



مركز العالم العربي للبحوث والتنمية
Arab World for Research & Development

Quality Research ... Matters

***Survey on the State of the Palestinian Economy:
Private Sector, Economists and Journalists***

Field work: 13-19 June 2017

Sample Size: 250

29 June 2017

With reports of potential initiatives to jump-start both negotiations and the Palestinian economy, the Arab World for Research and Development (AWRAD) conducted a survey, June 13-19, of 250 Palestinian business owners, managers, economists and journalists on the state of the Palestinian economy. The following are highlights.

Economic Downturn: Two thirds of respondents describe the Palestinian economy as worse than a year ago with over 90 percent of Gaza respondents expressing this opinion.

Cause of Downturn: Approximately a half of the respondents (49%) cite Palestinian internal politics and policies as having had the greatest impact on the recent economic downturn in the territories, followed by Israeli government policies at just over 30 percent.

Near-term Threats: Posing the greatest threat in the near term to Palestinian economic stability, according to respondents, is debt/loans (31%), followed by youth unemployment (23%) and occupation-related issues such as restrictions on the movement of goods (19%).

Confidence-building Measures (by Israel, the U.S. et al): Respondents believe external measures that would have the greatest impact on the Palestinian economy include: easing border restrictions on imports/exports (31%); permitting investment/development in Area C (24%); increasing permits for Palestinian workers (19%); and establishing free trade zones (11%).

Internal Measures: In terms of measures by the Palestinian Authority with the greatest potential impact on the economy, respondents choose improving the tax regime (24%); establishing industrial parks outside major cities (20%); legislation to ensure greater competition (12%); and negotiating more/better trade agreements (12%).

Impact of Negotiations: Overall, respondents are divided on whether reviving negotiations would have a positive impact on the Palestinian. Regionally, however, Gazans are more positive (58%) compared to West Bankers (28%). Gazans are also more supportive of U.S. efforts to revive negotiations (49%) than their West Bank counterparts (31%).

Impact of Elections: Gaza respondents are more likely to see elections at the legislative and presidential level as having a positive effect on the economy (65%), compared to West Bankers (44%).



1. How would you describe the Palestinian economy today?

	West Bank	Gaza Strip	Total
Better than a year ago	13.8%	0.0%	9.6%
Same as a year ago	26.3%	7.6%	20.6%
Worse than a year ago	59.2%	92.4%	69.3%
Not sure/Don't Know	0.7%	0.0%	0.5%

2. Are Palestinians spending more or less today on discretionary goods than a year ago?

	West Bank	Gaza Strip	Total
Less	22.4%	92.4%	43.6%
More	59.9%	1.5%	42.2%
No difference	12.5%	6.1%	10.6%
Don't Know	5.3%	0.0%	3.7%

3. In which sector would you like to see more investment in the near term?

	West Bank	Gaza Strip	Total
Manufacturing	47.4%	47.0%	47.2%
Agriculture	25.0%	10.6%	20.6%
Construction	5.9%	19.7%	10.1%
Banking	7.2%	4.5%	6.4%
Travel and tourism	4.6%	6.1%	5.0%
Telecommunications	3.9%	4.5%	4.1%
Transportation	2.6%	4.5%	3.2%
Don't Know	3.3%	3.0%	3.2%

4. In your opinion, which of the following has had the most influence on the recent downturn in the Palestinian economy?

	West Bank	Gaza Strip	Total
Palestinian internal politics/policies	53.9%	37.9%	49.1%
Israeli government policies	31.6%	30.3%	31.2%
The situation/economies of neighboring Arab states	9.2%	19.7%	12.4%
Uncertainty about the positions of U.S. leadership	2.0%	7.6%	3.7%
Don't Know /Not sure	3.3%	4.5%	3.7%

5. In your opinion, which of the following poses the greatest near term threat to Palestinian economic stability?

	West Bank	Gaza Strip	Total
Debts and loans	32.9%	25.8%	30.7%
Youth unemployment	28.3%	10.6%	22.9%
Occupation-related issues such as restrictions on the movement of goods	16.4%	24.2%	18.8%
Absence of legislative authority and checks	7.2%	13.6%	9.2%

and balances in the political system			
Internal political division	5.9%	9.1%	6.9%
Limited access to capital and financing	5.9%	6.1%	6.0%
Lack of private sector confidence	2.0%	9.1%	4.1%
Other	1.3%	1.5%	1.4%

6. Which of the following confidence building measures would have the most impact on the Palestinian economy in the short term? [These are measures by Israel, US...]

	West Bank	Gaza Strip	Total
Easing border restrictions on imports/exports	37.5%	15.2%	30.7%
Permitting development/investment in Area C	33.6%	3.0%	24.3%
Increase in permits for Palestinian workers in Israel	9.9%	39.4%	18.8%
The establishment of free trade zones	9.2%	15.2%	11.0%
Expansion of services such as PayPal to the WBG	5.9%	18.2%	9.6%
Implementation of the 3G network agreement	2.0%	7.6%	3.7%
Don't Know	2.0%	1.5%	1.8%

7. Which of the following measures by the Palestinian Authority would have the greatest impact on the economy in the near term?

	West Bank	Gaza Strip	Total
Improving the tax regime	25.0%	21.2%	23.9%
Establishing industrial parks outside of major cities	25.7%	7.6%	20.2%
Legislation to ensure greater competition in the economy	9.9%	18.2%	12.4%
Negotiating more/better trade agreements by the MoFA	7.2%	22.7%	11.9%
Improving roads and infrastructure	9.9%	9.1%	9.6%
Scheduling of new legislative and presidential elections	7.9%	12.1%	9.2%
Rationalizing licensing and permits	9.2%	7.6%	8.7%
Don't know	5.3%	1.5%	4.1%

8. In your opinion, would a revival of negotiations have a positive impact on the Palestinian economy in the short term?

	West Bank	Gaza Strip	Total
Positive impact	28.3%	57.6%	37.2%
No impact	39.5%	28.8%	36.2%
Negative impact	28.3%	12.1%	23.4%
Don't know	3.9%	1.5%	3.2%

9. Do you support efforts by the new U.S. Administration to revive negotiations?

	West Bank	Gaza Strip	Total
Yes	31.6%	48.5%	36.7%
No	59.2%	43.9%	54.6%
Don't know	9.2%	7.6%	8.7%

10. In your opinion, would elections at the legislative and presidential levels have an impact on the economic situation in the West Bank and Gaza?

	West Bank	Gaza Strip	Total
Positive impact	44.1%	65.2%	50.5%
No impact	34.9%	22.7%	31.2%
Negative impact	19.1%	12.1%	17.0%
Don't know	2.0%	0.0%	1.4%

11. Recently, Hamas announced changes to its charter. Do you believe that they were superficial or substantive?

	West Bank	Gaza Strip	Total
To a large extent superficial	32.9%	37.9%	34.4%
To some extent superficial	18.4%	25.8%	20.6%
To some extent substantive	21.7%	16.7%	20.2%
To a large extent substantive	3.3%	13.6%	6.4%
Don't know/not sure	23.7%	6.1%	18.3%

12. Recently, the PA announced a number of financial cuts in Gaza, including ending fuel subsidies for electricity. Do you agree with the PA's position that Hamas should be responsible for such services in their territory under present conditions?

	West Bank	Gaza Strip	Total
Yes	32.5%	43.9%	35.9%
No	54.3%	47.0%	52.1%
Don't know	13.2%	9.1%	12.0%

13. Recently, the prisoners' hunger strike ended. In your opinion, who gained the most from its resolution?

	West Bank	Gaza Strip	Total
Palestinian prisoners, in general	64.5%	40.9%	57.3%
Marwan Barghouthi	9.9%	9.1%	9.6%
Israel	5.3%	12.1%	7.3%
Fatah	2.6%	12.1%	5.5%
Hamas	0.0%	7.6%	2.3%
No one	15.1%	15.2%	15.1%
Don't know	2.6%	3.0%	2.8%

Sample Distribution

Region	%	Gender	%
West Bank	69.7	Male	71.6
Gaza	30.3	Female	28.4
Work	%	Age	%
Company/Business Owner	34.4	18-30	30.0
Management	34.9	31-50	53.9
Economist/Academic	7.3	50+	16.1
Media	6.4		
Other	17.0		