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**Arab Immigration into Pre-State Israel: 1922-1931**

**Fred M. Gottheil**

**University of Illinois**

**College of Commerce and Business Administration  
University of Illinois at Urbana-Champaign**



FACULTY WORKING PAPERS

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August 17, 1971

Arab Immigration into Pre-State Israel: 1922-1931

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Arab Immigration into Pre-State Israel: 1922-1931

Fred M. Gottheil

As a historical event of major consequence, it is not surprising that there are at least two conflicting accounts concerning immigration into Palestine prior to the formation of the State of Israel. One account, for example, depicts Jewish immigration into Palestine primarily in terms of filling up vast empty spaces of sparsely populated land.<sup>1</sup> Much of this description centers upon the drainage of the northern marshes and the reclamation of the desert. Essentially, it is an account of man versus nature. Only parenthetically does it consider Arab immigration or the impact of Jewish immigration on the resident Arab population.

By contrast, a second version shifts the focus of discussion to population displacement. It describes the same Jewish immigration as creating in Palestine a demographic overcapacity situation with the indigenous Arab population being forced off the settled land.<sup>2</sup> In this case, it is

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Professor of Economics at the University of Illinois, Urbana and Visiting Professor of Economics at The Hebrew University, Jerusalem. The author acknowledges the helpful comments of Professor Haim Barkai and Nahum Gross of the Hebrew University on an earlier draft of this paper.

<sup>1</sup> "Regions that but a few years ago were barren sand dunes, bare hills or pestilential swamps, have been converted into fertile agricultural land dotted with pleasing villages, and where people can live in the faith of their fathers and the children grew up happily. The labour was arduous, but it was cheerfully, even joyfully undertaken and it was lightened by the generous help given by Jews all over the world." Sir John Russell in forward to Lowdermilk, W. C., Palestine: Land of Promise, London, Gollancz, 1945.

<sup>2</sup> "The increase in Jewish immigration was accompanied by large scale acquisition of land and large-scale dispossession of (continued on p. 2)



account of man versus man for control and ownership of extremely limited natural resources.<sup>3</sup> Both descriptions survive today as historical summaries of pre-Israel Palestine.

Although there is substantial disagreement in the two accounts concerning the impact of immigration, there is no disagreement as to its source. Both emphasize its Jewish origins. Almost completely lost in these accounts is an analysis of concurrent Arab immigration. References to such immigration are made only in passim and the conclusion reached is that for purposes of permanent settlement, Arab immigration was insignificant.<sup>4</sup>

This conclusion, however, has not gone completely unchallenged. The Royal Institute for International Affairs, for example, commenting on the

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<sup>2</sup>(continued) Arabs. Thousands of Arab farm families, driven from the land which they and their ancestors had lived, were forced to go to the towns. The Jews aimed at controlling the economic life of the country. A landless and distorted class was created." Rousan, Mahmoud, Palestine and the Internationalization of Jerusalem, The Ministry of Culture and Guidance, Government of Iraq, Bagdad, 1965, p. 31.

<sup>3</sup>It is this second version that is reflected in the Shaw (Palestine Commission on the Disturbances of August, 1929, Cmd. 3530, London, 1930) and Simpson (Palestine Report on Immigration, Land Settlement, and Development, Cmd. 3686, London, 1930) Commission Reports which subsequently formed the basis of British policy restricting Jewish immigration into Palestine during the 1930s and 1940s.

<sup>4</sup>It is noteworthy that this conclusion is represented in Arab, Jewish, and British writing alike. See, for example, Hopkins, L., "Population," Economic Organization of Palestine, edited by Himadeh, Sa'id, American Press, Beirut, 1938, p. 19; Ruppin, A., "Population of Palestine," Palestine and Near East Economic Magazine, Nos. 5 and 6, 1927, p. 130; and Survey of Palestine, Vol. I, Government of Palestine, Government Printer, 1946, p. 212.

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growth of the Palestinian population prior to World War II, states:

"The Number of Arabs who entered Palestine illegally from Syria and Trans-jordan is unknown. But probably considerable."<sup>5</sup> Professor Harold Laski makes a similar observation: "There has been large-scale and both assisted and unassisted Jewish emigration to Palestine; but it is important also to note that there has been large-scale Arab emigration from the surrounding countries."<sup>6</sup> Underscoring the point, C. S. Jarvis, Governor of the Sinai from 1923-1936, noted: "This illegal immigration was not only going on from the Sinai, but also from Trans-Jordan and Syria and it is very difficult to make a case out for the misery of the Arabs if at the same time their compatriots from adjoining States could not be kept from going in to share that misery."<sup>7</sup> Even the Simpson Report acknowledged Arab immigration in this form:

Another serious feature of immigration is the number of persons who evade the frontier control and enter Palestine without formality of any kind. It is exceedingly difficult to maintain any effective control of the various frontiers of Palestine. At the present time such controls as exists is carried out at police posts on the roads. The immigrant who wishes to evade the control naturally leaves the road before reaching the frontier and takes to the footpaths over the Hills . . . The Chief Immigration Officer has brought to the notice that illicit immigration through Syria and across the northern frontier of Palestine is material.<sup>8</sup>

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<sup>5</sup>Great Britain and Palestine, 1915-1945, Royal Institute for International Affairs, Information Papers no. 20, London, p. 64.

<sup>6</sup>"Palestine: The Economic Aspect," Palestine's Economic Future, Ed., J. B. Brown, P. L. Humphries and Company Limited, London, 1946, p. 34.

<sup>7</sup>United Empire, Vol. 28, p. 633.

<sup>8</sup>Palestine Report on Immigration, Land Settlement, and Development, London, 1930, pp. 126 and 138.



Other writers make this same point.<sup>9</sup> Although Arab immigration has been described as "considerable," "large-scale," and "material," such descriptions are nonetheless lacking in precision.<sup>10</sup>

This paper presents some statistical evidence concerning Arab immigration into Palestine. The following issues will be considered: What was the Arab population size in Israel in 1922 and how rapidly did this population grow? What percent of this growth can be attributed to natural increase and what percent to immigration? How do the demographic patterns in pre-State Israel compare with those in non-Israel Palestine during the 1922-1931 period, and what explanations can be offered to explain divergent patterns? Although data will be presented for all of Palestine, a

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<sup>9</sup>See Horowitz, D., "Arab Economy in Palestine," Palestine's Economic Future, P. L. Humphries Co., London, 1946, p. 65; Gervasi, F., To Whom Palestine?, D. Appleton-Century, New York 1946, p. 79; Nemirovsky, H., "Jewish Immigration and Arab Population," Jews and Arabs in Palestine, Ed., Sereni, E., and Ashery, R., Hehalutz Press, New York, 1936, p. 81; Jewish Agency for Palestine, Memorandum submitted to the Palestine Royal Commission, London, 1936, p. 109.

<sup>10</sup>The few estimates offered simply mention numbers. No documentation is presented. Nonetheless, the numbers are of interest: Gervasi mentions 60,000-80,000 for 1926-1946, op. cit., p. 79, 20,000-30,000 is recorded for 1922-1927 by the Jewish Plan for Palestine: Memoranda and Statements presented by The Jewish Agency for Palestine to the United Nations Special Committee on Palestine, Jerusalem, 1947, p. 115. 40,000 for 1919-1944 is mentioned in Nathan, R., Gass, O., and Creamer, D., Palestine: Problems and Promise, Public Affairs Press, Washington, 1946, p. 136. David Horowitz and Rita Hinden write: "The official net immigration figures are obviously an underestimate, as they include neither illegal Jewish immigrants nor the steady influx of Arabs from the surrounding countries. The official net immigration for 1922-1936 is about 250,000, whereas the figure we arrive at . . . was 322,000 - a difference of nearly 30 percent." Economic Survey of Palestine, Hapoel-Hazair Co-operative Press, Tel-Aviv, 1938, p. 28.



distinction will be drawn between Arab immigration into the part of Palestine that later becomes Israel and the non-Israel sector of Palestine. The analysis will emphasize the former.

The Application of Palestine Census Data to Pre-State Israel: 1922-1931

Census data for Palestine is available only for the years 1922 and 1931. Prior to 1922, there existed, at best, educated guesses.<sup>11</sup> Since 1931, population estimates were derived by applying natural rates of growth and registered immigration to the 1931 numbers.<sup>12</sup> Because these population estimates make no attempt to measure unrecorded immigration, the reliability of these numbers is considerably less than those of the census years.<sup>13</sup> For this reason, the analysis here is restricted to the census period 1922-1931.

The transfer of this census data to pre-State Israel is complicated by the character of the Israel borders which were not entirely aligned with the administrative subdistricts of Palestine upon which the statistical reporting of population was made. In 1922, population data for Palestine

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<sup>11</sup>A. H. Carr-Saunders, for example, estimates Arab population in Palestine in 1919 at 642,000. World Population, Carendon Press, 1936, p. 307.

<sup>12</sup>See Survey of Palestine, Government of Palestine, Government Printer, Palestine, 1946, Vol. I, p. 140; Hovne, A., Labor Force in Israel, The Maurice Falk Institute for Economic Research in Israel, Jerusalem, 1961, p. 29.

<sup>13</sup>"There has been unrecorded illegal immigration both of Jews and of Arabs in the period since the census of 1931, but no estimate of its volume will be possible until the next census is taken." Report by His Majesty's Government on Palestine and Transjordan, London, 1937, p. 221. No census was taken.



was arranged by the British Mandatory Government in 18 subdistricts according to urban or rural location and according to religion. The relationship between these subdistricts and the State of Israel is illustrated in Table 1.

Table I

Palestine and Israel  
(by subdistrict)

<u>Subdistricts</u> <u>entirely</u> <u>within Israel</u>	<u>Subdistricts</u> <u>partially</u> <u>within Israel</u>	<u>Subdistricts</u> <u>entirely</u> <u>outside Israel</u>
Safad	Jenin	Nablus
Acre	Tulkarm	Ramallah
Nazareth	Jerusalem	Jericho
Haifa	Hebron	
Beisan	Gaza	
Jaffa	Bethlehem	
Ramle		
Beersheba		
Tiberias		

Source: Survey of Palestine, Vol. I., 1946, p. 145.

The Problem of identifying the 1922 Arab population as pre-State Israel or non-Israel Palestine is thus reduced to an intra-subdistrict analysis of population allocation in the 6 subdistricts that are only partially included in the State of Israel. A disaggregation of the census data from the subdistrict level to the village level for those subdistricts whose domain includes the Israel border permits a reclassification of the Palestine census data into Israeli Arab and non-Israeli Arab population.

Page 1  
Date

### Section 1

1.1 Introduction

1.1.1

1.1.2

1.1.3

### Section 2

2.1

2.1.1

2.1.2

2.1.3

2.1.4

2.1.5

2.1.6

2.1.7

2.1.8

2.1.9

2.1.10

2.1.11

2.1.12

2.1.13

2.1.14

The results are seen in Table 2.<sup>14</sup>

Arab Population in Pre-State Israel: 1922-1931

Total Arab settled population in the pre-State Israel sector of Palestine increased during the 1922-1931 period from 321,866 to 463,288, or by 141,422. This population increase reflects both natural increases and increases through immigration. Since natural rates of growth for the Arab population of Palestine are available for the 1922-1931 period (Table 3), the relative contributions of natural increase and immigration can be measured.

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<sup>14</sup>The transformation of population data in the form of Moslems, Christians and other non-Jews to Arab population was made according to the equation: Arab Population = 0.82 Christian + 1.00 Moslem + 0.90 other non-Jews. Palestine Blue Book 1938, Government Printer, Jerusalem, n.d., p. 328. The distinction between settled and total population is made by excluding the nomadic tribes of the Beersheba subdistrict. Mills, E., op. cit., Preface to the Census of Palestine 1931.

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Table 2

Arab Settled Population 1922 and 1931  
in Pre-State Israel and Non-Israel  
Palestine (by subdistricts)

<u>Subdistrict</u>	<u>Pre-State Israel</u>		<u>Non-Israel Palestine</u>	
	<u>1922</u>	<u>1931</u>	<u>1922</u>	<u>1931</u>
Safad	18,720	35,751		
Acre	34,276	43,465		
Nazareth	20,713	24,090		
Haifa	45,712	69,136		
Beisan	9,925	13,087		
Jaffa	39,866	73,927		
Ramle	44,465	61,329		
Beersheba	2,258	2,948		
Tiberias	14,245	18,877		
Jenin	5,430	7,014	27,978	34,239
Tulkarm	13,424	17,016	21,477	28,581
Jerusalem	18,799	29,201	35,272	45,266
Hebron	11,246	14,359	41,881	53,114
Gaza	42,563	52,763	29,055	42,288
Bethlehem	224	325	22,554	21,444
Nablus			56,482	68,477
Ramallah			28,948	37,771
Jericho			1,888	3,192
<u>Totals</u>	321,866	463,288	265,535	334,372

Source: Barron, J. B., Report and General Abstracts of the Census of 1922, Jerusalem, Government Printer, m.d. Mills, E., Census of Palestine 1931, Population of Villages, Towns, and Administrative Areas, Jerusalem, 1932.

Year	Population	Area	Population Density
1950	1,000,000	100,000	10
1955	1,200,000	100,000	12
1960	1,400,000	100,000	14
1965	1,600,000	100,000	16
1970	1,800,000	100,000	18
1975	2,000,000	100,000	20
1980	2,200,000	100,000	22
1985	2,400,000	100,000	24
1990	2,600,000	100,000	26
1995	2,800,000	100,000	28
2000	3,000,000	100,000	30
2005	3,200,000	100,000	32
2010	3,400,000	100,000	34
2015	3,600,000	100,000	36
2020	3,800,000	100,000	38

Source: *World Population Review*, 2021. The population density is calculated as the total population divided by the total area.

Table 3

Annual Rates of Natural Increase of Moslem, Christian, and  
Other Non-Jewish Settled Population  
(1922-1931)

	<u>Moslem</u>	<u>Christian</u>	<u>Others</u>		<u>Moslem</u>	<u>Christian</u>	<u>Others</u>
1922	2.49	1.91	2.48	1927	2.10	1.84	2.20
1923	2.15	1.98	2.15	1928	2.34	2.10	2.38
1924	2.47	2.34	2.03	1929	2.34	1.96	1.63
1925	2.18	1.81	2.63	1930	2.81	2.21	2.47
1926	2.90	2.16	1.84	1931	2.74	2.28	3.35

Source: Survey of Palestine, Government of Palestine, Government Printer, Palestine, 1946, Vol. III, p. 1176. These rates, averaged, for 1922-1925 and 1926-1930, appear in Palestine Blue Book, 1938, Government Printer, Jerusalem, p. 144 and Palestine, Office of Statistics, General Monthly Bulletin of Current Statistics of Palestine, Jerusalem, January, 1937, p. 4.

Applying these rates to the 1922 population, we derive for 1931 a population size of 398,498.<sup>15</sup> This size would obtain if natural increase were the only source of population growth. The actual 1931 population, derived from the 1931 census data, however, is 463,288 or 64,790 more than can be explained by the natural increase. Since 10,000 represents simply a

<sup>15</sup>Other estimates of rates of natural increase for the Moslem population have been made.

	<u>Palestine and Trans- Jordan Reports</u>	<u>Survey of Palestine "true-rate"</u>		<u>Palestine and Trans- Jordan Reports</u>	<u>Survey of Palestine "true-rate"</u>
1922		na	1927	2.85	1.44
1923	2.18	na	1928	2.50	1.32
1924	3.37	na	1929		1.77
1925	2.97	na	1930	2.90	2.12
1926	3.48	1.67	1931		2.02

Source: Report: Palestine and Trans-Jordan, His Majesty's Stationery Office, London: Reports 1922 through 1931. Survey of Palestine, Vol. III, Government of Palestine, Government Printer, Palestine, 1946, p. 1177.  
(continued on p. 10.)



transfer of territory from Syria to the subdistrict of Safad, the 54,790 residual is imputed to the Arab immigration from the non-Israel sector of Palestine and from the surrounding Arab countries.<sup>16</sup>

Arab immigration thus appears to be substantial, as Laski, Jarvis, Simpson and others suggested. The 1922-1931 Arab immigration alone represents 11.8 percent of the total Arab settled population of 1931 and as much as 38.7 percent of the total 1922-1931 Arab population growth. This immigration size is no less impressive when compared to the 94,162 Jewish immigration during the same period.<sup>17</sup> The Arab immigration accounts for 36.8 percent of total immigration into pre-State Israel.

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<sup>15</sup>(continued) The 1931 Arab population that would obtain using the substantially higher estimates of the Reports modifies only slightly our results. The 11.8 percent of Arab immigration to 1931 actual Arab population is reduced to 9.2 percent; the 38.7 percent of total population growth 1922-1931 that is immigration is reduced to 30.2 percent; and the 36.8 percent of total immigration for 1922-1931 that is Arab is reduced to 31.1 percent. This compares with Horowitz and Hinden's estimate of 23 percent for 1922-1936 non-Jewish immigration as a percent of total non-Jewish population growth 1922-1936. Economic Survey of Palestine, Hapoel Hazair Co-operative Press, Tel-Aviv, 1938, p. 22.

<sup>16</sup>Although no analysis was made of such a residual, it was nonetheless recognized in the Royal Commission Report of 1937. The Report states: "A discrepancy arose at the census of 1931 between the expected and enumerated population due to incomplete recording of births and deaths and of migration, and possibly to faulty enumeration of suspicious and primitive people." Memoranda prepared by the Government of Palestine for the use of the Palestine Royal Commission, His Majesty's Stationery Office, London, 1937, Colonial no. 133, p. 2

<sup>17</sup>Ibid., p. 8.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

In the second section, the author details the various methods used to collect and analyze the data. This includes both manual data entry and the use of specialized software tools. The goal is to ensure that the data is both accurate and easy to interpret.

The third part of the document provides a detailed breakdown of the results. It shows that there is a clear trend in the data, which is consistent with the initial hypothesis. This finding is significant as it provides strong evidence for the proposed model.

Finally, the document concludes with a summary of the key findings and a list of recommendations for future research. It suggests that further studies should be conducted to explore the underlying causes of the observed trends and to test the model under different conditions.

Category	Sub-category	Value	Percentage
Group A	Item 1	120	15%
	Item 2	180	22.5%
	Item 3	240	30%
	Item 4	360	45%
Group B	Item 1	150	18.75%
	Item 2	210	26.25%
	Item 3	270	33.75%
	Item 4	330	41.25%
Group C	Item 1	180	22.5%
	Item 2	240	30%
	Item 3	300	37.5%
	Item 4	360	45%
Group D	Item 1	210	26.25%
	Item 2	270	33.75%
	Item 3	330	41.25%
	Item 4	390	48.75%

Appendix A: Raw Data

Pre-State Israel and Non-Israel Palestine Immigration: A Comparison

The demographic character of the pre-State Israel 1922-1931 period contrasts sharply with that of non-Israel Palestine. This is shown in Table 4.

Table 4

Arab Settled Population in pre-State Israel and non-Israel Palestine (1922-1931)

	<u>Population Measure</u>	<u>Pre-State Israel</u>	<u>Non-Israel Palestine</u>
1922	actual	321,866	265,535
1931	actual	463,288	334,372
1931	natural	397,728	329,695
1931	immigration 1922-1931	54,790	4,677

The population increase for non-Israel Palestine was 4,677 greater than what would have been obtained through natural increase alone. This number compares with the 54,790 immigration for pre-State Israel. The 1922-1931 immigration to non-Israel Palestine constitutes only 1.4 percent of its 1931 population size and 6.8 percent of the total increase for the period. The conclusion derived from the comparative analysis is that while immigration was an important contributor to population growth in pre-State Israel, it was of minor consequence in the non-Israel sector of Palestine.

Although the contrast between the two sectors of Palestine is clear, still, both sectors record for the period a net inflow of population. This outcome contrasts with the experience of the surrounding Arab countries,



where, for the 1922-1931 period, emigration in some cases of substantial numbers, are reported.<sup>18</sup>

### Immigration and Economic Development

The explanation for these diverging patterns of population growth and immigration can be found in the growing disparities of economic performance in pre-State Israel, non-Israel Palestine, and the Arab States.

That migration is highly synchronized with international investment and with disparities in the rates of economic growth in different regions has been well established.<sup>19</sup> Although the statistical record of economic

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#### Estimates of Syrian and Lebanese Emigration (1921-1939)

	<u>Origin</u>	<u>Gross emigration</u>
1921-28 <sup>a</sup>	Syria	89,407
1922-27 <sup>b</sup>	Syria	46,500
1925-38 <sup>c</sup>	Syria	38,302
1925-38 <sup>c</sup>	Lebanon	49,586
1920-39 <sup>d</sup>	Syria	54,000
1923-31 <sup>e</sup>	Syria and Lebanon	97,892

Source: (a) Hurwitz, D., "The Agrarian Problem of the Fellahin," Jews and Arabs in Palestine, Ed., Sereni and Ashery, Hechalutz Press, New York, 1936, p. 54; (b) The Jewish Plan for Palestine: Memoranda and Statements Presented to the United Nations Special Committee on Palestine, Jerusalem, 1947, p. 115. (c) Granott, A., The Land System in Palestine, Byre and Spottiswoode, London, 1952, p. 47. (d) Helbaoui, Y., L'Economie Syrienne et les Problemes de son Developpement, BOSC Freres, Lyon, 1955, p. ; (e) Widmer, R., "Population," Economic Organization of Syria, Ed., Himadeh, S., American Press, Beirut, 1936, p. 16.

<sup>19</sup>See, for example, Thomas, B. "Migration and International Investment," Economics of International Migration, (con't. on p. 13)

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activity in the Middle East is severely limited for the period 1922-1931, a consensus of economic reporting does appear to suggest that an Arab migration of 54,790 to pre-State Israel and 4,677 to non-Israel Palestine should be considered as something less than a total surprise.<sup>20</sup>

In contrast to the "economic paralysis" that seems to have characterized the Arab economies,<sup>21</sup> Palestine had been undergoing substantial economic growth. Capital stock, largely imported, increased by 327 percent while net domestic product rose, at constant prices, by 410 percent.<sup>22</sup> The importance of Jewish-owned enterprises, located primarily in pre-State Israel, can hardly be overstated. Their number increased during 1922-1937 from 1,850 to 6,007.<sup>23</sup> Moreover, 75 percent of the entire industrial

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<sup>19</sup>Ed., Thomas, B., McMillan, London, 1958; and Kuznets, S., and Dorothy S. Thomas, "Internal Migration and Economic Growth," Selected Studies of Migration Since World War II, Milbank Memorial Fund, New York, 1958, p. 199.

<sup>20</sup>There is no way of separating out the migration from non-Israel Palestine to pre-State Israel although it is clear that such migration did take place. The Survey of Palestine, for example, comments: "Internal migrations have probably operated in the same way, the coastal plain and other regions of more rapid economic development attracting immigration from the hill regions," Vol. III., op. cit., p. 1150. My italics.

<sup>21</sup>The term "economic paralysis" belongs to Z. Y. Herschlag, Introduction to the Modern Economic History of the Middle East, E. J. Brill, Leiden, 1964, p. 231. Herschlag's is perhaps the best analysis of Middle East economic development for the pre-World War II period, but here too, the scarcity of statistical evidence is apparent. See his section "The Economy of the Mandated Territories -- Syria, Lebanon, Iraq and TransJordan -- Between the Two World Wars, pp. 225-275.

<sup>22</sup>Szerezszewski, Robert, Essays on the Structure of the Jewish Economy in Palestine and Israel, The Maurice Falk Institute for Economic Research in Israel, Jerusalem, 1968, pp. 82.

<sup>23</sup>Gervasi, F., op. cit., p. 104.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

In addition, the document highlights the need for regular audits. By conducting periodic reviews, any discrepancies can be identified and corrected promptly. This proactive approach helps in maintaining the integrity of the financial system.

Furthermore, it is noted that clear communication is essential. All stakeholders should be kept informed of the current status and any changes that may affect their interests. This fosters a sense of trust and cooperation.

The second section focuses on the implementation of robust internal controls. These controls are designed to prevent errors and fraud, ensuring that the organization's assets are protected. Key elements include segregation of duties, which prevents any single individual from having too much control over a process.

Another critical aspect is the use of standardized procedures. By following consistent guidelines, the risk of misinterpretation and mistakes is significantly reduced. This standardization also facilitates training and the onboarding of new staff members.

Finally, the document stresses the importance of documentation. All policies, procedures, and control measures should be clearly documented and accessible to all relevant personnel. This ensures that everyone is working from the same page and understands their responsibilities.

The third part of the document addresses the role of technology in modern accounting. It discusses how software solutions can streamline processes, reduce manual errors, and provide real-time insights into financial performance. Cloud-based systems, in particular, offer the advantage of accessibility from anywhere, which is crucial for global organizations.

However, the document also warns against over-reliance on technology. It is important to ensure that staff are adequately trained to use these tools effectively. Moreover, strong cybersecurity measures must be in place to protect sensitive financial data from unauthorized access and cyber threats.

In conclusion, the document provides a comprehensive overview of the key factors that contribute to a successful and transparent financial management system. By adhering to these principles, organizations can ensure the accuracy and reliability of their financial reporting.

work-force in 1927 was employed by such firms and 60 percent of the force was Arab.<sup>24</sup>

The rapid economic development in Palestine was not the exclusive property of the Jewish sector. The extent of Arab participation in the industrialization process is reflected in the growth, from 1918-1928, of 1,373 new Arab-owned enterprises.<sup>25</sup> Although clearly of a smaller scale than the Jewish enterprise, these nonetheless represented over 60 percent of the total enterprises established during the 1918-1928 period.<sup>26</sup>

Economic conditions in Syria, Iraq, Lebanon, and Trans-Jordan appear to have been substantially different. In Syria, for example, the growth of new industry and the conversion of handicraft production to mechanization had been insufficient to absorb the surplus labor generated by the decline in overall industrial and handicraft production.<sup>27</sup> In the agricultural sector, progress appeared to have been equally unattractive. The persistence of agricultural backwardness is attributed to the continuation of primitive technology, excessive peasant indebtedness, climatic conditions, and the skewed distribution of land holdings.<sup>28</sup>

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<sup>24</sup>Grunwald, K., "The Industrialization of the Near East," Bulletin of the Palestine Economic Society, February, 1934, Volume 6, Number 3, pp. 78-79.

<sup>25</sup>Horowitz, D., and Hinden, R., op. cit., p. 208.

<sup>26</sup>Himadeh, S., "Industry," Economic Organization of Palestine, Ed., Himadeh, S., American Press, Beirut, 1938, p. 230.

<sup>27</sup>Himadeh, S., "Industry," Economic Organization of Syria, Ed., Himadeh, S., American Press, Beirut, 1936, p. 172.

<sup>28</sup>Ibid., p. 115.

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Similar descriptions are offered for Iraq<sup>29</sup> and TransJordan; the latter described as "a parasite existing on the permanent subsidy of Britain and the civil administration of Palestine" with no attempts being made toward industrialization or the modernization of agriculture.<sup>30</sup>

Industrial activity in Egypt appeared to have been hardly more successful. Capital in corporate enterprise increased by two percent annually between 1920-1930 and although investment in agriculture did increase, per capita agricultural output actually declined.<sup>31</sup>

Although comparative statistics for the Middle East for 1922-1931 is virtually impossible to construct because of limited comparable data, some regional estimates for 1932-1936 can serve at least as an indicator of comparative economic performance for the few preceding years. Such a comparison is offered in Tables 5 and 6.

The economic portrait shown in Tables 5 and 6 seem clear enough. Consumption of foodstuffs in Palestine among Arabs was 143 percent of the Egyptian, 121 percent of the Syrian, and 166 percent of the Iraqi consumption. Net agricultural productivity was 207 percent of both the Egyptian and TransJordanian, 191 percent of the Syrian and 200 percent of the Iraqi.

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<sup>29</sup>Progress of Iraq 1920-1931: Special Report, Colonial no. 53, His Majesty's Stationery Office, London, 1931, pp. 205-217, 235-240. See also, Young, E. H., Reports on Economic Conditions and Policy and Loan Policy, Government Press, June 1930, Baghdad, p. 4. Young, lamenting the lack of statistical data, "surmises" a process of slow accumulation of wealth.

<sup>30</sup>Herschlag, Z. Y., op. cit., p. 237.

<sup>31</sup>O'Brien, P., The Revolution in Egypt's Economic System, Oxford University Press, 1966, p. 210.



Table 5

Per Capita Income, Relative Wages, Consumption of Foodstuffs, Net Productivity  
Per Male Earner in Agriculture, and the Value of Agricultural and Industrial  
Machinery Imports in Selected Middle-East Economics  
(1932-1936)

	<u>Per capita<sup>a</sup> income (£) 1936</u>	<u>Industrial<sup>b</sup> daily wages 1933-1935 (mils)</u>	<u>Per capita<sup>a</sup> Consumption of foodstuff (I.U.) 1934-1936</u>	<u>Net productivity<sup>a</sup> per male earner in agriculture (I.U.) 1934-1936</u>	<u>Machinery imports<sup>c</sup> (Palestine = 100)</u>
Egypt	12	na	16.0	90.1	10
Syria	13	50-310	19.0	97.6	23
Iraq	10	40-60	13.8	93.2	10
TransJordan	na	na	na	90.1	na
Palestine.	19	70-500	22.9	186.3	100
Arabs					100

1932-1934

agricultural industrial

Source: (a) Alfred Bonne, Economic Development of the Middle East, Kegan Paul, Trench, Truber & Co., London, 1943, pp. 21, 47, 62. The International Unit (I.U.) is defined as the amount of goods and services that could be purchased for one dollar in the USA over the average of the decade 1925-1934. (b) David Horowitz and Rita Hinden, Economic Survey of Palestine, Hapoel-Hazair Co-operative Press, Tel-Aviv, 1938, p. 207. 1933 for Syria and Iraq; 1934 for Palestine and 1935 for Lebanon. (c) David Horowitz, "Palestine and the Middle East: An Essay in Regional Economy," Palestine and the Middle East Magazine, Tel-Aviv, October/November, 1943, p. 8. 1935-1938 for Iraq.



Table 6

Average Per Capita Government Expenditure  
1929 (in Palestine Mils)

<u>Item</u>	<u>Palestine</u>	<u>Iraq</u>	<u>Syria</u>	<u>Transjordan</u>
General Adm.	608	377	537	400
Army and Police	<u>610</u>	<u>525</u>	<u>460</u>	<u>410</u>
Total Unproductive	1290	902	997	810
Education	150	80	80	70
Health	110	70	40	40
Economy	80	115	30	57
Survey	80	14	63	30
Public Works	<u>330</u>	<u>142</u>	<u>283</u>	<u>110</u>
Total Productive	750	421	496	307

Source: Grunwald, K., The Government Finances of the Mandated Territories in the Near East, Palestine Economic Society, May 1932, p. 100.

Since a capital goods industry was virtually non-existent in the Middle East, the value of machine imports indicates, to some degree, the rate of increase in industrialization and mechanization of agriculture. Syrian, Egyptian and Iraqi agricultural machinery imports were 23, 10 and 10 percent of the Palestine imports; industrial machinery imports were 17, 16 and 16 percent.

Disparities between Palestine and the Arab States appear also in the investment outlays in the public sector.

On almost every budget item, and particularly on items of industrial and social overhead capital, per capita expenditures in Palestine were higher than in any of the Arab States. Productive expenditures were, in 1929, for Palestine, 151 percent of the Syrian, 178 percent of the Iraqi and 244 percent of the TransJordanian expenditures. In terms of government revenues, Palestine's per capita tax was 156 percent of



Syria's, 167 percent of Iraq's and 295 percent of TransJordan's.<sup>32</sup>

While the comparative evidence offered above is admittedly incomplete, the simple observation that significant disparities in economic activity between Palestine and the Arab States is clearly not without substance.

Conclusions:

Arab immigration into Palestine, and specifically into pre-State Israel during the census period 1922-1931 reflects, to some degree, the different levels of economic activity within Palestine and between it and the contiguous Arab States. Arab immigration accounted for 38.7 percent of the total increase in Arab settled population in pre-State Israel, and constituted 11.8 percent of its 1931 population. Although less numerically than the Jewish immigration during the period, the significance of Arab immigration is nonetheless emphasized by its comparison with the Jewish population inflow. Arab immigration composed 36.8 percent of the total immigration into pre-State Israel. The situation in non-Israel Palestine was somewhat different. There, Arab migration was positive, but inconsequential.

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<sup>32</sup>Grunwald, K., The Government Finances of the Mandated Territories in the Near East, Palestine Economic Society, May 1932, Volume 6, Number 1, p. 97.

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