## ESTIMATING THE ECONOMIC BENEFITS of Levant Integration A LOOK AT THE NUMBERS



Economic integration in the Levant—in the form of a comprehensive free trade agreement that eliminates tariffs, lowers investment and nontariff barriers, and waives visa



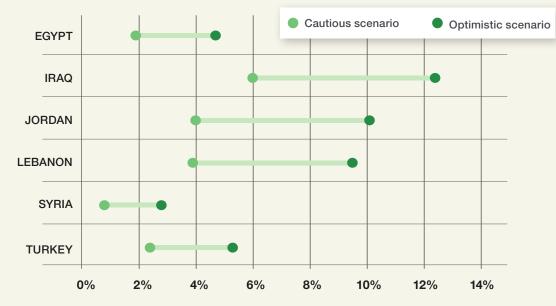
requirements—could increase the average gross domestic product of the Levant nations by 3–7 percent. This economic expansion would likely create at least 0.7 million to 1.7 million additional new

jobs, reducing regional unemployment rates by 8–18 percent—and total job creation might be substantially larger. These estimates are for a potential free trade agreement among Egypt, Iraq, Jordan, Lebanon, Syria, and Turkey—six of the core Levant countries.

## IT IS ESTIMATED THAT WITH A COMPREHENSIVE TRADE AGREEMENT

## GDP could increase by up to 7 percent

Percent change in GDP after 10 years



Estimates based on the population-weighted average across countries.

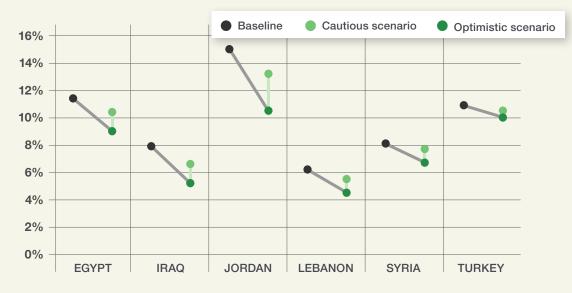


ESTIMATING THE ECONOMIC BENEFITS OF LEVANT INTEGRATION: A LOOK AT THE NUMBERS

### THREE SCENARIOS FOR THE AGGREGATE EFFECTS OF INTEGRATION

## The unemployment rate could decrease by over 2 percentage points

Change in unemployment rate over 10 years



Baseline unemployment rates are for 2018 (the most recent data available at time of publication).





# Online Tool for Assessing the Economic Value of Levant Economic Integration

Designed to make this analysis and results accessible to peoples across the region and across the globe

### www.rand.org/levant-calculator

RAND	BJECTIVE ANA	IYSIS. RESEA	ARCH - LATEST INSIG	HTS - POLICY E	XPERTS - CAF	PABILITIES	- GRADI	JATE SCHOO	DL+		search ${f Q}$	
		Create Yo	our Own Levan	t Economic	Scenario							
1	:	Countries to Inc		Percent Change in GDP Over 10 Years								
1	The success of an economic bloc involving Egypt, Iraq, Jordan, Lebanon, Syria, and Turkey will be affected by many factors, such as progress toward stabilization in Syria. A regional agreement might include Israel as well as the West Bank and Gaza (the latter two of			Egypt → +1.9%					30°	6		
lect the		which we refer to a	s Palestine).	Iraq ———	+6.0%					-		
untries		✓ Iraq	Palestine	Jordan	→ +4.0%							
		Israel	🗹 Syria									
H H		🗹 Jordan	Turkey	Lebanon	→ +3.9%					-		
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		Moderately (defau										iow t
		How much will increased trade affect Gross Domestic Product (GDP)?		Change in Unemployment Rate Over 10 Years							V	iew tl resul
11 In		Slightly (default)	\$	16%	15	5.0%						
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		impact tourism?	inating visa requirements	baseline	custom scenario							
1 King		Moderately (defau	ult) 🗘		Change in	Total GE	P Over 10	) Years				
		promotion increase		Total GDP across the Levant would increase by \$40.8 Billion								
		Not at all (default)	\$	Egypt	▶ +\$6.3B		Detailed Egypt	d GDP break	down for			
The Rest Division of		Job Creation As	sumptions	Iraq	+\$10.3B							
		How much will char employment?	nges in GDP affect						+\$6.3B			
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Estimating the Economic Benefits of Levant Integration is available for free download at www.rand.org/t/ RR2375.



#### www.rand.org

#### Sponsored by the New Levant Initiative.

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