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ECONOMIC IMPLICATIONS OF UNRWA OPERATIONS

IN

JORDAN, SYRIA, AND LEBANON

By

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I N T R O D U C T I O N

In the trail of the brief armed Arab-Israeli strife in Palestine in 1948 marched a host of problems which now in 1952, still beset the Middle East and darken its horizon, beyond a hope of quick solution. In dimensions, the most monstrous of these is the refugee problem, involving about a million Arabs the overwhelming majority of whom have lost land, home, and career.

The plight of the refugees themselves is but one side of the coin; the other is the unwieldy burden dumped on the shoulders of the host countries. Not particularly comfortable under their own economic responsibilities towards their five million nationals, they are now on the verge of bewilderment and utter discomfort under the weight of a million refugees, who are demanding from the receiving countries in economic opportunity, far more than they have contributed towards the creation of such opportunity.

Under pressure of circumstances, therefore, soon after the deflation of the short-lived political and military hopes of the Arab States with regard to the outcome of the struggle for the destiny of Palestine, the realization of the need for outside help for the refugees became unavoidable. So great was the need and so urgent its nature that with the passage of time it dwarfed the other aspects of the Palestine issue, thus elevating to a position of predominance the refugee problem.

United Nations aid was introduced into this setting in 1948, and has continued since through the instrumentality of various agencies. Naturally enough, provision of direct relief was the primary aim. But as the months rolled by without either a political solution paving the way for the return of refugees to their homeland, or their economic absorption where they now are, the international community adopted a radical shift in attitude involving first the provision of employment for the refugee and later his complete intergration in the host economy.

This latter shift in emphasis, which is the most recent in chronological order, is the subject of evaluation in the last part of this paper. Appraisal is made in the first two parts, respectively, of the impact of the refugee influx on the host economies, and of the impact of U.N. relief agencies on refugee and host population. A sketchy picture is drawn of these populations in the hope that it may render more pronounced the economic implications both of refugee influx and U.N. relief operations. The extension from this point onwards is an abstraction, a move away from the world of present facts to that of future expectations, where reintegration is the pass-word.

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Of necessity this paper is subject to many limitations. The frame which sets its boundaries leaves political considerations outside. It leaves outside also relief extended prior to December 1948, when the United Nations Relief for Palestine Refugees was established. It includes the period December 1948 through December 1951. For practical purposes, it is a record of three years of U.N. aid, under two organizations, the United Nations Relief for Palestine Refugees (UNRPR) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWAPRNE). But whereas a very quick survey is made of the operations of the first Agency, most of the space in this paper is given to the survey and

analysis of the operations of the second Agency, from May 1950 till the end of 1951. Another limitation is the exclusion from this study of a little over one-fourth of the whole refugee population, who are scattered in Iraq, Israel and the Gaza strip. The refugees in all these areas but Gaza are only four per cent of the total, and the aid they receive does not conform fully to the pattern prevailing in Jordan, Syria, Lebanon, and Gaza.

The exclusion of the Gaza strip calls for further explanation. It is mostly due to the curious status and structure of the strip, with its fluid political features and a host population almost literally on the margin - numerically and economically - of the refugee population. Not that these reasons render the place any less interesting for study, far from it, they simply indicate that the strip merits a study of its own.

This paper therefore, covers the refugee problem in its relation to Lebanon, Syria and Jordan only, and covers UNRWA operations from May 1950 to the end of 1951. References to the whole refugee population and to dates preceding May 1950, whenever made, purport to draw into greater relief the areas and period that fall within the terms of reference of this paper. The subject matter is treated almost wholly in its economic context; reference to social or political considerations have been allowed only insofar as they lead up to economic implications.

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The nature of this investigation into the economic ramifications of the refugee problem and its proximity in time to the events it sets out to encompass, appraise, and speculate upon have necessitated an enormous amount of field work. This has been so in every sense of the word. In the course of the preparation of this paper the writer covered thousands of miles in Lebanon, Syria, and Jordan in a little more than one year, thus finding in field work and direct research a valuable source of information. Data in UNRPR and UNRWA records have had to be studied and in many cases regrouped, before becoming useful. Access to the records of these U.N. relief agencies has made it possible for this study to be an "inside story". The writer is aware of the significance of this rare privilege, and it is his sincere hope that the cause that this paper may serve will justify the use of the privilege.

CHAPTER ONE

REFUGEE INFLUX; SOCIAL AND ECONOMIC CHARACTERISTICS

A. The Wandering Refugees and Relief Organs: The Record

Strife and fear, looming dark in the Palestine sky in 1947, cast their shadows more heavily across the whole country as soon as the United Nations General Assembly voted in favour of partition on 29 November. The shadows darkened further with the letting loose of indiscriminate terrorism by Jewish para-military organizations. Between then and the termination of British Mandate over Palestine on 15 May 1948, what had been a thin stream of escape turned into a panicky mass exodus of Arabs seeking refuge and safety - a torrent that kept rolling till late in 1948 and swelled beyond the one-million mark. This meant that over half the total population of Mandate Palestine moved out of its homes and land and almost wholly⁽¹⁾ beyond the frontiers of present-day Israel.

In the initial round of the Arab-Israeli fight relatively few people thought that their sojourn would drag any longer than a month or two, after which they could return to their country where their sovereign right would be established beyond further internal or external controversy. Soon after the first armistice was announced, the blissful dreams of many people were shaken off, and instead, the realization dawned that the "brief sojourn" might drag indefinitely.

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(1) Almost wholly, because about 4% of the total, or some 47,000 were Arab refugees in Israel itself, who were uprooted from their dwellings inside Israel and moved elsewhere in the country.

This realization was most unwelcome, both to the refugees and to the receiving countries. For, not only did the assets that the refugees had brought out with them dwindle quickly, after the initial uninhibited spending, but a wave of caution necessarily led to increased thrift on a smaller volume of disposable funds and resources. The outlook was certainly dim and gloomy.

By the end of 1948 the bulk of the refugees had settled down somewhere; aside from minor movements in and between countries the previous fluidity had been checked. No such finality, however, could be claimed for the number of refugees.

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By January 1949, the first operational month for United Nations Relief for Palestine Refugees (UNRPR) the situation had more or less solidified at the level of 1,029,700 refugees, distributed as follows:(2)

493,200 in East and West Jordan
82,400 in Syria
131,100 in Lebanon
276,000 in Gaza and
47,000 in Israel.

Assistance to these million refugees had come from various autonomous sources prior to December 1948. These had different programmes and drew from resources of varying volumes. They ranged from local governments supplying aid

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(2) Table I in Appendix A. This figure excludes about 5000 in Iraq and a similar number in Egypt.

worth millions of dollars⁽³⁾, to individuals making modest contributions in cash or in kind. Numerous national and international bodies extended relief⁽⁴⁾, each in its own way. The United Nations International Children's Emergency Fund (UNICEF) and the World Health Organization (WHO) were the first U.N. specialized agencies to operate among the refugees in September and December 1948 respectively, in response to the appeal of the U.N. Mediator for Palestine the late Count Bernadotte (who had earlier formed a Disaster Relief Project to cope with the job). The three voluntary agencies that rendered the most valuable service were, however, the International Committee of the Red Cross, with field of operations in West Jordan and Israel; the League of the Red Cross Societies, operating in East Jordan, Syria and Lebanon; and the American Friends Service Committee, operating in Gaza.⁽⁵⁾ Although no close coordination existed among these numerous pre-UNRPR relief agencies yet there was cooperation in the field.

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- (3) Between 7.2 and 8.4 million pounds by the Syrian Government, including voluntary contributions from the Syrian people totalling some 2 mn pounds; about 5.2 million Lebanese pounds by the government and another million by the Palestine Bureau of Beirut; and the worth of complete generous care by the Iraq Government for the 5,000 refugees in their country who are still the sole responsibility of Iraq. The contributions of the Egyptian authorities to the refugees in the Gaza strip are not available. See Report of the Director of UNRWAPRNE to the General Assembly, Supplement No.16(a/1905), Paris 1951; p.2 (hereinafter referred to as "Director's Report, 1951").
- (4) For list of voluntary agencies cooperating with UNRPR and UNRWA, see Item I in Appendix C.
- (5) Interim Report of the Director of UNRWAPRNE to the General Assembly, Supplement No.19 (A/1451/Rev.1), New York 1951, (covering the period 1 May 1950 to 15 September 1950). (Hereinafter referred to as "Director's Interim Report, 1950").

Assistance in 1948, and in part of 1949, consisted solely of relief. Welfare services were not extended because it was generally hoped that the "diaspora" of the refugees would be of brief duration and that an Arab-Jewish political settlement would see the refugees back in their homeland. The failure of these expectations to materialize accentuated the need for welfare services, which were initiated under UNRPR in 1949, in collaboration with the United Nations Educational, Scientific and Cultural Organization.

The establishment of UNRPR by General Assembly resolution 212 (III) of 19 November 1948⁽⁶⁾ inaugurated the stage of coordinated assistance under U.N. auspices. The UNRPR was asked to achieve this in conjunction with the ICRC (International Committee of the Red Cross), the LRCS (League of the Red Cross Societies), and the AFSC (American Friends Service Committee). These organizations undertook to carry on the task of the distribution of relief supplies provided for the purpose by the United Nations, on behalf of UNRPR. UNICEF continued to supply supplementary food rations and medicine to children and pregnant women, with UNRPR responsible for distribution, while UNESCO and WHO financed part of the education and welfare and health programs and exercised some technical supervision on them, leaving administrative control to UNRPR.

The political stalemate and the development of events indicated the need for a new attitude towards the refugee problem in U.N. circles, involving the examination of the situation with a longer perspective in view. Thus the U.N. Conciliation Commission for Palestine feeling that relief was demoralizing, and convinced that useful and gainful employment

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(6) For resolution, see Document I in Appendix B.

was necessary for avoiding human degradation and loss of skills, on 23 August 1949 established a U.N. Economic Survey Mission for the Middle East (UNESMME). This mission was asked⁽⁷⁾ "... to examine the economic situation in the countries affected by the recent hostilities, and to make recommendations to the Commission for an integrated programme:

"(a) To enable the Governments concerned to further such measures and development programmes as are required to overcome economic dislocations created by the hostilities;

"(b) To facilitate the repatriation, resettlement and economic and social rehabilitation of the refugees and the payment of compensation pursuant to the provisions of paragraph eleven of the General Assembly's resolution of 11 December 1948, in order to reintegrate the refugees into the economic life of the area on a self-sustaining basis within a minimum period of time;

"(c) To promote economic conditions conducive to the maintenance of peace and stability in the area." After a few months of study, the Mission submitted an interim report in November 1949 and a final report (in two parts) in December 1949 to the UNCCP (UN Conciliation Commission for Palestine).

These reports contained a point of departure; they laid emphasis on work rather than relief for refugees, the former to be provided by work programmes which will be of lasting

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(7) For full terms of reference, see Document II in Appendix B. Quoted in First Interim Report of the United Nations Economic Survey Mission for the Middle East, 16 November 1949 - (hereinafter referred to as UNESMME Interim Report) and in final Report of the UNESMME 28 December 1949, as Appendix IA(D). Hereinafter referred to as UNESMME Final Report).

benefit to the host countries as well. The mission therefore recommended the formation of a relief and works agency to handle this dual job, and the U.N. General Assembly, in its resolution 302 (IV) of 8 December 1949, adopted these recommendations and established the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWAPRNE, for short UNRWA), the duties of which-inter alia-(8) were to be:

"(a) To carry out in collaboration with local Governments the direct relief and works programmes as recommended by the Economics Survey Mission;

"(b) To consult with the interested Near Eastern Governments concerning measures to be taken by them preparatory to the time when international assistance for relief and works projects is no longer available;..." It was also resolved that UNRWA take over from UNRPR on first April 1950. However, due to some unavoidable delay, the handing over took place at the beginning of May instead. UNRWA has carried the responsibility since.

In the 1950 session the U.N. General Assembly by Resolution 393 (V) of 2 December 1950 established a specific reintegration fund of \$30 mn to cover the period 1 July 1951 to 30 June 1952. In the 1951 session(9), the Assembly - without prejudice to the political rights of the refugees - recommended on 26 January 1952 the establishment of a constructive programme which will contribute effectively to the welfare of the refugees, increased the reintegration fund substantially, and extended the programme till the end of June, 1954.

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(8) For full text of resolution, see Document III Appendix B.

(9) For full text of both resolutions, see Documents IV and V of Appendix B.

This is in brief the chronology of U.N. measures towards the refugees. The details, however, of UNRWA operations and their economic implications will be the subject matter of the following two parts of this paper.

B. The Refugee Population in Jordan, Syria, and Lebanon

The number of refugees in Jordan oscillated during the three years under review. Starting at 493,200 in January 1949, it rose to 538,300 in July 1949, dropped to 434,000 in January 1951, and stood at 463,169 at the end of 1951. The variation between peak and trough (i.e. the range in percentage of the peak) is over 19 per cent - much greater than for Syria (about 10 percent) but smaller than for Lebanon (26 per cent).

In Syria, the number was 82,400 in January 1949 and 83,401 at the end of 1951, rose to its highest point in April 1949 at 88,200 and fell to its lowest in January 1950, at 79,600. For Lebanon the starting and closing numbers were 131,100 and 105,135 respectively, while the top figure was 142,400 in April 1949 and the bottom figure 105,135 in December 1951. There is no agreement in the movement of refugee numbers except for the peak number for Syria and Lebanon, which occurs in April 1949. In the three countries, the closing number for 1951 was 651,705, or about 75 per cent of total refugees.

Refugee numbers, which represent needy displaced Palestinians in receipt of relief, are subject to question; one must not read into them too much. Realizing this fact, UNRPR and later UNRWA undertook two censuses: one between October 1949 and April 1950, the other between July 1950 and May 1951⁽¹⁰⁾. The results

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(10) This and similar statements of fact relating to census statistics, unless otherwise indicated, have for source the records of the Registration and Statistics Bureau. UNRWA H.Q. Beirut.

recorded as of the end of 1951 are now believed to be final, due account having been taken of adjustments for changes in numbers arising from births and deaths, false and duplicate registration, vagueness or inapplicability of the definition of "a refugee", and cancellations due to the relief card holders being in receipt of some income.

Births and deaths are reasonably under control now, more the former than the latter. False and duplicate registrations account for most of the cancellations. "A refugee" has been defined as "a person normally resident in Palestine who has lost his home and his livelihood as a result of the hostilities, and who is in need".⁽¹¹⁾ Although this definition has helped to crystalize entitlement to relief, yet it contains criteria not very easy to establish. The last part relating to "neediness" is perhaps the most difficult to render precise; nonetheless with the help of a scale of income the number of needy refugees has been brought to within reasonable determinateness. The scale, as of the end of 1951⁽¹²⁾, stipulated that all relief of a family unit is cut if total earnings by the members of the family hit the following ceiling figures: JD 15 in Jordan; LS 125 in camps in Syria, LS 150 in villages, LS 175 in small towns, and LS 200 in large towns; and LL 220 in Lebanon. The logic of this differentiation among the three countries is not evident: the scale having been set by UNRWA chief District Officers (UNRWA representatives to the countries where they function) without coordination, on personal conviction rather than on the strength of economic forces. Cancellation of rations due to income earnings has been gaining in importance with the weeding of false and duplicate registrations. But in absolute terms, the latter, over

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(11) Director's Report, 1951, p.3 para.16.

(12) For complete scale, see Item 11 in Appendix C.

the lifetime of U.N. relief operations, have by far surpassed all other reasons for cancellation combined.

This is not the end of our problems in attempting to determine the correct number of refugees. There are in addition three main complicating factors. Firstly, there are in Jordan some 47,000 Beduins of whom 13,000 have appeared and disappeared seasonally, every spring, ever since the demarcation of armistice lines. Their pressure for rations increases the further from the harvest they are, namely in spring, just before the forthcoming cereal crop when their meagre stores run out. It is believed that the UNRWA census has succeeded in establishing true refugees among beduins; the soundness of this belief will be tested in the spring of 1952.

A second complicating factor is the number of non-relieved refugees, that is refugees who have never appeared on U.N. relief rolls. Their number is difficult to assess, because no U.N. relief agency census has included them, and national refugee censuses in Syria and Lebanon have not differentiated between refugees receiving aid and those receiving none. Recourse has therefore been had to intelligent guesses by informed UNRWA officials, government officials, and refugees. The total does not seem to exceed 10,000, of whom some 5-6,000 in Jordan, 1,000 in Syria, and 3,000 in Lebanon. Although this group does not feature in UNRWA operations, it is given mention here for two reasons: It is of importance because it owned a sizeable portion of the assets saved from Palestine and therefore exerted an influence more proportionate than its numerical size signifies on economic activity in the host countries; and with the deterioration of the conditions of the bulk of this group it is now pressing for assistance from the Agency (i.e. UNRWA), both in rations and free

accommodation but mostly for loans and jobs. This group cannot be ignored in a study of the impact of the refugee population on the receiving countries, both from the material and business initiative aspects.

The third factor refers to the so-called "borderline cases", Arabs living in localities in Jordan affected by armistice lines and numbering some 67,000 according to UNRWA records⁽¹³⁾ or 100,000 according to non-Agency sources⁽¹⁴⁾. These cases are not refugees in the full sense - by application of the definition quoted earlier - but they constitute what the Agency calls "economic refugees". At the end of 1951 relief (at half rations) was being distributed to 17,000 of these borderline cases as an exceptional measure.

Given all the foregoing qualifications and adjustments, a total "population account"⁽¹⁵⁾ comprising as components the refugees, the non-refugee population in West Jordan (Arab Palestine not under Israeli or Egyptian control) and in the Gaza strip, and Arabs in Israeli itself will exceed the total Arab population of Palestine as of 31 December 1946, adjusted for net natural increase till the end of 1951 by about 200,000. This indicates the considerable inflation of the number of refugees, there being among them people who belong to the non-refugee populations of West Jordan and the Gaza strip as well as false and duplicated registrations.

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(13) Director's Report 1951, p.4 para.24.

(14) Figure obtained from a detailed study of the localities concerned based on (a) the Palestine Government Village Statistics of 1.4.45 and (b) list of localities and their original population, as on 31.3.51, prepared by Sami Hadawi, M.B.E., Director of Land Taxation in West Jordan (privately obtained).

(15) Full account showing discrepancy appears in Appendix C under Item III, entitled "Population Mystery".

For the purpose of this paper, two sets of figures will be used: one set relates to UNRPR and UNRWA operations and conforms to these Agencies' records of numbers; the second set relates to the impact of the refugee population generally and takes into account refugees struck off the relief rolls because of receipt of income and other refugees never appearing on the rolls. Which set is used then will be clear from the context. The two sets appear below:

TABLE I

I. Refugees per UNRWA Records (31 December 1951)

	<u>Jordan</u>	<u>Syria</u>	<u>Lebanon</u>
Relief-receiving	463,169	83,401	105,135
Struck off for income reasons	6,000	4,000	8,000
Total I	469,169	87,401	113,135

II. Total Refugees (31 December 1951)

	<u>Jordan</u>	<u>Syria</u>	<u>Lebanon</u>
Total I	469,169	87,401	113,135
Refugees never on relief	6,000	1,000	3,000
Total II	475,169	88,401	116,135

C. Distribution of Refugees as to Origin, Sex, Age, Religion,
and Present Location (16)

Naturally enough the refugees, in pushing forth across frontiers, generally chose their abode in countries nearest to their original places of residence. There are two exceptions to this generalization: the clustering of Christian refugees

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(16) Distribution follows UNRWA records as on 31 August 1951, the latest most complete breakdown. Distribution as to present location of refugee grouping, however, refers to 31 December 1951. For complete breakdown, see Table II Appendix C.

coming from all parts of Palestine in Lebanon, where their co-religionists form a proportion of the population higher than exists anywhere else in the Arab World; and the clustering of better-off refugees (again regardless of geographical proximity) in Lebanon, the country they had known as a summer resort and education and business center.

It is in faithfulness to these criteria that most of the refugees in West Jordan come from Ramleh, Jerusalem, Jaffa, Haifa, and Hebron (about 80 per cent of total) - sub-districts due west of the "bulge" of West Jordan into today's Israel. Of the refugees in East Jordan, the majority (85 per cent) come from Ramleh, Jaffa, Jerusalem, Beersheba, Haifa, and Beisan. In Syria, on the other hand, most of the refugees (83 per cent) hail from Safad, Haifa, Tiberias, and Acre - all four localities in the north of Palestine. Refugees in Lebanon come mostly 88 per cent from Acre, Haifa, Safad, and Jaffa. In all three countries the urban portion of the refugees ranges from 31 to 35 per cent of the total⁽¹⁷⁾.

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Without exception, distribution by sex shows the same features in the three countries. Females are less than males below one year of age, showing a higher percentage of boys born. Between the ages of one and fifteen years, males accentuate their numerical supremacy over females, due to a higher female death rate in this age group. However, beyond 15 years of age, females outnumber males - an indication of female longevity and resistance. Taking all age groups together, males outnumber females by 4 per cent in Lebanon, 3 per cent in Syria, and 1 per cent in Jordan.

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(17) For breakdown of refugees population into Urban and rural, see Item IV Appendix C.

This is accounted for by the preponderance of males below 15 years of age.

The age structure of the refugee population reveals a remarkably high percentage of non-adults (0-15 years), about 48.8 per cent for all three countries, (47.8 for Lebanon, 46.4 for Syria, and 49.4 for Jordan). When compared with the structure in Mandatory Palestine the only change of demographic significance is in the increase in the 0-15 years group by 5 per cent of the total, due to a higher birth rate^(new) (coupled with more and unrevealed deaths - this in an attempt to keep the rations of the dead). On the other hand, a drop from 16 to 13 per cent of the 30 - 45 years group indicates that most of the wage earners are in this group. When these are struck off the rolls, not always with all their dependents, the result is a bias tending to increase the proportion of the other age groups, especially 0-15 years and, naturally, to decrease the 30-45 years group. In view, however, of the irregularities and substantial doubts involving the aggregate number of refugees (false registrations and duplications pertaining here particularly) caution is recommended in taking numbers in age groups without reserve. It is for this reason that an otherwise promising path of investigation is now abandoned.

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The religious distribution has very little bearing on our enquiry. Aside from the remark made earlier about the clustering of Christians in Lebanon, nothing remains to be mentioned here but the distribution by country. Disregarding about a hundred non-Muslims and non-Christians in the three countries, we have the following breakdown: Jordan 94 per cent Muslims and 6 per cent Christians; Syria 98.5 and 1.5; Lebanon 80.4 and 19.6. In all, there are 92.4 per cent Muslims (603,74) and 7.6 per cent Christians (49,865).

As at present housed, the refugees are predominantly in rented accommodation. Roughly about 16 per cent live in tents, 13 per cent in barracks, mosques, and convents and 71 per cent in rented houses. Jordan contains the highest proportion in houses (72 per cent), while Syria has some 70 per cent and Lebanon 65 per cent. The distribution of refugees according to location is very uneven from one district to another⁽¹⁸⁾. Roughly 42 per cent of these in East Jordan cluster in Amman, 29 per cent in Irbid, 17 per cent in Shuneh, and the rest in Zerka, and Salt. Of the odd 360,000 in West Jordan, more than a third are in the Nablus-Tulkarm-Jenin triangle, one sixth each in Hebron and Ramallah districts, and the remaining one third in Bethlehem and Jerusalem. The heart of West Jordan, namely the Jenin-Tulkarm-Nablus triangle, has the highest concentration of refugees both in Jordan itself and in all the host countries under study, i.e. excluding Gaza. In Syria, about 54 per cent of the refugees are in Damascus, 27 per cent in Daraa and Sweida, 9 per cent in Aleppo, and the rest in Homs, Hama, and Latakia districts. Distribution in Lebanon is more even than in either of the two ^{other} countries, with 23 per cent in Sidon, 21 per cent in Tyre, about 18 per cent each in Beirut and Mountain, 11 per cent in Tripoli, and 8 per cent in Beqaa districts. The overwhelming majority of refugees not receiving aid are in Amman, Damascus, and Beirut, but no exact figures exist to substantiate this claim.

D. Occupational Distribution of the Refugees

This is perhaps the type of distribution containing the highest margin of error - and for two main reasons: first, lack of precision and of definiteness in the occupations when first applied in refugee enumeration under the voluntary agencies

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(18) The figures refer to relief-receiving refugees as on 31 August 1951, the most recent date on which complete breakdown is available.

(I.C.R.C., L.R.C.S., and A.F.S.C.) and UNRPR; and second, refugee arbitrariness in declaration of occupation, arising partly from the lack of precision of the terms, as already indicated, and partly from the desire of refugees to claim occupations higher in the social hierarchy than the facts. Much has been done since UNRPR days to improve this side of the census, and now - although far from perfect - the records are thought to be quite near to the truth.

The categories under which occupations are grouped by UNRWA registration and statistics bureau are the following:⁽¹⁹⁾

Extractive (farmer, fisherman, forester, gardener, stone-cutter, etc.)

Constructive (chemistry, technical, building, mechanical, craftsman, etc.)

Commercial services (administrative, trade, transport)

Direct services (professionals, protective, medical)

Non-productive (religious, services)

Non-occupational (landlord, owner, student)

The choice of nomenclature as well as the coverage of categories is not always very happy, to wit: "non-productive" service which include bus-drivers, barbers, barmen, laundrymen, waiters ... and poets. The concept of "non-production" itself is controversial, but we will not go into that aspect here.

The first two categories comprise 73 per cent of the refugee working population: 40 per cent in extractive and 33 per cent in constructive occupations. About 15 per cent are in commercial occupations 3 per cent in direct services, 2 per cent non-productive, and 7 per cent non-occupational. The total working population in all countries, i.e. including Gaza and Israel is, about 161,000,

(19) For complete breakdown, see Table II (C) in Appendix A.

or one in 5.4 persons, or roughly one person per family⁽²⁰⁾. For general working purposes, URNWA adopts the 5-person unit as average household, and reckons on one employable person per family. This will be adhered to henceforth.

E. Economic Conditions Prior to Exodus

No complete survey will be undertaken here of the economic conditions of Palestine Arabs. Only such salient features will be pointed out as may be useful for comparisons with conditions of the refugees now and with the host countries. In other words, the background will be sketchily painted to render more pronounced the foreground.

Arab Ownership of Capital in Palestine

The most recent and complete survey of such conditions was made in 1945/1946 by the Palestine Government, in the form of a report containing background material for the use of the Anglo-American Committee of Inquiry⁽²¹⁾. On the subject of Arab ownership of capital in Palestine in 1945, the survey⁽²²⁾ offers

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- (20) Size of rural family has traditionally been viewed as 5.5 persons. This started with the Simpson Report (Palestine Report on Immigration, Land Settlement, and Development, by Sir John Hope Simpson, London 1930) p.26. In a more recent sample study the size was found to be 6.1, but this related to the household which may contain relatives and not only family-unit members strictly speaking (Survey of Social and Economic Conditions in Arab Villages, 1944. Special Bulletin No.1 - Dept of Statistics, Jerusalem, 1945 p.13). Due to refuge and dispersion conditions, and because of some family-splitting, the number is now thought to be 5 persons. This is perhaps not far from the truth for the whole of the refugee population, considering the usually smaller size of the urban family. In the sample survey under reference, full earners are found to be 21.1 per cent of total. In other words, one in every 4.7 persons is a full earner. Although no similar figures for the urban population exists, our working ratio (applied later in this paper) of one to five may not be widely off the mark.
- (21) "A survey of Palestine" prepared by the Palestine Government in December 1945 and January 1946 (2 vols). Government Printer, Jerusalem. 1946.
- (22) Ibid., Vol II, p.569.

the total figure of LP 132.6 million, exclusive of the value of urban land buildings and improvements and the value of public fixed assets. The biggest item is rural land, quoted at LP 74.8 million. The balance consists of agricultural investment, foreign liquid assets, industrial capital, etc. There are very serious objections to this estimate, both in the method used for arrival to the value of land by capitalizing land taxes - themselves based on artificially reduced value declarations and pre-war prices, as well as in the coverage of the list, which covers only insured commercial stocks - themselves a very small portion of total commercial stocks, and which includes only industrial capital - itself a small portion of business capital generally. Despite the objections the derivation of the estimate is informative.

Economic Activity and Income of the Population

Roughly two thirds of the refugees come from rural areas in Palestine⁽²³⁾ where they made their living mainly from activities related to agriculture directly, on the whole on their own, albeit on the average very small-sized, land holdings or as hired agricultural labour. They mostly cultivated cereals, pulses, fruits (particularly citrus), olives, vegetables, and tobacco. Average income per earner in 1944 from agriculture, livestock, fisheries, and forests was LP 134 annually. Earners in these pursuits were just over half total Arab earners, due

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(23) Data on the agricultural sector, especially in connection with land holdings, refer to a study made in February 1946 on "Arab Land Hunger in Palestine" for use as background material of the Arab Case to the Anglo-American Committee of Enquiry of 1946. The study itself had for sources the main official reports on the Palestine Problem, e.g. Shaw, Simpson, Johnson-Crosbie, French, Strickland, and Peel Reports; Village Statistics etc. (For full titles, see Bibliography).

mainly to understatement by the exclusion of part-time family labour, but their share was 41 per cent only of total national income. (24)

Let us now make a digression and turn to the size of the farm unit. According to the official land-grading system applied in Palestine it was grades 1 to 13 that could be considered cultivable under then generally prevailing techniques and capital equipment. The area of cultivable land was about 8,000 sq. kms. (25) and total population at end of 1947 some 2 million, of whom 1,350,000 were Arabs and 850,000 Jews. Of these 69 per cent and 26 per cent respectively were rural, or 931,000 Arabs and 169,000 Jews, totalling 1,100,000 or 55 per cent for the whole population. Pressure of rural population on land resources was in the denomination of 138 persons per sq. Km. In other words, average rural family holdings was 3.6 hectares. For Arabs and Jews separately, whose holdings were 6500 and 1,500 sq. kms respectively, the average holdings per family was 3.5 hectares for Arabs and 4.4 for Jews (26).

In what is now known as West Jordan, the total area of which is roughly 5,500 sq. kms comprising about 1,500 sq. kms cultivable under the same definition as above (i.e. categories 1-13) and whose population at the end of 1947 was about 450,000, the rural section numbered some 310,000. The average holding was about 2.4 hectares - or 31 per cent less than the average for all Arabs in Palestine. If it is further remembered that relatively more of the cultivable land in Arab Palestine (West Jordan) is of the

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(24) J. Loftus National Income of Palestine, 1944. Jerusalem 1946. p.27.

(25) Government of Palestine: Survey of Palestine 1946. Government Press, Jerusalem, 1947. Vol II p.566.

(26) It is of more relevance, in this connection, to measure holding per standard hectare (or dunum) instead of hectares of varying categories of land, by converting the latter into the most or least productive category. But this will take us too far afield.

lower-productivity grades than in the rest of Palestine - now Israel-held, except for 350 sq. kms in the Gaza strip - then it becomes evident that the rural population of West Jordan was worse off than the rest of the Arab rural population in pre-1948 Palestine. What further deterioration has resulted from the addition of about 360,000 refugees in West Jordan will be discussed later in Chapter Three.

The determination of the "lot viable" i.e. the size of land holding needed for maintaining the family was the source of a sore triangular controversy among the Mandatory Government, Arabs, and Jews. This is only too evident in the reports of the various committees that investigated the Palestine problem. The authorities established a set of sizes considered adequate for subsistence or lot viable, for all categories of land, and the sizes range from one hectare in citrus and banana land to 40 hectares in the lowest-grade cereal land. By far the biggest part of cultivable land lies in an inner range where the lot viable is 10 to 25 hectares, which shows only too well that the Arab farming unit - given capital and technique as in 1947 - was farming a plot drastically below its needs. The deficit in revenue was made good by casual labour in urban centers, by ancillary activity in the villages, by working a small irrigated plot intensively, by owning livestock, and by running into debt from time to time.

Part of the rural population, some 15 per cent perhaps, were engaged in non-agricultural activities in the villages: shopkeepers, barbers, carpenters, blacksmiths, bus-drivers, café-owners, teachers, nurses and midwives, etc. These followed non-agricultural occupations alongside minor agricultural work.

If this is reckoned on it will lead to the conclusion that [^]that part of total population engaged in agricultural pursuits is smaller than the rural population, the latter concept indicating residence in the rural sector. With this reallocation of communities, it may be correct to set at most 60 per cent of the population as engaged in agricultural and at least 40 per cent in non-agricultural pursuits.

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Residents in the urban centers in 1944 were mostly employed by government and local authorities and War Department, (some 19 per cent of total earners or 39 per cent of non-agricultural earners), where they made LP 150 annually per person employed by government and local authorities and LP 104 per person employed by War Department; another 9-10 per cent of total earners (19 per cent of urban earners) were engaged in commerce, finance, and the hotel, restaurant, and café business and made LP 238 per person engaged; industry, building, construction and housing, and handicrafts accounted for 11 per cent of total (22 per cent of urban) earners at an annual income per earner of LP 254 in industry and LP 145 in the rest; transport and communications were a source of income to some 5 per cent of earners (10 per cent of urban) at an annual income of LP 233 per earner; and other branches of economic activity (including military service) absorbed 4 per cent of total (or 9 per cent of urban) earners and provided an annual income per earner ranging from LP 121 to LP 182. Fifty-nine per cent of production came from the aggregate of urban pursuits against forty-one per cent from agricultural pursuits. An annual income of LP 197 per person engaged in urban pursuits was recorded against LP 134 per person engaged in agricultural pursuits. (27)

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(27) Loftus, National Income of Palestine, 1944. p.27.

National income in all branches totalled LP 49.6 million in 1944, earned by some 300,000 earners, exclusive of part-time family labour in primary occupations, at the annual rate per earner of LP 165. In an Arab population of about 1.2 million in 1944 one in every four Arabs was an earner. Applying this ratio to the total of refugees, receiving and not receiving relief, in the three countries under study, or to about 680,000, means 170,000 earners. At the 1944 level, their annual income would be about LP 28 million. Adjusting to offset the inflation in the number of refugees mentioned earlier will reduce this aggregate to around LP 24.5 million. That is, reducing the number of refugees and therefore of earners by about one-eighth leaves some 148,300 earners. Again, using the ratio that 680,000 refugees hold to total ex-Palestine Arabs as at 31 December 1951, both refugee and non-refugee, gives the still lower aggregate of LP 20.9 million. The second figure has more to justify it than either the first or the third because it comes nearest to income derived through the use of earners' total. Hence its adoption here.

F. Economic Conditions Now

What do we see, against this background? We have a refugee population with a relatively insignificant volume of capital and a trickle of an income arising from - on the whole - insecure and mostly seasonal employment and improvised business set up in the host countries by the lucky few with adequate resources. We will now turn to examine present economic conditions at nearer range.

Assets the Refugees Brought with Them

In the absence of accurate recorded data, a discussion of the assets that the refugees succeeded in carrying out with them cannot but be very general and speculative, especially where non-cash assets are concerned. Assets brought were in four main forms: goods, bank deposits, securities and cash.

1. Goods. These include in small part capital goods, such as buses and trucks of some transport companies, cattle, sheep, goats, and beasts of burden; and small quantities of trading stocks. In larger part they include consumers, durable, and household goods, such as private cars, refrigerators, radios, sewing machines, furniture, kitchen utensils, jewelry, and clothing. Further specifications is possible but at the cost of unjustifiable trouble because, despite the fact that the number of commercial and private vehicles should be well established in traffic offices in the three countries, these, except Lebanon where 405 vehicles are reported to have entered but only 100 seem to have remained, have intimated the difficulty of advancing information on Palestinian vehicles; and because the only other item supposedly subject to control - namely radios - is fee-free for refugees in Lebanon and not segregated in records from non-refugee radios in Syria and Jordan, and cannot easily, therefore, be checked upon.

2. Bank Deposits. No figures are available for bank deposits in Transjordan at the end of 1947 and 1948. The banks operating there were all branches of mother companies that did not show special accounts for Transjordan. To form an opinion, therefore, of the transfer of bank accounts from Palestine to Transjordan due to the flight of Arabs from the former one has to rely on knowledgeable opinion. It is the view of some leading members of the

banking business of Amman that late in 1947, before the flight, there was about LP 6 to 7 million in cash and bank accounts of which there were LP 4 to 5 million of cash in circulation and LP 2 in bank deposits. In May 1948 the combined figure for Transjordan was LP 22 million, of which some LP 10 million were of currency and LP 12 million of bank deposits. This represents an increase of LP 5 to 6 million in the former and LP 10 million of bank deposits. The bulk of deposits in Arab-held Jerusalem was transferred to Amman in the difficult days of the spring of 1948; Jenin, Tulkarm, Ramallah, Bethlehem, and Hebron bank branches did not account for much deposit business anyway; Nablus was the only town where it was felt relatively safe to keep bank accounts. But all these branches will not change the figure for Transjordan by more than a decimal. Therefore for all practical purposes it can be said that the refugees brought into Transjordan (East Jordan) bank deposits of some LP 12 million.

In addition to these deposits transferred, the refugees left behind between four and five million pounds of deposits in banks now operating in Israel (mainly Barclays Bank D., C., and O., and the Ottoman Bank).⁽²⁸⁾ This sum belongs to less than 10,000 refugees. No way is available whereby the share of the refugees in the three countries can be ascertained. It seems likely however, that the refugees in the three countries have about three-fourths of these, now frozen, assets.

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No such information, however scanty, is available for Syria and Lebanon. Banking statistics show no response to refugee influx: In Syria, only time deposits rose by some LS 3 million

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(28) Israel thinks it is about LP 4 million. UNCCP "Status of the Question of Unfreezing of Assets". Com.Gen./W.8/Rev.1/ of 16 January 1950. pp. 7 and 8.

by the end of 1948 over the year before; demand deposits were lower than in 1946 and only LS 2 million higher than in 1947 - which rise represents only about 2 per cent. In Lebanon, on the other hand, there was a drop of LL 10 million in 1948, compared with 1947 (or about 5 per cent drop) whereas the very small time deposits rose by LL 3 million, from LL 1.5 to 4.5⁽²⁹⁾. All this indicates that no sizeable bank accounts were transferred late in 1947 or early in 1948, as bank accounts, to Syria and Lebanon.

3. Securities. The securities which the refugees brought with them consisted mainly of company stock and Palestine Government bearer bonds. The former included primarily shares in the Arab Bank Ltd and Arab National Bank Ltd (the former still in operation in the Middle East; the latter almost at a complete standstill); it also included scores of companies ranging from small private limited companies to larger companies with hundreds of shareholders and hundreds of thousands of Palestinian pounds of capital each, running in their bulk to several million pounds of capital. Shares in most of these companies, except where branches outside Palestine still function, and these are negligible compared with the mother companies now represent little - if any - value, in spite of their substantial nominal value. Not unless the assets they represent in Israel are unfrozen and pass to the companies' hands will the position alter.

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Between 1944 and 1946 the Mandatory Government made four issues comprising 800,000 bearer bonds of a nominal value of LP 10 each. Of these about 600,000 were sold out by the termination

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(29) UNRWA, Quarterly Bulletin of Economic Development No.2, Feb. 1952 for the relative series on banking statistics.

of the Mandate. Israel has some 434,000 of this latter figure⁽³⁰⁾ the balance of some 166,000 was held outside Israel, mostly by refugees, but partly by investors in Lebanon. The Jordan Government, at the request of the U.K. Government,⁽³¹⁾ asked all holders to register their bonds at the Ottoman Bank, Amman. No such measures having been taken elsewhere, a rush ensued by holders of bonds in Syria and Lebanon for registration in Jordan, both by refugees and other holders. Non-refugees are believed to hold most of the bonds now, the refugees having sold theirs out at substantial discounts under pressure of need. The total brought out by refugees now in Jordan, Syria and Lebanon is estimated roughly at 150,000 bonds with a nominal value of LP 1.5 million. The balance of some 16,000 bonds, would therefore, be mainly in Gaza. Only 60,000 of the 150,000 are believed to be held by residents in Jordan, both hosts and refugees, while 60,000 are thought to be in Lebanon, and 30,000 in Syria. These figures are highly speculative and cannot be relied upon.

4. Cash. In the absence of official information indicating the volume of currency the refugees carried with them in their flight, a roundabout method will be used to arrive at an acceptable determination of the figure.

At the date nearest to the termination of the Mandate, that is on 31 May 1948 total Palestine currency in circulation stood at the record figure of LP 60,039,905.⁽³²⁾ This sum circulated in both Palestine and Transjordan which formed one currency union. From June 1948 to March 1949 a total of LP 36,938,553 was redeemed, of which LP 9,995,105 through the Amman Redemption Center. This leaves LP 26,983,448 in Israel-held territory which was redeemed on the issue of the new Israeli currency. Therefore, Transjordan,

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(30) Vide Anglo-Israeli Financial Agreement, 1950, Article 4 (b).

(31) Anglo-Jordanian Financial Agreement 1951, Article 4.

(32) Report on the Palestine Currency Board for the year ended 31 March 1949. London, 1949.

Arab Palestine (i.e. West Jordan of today), Gaza Strip, and refugees all over possessed LP 33,056,457 (60,039,905 minus 26,983,448). Prior to May 1948 Transjordan held about one-twelfth of the total currency in circulation, or some LP 5 million. This is how Transjordan's share featured then in the distribution of Currency Board Profits between it and Palestine. Judging by the two countries' standards of living and volumes of transactions this ratio is not unexpected.

A first division of the LP 60 million can now be attempted:

1. In Israel-held territory	LP	27 million (rounded)
2. In Transjordan 1/12 of LP 60 (million)		5
3. In Gaza Strip, in West Jordan, and with refugees everywhere		28
		<u>60</u>

Item 3 can be split into three parts, on a pro-rata numerical basis. This is quite arbitrary, but it will serve as an approximation. The numbers adopted are: Population of Gaza strip 65,000; of West Jordan 450,000; refugees 850,000, total 1,365,000⁽³³⁾.

Allocation of the LP 28 million results in the following:

1. In Gaza (with host population)	LP	1.4 million
2. In West Jordan (" " " ")		9.4
3. With refugees all over (except 25,000 in Israel)		17.2
		<u>28.0</u>

We will now proceed to a breakdown of the LP 17.2 million among refugee groups in Jordan, Syria, Lebanon, Gaza, Iraq, and Egypt.

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(33) This total plus Arabs remaining in Israel amounts to some 200,000 more than total Palestine Arabs adjusted for net increase would add to (see Item III Appendix C). But as numerators and denominators are all inflated the discrepancy in the result will not be serious.

(Currency Holdings by refugees in Israel are included in the LP 27 million for Israel). First, on a pro-rata numerical basis.

1.	Refugees in Jordan	435,000	LP 9.1 million
2.	Syria	80,000	1.7
3.	Lebanon	110,000	2.3
4.	Gaza	190,000	3.9
5.	Iraq	5,000	.1
6.	Egypt	5,000	.1
		<hr/>	<hr/>
		825,000	17.2

From general knowledge of type of refugees in each country and their economic means, we may safely adjust the above sums so that they comply better with facts. This is the result, after somewhat free-hand adjustment to account for the differences in financial means:

1.	Jordan Refugees	LP 10.0 million
2.	Syria "	1.5
3.	Lebanon "	3.0
4.	Gaza "	2.4
5.	Iraq "	.1
6.	Egypt "	.2
		<hr/>
		17.2

Jordan, Syria, and Lebanon - the three countries covered by this study - account according to this approximation for LP 10, 1.5, and 3 million respectively or for a total of LP 14.5 million, which is over 84 per cent of total refugee-held cash. Per capita holdings are LP 22.9, 18.7, and 27.3 respectively. In Jordan itself, most of the LP 10 million went over to the east bank, where there was more promise of security and freedom from the fear of Jewish occupation as well as better business and investment prospects. (The intensified drive in imports and in the building boom in Amman in and after 1948 confirm this view only too well. This, however, will be discussed in Chapter III). Many branches of big Palestinian firms were already functioning in Amman, anyway, and this added to this city's attraction to funds. Syria gave refuge to a group of Palestinians generally poorer than those in Lebanon or East Jordan. Hence the small per capita holding compared

with either Jordan or Lebanon, especially the latter.

Refugee Economic Activity and Income

At Mandate ration of earners to total Arab population of one to four, we established earlier that the refugee population in the three countries comprises between 152,000 and 170,000 earners - the former if refugee numbers are deflated by about one-eighth to account for exaggeration. Contrasted with this today the refugees in the three countries comprise, say, 30 to 35 thousand refugees gainfully employed or, although earning no income, possessing enough means to live upon. Of the total, some 2,000 never received relief for themselves and their dependents and some 6,000 were struck off the relief rolls with their dependents because of income beyond the ceiling of the scale applicable for relief elimination, while another 7,000 earn an income that justifies no elimination. In addition to these, about 20,000 earn an income of some sort which on the whole is too meagre to justify ration deduction or so seasonal as to become negligible when spread over the whole year - generally income of a very precarious nature.

This income of the refugee population derives mainly from employment and to a lesser extent - both in number of beneficiaries and volume of income - from trade, industry, finance, services, and agriculture. Where employment is concerned this income comes mainly from UNRWA (Headquarters and District Offices, about 4066 monthly-paid employees), Aramco (Arabian American Oil Company), C.A.T. (Contracting and Trading Company), I.P.C. (Iraq Petroleum Company), and from a legion of smaller firms in all three countries. A steady source of income to almost 4,500 refugees is pensions paid

by the U.K. Government to ex-Palestine Government officials, over and above substantial but non-recurrent sums paid in bulk as gratuities and disturbances grants, and in redemption of obligations generally. Thousands work in agriculture, mostly as labour paid in cash or in kind but not infrequently as cash or share tenants. Substantially more work as floating casual rural and town labour at almost whatever wage is available as long as it supplements the relief ration.

Quite a small portion of those gainfully engaged, however, work on their own; shopkeepers, craftsmen, public car owners, café owners, professionals, and a handful of large-scale businessmen.

According to UNRWA-undertaken field research⁽³⁴⁾ and to results of the study of UNRWA operations shown later in this paper, it seems possible that income and other receipts at the annual rate of about \$ 14.4 mn have been received by the refugees in the three countries⁽³⁵⁾. The other receipts refer to non-recurrent payments made by the U.K. Government to the officials of the ex-Palestine Government. If income items alone are taken into consideration, the annual income indicated above drops to about \$ 13.0 mn, or about LL 47 mn. The breakdown per country of the \$ 14.4 mn is \$ 7.0 mn for Jordan, \$ 2.8 mn for Syria, and \$ 4.6 mn for Lebanon. With the adjustment referred to, the breakdown of the \$ 13.0 mn becomes \$ 6.4 mn, \$ 2.6 mn, and \$ 4 mn for the three countries respectively. This represents a per capita refugee income of \$ 21.7 or LL 78 annually, assuming a deflated and corrected refugee number of, say 600,000. Compared with the 1944 level of per capita Arab income in Palestine of LP 41, this LL 78 or LP 8.9 is hardly 22 per cent of

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(34) Economics Division, Unpublished.

(35) For a tentative breakdown, see "Note on Refugee Income", Item V Appendix C.

the original. Per employable refugee, assuming a minimum of 150,000 employable refugees, today's income amounts to LL 312 annually or a little over LP 35, namely just over 21 per cent of the LP 165 of 1944.

To this cash income must, however, be added the money value of relief and services offered by UNRWA and independent charitable institutions. The cost of relief supplies and of services over the 20-months May 1950 to December 1951 averaged about \$ 2.4 per refugee monthly. This income must be added to the money income, if a true picture is presented. The combined annual income becomes \$ 50.5 or LL 182 per refugee. This again is about one half the 1944 level of per capita. income.

This sizeable reduction of income from the pre-exodus level is, of course, not even in the three countries owing to the three host economies' varying responsiveness to refugees' efforts to make a living, to the different degrees of refugee concentration in the three countries, to the varying size of the income-creating means of the refugees in the three countries, and to a considerable difference in income earned from UNRWA employment and U.K. pensions. As a result of these factors, and in line with the research referred to above and the income breakdown appended, refugee per capita income in Jordan is about 46 per cent what it is in Syria but only 38 per cent what it is in Lebanon. In each of these three countries it is roughly one third of an already very low per capita income for nationals⁽³⁶⁾. This hardship hits the refugees when they are least able to resist it, when most of them have to live in rented, rather than their own houses, when all of them need some supplementary food with their relief rations, when clothes have to be bought, in addition to donations to replace torn rags, and when the future ahead is dark and dreary.

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(36) As quoted in UNESMME Final Report, Part 1, p.34.

CHAPTER TWO

THE HOST COUNTRIES: COMPARABLE CHARACTERISTICS

When a description was being made of the social and economic background of the refugees, it was pointed out that no complete or penetrating survey was being made: the description was aimed at rendering pronounced the salient features only. Much less is it the intention in this chapter to undertake a survey of the host countries on a wide horizon; the aim is rather to single out prominent characteristics prior to refugee influx for contrast and comparison with refugee features already singled out.

A. JORDAN.

West Jordan

The Hashemite Kingdom of the Jordan, now comprising both banks of the Jordan river, possesses a unique situation. Part of the Kingdom, West Jordan, while being a host country is at one and the same time a part of the country that was dismembered subsequent to the Palestine War. Its population is one with the refugee population now taking refuge in it. The description in the last chapter of the refugee population stands therefore for the description of West Jordan as a host country. Hence no more will be said about this part of Jordan beyond what was said in the last chapter.

East Jordan

The second part of Jordan, East Jordan, is what used to be called Transjordan. This country, about 91,000 sq. kms in area⁽¹⁾,

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(1) UNRWA Quarterly Bulletin of Economic Development No. II, February 1952 Statistical Appendix, p.9. Some other sources place the area at 90,000 sq. kms. (See A. Konikoff - "Transjordan - An Economic Survey", Jerusalem, 1946 p.13 for higher estimates).

comprises some 17,500 sq. kms that is settled and has agricultural possibilities of some sort⁽²⁾. This area enjoys a steady type of weather, but inadequate rain, only 9,061 sq. kms receiving more than 200 mms of rain annually, which is the bare minimum for wheat growing. The size of the cultivable area is the subject of great controversy. Konikoff is of the opinion that it is 8,000 to 8,500 sq. kms (p.13) whereas Ionides⁽³⁾ goes to the other extreme in maintaining that, except for the limited possibilities of irrigation in the Ghor of a few hundred sq. kms, cultivable land is no more than the actually cultivated area of 4,600 sq. kms. Even there, he thinks, cultivation has gone too far. Doreen Warriner, in her book "Land and Poverty in the Middle East",⁽⁴⁾ puts the figure at 7,730 sq. kms of which 4,930 are actually cultivated, and 2,800 forest and other uncultivated land. Whether or not part of the latter area is cultivable is not stated. The 1937 Palestine Royal Commission adopts the figure of 1,896,400 acres (about 7,600 sq. kms) as the total acreage of the cultivated zone⁽⁵⁾.

What is of relevance in the midst of these widely divergent views is the definition of "cultivable area". Two factors are of paramount importance in this connection: the technique used, and the expenditure involved in agriculture. Konikoff admits that the 8,000 to 8,500 sq. kms are cultivable if land is cultivated by methods known to and employed in progressive agriculture⁽⁶⁾. Most probably, this condition upsets both technique and capital functions existing in Jordan. For the restricted purposes of this survey it can safely be stated that, given a technique and capital

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- (2) Konikoff, p.13
- (3) M.G. Ionides, "Report on the Water Resources of Transjordan and their Development", London 1940.
- (4) p.75 of "Land and Poverty in the Middle East", London. 1949.
- (5) Palestine Partition Commission Report (Comd. 5634).
- (6) Konikoff, p.29.

pattern like or near the one prevailing now, the cultivable area cannot be much larger than the 4,600 sq. kms now cultivated or at best 5,000 sq. kms⁽⁷⁾ (Warriner's figure of 4,930 liberally extended to a round 5,000).

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The population of Transjordan, estimated at 340,000 for 1943 (Konikoff) and at 400,000 in mid 1949 (TJ official estimates), has been further inflated without explanation to 600,000 for 1950 (Ministry of Finance, Annual Statistical Abstract 1950). The latter figure, which excludes the refugees in East Jordan, is altogether out of line with previous estimates. It will nevertheless be used in this paper because it represents the most recent estimate. Roughly 55 per cent of the original population of Transjordan are towns people and sedentary villagers, 35 per cent semi-nomads, and 10 per cent Beduins.

Populations density in the settled area of 17,500 sq. kms amounts to 34 per sq. kms. What is of more relevance, however is the density in the cultivable area of 5,000 sq. kms - namely 120 per sq. Km. Average holding per rural family, according to the official computation as at end of 1942, for 41,739 individual landowners, is 108 dunums (10.8 hectares). This accounts for 4,508 sq. kms. The unit holdings may be larger in the South and East where rainfall is scarce, than in the hills enjoying better than average rainfall. Present-day population pressure of the rural (and Beduin) section of the population

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(7) The outlook for the extension of the area by irrigation is not impressive. All the sources quoted limit the possibility of net extension to 250 sq. kms beyond the area now under irrigation while implying as well intensifying existing irrigation.

on cultivable land, considering this section to be of 70 per cent of total population, is partly gauged by the size of the family holding of 6.5 hectares per family of 5.5 persons⁽⁸⁾, or 5.9 for a family of 5.

Compared with these figures, an average rural family in Palestine had a holding of 3.5 hectares of cultivable land - about 54 per cent its counterpart in East Jordan. Higher average rainfall in Palestine in part counteracts this disparity. A more advanced farming technique and higher capitalization reduce the disparity still further. On balance, however, the lesson that remains to be learnt is that both countries suffer from high population pressure on land resources.

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The principal crops of East Jordan are cereals, pulses, tobacco, melons, tomatoes, and grapes. Wheat is far the most important. Estimates of agricultural production are not reliable. This impairs their perusal and analysis. Comparison of yields of similar crops between the two countries on both sides of the Jordan reveals the lead for East Jordan in wheat, barley, and lentils, and equality for tobacco. No such comparison can be made for vegetables and fruits, owing to the incompleteness of East Jordan data.

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Comparison of industrial production is next to impossible. The handful of industries in Transjordan before 1948 could not stand up

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(8) Lower than 10.8 because of the increase in population since the end of 1942 from 310,000 to 600,000. This increase more than counterbalanced the rise in cultivable area from 4,508 to 5,000 sq. kms. Rural family taken as 5.5 persons as a result of the 1942 computation, thus: 75 per cent of 310,000 = 232,500. This divided by 41,739 equals 5.5. However, during and since World War II there has been a growing move to urban centers; this has been the reason for considering the rural 70 per cent (and not 75 per cent) of total population.

to the stature of Arab Palestinian industry. Transjordanian industries consisted mainly of flour-milling, olive-oil pressing alcohol and beverages manufacturing, as well as building. In Palestine, industrial production was generally and specifically larger than in Transjordan. There was a bigger variety of industries which were more capitalized, in bigger units, employing a bigger labour force.

Wage-paid employment was not the main pattern in Transjordan except in towns, prior to 1948, whereas in Palestine it was the dominant form of employment. This is a result of the two different economic structure. Nor was labour in Transjordan organised, thus not as important institutionally as in Palestine. Wages in the latter, both for skilled and unskilled labour, as well as salaries, were invariably higher than in Transjordan, if comparable localities and activities are reviewed. Arab labour in Palestine had acquired skills not acquired in Transjordan, due to differences in the two countries' economies and in the impact of World War II on them.

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Trade played a minor part in the economic life of Transjordan until the end of the War, when the volume of imports increased considerably. This increase was due to the pressure of pent-up demand and the wartime-acquired purchasing power in the country. From one million pounds worth in 1937, imports grew sixfold to 6 million pounds worth in 1947 and tenfold to 10 million in 1948. Exports kept to a low level, and a sizeable trade deficit invariably ensued, exceeding LP 5.5 million in 1947 and LP 9.5 million in 1948. Average per head trade over 1937-47 in Transjordan was worth LP 13.82, or LP 9.36 of imports and LP 4.46 of exports and re-exports. In Palestine over the same period, trade played a more important part. Value of trade per head averaged LP 25.5 (almost double Transjordan), or LP 18.2 of imports and LP 7.3 of exports and re-exports.

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Very little - if any - is known by way of data on services, finance, and other tertiary occupations for Transjordan separately. All that can be said is a qualitative judgment to the effect that in this country such branches of activity were far less advanced than in Palestine.

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No survey has ever been done of the national income of Transjordan. Nor is there any enlightened guess, like that for some Middle Eastern countries quoted in the UNESMME report⁽⁹⁾. Knowledgeable opinion is agreed that national income was well below that of Palestine Arabs, both in absolute and per capita terms.

B. Syria

Comprising an area only slightly less than seven times that of all Palestine, Syria has just over three and a quarter million inhabitants. Of its total area of 185,000 sq. kms the authorities estimate some 87,000 is cultivable land, more than half of which is actually under cultivation, or some 46,000 sq. kms, divided into one-fifth irrigated and four-fifths rainfed. Three-fourths of cultivable but uncultivated land lies in the Jezireh and Euphrates districts,⁽¹⁰⁾ in the north-eastern tip of the country - a region of ancient renown for its fertility. According to a more modest estimate in the Gibb Report on "The Economic Development of Syria", produced in 1947 subsequent to an economic survey of the country⁽¹¹⁾, total cultivable land is 55,000 sq. kms broken down as follows: 6,000 irrigable (including 2,365 already irrigated) and 49,000 rainfed (including some 20,000 rainfed cultivated). The wide difference

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(9) Vol I p.34.

(10) Syrian Statistical Abstract, 1950 for this set of figures.

(11) Pp.18 to 21.

between the two estimates is partly due to the assumption implied in the concept of "cultivable land". The official generous estimate refers to the physically cultivable regardless of whether or not it is economic to render land in question cultivable. partly also it is due to the difference in the area of land already under cultivation which in official estimates combines all areas under rotation, no matter how sparse and extensive the cultivation. Throughout, the Gibb set of figures will be used, especially because it refers to land enjoying about 400 mms of rainfall annually, and because such land can become cultivated with a reasonable volume of investment.

Considering the extent of cultivable land, the fertility of the soil, and the size of the population it is obvious that Syria has a pressure on land resources substantially lower than that in Palestine or Transjordan.

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It is worth our while to examine the agricultural potential of Syria a little more closely. Let us then determine the size of agricultural family holdings.

According to the Gibb report,⁽¹²⁾ the rural is some 74 per cent of the total population, if the semi-sedentary and the nomads are added - a rough 300,000 in 1944, some 350,000 by end of 1951 at 22 per thousand of natural increase. Since 1944 a marked trend of movement towards urban centers has been in existence. Perhaps it will be nearer reality to assume the proportion 70 per cent, of whom some 15 per cent are living in rural areas but are not engaged in agriculture. The rural part of the population will therefore, amount to some 2,275,000. Density per one sq. km of cultivable land is 41 persons, against 138 for all Palestinians at end of 1947, or

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(12) p.3, p.21.

143 for Palestine Arabs in their own cultivable land. For a family of five persons, the average holding is over 12 hectares compared with 3.5 for Palestine Arabs, 5.9 for Transjordanians disregarding bias in the latter figure because of much lower average rainfall in Transjordan.

Again according to the Gibb report, the lot viable on irrigated land in Syria is 2.1 hectares, on rainfed land 8.55 hectares for a family⁽¹³⁾ of 5. The ratio is roughly one to four. Both categories of land can, at these rates, sustain about 4.3 million, almost double the rural population at end of 1951. If we add 15 per cent for persons not engaged primarily in agriculture but living in the rural sector, our supportable rural population rises to 4.9 million. This rough calculation indicates the huge potential in Syrian land resources - and points to the need for working hands that the country is bound to feel if it is to develop adequately. Water resources are also impressive and are from far being appropriately tapped. The Euphrates, Khabour, Orontes and Yarmuk rivers can be of great usefulness in rendering large-scale development possible. This fact has not been overlooked in planning development. Owing to the size of the country, however, this is a heavy task involving as it does the need for a substantial capital outlay, adequate human skills and improved engineering techniques, time, and good planning. Nor is that all. For development to be intergrated, other branches of the economy such as communications and transport, have to be improved. Land survey and settlement-of-title operations have to proceed hand in hand, otherwise enlightened planning will remained handicapped. In the field of social reform, education and health services will also have to be given due attention.

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(13) The Report assumes a family of 7. The above figures of size of holding have been adjusted downward for a family of 5.

Syria is predominantly an agricultural country where cereals (especially wheat), cotton, grapes, olives, apricots and tobacco, and livestock are of primary importance. By the end of 1951, the agricultural picture had changed substantially. Cotton had established itself as a very large important cash crop, jumping to the position of a source of income of respectable dimensions in one year. This led to a frenzied speeding-up of land improvement and development by irrigation and mechanization mostly by private initiative, created considerable employment, and gave impetus to ginning, delinting, and seed-pressing and oil extraction industries.

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Trade and industry come next in significance. Not much more beyond such a generalisation can be ventured, in the absence of a survey of national income⁽¹⁴⁾. Both these branches of economic activity as well as services - including employment in Government jobs - accounts for the income of about 25 per cent of the population who live in urban centers, aside from another 15 per cent engaged in ancillary activities in the rural sector.

The break of the custom union with Lebanon in March of 1950 produced changes in the structure of the Syrian economy that, along with the shift in the position of cotton in agriculture, may be said to have created a radical change in the general economic picture. The break gave trade and industry a flourish, no matter if and how artificial, in their new sheltered position. How lasting this can be only time and experience can determine.

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(14) A rough estimate of per capita income of \$100 in 1949 is quoted on p.12 of the Review of Economic Conditions in the Middle East, a United Nations publication, N.Y.1951. Compared with LP 41 for a Palestine Arab in 1944 (the difference in price levels being in mind), the latter figure is 40 to 50 per cent higher than the former.

Ever since the break, Syrian merchants have been attempting to establish their own foreign commercial and exchange relations and to handle the bulk of their trade. Comparisons with with pre-1950 trade are perhaps not yet possible, or if possible not very fruitful yet. Generally speaking, however, for the year ended March 1951 Syria had LS 275 million of imports and LS 305 million of exports, a good cotton harvest at exceptionally high prices mainly accounted for the level of exports. Per capita trade was about LS 85 of imports and LS 94 of exports (or LS 179 of both) - the former less than half its counterpart for Palestine in 1947, but the latter roughly equal. However, because of differences of price levels no more than an approximation can be attempted.

As things stood in 1951, Syrian industry, beyond an initial quantitative improvement after the break, showed no response by way of introduction of new products or processes. The most prominent lines of industrial production still are textiles and allied cotton processing, cement, construction, tanning, canning and preserving, matches, and cigarettes.

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In social characteristics, there is much in common between the Palestine Arab and the Syrian populations. Both are predominantly Moslems. In both cases more than half the population is very young, below 20 years of age. Natural increase is high in both, 25 and 22 per thousand respectively. Both populations are predominantly rural, with earners engaged in agricultural pursuits well over half total earners.

Despite the dearth of accurate relative information in Syria, it is believed that literacy is higher among Palestine Arab and technical skills are also higher. Their experience with labour organisations and self ruling in village is also more extensive than the Syrians!

C. Lebanon

Smaller than either of the two countries under review, with 10,400 sq. kms of surface area, Lebanon has peculiar physical as well as socio-economic features. It is a mountainous country, with relatively little level agricultural land. Under the pressure of over 1.3 million inhabitants (as in mid 1951) it has the ¹⁹highest density of population in the Arab world including Egypt, if the whole area of the latter country is taken into account. In contrast with Palestine, Transjordan and Syria it has no desert or semi desert land totally unused. As a matter of fact, a high degree of intensity characterizes land use in Lebanon.

According to a report by Sir Alexander Gibb and Partners on "the Economic Development of Lebanon" (1948), two thirds of the Lebanese population is rural and one third urban⁽¹⁵⁾. The former section includes about 15 per cent engaged in ancillary activities in the rural sector. Earners engaged in non-agricultural pursuits, i.e. in secondary and tertiary occupations, form a higher proportion than in Syria and a much higher one than in Jordan. Furthermore, income arising from secondary and tertiary occupations in Lebanon is perhaps three fourths total national income⁽¹⁶⁾, whereas it is almost one-half in Syria and one fourth to one third in East Jordan. This indicates in broad lines the special features pertaining to the structure of the Lebanese economy.

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Out of the total area of Lebanon of 10,400 sq kms, some 2,785 sq. kms are cultivated, and about one fifth of this is irrigated. Area that is cultivable but not cultivated is about 1,150 sq. km, mostly poor quality land or difficult terrain. Development potential

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(15) p. 30.

(16) Impression gained from Monographs 1 and 2 of "National Income of Lebanon", a survey by Dr. A. Badre and Mr. A. Altounian, Beirut 1951.

in this respect is not impressive. Total cultivable area, i.e. actually cultivated plus not yet cultivated, may thus be liberally estimated at 3,940 sq. kms, (17). For a rural population of some 865,000, or 173,000 families, this means 2.3 hectares per family - an area smaller than in Palestine, Transjordan or Syria. The agricultural possibilities of Lebanon seem therefore to lie more in the intensification and improvement of cultivation rather than its extension horizontally. Agriculture which supplies perhaps no more than one fourth of national income (18) is still the biggest single component in the national income. Development must, therefore, be kept in sight, be it in reclaiming new but scarce land, extending irrigation, mixed farming, or services related to agriculture.

At the present moment fruits constitute by far the largest item in agricultural income (more than two-fifths), cereals come next, then leguminous crops, vegetables, animal products, industrial crops, fishing, and silk. The prospects for fruits are becoming increasingly bright, and substantial investment is consequently diverted to fruit-tree growing. Forestry and fishing which should by right be important remunerative elements in income from extractive occupations are relegated to a very minor place, through indifference and neglect. They too can be developed considerably.

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Lebanese industry experienced rapid growth during World War II. Under the impetus of war conditions inefficiency crept in; nevertheless the industry has on the whole stood the various shocks it has been subjected to: resumption of large-scale importation and break of the Lebanon-Syrian customs union. Output is now generally

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(17) Figures obtained privately in 1950 from Director of Statistics, Lebanon.

(18) In 1949 at 1948 prices, LL 176 million. See Monograph No.1. on National Income of Lebanon, op.cit, p.5.

restricted to meet local demand, but cases are not lacking where exportation is gaining in importance.

The chief Lebanese industries are textiles (cotton, rayon and natural silk, wool) cement, tanning, olive oil pressing, soap, foodstuffs, alcohols, matches, cigarettes, and electricity. No labour shortage exists, except perhaps in the highest skill brackets. Power is not adequate, but development in this respect seems to be forthcoming soon.

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A considerable part of investment goes into construction in Lebanon⁽¹⁹⁾. As a component of national income, construction perhaps comes next in importance to trade and industry, possibly at par with tourism, summer and winter resorts, at LL 30 to 40 million annually. This emphasis on construction is a phenomenon of general occurrence in the countries under study, where - for various social and economic reasons - people direct a substantial portion of their investible funds to building.

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Trade has a place of honour in the economic life of Beirut, capital of Lebanon. Despite the absence of a complete national income survey, many think that it is likely that trade and dealings in foreign currencies and gold, together, give rise to a stream of income of greater volume than every other stream in the Lebanese economy but agriculture. The number of persons engaged in commercial and financial pursuits is not proportionately high, but the earnings per person engaged are so high as to make up for this.

Lebanon handles goods and currencies for its own as well as for others' uses. With adequate roads and good port facilities and shrewd businessmen, it services a wide area, especially where foreign

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(19) Line of argument in Monograph No.2 on National Income of Lebanon. op.cit.

currencies are concerned. Prior to the break of the customs union (which also meant practical difficulties in the face of Lebanese transit trade) Lebanon handled a respectable volume of trade for other countries in the Middle East. It is trying hard now to regain that position.

Of marked significance for the country, because of its beautiful scenery and snow-capped mountains and its place of historical interests are its tourist trade, summer resorts, and winter sports. These, particularly the first two, draw thousand of visitors and million of pounds to national income. The authorities estimate it at LL 30-40 million annually, at the 1950 and 1951 level⁽²⁰⁾.

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In the economic field we have shown that Lebanon has some features peculiar to itself. Socially too, it has certain distinguishing marks. The population is more literate than that of either Syria or East Jordan, and even than Palestine Arabs. It is more urbanized and more urbane, and in possession of more and varied skills than either the Syrian or Transjordanian populations. For what they are worth, data on age groups indicate a proportion of the young, below 20 years, slightly less than in Syria.

The country, however, suffers from large-sized emigration to the Americas, Africa, and Australia. Hundreds of thousands have migrated to and struck roots in these far lands, from which to this very day they send back remittances to their "folks back home" aggregating into an estimated LL 30-40 million annually⁽²¹⁾.

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(20) Le Commerce du Levant, Beirut, November 22, 1950 states income as LL 27 mn. Elsewhere, in "For a Lebanese Economic Renovation with the Collaboration of Lebanon Overseas", 1 July 1950, This source of income is estimated at about LL 21 mn (\$6mn). The Commissioner of Tourism in Lebanon, in a press statement after the 1951 summer season, estimated it at LL 35 mn a year at the 1950 and 1951 level.

(21) Estimated at LL 45 mn for 1948 by I.M.F. Experts in 1949. Figure privately obtained from Prof. S.B. Himadeh, American University, Beirut. Later current estimates put it at LL 30-35 mn.

It is in a setting like the one we have drawn that over 600,000 refugees find themselves in Jordan, Syria, and Lebanon. These are the peoples and the economics with which the refugee population is interacting and on which it is exerting its impact. What this impact is will be our query in the next chapter.

CHAPTER THREE

IMPACT OF REFUGEE IMMIGRATION ON THE HOST COUNTRIES

More important than the ~~relevant~~ ^{relatively} modest volume of assets the refugee population brought over in its influx into the host countries is the fact that this mass movement has meant the arrival of hundreds of thousands of people, more than half of them very young, who comprise a working population 150,000 to 170,000 in number. These include several thousand skilled craftsmen, artisans, and labourers and many more farmers and semi-skilled and unskilled workers. This huge working population has shifted its weight with embarrassing suddenness to the host countries, has knocked continuously on the door of economic opportunity, and has, as can be expected, received only a very feeble response. Under the strain of underdevelopment and inadequacy of capital investment the host economies can hardly provide employment for their own nationals. Except in periods of extreme pressure of demand, like war time, substantial open and disguised unemployment exist. Unless resources are expeditiously and substantially developed, no quick response can be forthcoming in moments like the one at which the host countries now find themselves. But this applies unevenly to the three host areas. Lebanon, for instance, received a refugee population about one-tenth of its own; Transjordan between one fifth and one sixth, Arab Palestine (i.e. to day's West Jordan) almost three-fourths, Jordan combined more than two-fifths, and Syria just over one-fortieth. Prima facie, Jordan, and quite particularly West Jordan should be the place under the heaviest pressure and inconvenience arising from the receipt of a population more than 40 per cent its own size. Add to this fact that Jordan has put forth no restrictive measures whatsoever in the face of refugee business and employment

and the picture acquires a gloomier tone. To the other extreme is Syria, a country where the refugees are well less than 3 per cent of the host population, where also development and therefore, absorption prospects are brighter than elsewhere in the host countries under review. In this case inconvenience is least burdensome and can become even less if the country's resources are only modestly improved. Somewhere in the middle is Lebanon, a country of strained immediate possibilities, where any development will naturally be called upon to absorb the surplus population now striking its fortune in the far ends of the earth, and where certain restrictions have been placed on the employment of refugees.

This in very broad strokes is the sketch of the resilience of the host countries to the impact - which impact we now turn to consider for each country separately.

A. JORDAN

The effect of the influx of refugees on Jordan has been phenomenal. It has generated forces and created problems of far-reaching influence politically, socially, and economically. The added effect of the "anschluss" of East with West Jordan (Arab-held part of East Palestine) has laid before Transjordan - and now lays before all Jordan - a situation loaded with responsibilities new and almost unwieldy⁽¹⁾.

Population and Pressure on Land Resources

On the economic level, population pressure on the agricultural resources of East Jordan has changed appreciably since 1948.

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(1) Moreover, the "anschluss" has made this study more difficult, because Arab Palestine which since April 1950 has become an integral political part of Jordan is at one and the same time part of Palestine from which refugees moved out and exercised their effect, and part of Jordan which has sheltered the refugees and has had to face the effects of their reception.

Although many of the refugees are "insulated" - kept separate in camps and generally out of the economic circuit - and their most important food requirements supplied by UN Relief Agencies, yet inasmuch as these purchase any of the foodstuff items locally the pressure will be operative⁽²⁾. Population pressure on land in East Jordan after refugee influx is higher than prior to 1948. For the rural sector (about 70 per cent of population 490,000 out of 700,000 persons), pressure is indicated by a density of population of 98 per sq. kms, and by a land holding of 5.6 hectares for a family of 5.5 persons, the size prevalent in Transjordan, against 84 persons and 6.5 hectares before the influx. For a family of five the average holding will be about 6 and 5.1 hectares pre and post-influx, both sizes very small.

In West Jordan the position has deteriorated considerably and now borders on the impossible. There are about 575,000 persons in the rural sector, including refugees, meaning a density now of about 390 per square km of cultivable land and an average holding for a family of 5 of about 1.3 hectares - against 207 persons and 2.4 hectares pre-influx. The anomaly of the situation is at present greatly reduced by UN relief, which serves as a safety valve to the pressure on land of the refugees who are over two-fifths of the total population (72 per cent of original). Otherwise West Jordan, which even in "the good old days" was largely dependent on that part of Palestine now Israel-held, would have been prostrate under such immense population pressure on the meagre resources of its rocky hills and what remains of its central plains. The average family holding is fantastically low by any standard, hardly one tenth the requirements for similar land and cultivation technique.

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(2) Substantial local purchases are made, but these and their impact will be discussed under Part II of this paper.

Taking into consideration both sides of the Kingdom we have a total rural population of 1.08 million and a total cultivable area of 6,500 sq. kms, or a density per sq. kms of 167 persons and a 5 - person family - holding of 3 hectares. These results are not bright, even if we assume complete social fusion and population mobility from the more to the less crowded parts; for, the average holding per family is only one fourth the lot viable required for a modest standard of living. Unless radical improvement and development take place, it does not seem possible - except via external aid - to maintain the very low prevailing level.

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The farmer and landowner have, however, been crying hard since May 1948 to face this difficult situation. Under the pressure of population, cultivation has been pushed onwards, owing to the shifting further of marginal land with the impetus of rising prices soon after the influx. Bright expectations would have been instrumental in bringing about this extension in all probability, given the intensification and increase in demand.

Irrigation, though of limited scope, began to pay in some cases when and where it did not before; and above all in land already under the plough diversification in cultivation and change in the pattern of rotation ensued, with the emphasis mainly on the reduction of fallow land. Although reliable data to substantiate this claim are not available, personal observation and field research have corroborated this opinion. (3).

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- (3) People interviewed include: Under-secretaries for Finance and for development and reconstruction; director of statistics; district officer, Ramallah; Mayors of Qalquiliéh, Ramallah, Jericho, Zerka; ex-mayor of Jerusalem; secretary of the municipal council of Amman; secretaries of the chambers of commerce of Amman and Jerusalem; director of land taxation in Jordan; secretary-general of the Arab Bank Ltd., businessmen in Amman, Jerusalem, Ramallah, Hebron, and Nablus; and Agency officials in the field.

Moreover, a marked change in tastes has been noticed, and this - although a social phenomenon - has economic implications. The consumption of vegetables has not only increased considerably among the host population under the influence of imitation, but some vegetables (e.g. cauliflower, carrots, spinach) have been introduced into the family diet almost for the first time. Vegetables are now available all the year round. In 1951 there was as a matter of fact a sizeable surplus available for exportation, especially of tomatoes. Measures had to be taken in Lebanon, for instance, for meeting the keen competition of large quantities of Jordan's tomatoes⁽⁴⁾. Summer crops have gained much importance under the changed rotation pattern.

The impact on agriculture generally, however, remains weak so long as no appreciable capital investment in the land and water resources is made. What development is achieved with present means will, therefore, mainly amount to no more than working resources in use to near-full or full capacity.

Pressure on Goods and Services⁽⁵⁾

The refugees brought purchasing power and demand to Transjordan and Arab Palestine. Initially, this meant pressure for goods and services which expressed itself mostly in rise in prices and rents. Furthermore, with their higher social standards and more diversified tastes, the refugees created a demand for goods and services not hitherto known to a large clientele or but little known. The ability to invest under a strong demand coincided with openings

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- (4) In several newspapers in Beirut, between 2nd and 8th May, 1951 the subject was discussed.
- (5) Annual Report of the Ministry of Commerce (1949) and of the Ministry of Trade (1950), Jordan, in their summary survey, express opinions on the movement of prices and rents, and on the ~~lead~~ increase in irrigated cultivation (especially of vegetables) and in building activity, which corroborate the analysis in this and the preceding section on pressure of land resources.

for investment, hence the economic activity generated in the building industry, trade, transport, and some other services. This was more pronounced at the outset when disposable funds were more abundant than later, and it was coupled with a high propensity to consume, more so in expectation of a short Arab dispora. The lively activity was not smoothly diffused in all Jordan. It started in Amman, and, later to a lesser extent, Zerka. Ramallah and Jericho followed, but on a restricted and modest scale. Life is coming back to Jerusalem slowly and shyly - mainly because Jerusalemites east of the armistice demarcation line, first, have largely given up hope of quick internationalization and return to their homes and businesses, and second, have only recently acquired that sense of security necessary for investment. Sentimental yearning cannot be altogether overlooked as a factor too.

On the whole, however, and in Jordan generally the economic activity generated has been mainly in East Jordan. It has also been brief, and signs are not lacking that it has spent its vigour, not in absolute but in relative terms. This mostly due to the considerable leakage through excess of imports over exports which has been financed both by sterling credits in the United Kingdom as well as currency redemption.

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Although there are no comparable statistical series for the movement of rents and prices in Transjordan and Arab Palestine for 1948, 1949, 1950, and 1951, evidence is ample that the influx of refugees exerted an inflationary pressure. It forced rents and prices upward more quickly than house-building and imports could cope with the pressure of demand. The lag was tangible. The building boom of Amman has been spectacular. Building licenses which between April 1946 and April 1948 averaged 454 yearly, became 527 for 48/49,

906 for 1949, and 1054 for 1950. In Zerka, building activity in 49/50 rose by more than fourfold the 48/49 level.⁽⁶⁾

In West Jordan, building was accelerated primarily in Ramallah under the stimulation of high rents. In Jerusalem, the hope of internationalization and the feeling of ~~security~~^{insecurity} slowed down investment generally and especially in real estate, until the approach of the second half of 1950, when construction moved at a brisk rate. In Nablus and Jericho, where building flourished (but less than Ramallah) the motives were varied. In the former, it was due not to a rise in rents but mostly to the desire to escape from the currency into real estate, and this in 1950 when the insecurity characterizing 1948 and (less so) 1949 was relaxed⁽⁷⁾. And it was partly due, as in the case of Jericho, to an attempt to make up for lost investments in Israel-held territory.

The importation of cement into Jordan is also a good indication of the trend in the construction industry. Cement imports were 11.5 and 11.4 thousand tons in 1946 and 1947 respectively. They rose to 21.4 in 1948 and 33.7 in 1949. In 1950 the soaring wave subsided temporarily to 25 thousand, to rise again to 39.4 thousand in 1951, mainly under the pressure of public works, (hence the exaggerated significance of the rise in 1951).

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The natural working of the price mechanism has also pushed merchants to increase their imports considerably in response to intensified and extended demand. Imports to Transjordan were LP 6.1

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(6) The increase in building and trading activity in Zerka must not all be referred back to refugee influx, but partly so and partly to Zerka being a camp town with hundreds of troops around, many of whom bring their families to live nearby. The influx of refugees coincided with the increase in troops barracked in the vicinity.

(7) Building licenses and area involved in Nablus are:

1948	-	80 licenses	11,280 sq. m.
1949	-	78 licenses	10,300 sq. m.
1950	-	145 licenses	18,814 sq. m.

million for 1946 as well as for 1947. In 1948 they rose to LP 10.3 million and in 1949 to LP 12.7 million. In 1950 however, imports fell, to LP 10.8 million⁽⁸⁾, then rose to LP 15.7 million for 1951.

This upward movement in imports was made possible by the entry into Jordan of cash and Bank deposits of relatively considerable size, as was mentioned earlier. Between the end of 1947 and the end of May, 1948 about LP 20 million of cash and bank deposits were injected into the economy of what is now comprised by the frontiers of Jordan. Prior to this flow, which we discussed earlier, there were about LP 5 million in cash in Transjordan and LP 9.4 in Arab Palestine (now West Jordan) - a total of LP 14.4 million., and some LP 4 million in bank deposits on both sides of the Jordan (LP 2 mn in each) - a grand total for both of LP 18.4 million of cash and bank deposits. The addition of about LP 20 million within a matter of a few months constituted a marked increase. It brought the total to LP 38.4 million, of which LP 24.4 million were in cash and LP 14 in bank deposits. By the end of 1951, this LP 38.4 million had dropped to hardly LP 15.5 million, of which LP 9.3 mn were cash and the rest in bank deposits. This drop of about LP 23 million is accounted for by the serious trade deficits between 1948 and 1951.

This draining of about 69 per cent of the country's money supply has implications more serious than the arithmetic of the figures indicates, especially if it is kept in mind that the general tempo of business activity has slowed down tangibly. Firstly, it went to meet imports predominantly for direct and durable consumption: it did not in any big way increase the country's productive capacity. Secondly, it meant the depletion of the sterling assets behind the currency. This in itself dropped more drastically than bank deposits,

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(8) Ministry of Commerce, Department of Custom Trade, and Industry. Annual Report 1946, 1947, 1948, and 1949. Ministry of Trade. Department of Customs, Trade, and Industry, Statistics section. Annual Report, 1950. For 1951, advance figures were reported in UNRWA, Quaterly Bulletin of Economic Development, No.2. of February 1952.

from LP 24.4 to 9.3 million. The drop in sterling assets lays a hardship on the economy if internal business activity necessitates an increase in the quantity of money in circulation beyond the three to four million of sterling pounds still to the credit of Jordan at the end of 1951. Such increase cannot be effected unless exports increase and provide the sterling cover, or the requirements are found otherwise by external action (loans, grants-in-aid, UNRWA transactions).

Naturally this presentation, being in the nature of a comparison of two static photographs of the money supply at two different dates, omits the net flow into Jordan during the intervening period of three years of foreign currencies arising from U.K. payments to ex Mandatory Government pensioned employees and other beneficiaries, nearly LP 2.5 million; of remittances from abroad; U.K. loans and grants-in-aid; tourists; foreign legations and concessionary companies; and UNRPR and UNRWA. (Disbursements made by these U.N. bodies are of direct relevance to this paper, and they will be discussed in the next part). Such payments into Jordan undoubtedly for a time swelled the money supply then petered out mainly to finance commodity imports. Therefore, a correct as well as complete picture will reveal a much bigger volume of sterling and other foreign assets that were wiped out in the period under survey.

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It was greatly increased consumption in the broad sense of goods and services which accelerated building activity, trade, and services from 1948 onwards. The accelerations was a clear case of investment induced by increase in consumption, which increase under the circumstances can be called autonomous. Undoubtedly income rose considerably in the process⁽⁹⁾, but it will be easier to gauge

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(9) Aggregate, not necessarily per capita income - considering the extent of the increase in population.

the tangible induced investment which was made possible under the impact of increased consumption.

This aspect of refugee immigration has been of mixed effect. The injection of purchasing power, although leading to some investment, was less operative in increasing the country's productive set-up in sectors ^{other} than building. The more deeply the incoming money supply was depleted, the more of a burden rather than an asset the refugees became. They cause many and varied hardships to the host country, from which both suffer. This is now the case, judging by the mounting demand of erstwhile better-off refugees for free accommodation in camps and re-instatement (or altogether new enrolment) on relief lists. Area officers of UNRWA all over Jordan are keenly aware of this pressure, which has resulted in a substantial increase in camp population and which frequently finds an echo in Government circles. At a time when relief has to be reduced to a minimum, clamour for it becomes noisier and more justifiable because the economy has not increased its productive capacity to meet the increased claims on it. The increase in the money supply, furthermore, while rendering the balance of payments position less strained, through the sterling assets behind the incoming money, was cancelled out almost automatically by the increased claim on such assets via the increased demand for imports.

Pressure on Employment and Income

Labour employed in East Jordan increased considerably in absolute terms after May 1948; but because of the increased activity and quantity of money wages rose higher than in 1947. The wave has now partly spent itself, and although rents and prices generally are still high, wages have inclined downwards⁽¹⁰⁾. This is understandable if it is borne in mind that housing and commodities are still much scarcer than labour. In West Jordan, due to the excessive increase in the labour force, deficient employment opportunities,

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(10) No comparative series exist, but this is the general impression of many of those interviewed.

and the flight of money of 1948 and 1949, wages dropped considerably below the 1947 level. There is no uniformity, however, in either side of the Jordan. The very low degree of mobility of labour⁽¹¹⁾ and institutional restrictions (by UNRWA e.g., in connection with the facilitations of relief administration) connected with refugees, allow such a situation to be maintained of different levels of wages in areas within easy reach of each other.

Income-earning refugees generally, whether or not in receipt of relief, obtain their income mainly from the following sources:⁽¹²⁾ Employment with UNRWA; pensions, gratuities, etc for services with the ex-Palestine Government (paid by U.K.); service in the army and police forces; Government-employment (both for monthly salaries and daily wages); employment with banks, concessionary and other companies; employment in or ownership of enterprises in agriculture⁽¹³⁾, trade, transport, catering services, and in building and allied industries, and hawking.

Refugees are now competing sharply in all walks of life with nationals of East and West Jordan. Because of better skills or more adaptability or lower wages accepted due to receipt of relief, or because of a combination of two or more of these reasons the refugees not infrequently succeed in pushing nationals, especially in East Jordan, out of employment or business partly or wholly. The result of competition in business is work below capacity and reduction in profit, or outright loss for business, while the result of competition in employment is under-employment, or outright unemployment for labour. Fortunately, however, the host population still shows that goodwill which characterized its attitude in 1948, when almost everybody thought the refugees had come for a few weeks' stay.

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(11) Because of indifference due to receipt of relief, ignorance, attachment to one's environment, fear of the unknown, attraction of certain - though modest - over higher though uncertain income

(12) In this connection, see note on Refugee Income. Item V. Appendix C

(13) Mostly as casual cash or kind-paid labourers, but also as share-tenants.

Pressure on the Public Exchequer(14)

The Transjordan Budget of 1947/48 of about JD 1.6 million looks dwarfish compared with the 1951/52 budget of some JD 5.2 million for revenue (not including U.K. subsidy of LP 6.5 million) and JD 7.2 million for expenditure (excluding government-subsidized schemes such as the development bank, the cement factory, the refinery, and Aqaba port development). The sharpest rise since 1937 occurred in the 49/50 over the 48/49 budget. The latter was of the denomination of JD 2.3 million, the former JD 4.8 million. The rise in the 51/52 budget is incumbent on the responsibilities undertaken by the Government to enhance development and social services, to attend to certain direct and indirect refugee problems and to administer West Jordan. (The latter is a net liability with less than half a million dinars of revenue and 1.5 million dinars of expenditures.) A considerable part of the increase in the budget is due to the refugee problem and its ramifications. The taxpayers, mostly original Transjordanians, naturally are not grateful for this aspect of refugee immigration. But this draws us into the assignment of moral responsibilities related to the refugee problem, a thing that falls outside the frame of reference of this paper.

Refugee immigration into Jordan has had mixed effects. On the one hand, the refugee group is a valuable asset, a factor of production of effectiveness and potential usefulness. This group, through its purchasing power, accelerated business activity and was instrumental directly or otherwise in a sizeable investment. On the other hand, it will remain only a potential asset so long as it cannot play its role as an essential factor of production, in view of the dearth of capital and planning. There are other aspects of refugee influx no less disagreeable. There is the instability

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(14) Because of the official equivalence of the Palestine pound and the Jordan dinar, the latter is being used even for pre-1950 years for uniformity's sake.

attaching to the presence of a big portion of the population in conditions of squalor, partial hunger, dissatisfaction, and idleness; for whom not much can be done in the immediate future, except with capital investment Jordan is definitely too poor to provide. Furthermore, the Jordan Government finds that at the time when its responsibility becomes heaviest business becomes slacker and taxability lower. For, although prices are but little lower in 1951 than in 1948 and 1949, and although rents are perhaps as high, yet the bustle of activity in the market generally has tangibly subsided. The protracted rise in prices and rents, in spite of the drop in purchasing power, is attributable to the semi-monopolistic position of importers and landlords, as well as to their rigidity in maintaining prices at a high level. This rigidity is due to the hope that the drop in world prices and in the cost of building may be short-lived and that they will therefore not lose on their stocks and rents. Not until demand for goods and housing has slackened considerably will the merchants and rentiers effect a sensible reduction in their prices and rates.

B. Syria

The very small size of the refugee community in Syria relative to the host population and to the country's resources and business activity indicates an impact considerably less felt than in Jordan. Refugees, while not absorbed as nationals with full rights and duties as they are in the latter country, nevertheless have by and large, been given the opportunity to go into business and employment subject to very little control. If individual cases among them have not done as well in Jordan or Lebanon, it is because the richest and most enterprising refugees are in these two countries. Nevertheless, on a per capita income basis, the refugee in Syria is earning a little less than double his brother in Jordan,

but only a little more than two thirds what his brother in Lebanon earns. (See Item V Appendix C).

Agriculture

It was pointed out earlier that Syria has the greatest land potential in the countries under review and that pressure of population on land resources is lower than in either of the two countries. The average size of family holdings of cultivable land was found to be over 12 hectares (against 5.9 hectares for Transjordan, 3.5 for Arabs in Palestine, 2.4 for West Jordan, and 2.3 for Lebanon). Consequently the addition of some 80-85,000 refugees, of whom 56,000 or 11,200 families are rural, increases the pressure only slightly, and reduces the holding per family hardly by one per cent, to 11.9 hectares. Even discounting quick large-scale rural development, a refugee agricultural working population of some 12,000, which amounts to about 2 per cent of its Syrian counterpart, can find employment in agriculture without tangibly inconveniencing those engaged in the same occupation and without straining the economy. However, this rural community has not been totally absorbed in agricultural pursuits for three main reasons. First, the highest concentration of refugees is in urban centres. Secondly, the areas most welcoming to rural manpower are very distant and therefore a large wage differential is needed to attract labour. Thirdly, the refugees generally avoid seeking work away from their registered abodes for fear of loss of relief and any present or future rights attached to it. The tonic effect on agricultural production of 85,000 new mouths to feed, is, however, very modest in a country which generally produces cereals and other agricultural commodities for export, even had these refugees always obtained their food supplies from Syria.

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Relevant statistical series on agricultural production, acreage, and prices do not show unduly high activity in the years coinciding with refugee influx into Syria. The emphasis on cotton-cultivation in 1949, 1950 and 1951 may have offset any pressure the influx may have tended to exert on foodstuff production; and in itself it was a response to external factors. This much cannot be said, however, if we bear in mind the refugee population at large, not only that part living in Syria. By purchasing substantial quantities of food requirements (flour and pulses, mainly) from Syria for refugees in and outside Syria, the UNRFR and later the UNRWA have no doubt influenced Syrian agricultural production. This aspect of the refugee problem should by right be emphasized in the following part of this paper where the impact of UNRWA operations is examined, because it portrays an indirect implication of the immigration, not a direct effect of refugee behaviour.

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Unfortunately the refugees cluster in those areas not most needful of agricultural labour. Forty-seven per cent of total refugees are in the Damascus and 34 per cent in the Dera'a districts (the latter includes a small number in what is Jebel Druze district administratively), both places under present conditions being well supplied with land labour. No refugees are in the Jezireh and Euphrates districts, where an increase in working hands will yield an increase in total and average output. Despite this distribution refugee labour has been known to move about when attracted by lucrative wages, e.g. from Jebel Druze, from Damascus and from Dera'a to Quneitra, Aleppo, Homs, and Jezireh areas. These movements reach their peak in the cotton-picking season but are generally of modest dimensions. On such occasions whatever dampening effect refugee labour competition with nationals has on the wage level

will not be noticed, because demand for both categories of labour will be very high. There is no refugee concentration in any one specialized agricultural occupation strong enough to force prevailing wages down tangibly. On the contrary, there is room for refugee and host labour in similar circumstances. This has been repeatedly manifested in connection with the requirements of labourers adept in irrigated agriculture, for instance. On balance, it can be stated with reasonable safety in spite of the paucity of data that although the refugee agricultural labour force is mostly in areas not welcoming of its toil, because of its relatively small size it has succeeded in obtaining quite a sizeable volume of seasonal employment; and a small number have gone into share tenancy in the Dera'a and ~~Allep~~^{Allep}-Homs areas, but neither the areas nor the outlays involved have been great. And although competition with Syrian labour has not been great, wages have been pulled down, no matter how very little, in fiercely contested jobs, no matter how few.

Other Sources of Income

Next in numerical importance to agricultural labour and farmers is seasonal urban employment in industries, hawking, shops, garages, cafes, - generally in semi-skilled and skilled jobs. More than 700 persons were employed regularly by UNRWA at end of 1951; another 400 receive pensions from the U.K. Government for service with the ex-Palestine Government; and a couple of hundred earners have never appeared on the relief rolls and have businesses of their own or are in possession of independent means of livelihood.

About 4,000 refugees have been struck off the rolls because their family heads earn an income at or above the ceiling set by UNRWA regulations⁽¹⁵⁾. This means some 800 earners. Added to the

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(15) Item II Appendix C.

200 mentioned above, a total of 1000 assumedly earn an income at or above the ceiling. The rest of income earning refugees, on the face of it, earn incomes which if spread over the whole year fall short of the ceiling stipulation. Judging by these numbers and general refugee economic conditions it is not unlikely that this 1,000 is substantially under estimated.

Here again as in the agricultural sector although most refugees with skills or even half skills have found employment of some sort, or have gone into business, mostly shop-keeping, crafts, and mechanical workshops, yet no serious outcry has ensued from nationals in the same occupations, nor have wages been forced down sensibly, and if any only in semi-skilled jobs. As a matter of fact, it is believed⁽¹⁶⁾ that where refugees possess worthy qualifications, they get better paid than nationals. This naturally brings pressure on the latter to accept lower pay, no matter how slightly lower.

Impact on Prices, Rents and Business Activity

According to our estimates contained in Chapter One of this paper, the refugees in Syria brought over with them from Palestine around LP 1.5 million, at a time when currency in circulation in Syria averaged about LS 240 million, or LP 27.3 million (aside from bank credit). The addition was small, slightly over one-twentieth of the quantity in circulation. This, considering the extent of the market and its adequate stocks, could not have exerted a perceptible pressure on prices upward, except on a minor scale if and when refugees clustered in some localities and alternative markets were not very handy. The impact recedes into

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(16) In UNRWA, PARI (Palestine Arab Refugees Institute), in some official circles (like the Department of Labour and Social Affairs, and by knowledgeable individuals.

insignificance when we take into account not only money in circulation but total money supply, which is double the former.

The same applies to rents, except that the sudden rush of refugees for accomodation forced rents upwards in those quarters mostly affected in Damascus, Dera'a, Homs and Aleppo. In the year following the arrival of refugees, subsequent to some exhaustion in refugee resources and the transfer of many refugee tenants to cheaper quarters, rents moved slightly downwards though retaining a part of the rise.

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The immigration of refugees seems to have had an imperceptible effect on the tempo of business or on the inducement of business investment, because it did not effect any significant change in consumption and income. Unlike Jordan and Lebanon, the burden has been light for Syria and the impact weak. There is no doubt that the introduction into the country of individuals with skills and professions that would be turned to use in government service as well as in the private sector has had a beneficial effect. But the size of such elements compared with the size of the need and the country's possibilities again indicates the weakness of the impact. The conclusion cannot be avoided that the refugee population in Syria has had only the slightest effect on the economy, either as a tonic or as a burden, and the slightest effect on governments machinery and budget.

C. Lebanon

This country has some peculiar features which make the impact of refugee migration rather different in strength and in emphasis from that in either Jordan or Syria. The social and educational level enjoyed, thrown against a small margin of absorption capacity for newcomers, have forced Lebanon to lay restrictions on the employment of non-Lebanese. The refugees, by and large, are not in possession of skills unavailable locally. Not only is the

shortage for these far less marked than in the other two countries, in addition Lebanon is continuously bled because thousands of its enterprising elements emigrate annually in search of better living. In consequence, while in conformity with its policy of encouraging foreign investment Lebanon allowed refugees to set businesses of their own, subject to few regulations and on the whole no more than are laid on Lebanese businesses, it reiterated an existing regulation requiring non-Lebanese to obtain specific work permits if they are to seek and accept employment.

In spite of this latter restriction thousands of refugees find and accept seasonal and regular employment in agriculture as well as in urban occupations, in all sorts of businesses. The jobs they hold in urban centers range from the simple small shop assistant to the big company executive. The practical effect of the official attitude has boiled down to a prohibition of refugee employment in government offices and concessionary companies, and to its toleration elsewhere until there is a public outcry or the clustering of refugees becomes notoriously evident⁽¹⁷⁾.

Refugees in Business

Refugees in Lebanon went into larger-scale business than in Syria, and in certain cases than in Jordan. They have mostly gone into ice-cream manufacture and, as elsewhere, grocery trade; but there are other lines where a minority have struck fortunes: car agencies, accessory and repair shops; banking; steam laundries; etc. By far the greatest part of such investment is in Beirut, only a little being in Tripoli and a negligible decimal in other urban centers. In Beirut, although refugee entrepreneurs have directed their efforts towards fields of activity capable of welcoming new-comers, yet competition is felt in many lines.

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(17) As happened with the CAT Co., at which point the Ministry of Social Affairs sued the Company, but later withdrew the case to avoid a growing public indignation.

The volume of business for all steam laundries, for instance, may be such as to make all of them work at full capacity. The competition is not therefore with existing firms but indirectly with potential Lebanese firms that would have been formed had the refugees not established their own. In other words, the refugees have knocked many doors of economic opportunity and on entering have snatched the prize away from the Lebanese.

Refugee Employment (18)

Employment of refugees in non-agricultural occupations is substantial, notwithstanding official restrictions. In Beirut and to a lesser degree Tripoli thousands of refugees have found employment: factory workers, white-washers, assistant garagists, shop assistants, clerks, accountants - anything in any walk of life.

The main single employers are UNRWA (Headquarters and District Administrations) with a total of over 1,200 monthly-paid employees; Arabian-American Oil Company (Aramco) with over 420 whose monthly scale of pay begins at LL 370 and rises to LL 1400 in a few cases, but whose refugee employees work in Saudi Arabia and remit to their dependents the bulk of their earnings; Iraq Petroleum Company (IPC) who had to relinquish the majority of its Palestinian employees retaining about 150 persons only with valuable skills, most of whom have managed to obtain Lebanese identity cards; and the Contracting and Trading Company (CAT) who has about 60 refugee employees, a dozen of whom are in Lebanon itself, the rest being outside the country in the desert, in Bahrein, Kuwait Qatar, etc., The total of (roughly) 1,830 employed by these big employers is about three-fourths total refugee employment in the urban sector.

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(18) Information in this section mainly refers to a report prepared by the Registration, Statistics, and Placement Officer (Lebanon Field Office) which is based on contacts with the larger employers. The figures are thought correct for the end of 1951.

Another 600 are thought to be engaged in somewhat regular jobs, in Lebanese as well as refugee-owned businesses.

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Aside from this type there is seasonal employment, most of which is in agriculture in the Beqa'a and Sidon and to a lesser extent Tripoli areas. In all three localities, employment opportunity involves some 1,500 to 2,500 seasonal employees, who work on and off, at depressed wages in cash or in kind. A very small proportion cultivate land on share-tenancy conditions. Almost invariably the wage is so low and irregular that no rations (or only a small part thereof) are cut. In the urban sector a smaller number of daily-paid irregularly-employed refugees exist, and their odd jobs cover a wide range.

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The impact of this sizeable working group on Lebanese employables and wages has been keenly felt. In the urban center, the refugee has undoubtedly depressed salaries and wages. He is used as a bargaining tool in the hands of the employer for forcing a lower salary on a recalcitrant Lebanese applicant. (Employment by UNRWA has had a counteracting effect in more than one way; but this will be discussed in Part II of this Paper). His positive competition has been very keen. This is especially felt in the case of daily wages, where the refugee is in receipt of relief and can therefore offer his services at rates too low for a national.

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An important source of income for refugees in Lebanon is pensions and other payments made by the U.K. Government to ex-Palestine Government employees, in regular pensions as well as non-recurrent gratuities, grants, etc. Between the summer of 1948 and the end of 1951 LL 11 million were paid. Over 900 pensioners receive regular incomes, which comes in sterling pounds that are sold on the Lebanese money market.

This survey of refugee income explains the high proportion of rations deducted because of receipt of income in Lebanon of about 8,000 rations. Not all but most deductions are due to receipt of income, the rest are due to ownership of property in Lebanon. For the same reason of property-ownership, another 6,000 rations were deducted because they went to refugees of Lebanese origin.

Impact on Prices and Rents

Price series indicate no response to the pressure of refugee demand in 1948 and afterwards on commodities and prices. This may be the fault of the abnormally high level of prices before refugee-influx, which influx may have reduced the decline rather than turn it to a rise.

The other series with a bearing on prices, namely money in circulation and bank deposits and credits do not show clear evidence of any trend. Again this may be disguised and more than counteracted by the normalizing factors in operation in the post-war years.

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It is in rents that we notice a sharp rise, especially in Beirut, but elsewhere also on a more modest scale. Notwithstanding a vigorous building boom in Beirut in those years, the rents have remained high and at times have risen. This is due to many factors not all of them related to refugee influx, such as a tense world political atmosphere, the arrival of numerous foreigners, and the discrepancy between construction and the pressure of housing, the former lagging behind the latter in spite of its brisk pace.

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The impact on Lebanon of refugees immigration has been varied. Its adverse aspects have been the competition of refugees with nationals in employment and to a lesser extent in business, their pressure on housing and the financial burden involved for Lebanon. The beneficial aspects weigh much more in favour of refugees if we add to the refugee's substantial spending and their investment in business UNRPR's and UNRWA's spending. Even without the latter item, perhaps on balance the immigration has not been markedly harmful to Lebanon.

D. General Observations for Three Countries

Had capital been more plentiful and more easily available, the advent of a huge working population may have turned to be a blessing rather than - as things stand now - a curse for the least lucky and a sore irritation for the luckiest of the three countries. As it is, labour and entrepreneurship have plied upon an existing inadequate volume of investment and have pressed upon a volume of employment already well under capacity. The result can, even in the absence of national income surveys, be said to be the creation of a stream of per capita income still lower than its hitherto low level.

Spending out of cash the refugees brought with them and money received from external sources, mainly pensions and grants, had no doubt a tonic effect on business activity and exerted an upward pressure on prices and rents. Purchases of food articles effected for refugees by UNRPR and UNRWA were beneficial to producers in the three countries, to the extent that such purchases represent an increase, partly or wholly, over exports of the articles involved. Most probably on the whole the purchases are no more than a replacement of exports, which however, come timely in view of the sudden boycott of Israel. (More on the specific impact of UNRWA in the next part of this paper).

The sale by refugees of some of their assets, such as personal jewellery, bearer bonds, and even household effects must in the aggregate have had a negligible effect on the market for these items, in view of the small size of such sales. Only in the case of bearer bonds could the sales have had a depressing effect, considering the relative sizes of refugee-held and national-held quantity of bonds.

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The obligation that refugee immigration imposed on the governments of the receiving countries can be realized when their contributions towards relief and welfare are stated. Such contributions were incorporated in the income of UNRPR and UNRWA, hence their disposal is handled in the following chapters, but their other aspect which relates to the impact of the influx on the host region belongs here by right.

The three countries under survey contributed the equivalent of \$4,890,857 to UNRPR from 1 December 1948 to 30 April 1950, and of \$2, 116,895 to UNRWA, from 1 May 1950 to 31 December 1951.

A breakdown of these sums follows:

Contribution to UNRPR (1 December 1948 to 30 April 1950)⁽¹⁹⁾

(\$ Equivalent)

Contribution	In Cash	In Kind	Direct Aid to refugees	Contribution Services to Agency	Total
Jordan	329,290	-	933,481	-	1,262,771
Syria	16,070	-	2,309,101	-	2,325,171
Lebanon	<u>32,373</u>	-	<u>1,000,094</u>	<u>270,448</u>	<u>1,302,915</u>
Total for UNRPR	<u>377,733</u>	-	<u>4,242,676</u>	<u>270,448</u>	<u>4,890,857</u>

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(19) Source: UNRPR - Financial Report for the Period 1 December 1948 to 30 April 1950, and Report of the Board of Auditors. (General A/1354. 11 September 1950. UNO Publication).

Contribution to UNRWA (1 May 1950 to 31 December 1951)

(\$ Equivalent)

Contribution	In Cash	In Kind	Direct Aid to refugees	Contribution Services to Agency	Total
Jordan	264,606(a)	-	232,156	181,194	677,956
Syria	60,000(b)	-	652,530	222,109	934,639
Lebanon	33,000(b)	-	288,210	183,090	504,300
Total for UNRWA	357,606	-	1,172,896	586,393	2,116,895
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Total both Agencies	735,339	-	5,415,572	856,841	7,007,752(c)

- Notes:
- (a) of which \$126,000 pledged but not received by the end of 1951.
 - (b) Pledged but not received by the end of 1951.
 - (c) All Near Eastern Governments contributed \$15,547,583 to the programs of both agencies (including \$890,773 by Israel).

These contributions are exclusive of quite substantial relief and welfare services rendered by charitable societies, within the countries, which societies make internal collections, thus adding to the burden on the host population.

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On balance, and for the whole area under study, refugee immigration has meant more of a burden than a blessing, although with a given inflow of capital and technique and with development the refugee population can turn into a valuable asset. At the present, at best it is a promise.

PART TWO

UNRWA OPERATIONS

AND

THEIR IMPACT

CHAPTER FOUR

UNRWA OPERATIONS: RELIEF

In the first chapter we set the scene in the refugee story in readiness for the entry of coordinated U.N. aid. In this and the following chapter we will describe the aid offered in all its forms; relief will occupy this chapter and works and reintegration the next. The next chapter will also include a section on UNRWA operations and the host countries where the emphasis will be more on those operations directly affecting the countries.

The first vehicle for administering U.N. relief was UNRPR which was established in December 1948. A brief survey⁽¹⁾ of this agency's operations between January 1949 and May 1950 is not out of place here because it introduces UNRPR's successor, UNRWA, and no evaluation of the work of the latter and its impact can be comprehensive if it fails to evaluate the work of the former.

U.N.R.P.R.

The resolution creating UNRPR estimated the cost of maintaining 500,000 refugees - thought to be the number needy of assistance - as \$32 million for nine months, December 1948 through August 1949. In fact, however, UNRPR lasted seventeen months (December 1948 through April 1950) and expended only \$39.1 million, on an average

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- (1) Sources for this survey of UNRPR operations are (a) Assistance to Palestine Refugees - Report of the Secretary General, from 1.12.48. to 30.9.49. No.A/1060 of 4 November 1949. UNO publication. (b) Assistance to Palestine Refugees - Financial Statements of UNRPR for the period 1.12.48. to 30.6.49. and Report of the Board of Auditors No.A/1060/Add.I of 4.11.49. UNO publication. (c) UNRPR - Report by the Secretary General for the period 30.9.49. 30.4.50. No.A/1452 of 24.10.50. (d) UNRWA Director's Report, 1950. (e) Summary accounts of UNRPR December 1948 through April 1950 (kept at UNRWA offices, Beirut). (f) Supply Accounts from May 1949 to April 1950.

of 999,665 refugees. In other words, the actual expenditure per refugee \$2.3 monthly instead of the \$7.1 originally planned. Receipts in cash and in kind during the period totalled \$36.5 million; expenditure totalled \$39.1 million; a deficit of \$2.6 million was turned over to UNRWA on 1 May 1950 when it succeeded UNRPR. Most of the expenditure - in fact 88.8 per cent of it - was for relief goods and services, and 11.2 per cent for operational expenses: administration, depreciation, liquidation, and grants to local organisations.

The operation of UNRPR were concerned with relief in the general sense and involved food, shelter, and medical and educational services. Relief imports came from several directions. Most of the food requirements, however, were purchased from the Middle East, the flour mainly from Syria and Jordan, the pulses from Syria, Lebanon and Jordan, and the fats and oils, potatoes, "Halawé", and miscellaneous other articles from Lebanon⁽²⁾. The following table summarizes purchases from the three countries from June 1949 through April 1950:

Table 2

UNRPR Purchases from Jordan, Syria, and Lebanon

June 1949 through April 1950

Commodity	Quantity (tons)	Origin of Commodity and Value		
		Jordan	Syria	Lebanon
Pulses	1,039	LL 235,677		
	995		LL 212,537	
	1,641			(LL 366,046
Soap	300			(LL 233,156
Fats & Oils	924			(LL1,214,243
Misc. (Halawé cheese, potatoes, etc.)	1,600			LL 321,135
Flour	27,072	(LL3,438,200 (LP 242,475 (\$ 1,091,350		
	29,627		(LL5,979,960 (LS1,531,520 (\$ 359,500	
	2,378			LL 706,266

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(2) Information is available only for the last 11 months of UNRPR operations. No record is available of supply accounts for the period December 1948 through May 1949, a copy was requested from the Geneva winding-up office of UNRPR, was reported sent, but has never arrived. No replacement could be obtained.

Several explanatory notes are needed to render this table useful and to safeguard the reader against its flaws:

(a) Many purchases were effected at a point other than the place of origin of the articles purchased, such as Syrian flour to Jordanian pulses transacted for in Lebanon. The origin of the articles was traced back as far as possible in an attempt to see where the weight of the transactions lay.

(b) As can be seen from the current^{سنة} used in payments for the purchases, the bulk of the transactions was made in Lebanon or by Lebanese contractors. A study of the original purchase orders has revealed the same fact. There were a few cases, however, where Syrian or Jordanian suppliers asked for Lebanese pounds in payments, but these do not invalidate the generalisation.

(c) A substantial portion of the fats and cheese were of non-Lebanese origin but supplied at Beirut by Lebanese contractors.

The amounts shown in the tables are LL 12.7 mn, LS 1.5 mn, LP .24 mn, and \$ 1.45 mn. At the rate of LLS 3.16 to the dollar and LLS 8.53 to the Palestine pound, the average free rate for the period under survey, these amounts come up to \$ 6.6 mn. This, however, represents only a part of UNRPR cash expenditure in the countries under review. On a pro rata basis, the whole period of UNRPR operation of 17 months may have involved local purchases of food supplies worth \$ 10 mn from the three countries. The other important items of local (i.e. within the three countries) expenditure fall under operational and administrative expenses, both of which amounted to \$ 7.2 mn, and grants to national charitable organisations of \$.45 mn. Not all of these expenses were paid in cash; some were merely book-keeping entries. A part represents expenses paid outside the area; another part represents salaries to internationally

recruited personnel, a portion of which was not spent in the area but deposited in banks outside the area. On a pro rata basis again, taking into account the relation of the refugees in the three countries to total refugees, namely three to four, and allowing say 25 per cent for non-cash entries, we may find that about \$ 5 mn were spent other than on food - bringing the total for the three countries to \$ 15 mn. (13)

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Three observations can be based on the facts contained in the table above and on the general question of UNRPR spending:

(a) UNRPR surrendered mostly three types of foreign currencies in the purchase of local currencies required for its operations: US dollars, UK sterling, and Fr. francs.

(b) The first effect of local purchases was on production and trade. It provided business to agriculturists and merchants, which may or may not have been altogether new business, depending on whether these purchases replaced exports or formed a new outlet for goods partly or wholly unexportable, or even unsaleable. It is perhaps safe to assume that the bulk of goods bought by UNRPR would not have failed to find internal or external buyers, and that the sales are not net additions to otherwise existing sales.

(c) The second and main effect was the bolstering of the balance of payments of the three countries, especially Lebanon where most of the foreign exchange was sold and more of the local purchases made than required by refugees in Lebanon itself .

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(3) For complete summary of UNRPR Income and Expenditure, see Table III Appendix A.

U.N.R.W.A.P.R.N.E.

A. UNESMME and Its Programme

The establishment of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was the direct result of a change of attitude towards the refugee problem. This came about after the UN Economic Survey Mission for the Middle East (UNESMME) in the second half of 1949 studied the economic setting on which the refugee problem had been thrust and wound up three significant conclusions: The refugees were an economic burden which the host countries were unable to handle unaided; the state of dependence and idleness in which the refugees lived was demoralizing and harmful to spirit, body and aptitude; work must be provided for the refugees in projects of promising usefulness to the host countries if relief was to be ultimately withdrawn and the host economies were to be activated through big works projects.

The Programme

The UNESMME (generally known as the Clapp Mission after Gordon Clapp, its Head) recommended to the United Nations Organisation the establishment of UNRWA to embody the above conclusions in handling relief and works. The Mission expected relief to proceed at a reducing rate and work at an increasing rate, until at the end of 1950 (i.e. a year after the then expected initiation of UNRWA on 1 January 1950) relief obligations remaining towards some 392,000 persons would be the sole responsibility of N.E. governments and work would be provided for two-thirds of the working population among those for whom work could be provided.

Expressed in tabulated form, this relief work relationship was presented as follows by the Clapp Mission⁽⁴⁾.

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(4) UNESMME Final Report Part I p.21.

TABLE 3

UNESMME - Estimated Number of Refugees on
Work Schemes and Direct Relief
in Arab Countries

(In Thousands)

	Number for whom work can be provided	Dependents of workers removed from relief	Maximum number eligible for direct relief
1950 (qtrs)			
1st	-	-	652
2nd	13	39	600
3rd	40	120	492
4th	65	195	392
1951 (qtrs)			
1st	88	264	300
2nd	100	300	252

The U.N. General Assembly in its Resolution number 302 (IV) of 8 December 1949 in which it set up UNRWA, inter alia considered that approximately \$ 33.7 mn would be required for direct relief and works programme for the period 1 January to 31 December 1950 of which \$ 20.2 mn was required for direct relief and \$ 13.5 mn for works programmes; and that approximately \$ 21.2 mn would be required for works programmes from 1 January to 30 June 1951, all inclusive of administrative expenses. The UNESMME foresaw something like the following for a breakdown of cost:⁽⁵⁾

TABLE 4

UNESMME - Estimated Cost of Programme

(In Millions of Dollars)

Estimated Cost	1950 (Qtrs)				1951 (Qtrs)		Total
	I	II	III	IV	I	II	
1. Direct Relief	5.5	5.1	4.5	3.9	-	-	19.0
2. Work Schemes:							
(a) Labour & Administration	-	0.9	2.8	4.6	6.2	6.9	21.4
(b) Materials, tools & equipment	-	0.6	1.8	2.8	3.8	4.3	13.3
(c) Total Cost to United Nations & local Govts.	-	1.5	4.6	7.4	10.0	11.2	34.7
(d) Less 45 per cent of item (2b) assumed to be made available by local governments	-	0.3	0.8	1.3	1.7	1.9	6.0
(e) Cost to United Nations	-	1.2	3.8	6.1	8.3	9.3	28.7

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(5) UNESMME Final Report Part I p.21.

TABLE 4 (cont'd)

Estimated Cost	1950 (Qtrs)				1951 (Qtrs)		Total
	I	II	III	IV	I	II	
3. Direct relief and work schemes							
(a) total cost to U.N. & local governments	5.5	6.6	9.1	11.3	10.0	11.2	53.7
(b) Less item 2(d) assumed cost to local governments	-	0.3	0.8	1.3	1.7	1.9	6.0
(c) Cost to U.N.	5.5	6.3	8.3	10.0	8.3	9.3	47.7

The difficulties and Their Consequences

Things did not work out according to plan however. First, UNRWA on being set up decided to take over from UNRPR on 1 April 1950, but only did so a month later. Second, refugee numbers to whom relief was actually administered were much higher than those arrived at in the Clapp Report by sheer arithmetic: the difference in the first quarter of 1950 was about 290,000. Third, the work programme was encumbered with internal weaknesses, such as the type of projects executed, which were not directly productive or did not provide employment after execution; and such as the dimensions of the projects and their inadequacy to stir business activity by leverage effect. Fourth, external factors weighed against the programme such as the local governments' refusal to shoulder the responsibility for direct relief in due course; the delays involved in their choosing, studying, and allowing the implementation of projects; and above all the political factor of the hostility of refugees and governments alike to a programme aiming at the "absorption" of refugees outside Palestine.

In short, now in retrospect it can be said that the Clapp Report contrary to optimistic hopes failed to play the role of gospel to UNRWA operations. A new approach had to be found and adopted. Consequently, when the time came around for the 1950 UN General Assembly late in the year and there still were 860,000 relief-receiving refugees with poor prospects of self-support,

emphasis was increased on the resettlement of refugees. To this end a new resolution (number 393(V) of 2 December 1950) was adopted whereby UNRWA was instructed to establish a reintegration fund to "be utilized for projects requested by any Government in the Near East and approved by the Agency for the permanent re-establishment of refugees and their removal from relief". The Assembly in its resolution considered that "...for the period 1 July 1951 to 30 June 1952, not less than the equivalent of \$30,000,000 should be contributed to the Agency for the purpose set above..." The Agency was further authorised "...to continue to furnish direct relief to refugees in need" for which purpose the equivalent of approximately \$20,000,000 was considered required for the period 1 July 1951 to 30 June 1952.

The emphasis on reintegration was increased considerably in the 1951 General Assembly. The Agency, as can be seen in the Director's Report and in the special combined report of the Director and Advisory Commission⁽⁶⁾, made a stronger bid for homes and jobs for the refugees, in a programme designed to be "...wide in scope and flexible in operation so that it may be adapted to widely different refugee needs and great variations in economic opportunity".⁽⁷⁾ Again while endorsing previous resolutions related to the refugees' right of return to their country, the General Assembly on 26 January 1952 resolved to endorse UNRWA's programme which envisaged the expenditure of \$ 50 mn for relief and \$ 200 mn for reintegration, over and above such contributions as may be made by local governments, to be carried out over a period of approximately three years starting July 1951. To regularize matters it decided to increase the \$ 20 million assigned a year before for relief to \$ 27 million for the fiscal year ending 30 June 1952, in view of the rise in commodity prices. It further decided that the \$ 30 mn provided in 1950 for reintegration for the fiscal year

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(6) Published separately as Supplement No.16 A(A/1905/Add.I) in Paris, 1951.

(7) Supplement, p.2.

ending 30 June 1952 should be increased to not less than \$ 50 million for the same period. For the year 1 July 1952 to 30 June 1953 it approved UNRWA's budget of \$ 118 mn of which \$ 100 mn for reintegration and \$ 18 for relief.

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That was the formal frame built by the United Nations Organisation for UNRWA. How this Agency's policies and operations fitted into the frame will be examined shortly. It will be borne in mind, at this juncture, that every single resolution since 1948 has taken into account the resolution of 11 December 1948 which had acknowledged the refugees' right to return to their homes and property and the right of those who chose not to return for compensations. It is not possible to escape the fact that the increasing emphasis on reintegration, rightly or wrongly, intentionally or unintentionally overshadows the question of return. Not only is that the case by virtue of UN resolutions but also under the pressure of facts, with the physical possibilities of return and reinstatement in home and property more difficult and therefore the hope for it sleeker and more distant. This desertion of the principle of return embodied in the 1948 resolution raises moral and political issues which, however, fall outside the scope of this paper. We will stop at these issues only long enough to set in relief the shift in emphases in UNRWA's policies and operations.

The Three Phases

UNRWA operations have passed in three phases that can be discerned and defined. Broadly speaking, these phases are relief, works, and reintegration (or self support, and homes and jobs, which is the mild and inoffensive nomenclature adopted for the last phase in order to circumvent refugees' and local governments' opposition to the word "reintegration"). These phases are not clear cut; there is no sharp delimitation in time between any two of them, but a devetailing and blending. This does not however belie the claim that relief was the main feature of one period's policy,

work of another, and reintegration of the third, although down to the very end of 1951 UNRWA's operation comprised practically nothing else but direct relief. This is a case of contradiction between avowed policy and achieved operations, the latter being the implementation of the former curbed by realistic consideration.

The emphasis on relief in the first phase was a continuation of the previous view to the refugee problem as temporary and therefore requiring relief and almost nothing else. When the Clapp Mission made their survey and submitted their report, the outlook was changed. Sometime in the second half of 1950 UNRWA launched its works and works relief⁽⁸⁾ projects, and just before the 1950 General Assembly, the works programme reached its peak. If it can be said that UNRWA in the previous period was functioning under the strength inertia inherited from UNRPR, it can be claimed that in this second period the Agency was working under the inspiration and influence of the Clapp Report, which was its guide and plan. It was only in the third period in 1951, that UNRWA was vigorously determined to sail under its own steam: to obtain support for reintegration, plan, and execute it. If this **has** not been how its operations turned to be, this is so because of external forces blocking the way of reintegration policy.

B. Overall Expenditure and Income Account

Before we pass on to the detailed survey of UNRWA's work in the three fields of action just enumerated, we may benefit from an overall examination of the operation generally, its expenditure and its income.

From the date of its taking over on 1 May 1950 to the end of 1951 UNRWA's operations in the entire field cost a total of \$ 55.2 mn. This figure includes \$ 7.1 mn of direct aid and services supplied by Near East Governments and voluntary agencies to UNRWA

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(8) A special smaller type of works, which will be defined more adequately in the next chapter.

and the refugees, as well as \$.56 mn of expenses from donated supplies not in the programme. These two items totalling \$ 7.7 mn are included among UNRWA expenses because they are also added to the contributions it receives.

A breakdown by general category expenses follows:⁽⁹⁾

TABLE 5

UNRWA Expenditure 1 May 1950 to 31 December 1951

	<u>Dollars</u>	<u>Per cent of Total</u>
Administration(overhead costs not chargeable to other items of programme)	3,992,637	7.21
Relief(Includes relief administration, cost of supplies, & capital expenditure for food, shelter, clothing, education, welfare, & medical services)	46,578,678	84.22
Works(for projects, wages, administration, etc)	2,455,128	4.44
Technical Assistance(as from 1 July 1951 shown under reintegration)	18,248	0.44
Reintegration(as from 1 July 1951)	586,146	1.06
Capital Equipment(for offices and transport etc)	666,623	1.21
Donated supplies not in the programme	558,875	1.01
Liquidation Reserve	450,000	0.81
	<u>55,306,333</u>	100.0
Less: Accounting Adjustments	69,730	
Total Expenditure	<u>\$ 55,236,605</u> =====	

This breakdown indicates the preponderance of relief in the Agency's expenditure, which item absorbs 84 per cent of the total, or \$ 46.6 mn. This figure, however, includes administrative costs incurred in connection with relief. Supplies alone account for more than three fourths of total relief.

Administration is the next largest item of expense. The figure of \$ 3.9 mn (7.2 per cent of the total) represents that part of administration which is "floating", as it were - which does not

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(9) For full statement of UNRWA Income and Expenditure, see Table IV Appendix A.

relate solely to any one part of the programme. The total cost of running the programme is therefore much higher than appears on the face of the above mentioned breakdown. It may rise to about \$ 9 mn (or 16 per cent) if general administrative costs are added to costs attributable to particular portions of the programme. On the other hand, if a closer costing procedure is followed, the bulk of this floating" administration cost can be charged back to the various programmes, which may increase their part in total expenditure. One such attempt by the Finance authorities in UNRWA shows administration relief and reintegration to absorb 8.4, 87.9 and 3.7 per cent of total expenditure respectively for the second half year of 1951.

The works and works relief programme cost the agency from its inception to its virtual disappearance in June 1951 over \$ 2.4 mn and formed 4.4 per cent of total expenditure. With the shift to reintegration starting July 1951, the latter chapter not only was made to comprise reintegration costs properly speaking, but those of technical assistance, and placement. A little over half a million dollars was spent on reintegration, a little more on capital equipment, a little less for donated supplies not in the programme, and \$ 450,000 were set aside for liquidation.

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The Agency meets its expenditure obligations from its income which consists mainly of contributions made by U.N. members. The contributions generally fall under five headings:

- (1) Contributions in cash,
- (2) Contributions in kind,
- (3) Direct contributions by governments in the Near East as services to UNRWA and aid to refugees,
- (4) Direct contributions by voluntary agencies in the Near East as services to UNRWA and direct aid to refugees, and
- (5) Miscellaneous sources of income, mainly sale of empty containers.

Total income over twenty months under consideration (May 1950

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through December 1951) rose to \$ 68.3 mn, of which \$ 2.7 mn was deducted to meet a deficit inherited from UNRPR. At the close of 1951 income exceeded expenditure by \$ 10.4 mn.

Contributions in cash exceed by far any other form and amount to 86 per cent of total income. Direct contributions by local governments, \$ 4.9 mn, form a little over 7 per cent of the total. The other items combined are less than 7 per cent.

A skeleton statement of general income and expenditure is given hereunder in order to help create an overall picture:

Income	\$ 68,280,851	
Less: deficit handed over April 1950 by UNRPR	<u>2,665,039</u>	65,615,812
Expenditure		<u>55,236,605</u>
Excess of Income over expenditure		\$ 10,379,207 =====

Let us now turn to a detailed review of the most important of UNRWA operations hitherto.

C. Relief

In surveying the relief operations of UNRWA we ascribe to this Agency all the work of assistance involved, although UNICEF, WHO, and UNESCO have helped finance and run programmes in their respective spheres of action: the first in supplementary feeding and clothing, the second in health services and sanitation, and the third in education, training, and welfare activities. As the resources and personnel of these voluntary agencies are pooled in with UNRWA's, the operation will be surveyed as a whole. This introductory note, however, purports to convey an acknowledgement of the work of the agencies and to give them credit for it.

Relief comprises the following services: food, shelter (tents and huts), blankets, clothing, fuel, soap; medical care (including medical supplies and camps maintenance); education (excluding training, which only partly falls under education but is financed

by reintegration or medical votes, depending on its nature); welfare (excluding placement, which is administered by the welfare authorities but financed by reintegration). The administrative, travel, transport, warehousing and similar expenses incurred in connection with relief are charged to relief as well; this is, however, merely an accounting expedient.

Food

Food absorbs by far the biggest single portion of UNRWA's funds. It is that type of relief administered to the largest number of refugees⁽¹⁰⁾ month in and month out. The cost of UNRWA-procured food supplies distributed from beginning of operations to end of 1951 at \$ 29.7 mn for all countries was more than half total expenditure. It represented \$ 1.62 per refugee per month. On a pro-rata basis this means a cost of \$ 21.5 mn for the three countries. Food is distributed in basic rations, in full units on the whole, except for some categories of beneficiaries who receive half rations. The policy of half-ration distribution has changed from time to time. At the end of 1951, about 17,300 borderline cases in Jordan who were not refugees in the technical sense, over 12,500 Beduins, and 11,600 babies were receiving half rations. In Lebanon about 500 babies were receiving half rations, and these were babies that had not been allowed rations before and who reached one year of age at the time of distribution. No half rations were distributed in Syria.

A basic ration is not uniform in contents from month to month, there are even slight variations from one district to another. The food programme consists of four categories: the basic ration, which

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(10) All through this chapter, we refer to relief-receiving refugees. The sources of information are various UNRWA records and reports. In many cases the crude material was extracted and tabulated specifically for this paper.

is distributed to the overwhelming majority of refugees; the milk supplement, which consists of whole milk for babies below one year of age and skimmed milk for children between one and fifteen years, pregnant women, nursing mothers, and sick persons; the welfare ration which is distributed in the form of one hot meal a day six days of the week in special feeding centres for under-nourished persons or on doctors certificate for the sick; and the hospital ration for staff and inmates. The following table shows the commodities involved in the four categories in the month of May 1951, with their quantities and calorific values.

TABLE 6
Contents and Calorific Value of the Various
Rations as in May 1951.

Commodity	Category A Basic Ration		Category B Milk Supp:		Category C Welfare Ration		Category D Hospital Ration	
	Grams	calories	Grams	calories	Grams	calories	grams	calories
	per month		per month		per month		per month	
Flour	10,000	35,000	-	-	1,900	6,707	8,000	29,200
Pulses	600	2,100	-	-	750	2,625	1,200	4,200
Oil (a)	250	2,250	-	-	350	3,150	300	2,652
Sugar	600	2,400	-	-	500	2,000	1,000	4,000
Rice	500	1,750	-	-	600	2,100	1,500	5,250
Margarine (b)	150	1,150	-	-	7	-	400	3,072
Milk whole	-	-	1,500	7,275	-	-	-	-
Milk skim dry	-	-	1,200	4,320	-	-	3,000	10,800
Sundries (c)	(90)	(810)	-	-	-	-	-	-
Total	12,100	44,950	2,700	11,595	4,100	16,582	15,400	59,174

- Notes: (a) Oil rations for categories C and D may be in the form of margarine.
 (b) Ration for hospitals may be substituted by 600 grams of cheese if available.
 (c) Sundries will be issued as and when available.

The tonnage involved for the three countries under review amounts to about 8,200 tons of supplies monthly, almost 80 per cent of which consists of flour. Over the period under study, food supplies nearly 175,000 tons in weight were distributed, in all categories of rations. These rations are recorded hereunder for the three countries:

TABLE 7

Representative Number of Rations in the
Various Categories in Syrian, Lebanon
and Jordan

	Jordan	Syria	Lebanon	Total
Basic Ration	430,449	82,000	110,000	622,449
Milk Supplement I	21,500	4,100	5,500	31,100
Milk Supplement II	215,000	41,000	55,000	311,000
Welfare Ration	12,900	2,460	3,300	18,660
Hospital Ration	1,030	124	159	1,313

Shelter, Clothing, Fuel and Soap

In the three countries under review, shelter at Agency expense was provided for 189,394 refugees (out of 651,705) at the end of 1951. Of these about 106,000 live in tents, the rest in barracks, mosques and convents. For this purpose the Agency supplied 17,991 tents of all sizes (or one tent per 6 persons, on an average). Almost 420,700 blankets have been distributed, or roughly two blankets to every three refugees. Many items of clothing have also been distributed, but the details cannot be aggregated because of the difference in units. Textiles given out exceed 475,000 meters; some 380,000 pairs of shoes were distributed in the three countries. These were partly purchased and partly donated by voluntary agencies. About 14,000 pairs were produced by UNRWA Works Relief projects. Both charcoal and kerosene have featured in direct relief, the first totalling 1,320 tons and the second almost 2.5 million litres. And 1,125 tons of soap have also been distributed. The following table shows a breakdown per country:

TABLE 8

Non-Food Relief Commodities Distributed in Lebanon
Syria and Jordan
(May 1950 through December 1951)

	<u>Lebanon</u>	<u>Syria</u>	<u>Jordan</u>	<u>Total</u>
Blankets (pieces)	80,504	68,473	271,700	420,677
Tents (pieces)	5,332	2,032	10,627	17,991
Shoes (pairs)	98,113	31,133	250,289	379,535
Textiles (metres)	80,000	-	-	475,000
Soap (tons)	218	120	787	1,125
Charcoal (tons)	315	159	846	1,320
Kerosene (1000 litres)	512	477	1,503	2,492

Medical Attention and Sanitation

These embrace a wide variety of services rendered to refugees generally, in and outside camps. They range from clinical services to hospitalization, and include camp hygiene and preventive medicine. By the end of December hospital beds stood at 245 in Lebanon, 142 in Syria, and 949 in Jordan. Other data indicating the size of services are tabled hereunder:

TABLE 9
UNRWA Medical Statistics

(All figures at end of 1951.)

	<u>Lebanon</u>	<u>Syria</u>	<u>Jordan</u>
Number of patient days	5,697	3,836	23,456
Smallpox vaccination (a)	368	321	-
T.A.B. (b)	583	268	-
Anti-diphtheria	5,694	2,068	4,539
Refugees deloused	5,599	2,121	19,899
General medical cases	49,920	31,264	42,533
Dressings and skin	19,242	9,443	43,700
Eye cases	16,048	7,219	62,871
Maternal Cases	2,053	523	2,203
Infants	5,901	4,241	6,362
V.D.	131	211	713

Notes: (a) The bulk of vaccination had been done before.
(b) For June 1951 the figures stood at 7,138; 8,097; and 30,932 respectively.

It is believed in UNRWA medical circles that the type and extent of medical services extended compare favourably with their counterpart in the three host countries combined.

Education, Vocational Training, and Welfare

Again here an empirical presentation will help reveal the dimensions of Agency work in the field of education. The number of refugee pupils attending UNRWA-UNESCO schools at the end of 1951 was over 50,000, of whom 5,885 were in Lebanon, 2,709 in Syria, and 18,392 in Jordan. The balance was in Gaza schools. Refugee attendance both in UNRWA and other schools amounted to 64 per cent, 49 per cent and 34 per cent of school-age children in the three countries respectively. The proportion in the host countries of school-children attending the same number of classes is 80 per cent

for Lebanon, 55 per cent for Syria, 35 per cent for East Jordan and 50 per cent for Egypt on a 5 year basis or 40 per cent on a 6 year basis⁽¹¹⁾. Considering that 63 per cent of total enrolment in Agency schools is in the first and second primary classes, 28 per cent in the third and fourth and only 8 per cent in the fifth (or fifth and sixth) primary classes, it becomes clear that the size of enrolment if unqualified loses a considerable part of its significance. This is so because the thinning-out of pupils as classes become higher has little to resemble it in non-refugee schools. The higher the classes become in both categories of schools the wider the gap between enrolment in refugee - and non-refugee schools.

In justice to the school system, however, one ought to remember that the dearth of teachers and the severe financial limitations of the education programme have both contributed to the depressed figures of enrolment, especially in the higher primary classes. Furthermore, another 50,000 refugee pupils study in private and government (i.e. non-UNRWA) schools, of whom 15,800 are in grant-assisted schools.

The UNRWA-UNESCO school system is mainly primary. Only one per cent of total enrolment is in the seventh or higher classes. For secondary education the system mostly relies on private and government schools, where among 50,000 refugee students there were 7,000 at the secondary level in June 1951. This constitutes 7 per cent, against 1 per cent in UNRWA-UNESCO schools.

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(11) From a report submitted in April 1951 to the Director-General of UNESCO, Paris by Dr. Matta Akrawi, of UNESCO.

The teacher's academic level in the UNRWA-UNESCO school system is generally low. Under the pressure of refugee children asking for enrolment (a fifty per cent increase was recorded in December 1951 over May 1950) the hands of the Agency have been forced to accept teachers of low academic attainment and inadequate training. Out of a total of 834 teachers in all areas hardly 21 per cent had reached the fourth secondary year or higher; about 36 per cent are of the first secondary level or lower, and the rest of the second and third secondary level. For Jordan, Syria and Lebanon, the highest category comprises 22 per cent, the lowest only 21 per cent, the middle absorbs the rest. This is a breakdown of teachers:

TABLE 10

Qualifications of UNRWA Teachers as at end of 1951

	<u>Jordan</u>	<u>Syria</u>	<u>Lebanon</u>	<u>Gaza</u>	<u>Total</u>
4th Secondary or higher	61	8	20	86	175
2nd & 3rd secondary	152	25	60	124	361
1st secondary or lower	55	12	19	212	298
Total	268	45	99	422	834

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A phenomenon of serious implications is the speed with which pupils drop out of classes as these become higher, as was mentioned earlier. This can be more clearly seen in the following table which shows enrolment in Lebanon, Syria, and Jordan divided per classes.

TABLE 11

Enrolment in UNRWA-UNESCO schools by classes in Lebanon, Syria and Jordan AS AT END OF 1951.

	<u>Class I</u>	<u>II</u>	<u>III</u>	<u>IV</u>	<u>V</u>	<u>VI</u>	<u>VII</u>	<u>Total</u>
Lebanon	2669	1117	1032	609	352	123	10	5972
Syria	1195	807	418	185	40	37	-	2682
Jordan	8478	4866	2597	1436	751	339	47	18514
Total	12342	6790	4047	2230	1143	559	57	27168

The distribution is much less even than in non-UNRWA schools, partly because a number of pupils in the higher primary classes in UNRWA schools get transferred to non-UNRWA schools. In spite of this, the thinning out is very evident as the pupils go beyond their tenth year of age. At 12 about half are out. Only one in five remains till the age of 14. This is due to several factors, such as the inadequacy of UNRWA's schooling facilities, the little hold that unqualified teachers have on pupils in the higher classes, and the economic need forcing the boys to quit school and try to earn some income.

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Partly to remedy this thinning out, and partly to give the older pupils a useful schooling, the Agency system has introduced vocational training. Although in dimensions it is modest compared with the needs of the reintegration programme, at the close of 1951 there were over 1,400 trainees, of whom 648 were in woodwork, 441 in shoemaking, 205 in weaving, and a number in tinsmithing, bookbinding, tailoring, basket and broom making, horticulture, school-gardening etc. They study under 71 vocational instructors and 111 attendants, ~~and~~ of whom 55 and 48 respectively are in the three countries with which we are concerned. This vocational training excludes professional training initiated by the Agency late in 1951 and intensified considerably in the first quarter of 1952. The latter type of training is discussed in the following chapter under the section on "Reintegration".

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A programme for fundamental adult education was initiated late in 1950 under the crusading name of the literacy campaign. It has made much headway. By the end of June 1951, the last month for which complete data are available, the position was as follows:

TABLE 12

Number of Adults Participating in Literacy Campaign
According to Books Completed
As at end of June 1951

<u>Country</u>	<u>Reader Series</u>					<u>Instructors</u>
	<u>Al Murshid</u>	<u>I</u>	<u>II</u>	<u>III</u>	<u>IV</u>	
Lebanon	349	242	182	153	87	436
Syria	Campaign not introduced in this country					
Jordan	1031	602	183	66	79	2121
	1380	844	365	219	166	2557
Gaza	8080	4442	2673	1944	838	2253
Total	9460	5286	3038	2163	1004	4810

The significance of this campaign goes beyond the number of illiterate taught: it is in the spirit of the operation, whereby every illiterate taught undertakes to teach another illiterate. The value of the campaign rests foremost in its cumulative aspect and the principle of self-help underlying it.

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Welfare activities include supplementary feeding (described above under "food"), recreation, sewing centers, domestic science causes, and arts and crafts centers. The number of refugees benefiting from all these services but the first is relatively small.

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Relief Deduction

Because relief is by far the largest item of cost, the Agency is continually on the alert to find ways and means whereby to cut it for undeserving cases, in an attempt to reduce the total cost of the operation. (Administration, relief, and reintegration costs per person per month were in the second half-year of 1951: \$ 0.30, ^{\$3.20} and 0.23 respectively - a total of \$ 3.73. In percentage form they were 8.4, 87.9, and 3.7). The first serious attempt was the Census started in July 1950, for ascertaining bona fide refugees. It lasted till May 1951 and cost \$ 295,639.

Continuous check-ups occur for this purpose. A scale of income was set to determine the level of earning at which relief was to be cut, wholly or partly. (See Item II Appendix C). Ration deduction for income and possession-of-means reasons is gaining in significance now that false and duplicate registrations have been largely weeded out. Nevertheless, as at the end of 1951 total cancellation of rations for false and duplicate registration and for inapplicability of the definition of "a refugee" to beneficiaries by far outnumbered cancellations for income reasons. The ratio might have been roughly four to one.

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The administration and distribution of relief are the principal preoccupation of the Agency; the overwhelming majority of the staff are engaged in these two functions. Consequently searching questions are repeatedly directed to the Agency by the refugees such as : Why does UNRWA fail to cut costs by distributing cash instead of rations? Does the Agency fail to realize that cash distribution is better for the refugees themselves because it gives them the freedom to buy the commodities they prefer?

Such questions have been posed not only because the administrative cost of distributing cash will be considerably lower than that of ration-distribution, but also in view of the phenomenon of sale of rations by refugees. Some items which the refugees are not accustomed to eat (like cottonseed oil), or the nutritional value of which they underestimate (like milk powder), or which they consider less essential than flour (like peas or smoked fish) have continuously and in quite substantial aggregate quantities found their way to the non-refugee markets. On the whole the proceeds from such sales have gone to the purchase of flour; for refugee families - especially with a high proportion of grown-ups - generally

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feel that 10 kgms of flour per person monthly are insufficient by 20 to 30 per cent. A part also goes to the purchase of fresh vegetables, meat, cigarettes, and other needs.

In effecting such sale or barter the refugees respond naturally to a desire to maximize satisfaction from relief goods received. The sale of rations for the sake of purchasing the more desirable goods or services is an attempt at the equalization of the marginal utilities of the various goods obtained by the individual. The non-refugees buying the rations does so for a similar purpose. The net effect of such transactions on business is next to nil; for refugee (new) purchases are counterbalanced by the drop of non-refugee purchases buying the rations. On the individual level, however, the transactions is beneficial, otherwise it will not be carried. UNRWA has been perturbed by the sale of milk-powder, from a long range view of the future health of babies. A cure was found for such sales in the distribution in liquid form of the milk powder at the supplementary feeding centers. This now is the procedure.

The question of cash distribution in lieu of rations raises issues which by right belong to the chapter on the impact of UNRWA operations. As however the Agency has not undertaken the shift, and as the whole aspect of relief as one of the Agency's functions is due to recede in importance and receive less emphasis, the apology for relief in kind is not called for now or later.

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With the close of 1951 relief was still almost the sole activity of the Agency, contrary to the hopes embodied in the UN General Assembly resolutions of a year earlier. The 1951 session reiterated such hopes for the future, but this brings us to the threshold of 1952, which is beyond the frame of this paper. Let us therefore now move to a survey of the works and reintegration programmes of UNRWA.

CHAPTER FIVE

UNRWA OPERATIONS: WORKS AND REINTEGRATION

In the last chapter a survey was made of the relief operations of UNRWA. The record of works and reintegration operations was left out to be written in this chapter. This chapter also includes a whole section on UNRWA operations and the host countries, describing that side of the Agency's work which has a direct as against an indirect bearing on the countries. The distinction is made as to whether the operations involve transactions made directly with the countries or indirectly through refugee behaviour. This section on operations with the host countries relates to relief as well as works and reintegration. It was, however, attached to this chapter because, like the other operations to be here described, it raises primarily economic rather than humanitarian implications.

A. Works

The economic Survey Mission of the Middle East laid most of the emphasis in its recommendations on the necessity of initiating public works in the host countries for the employment of the refugees and the stimulation of the host economies and the increase of their productive capacity. Hope was invested in the ability of works, acting through such stimulations, to absorb the working refugee population temporarily, and through the ensuing development to pave the way to resettlement in the end. The philosophy behind this fresh approach to the refugee problem was the defensible theory of the moral and economic superiority of useful and gainful employment over the dole. The objectives it was hoped to attain were the execution of a programme of public works comprising road-building, afforestation, irrigation, terracing and public buildings; the provision of

employment to 100,000 refugees; increasing productive capacity in the countries concerned; and ultimate development. The dynamic and cumulatively beneficial effect on the programme would gain time during which it was hoped substantial progress would be made towards a settlement of the outstanding political issues by the agencies entrusted with that task. (1)

The criteria laid down for the choice of projects admissible into the programme were the following: (2)

- (a) The presence of a high labour factor in the cost of the scheme and the probability of absorption in the work of a large numbers of persons over the whole period under review;
- (b) The possibility of early commencement;
- (c) The susceptibility of the projects to a unified development, i.e., the likelihood of constituting satellite and contributory projects round a nuclear development;
- (d) The place which the short-term works projects can take in leading to a more complete economic development.

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Believing in the philosophy behind a works programme and hopeful of its outcome, UNRWA was determined and eager to put it to the test despite the financial straits this Agency found itself in and its hand-to-mouth financing. Many difficulties, however, blocked the way to a successful realization of the programme. Some of these were mentioned earlier. Three more can now be added; the inadequacy of Agency funds to make forward planning possible; the presentation by the local governments of schemes from their backlogs of development plans which could not meet the criteria enumerated above; and the hostility with which the refugees (especially, in Syria and Lebanon, less so in Jordan) received the programme, in fear lest it should prejudice their right to return to their country. In view of these difficulties, it was around August 1950 that the programme,

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(1) UNESMME Final Report, Part I, p.20

(2) Ibid., p.25

in the modest dimensions to which it had been pruned, gain in momentum, and only late in the year - November/December - that it attained its peak employment of some 12,500 in all host countries, or 11,000 in the three countries under survey. Hostility gradually waned, and by June 1951 at the closedown of the works programme it had given place to cooperation or at least indifference.

The programme consisted of two main categories: works and works-relief, or major and minor works - as named later in the lifetime of the programme. The former comprised afforestation; engineering projects (road building, school and house building, reconnaissance work in preparation for projects); industrial projects (weaving and garment-making, vehicle repair workshops); and rehabilitation projects (preliminary works for reintegration such as soil surveys, well boring and building sample houses). The latter comprised small groupings of craftsmen who practised their trades such as shoe-making, carpentry, tailoring, tent-repairing. Within the range of all these major and minor works room - it was thought - could ultimately be found for employment for the agriculturist, unskilled labourer, and artisan, both in the rural and urban sectors. The line of demarcation between the two categories is the financial outlay involved and the degree of completeness of the project. Works projects generally called for outlays over \$ 5,000 each, and on the whole did not turn out end-products for direct consumption. Works relief projects necessitated modest outlays (less than \$ 5,000 each) and turned out consumers' goods. Furthermore, the latter projects were hoped to be set on their own on a commercial competitive basis as soon as possible. (Weaving was an exception, for it belonged to the work-relief type according to the second criterion, but was included under major works because of the outlay involved). Another difference was of an institutional nature. The local governments

were supposed to cooperate in the provision of tools and equipment to the extent of 45 per cent of the requirements for the major works, especially road building. In practice however, no rigid formula for sharing was adopted, governments' contribution varying up and down according to different cases. The ultimate choice of major projects was vested in UNRWA, out of schemes submitted by the Governments. This done, plans were prepared (or completed, if already begun) and the Agency undertook the administration, execution, technical supervision, and financing of the works.

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From its inception till the end of June 1951, the works programme cost the Agency some \$ 2.4 million in all countries, of which \$ 1.9 mn was for major and \$.5 mn for minor works. In the three countries under review, the cost was \$ 2 mn, or \$ 1.6 and \$.4 mn for works and works relief respectively. This is the breakdown per country:

TABLE 13

Cost of the Works Programme in the Three Countries
(In thousands of \$ Equivalents)

	<u>Total</u>	<u>Jordan</u>	<u>Syria</u>	<u>Lebanon</u>
Works	1,584.12	974.82	407.66	201.64
Works Relief	426.67	135.07	164.21	127.39
Grand Total	2,010.79	1,109.89	571.87	329.03

Considering that Syria houses the smallest number of refugees within its boundaries, the size of expenditure on all works in its territory was the highest. Per refugee expenditure was \$ 2.4 in Jordan \$ 6.7 in Syria and \$ 2.7 in Lebanon. In the three countries the cost was just over \$ 3 per refugee, over the eleven months of operation, or about 28 ~~per~~ cents per refugee per month. It is evident that the programme was very small when weighed against the refugee population and the duration of works. The overall employment it provided between August 1950, second month of operation, but first

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month for which complete data are available, and June 1951 never at any one time reached 12,500 labourers. It attained its peak in December 1950 when average monthly employment was 12,287 of whom 11,092 were in major and 1,195 in minor works. In the three countries the peak months varied: September 1950 for Jordan with 5,000 refugees employed, December 1950 for Syria with 3,950 employed, and November 1950 for Lebanon with 2,050 employed. The decline in employment differed in the two main types of projects. Major works employed over 10,000 refugees in all three months of the fourth quarter of 1950, then dropped to 8,959 in January, 6,436 in February, and 2,740 in March 1951. Minor works absorbed over 1,100 for November and December 1950 and January 1951, and over 1,000 for the two following months. It was only in April that the total dropped to 610 and in May to 294. In all countries 73,937 man months were worked of which about 85 per cent were in the three countries included in this study. The ratio of total minor to total major employment was roughly one to eight.

The projects involved were 49 major and 52 minor in the three countries. Cost per project over the entire operation was \$ 32,329 for major and \$ 8,205 for minor projects. It must be stated however, that the range of cost for major projects was much wider than for minor projects, the latter being limited by a low ceiling.

Before we turn to an examination of the two categories of works in some greater detail, we will first record a table showing a breakdown of refugee employment in the works programme.

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TABLE 14

Number of Refugees Employed on UNRWA Works
(Average per Month)

1950	Agriculture & Forestry	Engineering	Industrial	Total Ma- jor Works	Total Mi- nor Works	Grand Total
July	...	760	28	788
August	320	2820	81	3221	260	3481
September	620	4860	715	6195	965	7160
October	1962	6000	2241	10203	975	11178
November	2707	5800	2823	11330	1105	12435
December	3144	4835	3113	11092	1195	12287
<u>1951</u>						
January	2204	3482	3273	8959	1170	10129
February	1097	2859	2480	6436	1080	7516
March	230	2050	460	2740	1005	3745
April	110	1758	470	2338	610	2948
May	116	1488	48	1652	294	1946
June	211	602	34	847	265	1112
Man/months Aug. 1950 to June						
1951	12721	36554	15738	65013	8924	73937

Wages against this volume of employment totalled \$ 1.3 million, substantially over half total costs.

Major Works

The projects involved were described earlier. Road building and other engineering projects were by far the the most important single type absorbing over 55 per cent of total refugees employed. Roads used up over 50 per cent of total cost to the Agency of major works, or some \$ 814,000. In all 8 roads were undertaken: two in Lebanon of a total length of 18 kms of which 8 kms were constructed; one in Syria where 16 kms of earth-work out of 26 kms planned were finished; and five in Jordan totalling 67.25 kms, of which 60 were wholly and 3.5 partly completed. The cost per kilometer was lowest in Jordan. The other engineering works were of much lesser importance.

On the whole they comprised some municipal improvement in Lebanon, a school and a sanatorium in Jordan, and various types of experimental and other housing projects in Jordan and Syria. Peak employment was 6,000 refugees, in October 1950.

Afforestation came next in importance. More forestry work took place in Syria and in Jordan than in Lebanon. In all, the three areas planned to be planted in Syria totalled 1,700 hectares, of which some 1,380 hectares were completed. This afforestation (including a 6 kms forest road) cost a little over \$ 120,000. It was planned to cover three sites also in Jordan, and a total area of 2,945 hectares. Some 2,650 hectares were completed. This, added to the construction of two cisterns and several check-dams and the improvement of 35 kms of forest road, cost a little less than \$ 138,000. Not much was completed of the originally planned 600 hectares in Lebanon. A nursery project continued beyond the attempt at afforestation. It had a capacity of 150,000 seedlings in pots and 200,000 in beds. Soil conservation and terracing were undertaken also, but on a small scale. This whole type of major works cost the Agency just over \$ 272,000 and provided a peak employment of 3,144 in December 1950.

Industrial projects included weaving, garment-making, and vehicle repair workshops. The bulk of weaving was done in Gaza and is therefore, outside the scope of this paper. The other two types constituted most of the employment in industrial projects excluding Gaza, Jordan had four such projects, including a weaving project and a cement-pipes factory, and Lebanon and Syria had two each. Employment in all industrial projects in these countries reached a peak of about 700 in January 1951.

Minor Works

At one time or another Lebanon had 17 minor works or work relief projects, Syria 13, and Jordan 22. These works provided employment in their own trades to refugees skilled craftsmen. Peak

employment of 1,195 refugees was reached in December 1950, of whom some 1,000 were in the three countries under study. These works covered a wide range (shoemaking, tailoring, carpentry, dress-making, tinsmithing, tent-repairing, wheel-barrow making, soap making, brick-making, mat making etc) and produced for the Agency mainly at Agency expense, but it was hoped many of them would be so improved and strengthened as to be safely turned into self-supporting nonsubsidized projects sooner or later. The cost of production of end-products was very high, especially in Syria. This was mainly due to wastage in labour, relatively high wages, inadequate supervision, and emphasis on manual rather than mechanized work. The most promising ones, however, were later turned into minor reintegration projects after first July 1951 in Syria and Jordan.

Wages and Rations

Soon after works started it became evident that the Agency would meet a problem which might beat its own purposes; cancellation of relief without prejudice to the attraction of employment. The problem arose because it was exceedingly difficult to find a formula whereby pay would be attractive, but not too attractive to be out of line with the wage structure prevailing in the country, and whereby the refugee would be struck off the relief rolls without being so antagonized or frightened off as to prefer idleness to this loss of relief. A compromise was provisionally found, while the search was continued to find a lasting solution. This compromise consisted of the deduction from the worker's pay (which was roughly set at existing levels in the respective countries) of four rations worth, on condition that the refugee would be reinstated when employment was terminated. In practice, this meant that only a temporary reduction in the cost of relief was experienced which was more than counterbalanced by the higher cost of works; for it

proved to be five times more costly to employ a refugee than to administer relief to him. To have cut more into the refugee workers' take-home pay would have frightened the refugees away from the works, to have maintained and intensified works merely to effect substantial relief deductions would have meant the saving of twopence by the expenditure of a shilling. And in the end the refugee came to expect both relief and works; he was never made aware that it was a case of "either/or", nor was the programme able to bring about conditions whereby relief receded under the advance of works, nor were the works conducive to continued employment in an economy developed under the impetus of these works. But let us stop at this juncture and leave the task of assessment of the works programme for the next chapter.

B. Reintegration

It became evident half-way in the life-time of the Works programme that it fell short of the expectations set for it originally in the UNESMME Report as a means for providing employment to 100,000 of the refugee employable population. It became also clear that unless projects of the absorbing and rehabilitating type were found and provided, the prospect was dim for an early discontinuation of relief. As mentioned earlier in the chapter, this awareness was manifest in UNRWA Director's Report submitted to the UN General Assembly in its 1950 session, and it led to the latter body's resolution of December 1950 to establish a reintegration fund and to set for it \$ 30 mn for the year 1 July 1951 to 30 June 1952. Thus was established a new outlook where the emphasis was on works leading to the reintegration of refugees in the host economies, not their provision with temporary work only. Parallel with this emphasis ran the conviction that if the best results were to be achieved with the least cost, a redistribution of

refugees ought to follow, so that the largest number may move to the countries of greater opportunity from the countries of less opportunity. The reception by the refugee population and host governments and public opinion of the new concept of reintegration (or resettlement) varied from outright hostility to welcome, the former mainly in Syria and Lebanon and the latter in Jordan. There were naturally different attitudes in each country, although indifference characterized the reaction of large sections of the host populations. The Lebanese, it was generally thought, favoured reintegration if undertaken outside Lebanon, opposed it if envisaged within Lebanon; the Syrian opposed it anywhere; the Jordanians favoured it, preferably in Jordan. The refugees' opposition centered mainly in the fear that reintegration might prejudice their political rights of repatriation and compensation. And the opposition of those host countries not in favour was partly a sincere sharing of refugee fear and concern for their rights, partly a fear lest reintegration might dump the refugee burden on their shoulders. Jordan's welcome was part and parcel of its policy and practice of uniting Transjordan with Arab Palestine. It welcomed any refugee wishing to settle within its borders and with him any external financial aid that would come along.

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In the midst of such a turbulent sea of public opinion criss-crossed with under currents the Agency had to steer a safe course warily. In the first place it could not reckon on a quick and universal application of the UN General Assembly's resolution insofar as reintegration was concerned. In the second place it had to find a formula agreeable both to refugees and host countries and to apply it where and when possible. Its guiding principles were three Discontinuation as soon as feasible of relief, which contained a big element of moral deterioration and loss of aptitudes for the refugees; provision of houses and decent gainful employment to employable refugees without prejudicing the employment opportunities of

nationals; approaching the time when contributing countries could be relieved of their responsibilities.

When one formula was thought to have been found, it became obvious that it was agreeable to one only of the parties facing the Agency: it was acceptable to many refugees in all three countries but did not meet with the unanimous approval of the three governments. And unless a formula could pass the triangular test by refugees, governments, and Agency it could not score success. This formula was the issue of loans by the Agency to refugees to establish themselves in businesses in urban or rural areas. This opening was made for refugees when it became clear that UNRWA-initiated schemes would frighten the refugees and antagonise the governments. There were to be loans for major and minor projects in secondary and tertiary occupations in all three countries, side by side with agricultural projects, housing, assistance in placements of refugees, and assistance in financing development wherever permitted. In all these activities, it must be remembered, there was no break with the works era and a launching into an altogether new reintegration era: on the contrary, only such principles and practices as did not fit into the reintegration régime were discarded, the rest being remolded to fit the new pattern. In a way, the old merged into the new as far as feasible.

In accordance with this principle, the old projects under the works programme were examined against the criteria set above. All the major works, except a nursery of frest seedlings in Lebanon which was retained till late in 1951 for contractual reasons, were dropped on failing to meet the requirements of rehabilitation and integration. The minor works were sifted and what projects contained promise of eventual self-support and success were retained. New schemes were put

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forth, and generally a new approach was adopted. Six defined paths converged on this new approach, and to these we will turn shortly. But let us first present in table form some data on the various reintegration projects approved, broken down by category and country, as at the end of 1951.

TABLE 15
Breakdown of Projects by Category and
Country

As at end of 1951.

<u>Type</u>	<u>Jordan</u>	<u>Syria</u>	<u>Lebanon</u>	<u>Headquarter</u>
Research experimentation and planning	8	1	Nil	9
Agricultural	4	nil	nil	nil
Industrial commercial & banking	5	nil	nil	nil
Urban housing	1	nil	nil	nil
Training	4	1	4	4
General	1	-	-	3
Minor projects	43	12	1	1

The total potential cost to the Agency of all the above projects amounts to about \$ 2.4 mn, but actual expenditure during the second half year of 1951 was \$ 545,290 for all countries, or \$ 294,650 for the three countries (\$ 249,070 for Jordan, \$ 43,900 for Syria, and \$ 1,680 for Lebanon) plus \$ 173,930 for Headquarters at Beirut (i.e. for expenditure not yet charged to countries or not so chargeable). Total number of people settled on the schemes was 660 by 31 December, 1951. These are the details of settlement:

TABLE 16
Number of Persons Settled on UNRWA Projects

As at end of 1951

	<u>Jordan</u>	<u>Syria</u>	<u>Lebanon</u>	<u>Total</u>
Industrial commercial banking	78	nil	nil	78
Training	nil	10	33	43
Minor Projects	345	194	nil	539
Grand Total	423	204	33	660

Agriculture

Nothing along this line has been initiated in Lebanon, because this country is thought to be one with lesser economic opportunity from which refugees, given their own and governmental cooperation and approval, will move to countries of greater opportunity. Syria although presenting much scope physically has turned down settlement on private land and has not given approval to settlement on state land. No projects existed by the end of 1951, Jordan is the only country where exploration of possibilities has been allowed. Prospects for terracing turned uninviting, in view of the high cost involved; for the cost was about \$ 280 per hectare not counting housing, tools and implements, livestock, and seed advance, and for one family 8 hectares were thought to be needed. Boring for water with low salinity and chlorine content in the Jordan Valley where some hope was laid proved unsuccessful; only two out of sixteen borings revealed suitable water. Surveys, research, and analysis have gone on in various parts of the country, notably in Shara'a, Merj Na'ja, Karameh, and the Zors. The only actual agricultural reintegration schemes in operation are at Beit Quad and Merj Na'ja, involving 13 and 32 families respectively. Settlers' houses are, however, not yet ready. Plans are under preparation for more agricultural resettlement both in Jordan and Syria. UNRWA has several such schemes, but at the close of 1951, they were still hopes in the future.

Industry, Commerce, and Banking

Five such projects existed in Jordan at the close of the year; none in Syria and Lebanon. Those in Jordan consisted of a cement products factory, a clothing factory, a phosphates mines works, a hand-work center, and a development bank. The last scheme deserves

special attention. The Development Bank of Jordan, Ltd was established around the middle of 1951 with a capital of JD 500,000 (equivalent to \$ 1,400,000), with the object of encouraging economic development through providing capital at moderate rates of interest. The Agency undertook to subscribe for JD 400,000, equivalent to \$ 1,120,000 of which \$ 70,000 were paid up on 31 December, 1951. Part of the Agency's subscription was to be the promissory notes it had already received against loans it had issued to minor reintegration projects. The Bank was initiated in November, but at the close of 1951 had not yet got wind into its sails.

Urban Housing

With the exception of one house built experimentally in Syria the only urban housing scheme undertaken is in Jordan, where 250 persons will, it is estimated, be settled in due course. The ultimate cost to the Agency of this 50-house scheme is \$ 68,376, of which some \$ 40,000 were allotted by the end of 1951. The houses were complete, but the internal system of roads was just begun at the close of the year. Considerable research and experimentation have been undertaken in connection with the reconstruction, roofing, materials, and layout of houses and with community facilities. It is obvious that providing houses for refugees does not integrate them directly; at best it supplies them with employment while construction proceeds. It may be instrumental in resettlement indirectly, however, if it relieves the beneficiaries of rent-payments and thus makes their present low income adequate and consequently throws them off relief.

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Research and Experimentation

Eight research and experimentation projects were initiated in Jordan during the period under review, one in Syria, none in Lebanon, and nine at UNRWA Headquarters, Beirut. No direct resettlement is anticipated as a result of the projects. They are a prelude to planning for resettlement projects. In Jordan the projects involve a hydrographic survey for Wadi Fara'a (data computations and plottings of drawings), survey of Zors lands, survey of Shara'a (geophysical, geological, and triangulation survey and exploratory drilling), hydraulic survey of Marj Na'ja, and a general study party for the preparation of projects. One project each similar to the last named exist in Syria and UNRWA Headquarters. The remaining eight research and experimentation projects at Headquarters involve the Sinia scheme, resettlement in Nissurata (both of which fall outside this paper), and the procurement of capital requirements and tools for various projects. The research and planning projects can be called projects only with a stretch of nomenclature; they are so considered here only for recording purposes.

Training

Jordan and Lebanon each had four and Syria had one training scheme approved before the end of 1951. None however was started in Jordan, three were in progress in Lebanon (for malaria technicians, midwives, pharmacy attendants and machine packers), and one in Syria (para-medical training).

Four projects were approved for Headquarters but only two were started in November. Both involved teachers' training. (Training for various skills has been stepped up recently, in part preparation for reintegration. But a description of the big training scheme envisaged will take us beyond the time limit of this narrative chapter).

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General Projects

Four projects fall here, the first encompasses aid to the privately-initiated Naousa Alami project in Jordan to which the Agency has given assistance in the form of tools, materials, medical supplies, and services. The other three are Headquarters projects all centred around the construction of a base warehouse in Beirut. At the close of the year building was still in progress.

Minor Reintegration Projects

When the whole works programme indicated failure to attain its targets, UNRWA tried to salvage those works relief projects that promised success if set on their own. These, however, were to be run by the groups employed on them previously, on a basis of ownership. The formula mentioned earlier of loans to groups of refugees was to be applied here. These reintegration loans were to be at most \$ 5,000 per minor projects, issued to groups of artisans who are able to prove their qualifications and the ability to become self-supporting eventually. Labour-intensive projects turning out new products through the use of local materials were to be given preference over others requiring a high degree of mechanization and mainly imported materials.

The refugees in all three countries greeted this loan policy with enthusiasm and with eagerness to avail themselves of its advantages. The policy met with approval by the Jordanian, refusal by the Lebanese, and bidding for time by the Syrian Governments. As the year closed, however, twelve reintegration loans had been granted or authorized in Syria. All but one was residual to the former work relief programme (i.e. carpentry, tailoring, shoe-making, and dressmaking). All but one (an LS 2,000 loan for cotton growing where the crop failed) were flourishing at end of 1951. In all LS 112,460 (about \$ 30,400) had been paid and committed in loans varying from LS 2,000 to LS 6,000. Of this, LS 1,220 had been

recovered and 138 rations had actually been cut and another 183 deductions are envisaged. This equals a reintegration cost of some \$ 220 per person at the present rate of ration-deduction, but only \$ 163 per person if future deductions are accounted for.

In Jordan, by the end of 1951 JD 63,000 (\$ 176,400) had been paid and committed to 43 projects, and JD 9,500 (\$ 26,600) had been recovered, leaving about JD 53,000 still outstanding of which it is estimated some JD 20,000 (\$ 56,000) may be virtually written off. Total ration cut as a result of these loans was estimated at 1,244. In fact, however, only 284 have been cut so far, of which 41 have been reinstated. The works benefiting from the loans include a number of bee-keeping schemes, a lime kiln, a machine repair shop, a stone crusher, an upholstery shop, shoemaking, etc. The establishment of the Development Bank of Jordan has called for the reconsideration of the loan policy. At present the Bank purports to meet the needs of major reintegration loans, so the Agency has been considering returning to its loan policy for the benefit of small borrowers who have no security but who have skills to make them good risks.

Only one loan was negotiated in Lebanon and the advance was discontinued half-way. At Headquarters, provision in bulk for the needs of minor reintegration projects is termed such a project. This is no more than an administrative convenience, and it involves no applied scheme whatsoever.

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Notwithstanding the Agency's keenness on encouraging and giving loans and the favourable response of the refugees, the loan policy could not be relied upon to achieve large scale reintegration. Minor loans might involve development and investment in a minor and modest way. But to embrace the many thousands of unskilled or semi-skilled employable refugees who could not obtain loans a policy had to embark on large scale development and investment. Awareness

of this fact was at the back of UNRWA's report to the UN General Assembly late in 1951 - which report stirred far-reaching implications that will be studied in the next part of this paper. It remains to be stated here, therefore, that the policy of reintegration loans did not acquire undue proportions at the hands of the Agency: it was taken for its worth only, but any enthusiasm over and above that was simply due to its having provided a working formula at a time when everything else seemed not to work and resettlement prospects looked exceedingly slim.

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C. UNRWA Operations and Host Countries

So far we have been mainly reviewing the Agency's operations in so far as their import on refugees is concerned. In other words we described the Agency's work with the refugee population and for it directly. We now turn to operations indirectly for refugees but directly conducted with the host countries. These fall under two main headings: local purchases of goods and services, and sale of foreign currencies. A third minor heading can also be added: technical assistance.

Local Purchases

Goods: Purchases made locally in Egypt, Lebanon, Syria, and Jordan over the twenty month period May 1950 through December 1951 amounted to \$ 13.338 mn. Purchases made in the rest of the world totalled \$ 12.798 mn. Practically all the purchases made in Egypt (\$ 3.113 mn) were for Gaza, consequently transactions relating to this country do not concern us in this paper. Commodities purchased in the three countries (total \$ 10.225 mn) all originated in the country where they were bought; commodities of foreign origin have not been included in this total. This excludes many items such

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as cars, spare parts, tools and equipment, iron rods, wood, etc. Commodities only processed where they are bought, e.g. wheat of foreign origin milled locally, have also been temporarily excluded. This aspect of operations will be examined later in this section.

Local purchases consist mostly of flour; other items are pulses soap, textiles, fats and oils, halawé and fuel other than for transport. A breakdown follows for purchases per country and destination, May 1950 through December 1951:⁽³⁾

TABLE 17

Local Purchases made in Lebanon May 1950
THROUGH December 1951

(Thousands of Currency Units)

Total purchases LL 2,092.2 \$ 563.1^(a)
of which exported to:

<u>Syria</u> \$	<u>Jordan</u> \$	<u>Gaza</u> \$	<u>Israel</u> \$	<u>Total</u> \$
48.5	319.7	74.0	14.1	456.3 ^(b)

Notes: (a) Some local purchases, such as tents, used substantial amounts of foreign materials which were imported from the Zone Franche (Beirut) through UNRWA license.

(b) The difference between total purchases and total distributions represents that part of purchases earmarked for refugees in Lebanon. The same remark applies to Syria.

TABLE 18

Local Purchases made in Syria May 1950
through December 1951

(Thousands of Currency Units)

<u>LS</u>	<u>Flour</u>		<u>Others</u>		<u>Total Purchases</u>	
	\$		<u>LS</u>	\$	<u>LS</u>	\$
19,535 ^(a)	5,439		1,283	347 ^(b)	20,818	5,786

of which exported to:

<u>Lebanon</u> \$	<u>Jordan</u> \$	<u>Gaza</u> \$	<u>Israel</u> \$	<u>Total</u> \$
1,213	1,377	26	208 ^(c)	2,824 ^(d)

Notes: (a) of which LL 2.9 mn worth were exported to Lebanon under Agency license and paid for in Lebanese pounds.

(b) Pulses, textiles, soap, and fuel other than for transport.

(c) Via Lebanon (d) See Note (b) In Table 17 above.

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(3) Principal source: UNRWA Quarterly Bulletin of Economic Development No.1 of October¹⁹⁵¹ and No.2 of February 1952.

TABLE 19

Local Purchases Made in Jordan May 1950 through
December 1951

(Thousands of Currency Units)

<u>Flour</u>		<u>Others</u>		<u>Total Purchases</u>	
<u>JD</u>	<u>₪</u>	<u>JD</u>	<u>₪</u>	<u>JD</u>	<u>₪</u>
1,319	3,692 ^(a)	66	184 ^(b)	1,385	3,976 ^(c)

Notes: (a) Only ₪ 472 thousands worth of flour was purchased during 1951 owing to drought and very poor wheat harvest.

(b) Almost wholly pulses

(c) Practically all purchases were for local consumption.

In the three countries combined, flour worth ₪ 9.131 mn and other commodities (mainly pulses) worth ₪ 1.094 mn were purchased over the twenty-month period under review.

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Considerable other purchases have been made locally, predominantly of commodities of foreign origin. These will now be detailed. Their values are obtained from the statement of UNRWA expenditures⁽⁴⁾ after the exclusion of goods (and services) received in kind and recorded both under income and under expenditure, of donated supplies in and out of the programme, and of accounting entries (liquidation reserve):

TABLE 20

Local Purchases of Goods of Foreign Origin
May 1950 through December 1951

(In thousands of dollars)

<u>Item</u>	<u>Total</u>	<u>Lebanon</u>	<u>Syria</u>	<u>Jordan</u>	<u>Egypt & Gaza</u>
Capital equip't (Admn)	080	040	610	015	015
Automotive equip't (Relief)	200	150	-	-	050
Relief Supplies	4,560	3,650	-	-	910
Education) Materials	200	095	015	060	030
Welfare) Equipment	150	90	010	030	020
Works) & Tools	300	045	105	030	120
Furniture & Capital Expenditure	160	070	015	045	030
Grand Total	5,650	4,140	155	180	1,175

Note: Lebanon refers to the country, inclusive of Headquarters and District Transactions.

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(4) Table IV Appendix A. Items have been minutely examined and sifted in collaboration with the various UNRWA authorities concerned.

Perfection cannot be claimed for this table. Research in all UNRWA's payment vouchers and allocation-of-materials documents could not within reasonable time be undertaken, even if allowed. Nevertheless, the table presents as near a true picture as possible of the type and value of local purchases not produced in the supplying countries. The various items were purchased from the host countries in a proportion quite close to the one indicated.

Total purchases of goods, both of local and foreign origin, are shown below:

TABLE 21

Total Purchases of Local and Foreign Goods
May 1950 through December 1951

(In thousands of Dollars)

<u>Purchased in</u>	<u>Local Origin</u>	<u>Foreign Origin</u>	<u>Total</u>
Lebanon	563	4,140	4,703
Syria	5,786	155	5,941
Jordan	3,876	180	4,056
Sub-Total	10,225	4,475	14,700
Egypt & Gaza	3,113	1,175	4,288
Total	<u>13,338</u>	<u>5,650</u>	<u>18,988</u>

In all, \$ 19 mn worth of goods were purchased in the host countries and Egypt, or 14.7 mn in the three countries under study, or both categories of goods. The table reveals how Lebanon made up for the small value of its locally-produced sales by supplying substantial quantities of other goods totally foreign produced, e.g. tools, works materials, sugar, rice, cheese, automotive equipment, or partly locally processed, e.g. copy-books, welfare cooking utensils, baby layettes, etc. Syria which was the biggest supplier of locally-produced goods sold UNRWA the smallest volume of foreign-produced goods; while Jordan occupied a middle course in each of the two categories of commodities.

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Services. Disbursements made by UNRWA were not all for purchases of goods. Substantial sums were paid for Services, mainly salaries and wages. A careful examination of the statement of expenditure for the twenty months under review (Table IV Appendix A) reveals what amounts were disbursed locally for services. A few adjustments and explanations are necessary, and these are given as notes after the following table. The cost of purchases (computed earlier) has been eliminated.

TABLE 22

The cost of Various Services
May 1950 through December 1951

(In thousands of Dollars)

Item	Total	Lebanon (a)	Syria	Jordan	Egypt & Gaza	Israel
Administration	2360(b)	2170	030	100	060	- (c)
Relief	6470(d)	950	650	3200	1470	200
Medical Subsidies	669	090	084	335	160	-
Education(Subsidies & other services)	143	25	18	70	30	-
Welfare (Rents,Wages Transport etc.)	93	13	10	45	25	-
Registration	47	10	5	22	10	-
Works(Salaries,wages)	2085(e)	290	465	1090	240	-
Technical Assistance	18	18	-	-	-	-
Reintegration	580(f)	175	45	280	80	-
Grand Total	12465	3741	1307	5142	2075	200

Notes: (a) Lebanon includes UNRWA Headquarter's transactions.

(b) Excludes capital equipment (\$ 81,000) and remittances of personnel in dollars (\$ 220,000), calculated at 40 per cent of international employees' pay, which is about 30 per cent of total administrative personnel cost.

(c) Expenditure in Israel is all debited to relief.

(d) Excludes \$ 200,000 for automotive equipment and about \$ 140,000 remitted abroad by international employees (in dollar form).

(e) Excludes payments made outside the above countries of some \$ 70,000.

(f) Includes loans and HQ expenses for reintegration purposes.

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Disbursements for both goods and services total \$ 31.4 mn, of which \$ 19 mn are for goods and \$ 12.4 for services. If to this total we add the other items of expenditure that do not involve local expenditure we obtain UNRWA's overall expenditure for the period May 1950 through December 1951, thus:

TABLE 23

Rearrangement of UNRWA Expenditures
May 1950 through December 1951
as to goods and services

<u>Item</u>	<u>\$ millions</u>
Goods purchased in host countries	19.0
Services paid for in host countries	12.4
Staff Remittances Abroad	.35
Purchases made Abroad	12.8
Add: Equipment for welfare and education	<u>.1</u>
Goods distributed originally received in kind (contra item)	1.7
Direct contributions by local governments (contra item)	5.0
Direct contributions by voluntary agencies (contra item)	2.2
Donated supplies: in programme	.2
not in programme	<u>.6</u>
Liquidation reserve	.45
Capital equipment acquired from UNRPR	.5
	<hr/>
	\$ 55.3 mn
	=====

For the three countries considered alone, total purchases of goods and services are \$ 24.89 mn, broken down as follows:

TABLE 24

Cost of Goods and Services
May 1950 through December 1951.

(In thousands of Dollars)

<u>Country</u>	<u>Goods</u>	<u>Services</u>	<u>Total</u>
Lebanon	4,703	3,741	8,444
Syria	5,941	1,307	7,248
Jordan	4,056	5,142	9,198
	<hr/>	<hr/>	<hr/>
Grand Total	14,700	10,190	24,890

Syria has received the smallest part of UNRWA's expenditure, although it sold commodities to this Agency more than either of the two other countries. The discrepancy is due to the Agency's relatively small expenditure for services in Syria, and this in turn because this country neither has the largest number of reugees (like Jordan)

nor houses UNRWA Headquarters (like Lebanon). Nevertheless, relative to the number of refugees it has, Syria has received the highest expenditure, with Lebanon a close second and Jordan much further below.

Sale of Foreign Currencies

To meet its financial obligations in the host countries, the Agency has had to sell three types of foreign currencies against the local currencies required for its purchases of goods and services. It has sold U.S. dollars predominantly, then sterling pounds and French francs, and has acquired predominantly Lebanese the Syrian Egyptian, Jordanian, and Israeli currencies and Swiss francs.

The following table shows purchases of local currencies in dollar equivalents as well as foreign currencies surrendered in the transactions.

TABLE 25

UNRWA Currency Transactions
May 1950 through December 1951

A. Local Currencies Purchased
(in thousands of \$ equivalents)

<u>Period</u>	<u>Total</u>	<u>L.Lebanon</u>	<u>L.Syria</u>	<u>D.Jordan</u>	<u>L.Egypt</u>	<u>L.Israel</u>
May-Dec '50	14686	6827	2313	2548	2970	28
Jan-Dec '51	14276	8356	2847	1498	1535	40
Total	28962	15183	5160	4046	4505	68

B. Foreign Currencies Sold

	<u>U.S. Dollars</u>	<u>U.K. Sterling</u>	<u>Fr. Francs</u>
May-December 1950	9,868,730	1,489,000	300,000,000
Jan-December 1951	11,324,805	1,101,873	-----
Total	21,193,535	2,590,873	300,000,000

Note: Dollars sold include \$ 319,642 for Swiss francs purchased.

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C. Distribution of Currencies Sold
per currencies Purchased

Purchased	<u>U.S. Dollars</u>	<u>U.K. Sterling</u>	<u>Fr. Francs</u>
Leb. Pounds	12,958,737	496,873	300,000,000
Syr. Pounds	3,916,156	444,000	-
Jord. Dinars	56,000	1,425,000	-
Egyp. Pounds	3,875,000	225,000	-
Isr. Pounds	68,000	-	-
Total	20,873,893	2,590,873	300,000,000

Note: Dollars exclusive of \$ 319,642 with which Swiss francs were purchased.

In the three countries under survey UNRWA's purchases of local currencies amounted to \$ 24.389 mn worth, for which the foreign currencies surrendered were:

\$ 16,930,893
f.Stg 2,365,873 and
Fr.francs 300,000,000

It is noticeable that during the transactions Lebanon and Syria got mostly dollars while Jordan got sterling pounds and Lebanon was the exclusive receiver of French francs. The total of \$ 24.389 mn falls short of UNRWA's purchases of goods and services (and therefore of disbursements) in these countries by \$ 500,000⁽⁵⁾. The discrepancy is attributable to our computations of purchases being slightly on the liberal side. However, considering the size of operations the error may be overlooked without further ado.

The first part of the table shown above indicates that Lebanese pounds exceeding half total local currencies purchased were acquired. The ratio exceeds three fifths if we restrict the comparison to the three countries under study. Syria and Jordan (and Egypt) sold quantities close to each other. The exact proportions were:

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(5) Opening balances of local currencies held (on taking over from UNRPR) and closing balances on 31 December 1951 are shown below:

	<u>Opening</u>		<u>Closing</u>	
	<u>Local Currency</u>	<u>\$ Equivalent</u>	<u>Local Currency</u>	<u>\$ Equivalent</u>
LL	492,578	152,343	LL 754,864	200,762
LS	79,635	22,182	LS 8,021	2,156
LP (or JD)	42,104	892,418	JD 68,076	190,613
		<u>292,418</u>		<u>393,531</u>

The surplus of closing over opening balances of some \$ 100,000 has to be added to the above mentioned discrepancy of \$.5mn bringing it to \$.6 mn. Its order of magnitude still does not require special justification.

Lebanon	62 per cent
Syria	21
Jordan	<u>17</u>
	100

The most striking phenomenon is the wide divergence between the purchase of goods and services made in each of the three countries and the amount of its currency purchased. This can be clearly seen from the following comparison.

TABLE 26

Comparisons of Purchases of Goods and Currencies
May 1950 through December 1951

(In thousands of \$ Equivalents)

<u>Country</u>	<u>Purchase</u>	<u>Currency</u>	<u>Shortage (-) or Surplus (+) of Currency</u>
Lebanon	8,444	15,183	+ 6,739
Syria	7,248	5,160	- 2,088
Jordan	9,198	4,046	- 5,152
	X	X	X

Technical Assistance

A survey of UNRWA operations is incomplete without a word about the technical assistance this Agency is ready and willing to give to the host countries. A nucleus office exists which liaises between UNRWA and the T.A. Administration on the one hand, and on the other between T.A.A. and the host countries. The U.N. General Assembly in its 1950 session stressed the importance of UNRWA in connection with technical assistance and called upon the U.N. secretary-general and the specialized agencies "to utilize to the fullest extent the Agency's facilities as a point of reference and co-ordination for technical assistance programmes in the countries in which the Agency is operating". A modest advance has been recorded since in associating the Agency with the facilities of technical assistance;

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The achievement in this field has been restricted to two aspects both of modest dimensions. First, the Agency has helped in the setting up of some seminars or study groups and conferences sponsored by certain U.N. Specialized Agencies. Second, through the fulfilment of its duties it has offered technical assistance along many lines, both in connection with relief and works and reintegration. Specifically Jordan has been the country where this aspect of UNRWA's functions has in effect been recognised most fully, but it is hoped that more can be achieved as the Agency gains more of the local governments confidence. At the moment, this very important aspect is only a modest beginning of a promising field of action.

CHAPTER SIX

THE IMPACT OF OPERATIONS

The survey in the last two chapters of the range, nature, and magnitude of UNRWA operations was restricted to an objective presentation of facts. The assessment of operations has been left to this chapter, where the impact of UNRWA work both on the refugee and host populations in Jordan, Syria, and Lebanon will be examined. It must be stated at the outset that this is not always measurable in quantitative magnitudes; therefore in such cases qualitative judgment will be attempted. Furthermore the dearth of reliable statistics and in certain spheres its absence altogether render such assessment difficult and at times speculative. The student under such circumstances cannot help leaning heavily on personal impressions of his own and of well-informed observers.

Only the economic aspects of the impact are studied here. The limitation is in line with the general framework of this paper; for, had moral and political considerations at the root of the refugee problem been taken into account, the whole weight and significance of the operation would differ, and what appeared beneficial within our assumption might prove drastically inadequate or outright unjust and harmful beyond our framework. This paradox is at the root of misunderstandings and conflicts of viewpoints between UNRWA on the one hand, and all those on the other hand, who unswervingly consider repatriation of the refugee as the only and just and meaningful handling of the refugee problem. For, whereas UNRWA rightly judges its functions as solely humanitarian and economic and in so doing acts consistently with its terms of reference, the second party to the controversy judges the same functions where they fail to implement, or conform with the principle of repatriation as an outright violation

of refugee rights and interests. This paper plying as it does in the economic sphere, cannot but be associated with UNRWA's view. Any value judgments passed here, therefore, have for tenets UNRWA's mandate and terms of reference. All other assumptions, be they right or wrong, fall out the borderline of our study.

A. On Refugee

The effect of operations on refugees is multi-sided. The most obvious is the physical side which, in simple language, amounts to the keeping of refugee body and soul together. This has been achieved primarily by administering direct aid in food, as well as by providing shelter, clothing, medical care, and sanitation facilities to needy refugees. This aspect of the impact is far-reaching and extended beyond the immediate physical effect of relief. It reaches into the future when it can be largely determined how well refugee physique has been maintained and how much of a productive asset the refugee body has remained. We are called upon also to determine the value of other services rendered, such as education and vocational and professional training; the import of UNRWA work in supplying refugees with means and jobs, with the wherewithal in materials or in opportunity conducive to their immediate employment and eventual self support; and finally the adverse effects that may have accompanied the Agency's work. Within the range of this examination we will keep in mind the three main fields of UNRWA activities - namely relief works, and reintegration - and put them to the test wherever applicable.

Refugee Physique

Relief administered to needy refugee has meant the difference to them between starvation and life, no matter how marginal the life. This has been so because the beneficiaries on the whole, and more so as their condition drags on and deteriorates further, have negligible

purchasing power of their own - indeed of a magnitude inadequate for enabling them to keep alive on their own means. We need not go into elaborate computations to establish this point; a few sentences will reveal its validity. If our rough estimates of refugee income in the first chapter are anywhere near the truth both relieved and non-relieved refugees in the three countries have a yearly income of LL 47 mn (say \$ 13 mn) in which the share of relieved refugees cannot be more than LL 30 mn (say \$ 8.3 mn). The cost of relief to the Agency at an annual rate is about \$ 18 mn, on the basis of \$ 40 mn spent for relief over 20 months for the whole refugee population. It is therefore obvious that the relieved refugees' annual income can hardly last six months if they want to feed, accommodate, and clothe themselves in commodities and at prices similar to those available to the Agency. If the refugees fall back on savings, even assuming they still have the cash they bought out with them - estimated at LP 14.5 mn or \$ 40.6 mn in the first chapter - then again they cannot support themselves for very long; for, these \$ 40.6 were not all with the needy refugees, and what these possessed added to their meagre income could not have lasted them the long years of refuge from May 1948 to the end of 1951 where this study stops. It has to be borne in mind, furthermore, that the first few months in the Arab "diaspora" siphoned a substantial part of refugee monetary wealth. Nor must it be forgotten that what goods and services are offered to the refugee at a monthly cost to the Agency of some \$ 2.4 cannot at all be obtained by him, even were he to have the purchasing power, at anything near this price. His independent purchases have to bear customs duties, the educational and medical services he seeks will cost money, his clothing and shelter cannot be obtained free. In short UNRWA work has averted a catastrophe of loss in human life and human potential.

But this is too sweeping a generalisation. One must examine how well the Agency has succeeded in keeping the fitness of refugee physique. The basic ration has a calorific value of about 1,500 calories per day; and if the welfare ration and milk supplement is added, where and when applicable, the beneficiary may receive some 100 to 150 more calories. The bulk of grown-up refugees, however, receive nothing but the basic rations. The bulk of very young refugees, the sick, and pregnant and nursing women receive a milk supplement. The latter are half the total number of refugees. It can be said that on the average roughly half the refugees receive food giving 1,500 calories daily per person and the other half almost 1,650 calories. This level of nutrition has so far averted starvation or serious malnutrition, but repeated observation by specialists invited by UNRWA to study the refugee health conditions has revealed that under-nourishment is evident. The Agency's health services, it must be admitted, have been instrumental in averting epidemics and in combating endemic diseases. This efforts are in many instances preferable (in continuity, adequacy, or effectiveness) to similar services in certain of the host countries. But it must be likewise stated emphatically that the relief operation as a whole, especially insofar as food is concerned, is bound to produce a generation of Palestinians weak and debilitated. If the bad effects of under-nourishment have not yet made themselves felt, that does not invalidate the statement.

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The very important human aspect of relief operations has an economic side to it. The refugee population - like any other - is a working force, actual and potential. Its productivity is certainly influenced by how it is nourished. Its food is therefore a long-run function of its strength, its patience, resilience, adaptability, endurance, and above all its resistance to sickness. This population is bound sooner or later to resume its normal occupations in the land, in the factory, in the office and market place. Be it repatriated, be it doomed to remain outside its homeland, the refugee population cannot and will not remain dependent on the dole; it will have to be

resettled and to resume productive economic activity. There is no doubt that UNRWA has done a commendable job by keeping this huge reservoir of manpower alive. But it is not at all sure that UNRWA has kept refugee physical fitness intact for that future moment when the arm and the brain of the rehabilitated refugee have to respond to the demands of the moment in work and production. In the nature of the case relief assistance, the very blessing we glorified a while ago, bears within its womb the seed of deterioration, so that by the mere act of preserving the life of the refugee it is undermining his morale, reducing his skills and aptitudes, and making him less of an asset to the economy that will eventually receive him than when it first ministered to his needs. But it is the lesser of two evils: if the alternative is the loss of the refugee himself, physically, then relief is a preferable course despite the injury it brings upon its very beneficiary.

The remark is sometimes made that in spite of the admitted low calorific value of the ration the refugees were able to work on the Agency's projects. This argument is presented in support of the ration in its actual calorific content. The advocates of this argument however miss the very important facts that all through relief operations most refugees supplemented their rations by additional items of food purchased out of refugee old savings, that refugee workers use part of their earnings to buy food in addition to the ration, and that work on UNRWA projects was generally slack and not rigorous. This aspect of the impact has an important implication since it indicates the need, if the Agency is to undertake works again under any sort of programme, for raising the calorific value of the ration considerably if the refugee working population is to withstand the strain of work. This need becomes all the more pronounced because refugee savings are now largely exhausted and refugee physique has deteriorated as a result of under-nourishment.

One reservation is due here. In the host countries, some sections of the populations are worse off in food and health conditions than the refugees. The host population of Gaza and the inhabitants of the borderline villages in West Jordan are two cases in mind. While this is significant point which adds to the credit of UNRWA, it does not invalidate the judgement on the rations distributed. There is no great viture in comparing UN work with the impoverished inhabitants of Gaza or Qalqilieh (in West Jordan). The 1,500 to 1,650 calories in an UNRWA ration must be compared first with the pre-1948 calorific value of a Palestine Arab and second with the value required in a feeding programme expected to provide a fair and decent amount of nourishment. In both comparisons the UNRWA rations is a few hundreds of calories short. This shortage becomes all the more evident in winter and under working conditions.

Mental and Manual Aptitudes

Physical undernourishment is not the only significant shortcoming of UNRWA operations. The education and vocational training programmes leave much to be desired. Here again it must first be said that but for the Agency tens of thousands of school-age children may have had to go without any sort of schooling. The commendable educational work of the Agency is valuable and praise-worthy on a temporary and short-run basis. But in assessing the impact of an educational programme something more than the immediate has to be sought. The school-age children constitute less than 30 per cent of the refugee population, but only one fourth of these attend UNRWA schools. Of the latter only one in five reaches any post-primary class. Inadequacy of schools and teachers because of inadequate appropriations for education on the one hand, and the pressure of material need forcing many parents to keep their children out of school in order to try to earn some income on the other hand, have joined forces to keep most school-age children out of school. The fact that about as many school-age children attend private and government schools is no

arguments in favour of Agency education efforts; it is rather adequate proof that despite their economic hardships the refugees are eager to give their children some sort of schooling. This is a verdict against UNESCO - UNRWA programme and facilities.

What is the value of such a schooling that hardly scratches the surface in refugee school-population, when the bulk of the pupils never get beyond the second or third primary classes? It is quite evident that such education neither polishes any mental aptitudes nor leaves a discernible mark for the years to come. The funds spent are surely ill-used if they do not create enough attraction in the system to draw itself, retain, and advance its beneficiaries, the pupils, in whom no investment can be misplaced.

Nor is the training programme faring any better. Its dimensions are too small, it starts too early in the lifetime of the trainees, and it imparts too little technical training.⁽¹⁾ Such judgment was passed by a UNESCO officer specially commissioned to assess the Agency's school system. His findings, embodied in a report dated April, 1951, can on the whole stand equally well today. Observable facts confirm his views.

More appreciative comment can be made on the Agency's literacy campaign. This movement has more or less in principle, though not in numbers, achieved what it had set out to achieve. It caters to an otherwise lost group, the illiterate of the refugee population, and it sets out to right the wrong done to them before they were made refugees. In a way their education is not the Agency's charge and therefore what it does to them cannot but be recognized and appreciated.

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(1) This refers to the training programme of the education authorities as it stood at the end of 1951. Improvement has been recorded since.

Aside from the literacy campaign and after due acknowledgement is made of the Agency's efforts in the field now under survey - the value of which efforts was indicated at the outset - it remains to be concluded that the school and vocational training system is inadequate, too elementary, and too restricted. In consequence it turns out a young generation poorly equipped with mental and manual aptitudes, a generation perhaps as mentally and vocationally under-nourished as physically.

Capital and Income

In the previous two chapters, UNRWA operations were divided into three stages of relief, works, and reintegration. It is our purpose at this point to assess the impact on the refugees of the latter two stages. However, to avoid the rigidity involved in the terms "works" and "reintegration" what we will assess is the degree of success of the Agency in its efforts to provide the refugees with capital and the means for creating income. The works programme purported to supply jobs for a number of the jobless, and therefore income, and if possible independence from relief; coupled with this was the desire to improve refugee morale by the sheer act of work and income-earning. Nor was employment in the works programme the only type of employment the Agency provided; for, in the performance of its functions, this organization has created room for thousands of refugees in regular jobs at monthly rates of pay.

Those who have found employment of some sort in connection with UNRWA operations can be divided into three broad categories:

- (1) Professional, semi-professional, and clerical in monthly-paid posts;
- (2) Daily-paid mainly in the relief programme; and
- (3) Daily-paid in the works programme in both major and minor projects.

As at the end of December, 1951, almost 6,000 monthly-paid employees were engaged by the Agency, of whom:

289 were at Headquarters,
835 at Lebanon District Offices,
714 at Syria District Offices,
2,228 at Jordan District Offices,
1,821 at Gaza District Offices, and
59 in Israel, Iraq, and North Africa Offices and Liaison Offices

5,946

In the three countries under survey, Lebanon, Syria, and Jordan the number was 4,066. Daily paid refugees are rotated, thus the benefit accruing comprises a larger number than if rotation were not practiced. No data is available for the number involved, but judging from the rate of rotation it appears that some 4,000 refugees receive 30 to 40 days of employment per year. In other words, about 140,000 man/day of work annually are provided in all countries or 105,000 man/days in the three countries, of which 18,000 are in Lebanon, 13,000 in Syria, and 74,000 in Jordan. The numbers of daily paid in the works programme were indicated in the previous chapter, but it is useful to recapitulate them here. Between August 1950 and end of June 1951 when the works programme virtually came to an end, about 85 per cent or little less than 63,000 man/months (of a total 73,937 man/months of work) were provided in the three countries, or roughly 12,000 in Lebanon, 21,000 in Syria, and 30,000 in Jordan.

In numerical importance, these three categories of employment, notwithstanding their absolute significance, are very modest relative to total refugee employables in the three countries, set earlier (Chapter Three) at 150,000. Hardly 10 per cent of this employable population has obtained employment under one or another of UNRWA programmes, for periods exceeding three or four months. By the end of 1951, about 2.7 per cent were regularly employed and another fraction of one per cent daily employed - both about 3.5 per cent of the employable population.

In terms of income, the three categories of employment⁴⁴⁵ received some \$ 9.45 million from UNRWA between May 1950 and end of December 1951 in all the host countries, or over 8 million in the three

countries under study. A breakdown of the income by type of programme is shown below:

TABLE 27

Salaries and Wages Paid to Refugees
May 1950 through December 1951

(In thousands of Dollars)

<u>Programme</u>	<u>Total</u>	<u>Lebanon</u>	<u>Syria</u>	<u>Jordan</u>
Administration	1,765	1,665	23	77
Relief	4,450	881	602	2,967
Works	1,820	286	459	1,075
Technical Assistance	2	2	-	-
Total	8,037	2,834	1,084	4,119

Note: The ratio adopted for refugees' receipts in salaries and wages out of each of the programmes was: 70 per cent of Administration, 90 per cent for Relief, 95 per cent for Works, and 20 per cent for Technical Assistance.

This income, which amounts to \$ 2.8 million for Lebanon, \$ 1.1 million for Syria and \$ 4.1 million for Jordan over the twenty-month period only includes salaries and wages⁽²⁾. Again here the same comment can be made as earlier when the number employed was being discussed, namely that notwithstanding the absolute importance of the \$ 8 million income, its relative significance is slight in view of the considerable size and needs of the refugee population involved. This sum amounts to less than 65 cents per month per refugee, or \$ 2.68 per employable refugee. The figure is too insignificant to call for comment.

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That Agency operations have failed to create any sizeable cash income for the refugee population is quite evident. The import of this conclusion becomes more pronounced when it is borne in mind that the central theme of UNRWA functions - in fact is very raison

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(2) This excludes whatever income the refugees have earned from other types of services offered to the Agency. But as no specific information on this aspect of Agency-created income is available, only passing mention can be made of it.

d'être - was the provision of jobs and therefore income for employable refugees. Had operations proceeded as originally envisaged by the Clapp Mission, salaries and wages three times those actually paid would have been disbursed in the three countries, and hardly on two thirds of the employable population - or some \$ 12.5 per employable refugee per month (instead of \$ 2.68 above). The weight of this judgment clearly falls on the works programme, which was hoped first to activate the host economies and increase their absorptive capacity and in so doing to provide immediate employment for the refugees, and second to set up other rounds of income which would keep the activity already created at a level able to provide almost continuous employment for the bulk of those already employed in the works programme. Neither the politico-administrative climate nor the dimensions of the programme were conducive to the realization of the hopes previously entertained. Psychologically, the remedial effect of gainful employment upon refugee morale was quite beneficial on those who were employed. But these were just an insignificant portion of the whole employable population. Parallel to this social function of works was the expectation that for every refugee employed, four rations would be deleted. Practically, however, nobody lost his rations, although while in Agency pay the employed paid for four rations each. On the cessation of works the relief rolls were as long as before the works, and no noticeable reduction of rations occurred under the tonic of secondary employment created. Furthermore, while the programme lasted and since its cessation, refugee mentality seems to have acquired a new tone of dependence under the tenets of which the refugees felt entitled to both relief and employment, provided the latter did not involve them in any reintegration or resettlement plans. All said considering its cost to the Agency and its failure to benefit more than a very small portion of the employables for a short period, the works programme fell so short of expectations that the justification for its initiation altogether

may be questioned in retrospect. It might be found possible to permit the position that no amount of fore-thought or careful planning could have indicated in advance the inadequacy of the programme. It is also possible that the experience gained in the process was valueable. But these two lines of defence combined cannot save the programme from the verdict that it was too costly and of very modest effectiveness.

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Beginning July 1951, the emphasis in UNRWA operations shifted to reintegration, or - to put it in inoffensive phraseology - to the provision of homes and jobs. The basic shift occurred in the conception of "jobs", from temporary ones in a public works programme to continuous ones in directly productive projects, be these projects isolated or components of general development. Stress in this connection has been on the Agency making available to the refugees capital assets for use in income-creating projects. The vehicle for such a transfer of assets is reintegration loans; consequently to assess the effect of this part of operations is to assess the effect of loans.

These loans were nil in Lebanon, insignificant in Syria, and modest in Jordan⁽³⁾. The dimensions of the loans policy are an indication of the magnitude of the achievement. Both the size of the loans and the capital assets they are capable of representing point toward the failure of the reintegration programme to meet its targets, but the main reasons - it must be admitted - fall on the whole beyond the control of UNRWA⁽⁴⁾. The effectiveness of this programme lies not only in its providing the beneficiaries with capital assets but in the choice of sound and viable projects where the application of capital assets creates the income expected. The loans in themselves are no proof of their beneficial effect;

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(3) Details of these loans are included in Chapter Five.

(4) The main reasons relate to lack of co-operation by the Governments of Syria and Lebanon and to refugee suspicious.

as a matter of fact they may prove cumbersome or even ruinous to a business that makes very little or no profits and which has therefore to labour under losses and debts and eventually to be liquidated. The loans so far given in Syria are all but one invested in businesses flourishing and profitable, although almost all of these are very common ventures such as tailoring and shoe-making. This is a testimony to the product being able to compete in the market either in quality or in price, or both. Not so in Jordan; for, despite thorough processing and sieving of projects, some of these are not healthy. This is no place for locating the blame. The essential immediate question is the hardship befalling the refugee debtors if they fail and the frustration of hopes in the programme. The long-term implication of this question is to what extent projects can be encouraged and financed and expected to become self-supporting in isolation from general economic development. Speculation on this issue will however be the subject matter of the last part of this paper.

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The new policy aims at providing "jobs and homes" for the refugees. It is by now evident that the little success in achieving this end is the product of the Agency's inability to increase economic opportunity generally and the limitation of the scale of related operations. What impact these operations have had on refugees' establishing themselves in new homes is small in weight compared with the impact on refugee income. Almost all the refugees now housed as a direct result of Agency activities are in Jordan. This housing process is in two forms: UNRWA-built houses (described in the previous chapter) and refugee-built huts where UNRWA role has been part assistance in the supply of some roofing material and woodwork. Over 12,200 huts have been built in camps and camp environs. This number consists of 353 in Lebanon, 328 in Syria, and 11,538 in Jordan. Most of these huts do not amount to much; nevertheless they indicate a determine effort on the part of the refugees concerned to improve their own living conditions, as well as UNRWA's eagerness to see as many

of the refugees as possible leave the tents and barracks for good to new abodes, be the advance as slight as it may.

B. On Host Economies

The impact of UNRWA operations on the countries giving shelter to the refugees has been the subject of protracted controversy. This is mainly due to public ignorance of the nature and dimensions of these operations and to imprecision in the segregation of the adverse effects of the presence of refugees from the beneficial effects of Agency work. It will be our duty and aim in this section to assess the value of the operations, having surveyed them in the previous chapter, without bringing into the picture the impact of the refugee population on the host countries - which was discussed earlier in Chapter Three.

Refugee Pressure

Let us first consider a negative virtue of UNRWA operations. It was established in Chapter Three that the refugees in the nature of the case bring pressure to bear on the investment and employment potential of the host countries, that they are demanding - in economic opportunity - far more than they have contributed toward the creation of such opportunity, that they have added considerably to the labour pool of the area without adding commensurately to its capital goods. The hardship involved for the host countries has thus been unavoidable, given their economic structure and stage of development.

In providing employment and capital means to some refugee employables the Agency has evidently been instrumental in reducing the adverse pressure to the extent of such provision. But it ought right away to be said that the scale of the redress has been modest and that the nationals of the host countries continue to suffer considerably from the competition of refugees. If the outcry is not louder it is

mostly because of nationals' warm-heartedness and generosity, and perhaps governments' secret sense of guilt in the refugee tragedy.

This is, however, the good side of the coin only. The other reflects one aspect of UNRWA policy which creates a counteracting pressure of serious imports. It is the policy of ration-cutting which forces those derived of rations to fall more forcibly on the resources and opportunities of their hosts. This policy is the result of a desire, increasing almost daily, to reduce the cost to the Agency of relief. The reins are continuously tightened so that the income which today does not call for ration-deduction may do so tomorrow. The outcome of this is an increased eagerness, even an anxiety, on the part of the refugee, threatened by the sword of Democles over his head, to find a source of income that will make up for his possible loss of rations. Thousands of refugees outside the camps, in anticipation of such eventuality and in preparation to meet it, are pressing for admission into the camps on the excuse of inability to pay rents any more - this in addition to about 60,000 that have swelled camp population above its May 1950 level. On the whole this is a genuine claim, the private resources of most refugees having been largely exhausted and the income of those asking for transfer hardly a trickle. Any refugee with a marginal income - marginal in the sense that it is just below the ration-cutting minimum - is in fear lest the income scale for relief deduction is lowered to cover cases like his. During and since the Agency census which ended in the middle of 1951, about 20,000 rations have been cut because their recipients enjoy an income considered by the Agency as justifying the cut. A number of these must certainly be well above the margin, and their disappearance from the relief rolls will not force them to a fiercer competition in business or employment. But surely there are thousands whose loss of relief is an incentive for intensified pressure on the economic opportunities of their hosts, and it is here that this aspect of UNRWA operations amounts to increased pressure.

This does not happen accidentally. The Agency purposely intends to "push" the refugees on to the host economies and away from relief. The desire is plausible and defensible, had the host economies, on their own or by UNRWA encouragement, been able to supply a "pull" on refugees. As things stand, there is a strong pressure from the Agency but very little readiness for absorption by the countries. And despite the fact that UNRWA is not to blame because it has not been given the occasion to help create this readiness, especially in Lebanon and Syria, it remains true that this Agency is applying pressure while realizing the absence of the readiness. The result is hardship on the refugees, added pressure on the host countries, and increased unpopularity for the Agency itself. It ought to be admitted that UNRWA, in this respect, is acting under its own lights and according to the best of intentions from its own angle. But from a long-range point of view, it is not choosing the course most agreeable to refugees and hosts alike.

Production and Business Activity

In the previous chapter we attempted to draw an overall picture of those UNRWA operations involving monetary transactions. These are divided into three broad categories: purchases made in the host countries of goods of local origin, purchases of goods of foreign origin, and services. For the three countries under review these categories totalled \$ 24.9 million over the 20 month period covered by this paper. A break-down per direct beneficiaries (i.e. between non-refugees and refugees) follows:

TABLE 28

Breakdown of UNRWA Local Purchases of Goods and Services
BY Refugees and Non-Refugees May 1950 through December
1951

(In thousands of Dollars)

Purchase from Host Countries		Services		Total		Both
Local	Foreign	Non-refugees	Refugees	Non-Refugees (a)	Refugees (b)	
563	4,140	907	2,834	5,610	2,834	8,444
5,786	155	223	1,084	6,164	1,084	7,248
3,876	180	1,023	4,119	5,079	4,119	9,198
10,225	4,475	2,153	8,037	16,853	8,037	24,890

Notes: (a) Includes contractual services, salaries to non-refugees spent locally etc.

(b) Salaries and wages paid to refugees.

This table points out what the host countries' (including non-refugee Agency staff members) receipts of the Agency's cash payments are more than twice the refugees'. This differentiation is not of much practical import, however, inasmuch as the host countries are the ultimate repositories of all disbursements made locally, be they to refugees or to non-refugees. Payments to the former become part of the income of the countries in the second round of spending. In other words, once this second round has been completed, all UNRWA disbursements can be said to be exercising their impact on the host countries, some via the refugees, some via non-refugees staff-members, and the rest directly through the hosts. The first and second channels cannot be followed to their specific end; nevertheless we will try later to examine how refugee and non-refugee staff members spend their money. Although refugee expenditure and its effect were examined in the chapter on the impact of refugee immigration we will now look at this question from the angle of UNRWA operations. Let us begin with the purchase of goods and services made directly by UNRWA, i.e. not via refugees.

In Lebanon the trade sector benefited most from UNRWA operations as it supplied substantial quantities of foreign-produced and a much smaller volume of locally produced goods. The industrial and agricultural sectors supplied less than one-eighth of total goods purchased

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locally, the remaining seven-eighths being of foreign origin. In Syria and Jordan the emphasis was reversed, which indicates that local production benefited more than foreign trade. In these two countries, in the field of production it was the agricultural sector that benefited predominantly, whereas in Lebanon it was the industrial. A relevant question at this juncture is whether UNRWA purchases constituted for the host countries an addition to their sales (and exports) or only a substitution for some of their markets. Production figures show no clear trend, and anyway there are too unreliable for helpful guidance. It stands to reason, however, to argue that initially UNRWA purchases of locally-produced goods were more of substitutes than additions. But it sounds plausible that with the passage of time these countries increased production in order to meet both types of exports: across borders and to UNRWA. The blockade of Israel undoubtedly is an element in the material we are trying to analyse. Are sales to UNRWA a replacement of would-have-been sales to Israel, had there been no blockade? In other words, would the commodities sold to UNRWA have remained largely unsold owing to the blockade, were it not for UNRWA? There is good reason to believe that in a world of grains and pulses-shortages characteristic of the past few years, the host countries would not have found it very difficult to dispose of their produce. If their prices were not competitive they would fail to sell to UNRWA, to Israel, or to the rest of the world. The conclusion can therefore be drawn that inasmuch as UNRWA demand of locally-produced goods was satisfied from existing stocks, the benefit gained was mostly in the opportunity for the countries concerned to transact bulk sales at suitable terms; where and when UNRWA demand initiated an increase in production it was additive and not substitutive and therefore of as much benefit as an equivalent net increase in exports. It is evident that the trade sector in all three countries benefited most, because notwithstanding the type of goods, every transaction involved a sale by a national to UNRWA. The next to gain was the agricultural sector in Syria, then in Jordan, and lastly the industrial sector in Lebanon.

All this refers to the direct purchases made by the Agency. The effect UNRWA staff spending has had on the three sectors just named is a reflection of the manner in which this spending was channelled. In any case it is safe to assume that the commercial sector, funneling through itself all transaction, as it does, must have benefited most. And to the extent that this spending went to finance imports, an added advantage accrued to trade. In addition, in all three countries a sizeable portion of staff spending must have gone to local agricultural products, another to rents, a third to services and a fourth to local industrial products. The order in which these outlets are listed is no definite indication of magnitudes, but it stands to reason to expect it to be nearly so.

Balance of International Payments

At the close of Chapter Five UNRWA purchases of local currencies were examined. Three facts came out quite clearly: (1) That during the 20-month period with which we are concerned about \$ 24.4 million worth of Lebanese, Syrian, and Jordanian currency was purchased, a sizeable sum by local standards; (2) That the purchases of individual countries' currencies were quite out of line with purchases of goods and services but that the two aggregates were almost identical; and (3) That a considerable volume of goods purchased in Syria and Jordan was paid for in Lebanese pounds - in other words that Lebanon served as a clearing center for numerous transactions with Syria and Jordan. Let us examine these salient facts.

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The \$ 24.4 million worth of local currencies purchased consisted of \$ 15.2 million worth of Lebanese pounds,
\$ 5.2 million worth of Syrian pounds, and
\$ 4.0 million worth of Jordan dinars.

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The currencies surrendered against these purchases were \$ 16.9 million, £.Stg 2.4 million, and Fr.frs 300 million. Lebanon which supplied 62 per cent of the local currencies purchased by the Agency got paid in dollars, sterling pounds, and french francs. Although this country virtually has a free foreign exchange market (in other words foreign currencies can be purchased and sold in the market without legal restrictions), in practice UNRWA surrender of foreign currencies increases the availability of these currencies in the same way as though Lebanese exports had risen to that extent while it means to UNRWA the advantage of disposing of its foreign currencies in a free and experienced market, eager and ready to handle them. In the absence of balance of payments studies it is impossible to assess how much Agency sales represent in the country's resources of foreign exchanges. However, judging by the size of Lebanese exports and what is roughly known of remittances to Lebanon and oil companies', legations' and visitors' spending and sales of foreign currencies there is no doubt that Agency operations have meant to Lebanon a lucrative source of foreign currencies. This has meant the facilitation for Lebanese dealers in the foreign exchanges market of their transactions and the enhancement of Beirut's place as a clearing center and foreign currencies market. Specifically, these operations, have resulted in increasing the foreign currency resources of Lebanon by \$ 12,958,737, £.Stg 496,873, and fr.frs 300,00,000⁽⁵⁾.

The case of Syria is slightly different because this country does not enjoy the same position as Lebanon and its foreign exchanges market is not as free as the Lebanese. Although Syrian visible

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(5) This is only a gross increase, to which must be debited drawings on these foreign currencies for the purchases in the Lebanese market of foreign produced goods and of M.E. currencies.

exports are more in volume than Lebanese exports, the other major sources of foreign exchange (remittances and visitors) are generally thought to be of more modest dimensions. Against this setting we have a quantity of currencies sold by UNRWA much smaller than that sold in Lebanon - just over one third. But this fact only reduces the significance to Syria of UNRWA operations, it does not eliminate it. These operations resulted in the sale of \$3,916,156 and £.Stg 444,000, a sum which helped finance Syrian imports to some extent.

Considering the size of its foreign exchange resources, the obligations it has to meet by way of international payments, and its stringent balance-of-payments position, Jordan benefited most from UNRWA Operations. This country obtained \$ 56,000 and £.stg 1,425,000 which represents not a negligible part of its resources in foreign exchanges. The sale to Jordan of foreign currencies of these dimensions came at the opportune moment, in view of the depletion of this country's sterling assets and its huge trade deficit. Such a sale has the effect of boosting exports considerably and of making possible the flow of imports at the present scale.

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The significance of the comparison between UNRWA purchases of goods and services from individual countries and its surrender of foreign currencies (brought out in Chapter Five) is in its pointing out that both Syria and Jordan have sold to the Agency more goods and services than they have received in dollars and sterling pounds. Lebanese pounds have been paid for the discrepancy, which amounts to \$ 7 million. Lebanon has served as a clearing house for transactions in the area. The discrepancy also reveals that the Lebanese pound is desirable to suppliers in Syria and Jordan, who have asked to be paid in terms of it. Credits to Syrians equivalent to \$ 2 million and to Jordanians equivalent to \$ 5 million have been placed at their disposal in Lebanese pounds. Such an arrangement must have been

advantageous to all three countries: it increased the business of the Lebanese money market and its resources in foreign currencies at the same time making available for Syria and Jordan the Lebanese credits they wanted.

Works, Technical Assistance and Development

The works programme received the brunt of our criticism when we were discussing the impact of UNRWA operations on the refugees. The main attack on it arose from its failure to meet expectations. The same accusation of failure is applicable now as the impact on the host countries is examined. Two qualifications have, however, to be made at the outset. First, the benefit accruing to the host economics from increased cash expenditure on account of the works has already been discussed under the previous section of this chapter; its repetition here will amount to duplication.. Second, despite the relative failure of the programme, it has had absolute - though modest - beneficial effects; to these we will turn presently. It stands to reason that the roads built, the forest trees planted, the irrigation canals excavated, and the public buildings constructed all add, no matter how negligibly, to the countries' development. No one single project, however, nor even a combination of projects can claim a marked improvement in any one country's economic conditions. The incomplete road in South Lebanon, the small community facilities in Tripoli, the afforestation in the Cedars area all in varying degrees contribute to the overall development of Lebanon. So it is with the roads, forest trees, and Simm irrigation canal in Syria, or with the various projects in Jordan. In the latter country some of the projects - such as the Battir road or the Huweisha afforestation and forest-road scheme - made local sensational news. However, considering the size of the country's needs, the dimensions of the beneficial projects are quite modest and their

blessings small and not always tangible or immediate. On the other hand, in view of the actual poverty of Jordan and its huge development needs, the little that has been achieved acquired an aspect more glorified than similar achievements in Syria and Lebanon.

The minor works (or works relief) part of the programme draws two types of comment. Those small works that have added nothing by way of technique or new products (like shoe-making, carpentry, mat-making, tailoring) have on the whole passed unnoticed, or if at all noticed then through their competitive (therefore undesirable) nature. Almost all the minor works in Lebanon and Syria and many of those in Jordan fall under this category. The second type of minor works, almost wholly in Jordan, involves new projects such as bee-keeping, wheel-barrow making, cement-pipe manufacturing, spinning and weaving, garment making, etc. There is no doubt that the introduction of such businesses, given their soundness and viability, is a contribution to the development of the country. The assumption, however, of viability puts on the platform for scrutiny the global question of general development within which these (and other) projects fit and can be better judged. But this question will be the subject matter of the following part of this paper and it will therefore not be pursued further at this juncture.

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Technical assistance has been given to the host countries through two channels; indirectly via studies and discussions related to works and through the execution of works itself; and directly independent of works. The technical assistance involved in both has been of modern dimensions, particularly in Lebanon and Syria. On the whole, however, UNRWA's contribution in this connection has been twofold: facilitating the coordination of technical assistance in the Near East and (b) providing a centre of service to U.N. Specialized Agency and bilateral and other organizations offering

technical assistance in the region. The joint result of these services has so far amounted to several conferences and studies on various social and economic aspects of community life and organisation. As time passes, the import of these services will grow considerably because most of them require time for bearing fruit.

In all cases, the significance of technical assistance is in its relation to development, and UNRWA operations in this respect have amounted to very little, if we understand by development a large-scale total process involving more than one field of economic activity, technique, and improved labour-capital relations through capital investment. The Agency ought not to be primarily blamed for failure to plan, finance, or initiate development inasmuch as this failure relates to forces outside its power. The story of UNRWA's emphasis on development for resettlement purposes and the impediments in the way leading to this aim has already been told. The implications of this all-important aspect of UNRWA operations have yet to be told. For the moment all that can be done is to record the fact that the Agency's impact on global developments in the three countries under review has been negligible.

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For all practical purposes, we have arrived to the end of our study of the refugee problem in Syria, Jordan and Lebanon, involving: the refugee population and its impact on the host countries, and UNRWA operations and their impact on the refugees and on the host countries. To go beyond the borderline and study the implications for the future of UNRWA works as stipulated in its mandate is to step into the realm of speculation. This journey into the future will be mapped in the following chapter.

PART THREE

THE ECONOMIC IMPLICATIONS

OF

OPERATIONS

CHAPTER SEVEN

SALVATION THROUGH DEVELOPMENT

The foregoing survey of UNRWA operations and the assessment of the impact of these operations have revealed that the tangible contribution of this Agency toward a lasting solution of the refugee problem has been small. The criterion according to which judgment was passed was the extent to which UNRWA succeeded in helping the refugee through the latter helping himself: namely in rendering him productively employed. The whole examination was thus transported in one leap into the sphere of development and absorption. And it was thus that a bridge was thrown between the refugee problem and development. The Clapp Mission expresses this relation in the following way: "The solution of the problem of the poverty and unemployment of the refugees is inseparable from a solution of the problem of poverty and hunger as that already affects a large section of the population of the Middle East.....Hunger is a basic disease in many parts of the world. The hand to mouth existence of millions is a challenge to the technical and scientific knowledge of, and the wealth possessed by, those people whose standard of living is a measure of the goal to which people of the undeveloped area may aspire".(1)

This conviction places us face to face with two all-important external factors but for which economic development of underdeveloped countries cannot come to fruition. They are technical assistance and investment capital. But that is not all. There is nothing supernatural about either of these factors, nor are they obtainable by

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(1) UNESNME Final Report Part I, p.vii.

prayer and wishing alone. Again we quote the Clapp Report where we are told⁽²⁾, - rather sarcastically - "How simple, therefore, to suppose that could the poorer peoples and the poorer regions but acquire from those more blessed materially a pro rata share of the world's goods, poverty would be eradicated and a great cause of strife would dissappear". And later, "But higher living standards cannot be bestowed by one upon another like a gift. An improved economy does not come in a neat package sold or given away in the market place. A higher standard of living must grow out of the application of human skill and ingenuity to the physical resources of a country or a region". And still later, in a very ~~realistic~~ ^{realistic} spirit but poetical expression the sound opinion is extended that "The highly developed nations of the world did not make their way by wishing. By work and risk they forced the earth, the soil, the forests and the rivers to yield them riches. They pooled their energy and resources by taxation and mutual enterprise to discover new ways of doing things, They worked they invented, they educated and trained their children, and they invested in their national and in their private enterprises..... Help to those who have the will help themselves should be the primary policy guiding and restraining the desire of the more developed areas of the world to help the less developed lands."

A. Basic Propositions

These questions have a close relevance to the refugee problem and nothing has occurred since their writing in 1949 to render them obsolete. They indicate that the countries where the refugees presently live are under-developed, that the refugee problem adds to the urgency of these countries' development, that the problem cannot be solved by half measures, that the solution lies in substantial

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(2) Ibid., pp.vii and viii.

and far-reaching development, and that such development is the fruit of the combined efforts of national's and foreign capital and technique.

That brings us to the implication of UNRWA operations. A few propositions embodying the implications will presently be submitted. They emanate from the assumption that UNRWA's real contribution towards the solution of the refugee problems must be its ability to help generate economic activity which will provide opportunity for the productive employment of refugees in the host countries. We will not be digressing far if we halt for one moment to stress the social value of such a contribution to both the refugee and the host populations. The proportions are four in number:

- (1) To be able to cope with their responsibility toward their own nationals and the refugees in their midst, the host countries must be developed;
- (2) Development of the calibre dictated by the magnitude of the needs requires foreign technical assistance and capital;
- (3) Foreign technique and capital cannot give optimum results unless in cooperative partnership with local technical and financial resources, but above all unless and until the appropriate atmosphere for development is created; and
- (4) This atmosphere involves institutional reforms along social, administrative, and economic lines.

There is hardly any conceivable grounds for disagreement, among people who give the problem some thought, on the issue that productive employment opportunities for all able-bodied refugees are not available under present under-developed conditions in the area. And there is little disagreement, if any, on the material and human potentialities. Disagreement may be present or latent with respect to the extent of potentialities; or to the objectives of, and theories and ideologies underlying developments; or to the vehicles and methods of development. On balance, the conclusion is clear that to transcend poverty and need, of community and individual, and to achieve material progress and social reform, development is necessary.

The second proposition of the need for foreign technical and financial help in view of the magnitude of requirements is rather irritating to the dignity of countries only recently in possession of independence and sovereignty. And rightly so. But a golden mean can certainly be found between the excesses of dependence on the outside and xenophobia. And this golden mean can perhaps be steered in cooperation with international Bodies. When goodwill prevails a workable formula can be found without encroachment on the national dignity of the recipient countries. Such a formula can embody the principle, that outside help is temporary and extends only until the countries are able to attend to their own needs.

The third proposition, springing directly from the second, is that foreign technical and financial assistance, to give optimum results, must be accompanied - or even preceded - by the mobilization of local technical aptitudes and financial resources. To many thinkers, including the Clapp Mission, this places the argument at the mercy of the whim of a vicious circle. This is what the Mission report quotes in this respect⁽³⁾. "The Middle East provides an excellent example of what is described as a hand-to-mouth economy.... This being the case, the Middle East can never provide internally the capital with which to develop investment goods as all its energy is spent on the production of consumption goods. Yet again, when such production is considered on a per capita basis it is revealed that the productivity per man hour is much lower than in more developed economies..... The plight of the Middle East is truly a vicious circle. To increase its consumption goods it needs to increase its investment goods, but to increase its investment goods it needs to increase its consumption goods.....

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(3) Quotation in the final Report, Part I, p.34, from a statement by Albert Badre before the Economic and Social Council UN Document E/276 of March 1948.

The process will inevitably be lengthy, strenuous, and painful".

Is the vicious circle inescapable? Fortunately, it seems of late to have been breached in two places. The Middle East Oil resources have acquired great importance since the Clapp Report was written, and oil revenue - if well harnessed to development in the area generally - can supply a substantial part of the financial means required. Secondly, international credit institutions, such as the international Bank for Reconstruction and Development and the Export-Import Bank are growing more interested in the area and readier to advance credit for the implementation of well studied and sound schemes.

The fourth and last proposition that an atmosphere appropriate for development ought to be created means that institutional reforms along social, administrative, and economic lines ought to be achieved if the mobilization of local resources is to succeed and come to fruition. The community must see the need for development. The community's eagerness for development has to be nursed on its desire to effect a raise in income and living standards, not only because of the immediate advantages accruable, but also because of the responsibilities this generation holds towards the next.

The lesson that can be drawn from this excursion into the four propositions is important. Political considerations aside, if the host countries, which are all under-developed, want to face the refugee problem squarely and realistically, they must turn towards the resettlement and absorption of the refugees. But to do this, these countries must substantially increase their economic opportunities for nationals and refugees alike. The men and women of vision in these countries must think and plan and work. The road is long, and there are no short cuts to salvation. The implications of UNRWA work in the area cannot but be closely associated, if not perfectly identical, with the issues just raised. The inhabitants of this area are burdened by history and by the tradition of miraculous solutions to problems otherwise difficult to solve. It is contended, in this paper, that the only miracle that has changed any chance of happening is within reach. It can be done.

It can come about through the happy combination of vision, planning, and work. Once this occurs, outside help can be welcome because then it will mean neither domination nor charity. There is a serious problem on hand, there is an international body eager to cooperate in solving it, and there is a possible solution. Unless a political solution is provided, and this possibility is beyond our terms of reference, the economic solution remains the only one in view. If that is so, the path mapped seems to be the right one, wherein UNRWA operations can fit smoothly into the host countries' development plans.

B. UNRWA Role in Development

That an examination into the principles underlying development in the host countries is useful for the purposes of this paper becomes more evident if it is borne in mind that UNRWA now considers it part of its role to adjust its operations to local development plans. This Agency cannot envisage itself undertaking large-scale development work. That will not be in line with U.N. resolution of January 1952⁽⁴⁾ and will not be acceptable to the sovereign states concerned. The Agency therefore views its role now as a catalytic agent, helping with the economic transformation of the countries of resettlement through the supply of technical assistance and financial aid in an operation of interaction between the refugee population and its hosts. All this is the justifiable hope that in the process the refugees can find productive employment, and in the final analysis can be absorbed into the activated and developed economies. The practical ends which the Agency hopes to achieve in the process are the termination of camp life and ration lines for the refugees, of

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(4) i.e. in the 1951 Session.

social and economic dislocation for governments concerned, and of large relief expenditure for contributors. The Director and Advisory Commission of UNRWA, in their Special Report submitted to the 1951 U.N. General Assembly, ⁽⁵⁾ call this the central conclusion and purpose of their findings and recommendations, based upon a review of the full operating experience of the Agency and upon extensive consultations with the governments of the area.

This central conclusion springs from UNRWA's experience in three directions namely relief, reintegration, and technical assistance. The Agency now feels that it has reached a definite stand vis-a-vis each of these fields. Relief has been provided to needy cases. Long and sustained efforts have been made to reduce the number of relief beneficiaries and thus reduced the cost of the operation. Now it seems that little additional reduction can be further affected without unjustifiable hardship to and even serious repercussions among all concerned. No substantial lowering in the income scale for ration-cutting purposes is feasible, and short of that no worthwhile saving in relief can be anticipated. To throw many more refugees completely on the local economies without the ability of these economies to take them in is an act fraught with serious socio-economic dangers and possibly political unrest. On the other hand, the ~~rise~~ rise in prices since the Korean war has in itself raised the cost of the same relief supplies by at least 25 per cent. The hope of a substantial reduction in relief outlay must therefore be discounted, since its path has come to a close wall.

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(5) Supplement No.16A (A/1905/Add.I) p.1

Not so with reintegration. Although this programme is still in the pioneering stage, a considerable part of the field has been mapped. Besides a small number of projects initiated in Jordan and Syria, a quantity of exploratory and preparatory work has been done in research, studies, tests, and general planning. The potentialities of the host countries have been gauged to some extent, and fairly accurate knowledge of the location and dimensions of possibilities. In global terms, the Agency knows from which countries the refugees ought to be moved and in which countries they ought to be settled. It knows in what economic pursuits they can be employed, as well as what aptitudes and skills in general they possess and in what categories, their shortage is most

On the other hand several development plans are known to exist in the host countries, ranging from large individual schemes to integrated plans involving the whole socio-economic set-up. Despite the dearth of detailed public information, indications are abundant of the needs in manpower of the schemes and the rise in absorptive capacity subsequent to the execution of work. In the post-war years general economic surveys of Lebanon, Syria, and Iraq were undertaken, and in Jordan several partial studies that amount to the better part of a general survey have been made. UNRWA feels confident that there is more than adequate room for the refugee working force in these sundry development plans. It further believes that in two of the countries concerned, Syria and Iraq, the application of the plans can not only provide employment for the refugees but contribute to a rise in the standard of living of both refugees and host populations. The case is strong therefore for the admission of refugees into the moving picture of those Middle Eastern countries whose potentialities are well-established and who are embarking on large-scale development. Political consideration, aside, this comprises a promise of benefit to the receiving countries as well as to the refugees. But this integration of the refugees in the activated economies involves several important considerations for the Agency to take and plan for.

These will be the subject matter of the following chapter.

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The Agency is called upon to play an important role in the field of technical assistance, a role much larger than it has so far played. Expected future achievement in this field lies in three directions: (a) Help in the coordination of technical assistance in the area; (b) Action as a center of service to U.N. Specialized Agencies offering technical assistance; and (c) Direct provision of technical assistance via the conduct of UNRWA's own operations. In all cases the significance of technical assistance is in its relation to development, since it is one of the two major requirements of development - namely technique and capital investment. To be able to provide the technical assistance it may be called upon to furnish, the Agency has to have a thorough knowledge of the economic facts, problems, and potentialities of its area of operations. This calls for a service of accurate economic reporting and analysis which, on the one hand, answers UNRWA's own and the area's needs and, on the other, can act as a reporting service for the United Nations Headquarters. The nucleus service now existing at UNRWA will have to be markedly strengthened if it is to handle adequately the duties just enumerated.

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In this chapter an attempt has been made to expound the thesis that the non-political solution of the refugee problem lies in the directions of economic development in the receiving countries. UNRWA's creation and terms of reference, its operations, and above all the failure of its works programme have all been steps leading in this same direction. They have all added force to the argument that neither relief, nor temporary employment in public works of a transitory nature can supply a lasting solution to the problem. All lines of thought converge on the central conclusion that the solution can only come through settlement in developing economies. And this is the justification for the claim implied in the title of this chapter: "Salvation Through Development".

CHAPTER EIGHT

UNRWA DRAWS A PROGRAMME

The field experience of UNRWA and the interpretation of its observations have both culminated in the conviction that the refugees must cease being the object of relief as soon as possible, and must become self supporting in improved economies. The operations of this Agency have been landmarks in the road to this conviction. The argument was put forth, in the last chapter, that the material realization of this conviction necessitated far-reaching development. A broad outline of the case for development was also given, in which the refugee problem was related to general development. The role of UNRWA in this overall process was finally indicated.

This role consists primarily of linking the refugee problem with development. It entails many implications for the Agency, which can all be pigeonhole into two categories: (1) Drawing-up of a long-range programme; and (2) Thinking, experimenting, planning, and preparing for this programme. It is to these two we will now turn.

A. The Programme

The Special Report of the Director and Advisory Commission of UNRWA, submitted to U.N. General Assembly late in 1951, contained what was called the "Elements of a three-year programme of economic cooperation for improving refugee living conditions". It will be useful here to outline and describe the salient features of this programme (1).

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(1) The programme, appearing as Annex A to the Special Report, is summarized here as far as feasible. Some important but brief sections have been reproduced in full.

The political premises of the programme is that the re-establishment of the refugees will principally be in the Near East countries, and that all services and facilities are to be offered without prejudice to their rights to repatriation or compensation. The general objectives are to help refugees obtain adequate housing and employment, and to make them economic assets of Near East countries. Six specific programmes are proposed for the Near East governments and the Agency to co-operate in realizing: (a) Helping refugees find employment where their services are needed and where such services do not conflict with employment needs of nationals; (b) Training refugees for service in fields where there is a shortage of trained personnel; (c) Making loans to refugees to establish them in gainful enterprises; (d) Building houses in and near cities, villages or industries where jobs may be available, (e) Creating rural villages in areas where land is available for cultivation; (f) developing agricultural lands through well-drilling, irrigation works, access roads and similar small works.

The general procedures set forth are that governments will propose or authorize projects, will contribute principally in the form of public lands and services, will have planning or development boards to approve projects, will directly or through agencies assume maximum construction and operation responsibilities, and will be expected to take measures for refugees to work and to move from one country to another. The Agency, on the other hand, will have experts and services to assist governments and refugees in the performance of these activities. Under the financial procedures it is set that The Agency, after approval of projects, will finance them through direct expenditures or grants to governments or other authorities. As expenditures are made on the programme and as refugees are sheltered and employed, appropriate reduction will be made in relief expenditures.

The project procedures suggested deal with the utilization of projects. It is proposed that houses, lands, and other facilities will be occupied on a temporary basis against a small rental, with option for outright purchase. Payments received from refugees can go into a revolving fund.

The outline finally lays principles related to general economic development. The assumption is made that the Agency's three-year programme of homes and jobs for refugees will be paralleled by large-scale development programmes of benefit to citizens of the countries. Governments, therefore, will need to examine refugee projects within the framework of their national development plans. The Agency, on the other hand, will be prepared if so requested to facilitate this coordination of programmes through its facilities for technical assistance and economic research.

B. Critique of the Programme

This section intervenes between the programme and its implications because the former raises controversial questions that ought not to be left out of account. The planners take too much for granted in undertaking in the "Specific programmes" to help refugees "find employment where their services are needed and which (employment) does not conflict with employment needs of nationals". Even if such conditional help were possible at the present moment, the picture may change a few years hence; for nationals who may not qualify for a certain type of employment at a given moment may acquire the necessary skills soon after. The conflict is bound to come, and soon, unless the room for both groups of employees is enlarged. But this enlargement is by implication left to the governments. A little further, the authors of the programme overlook this question of conflict between refugee and local needs by putting forth the proposal of building houses in and near cities, villages or industries where jobs may be available. The availability of jobs at any one time is

no sure indication that opportunity is open for refugee job-hunters; for, this opportunity may be urgently needed by nationals in some over-crowded sector of employment. Only if such opportunity remains open for a long time without it being seized by nationals will the assumption be justified that no conflict exists between refugees' and nationals' employment. Furthermore, were the filling of these available jobs of great significance to the entrepreneurs and business, and were the cost price structure to justify it, wages would have been raised rather than leave the jobs unfilled. The businesses concerned will certainly benefit from an increased supply of labour which will end in reducing their costs, but it is doubtful that this can be considered a form of providing self support for the refugees.

Under "general procedures", the government are expected "to take necessary measures for refugees to work and to move from one country to another". This procedure implies coercion, and it raises doubts whether this is a fruitful approach. Perhaps it would be more in line with the general spirit of the entire operation if refugee movements and work were guided by the attraction of the life ahead rather than by the push from the life behind.

Finally, the question of general economic development starts with the assumption that the three year plan will be paralleled by large-scale development programmes of receiving countries. The co-ordination of both types of programmes reduces waste and achieves logical consistency, and it is highly commendable on this score. But doubt can be rightly raised in connection with the realism underlying the assumption of the readiness of receiving countries to effect the coordination without the Agency making some payment toward the benefit which its programme will reap by association with the countries' programmes.

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C. Implications of the Programme

UNRWA three-year programme cannot come to fruition unless three sets of conditions are satisfied. These are: (a) the approval and whole-hearted cooperation of the governments concerned, (b) the understanding and cooperation of the refugees concerned, and (c) the Agency's preparedness in six directions. These directions are:

- 1) Financing
- 2) Housing & community facilities
- 3) Increasing technical assistance and economic intelligence services
- 4) Vocational training of refugees according to the needs of the programme
- 5) Improving the education system in line with the hopes invested in the young refugee generation.
- 6) Raising the nutritional content of relief to a level permissive of hard sustained work.

The first two conditions of government and refugee cooperation will not be discussed; for they involve political considerations outside our terms of reference. It is the third condition that we will examine; its six components constitute the implications of the programme to which we will presently turn.

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Financing

To prepare a programme budget, several things have to be taken into consideration. The number of refugee families to be resettled will have to be determined, then the countries and the sectors of resettlement will have to be known. Next typical costs in the various resettlement operations will have to be established. The whole costing process will have to take into account the time-table of the programme, so that the cost can be spread over the whole range of three years, and through that relief expenditure can be determined. These steps in the budgeting operation are taken in the budget annexed to the programme. The number of families thought to be most needy and therefore requiring resettlement is set at 150,000. The countries of resettlement are not disclosed, but it can be assumed that of the three countries under review in this paper, Syria can justifiably

be asked to receive the largest and Lebanon the smallest number of refugees for resettlement, with Jordan taking a medium position. As to the sectors of the economy expected to receive the refugees, it is thought that broadly about one third of the total will be settled on rainfed or partly irrigated land while another third will be on land main irrigated. The remaining third will be absorbed in secondary and tertiary occupations in urban centers, in general employment provided by the developing economies, and in ancillary activities in the rural sector. The typical costs of helping a family to become self-supporting have been established by the Agency after thought, study, and some experience and are set out provisionally, pending refinement in the light of wider experience. The following are used as guides:

Table 29

Typical Costs in the Three Year Programme

	<u>U.S. Dollar</u>
Placement in a job	50
Training for such position as motor mechanic, laboratory technician, teacher, etc	100-350
Establishment in gainful industrial and agricultural enterprises	150-2,500
Construction of housing units, both urban and rural	550-2,000
Development of agricultural schemes on rainfed land or land partly rainfed and partly irrigated	850-1,500
Development of agricultural schemes on mainly irrigated land	2,000-3,500

To illustrate the application of these typical costs to the programme we will reproduce below the financial plan as stated in the special report. It has to be borne in mind that the costs mentioned aside from comprising a high investment element, include a small provision for administrative, technical assistance, and economic research costs. In the illustrative financial plan that follows

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the considerations enumerated earlier as a basis for financing have been taken into account. The plan has a break-down by years, beginning with the year 1951/1952 and ending with 1953/1954. Commitments and expenditures are set separately, the first indicating provisions for yearly expenses and the second expectations of expense. The plan follows:

Table 30

Three Year Reintegration Programme
(In millions of U.S. Dollars)

	<u>1951/1952</u>		<u>1952/1953</u>		<u>1953/1954</u>		<u>Total</u>	
	<u>Commitments</u>	<u>Expenditures</u>	<u>C.</u>	<u>E.</u>	<u>C.</u>	<u>E.</u>	<u>C.</u>	<u>E.</u>
Placement, training & enterprises	5	5	10	10	5	5	20	20
Urban housing	5	5	5	5	-	-	10	10
Agricultural projects rainfed lands or partly rainfed & irrigated	15	10	35	30	20	30	70	70
Agricultural projects mainly irrigated	<u>25</u>	<u>5</u>	<u>50</u>	<u>20</u>	<u>25</u>	<u>75</u>	<u>100</u>	<u>100</u>
Total	50	25	100	65	50	110	200	200

Relief expenditure declines the more refugee-employment is provided, consequently the \$50 mn earmarked for relief is divided in this order for the three years respectively: \$ 27 mn, \$ 18 mn, and \$ 5mn. The summary of both reintegration and relief programmes follows:

Table 31

Summary of Financial Plan, Relief Expenditures and Reintegration Commitments
(In millions of U.S. Dollars)

	<u>1951/2</u>	<u>1952/3</u>	<u>1953/4</u>	<u>Total</u>
Relief Expenditures	27	18	5	50
Reintegration Commitments	50	100	50	200
Total	77	118	55	250

The impact of such substantial expenditure on price levels and manpower resources must of necessity be enormous, and steps must be

taken to avoid serious inflationary pressure and bottlenecks. But at this juncture and in the absence of more specific information on the areas and populations affected by the operations it will be premature to indulge in speculation on these implications.

Housing and Community Facilities

Considerable study and research have gone into housing. In planning for refugee houses the main guiding principles have been the provision of hygienic houses worthy of human habitation and the dignity of a new life for the refugees, but not far ahead in quality of prevailing housing conditions, so that jealousy may not at the very outset poison refugee-host relations. Technically, houses should, as far as possible and in compliance with the principles stated above, be made of local building materials and follow common structural patterns. The siting of housing settlements, to the farthest feasible extent, must corroborate with economic opportunity in both the rural and urban centers. The layout of the rural housing settlements must, on the one hand, lend itself to easy access to and optimum usefulness of community facilities, and on the other conform with village traditions. Provision is made for better quality urban houses with a view to their falling in line with existing urban construction. Both rural and urban housing schemes comprises facilities purporting to advance and improve community life, and to that extent, they will have the added advantage of setting a pattern which it will be useful for the receiving countries to follow.

Technical Assistance and Economic Research

Both these aspects were discussed earlier. They are mentioned again at this juncture only because emphasis here is laid on the direct

contribution of the Agency in these two fields. It will be called upon, in the performances of its duties, to expand its own technical assistance, mainly in the application of its plans. Economic research has to be broadened and intensified, either through the instrumentality of the Agency's own economic apparatus, or in cooperation with existing research facilities in the area. The implication of this expansion is far-reaching for refugees and nationals alike, because a lot more knowledge and analysis is required if the margin of error in development work generally is to be minimized.

Vocational Training

This part of the programme has a high time-priority if bottlenecks are to be avoided. Vocational training is significant both for the supply of trained men to meet reintegration needs and to qualify for jobs in the expanding host economies. The training has to take into account the type and frequency of skills available as well as the overall requirements. The recent stepping-up of UNRWA's training programme is an indication of this Agency's realization of the role of training and its high priority. Although some lag may be experienced between the graduation of trainees and their absorption, yet this lag will still be preferable to the situation where employment opportunities materialize before candidates are ready to take them. The training programme can minimize the lag once it becomes clear when and in what directions the reintegration and host development plans are expected to move.

Child Education

This is no direct part of the programme, but a long-range implication of reintegration generally. Our survey of the education activities of the Agency and their impact on the refugees revealed the shortcomings of the system. The more the refugee population is looked at as an asset for the receiving countries, the more significant these shortcomings become. For, within the three years of UNRWA

programme the destiny of tens of thousands of refugee children can be shaped, and perhaps finally shaped. The stepping up of the education budget with a view to the widening and improving of facilities is therefore a matter of prime necessity. Shortage of teaching personnel among the refugees must not be allowed to hinder this expansion, and recourse must be had, if need be, to nationals of Lebanon and possibly Syria who qualify for teaching and may be in abundant supply in these two countries. This emphasis on the expansion of the education programme becomes more understandable if reintegration is examined in its material as well as social context. Nor must the social conditions of the receiving countries be overlooked; for by the transfer to them of the refugee population additional hardship must not be laid on their shoulders. These countries already suffer from the high rate of illiteracy and under-education in their midst; it is therefore UNRWA's moral duty not to accentuate this social problem.

Adequate Nutrition

Earlier in this paper reference was made to expert opinion on the nutritional conditions of the refugees to the effect that although no serious malnutrition has been discerned, under-nutrition exists. The effect of this under-nutrition is not so much the serious immediate undermining of the strength and endurance of refugees as much as it is the future weakening of their physique. Expert opinion also has it that to be able to undertake the hard and sustained work that he will be called upon to perform, the refugee will have to be given a ration of a higher nutritional value than he ~~is~~ at present gets. The emphasis on this point underlines the import of failure to make a radical adjustment in the ration. The Agency's health and sanitation services have so far averted epidemics and successfully fought endemic diseases. But once the added physical strain

of work brings pressure to bear on refugee physique, refugee resistance to disease will weaken. Under such circumstances, today's achievements of UNRWA's health services will recede in importance when set against the exposure in the future of the consequences of refugee under-nourishment. Refugee physique, which so far has withstood under-nourishment and moral despair is in threat of giving in to exhaustion and disease, if it is overtaxed. Therefore, the success of the reintegration programme relies in no small measure on the raising of the nutritional value of the relief ration.

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The time has come to end this excursion into the future. The excursion has taken the course mapped for it by UNRWA operations and their impact; the implications have been the continuation, in sequence and direction, of these operations and of the philosophy underlying them. They stand as conclusions to the first two parts of this paper, and to that effect any formal set of separate conclusions will be repetitive and redundant.

That ours was an excursion into the future is clear from the historical sequence of UNRWA Operations. First, the implications examined were stirred by the Agency's reintegration programme which was presented late in 1951 to the U.N. General Assembly. Second, these implications are, in the nature of the case, questions for the future, a super-structure built on the foundation of the present, with its facts and ideas. This being the case, the speculative feature of the examination is understandable and justifiable.

If an overall conclusion is to be drawn, one which brings together all the threads of the fabric of this paper into a meaningful design, this conclusion can be drawn no better than by putting face to face the introduction and final chapter of this paper. For, whereas the introduction prepared the setting for the refugee's tragedy in all its

pathos and gloom, this chapter threw open a window on a more cheerful and brighter morrow. The dislocated, dispossessed, forlorn, and puzzled refugees we brought on to the stage prepares now for an exit into a world of greater promise, a world of work and usefulness, and of dignity.

But while the road to despondency and relief lines was short and unmapped, the road to rehabilitation and productive employment is long and well studied. Between the two roads lies the whole length and breadth of UNRPR and UNRWA work and experience and of their trials and errors. Between the two roads is a multiple of ideas and hard facts, and of men and women thinking and learning and doing thing, succeeding and failing, but always hoping. And between the two roads stretch the camps and relief lines and the bewildered men and women torn between a past wrenched from them and a future hidden from them and living in a present utterly abhorring and hardly understood.

This is no eulogy to UNRWA. It is more of an acknowledgement of the march of time and the miracles it can achieve in its stride. Time heals wounds and enables human beings to reconsider their problems and their opportunities. It is time that brings with it the dawn of hope after the dark night of bewilderment. If there is need for a conclusion then this is ours, drawn in the haze of speculation and anticipation.

APPENDIX A

Table I - Number of Refugees in all Districts,
January 1949 to December, 1951.

II - Refugee Population Distribution as
on 31 August, 1951.

A. Age, Sex and Religion

B. Origin

C. Occupation

III - SARPR - Summary Statement of Total
Income and Expenditure, December 1948
to April, 1950.

IV - UNRWA - Statement of Income and
Expenditure, May 1950 to December, 1951.

Table I

TOTAL NUMBER OF REFUGEES IN
ALL THE DISTRICTS
January 1949 to December 1951

Month	Lebanon	Syria	Jordan	Gaza	Israel	TOTAL
1949						
January	131,100	82,400	493,200	276,000	47,000	1,029,700
February	131,100	85,400	471,700	260,000	47,000	995,200
March	131,100	86,800	474,300	255,000	47,000	994,200
April	142,400	88,200	507,000	254,000	47,000	1,038,600
May	141,100	86,400	529,700	245,000	47,000	1,049,200
June	141,800	86,500	528,200	245,000	45,900	1,047,400
July	140,800	85,000	538,300	242,000	47,500	1,053,600
August	135,600	85,800	528,800	238,000	49,300	1,037,500
September	139,500	83,400	525,700	229,000	48,500	1,026,100
October	140,700	83,300	510,000	223,000	48,700	1,005,700
November	138,500	84,700	496,400	219,000	49,100	987,000
December	138,400	81,200	502,000	202,100	50,200	973,900
1950						
January	133,200	79,600	485,800	201,800	48,600	949,000
February	132,200	82,200	485,500	203,000	48,100	951,100
March	130,300	81,800	474,000	202,000	49,100	937,200
April	129,700	81,500	460,200	202,000	45,800	919,200
May	129,200	81,600	499,700	200,800	45,800	957,100
June	127,600	81,900	506,200	199,200	31,100	946,000
July	127,600	82,200	494,900	198,200	30,100	933,000
August	126,700	82,200	491,800	199,500	26,000	926,200
September	125,300	82,400	469,800	199,500	26,600	903,600
October	119,800	83,400	464,600	198,200	25,500	891,500
November	117,100	82,000	463,500	199,600	24,300	886,500
December	114,000	82,261	442,000	199,747	24,919	862,927

Table I

TOTAL NUMBER OF REFUGEES IN
ALL THE DISTRICTS
January 1949 to December 1951

Month	Lebanon	Syria	Jordan	Gaza	Israel	TOTAL
1949						
January	131,100	82,400	493,200	276,000	47,000	1,029,700
February	131,100	85,400	471,700	260,000	47,000	995,200
March	131,100	86,800	474,300	255,000	47,000	994,200
April	142,400	88,200	507,000	254,000	47,000	1,038,600
May	141,100	86,400	529,700	245,000	47,000	1,049,200
June	141,800	86,500	528,200	245,000	45,900	1,047,400
July	140,800	85,000	538,300	242,000	47,500	1,053,600
August	135,600	85,800	528,800	238,000	49,300	1,037,500
September	139,500	83,400	525,700	229,000	48,500	1,026,100
October	140,700	83,300	510,000	223,000	48,700	1,005,700
November	138,500	84,700	496,400	219,000	49,100	987,000
December	138,400	81,200	502,000	202,100	50,200	973,900
1950						
January	133,200	79,600	485,800	201,800	48,600	949,000
February	132,200	82,200	485,500	203,000	48,100	951,100
March	130,300	81,800	474,000	202,000	49,100	937,200
April	129,700	81,500	460,200	202,000	45,800	919,200
May	129,200	81,600	499,700	200,800	45,800	957,100
June	127,600	81,900	506,200	199,200	31,100	946,000
July	127,600	82,200	494,900	198,200	30,100	933,000
August	126,700	82,200	491,800	199,500	26,000	926,200
September	125,300	82,400	469,800	199,500	26,600	903,600
October	119,800	83,400	464,600	198,200	25,500	891,500
November	117,100	82,000	463,500	199,600	24,300	886,500
December	114,000	82,261	442,000	199,747	24,919	862,927

Table I. (Cont'd)

Month	Lebanon	Syria	Jordan	Gaza	Israel	TOTAL
1951						
January	110,000	82,400	434,000	199,900	24,900	851,200
February	110,271	83,953	436,999	199,108	25,059	855,390
March	108,828	83,906	462,320	198,865	24,903	878,826
April	106,700	83,881	461,623	198,691	25,001	875,896
May	106,693	83,655	462,299	199,782	24,475	877,304
June	106,896	82,861	465,741	199,789	24,380	879,667
July	106,896	83,187	467,385	200,143	24,380	881,991
August	106,796	83,080	466,737	200,321	21,981	878,915
September	106,862	82,684	465,106	199,323	21,659	875,634
October	106,389	83,247	463,451	201,337	21,732	876,156
November	105,965	83,426	463,288	201,587	20,257	874,523
December	105,135	83,401	463,169	201,310	19,716	872,731

Table I. (Cont'd)

Month	Lebanon	Syria	Jordan	Gaza	Israel	TOTAL
1951						
January	110,000	82,400	434,000	199,900	24,900	851,200
February	110,271	83,953	436,999	199,108	25,059	855,390
March	108,828	83,906	462,320	198,865	24,903	878,826
April	106,700	83,881	461,623	198,691	25,001	875,896
May	106,693	83,655	462,299	199,782	24,475	877,304
June	106,896	82,861	465,741	199,789	24,380	879,667
July	106,896	83,187	467,385	200,143	24,380	881,991
August	106,796	83,080	466,737	200,321	21,981	878,915
September	106,862	82,684	465,106	199,323	21,659	875,634
October	106,389	83,247	463,451	201,337	21,732	876,156
November	105,965	83,426	463,288	201,587	20,257	874,523
December	105,135	83,401	463,169	201,310	19,716	872,731

Table II

REFUGEE POPULATION DISTRIBUTION
as on 31 August, 1951

A. Age Groups, Sex, and Religion of Refugees

DISTRICT	S E X						R E L I G I O N			TOTAL
	Over 15		Children				Mos.	Chr.	Other	
	Male	Fem.	1-15		0-1					
			Male	Fem.	Male	Fem.				
Lebanon	27401	28298	25688	22693	1379	1337	85893	20886	17	106,796
Syria	21790	22725	19287	17282	1071	925	81856	1224	-	83,080
West Jordan	23580	26368	25756	22689	1329	1253	91458	9469	48	100,975
West Jordan	87959	96654	90889	79598	3918	3743	344540	18183	38	362,761
Gaza	46211	53720	51011	45121	2174	2084	199601	719	1	200,321
Israel	5213	7097	4877	4403	190	201	14788	4255	2938	21,981
Grand Total	1212154	1234762	1175081	101786	10061	9543	818136	54736	3042	875,524

NOTE: The Refugees in Israel include 2,938 of Jewish faith shown under "Other religion".

Table II

REFUGEE POPULATION DISTRIBUTION
as on 31 August, 1951

A. Age Groups, Sex, and Religion of Refugees

DISTRICT	S E X						R E L I G I O N			TOTAL
	Over 15		Children				Mos.	Chr.	Other	
	Male	Fem.	1-15		0-1					
			Male	Fem.	Male	Fem.				
Lebanon	27401	28298	25688	22693	1379	1337	85893	20886	17	106,796
Syria	21790	22725	19287	17282	1071	925	81856	1224	-	83,080
East Jordan	23580	26368	25756	22689	1329	1253	91458	9469	48	100,975
West Jordan	87959	96654	90889	79598	3918	3743	344540	18183	38	362,761
Gaza	46211	53720	51011	45121	2174	2084	199601	719	1	200,321
Israel	5213	7097	4877	4403	190	201	14788	4255	2938	21,981
Grand Total	1212154	1234862	1175081	99786	10061	9543	818136	54736	3042	875,514

NOTE: The Refugees in Israel include 2,938 of Jewish faith shown under "Other religion".

TABLE III (Cont'd)

B. Origin of Refugee by District and Sub-District

<u>Districts and Sub-Districts</u>	<u>Lebanon</u>	<u>Syria</u>	<u>E.Jordan</u>	<u>W.Jordan</u>	<u>Gaza</u>	<u>Israel</u>	<u>Total</u>
Galilee Dis.							
Acre	31,008	6,378	643	1,121	39	6,107	45,296
Beisan	95	458	8,407	4,344	7	278	13,589
Nazareth	4,701	3,871	2,503	1,044	22	3,707	15,848
Safad	23,308	30,259	585	230	9	1,529	55,930
Tiberias	4,205	12,941	7,555	349	32	1,298	26,380
<u>Total Galilee</u>	<u>63,317</u>	<u>53,917</u>	<u>19,693</u>	<u>7,088</u>	<u>109</u>	<u>12,919</u>	<u>157,043</u>
Total Haifa	29,901	20,274	8,820	50,447	1,110	4,589	115,141
Samararia Dis.							
Jenin	33	63	226	6,588	183	29	7,122
Nablus	29	15	12	356	45	4	454
Tulkarm	73	87	236	19,866	128	1	20,391
<u>Total Samararia</u>	<u>131</u>	<u>165</u>	<u>474</u>	<u>26,810</u>	<u>356</u>	<u>34</u>	<u>27,971</u>
Lydda Dis.							
Jaffa	11,217	5,652	17,580	61,257	40,785	828	137,317
Ramleh	640	1,714	18,995	72,893	40,078	343	134,666
<u>Total Lydda</u>	<u>11,917</u>	<u>7,366</u>	<u>36,575</u>	<u>134,150</u>	<u>80,863</u>	<u>1,171</u>	<u>272,042</u>
Jerusalem Dis.							
Hebron	10	4	1,282	35,117	317	2	36,732
Jerusalem	1,424	1,058	17,120	68,342	444	3,120	91,508
Ramallah	4	-	21	401	8	18	452
<u>Total Jerusalem</u>	<u>1,438</u>	<u>1,062</u>	<u>18,423</u>	<u>103,860</u>	<u>769</u>	<u>3,140</u>	<u>128,692</u>
Gaza Dis.							
Beersheba	8	-	15,393	23,839	41,422	5	80,667
Gaza	71	296	1,597	15,557	75,686	23	94,235
<u>Total Gaza</u>	<u>79</u>	<u>296</u>	<u>16,990</u>	<u>40,396</u>	<u>117,108</u>	<u>33</u>	<u>174,902</u>
<u>GRAND TOTAL</u>	<u>106,783</u>	<u>83,080</u>	<u>100,975</u>	<u>362,751</u>	<u>200,315</u>	<u>21,866</u>	<u>875,790</u>

Note: The Grand Total excludes 124 refugees of unspecified origin of whom 15 are in Lebanon, 10 in West Jordan, 6 in Gaza, and 95 in Israel.

TABLE III (Cont'd)

**B. Origin of Refugee by District and
Sub-District**

<u>Districts and Sub-Districts</u>	<u>Lebanon</u>	<u>Syria</u>	<u>E.Jordan</u>	<u>W.Jordan</u>	<u>Gaza</u>	<u>Israel</u>	<u>Total</u>
Galilee Dis.							
Acre	31,008	6,378	643	1,121	39	6,107	45,296
Beisan	95	458	8,407	4,344	7	278	13,589
Nazareth	4,701	3,871	2,503	1,044	22	3,707	15,848
Safad	23,308	30,269	585	230	9	1,529	55,930
Tiberias	4,205	12,941	7,555	349	32	1,298	26,380
Total Galilee	63,317	53,917	19,693	7,088	109	12,919	157,043
Total Haifa	29,901	20,274	8,820	50,447	1,110	4,589	115,141
Samaria Dis.							
Jenin	33	63	226	6,588	183	29	7,122
Nablus	25	15	12	356	45	4	457
Tulkarm	73	87	236	19,866	128	1	20,391
Total Samaria	131	165	474	26,810	356	34	27,970
Lydda Dis.							
Jaffa	11,277	5,652	17,580	61,257	40,785	828	137,379
Ramleh	640	1,714	18,995	72,893	40,078	343	134,663
Total Lydda	11,917	7,366	36,575	134,150	80,863	1,171	272,042
Jerusalem Dis.							
Hebron	10	4	1,282	35,117	317	2	36,732
Jerusalem	1,424	1,058	17,120	68,342	444	3,120	91,508
Ramallah	4	-	21	401	8	18	452
Total Jerusalem	1,438	1,062	18,423	103,860	769	3,140	128,692
Gaza Dis.							
Beersheba	8	-	15,393	23,839	41,422	5	80,667
Gaza	71	296	1,597	16,557	75,686	28	94,235
Total Gaza	79	296	16,990	40,396	117,108	33	174,902
GRAND TOTAL	106,783	83,080	100,975	362,751	200,315	21,886	875,790

Note: The Grand Total excludes 124 refugees of unspecified origin, of whom 13 are in Lebanon, 10 in West Jordan, 6 in Gaza, and 95 in Israel.

TABLE II (Cont'd)

C. Occupational Distribution of Refugees

<u>Occupations</u>	<u>Moslems</u>		<u>Christians</u>		<u>Total</u>	
	<u>Number</u>	<u>Per cent</u>	<u>Number</u>	<u>Per cent</u>	<u>Number</u>	<u>Per ce</u>
I <u>Extractive</u>	<u>63,869</u>	<u>99.40</u>	<u>386</u>	<u>0.60</u>	<u>64,255</u>	<u>39.90</u>
II <u>Constructive</u>						
a. Chemistry	25	53.19	22	46.81	47	0.03
b. Technical	52	67.53	25	32.47	77	0.05
c. Building	5,818	79.72	1,420	20.28	7,238	4.53
d. Mechanical	3,009	79.21	790	20.79	3,799	2.36
e. Metal works	1,505	85.32	259	14.68	1,764	1.10
f. Printing	34	40.96	49	59.04	83	0.05
g. Craftsmen	3,169	80.66	760	19.34	3,929	2.44
h. Tradesmen	1,966	96.04	81	3.96	2,047	1.27
i. Miscellaneous	32,654	94.94	1,742	5.06	34,406	21.36
	<u>48,257</u>	<u>90.28</u>	<u>5,193</u>	<u>9.72</u>	<u>53,450</u>	<u>33.19</u>
III <u>Commercial</u>						
a. Administrative	3,285	65.02	1,767	34.98	5,052	3.13
b. Trade	10,574	90.44	1,118	9.56	11,692	7.26
c. Transport	6,006	88.64	770	11.36	6,776	4.21
	<u>19,867</u>	<u>84.46</u>	<u>3,655</u>	<u>15.54</u>	<u>23,522</u>	<u>14.60</u>
IV <u>Direct Services</u>						
a. Professional	915	83.03	187	16.97	1,102	0.68
b. Protective	3,702	92.85	285	7.15	3,987	2.48
c. Medical	207	63.69	118	36.31	325	0.20
	<u>4,824</u>	<u>89.10</u>	<u>590</u>	<u>10.90</u>	<u>5,414</u>	<u>3.36</u>
V <u>Non-Productive</u>						
a. Religion	282	78.12	79	21.88	361	0.23
b. Services	2,069	87.34	300	12.66	2,369	1.47
	<u>2,351</u>	<u>86.12</u>	<u>379</u>	<u>13.88</u>	<u>2,730</u>	<u>1.70</u>
VI <u>Non-Occupational</u>						
a. Landlord-landlady	3,191	95.51	244	4.49	3,435	3.37
b. Owners (all)	4,207	98.04	84	1.96	4,291	2.67
c. Students	1,689	86.75	258	13.25	1,947	1.21
	<u>11,087</u>	<u>94.98</u>	<u>586</u>	<u>5.02</u>	<u>11,673</u>	<u>7.25</u>
GRAND TOTAL	150,255	93.30	10,789	6.70	161,044	100.00

TABLE III

UNRPR - Summary Statement of Total Income
and Expenditure

For the Period December 1948 to April
1950

(In U.S. Dollars)

Income

Contributions in Cash	23,980,118
Contributions in Kind	4,096,917
Direct Aid and Services	8,391,794
Miscellaneous Income	<u>3,065</u>

TOTAL INCOME

36,471,894

Expenditure

Administration

Headquarters	439,582	
Field Offices	<u>466,824</u>	906,406

Cost of Supplies	22,844,520
Operational Expenses	6,740,620
Direct Aid and Services	8,391,794
Grants to National Organizations	450,608
Depreciation	171,579
Losses in Transit and on Exchanges	<u>10,348</u>

TOTAL EXPENDITURE

39,115,975

Excess of Expenditure over Income

2,644,081

TABLE IIIUNRPR - Summary Statement of Total Income
and ExpenditureFor the Period December 1948 to April
1950

(In U.S. Dollars)

Income

Contributions in Cash	23,980,118	
Contributions in Kind	4,096,917	
Direct Aid and Services	8,391,794	
Miscellaneous Income	<u>3,065</u>	
TOTAL INCOME		36,471,894

Expenditure

Administration

Headquarters	239,582	
Field Offices	<u>266,824</u>	506,406
Cost of Supplies	22,844,620	
Operational Expenses	6,740,620	
Direct Aid and Services	8,391,794	
Grants to National Organizations	450,608	
Depreciation	171,579	
Losses in Transit and on Exchanges	<u>10,348</u>	
TOTAL EXPENDITURE		<u>39,115,975</u>
Excess of Expenditure over Income		2,644,081

TABLE IV

UNRWAPRRE - Statement of Income and Expenditure

For the Period May 1950 to December 1951

<u>Income</u>	<u>U.S.Dollars</u>	<u>U.S.Dollars</u>	<u>U.S.Dollars</u>
Contributions in Cash		58,832,568	
Contributions in Kind		1,704,226	
Direct Contributions by Govts in the W.E.			
Services to UNRWAPR	1,093,869		
Aid to Refugees	<u>3,867,720</u>	4,961,589	
Direct Contributions by Voluntary Agencies in the W.E.			
Services to UNRWAPR	237,506		
Direct Aid to Refugees	<u>1,937,264(5)</u>	2,174,770	
Miscellaneous		<u>607,598</u>	
Total Income			68,280,851
Deduct: Deficit resulting from UNRPR activities			
(a) Excess of expenditure over income		2,644,081	
(b) Net loss on realization of assets taken over & of liquidation of liabilities assumed		<u>20,958</u>	
			<u>2,665,039</u>
			65,615,812
<u>Expenditure</u>			
Administration			
Personnel costs, including hospitality	1,949,576		
Travel	147,239		
Communications	48,083		
Transportation, including warehousing	269,534		
Stationary, printing & office expenses including rentals	118,568		
Capital expenditure	80,732		
Loss of cash	4,704		
Miscellaneous	<u>42,526</u>	2,661,262	
Relief			
Administration of Relief			
Personnel costs	4,013,694		
Travel	56,121		
Communications	24,569		
Stationary, printing & office expenses including rentals	86,133		
Transportation, incl. cost of operation & maintenance of airplane & automotive equipment	1,006,511		
Erection & maintenance of camps	336,588		
Port, warehouse & carriage on relief supplies, incl. ocean freight on donations.	<u>1,285,135</u>	6,809,351	
Totals C/F		9,470,613	65,615,812

TABLE IV

UNRWAPRNE - Statement of Income and Expenditure

For the Period May 1950 to December 1951

<u>Income</u>	<u>U.S.Dollars</u>	<u>U.S.Dollars</u>	<u>U.S.Dollars</u>
Contributions in Cash		58,832,568	
Contributions in Kind		1,704,226	
Direct Contributions by Govts in the N.E.			
Services to UNRWAPR	1,093,869		
Aid to Refugees	<u>3,867,720</u>	4,961,589	
Direct Contributions by Voluntary Agencies in the N.E.			
Services to UNRWAPR	237,506		
Direct Aid to Refugees	<u>1,937,264</u>	2,174,770	
Miscellaneous		<u>607,698</u>	
Total Income			68,280,851
Deduct: Deficit resulting from UNRPR activities			
(a) Excess of expenditure over income		2,644,081	
(b) Net loss on realization of assets taken over & of liquidation of liabilities assumed		<u>20,958</u>	
			<u>2,665,039</u>
			65,615,812
 <u>Expenditure</u>			
Administration			
Personnel costs, including hospitality	1,949,576		
Travel	147,239		
Communications	48,083		
Transportation, including warehousing	269,634		
Stationary, printing & office expenses including rentals	118,668		
Capital expenditure	80,732		
Loss of cash	4,704		
Miscellaneous	<u>42,626</u>	2,661,262	
Relief			
Administration of Relief			
Personnel costs	4,013,694		
Travel	56,121		
Communications	24,569		
Stationary, printing & office expenses including rentals	86,133		
Transportation, incl. cost of operation & maintenance of airplane & automotive equipment	1,006,511		
Erection & maintenance of camps	336,588		
Port, warehouse & carriage on relief supplies, incl. ocean freight on donations.	<u>1,285,735</u>	6,809,361	
Totals C/F		9,470,613	65,615,812

TABLE IV (Cont'd)

	<u>U.S. Dollars</u>	<u>U.S. Dollars</u>	<u>U.S. Dollars</u>
Total B/F		9,470,613	65,615,812
Cost of Relief Supplies Distributed			
Food	28,721,907		
Shelter	1,387,940		
Blankets	566,244		
Fuel other than transport	372,472		
Soap & Miscellaneous	662,530		
Medical & sanitation supplies	<u>691,853</u>	32,402,946	
Medical Subsidies		669,252	
Educational Expenses Other than Salaries		372,866	
Welfare incl. Milk Distribution, Other Than Salaries		272,690	
Registration of Refugees(1)		46,835	
Capital Expenditure		6,515	
Donated Supplies in the Program		169,310	
Miscellaneous		23,929	
Works(1)			
Works Projects Expenses(2)	1,128,409		
Wages	<u>1,326,719</u>	2,455,128	
Technical Assistance(3)		18,248	
Integration Expenses(4)		586,146	
Expenses incurred by Govts in the U.S. in direct aid and services		4,961,589	
Expenses incurred by voluntary agencies in direct aid and services(5)		2,174,770	
Expenses from donated supplies not in the program		558,875	
Liquidation Reserve		450,000	
Capital Equipment			
Taken over from UNRPR is valued by UNRPR	507,146		
Purchased by UNRWAPR(1)	<u>159,477</u>	<u>666,623</u>	
		55,306,335	
Less Adjustments		<u>69,730</u>	
			<u>55,236,605</u>
NET SURPLUS OF INCOME OVER EXPENDITURE			<u>10,379,207</u>

- Notes: 1.- As from 1 May 1950 to 30 June 1951
2.- Including Administrative services, works materials, operational costs, and hire of cars, trucks etc.
3.- As from 1 May 1950 to 30 June 1951, subsequently this expense was added under reintegration expenditure.
4.- As from 1 July to 31 December 1951, and include capital expenditure, loans, capital equipment etc.
5.- Including \$ 45,800 unspecified from Syria.

TABLE IV (Cont'd)

	<u>U.S.Dollars</u>	<u>U.S.Dollars</u>	<u>U.S.Dollars</u>
Total B/F		9,470,613	65,613,812
Cost of Relief Supplies Distributed			
Food	28,721,907		
Shelter	1,387,940		
Blankets	566,244		
Fuel other than transport	372,472		
Soap & Miscellaneous	662,530		
Medical & sanitation supplies	<u>691,853</u>	32,402,946	
Medical Subsidies		669,252	
Educational Expenses Other than Salaries		372,866	
Welfare incl. Milk Distribution, Other Than Salaries		272,690	
Registration of Refugees(1)		46,835	
Capital Expenditure		6,515	
Donated Supplies in the Program		169,310	
Miscellaneous		23,929	
Works(1)			
Works Projects Expenses(2)	1,128,409		
Wages	<u>1,326,719</u>	2,455,128	
Technical Assistance(3)		18,248	
Reintegration Expenses(4)		586,146	
Expenses incurred by Govts in the N.E. in direct aid and services		4,961,589	
Expenses incurred by voluntary agencies in direct aid and services(5)		2,174,770	
Expenses from donated supplies not in the program		558,875	
Liquidation Reserve		450,000	
Capital Equipment			
Taken over from UNRPR as valued by UNRPR	507,146		
Purchased by UNRWAPR(1)	<u>159,477</u>	666,623	
		55,306,335	
Less Adjustments		<u>69,730</u>	
			<u>55,236,605</u>
EXCESS OF INCOME OVER EXPENDITURE			10,379,207
*****			*****

- Notes:**
- 1.- As from 1 May 1950 to 30 June 1951
 - 2.- Including Administrative services, works materials, operational costs, and hire of cars, trucks etc.
 - 3.- As from 1 May 1950 to 30 June 1951, subsequently this expense was added under reintegration expenditure.
 - 4.- As from 1 July to 31 December 1951, and include capital expenditure, loans, capital equipment etc.
 - 5.- Including \$ 45,800 unspecified from Syria.

APPENDIX B

- Document I - U.N. General Assembly Resolution
212 (III) of 19 November, 1948.
- II - Terms of Reference of UNESMME.
- III - U.N. General Assembly Resolution
302 (IV) of 8 December, 1949.
- IV - U.N. General Assembly Resolution
393 (V) of 2 December, 1950.
- V - U.N. General Assembly Resolution
513 (VI) of 26 January, 1952.

APPENDIX B

- Document I - U.N. General Assembly Resolution
212 (III) of 19 November, 1948.
- II - Terms of Reference of UNESMME.
- III - U.N. General Assembly Resolution
302 (IV) of 8 December, 1949.
- IV - U.N. General Assembly Resolution
395 (V) of 2 December, 1950.
- V - U.N. General Assembly Resolution
513 (VI) of 26 January, 1952.

U.N. GENERAL ASSEMBLY

ASSISTANCE TO PALESTINE REFUGEES
Resolution 212(III) of 19 November, 1948

WHEREAS the problem of the relief of Palestine refugees of all communities is one of immediate urgency and the United Nations Mediator on Palestine in his progress report of 18 September 1948, part three, states that "action must be taken to determine the necessary measures (of relief) and to provide for their implementation and that "the choice is between saving the lives of many thousands of people now or permitting them to die";

WHEREAS the Acting Mediator, in his supplemental report of 18 October 1948, declares that "the situation of the refugees is now critical" and that "aid must not only be continued but very greatly increased if disaster is to be averted";

WHEREAS the alleviation of conditions of starvation and distress among the Palestine refugee is one of the minimum conditions for the success of the efforts of the United Nations to bring peace to that land,

THE GENERAL ASSEMBLY

1. EXPRESSES its thanks to the Governments and organizations which, and the individual persons who, have given assistance directly or in response to the Mediator's appeal;
2. CONSIDERS, on the basis of the Acting Mediator's recommendation, that a sum of approximately 29,500,000 dollars will be required to provide relief for 500,000 refugees for a period of nine months from 1 December 1948 to 31 August 1949; and that an additional amount of approximately 2,500,000 dollars will be required for administrative and local operational expenses;
3. AUTHORIZES the Secretary General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to advance immediately a sum of up to 5,000,000 dollars from the Working Capital Fund of the United Nations, the said sum to be repaid before the end of the period specified in paragraph 2, from the voluntary governmental contributions requested under paragraph 4;
4. URGES all States Members of the United Nations to make as soon as possible voluntary contributions in kind or in funds sufficient to ensure that the amount of supplies and funds required is obtained, and states that, to this end, voluntary contributions of non-member States would also be accepted; contributions in funds may be made in currencies other than the United States dollar, in so far as the operations of the relief organization can be carried out in such currencies;
5. AUTHORIZES the Secretary General to establish a Special Fund into which contribution shall be paid, which will be administered as a separate account;
6. AUTHORIZES the Secretary General to expend the funds received under paragraphs 3 and 4 of the present resolution;

U.N. GENERAL ASSEMBLY

ASSISTANCE TO PALESTINE REFUGEES
Resolution 212(III) of 19 November, 1948

WHEREAS the problem of the relief of Palestine refugees of all communities is one of immediate urgency and the United Nations Mediator on Palestine in his progress report of 18 September 1948, part three, states that "action must be taken to determine the necessary measures (of relief) and to provide for their implementation and that "the choice is between saving the lives of many thousands of people now or permitting them to die";

WHEREAS the Acting Mediator, in his supplemental report of 18 October 1948, declares that "the situation of the refugees is now critical" and that "aid must not only be continued but very greatly increased if disaster is to be averted";

WHEREAS the alleviation of conditions of starvation and distress among the Palestine refugee is one of the minimum conditions for the success of the efforts of the United Nations to bring peace to that land,

THE GENERAL ASSEMBLY

1. EXPRESSES its thanks to the Governments and organizations which, and the individual persons who, have given assistance directly or in response to the Mediator's appeal;
2. CONSIDERS, on the basis of the Acting Mediator's recommendation, that a sum of approximately 29,500,000 dollars will be required to provide relief for 500,000 refugees for a period of nine months from 1 December 1948 to 31 August 1949; and that an additional amount of approximately 2,500,000 dollars will be required for administrative and local operational expenses;
3. AUTHORIZES the Secretary General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to advance immediately a sum of up to 5,000,000 dollars from the Working Capital Fund of the United Nations, the said sum to be repaid before the end of the period specified in paragraph 2, from the voluntary governmental contributions requested under paragraph 4;
4. URGES all States Members of the United Nations to make as soon as possible voluntary contributions in kind or in funds sufficient to ensure that the amount of supplies and funds required is obtained, and states that, to this end, voluntary contributions of non-member States would also be accepted; contributions in funds may be made in currencies other than the United States dollar, in so far as the operations of the relief organization can be carried out in such currencies;
5. AUTHORIZES the Secretary General to establish a Special Fund into which contribution shall be paid, which will be administered as a separate account;
6. AUTHORIZES the Secretary General to expend the funds received under paragraphs 3 and 4 of the present resolution;

7. INSTRUCTS the Secretary General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to establish regulations for the administration and supervision of the Fund;

8. REQUESTS the Secretary General to take all necessary steps to extend aid to Palestine refugees and to establish such administrative organization as may be required for this purpose, inviting the assistance of the appropriate agencies of the several Governments, the Specialized Agencies of the United Nations, the United Nations International Children's Emergency Fund, the International Committee of the Red Cross, the League of Red Cross Societies and other voluntary agencies, it being recognized that the participation of voluntary organizations in the relief plan would in no way derogate from the principle of impartiality on the basis of which the assistance of these organizations is being solicited;

9. REQUESTS the Secretary General to appoint a Director of United Nations Relief for Palestine Refugees, to whom he may delegate such responsibility as he may consider appropriate for the overall planning and implementation of the relief programme;

10. AGREES to the convoking, at the discretion of the Secretary General, of an ad hoc advisory committee of seven members to be selected by the President of the General Assembly to which the Secretary General may submit any matter of principle or policy upon which he would like the benefit of the committee's advice;

11. REQUESTS the Secretary General to continue and to extend the implementation of the present relief programme until the machinery provided for by the present resolution is set up;

12. URGES the World Health Organization, the Food and Agriculture Organization, the International Refugee Organization, the United Nations International Children's Emergency Fund and other appropriate organizations and agencies, acting within the framework of the relief programme herein established, promptly to contribute supplies, specialized personnel and other services permitted by their contributions and their financial resources, to relieve the desperate plight of Palestine refugees of all communities;

13. REQUESTS the Secretary General to report to the General Assembly, at the next regular session, on the action taken as a result of this resolution.

7. INSTRUCTS the Secretary General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to establish regulations for the administration and supervision of the Fund;
8. REQUESTS the Secretary General to take all necessary steps to extend aid to Palestine refugees and to establish such administrative organization as may be required for this purpose, inviting the assistance of the appropriate agencies of the several Governments, the Specialized Agencies of the United Nations, the United Nations International Children's Emergency Fund, the International Committee of the Red Cross, the League of Red Cross Societies and other voluntary agencies, it being recognized that the participation of voluntary organizations in the relief plan would in no way derogate from the principle of impartiality on the basis of which the assistance of these organizations is being solicited;
9. REQUESTS the Secretary General to appoint a Director of United Nations Relief for Palestine Refugees, to whom he may delegate such responsibility as he may consider appropriate for the overall planning and implementation of the relief programme;
10. AGREES to the convoking, at the discretion of the Secretary General, of an ad hoc advisory committee of seven members to be selected by the President of the General Assembly to which the Secretary General may submit any matter of principle or policy upon which he would like the benefit of the committee's advice;
11. REQUESTS the Secretary General to continue and to extend the implementation of the present relief programme until the machinery provided for by the present resolution is set up;
12. URGES the World Health Organization, the Food and Agriculture Organization, the International Refugee Organization, the United Nations International Children's Emergency Fund and other appropriate organizations and agencies, acting within the framework of the relief programme herein established, promptly to contribute supplies, specialized personnel and other services permitted by their contributions and their financial resources, to relieve the desperate plight of Palestine refugees of all communities;
13. REQUESTS the Secretary General to report to the General Assembly, at the next regular session, on the action taken as a result of this resolution.

Terms of Reference of The Economic Survey
Mission of the Middle East

(of 1 September 1949)

The Conciliation Commission for Palestine, desiring further to implement paragraphs 10 and 11 of General Assembly resolution 194 (III) of 11 December 1948, and to obtain information which will serve as the basis for recommendations for further action by the General Assembly, Member States, appropriate specialized agencies, and interested organizations, and

Having noted the declarations of representatives of Israel and the Arab States with respect to repatriation, resettlement and compensation of refugees:

1. Pursuant to the authorization granted to it under paragraph 12 of the foregoing resolution hereby establishes, under its auspices, an Economic Survey Mission to examine the economic situation in the countries affected by the recent hostilities, and to make recommendations to the Commission for an integrated programme:

(a) To enable the Governments concerned to further such measures and development programmes as are required to overcome economic dislocations created by the hostilities;

(b) To facilitate the repatriation, resettlement and economic and social rehabilitation of the refugees and the payment of compensation pursuant to the provisions of paragraph eleven of the General Assembly's resolution of 11 December 1948, in order to reintegrate the refugees into the economic life of the area on a self-sustaining basis within a minimum period of time;

(c) To promote economic conditions conducive to the maintenance of peace and stability in the area.

2. Instructs the Economic Survey Mission to include in its recommendations an operational plan for carrying out the recommended programmes together with the estimated costs and methods of financing

3. Authorizes the Mission, pursuant to paragraph 14 of the General Assembly's resolution of 11 December 1948, to invite the assistance of those Governments, specialized agencies and international organizations which may be able to facilitate its work.

The Conciliation Commission recommends that the Survey Mission approach its task along the following lines;

In collaboration with the Governments concerned:

(a) Explore the measures which can be taken by the Governments concerned without outside financial assistance to achieve the objectives of paragraph 1 above;

(b) On the basis of existing plans and surveys, examine proposals submitted by the Governments concerned for economic development and settlement projects requiring outside assistance which would make possible absorption of the refugees into the economy of the area on a self-sustained basis in a minimum time with a minimum expenditure

Terms of Reference of The Economic Survey
Mission of the Middle East

(of 1 September 1949)

The Conciliation Commission for Palestine, desiring further to implement paragraphs 10 and 11 of General Assembly resolution 194 (III) of 11 December 1948, and to obtain information which will serve as the basis for recommendations for further action by the General Assembly, Member States, appropriate specialized agencies, and interested organizations, and

Having noted the declarations of representatives of Israel and the Arab States with respect to repatriation, resettlement and compensation of refugees:

1. Pursuant to the authorization granted to it under paragraph 12 of the foregoing resolution hereby establishes, under its auspices, an Economic Survey Mission to examine the economic situation in the countries affected by the recent hostilities, and to make recommendations to the Commission for an integrated programme:

(a) To enable the Governments concerned to further such measures and development programmes as are required to overcome economic dislocations created by the hostilities;

(b) To facilitate the repatriation, resettlement and economic and social rehabilitation of the refugees and the payment of compensation pursuant to the provisions of paragraph eleven of the General Assembly's resolution of 11 December 1948, in order to reintegrate the refugees into the economic life of the area on a self-sustaining basis within a minimum period of time;

(c) To promote economic conditions conducive to the maintenance of peace and stability in the area.

2. Instructs the Economic Survey Mission to include in its recommendations an operational plan for carrying out the recommended programmes together with the estimated costs and methods of financing.

3. Authorizes the Mission, pursuant to paragraph 14 of the General Assembly's resolution of 11 December 1948, to invite the assistance of those Governments, specialized agencies and international organizations which may be able to facilitate its work.

The Conciliation Commission recommends that the Survey Mission approach its task along the following lines;

In collaboration with the Governments concerned:

(a) Explore the measures which can be taken by the Governments concerned without outside financial assistance to achieve the objectives of paragraph 1 above;

(b) On the basis of existing plans and surveys, examine proposals submitted by the Governments concerned for economic development and settlement projects requiring outside assistance which would make possible absorption of the refugees into the economy of the area on a self-sustained basis in a minimum time with a minimum expenditure;

(c) Examine other economic projects which can, with outside assistance, provide temporary employment for the refugees not employed on the development and settlement projects of paragraph (b);

(d) Examine such other development and settlement projects requiring outside assistance which, though not associated directly with the employment and settlement of refugees, would serve to achieve the objective of paragraph 1;

(e) Estimate the number of refugees who cannot be supported directly or indirectly through the employment envisaged under paragraphs (a) - (d), together with the estimated period during which direct relief will be required and the cost thereof;

(f) Study the problem of compensation to refugees for claims for property of those who do not return to their homes, and for the loss of or damage to property, with special reference to the relationship of such compensation to the proposed settlement projects;

(g) Study the problem of rehabilitation of refugees; including matters concerning their civil status, health, education and social services;

(h) Propose an organizational structure to achieve the objectives of paragraph 1 within a United Nations framework; to co-ordinate, supervise and facilitate measures for relief, resettlement, economic development and related requirements such as community service facilities, bearing in mind the interests of all Governments concerned

(c) Examine other economic projects which can, with outside assistance, provide temporary employment for the refugees not employed on the development and settlement projects of paragraph (b);

(d) Examine such other development and settlement projects requiring outside assistance which, though not associated directly with the employment and settlement of refugees, would serve to achieve the objective of paragraph 1;

(e) Estimate the number of refugees who cannot be supported directly or indirectly through the employment envisaged under paragraphs (a) - (d), together with the estimated period during which direct relief will be required and the cost thereof;

(f) Study the problem of compensation to refugees for claims for property of those who do not return to their homes, and for the loss of or damage to property, with special reference to the relationship of such compensation to the proposed settlement projects;

(g) Study the problem of rehabilitation of refugees; including matters concerning their civil status, health, education and social services;

(h) Propose an organizational structure to achieve the objectives of paragraph 1 within a United Nations framework; to co-ordinate, supervise and facilitate measures for relief, resettlement, economic development and related requirements such as community service facilities, bearing in mind the interests of all Governments concerned.

ASSISTANCE TO PALESTINE REFUGEES
Resolution 302(IV) of 8 December 1949

THE GENERAL ASSEMBLY,

RECALLING its resolutions 212 (III) of 19 November 1948 and 194 (III) of 11 December 1948, affirming in particular the provisions of paragraph 11 of the latter resolution,

HAVING examined with appreciation the first interim report of the United Nations Economic Survey Mission for the Middle East (A/1106) and the report of the Secretary-General on assistance to Palestine refugees (A/1060 and A/1060/Add.I),

1. EXPRESSES its appreciation to the Governments which have generously responded to the appeal embodied in its resolution 212 (III), and to the appeal of the Secretary-General, to contribute in kind or in funds to the alleviation of the conditions of starvation and distress amongst the Palestine refugees;
2. EXPRESSES also its gratitude to the International Committee of the Red Cross, to the League of Red Cross Societies and to the American Friends Service Committee for the contribution they have made to this humanitarian cause by discharging in the face of great difficulties, the responsibility they voluntarily assumed for the distribution of relief supplies and the general care of the refugees; and welcomes the assurance they have given the Secretary-General that they will continue their co-operation with the United Nations until the end of March 1950 on a mutually acceptable basis;
3. COMMENDS the United Nations International Children's Emergency Fund for the important contributions which it has made towards the United Nations programme of assistance; and commends those specialized agencies, which have rendered assistance in their respective fields, in particular the World Health Organization, the United Nations Educational, Scientific and Cultural Organization and the International Refugee Organization;
4. EXPRESSES its thanks to the numerous religious, charitable and humanitarian organizations which have materially assisted in bringing relief to Palestine refugees;
5. RECOGNIZES that, without prejudice to the provisions of paragraph 11 of General Assembly resolution 194 (III) of 11 December 1948, continued assistance for the relief of the Palestine refugees is necessary to prevent conditions of starvation and distress among them and to further conditions of peace and stability, and that constructive measures should be undertaken at an early date with a view to the termination of international assistance for relief;
6. CONSIDERS that, subject to the provisions of paragraph 9 (d) of the present resolution, the equivalent of approximately \$ 33,700,000 will be required for direct relief and works programmes for the period 1 January to 31 December 1950 of which the equivalent of \$ 20,000,000 is required for direct relief and \$ 13,700,000 for works programmes; that the equivalent of approximately \$ 21,200,000 will be required for works programmes from 1 January to 30 June 1951, all inclusive of administrative expenses; and that direct relief should be terminated later than 31 December 1950 unless otherwise determined by the General Assembly at its fifth regular session;

U.N. GENERAL ASSEMBLY

ASSISTANCE TO PALESTINE REFUGEES
Resolution 502(IV) of 8 December 1949

THE GENERAL ASSEMBLY,

RECALLING its resolutions 212 (III) of 19 November 1948 and 194 (III) of 11 December 1948, affirming in particular the provisions of paragraph 11 of the latter resolution,

HAVING examined with appreciation the first interim report of the United Nations Economic Survey Mission for the Middle East (A/1106) and the report of the Secretary-General on assistance to Palestine refugees (A/1060 and A/1060/Add.I),

1. EXPRESSES its appreciation to the Governments which have generously responded to the appeal embodied in its resolution 212 (III), and to the appeal of the Secretary-General, to contribute in kind or in funds to the alleviation of the conditions of starvation and distress amongst the Palestine refugees;
2. EXPRESSES also its gratitude to the International Committee of the Red Cross, to the League of Red Cross Societies and to the American Friends Service Committee for the contribution they have made to this humanitarian cause by discharging in the face of great difficulties, the responsibility they voluntarily assumed for the distribution of relief supplies and the general care of the refugees; and welcomes the assurance they have given the Secretary-General that they will continue their co-operation with the United Nations until the end of March 1950 on a mutually acceptable basis;
3. COMMENDS the United Nations International Children's Emergency Fund for the important contributions which it has made towards the United Nations programme of assistance; and commends those specialized agencies, which have rendered assistance in their respective fields, in particular the World Health Organization, the United Nations Educational, Scientific and Cultural Organization and the International Refugee Organization;
4. EXPRESSES its thanks to the numerous religious, charitable and humanitarian organizations which have materially assisted in bringing relief to Palestine refugees;
5. RECOGNIZES that, without prejudice to the provisions of paragraph 11 of General Assembly resolution 194 (III) of 11 December 1948, continued assistance for the relief of the Palestine refugees is necessary to prevent conditions of starvation and distress among them and to further conditions of peace and stability, and that constructive measures should be undertaken at an early date with a view to the termination of international assistance for relief;
6. CONSIDERS that, subject to the provisions of paragraph 9 (d) of the present resolution, the equivalent of approximately \$ 33,700,000 will be required for direct relief and works programmes for the period 1 January to 31 December 1950 of which the equivalent of \$ 20,000,000 is required for direct relief and \$ 13,500,000 for works programmes; that the equivalent of approximately \$ 21,200,000 will be required for works programmes from 1 January to 30 June 1951, all inclusive of administrative expenses; and that direct relief should be terminated not later than 31 December 1950 unless otherwise determined by the General Assembly at its fifth regular session;

7. ESTABLISHES the "United Nations Relief and Works Agency for Palestine Refugees in the Near East":

(a) To carry out in collaboration with local governments the direct relief and works programmes as recommended by the Economic Survey Mission;

(b) To consult with the interested Near Eastern Governments concerning measures to be taken by them preparatory to the time when international assistance for relief and works projects is no longer available;

8. ESTABLISHES an Advisory Commission consisting of representatives of France, Turkey, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, with power to add not more than three additional members from contributing Governments, to advise and assist the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East in the execution of the programme; the Director and the Advisory Commission shall consult with each Near Eastern Government concerned in the selection, planning and execution of projects;

9. REQUESTS the Secretary-General to appoint the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East in consultation with the Governments represented on the Advisory Commission;

(a) The Director shall be the chief executive officer of the United Nations Relief and Works Agency for Palestine Refugees in the Near East responsible to the General Assembly for the operation of the programme;

(b) The Director shall select and appoint his staff in accordance with general arrangements made in agreement with the Secretary-General including such of the staff rules and regulations of the United Nations as the Director and the Secretary-General shall agree are applicable, and to the extent possible utilize the facilities and assistance of the Secretary-General;

(c) The Director shall, in consultation with the Secretary-General and the Advisory Committee on Administrative and Budgetary Questions, establish financial regulations for the United Nations Relief and Works Agency for Palestine refugees in the Near East;

(d) Subject to the financial regulations established pursuant to clause (c) of the present paragraph, the Director, in consultation with the Advisory Commission, shall apportion available funds between direct relief and works projects in their discretion, in the event that the estimates in paragraph 6 require revision;

10. REQUESTS the Director to convene the Advisory Commission at the earliest practicable date for the purpose of developing plans for the organization and administration of the programme, and of adopting rules of procedure;

7. ESTABLISHES the "United Nations Relief and Works Agency for Palestine Refugees in the Near East":

(a) To carry out in collaboration with local governments the direct relief and works programmes as recommended by the Economic Survey Mission;

(b) To consult with the interested Near Eastern Governments concerning measures to be taken by them preparatory to the time when international assistance for relief and works projects is no longer available;

8. ESTABLISHES an Advisory Commission consisting of representatives of France, Turkey, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, with power to add not more than three additional members from contributing Governments, to advise and assist the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East in the execution of the programme; the Director and the Advisory Commission shall consult with each Near Eastern Government concerned in the selection, planning and execution of projects;

9. REQUESTS the Secretary-General to appoint the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East in consultation with the Governments represented on the Advisory Commission;

(a) The Director shall be the chief executive officer of the United Nations Relief and Works Agency for Palestine Refugees in the Near East responsible to the General Assembly for the operation of the programme;

(b) The Director shall select and appoint his staff in accordance with general arrangements made in agreement with the Secretary-General including such of the staff rules and regulations of the United Nations as the Director and the Secretary-General shall agree are applicable, and to the extent possible utilize the facilities and assistance of the Secretary-General;

(c) The Director shall, in consultation with the Secretary-General and the Advisory Committee on Administrative and Budgetary Questions, establish financial regulations for the United Nations Relief and Works Agency for Palestine refugees in the Near East;

(d) Subject to the financial regulations established pursuant to clause (c) of the present paragraph, the Director, in consultation with the Advisory Commission, shall apportion available funds between direct relief and works projects in their discretion, in the event that the estimates in paragraph 6 require revision;

10. REQUESTS the Director to convene the Advisory Commission at the earliest practicable date for the purpose of developing plans for the organization and administration of the programme, and of adopting rules of procedure;

11. CONTINUES the United Nations Relief for Palestine Refugees as established under General Assembly resolution 212 (III) until 1 April 1950, or until such date thereafter as the transfer referred to in paragraph 12 is effected, and requests the Secretary-General in consultation with the operating agencies to continue the endeavour to reduce the numbers of rations by progressive stages in the light of the findings and recommendations of the Economic Survey Mission;
12. INSTRUCTS the Secretary-General to transfer to the United Nations Relief and Works Agency for Palestine Refugees in the Near East the assets and liabilities of the United Nations Relief for Palestine Refugees by 1 April 1950, or at such date as may be agreed by him and the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East;
13. URGES all Members of the United Nations and non-members to make voluntary contributions in funds or in kind to ensure that the amount of supplies and funds required is obtained for each period of the programme as set out in paragraph 6; contributions in funds may be made in currencies other than the United States dollar in so far as the programme can be carried out in such currencies;
14. AUTHORIZES the Secretary-General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to advance funds deemed to be available for this purpose and not exceeding \$ 5,000,000 from the Working Capital Fund to finance operations pursuant to the present resolution, such sum to be repaid not later than 31 December 1950 from the voluntary governmental contributions requested under paragraph 13 above;
15. AUTHORIZES the Secretary-General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to negotiate with the International Refugee Organization for an interest-free loan in an amount not to exceed the equivalent of \$ 2,800,000 to finance the programme subject to mutually satisfactory conditions for repayment;
16. AUTHORIZES the Secretary-General to continue the Special Fund established under General Assembly resolution 212 (III) and to make withdrawals therefrom for the operation of the United Nations Relief for Palestine Refugees and, upon the request of the Director, for the operations of the United Nations Relief and Works Agency for Palestine Refugees in the Near East;
17. CALLS upon the Governments concerned to accord to the United Nations Relief and Works Agency for Palestine Refugees in the Near East the privileges, immunities, exemptions and facilities which have been granted to the United Nations Relief for Palestine Refugees, together with all other privileges, immunities, exemptions and facilities necessary for the fulfilment of its functions;
18. URGES the United Nations International Children's Emergency Fund, the International Refugee Organization, the World Health Organization, the United Nations Educational, Scientific and Cultural Organization, the Food and Agriculture Organization and other appropriate agencies and private groups and organizations, in consultation with the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, to furnish assistance within the framework of the programme;

11. CONTINUES the United Nations Relief for Palestine Refugees as established under General Assembly resolution 212 (III) until 1 April 1950, or until such date thereafter as the transfer referred to in paragraph 12 is effected, and requests the Secretary-General in consultation with the operating agencies to continue the endeavour to reduce the numbers of rations by progressive stages in the light of the findings and recommendations of the Economic Survey Mission;
12. INSTRUCTS the Secretary-General to transfer to the United Nations Relief and Works Agency for Palestine Refugees in the Near East the assets and liabilities of the United Nations Relief for Palestine Refugees by 1 April 1950, or at such date as may be agreed by him and the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East;
13. URGES all Members of the United Nations and non-members to make voluntary contributions in funds or in kind to ensure that the amount of supplies and funds required is obtained for each period of the programme as set out in paragraph 6; contributions in funds may be made in currencies other than the United States dollar in so far as the programme can be carried out in such currencies;
14. AUTHORIZES the Secretary-General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to advance funds deemed to be available for this purpose and not exceeding \$ 5,000,000 from the Working Capital Fund to finance operations pursuant to the present resolution, such sum to be repaid not later than 31 December 1950 from the voluntary governmental contributions requested under paragraph 13 above;
15. AUTHORIZES the Secretary-General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to negotiate with the International Refugee Organization for an interest-free loan in an amount not to exceed the equivalent of \$ 2,800,000 to finance the programme subject to mutually satisfactory conditions for repayment;
16. AUTHORIZES the Secretary-General to continue the Special Fund established under General Assembly resolution 212 (III) and to make withdrawals therefrom for the operation of the United Nations Relief for Palestine Refugees and, upon the request of the Director, for the operations of the United Nations Relief and Works Agency for Palestine Refugees in the Near East;
17. CALLS upon the Governments concerned to accord to the United Nations Relief and Works Agency for Palestine Refugees in the Near East the privileges, immunities, exemptions and facilities which have been granted to the United Nations Relief for Palestine Refugees, together with all other privileges, immunities, exemptions and facilities necessary for the fulfilment of its functions;
18. URGES the United Nations International Children's Emergency Fund, the International Refugee Organization, the World Health Organization, the United Nations Educational, Scientific and Cultural Organization, the Food and Agriculture Organization and other appropriate agencies and private groups and organizations, in consultation with the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, to furnish assistance within the framework of the programme;

19. REQUESTS the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East;

(a) To appoint a representative to attend the meeting of the Technical Assistance Board as observer so that the technical assistance activities of the United Nations Relief and Works Agency for Palestine Refugees in the Near East may be co-ordinated with the technical assistance programmes of the United Nations and specialized agencies referred to in Economic and Social Council resolution 222 (IX) A of 15 August 1949;

(b) To place at the disposal of the Technical Assistance Board full information concerning any technical assistance work which may be done by the United Nations Relief and Works Agency for Palestine Refugees in the Near East, in order that it may be included in the reports submitted by the Technical Assistance Board to the Technical Assistance Committee of the Economic and Social Council;

20. DIRECTS the United Nations Relief and Work Agency for Palestine Refugees in the Near East to consult with the United Nations Conciliation Commission for Palestine in the best interests of their respective tasks, with particular reference to paragraph 11 of General Assembly resolution 194 (III) of 11 December 1948;

21. REQUESTS the Director to submit to the General Assembly of the United Nations an annual report on the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, including an audit of funds, and invites him to submit to the Secretary-General such other reports as the United Nations Relief and Works Agency for Palestine Refugees in the Near East may wish to bring to the attention of Members of the United Nations, or its appropriate organs;

22. INSTRUCTS the United Nations Conciliation Commission for Palestine to transmit the final report of the Economic Survey Mission, with such comments as it may wish to make, to the Secretary-General for transmission to the Members of the United Nations and to the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

19. REQUESTS the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East;

(a) To appoint a representative to attend the meeting of the Technical Assistance Board as observer so that the technical assistance activities of the United Nations Relief and Works Agency for Palestine Refugees in the Near East may be co-ordinated with the technical assistance programmes of the United Nations and specialized agencies referred to in Economic and Social Council resolution 222 (IX) A of 15 August 1949;

(b) To place at the disposal of the Technical Assistance Board full information concerning any technical assistance work which may be done by the United Nations Relief and Works Agency for Palestine Refugees in the Near East, in order that it may be included in the reports submitted by the Technical Assistance Board to the Technical Assistance Committee of the Economic and Social Council;

20. DIRECTS the United Nations Relief and Work Agency for Palestine Refugees in the Near East to consult with the United Nations Conciliation Commission for Palestine in the best interests of their respective tasks, with particular reference to paragraph 11 of General Assembly resolution 194 (III) of 11 December 1948;

21. REQUESTS the Director to submit to the General Assembly of the United Nations an annual report on the work of the United Nations Relief and Works Agency for Palestine Refugees in the Near East, including an audit of funds, and invites him to submit to the Secretary-General such other reports as the United Nations Relief and Works Agency for Palestine Refugees in the Near East may wish to bring to the attention of Members of the United Nations, or its appropriate organs;

22. INSTRUCTS the United Nations Conciliation Commission for Palestine to transmit the final report of the Economic Survey Mission, with such comments as it may wish to make, to the Secretary-General for transmission to the Members of the United Nations and to the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

Document IV

U.N. GENERAL ASSEMBLY

ASSISTANCE TO PALESTINE REFUGEES
Resolution 375 (V) of 2 December 1950

THE GENERAL ASSEMBLY

RECALLING its resolution 302 (IV) of 8 December 1949,

HAVING EXAMINED the report of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (A/1451), and the report of the Secretary-General concerning United Nations Relief for Palestine Refugees (A/1452),

1. NOTES that contributions sufficient to carry out the programme authorized in paragraph 6 of resolution 302 (IV) have not been made, and urges Governments which have not yet done so to make every effort to make voluntary contributions in response to paragraph 13 of that resolution;
2. RECOGNIZES that direct relief cannot be terminated as provided in paragraph 6 of resolution 302 (IV);
3. AUTHORIZES the Agency to continue to furnish direct relief to refugees in need, and considers that, for the period 1 July 1951 to 30 June 1952, the equivalent of approximately \$20,000,000 will be required for direct relief to refugees who are not yet reintegrated into the economy of the Near East;
4. CONSIDERS that, without prejudice to the provisions of paragraph 11 of General Assembly resolution 194 (III) of 11 December 1948, the reintegration of the refugees into the economic life of the Near East, either by repatriation or resettlement, is essential in preparation for the time when international assistance is no longer available, and for the realization of conditions of peace and stability in the area;
5. INSTRUCTS the Agency to establish a reintegration fund which shall be utilized for projects requested by any Government in the Near East and approved by the Agency for the permanent re-establishment of refugees and their removal from relief;
6. CONSIDERS that, for the period 1 July 1951 to 30 June 1952, not less than the equivalent of \$30,000,000 should be contributed to the Agency for the purposes set forth in paragraph 5 above;
7. AUTHORIZES the Agency, as circumstances permit, to transfer funds available for the current relief and works programmes, and for the relief programme provided in paragraph 3 above, to reintegration projects provided for in paragraph 5;
8. (a) REQUESTS the President of the General Assembly to appoint a Negotiating Committee composed of seven or more members for the purpose of consulting, as soon as possible during the current session of the General Assembly, with Member and non-member States as to the amounts which Governments may be willing to contribute on a voluntary basis towards;

U.N. GENERAL ASSEMBLY

ASSISTANCE TO PALESTINE REFUGEES
Resolution 395 (V) of 2 December 1950

THE GENERAL ASSEMBLY

RECALLING its resolution 302 (IV) of 8 December 1949,

HAVING EXAMINED the report of the United Nations Relief, and Works Agency for Palestine Refugees in the Near East (A/1451), and the report of the Secretary-General concerning United Nations Relief for Palestine Refugees (A/1452),

1. NOTES that contributions sufficient to carry out the programme authorized in paragraph 6 of resolution 302 (IV) have not been made, and urges Governments which have not yet done so to make every effort to make voluntary contributions in response to paragraph 13 of that resolution;
2. RECOGNIZES that direct relief cannot be terminated as provided in paragraph 6 of resolution 302 (IV);
3. AUTHORIZES the Agency to continue to furnish direct relief to refugees indeed, and considers that, for the period 1 July 1951 to 30 June 1952, the equivalent of approximately \$20,000,000 will be required for direct relief to refugees who are not yet reintegrated into the economy of the Near East;
4. CONSIDERS that, without prejudice to the provisions of paragraph 11 of General Assembly resolution 194 (III) of 11 December 1948, the reintegration of the refugees into the economic life of the Near East, either by repatriation or resettlement, is essential in preparation for the time when international assistance is no longer available, and for the realization of conditions of peace and stability in the area;
5. INSTRUCTS the Agency to establish a reintegration fund which shall be utilized for projects requested by any Government in the Near East and approved by the Agency for the permanent re-establishment of refugees and their removal from relief;
6. CONSIDERS that, for the period 1 July 1951 to 30 June 1952, not less than the equivalent of \$30,000,000 should be contributed to the Agency for the purposes set forth in paragraph 5 above;
7. AUTHORIZES the Agency, as circumstances permit, to transfer funds available for the current relief and works programmes, and for the relief programme provided in paragraph 3 above, to reintegration projects provided for in paragraph 5;
8. (a) REQUESTS the President of the General Assembly to appoint a Negotiating Committee composed of seven or more members for the purpose of consulting, as soon as possible during the current session of the General Assembly, with Member and non-member States as to the amounts which Governments may be willing to contribute on a voluntary basis towards;

- (i) The current programme for relief and works for the period ending 30 June 1951, bearing in mind the need for securing contributions from Member States which have not yet contributed;
 - (ii) The programme of relief and reintegration projects as provided for in paragraphs 3 and 4 above for the year ending 30 June 1952;
- (b) AUTHORIZES the Negotiating Committee to adopt procedures best suited to the accomplishment of its task, bearing in mind:
- (i) The need for securing the maximum contribution in cash;
 - (ii) The desirability of ensuring that any contribution in kind is of a nature which meets the requirements of the contemplated programmes;
 - (iii) The importance of enabling the United Nations Relief and Works Agency for Palestine Refugees in the Near East to plan its programmes in advance and to carry them out with funds regularly contributed;
 - (iv) The degree of assistance which can continue to be rendered by specialized agencies, non-member States and other contributors;
- (c) REQUESTS that, as soon as the Negotiating Committee has ascertained the extent to which Member States are willing to make contributions, all delegations be notified accordingly by the Secretary-General in order that they may consult with their Governments;
- (d) DECIDES that, as soon as the Negotiating Committee has completed its work, the Secretary-General shall at the Committee's request arrange, during the current session of the General Assembly, an appropriate meeting of Member and non-Member States at which Members may commit themselves to their national contributions and the contributions of non-Members may be made known;
9. AUTHORIZES the Secretary-General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to advance funds, deemed to be available for this purpose and not exceeding \$5,000,000 from the Working Capital Fund to finance operations pursuant to the present resolution, such sum to be repaid not later than 31 December 1951;
10. CALLS UPON the Secretary-General and the specialized agencies to utilize to the fullest extent the Agency's facilities as a point of reference and co-ordination for technical assistance programmes in the countries in which the Agency is operating;
11. EXPRESSES its appreciation to the United Nations International Children's Emergency Fund, the World Health Organization, the United Nations Educational, Scientific and Cultural Organization, the International Refugee Organization, the International Labour Organization and the Food and Agriculture Organization for the assistance which they have rendered, and urges them to continue to furnish all possible assistance to the Agency;

- (i) The current programme for relief and works for the period ending 30 June 1951, bearing in mind the need for securing contributions from Member States which have not yet contributed;
 - (ii) The programme of relief and reintegration projects as provided for in paragraphs 3 and 4 above for the year ending 30 June 1952;
- (b) AUTHORIZES the Negotiating Committee to adopt procedures best suited to the accomplishment of its task, bearing in mind:
- (i) The need for securing the maximum contribution in cash;
 - (ii) The desirability of ensuring that any contribution in kind is of a nature which meets the requirements of the contemplated programmes;
 - (iii) The importance of enabling the United Nations Relief and Works Agency for Palestine Refugees in the Near East to plan its programmes in advance and to carry them out with funds regularly contributed;
 - (iv) The degree of assistance which can continue to be rendered by specialized agencies, non-member States and other contributors;
- (c) REQUESTS that, as soon as the Negotiating Committee has ascertained the extent to which Member States are willing to make contributions, all delegations be notified accordingly by the Secretary-General in order that they may consult with their Governments;
- (d) DECIDES that, as soon as the Negotiating Committee has completed its work, the Secretary-General shall at the Committee's request arrange, during the current session of the General Assembly, an appropriate meeting of Member and non-Member States at which Members may commit themselves to their national contributions and the contributions of non-Members may be made known;
9. AUTHORIZES the Secretary-General, in consultation with the Advisory Committee on Administrative and Budgetary Questions, to advance funds, deemed to be available for this purpose and not exceeding \$5,000,000 from the Working Capital Fund to finance operations pursuant to the present resolution, such sum to be repaid not later than 31 December 1951;
10. CALLS UPON the Secretary-General and the specialized agencies to utilize to the fullest extent the Agency's facilities as a point of reference and co-ordination for technical assistance programmes in the countries in which the Agency is operating;
11. EXPRESSES its appreciation to the United Nations International Children's Emergency Fund, the World Health Organization, the United Nations Educational, Scientific and Cultural Organization, the International Refugee Organization, the International Labour Organization and the Food and Agriculture Organization for the assistance which they have rendered, and urges them to continue to furnish all possible assistance to the Agency;

12. **COMMENDS** the International Committee of the Red Cross, the League of Red Cross Societies, and the American Friends Service Committee for their invaluable services and whole-hearted cooperation in the distribution of relief supplies until those functions were taken over by the Agency;

13. **EXPRESSES** its thanks to the numerous religious, charitable and humanitarian organizations whose programmes have brought much needed supplementary assistance to the Palestine refugees, and urges them to continue and expand, to the extent possible, the work which they have undertaken on behalf of the refugees;

14. **EXTENDS** its appreciation and thanks to the Director and staff of the Agency and the members of the Advisory Commission for their effective and devoted work.

12. **COMMENDS** the International Committee of the Red Cross, the League of Red Cross Societies, and the American Friends Service Committee for their invaluable services and whole-hearted cooperation in the distribution of relief supplies until those functions were taken over by the Agency;

13. **EXPRESSES** its thanks to the numerous religious, charitable and humanitarian organizations whose programmes have brought much needed supplementary assistance to the Palestine refugees, and urges them to continue and expand, to the extent possible, the work which they have undertaken on behalf of the refugees;

14. **EXTENDS** its appreciation and thanks to the Director and staff of the Agency and the members of the Advisory Commission for their effective and devoted work.

U.N. GENERAL ASSEMBLY

ASSISTANCE TO PALESTINE REFUGEES
Resolution 315(VI) of 28 January 1952.

THE GENERAL ASSEMBLY

RECALLING its Resolution 302 (IV) of 8 December 1949 as amended by Resolution 395 (V) of 2 December 1950,

HAVING EXAMINED the report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (A/1905) and the special joint report of the Director and Advisory Commission of the United Nations Relief and Works Agency (A/1905/ADD.I)

HAVING CONSIDERED the three-year programme of relief and reintegration recommended by the Director and Advisory Commission of the United Nations Relief and Works Agency,

1. COMMENDS the United Nations Relief and Works Agency for the development of a constructive programme which will contribute effectively to the welfare of the refugees;
2. ENDORSES, without prejudice to the provisions of paragraph 11 of Resolution 174 (III) of 11 December 1948, or to the provisions of paragraph 4 of Resolution 395 (V) of 2 December 1950 relative to reintegration either by repatriation or resettlement, the programme recommended by the United Nations Relief and Works Agency for the relief and reintegration of Palestine refugees, which envisages the expenditure of \$50 million for relief and \$200 million for reintegration over and above such contributions as may be made by local governments to be carried out over a period of approximately three years starting as of 1 July 1951;
3. RECOGNIZING the concern of the United Nations in the problem of the Palestine refugees, URGES the governments of the countries in the area to assist, with due regard to their constitutional processes, in the carrying out of this programme and to extend to the United Nations Relief and Works Agency, a subsidiary organ established by the General Assembly, their cooperation in the elaboration of specific projects, and in the general performance of its functions,
4. INVITES the United Nations Relief and Works Agency to explore with the governments concerned arrangements looking toward their assuming administration of reintegration projects at the earliest possible date;
5. REQUESTS the United Nations Relief and Works Agency to explore with the governments concerned the desirability and practicability of transferring the administration of relief to those governments at the earliest possible date, and considers that the United Nations Relief and Works Agency should continue to carry the cost of the supply programme, subject to paragraphs 2 and 3, and to provide assistance for the health, welfare, and education programme along with the duty of making such inspection, and such verification of accounts as may be necessary;

U.N. GENERAL ASSEMBLY

ASSISTANCE TO PALESTINE REFUGEES
Resolution 513(VI) of 26 January 1952.

THE GENERAL ASSEMBLY

RECALLING its Resolution 302 (IV) of 8 December 1949 as amended by Resolution 393 (V) of 2 December 1950,

HAVING EXAMINED the report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (A/1905) and the special joint report of the Director and Advisory Commission of the United Nations Relief and Works Agency (A/1905/ADD.I)

HAVING CONSIDERED the three-year programme of relief and reintegration recommended by the Director and Advisory Commission of the United Nations Relief and Works Agency,

1. COMMENDS the United Nations Relief and Works Agency for the development of a constructive programme which will contribute effectively to the welfare of the refugees;
2. ENDORSES, without prejudice to the provisions of paragraph 11 of Resolution 194 (III) of 11 December 1948, or to the provisions of paragraph 4 of Resolution 393 (V) of 2 December 1950 relative to reintegration either by repatriation or resettlement, the programme recommended by the United Nations Relief and Works Agency for the relief and reintegration of Palestine refugees, which envisages the expenditure of \$50 million for relief and \$200 million for reintegration over and above such contributions as may be made by local governments to be carried out over a period of approximately three years starting as of 1 July 1951;
3. RECOGNIZING the concern of the United Nations in the problem of the Palestine refugees, URGES the governments of the countries in the area to assist, with due regard to their constitutional processes, in the carrying out of this programme and to extend to the United Nations Relief and Works Agency, a subsidiary organ established by the General Assembly, their cooperation in the elaboration of specific projects, and in the general performance of its functions,
4. INVITES the United Nations Relief and Works Agency to explore with the governments concerned arrangements looking toward their assuming administration of reintegration projects at the earliest possible date;
5. REQUESTS the United Nations Relief and Works Agency to explore with the governments concerned the desirability and practicability of transferring the administration of relief to those governments at the earliest possible date, and considers that the United Nations Relief and Works Agency should continue to carry the cost of the supply programme, subject to paragraphs 2 and 6, and to provide assistance for the health, welfare, and education programme along with the duty of making such inspection, and such verification of accounts as may be necessary;

6. CONSIDERS that relief expenditures should be reduced in suitable proportion to reintegration expenditures;
7. DECIDES that the amount of \$20 million provided in Resolution 393 (V) of 2 December 1950 should be increased to \$27 million for direct relief for the fiscal year ending to 30 June 1952;
8. DECIDES that consequent upon paragraph 2 above, the amount of \$30 million provided in Resolution 393 (V) of 2 December 1950 for reintegration should be increased to not less than \$50 million, and credited to the reintegration fund provided for in that Resolution for the fiscal year ending 30 June 1952;
9. APPROVES the budget recommended by the United Nations Relief and Works Agency for the fiscal year 1 July 1952 to 30 June 1953, of the equivalent of \$118 million of which \$110 million shall be available for reintegration and \$8 million for relief;
10. AUTHORIZES the United Nations Relief and Works Agency to transfer funds, allocated for relief to reintegration;
11. URGES the Member Governments to make voluntary contributions to the extent necessary to carry through to termination the programme set forth in paragraph 2 above;
12. REQUESTS that negotiations regarding contributions for the proposed three-year programme be carried out by the Negotiating Committee for Extra-budgetary Funds established by the Resolution adopted at the 52nd meeting of the General Assembly on 7 December 1951;
13. EXPRESSES its appreciation of the assistance afforded to the United Nations Relief and Works Agency by the specialised agencies and the United Nations International Children's Emergency Fund and urges them to render all services possible to strengthen the programme of refugee relief and reintegration; and to cooperate with the Secretary-General and the United Nations Relief and Works Agency in ensuring that the total assistance of the United Nations to Palestine refugees is rendered with the maximum of coordination and efficiency;
14. EXPRESSES its appreciation to the numerous religious, charitable and humanitarian organisations whose programmes have afforded valuable supplementary assistance to Palestine refugees, and again requests them to continue and expand to the extent possible the work which they have undertaken on behalf of the refugees.

6. CONSIDERS that relief expenditures should be reduced in suitable proportion to reintegration expenditures;
7. DECIDES that the amount of \$20 million provided in Resolution 393 (V) of 2 December 1950 should be increased to \$27 million for direct relief for the fiscal year ending to 30 June 1952;
8. DECIDES that consequent upon paragraph 2 above, the amount of \$30 million provided in Resolution 393 (V) of 2 December 1950 for reintegration should be increased to not less than \$50 million, and credited to the reintegration fund provided for in that Resolution for the fiscal year ending 30 June 1952;
9. APPROVES the budget recommended by the United Nations Relief and Works Agency for the fiscal year 1 July 1952 to 30 June 1953, of the equivalent of \$118 million of which \$110 million shall be available for reintegration and \$18 million for relief;
10. AUTHORIZES the United Nations Relief and Works Agency to transfer funds, allocated for relief to reintegration;
11. URGES the Member Governments to make voluntary contributions to the extent necessary to carry through to termination the programme set forth in paragraph 2 above;
12. REQUESTS that negotiations regarding contributions for the proposed three-year programme be carried out by the Negotiating Committee for Extra-budgetary Funds established by the Resolution adopted at the 352nd meeting of the General Assembly on 7 December 1951;
13. EXPRESSES its appreciation of the assistance afforded to the United Nations Relief and Works Agency by the specialised agencies and the United Nations International Children's Emergency Fund and urges them to render all services possible to strengthen the programme of refugee relief and reintegration; and to cooperate with the Secretary-General and the United Nations Relief and Works Agency in ensuring that the total assistance of the United Nations to Palestine refugees is rendered with the maximum of coordination and efficiency;
14. EXPRESSES its appreciation to the numerous religious, charitable and humanitarian organisations whose programmes have afforded valuable supplementary assistance to Palestine refugees, and again requests them to continue and expand to the extent possible the work which they have undertaken on behalf of the refugees.

APPENDIX C

- Item I List of Voluntary Agencies
Cooperating with UNRPR and UNRWA.
- II Scale of Income Relating to Relief-Cutting
as on 31 December, 1951.
- III Population Mystery (Note on Arab
Population of Palestine)
- IV Note on Breakdown of Refugee Population
into Rural and Urban
- V Note on Refugee Income

APPENDIX G

- Item I - List of Voluntary Agencies
Cooperating with UNRPR and UNRWA.
- II - Scale of Income Relating to Relief-Cutting
as on 31 December, 1951.
- III - Population Mystery (Note on Arab
Population of Palestine)
- IV - Note on Breakdown of Refugee Population
into Rural and Urban.
- V - Note on Refugee Income.

List of Principal Voluntary Agencies in
THE Near East Cooperating with UNRPR and
UNRWA

LEBANON

Pontifical Mission
 Palestine Permanent Bureau
 Near East Relief Society
 French Govt. (for Warehouse use)
 Congregational Christian School Service
 Syria-Lebanon Mission
 Lazarist Sisters
 Greek Orthodox Community Waqf
 Save the Children Fund
 Lebanese Red Cross
 Sisters of Saint Joseph
 Said Pacha Shatila
 Middle East Relief Association
 Bohsaly and Bojour
 Mr. Hurani

JORDAN

Lutheran World Federation
 Anglican Bishop in Jerusalem
 St. John's Ophthalmic Hospital
 Y.M.C.A. Jerusalem
 Girls Refugee Home, Jerusalem
 Dar Al-Awlad, Jerusalem
 Dar Al-Tifl, Jerusalem
 United Presbyterian Mission
 (Dr. T.A. Lambie, Bethlehem)
 Sisters of Nazareth (Greek Catholic Mission)
 Church Missionary Society
 Evangelical Episcopal Council
 Armenian Patriarchate, Jerusalem
 Greek Orthodox Patriarchate, Jerusalem
 Catholic Union Committee, Amman
 Mennonite Central Committee
 Red Crescent, Amman
 Private Moslem Waqf Institutions
 Moslem Waqf Soup Kitchen, Hebron
 Russian Orthodox Convent, Hebron
 Arab Women's League Maternity Hospital, Nablus
 Arab Women's League Children's Hospital, Nablus
 Jihed Hospital, Tulkarm
 Arab Women's League Maternal and Child Welfare Clinic,
 Jerusalem
 Latrun Trappist Convent Clinic
 Moslem Waqf Religious Trust Department
 Arab National Hospital, Bethlehem
 French Hospital, Bethlehem

EGYPT

Municipality of Gaza and Khan Yunis
 Church Missionary Society
 Womens Club, Cairo
 Helwan Portland Cement Co.
 Maria Holonen
 Red Crescent Society

List of Principal Voluntary Agencies in
the Near East Cooperating with UNRFR
and UNRWA

LEBANON

Pontifical Mission
Palestine Permanent Bureau
Near East Relief Society
French Govt. (for warehouse use)
Congregational Christian School Service
Syria-Lebanon Mission
Lazarist Sisters
Greek Orthodox Community Waqf
Save the Children Fund
Lebanese Red Cross
Sisters of Saint Joseph
Said Pacha Shatila
Middle East Relief Association
Bohsaly and Bejour
Mr. Hurani

JORDAN

Lutheran World Federation
Anglican Bishop in Jerusalem
St. John's Ophthalmic Hospital
Y.M.C.A. Jerusalem
Girls' Refugee Home, Jerusalem
Dar Al-Awlad, Jerusalem
Dar Al-Tifl, Jerusalem
United Presbyterian Mission
(Dr. T.A. Lambie, Bethlehem)
Sisters of Nazareth (Greek Catholic Mission)
Church Missionary Society
Evangelical Episcopal Council
Armenian Patriarchate, Jerusalem
Greek Orthodox Patriarchate, Jerusalem
Catholic Union Committee, Amman
Mennonite Central Committee
Red Crescent, Amman
Private Moslem Waqf Institutions
Moslem Waqf Soup Kitchen, Hebron
Russian Orthodox Convent, Hebron
Arab Women's League Maternity Hospital, Nablus
Arab Women's League Children's Hospital, Nablus
Jihad Hospital, Tulkarm
Arab Women's League Maternal and Child Welfare Clinic,
Jerusalem
Latrun Trappist Convent Clinic
Moslem Waqf Religious Trust Dept.
Arab National Hospital, Bethlehem
French Hospital, Bethlehem

EGYPT

Municipality of Gaza and Khan Yunis
Church Missionary Society
Women's Club, Cairo
Helwan Portland Cement Co.
Maria Holonen
Red Crescent Society

Item II

Scale of Income Relating to Relief-Cutting
as on 31 December 1951

A. LEBANON

<u>Family Income per month</u>		<u>Ration Cuts</u>
LL	100	1
	101 - 119	2
	120 - 169	3
	170 - 219	4
	220 & over	All

B. SYRIA

<u>Family Income per month</u>				
<u>Camps</u>	<u>Villages</u>	<u>Small towns</u>	<u>Big towns</u>	<u>Ration Cuts</u>
LS 75	100	125	150	1
100	125	150	175	2,3,4
125	150	175	200	5 & over

C. JORDAN

UNRWA Staff

Monthly-Paid: JD 7.001 - 15 4 rations cut
 Over 15 All rations cut

Daily-Paid: 95 fils daily deducted from pay if it amounts to less than JD 15 per month. If JD 15 or more, all rations cut.

Family Income per month

<u>Camps</u>	<u>Villages</u>	<u>Towns (other than Amman)</u>	<u>Amman</u>	<u>Ration Cuts</u>
JD 7	JD 9-15	JD 12-15		4
7-15	15 or over	15 or over	JD 15 or over	All

Population Mystery

(Note on Arab Population of Palestine)

1. A substantial discrepancy exists between the number of Palestine Arabs as of April 1945, adjusted for natural increase till 31 December 1951, and the total of Palestine Arabs at end of 1951 obtained from the addition of the present components of this population. These components are:

Arabs remaining in Israel, Gaza strip original population, West Jordan original population, and refugees everywhere outside Israel. The two sets of figures follow:

Population, April 1945 (taken from "Village Statistics of Palestine of 1.4.45")	1,197,000
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<u>Add:</u> 3 per cent annually for natural increase for 6 3/4 years	242,392
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Total ex-Palestine Arabs, December 1951	<u>1,439,392</u> =====
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Compared with this total, we have the much higher figure of 1,635,842, obtained as follows from the components mentioned above:

1. Arabs in Israel (refugees and others) (a)	175,000
2. Original population - Gaza (b)	60,000
3. West Jordan (c)	507,827
4. Refugee population:	893,015
Relief receiving (d)	853,015
Non-relief receiving (e)	40,000

Total	<u>1,635,842</u> =====
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Excess of latter over former total	196,450
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- Notes: (a) Including about 19,500 refugees
 (b) Estimated at 50,000 in April 1945 plus 10,000 for natural increase during 6 3/4 years at 3 per cent.
 (c) Consists of 422,310 in April 1945 plus 85,517 for natural increase during 6 3/4 years at 3 per cent. See attached "Population Account of West Jordan" for original figure as in April 1945.
 (d) UNRWA figure. Excludes refugees in Israel
 (e) Consists of about 20,000 refugees cut off relief until end of 1951 plus an estimate of 10,000 never on relief, plus 5,000 each in Egypt and Iraq not aided by UNRWA.

Population Mystery

(Note on Arab Population of Palestine)

1. A substantial discrepancy exists between the number of Palestine Arabs as of April 1945, adjusted for natural increase till 31 December 1951, and the total of Palestine Arabs at end of 1951 obtained from the addition of the present components of this population. These components are:

Arabs remaining in Israel, Gaza strip original population, West Jordan original population, and refugees everywhere outside Israel. The two sets of figures follow:

Population, April 1945 (taken from "Village Statistics of Palestine of 1.4.45")	1,197,000
<u>Add: 3 per cent annually for natural increase for 6 3/4 years</u>	<u>242,392</u>
Total ex-Palestine Arabs, December 1951	1,439,392 *****

Compared with this total, we have the much higher figure of 1,635,842, obtained as follows from the components mentioned above:

1. Arabs in Israel (refugees and others) (a)	175,000
2. Original population - Gaza (b)	60,000
3. - West Jordan (c)	507,827
4? Refugee population:	893,015
Relief-receiving (d)	853,015
Non-relief-receiving (e)	40,000
 Total	 <u>1,635,842</u> *****

Excess of latter over former total 196,450

- Notes:
- (a) Including about 19,500 refugees
 - (b) Estimated at 50,000 in April 1945 plus 10,000 for natural increase during 6 3/4 years at 3 per cent.
 - (c) Consists of 422,310 as in April 1945 plus 85,517 for natural increase during 6 3/4 years at 3 per cent. See attached "Population Account of West Jordan" for original figure as in April 1945.
 - (d) UNRWA figure. Excludes refugees in Israel
 - (e) Consists of about 20,000 refugees cut-off relief until end of 1951 plus an estimate of 10,000 never on relief, plus 5,000 each in Egypt and Iraq not aided by UNRWA.

2. - The reasons possibly leading to the considerable discrepancy of 196,450 between population adjusted en bloc and population obtained from the addition of components are:

- a. Over-estimation in the number of refugees receiving relief, due to duplication and false registrations.
- b. The inclusion of many cases simultaneously in the total of refugees and in the original populations of Gaza and West Jordan. Many of these came from Haifa, Jaffa, and other localities now deep in Israel who in reality belonged to the population of West Jordan and who had been recorded in the "Village Statistics of Palestine of 1.4.45", according to their place of origin - namely, West Jordan.
- c. Under-estimation of population in the "Village Statistics", which renders the first total (1,439,392) less than what in reality it ought to be.

/3.....

2. The reason possibly leading to the considerable discrepancy of 196,450 between population adjusted en bloc and population obtained from the addition of components are:

- a. Over-estimation in the number of refugees receiving relief, due to duplications and false registrations.
- b. The inclusion of many cases simultaneously in the total of refugees and in the original populations of Gaza and West Jordan. Many of these came from Haifa, Jaffa, and other localities now deep in Israel who in reality belonged to the population of West Jordan and who had been recorded in the "Village Statistics of Palestine of 1.4.45", according to their place of origin - namely, West Jordan.
- c. Under-estimation of population in the "Village Statistics", which renders the first total (1,439,392) less than what in reality it ought to be.

Non-Refugee Population of West Jordan
Based on Village Statistics of
Palestine of 1.4.45.

1. Ramlé Sub District				7,190
2. Rammallah S.D.			47,280	
3. Jerusalem S.D.	147,750			
<u>Less: Villages now</u>				
<u>totally in Israel</u>	14,650			
Part Unban Jerusalem				
now in Israel	30,000			
UN Zone inhabitants	3,100			
Bethlehem villages now in				
Israel	<u>1,720</u>	<u>49,470</u>	98,280	
4. Hebron S.D.		89,570		
<u>Less: Villages now totally</u>				
<u>Israel</u>		<u>19,670</u>	69,900	
			87,690	
5. Nablus S.D.				
6. Jenin S.D.		55,720		
<u>Less: Villages now totally</u>				
<u>in Israel</u>		<u>2,690</u>	53,030	
7. Tulkarm S.D.		71,240		
<u>Less: Villages now totally</u>				
<u>in Israel</u>		<u>12,300</u>	<u>58,940</u>	415,120
				422,310
Add: 3 per cent (simple rate) for natural increase from 1.4.45 to 31.12.51, i.e. 6 3/4 years				<u>85,517</u>
		Total		507,827

Borderline-Villages Population
(included in above Account)

1. Rammallah S.D.				1,330
2. Jerusalem S.D. (inc. Beth)				25,210
3. Hebron S.D.				30,040
4. Nablus S.D.				1,780
5. Jenin S.D.				9,630
6. Tulkarm S.D.				34,250
				<u>102,240</u>

Non-Refugee Population of West Jordan
Based on Village Statistics of
Palestine of 1.4.45)

1. Ramlé Sub District				7,190
2. Rammallah S.D.			47,280	
3. Jerusalem S.D.	147,750			
Less: Villages now				
totally in Israel	14,650			
Part Urban Jerusalem				
now in Israel	30,000			
UN.Zone inhabitants	3,100			
Bethlehem villages now in				
Israel	<u>1,720</u>	<u>49,470</u>	98,280	
4. Hebron S.D.		89,570		
Less: Villages now totally				
Israel		<u>19,670</u>	69,900	
5. Nablus S.D.			87,690	
6. Jenin S.D.		55,720		
Less: Villages now totally				
in Israel		<u>2,690</u>	53,030	
7. Tulkarm S.D.		71,240		
Less: Villages now totally				
in Israel		<u>12,300</u>	<u>58,940</u>	<u>415,120</u>
				422,310
<u>Add: 3 per cent (simple rate) for natural</u>				
<u>increase from 1.4.45 to 31.12.51, i.e.</u>				
<u>6 3/4 years</u>				<u>85,517</u>
		Total		507,827

Borderline-Villages Population
(Included in Above Account)

1. Rammallah S.D.	1,330
2. Jerusalem S.D. (Inc. Beth)	25,210
3. Hebron S.D.	30,040
4. Nablus S.D.	1,780
5. Jenin S.D.	9,630
6. Tulkarm S.D.	<u>34,250</u>
Total	102,240

Distribution of Refugees into Urban
and Rural

The attached table shows the distribution of refugees in each host country into urban and rural. This has been obtained in the following manner:

- a. The distribution of refugees as to origin has been taken from the Census Monthly Report Sheets of UNRWA.
- b. A ratio has been established for each sub-district from which refugees had originated between urban and rural population. To find the ratio, Palestine Arab population figures as in "Village Statistics of Palestine of 1.4.1945" have been used. The ratios applying for sub-districts vary, due to the special conditions of the area. The refugees from a sub-district containing one urban center only, and that center in Arab hands (like Hebron, Gaza, Ramallah, Nablus, Jenin and Tulkarm) have been considered all rural. Elsewhere where urban centers are now in Israel, the ratio in 1945 of urban to rural Arabs in the sub-districts has been adopted (e.g. in Acre, Beisan, Majdal, Haifa, Jaffa, Ramleh, Lydda, Safad, and Tiberias). Nazareth is in a peculiar situation. It has been assumed that virtually all the Nazareth urban Arabs have remained in Nazareth, and that all refugees from Nazareth S.D. are rural. Beersheba population is all rural and tribal. Jerusalem urban population is half-refugee and half host population. The ratio established for Jerusalem has, therefore, been adjusted for this fact.
- c. The ratios finally adopted have been used for splitting the refugees in the host countries into rural and urban. These are the ratios and other notes relevant to each sub-district:

Acre	U : R = 12 : 54
Beersheba	all rural
Beisan	5 : 11
Gaza	Gaza proper, all rural. Majdal urban population 9860 : Ratio 10 : 85
Haifa	66 : 54
Hebron	all rural
Jaffa	66 : 44
Jenin	all rural
Jerusalem	30 : 60
Nablus	all rural
Nazareth	all rural
Ramallah	all rural
Ramleh	32.5 : 65
Safad	9.5 : 37.4
Tiberias	5 : 21
Tulkarm	all rural

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and Rural

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Jerusalem		30 : 60
Nablus	all rural	
Nazareth	all rural	
Ramallah	all rural	
Ramleh		325 : 65
Safad		9.5 : 37.4
Tiberias		5 : 21
Tulkarm	all rural	

Distribution of Refugees into Urban and Rural

(per present location)

	<u>Total Refugees</u>	<u>Urban</u>		<u>Rural</u>	
		No.	Per cent of total	No.	Per cent of total
Lebanon	106,883	35,294	33	71,589(a)	67
Syria	83,187	25,744	31	57,443	69
Jordan (East)	99,837	34,733	35	65,104	65
(West)	359,592	126,007	32	233,585(b)	68
Gaza	200,137	53,280	27	146,857(c)	73
Israel	24,248	6,566	27	17,682(d)	73
Total	873,884	281,624	32	592,260(e)	68

Notes: (a) Exclusive of 13 WOC Refugees
 (b) " " 10 " "
 (c) " " 6 " "
 (d) " " 132 " "
 (e) " " 161 " "

Distribution of Refugees into Urban and Rural
(Per Present Location)

	Total Refugees	Urban		Rural	
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Notes: (a) Exclusive of 13 WOC Refugees
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Note on Refugee Income

This note necessarily suffers from the approximative nature of the estimates of refugees income-earners and income. The information it includes has been collected from various sources. Income arising from employment at UNRWA has been worked from the financial accounts of this Agency and a detailed examination of operational costs. Income from the U.K. in the form of pensions and other commuted payments to ex-Palestine Government employees has been obtained from the British Legations in Lebanon, Syria, and Jordan. The numbers employed by large employers in Lebanon (such as ARAMCO, CAT, IPC, etc) have been supplied by the Registration Officer, Lebanon District. Other items of the data have been collected after long field investigations and talks with government officials, businessmen, & UNRWA officials in the three countries.

A break-down per country and per type of employment follows:

A. LEBANON (In 1000 US Dollars)

Number of Earners	Source of Income or Receipts	Amount Received	Annual Rate
1,350	UNRWA HQ and district offices	2,834(a)	1,700
900	U.K., Pensions and other payments	3,000(b)	87878
400	Private Business		800(c)
1,000	Employment of Regular Nature		1,000(d)
3,000	Casual Labour in Urban and rural centers		180(e)
<hr/> 6,650	Total		<hr/> 4,558(f)

- Notes: (a) Earners include daily paid workers. Income includes salaries and wages, computed in Chapters Five and Six, for the twenty months May 1950 through December 1951.
- (b) The bulk of the receipts consists of gratuities and other commuted payments during 41 months ending December 1951. The annual rate of pensions starting 1952 is about \$300,000.
- (c) The earners have never been on the relief rolls. The average annual income per earner is \$ 2,000. The presence in Lebanon of a number of large successful businesses (e.g.) Intra, Salameh, Freij, etc) accounts for the high average.
- (d) The earners at the end of 1951 were: Aramco 422, Tapline 24, IPC 148, CAT 59, other 391. Average annual income \$ 1,000 per earner.
- (e) Average annual income has been taken as \$ 60 per earner in casual employment on the land and in urban occupations.
- (f) If pensions alone are taken at the rate of \$ 300,000 a year, i.e. if commuted payments are eliminated, total refugee annual income becomes \$ 3,980,000. Per capita income comes to about 39.8 per annum.

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A break-down per country and per type of employment follows:

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Number of Earners	Source of Income or Receipts	Amount Received	Annual Rate
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900	U.K., Pensions and other payments	3,000(b)	878
400	Private Business		800(c)
1,000	Employment of Regular Nature		1,000(d)
<u>3,000</u>	Casual Labour in Urban and rural centers		<u>180(e)</u>
6,650	Total		4,558(f)

- Notes:
- (a) Earners include daily-paid workers. Income includes salaries and wages, computed in Chapters Five and Six, for the twenty months May 1950 through December 1951.
 - (b) The bulk of the receipts consists of gratuities and other commuted payments during 41 months ending December 1951.
 - (c) The annual rate of pensions starting 1952 is about \$300,000. The earners have never been on the relief rolls. The average annual income per earner is \$ 2,000. The presence in Lebanon of a number of large successful businesses (e.g. Intra, Salameh, Freij, etc) accounts for the high average.
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 - (f) If pensions alone are taken at the rate of \$ 300,000 a year, i.e. if commuted payments are eliminated, total refugee annual income becomes \$ 3,980,000. Per capita income comes to about 39.8 per annum.

B. SYRIA (In 1000 US Dollars)

Number of Earners	Source of Income or Receipts	Amount Received	Annual Rate
800	UNRWA Offices	1,084(a)	650
400	U.K., Pensions and other Payments	850(b)	249
300	Private business		450(c)
1,000	Employment of regular nature		1,000(d)
6,000	Casual labour in urban and rural centers		450(e)
<hr/> 8,500	Total		<hr/> 2,799(f)

Notes: (a) Earners include daily-paid workers. Income includes salaries and wages computed in Chapters Five and Six for the twenty months May 1950 through December 1951.

(b) The bulk of the receipts consists of gratuities and other commuted payments during 41 months ending December 1951. The annual rate of pensions starting 1952 is about \$ 100,000.

(c) The earners have never been on the relief rolls. Average annual income has been taken as \$ 1,500 per earner, which is 25 per cent lower than the average in Lebanon.

(d) The earners include employees in business as well as government officials. Annual average has been taken as \$ 1,000 per earner, as in Lebanon.

(e) Average annual income has been taken as \$ 75 per earner in casual employment on the land and in urban occupations. This is 25 per cent higher than in Lebanon.

(f) If pensions alone are taken at the rate of \$ 100,000 a year, i.e. if commuted payments are eliminated, total refugee annual income becomes \$ 2,650,000. Per capita income comes to about \$ 33.1 per annum.

/s.....

B. SYRIA (In 1000 US Dollars)

<u>Number of Earners</u>	<u>Source of Income or Receipts</u>	<u>Amount Received</u>	<u>Annual Rate</u>
800	UNRWA Offices		
400	U.K., Pensions and other payments	1,084(a)	650
300	Private business	850(b)	249
1,000	Employment of regular nature		450(c)
6,000	Casual labour in urban and rural centers		1,000(d)
			450(e)
<u>8,500</u>	<u>Total</u>		<u>2,799(f)</u>

- Notes:
- (a) Earners include daily-paid workers. Income includes salaries and wages computed in Chapters Five and Six for the twenty months May 1950 through December 1951.
 - (b) The bulk of the receipts consists of gratuities and other computed payments during 41 months ending December 1951. The annual rate of pensions starting 1952 is about \$ 100,000.
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 - (d) The earners include employees in business as well as government officials. Annual average has been taken as \$ 1,000 per earner, as in Lebanon.
 - (e) Average annual income has been taken as \$ 75 per earner in casual employment on the land and in urban occupations. This is 25 per cent higher than in Lebanon.
 - (f) If pensions alone are taken at the rate of \$ 100,000 a year, i.e. if computed payments are eliminated, total refugee annual income becomes \$ 2,650,000. Per capita income comes to about \$ 33.1 per annum.

C. JORDAN (In 1,000 US Dollars)

Number of Earners	Source of Income or Receipts	Annual Rate	
		Amount Received	Rate
3,000	UNRWA offices	4,119(a)	2,470
3,000	U.K., Pensions & other payments	6,955(b)	2,036
1,000	Private business		840(c)
2,500	Employment with government and security forces		1,008(d)
2,000	Other employment of regular nature		280(e)
10,000	Casual labour in urban and rural centers		373(f)
<u>21,500</u>	Total		<u>7,007(g)</u>

- Notes:
- (a) Earners include daily paid workers. Income includes salaries and wages computed in Chapters Five and Six for the twenty months May 1950 through December 1951.
 - (b) The bulk of the receipts consists of gratuities and other commuted payments during 41 months ending December 1951. The annual rate of pensions starting 1952 is about \$1,400,000.
 - (c) The earners have never been on the relief rolls. Average annual income has been taken as \$840 per earner, which is much lower than in either Syria or Lebanon.
 - (d) At \$33.6 (i.e. JD 12) per employee monthly, or \$ 403 annually.
 - (e) At \$140 (i.e. JD 50) per employee annually, which is much lower than in either Lebanon or Syria.
 - (f) At \$37 (i.e. JD 13.3) annually per earner.
 - (g) If pensions alone are taken at the rate of \$1,400,000 a year (i.e. if commuted payments are eliminated, total refugee annual income becomes \$6,371,000. Per capita income comes to about \$15.2 per annum.

D. The Three countries

Country	Number of Earners	Annual Rate		Per Capita Annual Income	
		Not adjusted for pensions	Adjusted for Pen:	Before Ad-justment	After Ad-justment
		(In 1000 US Dollars)		(In US Dollars)	
Lebanon	6,650	4,558	3,980	45.6	39.8
Syria	8,500	2,799	2,650	35.0	33.1
Jordan	21,500	7,007	6,371	16.7	15.2
<u>Total</u>	<u>36,650</u>	<u>14,364</u>	<u>13,001</u>	<u>23.9</u>	<u>21.7</u>

C. JORDAN (In 1,000 US Dollars)

<u>Number of Earners</u>	<u>Source of Income or Receipts</u>	<u>Amount Received</u>	<u>Annual Rate</u>
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3,000	U.K., Pensions and other payments	4,119(a)	2,470
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10,000	Casual labour in urban and rural centers		280(e)
			373(f)
21,500	Total		7,007(g)

- Notes:** (a) Earners include daily-paid workers. Income includes salaries and wages computed in Chapters Five and Six, for the twenty months May 1950 through December 1951.
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D. The Three Countries

<u>Country</u>	<u>Number of earners</u>	<u>Annual Rate</u>		<u>Per Capita Annual Income</u>	
		<u>Not adjusted for pensions</u>	<u>Adjusted for pensions</u>	<u>Before Ad-justment</u>	<u>After Ad-justment</u>
		<u>(in 1000 US dollars)</u>		<u>(in US dollars)</u>	
Lebanon	6,650	4,558	3,980	45.6	39.8
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