ESTIMATING THE ECONOMIC BENEFITS
of
Levant Integration

A LOOK AT THE NUMBERS

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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 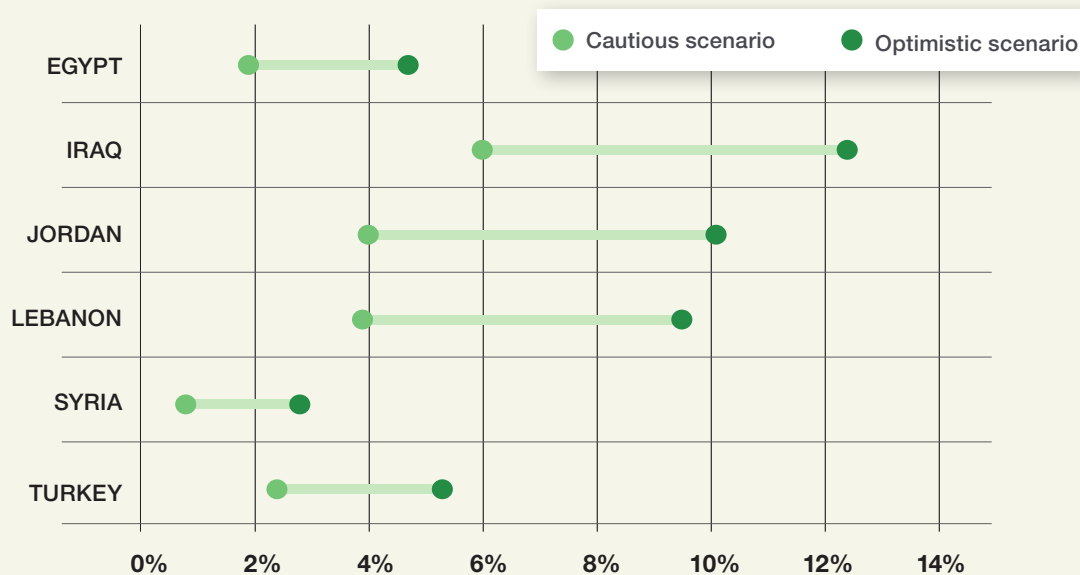at least 0.7 million to 1.7 million additional new jobs, reducing regional unemployment rates by 8–18 percent—and total job creation might be substantially larger. These estimates are for a potential free trade agreement among Egypt, Iraq, Jordan, Lebanon, Syria, and Turkey—six of the core Levant countries.

GDP could increase by up to 7 percent

Percent change in GDP after 10 years

	Cautious scenario	Optimistic scenario

Chart: Percent change in GDP after 10 years

- **EGYPT** — Cautious ~2%, Optimistic ~4.5%
- **IRAQ** — Cautious ~6%, Optimistic ~12.5%
- **JORDAN** — Cautious ~4%, Optimistic ~10%
- **LEBANON** — Cautious ~4%, Optimistic ~9.5%
- **SYRIA** — Cautious ~0.7%, Optimistic ~2.7%
- **TURKEY** — Cautious ~2.5%, Optimistic ~5.2%

0% 2% 4% 6% 8% 10% 12% 14%

Estimates based on the population-weighted average across countries.

The unemployment rate could decrease by over 2 percentage points

Change in unemployment rate over 10 years
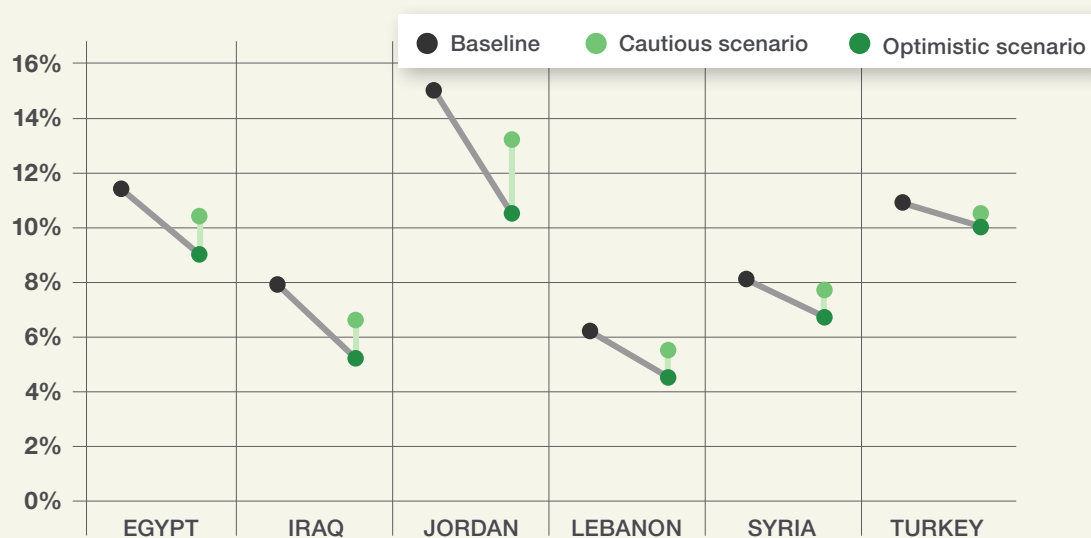
Baseline unemployment rates are for 2018 (the most recent data available at time of publication).

Expanded trade could expand GDP

BY AS MUCH AS

3%

WITH NEW ECONOMIC OPPORTUNITIES CREATING AS MANY AS

670,000

new jobs

Expanded tourism and travel could expand GDP

BY AS MUCH AS

2%

WITH NEW ECONOMIC OPPORTUNITIES CREATING AS MANY AS

570,000

new jobs

New investment activity—domestic and foreign—could expand GDP

BY AS MUCH AS

1.5%

WITH NEW ECONOMIC OPPORTUNITIES CREATING AS MANY AS

410,000

new jobs

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

1. Select the countries

2. Pick the scenario

3. View the results

Create Your Own Levant Economic Scenario

Countries to Include

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 which we refer to as Palestine).

☑ Egypt   ☑ Lebanon
☑ Iraq   ☐ Palestine
☐ Israel   ☑ Syria
☑ Jordan   ☑ Turkey

Trade Assumptions

How much will trade between Levant countries increase over 10 years?
[Moderately (default)]

How much will increased trade affect Gross Domestic Product (GDP)?
[Slightly (default)]

Investment Assumptions

How much will new trade agreements increase investment?
[Moderately (default)]

How much will political instability be reduced?
[Not at all (default)]

Tourism Assumptions

How much will eliminating visa requirements impact tourism?
[Moderately (default)]

How much will regional coordination in tourism promotion increase tourism?
[Not at all (default)]

Job Creation Assumptions

How much will changes in GDP affect employment?
[Moderately (default)]

EMAIL SCENARIO

Percent Change in GDP Over 10 Years

Egypt +1.9%
Iraq +6.0%
Jordan +4.0%
Lebanon +3.9%
Syria +0.8%
Turkey +2.4%

30%

Change in Unemployment Rate Over 10 Years

	Egypt	Iraq	Jordan	Lebanon	Syria	Turkey
baseline	11.4%	7.9%	15.0%	6.2%	8.1%	10.9%
custom scenario	10.4%	6.6%	13.2%	5.5%	7.7%	10.5%

● baseline   ● custom scenario

Change in Total GDP Over 10 Years

Total GDP across the Levant would increase by **$40.8 Billion**

Egypt +$6.3B
Iraq +$10.3B
Jordan +$1.5B
Lebanon +$1.9B
Syria +$0.1B

Detailed GDP breakdown for
[Egypt]

+$6.3B

Change due to trade
+$1.8B

Change due to investment
+$3.6B

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Estimating the Economic Benefits of Levant Integration is available for free download at **www.rand.org/t/RR2375**.