many women left behind have no claim to any land, and if they do not receive remittances, it is necessary for them to seek sometimes scarce cash-earning employment (Chaney, p. x). With regard to the latter, women in developing countries can generally

be said to be over-represented in those economic sectors with low productivity and meager earnings. When they are required to bear the major economic responsibility for their families, theirs are characteristically the households with the least economic resources (Youssef, p. 1).

Migration and Fertility

The relationship between labor migration and fertility is a tenuous one, or perhaps it should rather be said that research has produced little in the way of conclusive results regarding the impact of migration on fertility patterns. To the extent that remittances have raised the standards of living for many--and that returning migrants have initiated local innovation as a result of their exposure to new methods of safeguarding health, and providing nutrition and sanitation--mortality rates have probably fallen in many areas affected by migration. Indeed, Pirks and Sinclair found a sizable difference in life styles and welfare in the Middle East between villages which sent workers abroad and those which did not (AID/79, p. 30). In the long run, such development theoretically leads to a decline in birth rates. Binnendijk's hypothesis, on the other hand, is that this development, by inducing a positive effect on survival rates and therefore fecundity, may actually have promoted rapid population growth (Binnendijk, p. 7-8).

Other variables as well need to be considered. Lower ratios of men to women combined with prolonged absence of males suggest that fertility may be reduced as a direct result of emigration, or at the very least a change in child spacing may occur. Alternatively, if household extension is a part of the migration strategy, migration may intensify fertility rates

in an attempt to produce more children who may one day themselves send remittances. Finally, migration may not have any significant effect on fertility if there is little change in other aspects of life. (Findley, et.al., p. 80-2). Clearly, more research in this area is needed.

There are as well other factors related to fertility decline which would need to be considered in any study of the relationship between labor migration and fertility. The age of the migrant and his family needs to be considered, for fertility reduction is more common among younger women; delays in marriage as well reduce birth rates. Fertility reduction itself can be a consequence of education or occupational level, however, and these are also factors which may influence the propensity to migrate. (Findley, et.al., p. 61). Thus, the interrelated nature of all these factors makes it difficult to extract the precise relationship between migration and fertility itself.

Finally, the income effect of remittances--again depending upon their magnitude--needs to be studied in its relation to fertility levels in the labor-exporting Arab nations. If, in the short run, income is positively related to fertility, remittances will exacerbate population growth. The more common assumption, however, is that with the increased feelings of security which higher incomes generate, fertility will decline, as it will if increased income from remittances is directed towards consumer durables rather than towards investment in children in the short run (Findley, et.al., p. 85-6). Here again, the surface has only been scratched in terms of what we know about remittances and their effects.

Migration, Urbanization and Rural Development

Labor out-migration is likely to have effects upon both urbanization and rural development. With regards to the former, one might hypothesize that, as going abroad may be a substitute for migrating to the city, migration may temporarily reduce urban growth rates. On the other side of the issue, if one subscribes to the village-city-abroad pattern of migration, one could argue that labor out-migration actually contributes to urban population growth. Both views concur when it comes to the returning migrants, however, for the skills they acquire abroad and the new tastes they may have adopted advocate relocation in urban centers regardless of original place of residence.

Some feel that rural development itself may forestall further out-migration after the head of the household leaves. On the other hand, the phenomenon of "precipitating migration" exists; when a migrant fails to return from foreign employment or sends back insufficient funds, the spouse and family may migrate to the city or abroad (Chaney, p. x). Given the restrictions of more conservative Middle Eastern communities, however, the latter may not occur to a significant extent.

Rural "development" in terms of land reform, meanwhile, has been known to stimulate rural out-migration (particularly in Latin America). Most land reform schemes have sufficient loopholes to allow for the continuing dominance of large landowners, who are then able to accelerate agricultural commercialization, mechanization, and the shift to wage labor. The latter often involves expelling former tenants and hiring wage labor only at specific times of the year. For many peasants, rural out-migration is often the only attractive option to their worsening situation.

Yemen Arab Republic

Yemen's experience substantiates much of the anticipated social impact of labor migration as outlined above, and the change here is perhaps nowhere as evident as in the agricultural sector. Integral to traditional agricultural society was a system of exchange based upon barter rather than market sales, which supplemented direct family consumption of agricultural production. Although the individual producing unit was rarely self-sufficient, the local community as a whole was able to manage its need without a market exchange system.

The social unit herein was the extended patrilocal household where a traditional division of labor exists which is not possible within a nuclear family. Men's responsibilities included maintenance of working capital such as land, tools, buildings, etc., and their work was somewhat seasonal in connection with cyclical land preparation activities. Women's responsibilities, meanwhile, involved maintenance of the household, production and preparation of consumption items such as food, fuel and feed, and daily agricultural activities such as collecting eggs and milking cows. These divisions of labor were disregarded when necessary, but only when necessary. Such a communal social organization provided insurance against widowhood, orphanage or divorce, and the joint ownership of family holdings insured against land fragmentation which otherwise would result from inheritance patterns (Carpacio, p. 1-7).

While this system began to change somewhat after the 1962 revolution and the spark which it gave to commerce in Yemen, the changes in rural social organization since the oil boom have been profound. To begin with, there have been significant changes in the marketing structure; remittances

sent by migrant Yemenis have had the effect of opening a nation-wide commercial market for consumption items. The traditional market system could not handle the burgeoning quantities of imports pouring into Yemen, and the need to support these commercial transactions resulted in the establishment of a marketing structure separate from the social institutions of tribe, kin group, and traditional market place.

This, in addition, has required the building of new transport systems, storage facilities, and other infrastructural elements of which the traditional marketing system had insufficient quantity. Marketing specialization has since developed as well, as new commercial settlements have been established, largely by ex-farmers and returning migrants who are investing the money they have earned abroad in the marketing business. This has encroached upon the activity of older, more traditional markets, which have been forced to change in orientation or to fade out of existence.

Labor migration has also been a primary factor in the changing role of Yemeni women, especially in agriculture. Due to the absence of many males, Yemeni women must engage in their traditional activities as well as what was formerly "men's work" (for which they are usually paid less). In the south of Yemen in particular, rural women are increasing their share of agricultural responsibilities and are also assuming financial control of family lands. These same women are beginning to participate as equal partners in community decisions such as those for home electrification, well drilling, and cattle investment (Ross, p. 8). On the more negative side, due to these increased workloads, women are not always able to breastfeed their infants. Instead, they resort to artificial milk, which, given the low level of sanitation in the YAR, can lead to serious health problems (Swanson/A, p. 65).

The country's standard of living has increased as a result of migrants' remittances. Consumption and nutritional levels have risen--although there are no major studies on the latter--and infant and child mortality have declined. Better food and housing are available, health care services are increasing, and these are all affordable by more people since the advent of substantial remittance flows. The impact of migration on fertility, meanwhile, has not been determined, partly because of incomplete census data. While the substantial outflow of men may be reducing fertility levels, Yemenis still have economic incentives for rearing large families, not the least of which is that many sons may ensure increased remittance flows in the future (Swanson/A, p. 67-8).

Yemen has traditionally been characterized by very unequal income distribution, both among regions and among social groups. In the past, those living in rural areas were the least well-off, suffering as they did repeated crop failures. The average urban citizen was also relatively poor, however, and most of the country's wealth was concentrated in the hands of wealthy merchants and landowners. This picture began to change with the flood of remittances post-1973; most went to rural areas--from whence originated most of the migrants--and due to strong family ties this income benefited many people. Remittances also led to the concurrent expansion of "modern" sectors, in turn providing new employment opportunities; labor scarcities developed, and wages increased even in remote villages (World Bank, p. iv). Money and education are becoming increasingly important as resources for upward mobility in contrast to more traditional prerequisites for social status. And, finally, this new wealth is leading to a higher incidence of nuclear families as more and more young men with new-found remittance wealth are setting up their own households (CDSS/Y-82, p.15).

With monetary wealth, the insurances provided by the old communal organization are no longer imperative.

The few families who, for whatever reason, failed to participate in the wave of migration are now comparatively much worse off than they were before. Their real income is very low, and increasingly insufficient in a society where remittance incomes are constantly helping to push up the cost of goods and services. These people must now depend upon the government and charitable institutions for their livelihood. At the other extreme, there are a growing number of merchants who are exploiting commodity supply shortages and large profits are also being made by qat farmers and their market intermediaries (World Bank, p. 11). Most qat is purchased by wage earners, and from a national standpoint the increase in qat production and expenditure of wage income on this narcotic may have an adverse nutritional impact.

Rural-urban migration and urbanization is occurring at a significant rate in Yemen, and is probably reinforced by international migration. Growing economic activity in urban centers, which has been promoted by remittances, has created a strong labor demand which has been met largely by the migration of men from rural areas. In fact, the desire for wage employment is so great that there is now a large excess of males in Yemen's major cities (World Bank, p. 18). To the extent that--as discussed earlier--returning migrants often choose to relocate in urban areas to better market the skills they might have acquired abroad, and bearing in mind that increasing numbers of migrants are thought to be returning to Yemen these days, labor migration is probably contributing significantly to urbanization in Yemen.

Egypt

Data on Egypt regarding the social implications of labor migration is not so readily available, and the only conclusive study done on changing social structures at the village level is not yet published (Khattab). What does exist is information on women in the construction sector, and some speculation as to what the domestic political consequences of labor migration might be.

It does indeed appear that migration has had an effect on female employment in Egypt, and in the construction sector in particular. Women are entering the construction sector at a rapid rate, their numbers increasing from about 220 in 1960 to almost 7000 in 1976. This growth rate is much larger than that of either the total labor force or of women's labor force participation. Most women are employed in "general contracting," and some of the higher technical positions, but a few have received employment as manual construction workers as well (Chaudry, p. 53-4).

It is likely that a connection exists between domestic and international demand for Egyptian construction workers and the migration-intensified shortage of construction workers in Egypt on the one hand, and the increasing participation of women in this traditionally male-dominated sector on the other. One should perhaps not be too hasty in defining precisely this relationship, however, without first examining exogenous changes in social values due to education, and other factors which may influence the employment of women in construction.

Migration may have had an effect on the political climate in Egypt as well. Some feel that migration may reduce the likelihood of mobilizing social discontent in political opposition to the government. This idea that

the migration of unskilled workers reduces the domestic base from which political opposition may come loses credibility, however, when one notes that the numbers migrating relative to total population are indeed small. If it is the skilled and/or educated who migrate, meanwhile, theory has it that this reduces the reservoir of potentially frustrated intellectuals who may resort to inciting popular unrest. At the same time, however, this may also reduce that percentage of the population which has an effective stake in the development of the political process, thus contributing to what some would call the lethargy of the Egyptian system. At the present there is no body of evidence which would compel one to any conclusions on this subject (Choucri/B, p. 431-5).

There is some evidence that the temporary migration of Egypt's skilled and educated is resulting in changing expectations and attitudes which, when unfulfilled, often encourage re-migration. In a case study of Egyptian scientists, Saneya Saleh demonstrates that not only were their desires to contribute knowledge and to provide beneficial services to their respective communities thwarted by institutional constraints (lack of facilities and equipment, etc.), but a respect for these scientists' hard-earned knowledge and expertise as well failed to materialize. For example, "foreign experts" with no more training or experience than their Egyptian counterparts were offered salaries many times larger than those offered to these same Egyptians. This study involved the experiences of eight scientists returning to Egypt from the U.S. or Western Europe, and whether or not similarly qualified people working in the Gulf experience a commensurate demoralization or change in expectations upon their return to Egypt cannot be determined at present.

Jordan

Even less information exists concerning migration-related social change in Jordan. Considering the high level of labor migration and remittances, however, and the changes in the agricultural sector, one could safely assume that social change as well has accompanied this process. Whether or not the impact has been as great here as in Yemen is another question, however, for which available information provides no answer. What little was obtainable on the social effects of migration concerns change specific to women, so that is what will be concentrated upon here.

The participation rate for women in the Jordanian labor force is currently around 12%, which is considerably more than just a few years ago; women now constitute 13% of the workforce as compared with only 4% in 1976. As working women are concentrated in clerical and clothing industries (Graham-Brown, p. 30), which have not been directly affected by migration, however, we cannot demonstrate a direct link between an increase in women's employment in Jordan and labor out-migration.

Little has been done to counsel and train Jordanian women for jobs normally held by men, despite the feasibility of this proposition (CDSS/J-81, p. 18). Among the advantages of training and employing women in Jordan is that they are less likely to migrate than men, and a few organizations--mostly government agencies and a few private companies--have begun intentionally to increase their hiring of women for this reason. Middle class women are those who are most often employed, and as inflation erodes purchasing power, it is likely that more and more middle class households will become two-income families (Clark/Jordan, p. 6). Inasmuch

as remittances are a significant contributor to inflation, migration will increase this tendency.

EDUCATION

Many Arab countries have traditionally exhibited an imbalance in education and training; this exists between regions, between urban and rural areas, between males and females, and among social groups. The aggregate result has been a maladjustment between the output of the educational systems and the requirements of the domestic labor markets. Surpluses of liberal arts graduates, which make up a significant portion of the educated unemployed, exist side by side with shortages of technicians and other kinds of skilled manpower (Berouti, p. 11). Labor migration, in addition to exacerbating this gap by selecting technically skilled manpower for migration abroad, has compounded the decline in quality of educational standards. The export of teachers from capital-poor states is central here, for it reduces the supply of teachers available domestically and thus lowers the quality of education. Particular educational categories have been more seriously affected by this phenomenon than others, vocational training in particular (Serageldin, et.al., p. 230).

The trend in Arab education has been to de-emphasize basic needs in education or literacy. Instead, the largest proportion of educational resources are allocated towards higher education, and there has thus resulted a decline in the quality of primary education. Inasmuch as instruction in literacy is an essential component of attempts to upgrade the work force, progress in this vein will proceed at a slower rate.

The massive requirements of the oil-rich states for skilled manpower have encouraged this almost exclusive concentration upon higher education. It is particularly ironic here, then, that not only are educational systems in the Arab world inappropriately structured to supply graduates to the modern sector, but the qualified graduates they do produce are precisely those most demanded abroad (Serageldin, et.al., p. 230-1).

From a different perspective, mention should be made of the education of migrants' children abroad. At the national level, this allows savings in educational expenditure for the labor-exporting states if the magnitude of expatriate children is large enough. A full 12% of the domestic elementary school enrollment of Jordanians and Palestinians are in the Gulf, and almost 10% of YAR schoolchildren are studying in Saudi Arabia. 19% of Jordanians and Palestinians enrolled in secondary or vocational institutions are also studying in the labor-importing Arab states. Benefits to the labor-exporting country are maximized in the long-run, however, only if pupils eventually repatriate. On a more personal level, migrant workers who have children with them often adjust their length of stay abroad to coincide with school terms in the host country. They are more prone to bring their children with them if educational opportunities in the country of employment exceed those in the home country; this is more often the situation in Yemen than in the other countries under study which have more developed educational systems (Serageldin, et.al., p. 234, 240-2).

Yemen Arab Republic

Yemen has experienced many difficulties in developing its educational

system, in large part due to the general unavailability of qualified teachers. Educators receive very low salaries and they are often those who have themselves dropped out of school (Socknat and Sinclair, p. 7). The educational pyramid in the YAR is relatively steep, with a ratio of 46 primary school students to every single secondary school student, and this has become a serious hindrance to development in the YAR. This problem is compounded by the significant magnitude of emigration of Yemeni teachers (Clark/Yemen, pp. 26,16).

At the present, the above situation has not translated into disaster for Yemen, as there are only a small number of modern sector job opportunities available for the educated population. Short-term demand and supply for technical and professional personnel is roughly balanced, although there is a surplus of liberal arts graduates (Clark/Yemen, p. 29; Birks and Sinclair). What the country requires most at present is an increased emphasis on vocational training geared towards current development needs. However, as mentioned above, questionable employment opportunities exist in Yemen for skilled personnel and demand abroad may be only temporary; thus the state of the art of education in Yemen and the extent to which labor migration has impeded its development may be a moot point, at least for the present (Clark/Yemen, p. 27-8).

Egypt

In Egypt the problem is more defined, and the migration of teachers and instructors has created severe shortages; about 15% of Egyptian teachers have in one way or another withdrawn from the domestic education system--most by government secondment abroad. The loss has been greatest

among the better qualified educators, and particularly technical and science teachers. Some statistics should illustrate this point; in 1978, 20% of Egypt's Arabic language teachers, 22% of the country's mathematics teachers, and 49% of the special instructors had migrated abroad either temporarily or permanently. 30% of Egyptian economics and statistics teachers emigrated between 1970 and 1975, and the Ministry of Agriculture lost 40% of its instructors who were working in training centers and is therefore having trouble keeping those centers running (ILO/A).

The Egyptian educational system is very unbalanced, with the rapid expansion of higher education having been at the expense of neglecting primary education; each year from 1960 to 1976, the absolute number of illiterate people in Egypt increased by 150,000 (Serageldin, et.al., p. 230). The opportunity cost of remaining in school rises with age, and the upward climb of certain wage rates in Egypt as discussed earlier are often ample incentive for dropping out (Birks and Sinclair/B, p. 11). At the same time, declining standards and low morale characterize Egyptian teachers-- a growing number of whom are unqualified--and they receive relatively poor pay.

From a more positive viewpoint, the Egyptian government is now investing more resources in vocational education, which shows a departure from the traditional view of education as an equity tool rather than as a system to produce workers (AID/79, p. 22). In specific, training for particular occupations has been expanded to meet the increased demand for skilled workers abroad as well as at home. This is a dubious proposition, however, for it is based upon an assumption of continued employment in other Arab countries which may or may not materialize (ILO/A, p. 228); unemployment in Egypt may thus unwittingly be increased.

Some Egyptian Ministries are even trying to expand their own training programs; the Ministry of Housing and Reconstruction has received an IDA loan to establish 65 training centers; the Ministry of Manpower is cooperating with the ILO and has received a West German grant to introduce a variety of training programs, and is as well coordinating with the Ministry of Education for training college programs (ILO/A, p. 229; Mackie, p. 56). Sufficient time has not elapsed for a judgement on these activities to be made, but if Gulf demand for certain categories of skilled labor continues, they should help to ease the pressure on Egypt's domestic labor demand without inhibiting migration.

Jordan

Jordan, meanwhile, has a well-developed educational system and probably produces more educated persons than the Kingdom can utilize. Most of the country's institutions were temporarily closed in 1967, and since then the emphasis has switched to vocational education in order to fill the manpower gaps caused by labor out-migration (Clark/Jordan, p. 7-8). The latest educational projects of both the World Bank and AID in Jordan are directed at vocational and technical training.

There is some evidence that this direction in education has had some adverse effects as well as benefits, however. To begin with, there is sometimes little incentive to pursue technical training, as pay scales in Jordan reward middle level skills relatively poorly. Most of those who reach higher educational levels want university degrees, and those who do receive technical training tend to go where their returns are higher: for example, the Gulf (Graham-Brown, p. 45). The Jordanian educational

system thus appears to be caught in the bind of emphasizing much needed vocational training and thereby equipping its students with skills which will command higher wages abroad, thus perhaps encouraging migration.

Lebanon

Lebanon, like the above countries, has an imbalance between its manpower needs by skill level and the output of the educational system (Audroing and Vermieres, p. 162). In addition, it has been said that the expansion of education to rural areas without the concurrent expansion of employment opportunities has resulted in rural out-migration (Tabbarah, p. 20). How much of this translates into international migration, however, is unknown, and the civil war adds an additional impediment to determining any direct cause and effect relationship between education and migration in Lebanon.

What can be said is that there is no effective program for training semi-skilled workers in the country. In the past, the private sector assumed a large part of this responsibility, while the government concentrated on producing more highly skilled technical experts. This system has for one reason or another proved insufficient, and there is currently a gap of about 15,000 persons between supply and demand for such workers for reconstruction and development (CDSS/L-82). What is needed, it seems, is a revised government strategy for assuring appropriate skill levels of Lebanese workers, and this may be virtually impossible given the country's current preoccupations.

Syria

Syria as well has found it necessary to switch the country's educational emphasis from a theoretical perspective to more technical training endeavors, and both the World Bank and USAID are providing assistance for the development of various technical training institutes. Whether this is part of an overall development program or a specific reaction to manpower gaps due to migration cannot be determined with available information. It is true that Syrian teachers are seconded to many other Arab countries, although the impact of this upon the educational system as a whole is unclear. In any case, the changes in the Syrian educational system are no doubt related to some degree to the government's desire to provide incentives to its citizens to remain at home (Tarbush, p. 38).

GOVERNMENT POLICIES

The impact of government policies on labor migration is difficult to determine, except in cases of overt policy actions related to migration per se. Most direct government actions have consisted of attempts to slow the flow of labor out-migration, although such policies do not abound due to the perceived positive effects of remittances upon national accounts. There have been some bilateral agreements between labor-exporting and labor-importing countries, dealing primarily with skilled and professional workers, and scattered instances of group recruitment, especially in construction (Farrag, p. 107).

Domestic policies that can influence the migration flow include

policies specifically related to remittances. The most effective way to assure migrants that they can remit their assets is to remove all domestic restrictions on remittance payments; Jordan, Lebanon and the YAR have virtually free foreign exchange systems. Remittances are also encouraged by foreign investment laws with generous provisions for the transfer of capital, interest, dividends, and profits; the Egyptian government has adopted this type of legislation. Unfortunately, the latter is usually applied in ways which primarily benefit large foreign interests instead of small emigrant investors (Gerakis, p. 261). Other schemes which would encourage remittances might be special import privileges for remittances-in-kind, premium exchange rates for remittance funds, and special investment schemes for workers abroad (Swamy, p. 36).

Other internal "policies" which might influence migration include the perpetuation of a rural/urban wage differential. This has been assumed to encourage rural to urban migration and may very well act as an initial impetus for eventual international migration. Minimum wage legislation, while it represents a floor in urban areas, often is actually more of a price "ceiling" in rural areas, partly because it is more difficult to enforce in the latter. The numbers of casual workers has risen, and as they command lower wages they often displace permanent workers; this can have the effect of increasing rural unemployment and actually decreasing rural wages even further. Where minimum wage legislation is enforced, labor-saving mechanization has been accelerated, and in all of the above scenarios, rural emigration--either to urban areas or abroad--is theoretically encouraged (Peek, p. 755).

Various kinds of tax reform potentially effect rural emigration as well, especially when it involves taxing agricultural production to

finance urban-based industrialization. This widens rural-urban income differentials, and therefore encourages rural out-migration. Agricultural price support systems or subsidies may have a similar effect, by encouraging inefficient agricultural production, raising the cost of living, and putting upward pressure on urban wages (Peek, p. 756). To say that this might effect international migration flows is to assume that a) some migration takes place directly from rural areas abroad, and b) that there is some connection between rural-urban and urban-international labor flows.

A word should also be said about the validity of financial compensation proposals which have been put forth on behalf of labor exporters. While the idea sounds appealing, especially as promoted by Jordan's Prince Hassan (ILO Provisional Record, Birks and Sinclair/J), to establish such a system would be to encounter perhaps insurmountable administrative complexities. It has proven difficult for labor exporting countries to form a united front in this regard, since they are all affected somewhat differently by labor migration. In addition, the financial burden of compensation may directly (through taxation) or indirectly (forfeiting social security rights, for instance) be borne by the migrating labor itself. In short, it has been difficult to establish the criteria for such a scheme, not to mention ironing out its practicalities. Financial compensation is thus not likely to occupy the forefront of discussion on labor migration in the Middle East in the near future (Ecevit, p. 21).

Yemen Arab Republic

The Yemeni government has been relatively passive in response to labor migration, in a sense caught between the detrimental impact of mi-

gration in terms of the labor shortages which it causes and its beneficial impact in terms of remittances.** Without emigration, the country's national income would be lower and consumption as well would decline. At this point, however, it appears that the marginal benefits of an additional worker's remittances to the national economy are smaller than the cost of further manpower losses (World Bank, p. 17).

Limited attempts have been made by the government to try to limit migration. This has been in addition to indirect measures such as the draft which may have constrained migration (Serageldin, et.al., p. 210). Early in 1977 for example, the YARG stopped issuing new passports and I.D. cards which would theoretically prohibit Yemenis from leaving the country. In practice, however, there has been much fluctuation in the enforcement of such regulations, and border controls are often negligible (World Bank, p. 17). Yemenis are not required by Saudi Arabia to present papers if they are entering the country as "laborers," so migration is still continuing virtually unabated (Sinclair and Socknat, p. 29; Clark/Yemen, p. 17). Thus, the Yemeni government is actively recruiting manpower abroad, mostly from south Asia, in the form of bilateral and multilateral contracts (World Bank, p. 18). While on the one hand this is a logical response to migration-induced labor shortages, it could also have the unintended effect of encouraging even further migration; imported labor commands a cheaper price than does its domestic counterpart, and therefore may provide unwelcomed competition for those Yemenis seeking work at home.

**This is contrary to the view Birks and Sinclair put forth, which maintains that because the YAR receives large amounts of aid, grants and loans, it has no foreign exchange problem and therefore no need for remittance funds (AID/79, p. 30-1).

The overvaluation of domestic currency does not seem to have had a negative impact on remittances repatriated through official channels (Swamy, p. 38). Once they are in the country, however, the Yemeni government has found it difficult to tax remittances, as this would likely encourage more remittance flows through unofficial channels. Instead, the government has imposed import duties (except on food) and other indirect forms of taxation in order to reap some benefit from remittance flows (AID/79, p. 30). Low interest rates relative to inflation have discouraged most institutional investment of remittances, but the establishment of an industrial development bank (1976) and an agricultural credit bank-- which provides cheap credit--demonstrate government attempts to encourage expenditure for both industrialization and agricultural development (Swanson/A, p. 85; Harvey, p. 44).

Egypt

Under Nasser, Egypt did not have a lot of labor out-migration due both to the policies of the government itself and to a general mistrust of Nasser in the more conservative Arab world. Prospects for migration began to increase with Sadat's "liberalized domestic politics," and by 1976 the government was actively encouraging migration (Choucri/B, p. 426; Mohie Eldin in USAID/Ag. Annex, p. 97). The "exit visa" requirement was abolished, leaving the completion of mandatory military service as the only real institutional restriction to migration (Choucri/B., p. 427).

The 1971 Egyptian Constitution is the only one among those countries included in this study to specifically refer to migration; Article 52 states that all Egyptian citizens have the "right to emigrate permanently

or temporarily" (Dib/B, p. 38). Not only does the Administration appear to consider labor out-migration a good thing, but, as implied in the 1980-84 Development Plan, it assumes that emigration will continue on the same scale. The ILO, on the other hand, considers this to be a dubious prospect due to changing conditions in the Gulf as discussed earlier (ILO/A).

In order to promote continued emigration, the Egyptian government concludes bilateral arrangements with many labor-importing countries; annual requests are submitted to the Egyptian government from other Arab and African countries. More than 10% of all Egyptian teachers, for example, have been seconded abroad by such an arrangement to Libya, Saudi Arabia, Kuwait, the UAE, and the Sudan (Farrag, p. 107). Other active promotions of labor migration include establishing training programs especially designed for skills aimed at other Arab markets, and increasing government participation in brokerage agencies established to mobilize and channel labor for out-migration (Choucri/B., p. 427).

Interest rates are negative for most types of savings in Egypt, and because the exchange rate is overvalued, official remittance flows are discouraged (Anderson, p. 4). However, remittances are considered to be the second largest source of foreign exchange for the country, and the government is trying various methods of harnessing them for development purposes. Special issues of bonds have been floated, banks have been established abroad aimed at migrant investment--in Kuwait and the UAE in particular--and concessions have been made on the importation of capital and consumer goods. With regards to the latter, import regulations have been relaxed to allow Egyptians to import without a license--through the Central Bank--up to LE 5000 worth of goods with their earnings from abroad (Choucri/B, p. 427; Birks and Sinclair/F, p. 104; Mackie).

Until 1980 the Egyptian government guaranteed public sector employment to all its university graduates. While this policy has been amended somewhat to ease the severe under-employment which has resulted, some obligation still exists on the part of the government to employ its graduates (USAID/Annex, p. 36). This does not intentionally influence migration abroad, but it nonetheless has had the effect of reducing the number of potential Egyptian migrants. This is in part due to the security a government job offers (and thus few people tend to leave the public sector once employed there), and it also reflects the fact that most skills acquired in government positions are administrative, while demand for labor abroad is more technical in nature (Birks and Sinclair/A, p. 55).

Other domestic policies may be affecting migration as well, but in the opposite direction. Price controls on agricultural products and the allocation of capital inputs to agriculture may distort relative factor returns and encourage labor substitution in agriculture, which may in turn contribute to rural unemployment and thus to migration (USAID/Annex, p. 52). Subsidies on capital for public sector industrial investment as well may have the effect of limiting the returns to labor and contributing to migration (CDSS/E-82, p. 36-7). Government education policies and their relationship to migration in Egypt have already been discussed in the previous section.

Jordan

Jordan as well has exhibited a free attitude towards labor migration, regulating neither the inflow nor the outflow. Informal types of agree-

ments have tended to characterize Jordan's relationship with other labor-importers and exporters; until very recently, for example, unrestricted movement across the border between Jordan and Syria typified what Birks and Sinclair have referred to as the "passive interaction" of the Jordanian government with migrating flows of labor (Birks and Sinclair/F, p. 85). More recently, the government has been attempting to negotiate more formal bilateral agreements with countries importing Jordanian teachers, and perhaps for other categories of labor as well. The only known Jordanian restriction on emigration as of 1977 was one concerning teachers (Clark/Jordan, p. 12-14).

On the labor-importing side, meanwhile, the GOJ facilitates immigrating labor by issuing one-year (and sometimes five-year) renewable residence permits to Arabs and non-Arabs alike who will be productively employed in the country (Dib/B, p. 52). In fact, the Jordanian Minister of the Interior recently decided to exempt Egyptian workers from the residence permit requirement in order to encourage increasing numbers of them to work in Jordan (al-Mustaqbal, p. 42.)

In an attempt to harness remittances and direct them away from imports, consumption, and investment in real estate, the Jordanian government has floated eleven issues of development bonds. These bonds can be purchased by residents and non-residents alike, and interest is paid in convertible currency on a tax free basis. The effort appears to have been successful, for funds acquired in this manner helped to finance the country's 1976-80 development expenditures (Serageldin, et.al., p. 22).

More indirect influence upon labor migration is exerted by Jordan's outdated Labor Code, which is said to need revision in order to stem the country's labor outflow. A new code more appropriate to today's

conditions has been drafted, but as of June 1980 it had not yet been passed into law. New social security legislation took effect in January 1980, however, and was designed to give workers better benefits. It requires a contribution of 10% of total salary from the employer, a 5% contribution of salary from the employee, and currently covers pensions and accident insurance. Benefits are expected to expand in the future, and it is hoped that this will provide some incentives for domestic employment rather than emigration (Graham-Brown, p. 30).

The Ministry of Education, meanwhile, runs two schools aimed at training technicians for agricultural practice, which so far have not met expectations; only a few graduates have returned to farming, many working instead in the Ministry of Agriculture. These programs are in the process of being revised, and an implicit motive herein may be to slow agricultural out-migration (USAID/ASA-J, p. 44). The Ministry of Agriculture is distributing seedlings and wheat seeds at subsidized rates and providing easy access to credit facilities, all to make agriculture more attractive to the potential migrant. There is indeed some indication that at least in parts of the Jordan Valley this is working, and in some places even in-migration has occurred (Dajani, et.al., p. 114).

Lebanon

Very little information is available on the Lebanese government's policies in relation to labor migration. National law does give free access to immigration by Arab nationals, requiring no entry or exit visas. Residence permits are easy to obtain, and foreign workers may reside in Lebanon for unlimited periods of time (Dib/B., p. 51). In

terms of more indirect effects, the government--for obvious reasons--has no long-term rural development plans, and intervention has been primarily in terms of individual projects with limited impact. In this respect, government policies, including inadequate agricultural credit, may have had the effect of stimulating out-migration or at the very least, certainly not discouraging it. Poorly planned and implemented urban development programs as well may have reduced incentives for domestic employment among educated and trained Lebanese, thus by default encouraging migration (Tabbarah, p. 19,22).

Syria

Syria, like Jordan, used to be characterized by unimpeded travel across its boundaries. This practice between Syria and Lebanon stopped in 1976, and more recently restrictions were placed on movement to and from Jordan (Dib/E, p. 45). Although there are no statistics to substantiate this, it is very probable that Syrian migration has been affected somewhat by these actions. Some bilateral agreements have been conducted for the transfer of Syrian labor, such as one between Libya and Syria for the secondment of labor which totalled more than 10,000 in 1978. Relatively few Syrians are working in the Gulf, and most who go abroad end up working as replacement labor in other labor-exporting countries (Birks and Sinclair/F, p. 54,85).

The Syrian government imposes one of the strongest negative barriers to migration in the Arab world (AID/79, p. 38-9). Heavy restrictions are placed on government workers in particular, so it is these well-educated personnel who are least able to migrate. Most migrants, both skilled

and unskilled, come from the private sector. The country is experiencing severe shortages of skilled manpower in the private sector at the present, which indicates that government controls are not really effective where migration is most serious (Birks and Sinclair/F, p. 56).

Due to Syria's socialist economy, there is not much replacement migration into Syria. The government controls wages in the private sector, keeping them below the regional average, which contributes to the concentration of migration in the private sector (AID/79, p. 39; Birks and Sinclair). Some attempts are being made to slow this trend, however. New regulations not yet fully enforced have been established to try to slow migration between provinces and also abroad, one requiring that in order to be considered for employment through a government job center, a worker must have been a resident in that province for at least five years (Tarbush, p. 36).

Another scheme has been the establishment of "free zones," although this began in 1971 (before the oil boom). These centers for the cooperation of foreign capital and domestic manpower are intended to promote commercial and industrial activities in the country. Although it was hoped that they might give some incentive to private sector Syrians to stay at home and work, the low wages offered in these free zones, as well as the fact that they are not subject to Syrian labor laws (perhaps allowing exploitation?) has made it doubtful that they have been a positive influence towards keeping labor in Syria (Tarbush, p. 43).

AID PROJECT IMPACT ON MIGRATION

It is almost impossible to determine the AID project impact on migration patterns, for two main reasons. First of all, most project evaluations do not include the kind of analysis necessary to make such judgements, and secondly, we can never know what would have happened in the absence of AID activity. A quick review of potential project impacts in rural areas, as proposed by Richard Rhoda in Development Activities and Rural-Urban Migration, will illustrate the limited nature of conclusions which can be drawn from existing evidence.

According to Rhoda, development activities in rural areas have a mixed impact on rural out-migration. For example, while projects which reduce population growth or increase the amount of cultivatable land available might slow migration, activities such as road improvement (resulting in easier access to urban areas), commercialization of agriculture (thus decreasing labor needs), or education and training programs (which raise expectations and change attitudes) may actually promote migration. A similar dichotomy can be drawn for the establishment of rural off-farm employment opportunities; rural enterprise projects, in that they increase non-agricultural skills, may stimulate rural out-migration; public works schemes, on the other hand, may slow migration, at least in the short run. To the extent that they increase access to urban areas, however, the latter may stimulate emigration in the long run as well (Rhoda, pp. 1-2, 24-5, 46-7).

The net impact of development projects cannot be determined until we know what the relationship has been between out-migration and the original conditions in rural areas, and there are not many empirical studies

of this nature available; similar data is needed on the urban sector as well to determine the effect of development projects there, too. Keeping this in mind, then, a general survey of the migration effects of AID projects can be made and some tentative conclusions drawn.

Almost every AID development project has a training component, and the skill specific nature of much of Middle East migration would indicate that the migration consequences of training activities might be more direct than those for other kinds of projects. Despite the fact that most AID trainees are required by their government to commit themselves to a specific period of employment in their home country following training, and the general assumption is that this is usually fulfilled (US/GAO, p. 42), it is not known to what extent AID-sponsored participants have actually remained in their home countries. A review of some project evaluations may help to shed some light on this subject.

A survey undertaken in the process of a USAID/Cairo Returned Participant Evaluation (1977) involved contacting and interviewing 202 AID-sponsored trainees who had completed programs. 25 of them--all upper level professionals and academicians--were unavailable for interview because they were out of the country. Since the evaluation included information from only those available for interview in Egypt, it is not known how many of these 25 were actually employed out of the country.

The Evaluation of the AID-Y:CA Vocational Training Program (1980) in Lebanon contains some more illuminating results. The purpose of this project was to train approximately 2000 young Lebanese (another 1600 were included later) from both rural and urban neighborhoods having a high concentration of unemployed youth. Most of the graduating trainees are supposedly finding jobs in Lebanon: 69.5% in 1979 and 73.5% in 1980.

Again, what is not known is how many of these or of the remainder would have migrated without the training, but it is likely that the project has positively influenced the migration of many of those youths who have left the country.

Training projects in the YAR, meanwhile, have a mixed record. A 1975 Evaluation of Training for YAR Development stated that "to date all participants have returned to the YAR and to equal or higher positions within their respective organizations" (p. 13). A later (1977) evaluation, however, specified that the trainee return rate for government employees in the YAR is good, but on the other hand, the record of employees sent for technical training to become counterparts in specific AID projects is much worse. In one project, only one participant out of nine that completed training remained with AID; the kinds of mechanical skills that those particular trainees learned, it seems, drew higher wages in oil-rich countries.

Finally, in comparison, there is some evidence that development projects in the Jordan Valley have had the effect of stemming out-migration and even encouraging in-migration. According to An Interim Evaluation of the Jordan Valley Development Effort: 1973-1980, expanded irrigation and adoption of modern intensive agriculture have increased the demand for labor and thus increased wages, which in turn has played some role in encouraging domestic labor to move into the Valley. Expansion of public services as well has stimulated the in-migration of public servants.

Other types of AID projects have implications for migration as well, although actual effects at this point are still conjectural. AID activities that involve construction projects, in that they at least temporarily absorb certain types of labor, may reduce out-migration. The training

function this serves, however, may stimulate migration in the long-run (Findley, et.al, p. 109). AID efforts to increase the participation of rural poor in development activities may have a similar two-way effect. While migration may slow if it is clear that such activities will increase employment opportunities, participation in decision-making has also been shown under certain circumstances to lead to increasing willingness and ability to make the decision to migrate (Findley, et.al., p. 94). These kinds of dual possibilities exist also for off-farm employment expansion as mentioned above, development of rural financial markets, extension of social services, and development of rural marketing systems. Details can be found in the AID publication Rural Development, Migration and Fertility: What do We Know?

MIGRATION IMPACT ON AID PROJECTS

Migration has had implications for AID projects as well, especially projects which have a construction element. In Egypt, for example, construction of the Suez cement plant was delayed due to shortages of construction labor (Binnendijk, p. 12). Projects in Jordan have suffered similar problems; the contractor for a village development project fell behind schedule, as shortages of local labor made it necessary to import most of his labor and recruitment from Korea went slowly (USAID/Village Dev. I). Due to inadequate construction supervision on the part of the Jordanian Ministry of Public Works in a school construction project, meanwhile, contractors did not adhere to established standards and the result was faulty construction. This was blamed on insufficient labor supplies, and

USAID refused to accept 14 of the contractor-built schools. By that time, inflationary pressures--aggravated by remittances--called for some changes in the original project design (Project Eval: School Construction, 1977).

In Yemen, plans for a housing project had to be changed from their original design to one involving imports of U.S. prefab materials, due again to construction labor shortages (Binnendijk, p. 12). A serious issue in the Community Based Rural Development Project at Mahweit, as well, was the inability to recruit and train Yemeni counterparts for the project, in part because of the small stock of educated people and partly because non-government trainees in AID projects in the YAR have had a higher-than-average propensity to migrate (Eval. Report, 1980; Binnendijk, p. 12).

The AID Poultry Development Project in Yemen was fraught with migration-related problems. Construction was delayed originally because of labor and commodity acquisition problems. Project originators also did not foresee the large scale migration and remittance effects which were to come, and economic conditions present at the beginning of the project--low cost sorghum, high priced imported eggs--changed in 1976. Labor shortages and large-scale remittances drove up local prices, including that for sorghum. Locally produced eggs are now more expensive than imported ones. That part of the project has not been successful to date, although it did result in large increases of poultry production for meat (Special Eval, Poultry Development Project, 1980)

SUGGESTIONS FOR AID

We have seen that labor out-migration is a "double-edged sword," at

least in the countries under study here, and given the current state of the art, we are unable to either quantify or qualify many of the beneficial and adverse impacts of this phenomenon for individual societies. Until more is known about the consequences of migration, AID should not implement projects which deliberately obstruct or promote migration. Almost all AID projects probably have some impact on this as it is, in that they effect education, employment, social and economic expectations, quality of life, or patterns of production--all factors which are themselves related to migration. The minimal impact on migration that most single AID projects probably have must thus be taken as a matter of course if development activities are to continue.

The most obvious migration related area of AID activity is that of training, whether in and of itself or as part of a broader project. Suggestions made to AID in the past in this regard include Choucri's comment that since it is not clear what the training impact is on migration, AID should focus less on vocational training than on basic education, which is important regardless of changes in migration trends (AID/79, p. 16). Others see the need to train three times as many people as necessary in order to account for the migration of two-thirds of them, while still others see the financial return to the home country as greatest when trainees migrate and send remittances (AID/79). Choucri's statement is probably the most pragmatic one, but AID should definitely not ignore the necessity for vocational training for development in these countries. Ongoing vocational training programs and those which are implemented in the future, however, should be coupled with concerted efforts to provide incentives to the trainees to stay in the home country. Another option would be for AID to engage in vocational training only as part of a larger

project in order to ensure that employment opportunities will be available to new trainees.

Included in suggestions from a 1977 USAID Seminar on Labor Migration in the Middle East was that AID-assisted capital development projects in labor-sending countries with shortages of construction workers, technical and management skills, should have special provisions for training built into them. In addition, all AID project design efforts concerning matters of education, agriculture, health, science and technology, and rural development should address particular attention to identifying skill pools, training needs, and institutional strengths and weaknesses directly related to probable labor shortages (AID/Synopsis, p. 19).

Training programs should perhaps also be implemented to mitigate some of the more adverse effects of migration. For example, Chaney (p. 7) has suggested that women left behind be trained in Investment and Savings techniques and principles so that they may better maximize the remittance flows for which they are often responsible when their spouses migrate. By the same token, AID should also make a point to include women in programs of credit, agricultural extension, etc., given the problems that women as heads-of-household often have if not required previous to their husbands' departure to assist in farm management. Projects which create investment opportunities might also be a means by which AID could assist in harnessing remittance funds for development.

According to Binnondijk (p. 12), the original design of the AID Poultry Project in Yemen had to be changed substantially due to the absence of male farmers and the "difficulties with working with rural women." It is precisely this kind of activity, however, that would help sustain farm income in the absence of the men who have migrated and it is not so labor-

intensive as to prohibit women from completing other farm duties in addition to this. In other words, this is an area of training which might be emphasized by AID, after identifying the "problems" which were encountered and devising ways to work around them.

AID should also make a point not to categorize these Middle Eastern countries as either "labor surplus" or "labor short" countries and then proceed to determine policy from such generalizations. For example, in its 1979 Agriculture Sector Assessment, AID proposed to follow an employment oriented growth strategy in agriculture in Egypt, without mentioning that in some parts of the country there is actually a shortage of agricultural labor (p. 49); this kind of strategy could thus exacerbate already existing labor shortages. At the same time, while an employment oriented growth strategy in the urban/modern sector might be more appropriate, careful consideration should be given to the fact that there is already a shortage of construction labor in Egypt and such a strategy, if not carefully implemented, could compound this problem as well.

The Country Development Strategy Statement for Yemen, FY82, meanwhile, promotes the opposite tactic, which is that employment generation should not be an objective of the AID program due to labor shortages throughout the economy. Note should be taken, however, of the fact that unemployment is a problem in the modern sector, and AID employment-generating activities would indeed be appropriate there. Training programs which are implemented in urban areas should therefore be planned in conjunction with employment-generating activities if Saudi Arabia is not to remain the only alternative for many Yemenis with low to moderate level modern sector skills.

It is difficult, given the ambiguous results of labor migration in the

labor-exporting Middle Eastern countries, to make concrete suggestions for future AID activities in the region. Given the limits of what we do know--that labor migration has serious implications for development--AID project planners should, as part of planning, identify those parts of the project having labor-related issues and factors. Potential effects should be analyzed within the specific context of labor migration. Above all, for future analysis AID project evaluations should address themselves to the migration consequences of the project as much as possible, note the migration-related problems encountered, etc. Other organizations with AID contracts for training in particular need to be encouraged to note these factors in their reports to AID; present practices are often to diminish any reference to trainees who do not fulfill their obligations--such as returning to their own country, for example--for fear of AID criticism for what might be wrongly perceived as mismanagement of the project. All of these steps will be necessary if a clearer picture of AID's relationship with migration is ever to emerge.

KEY RESEARCH AREAS

Almost every issue raised in this study deserves further research. Some, either because of the crucial implications they have for understanding the entire labor migration phenomenon or because of their connection with AID activities, deserve special mention here and more imminent research attention.

One of these areas is remittances, and the whole range of issues associated with remittances. Research is needed on the specific flow of

these funds, taking account, to the extent possible, of all financial variables which might influence this flow. This would help determine the development impact and the inflationary impact of remittances, as well as indicate any associated changes in the distribution of income, changes in class structure, levels of investment, and other socio-economic aspects. Such a study should focus on the national level, to be sure, but much more information is needed at the community and individual level, as well as concerning differences between urban and rural dispersements of remittances.

Additional information is needed concerning the effects of migration on employment, unemployment, and underemployment, especially by sector. Relationships between sectors in this regard need to be more closely determined, especially between agriculture and construction. With regard to agriculture in particular, more knowledge is needed on the relationship between various land tenure systems and/or land reform and labor migration flows, and what the relative capabilities to adapt to changing capital/labor ratios of these systems are.

The implications of return migration for both individual and societal development is another under-researched area. Problems of re-employment and re-adaptation are central here, and may very well be different for men than they are for women. The opportunities for migrants to use skills gained abroad once they return to the home country are another important area for research, and related to this is the degree to which migration effects urbanization; that is, how often do rural-originating migrants relocate in urban areas upon return, and how much of urban-rural-abroad migration ceases after the rural-urban move?

In a more social sense, migration apparently has a profound effect upon

women left behind, village social structure, decision-making processes, and traditional mores; this is at the family as well as the community level. Political attitudes and behavior may also be affected by migration. Yet, such change has been studied extensively only in Yemen's rural sector, and in one Egyptian village. More research is needed in this area in all of these countries, in both urban and rural regions.

BIBLIOGRAPHY

- Abolfathi, Farid and B.I. Spector, The Economic Implications of a Middle East Peace Settlement: Migration and Population Absorptions for the West Bank and Gaza Strip. Washington, D.C.: USAID, 1978.
- Allman, J. and A.G. Hill, "Fertility, Mortality, Migration and Family Planning in the Yemen Arab Republic," Population Studies 31:1 (March 1978), pp. 159-172.
- Anderson, Ed, "Some Comments on the Economic Effects of Labor Migration: Egypt." AID Memorandum, Nov. 29, 1979 (mimeo).
- Audroing, J.F. and M. Vernieres, "The Working of the Labor Market in Lebanon," Manpower and Employment in the Arab Countries; Some Critical Issues. Geneva: International Labor Organization, 1976, pp. 158-181.
- Berouti, L.J., "Introduction on Employment Promotion Problems in Arab Countries," Manpower and Employment in Arab Countries; Some Critical Issues. Geneva: International Labor Organization, 1976, pp. 1-15.
- Binnendijk, Annette, "Discussion Paper on the Migration Issues in the Near East." AID Memorandum, June 1979 (mimeo).
- Birks, J.S. and C.A. Sinclair, Aspects of International Labour Migration in the Arab Near East: Implications for USAID Policy. Washington, D.C.: USAID, 1979 (A).
- _____, _____, Country Case Study: Arab Republic of Egypt. Durham, England: International Migration Project, March 1978 (E).
- _____, _____, Country Case Study: The Hashemite Kingdom of Jordan. Durham, England: International Migration Project, November 1978 (C).
- _____, _____, "Egypt: A Frustrated Labor Exporter?" Middle East Journal 33 (Summer, 1979): 288-303 (D).
- _____, _____, Human Capital on the Nile: Development and Emigration in the Arab Republic of Egypt and the Democratic Republic of the Sudan. Geneva: International Labor Organization, World Employment Project #2-26/WP 27, May 1978 (E).
- _____, _____, International Migration and Development in the Arab Region. Geneva: International Labour Organization, 1980 (F).
- _____, _____, "The International Migration Project: An Inquiry into the Middle East Labour Market," International Migration Review 13:1 (Spring 1979); pp. 122-135 (G).

13

- _____, _____, "Migration and Development: The Changing Perspective of the Poor Arab Countries," Journal of International Affairs 33 (Fall/Winter 1979), pp. 285-309 (H).
- _____, _____, A Preliminary Assessment of Labour Movement in the Arab Region: Background, Perspectives and Prospects. Geneva: International Labour Organization, World Employment Project #2-26/WP 15, October 1977 (J).
- Carpacio, Sheila and Richard Tutwiler, Yemeni Agriculture and Economic Change: Case Studies of Two Highland Regions. Sana'a: American Institute for Yemeni Studies, October 1980.
- Chandavcukar, Anand G. "Use of Migrants' Remittances in Labor Exporting Countries," Finance and Development 17 (June 1980), pp. 36-9.
- Chaney, Elsa M., Women in International Migration: Issues in Development Planning. Washington, D.C.: Report prepared for the Office of Women in Development, USAID, June 1980.
- Choucri, Nazli, "Labor Transfers in the Arab World: Growing Interdependence in the Construction Sector (unpublished manuscript)." Massachusetts Institute of Technology, 1979 (A).
- _____, "The New Migration in the Middle East: A Problem for Whom?" International Migration Review 11:4 (Winter 1977): 421-443 (B).
- Clark, Joan, Jordan: A Labor Receiver--A Labor Supplier. Washington, D.C.: USAID, Paper presented for Seminar on Labor Migration in the Middle East, September 20, 1977.
- _____, Yemen: A Profile. Washington, D.C.: USAID, Paper presented for Seminar on Labor Migration in the Middle East, September 20, 1977.
- Consortium for International Development, Special Evaluation: Poultry Development Project. Washington, D.C.: USAID, July 1980.
- Dajani, Hazleton, Rhoda and Sharry, An Interim Evaluation of the Jordan Valley Development Effort: 1973-1980. Washington, D.C.: USAID, August 1980.
- Debeauvais, M. "Employment and Education in Arab Countries: The Data and Their Interpretation," Manpower and Employment in Arab Countries: Some Critical Issues. Geneva: International Labour Organization, 1976, pp. 32-60.
- Dib, Moussa, Law and Population in Lebanon. Medford, Mass: Fletcher School of Law and Diplomacy, 1975 (A).
- _____, "Migration and Naturalization Laws in Egypt, Lebanon, Syria, Jordan, Kuwait, and the United Arab Emirates," Population Bulletin of the United Nations Economic Commission for Western Asia, 15 (December 1978), pp. 33-62 (B).

Ecevit, Zafer H., "International Labor Migration in the Middle East and North Africa--Trends, Effects and Policies." Presented to the Rockefeller Foundation Conference on International Migration, Bellagio, Italy, 1979 (mimeo).

Farrag, A.M., "Migration Between Arab Countries," Manpower and Employment in Arab Countries: Some Critical Issues. Geneva: International Labour Organization, 1976, pp. 84-109.

Findley, Sally and James H. Gundlach, Douglas P. Kent, and Richard Rhoda, Rural Development, Migration and Fertility: What Do We Know? Washington, D.C.: Produced for USAID by Research Triangle Institute and South East Consortium for International Development, June 1979.

Gerakis, Andreas S. and S. Thayanithy, "Wave of Middle East Migration Raises Questions of Policy in Many Countries," The Survey (4 September 1978), pp. 260-62.

Graham-Brown, Sarah and William F. Lee, Jordan. A Middle East Economic Digest Special Report, June 1980.

Hadley, Lawrence H. "The Migration of Egyptian Human Capital to the Arab Oil-Producing States: A Cost-Benefit Analysis," International Migration Review 11:3 (Fall 1977), pp. 285-299.

Hammouda, Ahmed, "Jordanian Emigration: An Analysis of Migration Data," International Migration Review 14:3 (Fall 1980), pp. 357-282.

Harvey, Nigel, "Sound Planning Means No White Elephants," MEED 25:40 (2-8 October 1981), pp. 42-4.

International Islamic Center for Population Studies and Research, Socio-Economic Profile of Rural Egypt. Cairo: The Center in conjunction with the Rural Development Committee at Cornell University, March 1979.

International Labour Organization, Employment Opportunities and Poverty in a Changing Economy: Egypt in the 1980s. Report of the ILO/UNDP Employment Strategy Mission, 1980 (A).

_____, Manpower and Employment in Arab Countries: Some Critical Issues. Geneva: Selected papers and reports of the ILO/ECWA Seminar on Manpower and Employment Planning in Arab Countries, Beirut, May 1975 (B).

_____, Manpower Assessment and Planning EGY/70/010, Arab Republic of Egypt: Project Findings and Recommendations (Report prepared for the Government of the Arab Republic of Egypt). Geneva: United Nations Development Programme, 1974 (C).

khattab, Hind Abou Seoud and Syada Greiss El-Daeib, The Impact of Male Labor Migration on the Structure of the Family and the Roles of Women. Cairo: Population Council, 1981 (unpublished manuscript).

- el-Kordy, M., "Temporary Migration of the Egyptian Highly Qualified Labor Force to the Arab Countries; A Socio-Economic Analysis of Recent Information," Population Studies (July/September 1979), pp. 1-47.
- McClelland, Donald H., Yemeni Worker Emigration and Remittances, Sana'a: USAID, 1978.
- Mackie, Alan, Egypt. A Middle East Economic Digest Special Report, 1978.
- Makdisi, Samir A., "An Appraisal of Lebanon's Post-War Economic Development and a Look to the Future," Middle East Journal 31 (Summer 1977), pp. 267-80.
- Peek, Peter and Guy Standing, "Rural-Urban Migration and Government Policies in Low-Income Countries," International Labour Review 118 (November/December 1979), pp. 747-62.
- Rassam, Amal and Peter Benedict, Evaluation Report: Community Based Rural Development, Mahweit. Washington, D.C.: USAID, July 1980.
- Rhoda, Richard E., Development Activities and Rural-Urban Migration: Is It Possible To Keep Them Down On the Farm? Washington, D.C.: USAID, March 1979.
- Ross, Lee Ann, Yemeni Migration--Elessing and Dilemma. Washington, D.C.: USAID, Prepared for the AID Seminar on Labor Migration in the Middle East, September 20, 1977.
- Saleh, Saneya, "Motives for the Emigration of Egyptian Scientists," Social Problems 25 (October 1977), pp. 40-51.
- Serageldin, I., James Socknat, Stace Birks, Rob Li and Clive Sinclair, Manpower and International Labor Migration in the Middle East and North Africa, Final Report. Washington, D.C.: World Bank, June 1981.
- Serageldin, I. and J. Socknat, "Migration and Manpower Needs in the Middle East and North Africa, 1975-1985," Finance and Development 17:4 (December 1980), pp. 32-36.
- Shaw, R. Paul, "Migration and Employment in the Arab World: Construction as a Key Policy Variable," International Labor Review 118 (September-October 1979), pp. 589-605.
- Socknat, James A. and Clive Sinclair, Migration for Employment Abroad and its Impact on Development in the Yemen Arab Republic. Durham, England: International Migration Project, 1978.
- "Suq al-Aml al-Urduniya baina Tadaffuq al-Ajaanib wa Hijrat al-Urduniyin (The Jordanian Labor Market Between the Rapid Influx of Foreigners and the Emigration of Jordanians)," al-Mustaqbal 5:258 (30 January 1982), pp. 42-3.

Swamy, Gurushri, International Migrant Workers' Remittances: Issues and Prospects. Washington, D.C.: World Bank, Staff Working Paper #481, 1981.

Swanson, Jon C., Emigration and Economic Development: The Case of the Yemen Arab Republic. Boulder, Colorado: Westview Press, 1979 (A).

_____, "Some Consequences of Emigration for Rural Economic Development in the Yemen Arab Republic," Middle East Journal 33:1 (Winter, 1979), pp. 34-43 (B).

Tabbarah, Riad, "Rural Development and Urbanization in Lebanon," Population Bulletin of the United Nations Economic Commission for Western Asia 14 (June 1978), pp. 3-25.

Tarbush, Susannah, Syria. A Middle East Economic Digest Special Report, March 1980.

United States, Agency for International Development, Agriculture Assessment, Jordan. Amman: USAID, 1980 (ASA-J).

_____, Conference Proceedings on Near East Labor Migration: Implications for AID Policy, June 5 & 6, 1979 (AID/79).

_____, Country Development Strategy Statement for Egypt, FY79. Washington, D.C.: USAID, 1977.

_____, Country Development Strategy Statement for Egypt, FY82. Washington, D.C.: USAID, 1980.

_____, Country Development Strategy Statement for Egypt, FY83, Manpower/Employment Annex XV. Washington, D.C.: USAID, 1981 (USAID/ANNEX XV).

_____, Country Development Strategy Statement for Jordan, FY81. Washington, D.C.: USAID, 1979 (CDSS/J-81).

_____, Country Development Strategy Statement for Lebanon, FY82. Washington, D.C.: USAID, 1980 (CDSS/L-82).

_____, Country Development Strategy Statement for Yemen, FY81. Washington, D.C.: USAID, 1979 (CDSS/Y-81).

_____, Country Development Strategy Statement for Yemen, FY82. Washington, D.C.: USAID, 1980 (CDSS/Y-82).

_____, Evaluation of AID-YECA Vocational Training Program. Washington, D.C.: USAID, August 1980.

_____, Evaluation Report on AID's Participant Training Efforts in the Yemen Arab Republic. Washington, D.C.: USAID, August 1977.

- _____. _____, Evaluation: Training for YAR Development.
Washington, D.C.: USAID, July 1975.
- _____. _____, Evaluation: Village Development I. Washington,
D.C.: USAID, June 1978.
- _____. _____, Project Evaluation: School Construction.
Washington, D.C.: USAID, May 1977.
- _____. _____, Returned Participant Evaluation. Washington,
D.C.: USAID, November 1977.
- _____. _____, Synopsis: Seminar on Labor Migration in the
Middle East. Washington, D.C.: USAID, 20 September 1977.
- _____. _____, General Accounting Office, U.S. Efforts to Educate and Train
the Poor in Developing Countries and AID Comments. Washington, D.C.:
USGPO, 1980.
- World Bank, Yemen Arab Republic: Development of a Traditional Economy.
Washington, D.C.: World Bank, 1979.
- Youssef, N.H., et.al., Women in Migration: A Third World Focus. Washington,
D.C.: International Center for Research on Women/USAID, 1979.
- Zurayk, Huda, "A Two-Stage Analysis of the Determinants of Fertility in
Rural South Lebanon," Population Studies 33:3 (November 1979),
pp. 489-504.

UNITED STATES GOVERNMENT

Memorandum

DATE: April 30, 1982

TO : See Distribution
Thru : NE/DP, Charles Johnson *CB*
FROM : NE/DP/PAE, Emily Baldwin *CB*

~~SUBJECT:~~ Implications of Labor Migration on AID work in the Middle East

Labor migration from the capital-poor to the capital-rich states of the Middle East is a well documented phenomenon. Much of the literature on such migration, however, tends to focus on the Arab migrants in the labor receiving countries or on the more macro-economic consequences of migration to the labor sending countries (e.g., balance of trade with remittance flows, aggregate labor supply). Given AID's involvement in several of the largest labor sending countries of the region (Yemen, Egypt, Lebanon, Syria), it seems important to have a better understanding of some of the other aspects of Middle Eastern labor migration, particularly the micro-level effects of migration of these labor sending communities. Through a broader understanding of labor migration's effects on the sending countries and through a heightened awareness of its implications for AID's work in the Middle East, the Near East Bureau hopes to better meet the development needs of these countries.

For this reason, NE/DP/PAE began to question what was already known, but not necessarily widely distributed or compiled, on the subject and what had perhaps never been adequately researched and documented. As a result, we enlisted the services of Ms. Leslie Schmida to research and present to us what information was available on the effects of labor migration on labor sending countries and to identify what areas were not as well documented but which might deserve AID's attention for future research. In particular, Ms. Schmida was asked to focus, where possible, on the implications of labor migration for AID activities in the Middle East.

The final report submitted by Ms. Schmida to this office is attached for your consideration. We see this report as a useful resource in the shaping of country programs and the design of future projects, in that it may help to remind us of the potentially beneficial and/or confounding effects of labor migration on AID work and of the possible means by which AID can enhance its impact or avoid problems in implementation through its greater awareness of labor migration.

Your comments on this report are encouraged. They may be sent to me in Room 6443 NS or on 632-9136. Extra copies are also available upon request.

Attachment:a/s

Distribution:

DAA/NE, B.Langmaid
NE/DP, S.Skogstad
P.O.Sellar
G.Donnely
S.Chernenkoff
NE/PD, S.Taubenblatt
D.Mandell
D.McCall
T.Sterner
J.Habron
NE/TECH, K.Sherper
A.Y.Wilburn
B.Turner
R.Cobb
B.Heyman
W.Miner
NE/ME, G.Kamens
NE/E,G.Gower
NE/NENA, J.Phippard
NE/ME, T.Miller
PPC/PDPR, M.Zak
H.Lubell
PPC/EA, T.Morrison
S&T/POP, A.Allison
R.Cornelius
USAID/Cairo, D.Brown
USAID/Amman, W.Bollinger
USAID/Beirut, W.McIntyre
USAID/Rabat, H.Fleming
USAID/Lisbon, D.Finberg
USAID/Damascus, M.Wedeman
USAID/Tunis, M.Dagata
USAID/Sanaa, C.Ward

100