

Journal of Economics and Sustainable Development ISSN 2222-1700 (Paper) ISSN 2222-2855 (Online) Vol.8, No.9, 2017



# The Syrian Conflict and Its Effect on the Real Local Production Growth and Unemployment in Jordan

Dr. Adnan A. Thiabat<sup>1</sup> Dr. Mohammad N. Almarshad<sup>2</sup>

1,2</sup> Al Balqa'a Applied University, Princess Alia University College, Jordan.

#### Abstract

The study aims at identifying the Syrian conflict, and its effect on the Jordanian real local production growth. It also aims at identifying the influence of the Syrian refugee crisis on both the Jordan labor market, and unemployment. The study makes an effort at clarifying the state and the challenges of the Jordan market as a result of the migration of the Syrian workers. To achieve the purpose of this study, it follows the methodology that represents the information source and the total numbers of the local production, growth and unemployment. The Okun Law that clarifies the relation between the growth in the real local production and unemployment has been applied.

The study has achieved that the effect of the Syrian crisis was as the following:

- 1- It entirely affects the local production growth by reducing the whole numbers of production.
- 2- It generally affects the unemployment proportion as a result of reducing the national indicators.
- 3- The number of male Syrian refugees who affected the Jordan market was larger than female number.

The study has come up with some important recommendations like finding developmental plans compatible with the Syrian conflict, encouraging the national employment, and triggering the legal framework in confronting the illegal employment in the light of growth stability in the local production at the level of 2.5%.

**Key words:** The Syrian conflict, the real local production, unemployment, Okun law

#### Problem of the study

The problem of unemployment is one of the most important problems facing the third world, and a clear challenge to economic development plans. Unemployment is one of the economic problems that affects the economy as a whole and society at the same time and has many reasons. And finding the right solutions comes from finding the most effective cause of raising it. Any state is different from the other by a real reason for the high rates of unemployment.

Jordan is one of those countries that suffer from high unemployment, and find a real problem in solving it. Perhaps what distinguishes the problem is that at every stage the direct cause was different. In earlier periods, the embargo imposed on Iraq and its consequences on the Jordanian economy, which leads to unemployment in Jordan. Then the Iraq war came, the beginning of the global financial crisis and its repercussions until we reached the Arab Spring and its volatility, the beginning of the Syrian crisis, its impact on real GDP growth and the impact of refugees on the Jordanian labor market.

The problem of the study is highlighted by the following questions:

- 1. Has the Syrian conflict affected real GDP growth in Jordan?
- 2. Does real GDP growth affect unemployment in Jordan?
- 3. Have Syrian refugees affected male and female unemployment in Jordan?
- 4. Is competition between Syrian and Jordanian workers fair?

# Significance of the Study

The period of the Syrian conflict has become a reality for the Jordanian economy, and dealing with its economic effects is no less important than the search for a solution to this conflict. Jordan, for historical and geographic reasons, was the largest burden of the neighboring countries to bear the burden of this crisis. And the fact that the economic situation in Jordan was difficult before the crisis because after it the situation became more difficult, especially as Jordan suffers from the problem of unemployment, which is a clear challenge facing the government and the people of Jordan "with limited resources and debt which is not few.

## The Objectives of the Study

- 1. Identify the impact of the Syrian conflict on Syrian-Jordanian trade exchange.
- 2. Identify the growth of Jordanian GDP in the period of the Syrian conflict.
- 3. Explain the impact of the Syrian conflict on unemployment in Jordan.
- 4. Explain the impact of real GDP growth rate on unemployment according to the Okun law.
- 5. To clarify the components of labor in the Jordanian market.
- 6. The impact of Syrian refugees on unemployment in Jordan.



#### Methodology of the study

Based on the nature of the study and its objectives, the descriptive approach was chosen to analyze the relations between the Syrian crisis and unemployment in Jordan and the growth of the GDP. Data were collected from the official reports. On the analytical side, the Okun law was applied in the relationship between real economic growth of GDP and unemployment.

The following figure illustrates the impact of the Syrian problem on the Jordanian economy and unemployment:



#### **Previous studies**

A study by Jabara Abdullah (2006) entitled "Unemployment among graduates, possible causes, security implications and proposed solutions", showed that low levels of wages and increase in foreign workers have negatively affected the emergence of social lesions from drugs, fraud, theft, and alcohol abuse.

In Taris (2002) study "The relationship of unemployment to mental health", in which he stressed that unemployment negatively affects mental health and that mental health can affect the person's view of work and the manner and duration of the search for work.

In the study of David A. Penn, et al. (2002) the Labor Force of the Lincoln County Area in Central Oklahoma, the study found that the most prominent group of labor-intensive labor force workers is among those looking for work The majority of those looking for another job are ready to increase their productivity at work, in return for increasing their wages by 10% to 15%. The smallest group among the study sample is those who wish to change their work or looking for another job.

The study of Abu Laila (2007) shows the psychological and social effects of the families of war victims, the study shows the impact of wars and conflicts on the social and psychological conditions of women, as well as the psychological and social effects of migration and displacement on families because of life difficulties.

In the Shteiwi study (2007), "The Impact of War and Armed Conflict on the Living Life of the Arab Family", the study examined the impact of war and conflict on living life and the high risks of displacement, killing and destruction, and their impact on living conditions, Their impact on family income and unemployment, the health and educational conditions of the family, and the changing role of the family, especially the role of women.

In the Faraj study (2009), entitled "Refugee Rights in Islamic Law and International Law," the focus of this study revolves around the position of Islam and the teachings of Islamic law and its provisions to consider its position on the issue of refugees and their rights. The researcher concluded that the refugee should be treated according to Islamic law and the human nature that tends to right and justice.

In the study of Taleb (2009) which aimed to measure the impact of economic growth, inflation, population growth and capital on unemployment rates in the Jordanian economy, the study reached several results, including: a strong inverse relationship between the unemployment rate and the economic growth rate in the long term, the existence of a relationship between the rate of unemployment and population growth, but the rate of inflation, which is one of the most important macroeconomic indicators did not have any relationship with statistical significance with the unemployment rate.

In the study of Haddad (1995), this study aimed at determining the impact of returnees due to the Gulf crisis in 1990 on unemployment in Jordan. The study showed that there is an impact on the unemployment rates in Jordan due to the return of returning expatriates due to the Gulf crisis, This is reflected in the increase in unemployment in Jordan, with limited jobs at all levels.

#### What distinguishes this study from other studies

This study is distinguished from the previous studies, which focused on the dual impact of Syrian asylum: *First:* the impact of resorting on real GDP growth, which in turn reflected on the unemployment rates in Jordan according to the Okun law due to the high cost of receiving refugees.

*Second:* the flow of Syrian labor in the Jordanian labor market and its repercussions on unemployment rates in light of unfair competition and the absence of legal control over expatriate workers.



#### The Syrian Conflict

After a relatively short-term democratic and pluralistic rule, "during the First Republic, the Baath party took power in Syria in a military coup known as March 1963, and another military coup known as the Corrective Movement in 1970 brought the defense minister, Hafez al-Assad, to power. Assad established a strong system based on the internal security grip and a series of external alliances, "which ensured him to be the country's longest-serving ruler since the demise of the Ottomans. He was elected in four states. The constitution, which he had given wide powers, ensured that the Baath party was the" leading party of the state and society "he changed his beliefs and ideas to a part of state institutions Curriculum and monopoly of senior positions, and a series of other privileges with a near absence of political or economic freedoms or even civil society organizations.

On July 10, 2000, Bashar al-Assad became president after a constitutional amendment to allow him to run in general. Throughout the 14 years Bashar al-Assad was in power, the regime was maintained in terms of the role of the Baath party in the "leadership of the state and society" Control of the media, the absence of political opposition on the ground and in institutions, the prevention of demonstrations and restrictions on the establishment of parties, associations and civil society institutions.

Although the country is changing from the socialist model to the market economy, which has achieved growth "contributed to the improvement in the income rate, the economy has suffered great pains. According to official statistics published in the National Human Development Report in 2005, 41.5% of total citizens below the poverty line, the society also suffer from a very large economic gap between the middle class and the wealthy class.

The Syrian revolution is an event that began in the city of Daraa, where the security forces arrested 15 children following slogans calling for freedom, and demanding the overthrow of the regime on the wall of their school on February 26, 2011. In the midst of that there was a call to demonstrate on Facebook in a page no one knew who was behind it, a group of activists responded to it, and this demonstration included figures from different regions such as Homs, Daraa and Damascus. The protests against tyranny, repression, corruption and suppression of freedoms, the arrest of children of Daraa and the humiliation of their relatives according to the Syrian opposition, while the supporters of the regime as a conspiracy to destroy the resistance and Arab opposition, and spread chaos in Syria for the benefit of Israel in the first place, By calling on Facebook in an unprecedented challenge to the rule of Bashar al-Assad affected by the wave of mass protests (known as the Arab Spring), which broke out in the Arab world.

The protests against President Bashar al-Assad and his family, which has been ruling the country since 1971 under the cover of the Arab Baath Socialist Party, led the protests. They called for political, economic and social reforms and raised the slogan: "God, Syria, freedom and so forth." But Syrian security and intelligence forces and pro-regime militias (known as Shabihah) faced with live bullets; the slogan became "the people want to overthrow the regime." While the Syrian government announced that these incidents of the implementation of militants and terrorists would destabilize national security and the establishment of an Islamic emirate in some parts of the country, which was the real start of the so-called Syrian revolution.

### **Economic Impacts**

The Syrian crisis has played a major role in the decline of the Syrian economy at the micro and macro levels. At the macroeconomic level, the volume of gross domestic product (GDP) at constant prices for 2010 dropped to US \$ 33.45 billion from US \$ 60.19 billion in 2010, Inflation has also become during the year 2013, 89.62% from 4.4% in 2010.

The Syrian Observatory for Human Rights (2014 data) confirmed the death, of 2,10060 people since the beginning of the Syrian revolution on March 18, 2011, the date of the first martyr in Daraa governorate until 05/2/2015. However, the Syrian Observatory for Human Rights indicate that these statistics do not include the fate of more than 20,000 people missing in the detention camps of the regime's forces and security services, and thousands of others who lost during the storming and massacres of the regime and its loyalists in several areas of Syria. And its loyal gunmen, more than 2,000 were killed as more than a million and a half were injured, Syria has suffered various injuries and permanent disabilities, and displaced more than half of the Syrian people, between the areas of asylum and displacement, and destroyed the infrastructure and private and public property.

### Number of refugees in Jordan

According to official statistics released by the Interior Ministry's Department of Camp Affairs, the number of Syrians in Jordan before and after the crisis is around 1.7 million, beginning with 2015, of whom 750,000 were in the Kingdom before the crisis on March 15, 2011. This includes those registered in the Za'tari, Marjib al-Fohoud and Ramtha camps, and that refugee status applies to all those who hold the UN High Commissioner for Refugees card that protects and preserves their rights until they return voluntarily to their countries in which they came out as refugees because of war and inhuman treatment in their country.

This definition falls under the 1951 Convention relating to the Status of Refugees, which is the main document



defining the rights, duties and obligations of the host country.

The cost of hosting a single refugee is about 2500 dinars a year, with the United Nations and donor countries bearing the bulk of them.

Jordan is a country that has committed itself to all the covenants and conventions relating to human rights and refugee issues. Jordan has fully abided by the International Covenant on Civil and Political Rights, as well as the International Covenant on Economic, Social and Cultural Rights (ICESCR). Jordan has fully ratified these covenants and related conventions to include all residents on its territory, giving full rights.

In late 2002, Jordan established the National Center for Human Rights with an interim law that was ratified and issued as a permanent law in 2006. The Center is a legal entity with financial and administrative independence, which is fully independent of its human rights activities in the political, intellectual and humanitarian fields. With regard to refugee issues, Jordan signed a memorandum of understanding (MoU) with UNHCR in 1997 setting out the mechanism for dealing with refugee matters as well as the persons covered by UNHCR. International protection and humanitarian assistance for refugees as well as other persons under its care in the Hashemite Kingdom of Jordan except for Palestinian refugees "for the existence of a commission for Palestinian affairs in Jordan.

The main provisions of the memorandum of understanding referred to here, refer to the definition of a refugee in accordance with international norms, the agreement that no refugee should be expelled and accepted by the UNHCR, the necessity of the refugee's compliance with laws, regulations and measures to maintain public order in the Kingdom, Including voluntary repatriation of the mother country or resettlement in a third country, provided that the temporary stay does not exceed six months. In addition, there are articles on freedom and human rights, refugees, religious and ethnic rights, self-employment and free professions, and exemptions from fines for refugees. The agreement also stipulates that "the Office of the High Commissioner shall continue to provide the cost of living from accommodation, meals and treatment, in accordance with the established rules of the Commission". In its last article, the Convention also refers to situations where there is a sudden influx of refugees and the commitment of the parties to cooperate fully in such situations, in particular rapid response to emergencies and a common mechanism for dealing with the requirements of food, water and sanitation, shelter and health services and refugee security and protection. In the framework of the foregoing, Jordan's handling of the issues of the right of peoples to self-determination, including their political rights and the pursuit of their economic, social and cultural aspirations, has been committed to the country since its establishment to this day. Jordan with all the issues of refugees and displaced persons since 1948 and through 1967 to the end of things today in the Syrian issue and the issues of Syrian refugees, which is an issue today, as it represents a full commitment to the international covenants.

#### Unemployment

Work is a life and a goal sought by man as a guarantee for the unknown future, the value of man is not determined only by work, and the man loses a lot if as without work, work is worship in the land.

And the livelihood is not only by work, because Allaah says (interpretation of the meaning): "If the prayer is spent, spread in the land and seek the favor of Allaah and remember Allah so much that you may prosper." Verse 10, Surah Al-Jumu'ah.

The eighties witnessed many changes in the economic aspects. These changes were reflected in the increase in economic growth rates in the industrialized countries. The trade exchange rate of Third World countries and industrialized countries increased, and the price of oil declined. This progress was reflected in the economies of some Third World countries, which has rocked the world, high oil prices, the Arab Spring revolutions and the many changes that have swept the world, thus raising the unemployment rate, the lack of the state's ability to provide public services, its budgets and private debts.

#### **Definition of unemployment**

Unemployment in the language: Invalidate the thing, "it went lost, he is also unemployed." Unemployment is the people who are able, willing and seeking work at working age and do not find it during the period of study and usually a year.

Unemployment in the classic school

Classical economists have argued that production is by all means, no idle resources, and believe unemployment is a temporary state. This is a temporary imbalance that the balance forces can easily overcome and restore the national economy to a state of acceptable unemployment from 4% -6%. The idea is that the origin of unemployment is due to the increase in expenditures caused by wage increases. If workers were paid less, the unemployed could be employed.

Unemployment (treasure):

The Keynesian analysis indicates that unemployment is an inherent feature of economic volatility, especially in a



recession that may extend for long periods, if the state does not intervene to raise aggregate demand. Keynes attributes the idea of continuing unemployment for a long time on the grounds that unemployment is part of the factors of production means a drop in aggregate demand. Hence, the state intervention in monetary policy is to solve problems such as inflation or recession.

#### The impact of unemployment on society:

- 1. Psychological aspect: There is nothing heavier on the individual than the sense of material need and assistance from others, especially when the individual is responsible "for a family and the need to secure their needs the more unemployment increased these pressures on society increase.
- 2. The security and political aspect: the human thought between justification and change according to the benefit of the system, unemployed people do not feel the benefit of the system were the nucleuses of the Arab Spring revolutions, hoping to "change". Studies also indicate that there is a relationship between crime and unemployment, because the more unemployment the crime increased, these studies show that theft is the first cause of unemployment, and the decay of the middle class in society.
- 3. Economic side: One of the consequences of the phenomenon of unemployment is the increase in poverty, which is also "an encouraging factor in migration and unemployment is another concept of lost production as some countries have shown the line of hunger.
- 4. The social aspect: This influence is not hidden by any member of society, the increase in the unemployment rate was the first or most important factor in the emergence of social pests suffered by the countries of the world, especially third world countries, the most important crime and deviation and extremism and violence and begging and drug abuse and feeling of citizenship and illegal immigration.

# The impact of the Syrian conflict on the Jordanian economy and its implications for unemployment: The Syrian crisis has affected the Jordanian economy in two main directions:

<u>First:</u> A direct impact on the Jordanian economy by the displacement of a large number of refugees and the subsequent material costs to receive them and direct support from the state Treasury in the establishment of camps for them and receive them in access to health services, education, energy and water and the cost of one Syrian refugee 2500 dinars annually, during the years 2013 and 2014 it amounted to (590.1) million dinars as shown in Table (1). According to the statistics of the International Refugee Organization in the Global Appeal Jordan 2014-2015, the number of refugees who entered Jordan according to the following table was the largest number of Syrians as shown in Table (2).

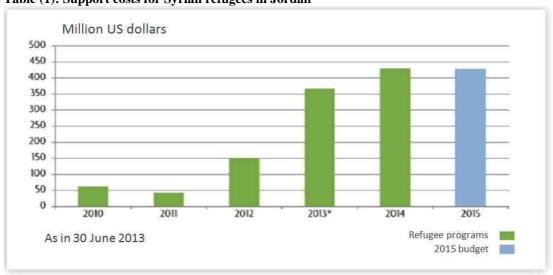


Table (1): Support costs for Syrian refugees in Jordan

Source: International Refugee Organization World Appeal, Jordan 2014-2015



Table (2): The number of Syrian refugees in Jordan

Accommodation	Original home	Total number in	Total number in	Total number in	
type		country	country	country	
		December 2013	December 2014	December 2015	
Refugees	Iraq	24730	23290	20790	
	Syria	1254950	1410520	1324210	
	Other countries	1350	1800	2260	
Seeking refuge	Iraq	1200	1600	900	
	Syria	490	490	490	
	Other countries	790	740	680	
Total		1283510	1438440	1349330	

Source: International Refugee Organization World Appeal, Jordan 2014-2015

And that the budget of the modest International Refugee Organization does not cover the cost of this asylum. The budget allocated for 2010 was \$ 62.8 million and increased to \$ 367.6 million in 2013. As the situation in Syria deteriorated, it reached \$ 430.4 million in 2014.

<u>Second:</u> "The closure of intra-trade and transit trade between Jordan and Syria Economists have pointed out that the Syrian crisis was negatively reflected" on the national economy, especially the private sector, which is linked to the interests of the Syrian private sector through long-term trade agreements and deals, pointing out that Syria's importance lies in being a point Crossing between Eastern European countries and Jordan, where the disruption of the entry of trucks through Syria to Jordan will increase the cost of importing goods to be transported by sea, knowing that the port of Aqaba is the only port of Jordan on the sea.

The implementation of the Okun law on growth in the Jordanian economy and unemployment:

The relationship between real growth and changes in the unemployment rate is expressed by the Okun's Law, which states that the rate of unemployment decreases when economic growth moves at more than 2.5%. Unemployment deficit by 2.5% Growth to 1% The unemployment rate drops by 0.4% when growth increases 1% from 2.5%. This formula is expressed in the following equation:

 $\Delta U = -0.4 (Y - 2.5)$ 

ΔU: Change in unemployment rate

Y: Real output growth rate

Table (3) shows the real growth of Jordanian GDP.

Table (3): Indicators of national accounts of Jordan / million dinars

Indicator	2010	2011	2012	2013
Gross Domestic Product	18.762	20.476.6	21.965.5	23.851.6
(Million JD)				
Gross domestic product at	9.985.5	10.243.8	10.515.3	10.812.8
constant market prices (million				
JD) (1994 = 100)				
GDP growth rate at current	10.9	9.1	7.3	8.6
prices (%)				
GDP growth rate at constant	2.3	2.6	2.7	2.8
prices (%)				

Source: Department of Statistics, Estimates of GDP Indicators at Market Prices and Fixed Prices, 2010-2013.

To apply Okun law on the GDP, we obtain the following table (4):

In 2010 = 0.08% + Increase in unemployment

 $\Delta U = -0.4 (2.3 - 2.5)$ 

In 2011 = 0.04% - Lack of unemployment

 $\Delta U = -0.4 (2.6-2.5)$ 

In 2012 = 0.08% - Lack of unemployment

 $\Delta U = -0.4 (2.7-2.5)$ 

In 2013 = 0.08% - Lack of unemployment

 $\Delta U = -0.4 (2.8-2.5)$ 



Table (4): Jordanian Domestic Product

Year	Growth in real output	Change in unemployment
2010	2.3	+0.08%
2011	2.6	-0.04%
2012	2.7	-0.08%
2013	2.8	-0.12%

It is noted that unemployment rates change slightly due to growth rates of about 2.5%. When comparing the results with actual unemployment rates in Jordan, unemployment is at 12% and the level of deviations is small and is as shown in Table 5:

Table (5): Unemployment Rate in Jordan

Year	Unemployment	Unemployment	Unemployment	Unemployment
	rate in the first	rate in the second	rate in the third	rate in the fourth
	quarter	quarter	quarter	quarter
2010	12.8%	12.2%	13.5%	11.8%
2011	13.1%	13.2%	13.1%	12.1%
2012	11.4%	11.6%	13.1%	12.5%
2013	12.8%	12.1%	14%	11%

Source: Department of Statistics Unemployment Indicators for the years 2010-2013.

Thus, the slow pace of growth is a real effect on the unemployment rate in Jordan, as the Syrian crisis contributed to the lack of real growth in GDP and we do not say that it is the only reason, but one of the main reasons for this slowdown.

#### The Jordanian Labor Market:

Table (6) shows that the private sector has the largest share of employment compared to the public sector and that there is an annual increase in the creation of new jobs in this sector.

Table (6): Number of Jordanian Male Employed Persons Age 15 and over according to Sector, from 2009-2013

Sector	2009	2010	2011	2012	2013
Public	368461	364611	380515	387394	390813
Private	651712	663553	656096	664018	670273
international	4357	4851	4652	4592	4231
organizations					
Total	1024529	1033015	1041263	1056003	1065317

Source: Department of Statistics. Labor Statistics in Jordan 2009-2013, Bulletin of November 2014.

As for Jordanian working women, the figures are much lower, noting the equality between the private and government sectors in employment. This is due to many reasons, especially the specificity of women and the decent work opportunities available in the private sector, as shown in Table (7).

Table (7): The number of Jordanian female workers aged 15 and over according to sector from 2009 - 2014.

Sector	2009	2010	2011	2012	2013
Public	94435	100385	103137	103497	101465
Private	99339	99516	103451	105749	93650
International organizations	2217	3032	3120	2843	2203
Total	195991	202933	209708	212090	197318

Source: Department of Statistics. Labor Statistics in Jordan 2009-2013 Bulletin of November 2014.

For the distribution of labor according to educational level the largest share was of those without secondary education, and the majority of them work in the private sector as shown in Table (8).



Table (8): Number of Jordanian male workers aged 15 and above according to educational level 2009-2013

Educational	2009	2010	2011	2012	2013
level					
illiterate	45203	43111	37926	35636	33400
Professional discipleship	10696	11987	7250	8306	7682
Less than secondary	541980	542619	536049	555589	565286
Secondary	141868	139393	142366	136963	144257
Intermediate diploma	91725	88350	94405	91496	92662
Bachelor	163061	175624	186944	198391	194256
Higher than Bachelor	29996	31931	33323	29622	27774
Total	1024529	1033015	1041263	1056003	1065317

Source: Department of General Statistics. Labor Statistics in Jordan 2009-2013 published by November 2014. For female workers, the highest percentage was for the bachelor's degree. This was due to the fact that the government sector has the largest percentage, especially the education and health sector. It was noted that 42.7% of them work in the education sector and 15.6% in the health and social services sector, as shown in table (9).

Table (9): The number of Jordanian female workers aged 15 and above by educational level 2009-2013

Educational	2009	2010	2011	2012	2013
level					
illiterate	5437	4648	4202	4159	2974
Professional	367	139	33	17	52
discipleship					
Less than	29238	29498	30414	29210	23588
secondary					
Secondary	18943	19140	17326	16375	15654
Intermediate	46418	45268	43832	46598	43250
diploma					
Bachelor	85580	94386	101683	103471	101440
Higher than	10009	9854	12218	12260	10359
Bachelor					
Total	195991	202933	209708	121090	197318

Source: Department of General Statistics, Labor Statistics in Jordan 2009-2013 Bulletin of October 2014.

As for expatriate labor, it has a large share in the Jordanian market, according to statistics prepared by the Jordanian Ministry of Labor, the numbers are higher because statistics estimate the legal number of expatriate workers as shown in Table (10).

Table (10): Number of Legal Expatriates in Jordan

Tuble (10). Humber of Eegar Expatriates in our aun					
Time period	Number of foreign workers with work permits				
2010	298342				
2011	280263				
2012	279798				
2013	286197				

Source: Jordanian Ministry of Labor, Report on "Expatriate Labor 2010-2013".

Table (11) shows that the percentage of unemployed persons in the bachelor's degree and above was (20.8%) compared to (81%) for females. It was as though (52.8%) of the unemployed were secondary school holders and above, (47.2%) of total unemployed had lower educational qualifications than secondary.

Table (11): Number of Unemployed Persons from Jordanians Age 15 Years and over, according to gender, 2009-2013

-00/ -010					
Gender	2009	2010	2011	2012	2013
Male	118122	119838	128524	122872	125922
Female	62163	56348	56524	52598	56142
Total	180285	176186	185048	175470	182063

Source: Department of Public Statistics. Labor Statistics in Jordan 2009-2013 published by November 2014



In addition, the revised economic participation rate (labor force attributed to the population aged 15 years and above) was (36.6%) at the Kingdom level, with males scoring (60.1%) and females (12.7%) compared to the survey results for the first quarter of the same year which reached (35.9%) in the Kingdom, and (58.9%) and (12.4%) for males and females, respectively. The overall unemployment rate in Jordan among the different groups was (11%) in 2013.

#### The impact of Syrian labor on unemployment in the Jordanian market

The presence of the large number of Syrian refugees, according to statistics of the Department of Statistics 150-160 thousand Syrians (Department of Statistics, 2013), working in the Jordanian market illegally, and their presence left a clear impact on life in the Kingdom in its economic and political dimensions with the inability of International organizations and local relief to meet their needs, it became necessary to work to meet their needs and expenses of their families. The impact of Syrian labor was the following points:

- 1. Working Conditions: The entry of large numbers of Syrian refugees into the Jordanian labor market has created a situation of competition with Jordanian job seekers, which has put pressure on working conditions.
- Unfair competition: It created competition with Jordanian labor and also created a situation of
  competition with Egyptian labor, unfair to provide a skill for Syrian labor greater than the skill of
  Jordanian labor in different sectors of the competition as 30% of the refugees are of working age and
  qualified.
- 3. Pressure on wages: Due to the large number of Syrian workers, this has led to considerable pressure on wage levels to reduce them based on the logic of supply and demand; the majority of Syrian workers are willing to work at low wages, especially those with difficult circumstances and to meet their needs and the needs of their families.
- 4. Pressure on the levels of safe work: With the presence of Syrian labor frequently, the working conditions in which the Syrian worker does not fit the conditions of work and rights of workers so that the working hours up to 12 hours a day in addition to depriving them of their leave of various types annual or satisfactory, The decline in levels of job stability by not involving them in the social security umbrella is inherently illegal.

These effects were in the interest of the employer significantly, which led to increased unemployment for the Jordanian worker and the large demand for the Syrian worker with a layoff for the Jordanian worker and the replacement of the Syrian worker. The majority of employers prefer the Syrian worker for the reasons mentioned above. In addition, there is a tangible presence of Syrian labor in many institutions and private facilities that provide services and commercial goods, including:

- 1. Construction sector
- 2. Restaurants
- 3. Bakery and confectionery shops
- 4. Agriculture
- 5. Beauty salons
- 6. Fuel stations
- 7. Electronic Stores

### The Results of the Study

The study reached a number of results as follows:

- 1. The impact of the Syrian conflict on the Jordanian economy directly, as Syria was the land port of Jordan from East Asia and Europe.
- 2. The refugee crisis has affected the government's current spending on services.
- 3. The entry of Syrian refugees into the Jordanian labor market has increased unemployment rates in private occupations.
- 4. The Jordanian working environment has changed to an inappropriate situation, which is affected by the acceptance of Syrian workers for difficult working conditions because they are illegal.
- 5. Jordanian labor competition with Syrian labor is unfair, as Syrian labor has higher skills (trained) with different characters.

# **Study Recommendations**

The study concluded with a set of recommendations, as follows:

1. Creating objective economic development plans consistent with the continuation of the Syrian conflict.



- 2. Remove the government support for goods and services and guide it to those who deserve it from the real segments of poverty.
- 3. Finding a national strategy to help replace the migrant worker with the Jordanian worker.
- 4. Encourage unemployed youth to set up small businesses.
- 5. Provide a fund to support small and medium-sized enterprises.
- 6. To activate the legal framework for illegal employment and to interrogate employers who violate the law.
- 7. Raise the minimum wage in line with inflation rates.
- 8. Improve working conditions by effectively monitoring the Ministry of Labor.
- 9. Introduce training programs for new professions in occupations occupied by migrant workers.

#### References

Abu Laila, A. (2007) Psychological and Social Impacts of the Families of Victims of War, a study presented to the Conference on the Impact of War and Armed Conflicts on the Arab Nation, League of Arab States, Damascus.

Al-Dukes, M. (1996) Social Change between Theory and Practice, 2nd edition, Dar Majdalawi, Amman, Jordan Department of Statistics, Employment and Unemployment Report for the years 2010-2011-2012-2013

Faraj, S. (2009) Rights of Refugees in Islamic Law and International Law, Journal of Islamic Sciences, Volume XVII, First Issue.

Haddad, Z. (1995) Impact of returnees due to the Gulf crisis 1990 on unemployment in Jordan, Master Thesis in Population Studies, Faculty of Graduate Studies, University of Jordan.

Jabara, A. (2006) Unemployment among Graduates, Possible Causes and Security Implications and Proposed Solutions 2 Unpublished Master Thesis, Naif Arab University for Security Sciences.

Jordan Human Rights Association (2013) Annual Report on Human Rights Situation in Jordan, Amman, Jordan Marish, Y. (1993) "National Progressive Front and Political Pluralism in the Syrian Arab Republic" Dar Al-Naama - Damascus - First Edition - 1993.

Memorandum of Understanding between the Government of the Hashemite Kingdom of Jordan and the Office of the United Nations of High Commissioner for Refugees, published in Official Gazette No. 4277.

Mufid, Sh. (2006) Studies in International Humanitarian Law, 2000 edition, Dar Al Mustaqbal Al Arabi, Cairo Noman. E. (2008) the Law of War, or International Humanitarian Law, Part II, Raslan Publishing House and Foundation, First Edition, Damascus

Okun, Q. & Potentiq, M. (1962) GNP, its measurement and significance, Cowles Foundation, Yale

Penn et al., (2002) An Analysis of the Labor Force of Lincoln County Area in Center Oklahoma Center for Economic and Management Research, Michael F. Price College of Business, The University of Oklahoma, Norman.

Shteiwi, M. (2007) Impact of War and Armed Conflict on the Living Life of the Arab Family, Conference on the Impact of War and Armed Conflicts on the Arab Family, League of Arab States, Damascus.

Social Security Corporation, Annual Report, 2013.

Syrian Observatory for Human Rights (data 2014).

Taleb, S. (2012) The Effect of Economic Growth on Unemployment in the Jordanian Economy, A Standard Study for the period 1990-2009, Master Thesis, Yarmouk University, Irbid, Jordan.

Tarawneh, Y. (2009) Statistical Analysis of Regional Contrast in Unemployment Levels and Rates in Jordan, Knows of Knowledge / Amman.

Taris, T. (2002) Unemployment and mental health, A longitudinal perceptive, International Journal of Stress Management

World Bank (2013) World Economic Outlook, June 2013.