

The Employability of Palestinian Professionals in Lebanon: Constraints and Transgression

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1. Introduction

In the era of globalization many countries still have a very nationalistic posture concerning the professional labor market. This does not only concern the opening of their labor market to foreign migrants but also how national authorities deal with people already there as refugees. Lebanon is an archetypical example of such a country as it blocks its labor market to the Palestinian refugees, and especially the professionals among them. The national legal framework, including the regulations of the professional associations, bolsters the exclusion of this population group. While historically Lebanon has constituted a place where international, regional and Palestinian companies, especially in the trades of engineering and auditing are located, providing thus jobs to many Palestinian professionals (Longuenesse, 2005), the situation changed after the 1950s. The argument that many Lebanese have used to justify the exclusion of Palestinian refugees from the labor market is that they are temporary residents and should, therefore, not be integrated into the Lebanese society. Nevertheless, in spite of labor regulations hostile to the employment of the Palestinians, many Palestinian professionals have found ways to overcome them and gain access to the labor market.

The objective of this article is to describe the circumstances faced by Palestinian professionals in the Lebanese labor market and how they respond to these conditions. We will, (1) portray the qualifications and skills of Palestinian professionals; (2) depict their working conditions; and (3) examine how Palestinian professionals transgress legal, attitudinal and other barriers to get jobs, and to what extent they are successful.

Our interest in the professional labor market in Lebanon stems from the observation that the Palestinian refugee community's difficult access to this market seemed to be primarily caused by strict regulations by the State and the professional associations. We wanted to investigate to what extent this observation was true, and if there were other factors equally or more important to explain the exclusion.

Methods and Data

This paper is primarily based on more than one hundred in-depth interviews with Palestinian professionals as well as leaders of Lebanese professional associations (*naqabat al-mihaniyya*). Moreover, we draw on statistics collected in a household labor force survey of Palestinian refugees in Lebanon and prepared for this paper. All data were collected as part of the project 'The Employability of Palestinian Refugees

in Lebanon' implemented by Fafo Institute for Applied International Studies, Oslo, Norway.¹

The qualitative fieldwork was implemented June-October 2006. Notes were taken in Arabic and later translated to English and transcribed. Tape recorders were not used. Efforts were made to recruit respondents from all regions (Beirut 42%, the North 30%, Bequaa 5%, the South 23%) and of all ages (38% are aged under 35). Men constituted the majority of respondents (84%), a reflection of their relative share in the professional labor market. Approximately half the professionals interviewed were camp dwellers. The various professions were represented as follows: Engineers 30%, teachers 15%, accountants 13.5%, nurses 12%, lawyers 9.5%, medical doctors 8%, pharmacists 7% and dentists 5%. Four in ten (43%) of the respondents had graduated abroad, particularly in Eastern Europe.²

In the labor force survey, also fielded June-October 2006, altogether 2,744 households from all the refugee camps and a great number of adjacent areas and 'gatherings' were successfully interviewed.³ Thus, the statistics are valid for the Palestinian refugees residing in the locations covered, but not for those living elsewhere. Conventional wisdom has it that Palestinians residing elsewhere are better off, on the average, including superior education. However, since reliable statistics on the non-camp refugee population are lacking, we shall rely on the results of the labor force survey in this paper.

2. Palestinians in Lebanon

The Lebanese State and Economy

Lebanon is a multi-confessional country with a rather weak state. Lebanon's near past has been filled with dramatic events, such as a civil war (1976-1990), Israel's invasion in 1982, and the 'summer war' of 2006 to mention but a few. Confessional rivalry, regional and international politics, and Palestinian refugees have been key ingredients to the problems of this tiny Mediterranean country with nearly 4 million inhabitants.⁴ Patron-client relations around traditional political leaders, militias, parties and Islamic groups are more crucial for the distribution of public social and welfare services than modern democratic institutions (for a Lebanon society analysis, see Haddad 2002; Leenders 2003; Khalaf 2003; Knudsen 2005; Salibi 2005).

¹ We would like to express our gratitude to the International Development and Research Center (IDRC) of Canada and the Norwegian Government for funding the data collection. We also thank Manal Kortam and Mazen Fakhani for their valuable contribution to this research, notably the qualitative fieldwork.

² According to the labor force survey, 12% of all university graduates in the workforce had completed their degree outside Lebanon, while 15% of all university degree holders irrespective of their employment status had graduated outside the country.

³ The original sample comprised 2,801 households. There were 33 refusals, in 16 cases the interviewers did not manage to get in contact with the selected households or the dwelling unit was vacant, and in 8 cases the status could not be determined or the information gathered was deemed unreliable. A 'gathering' is a living area or neighborhood with no less than 25 Palestinian households. The sample frame was based on a 1998 Population Census implemented jointly by the Palestinian Central Bureau of Statistics and Fafo. It covered the 12 refugee camps and 45 gatherings. The random sample was allocated to allow reporting on three regions (North, Beirut and South).

⁴ The official estimate of the population for 2004 is 3.75 million excluding the Palestinian refugee camps (MoSA, CAS and UNDP 2006).

The Lebanese economy, described as ‘free-market’ with ‘a strong laissez-faire commercial tradition’, has struggled for some time (ETF 2005; Nizameddin 2006). The market is dominated by small enterprises and has a largely informal character. In 2000, approximately one-fourth of Lebanon’s 265,000 establishments were registered at the Chamber of Commerce and 13% declared their revenues to the authorities. Lebanese businesses are largely ‘family capitalist’ in character, implying that they are predominantly run by personal and patronage interests (Longuenesse 2006). Foreign investments are scarce, and the country has suffered significant human capital losses as a consequence of mushrooming emigration (Labaki 2003; Nasr 2003).

Palestinian Refugees

The Israeli-Arab conflict and war in 1948 gave rise to considerable Palestinian refugee populations in all areas bordering Israel, including Lebanon that received approximately 100,000 people (Farsoun and Zacharia 1997). Palestinian nationalism grew quickly from the 1967 June war onwards. After the Palestinian Liberation Organization (PLO) in Jordan was crushed in 1971 and its leadership relocated to Beirut, the camps of Lebanon developed into the center for Palestinian resistance against the Jewish state. While the United Nations Refugee and Works Agency for Palestine Refugees in the Near East (UNRWA) had already been set up to cater for the Palestinian refugees and provided education, health and social services in Lebanon, a sizable number of Palestinian institutions, including nurseries, vocational training centers, health clinics and various industries (textile, leather goods, ironwork, furniture, handicrafts) were also established and expanded immensely in the 1970s following the arrival of Yasir Arafat and the Palestinian leadership (Farsoun and Zacharia 1997; Peteet 2005). At one point the largest part of the Palestinian labor force, perhaps up to 65%, was employed by the PLO and the resistance movement, including in political offices and armed units (Sayigh 1994).

One reason behind this economic development was an agreement reached between the Government and the Palestinians in 1969 that secured the Palestinians full control over the camps, which virtually became a state-within-a-state. Still today the camps make up enclaves out of reach of Lebanese law.

The Israeli invasion of 1982, however, forced the PLO to leave Beirut, and with the Palestinian leadership gone, scores of social and economic institutions disappeared, and with them employment and income. The expulsion of PLO coincided with falling remittances in the 1980s, particularly from the Gulf countries. Later, the diversion of foreign aid from Palestinians in Lebanon to the West Bank and Gaza Strip in the wake of the Oslo accords made the situation even worse.

Although at present there are in the excess of 400,000 Palestinian refugees registered with UNRWA⁵, it has become increasingly common to assume that only about half that many, perhaps 200,000-250,000 refugees are actually residing in Lebanon (Pedersen 2003). Out of these, up to 2/3 live in the refugee camps served by UNRWA, or in small communities adjacent to the camps where people also can access the services of UNRWA and Palestinian and other NGOs. The remaining 1/3 reside elsewhere in Lebanon and is generally thought to be better off than the camp

⁵ <http://www.un.org/unrwa/publications/index.html> (figures as of 31 March 2006).

population, although statistics to support such a claim is lacking. Some of them are 'naturalized' and have been granted Lebanese citizenship.⁶

150,000-200,000 Palestinian refugees have left Lebanon, many to Europe (Doraï 2003, Shiblak 2005). Legal as well as illegal emigration has been justified with a wish for higher education, employment, improved income and living standards. Migration is also tied to social exclusion and a feeling of being second-class citizen in Lebanon (Sørvig 2001).

Distrust across sectarian groups appears to be significant trait of the current Lebanese psyche (Khalaf 2003). Such distrust extends to the attitude of Lebanese citizens vis-à-vis Palestinian refugees, who by all the Lebanese sects, and particularly by the Christians, are being held responsible for the civil war. Lebanese generally look upon Palestinians with suspicion and they are often blamed for other 'ills' occurring in Lebanon, including roles in political assassinations. The Lebanese vehemently oppose a permanent resettlement of Palestinians in the country. Curiously, such *towteen*, or implantation, is also as strongly rejected by the Palestinians, who insist on the 'right of return' to Palestine. Sadly, the Lebanese position on resettlement also translates to restrictive policies with regard to the social, economic and civil rights of the Palestinians (Nasrallah 1997; Haddad 2000; Sayigh 2001; Khalili 2005).

Education and Employment

Since Palestinian refugees have few other resources, education becomes crucial for entrepreneurship and employability. Notwithstanding the heavy weight that many Palestinians traditionally have put on education, Fafo's 2006 labor force survey shows that only a small minority of people pursue higher education: 3.8% of the population aged 25 and above are university degree holders while the same percentage has completed a vocational, semi-professional education.⁷ Educational attainment is significantly lower than for Lebanese nationals. For example, in the age groups 25-29, 30-34, 35-39, 40-44 and 45-49, respectively 11%, 11%, 10%, 6% and 9% of Palestinian refugees have post-secondary education. Comparable figures for the Lebanese are 24%, 18%, 17%, 14% and 15% respectively (MoSA, CAS and UNDP 2006: Table 2-7).

Approximately 6% of the Palestinian labor force have completed university education and the same percentage have obtained a post-secondary semi-professional degree. This implies that the education of the Palestinian workforce is substandard to that of the Lebanese workforce because at the national level one in five has acquired a university degree (MoSA, CAS and UNDP 2006: Table 3-4).⁸

Historically, the good political standing of the PLO with the former Soviet Union and Eastern European countries brought many Palestinians there for higher studies. Our qualitative interviews reveal that university scholarships for people aged over 40 are mainly from the PLO and its political groups. The second most important source of

⁶ There were supposedly at least 25,000 Palestinians, the majority Christian, among those who received Lebanese citizenship in 1994 (Haddad 2000: 85).

⁷ Semi-professional education is a one-year or usually two-year education where one of the admission criteria is that the student has completed secondary school. Some colleges even provide three-year semi-professional education with exams which might qualify for university studies. Semi-professional education covers such fields as computers, land surveying and business administration and one might become assistant nurse, assistant pharmacist, assistant physiotherapist and assistant engineer.

⁸ National Lebanese statistics exclude Palestinians living in the refugee camps but usually cover Palestinians residing outside the camps.

education support is the assistance of relatives, especially siblings working abroad (primarily in the Gulf but sometimes in Europe and North America). The 2006 labor force survey shows that nearly two thirds (62%) of Palestinian households have a close relative (parent, sibling, and child) living abroad: 39% in Europe, 24% in a Gulf country, and 10% in the USA or Canada. The prevalence of kin abroad increases with the educational attainment of the head of household, and it is not uncommon to have a close relative in more than one country.⁹

The Palestinian Student Fund and UNRWA have allowed people to pursue university studies by offering respectively loans and grants. The scholarships typically cover part of the tuition (approximately USD 700-900 annually). However, in recent years UNRWA support for higher education has been significantly cut back. Families usually cover the remaining tuition costs as well as the living expenses of the students, but our study indicates that families often cannot afford such support. In fact, the families of more than half the interviewees, in particular those living in refugee camps and in the South could not sponsor higher studies. In such cases, the students typically resort to a job on the side, either part time or full time.

The Legal Situation

With the exception of a few thousand Palestinians that are registered neither with UNRWA nor the Lebanese Department of Palestinian Refugee Affairs, all Palestinians have residency cards and are entitled to exit and re-enter Lebanon. Palestinians are generally treated as foreigners and have rights in accordance with that status, but legal provisions or practices further limit their rights in certain areas (El-Natour 1997; Suleiman 2006). The principle of reciprocity is essential for how the Lebanese state handles its Palestinian refugee population. According to this principle a foreigner in Lebanon would be granted the same rights there as would a Lebanese citizen in the foreigner's home country. Since Palestinian refugees lack citizenship, many rights are denied.

With regard to work, various laws and memoranda prohibit Palestinian employment in approximately 70 jobs, including all liberal professions. For a number of additional occupations, work permits are mandatory and the principle of reciprocity prevails. This implies a de facto ban. Legal employment of Palestinians (outside the refugee camps) is generally limited to menial and some clerical work. In June 2005, the then Minister of Labor issued a Memorandum that was meant to ease the Palestinians' access to legal employment, particularly in clerical jobs, but it has had little impact. The ban on professional employment remained in place (El-Natour 1997, 2005; Suleiman 2006). An illustration of how difficult it is for Palestinians to work legally in Lebanon is the fact that in 2005, only 278 of 109,379 work permits given to non-Lebanese were issued to Palestinians.¹⁰

The laws that concern professionals in Lebanon are proposed by the concerned ministry, submitted to Parliament by the Council of Ministers, adopted by it, issued by the President of the Lebanese Republic and signed by the President of the Council of Ministers. As for the bylaws (internal regulations) of the professional associations,

⁹ Among households where the head have higher education, 78% have a close relative abroad: 39% in Europe, 48% in the Gulf, and 19% in North America.

¹⁰ A total of 12,863 work permits were given to Arab nationals, while non-Arab Asian were given 76,281 permits and people of other nationalities 20,235 permits. Figures provided to the authors by the Ministry of Labor.

they must be approved by the concerned Ministry (for instance the Ministry of Health for the Association of Physicians).

To exercise a profession, the Palestinian professional, as any professional in Lebanon, should be a member of the relevant professional association.¹¹ There are two exceptions to this general picture. The first exception concerns the teachers as they do not have a professional association but a union in which membership is voluntary. The second exception concerns the lawyers. Foreign lawyers simply cannot become members of the Lebanese Bar Association. However, the president of the association can authorize a foreign lawyer to plead before the Lebanese courts.

All professional associations require work permits to allow a person to exercise his or her profession. However, only the Association of Engineers and the Bar Association insist on the principle of reciprocity. Palestinian memberships in professional associations are rare. Membership fees for non-Lebanese nationals are generally identical to the fees paid by Lebanese professionals, except in the Association of Physicians where an exorbitant sum of USD 333,000 should be paid by foreigners, including Palestinians, upon receiving membership. In neither of the associations can the non-Lebanese members benefit from the associations' pension schemes, even if many professionals (like engineers) are obliged to contribute to these schemes. This significantly reduces the appeal of membership.

In addition to the Lebanese professional associations, the PLO has under its umbrella 13 Palestinian professional unions in Lebanon. However, unions for nurses, teachers and accountants are lacking. Furthermore, the General Union of Palestinian Lawyers is inactive since the collapse of many PLO institutions after 1982. Yet an attempt to reactivate it is under way. The unions have few members, are generally weak and serve mainly political functions while their representative role towards the Lebanese authorities is virtually zero.

3. Employment and Work Conditions

In this section, we describe the general work conditions of Palestinian professionals and explore how they cope with legal obstacles and other discriminatory hindrances to their professional careers. However, we first present some survey statistics about Palestinians with higher education. The vast majority (93%) can be classified as professionals and managers, and they predominantly work within education, health and social work (63%) or community services (22%). Some work in trade, hotels and restaurants (6%), manufacturing (3%), finance and real estate (3%), while a few are in transportation and communication (1%), and construction (1%).

UNRWA and the NGO sector are critical for the employment of professionals. Statistics show that 37% of employed Palestinian university graduates receive salaries from UNRWA and 22% of the employed with a semi-professional education do the same. Furthermore, 9% of university graduates are employed by the Palestinian Red Crescent Society (PRCS) and other NGOs, and 13% work for the PLO or one of the other Palestinian political factions. Approximately one in four camp Palestinians with

¹¹ Professional associations typically have three objectives: (i) to promote and recognize a profession whose legitimacy would be unequivocally founded on qualification and expertise; (ii) to control the professional labor market; and (iii) to provide legal protection against the risks to which professionals are exposed during the exercise of their profession (Longuenesse 2006).

university education works in the 'Lebanese', i.e. non-camp labor market. The share is higher in the non-camp population.

A majority of our informants work in accordance with their educational specialization, while a quarter of them swing between complete unemployment, part-time work, or holding jobs which are unrelated to their area of expertise. The interviews suggest that it has become increasingly difficult to find an appropriate first job. This is corroborated by statistics, which show that the percentage of so-called discouraged workers, i.e. those that have given up finding a job (in line with their education), is highest among the young and those with a post-secondary degree. The survey also shows that, while unemployment is not more widespread among Palestinians with higher education than other Palestinians, long-term unemployment is.

Getting Hired and Promoted

The survey examined which methods the unemployed used to find a job. Three quarters (74%) said they primarily relied on family and social networks, 18% contacted possible employers directly, while 8% used other approaches. While personal contacts are important for university graduates also, and three in ten (32%) report this method, contacting and applying for a job directly to the employer is of much higher importance to them – six in ten (57%) mostly use this method. A formal application is mandatory for positions with UNRWA and some of the NGOs, and equally important for many jobs in the formal Lebanese labor market, so this is no wonder. Furthermore, personal contacts with Lebanese employers are limited. In part this is so because a considerable proportion of Palestinian professionals are employed outside the formal labor market and in disregard of their qualifications.

69% of employed Palestinians with higher education was hired after contacting the employer directly (against an average of 24%), 12% got the job through their networks (compared with an average of 38%), and 8% through employment offices (compared with an average of 2%). Only 10% had created their own workplace, while an average of 27% of all employed had started up their own business. However, since the prevalence of university education is higher among the youngest adults and establishing businesses typically requires both long and wide experience and capital, some of the variation can be explained by age. Nevertheless, even after 'controlling' for the effect of age, it is evident that Palestinians with university degrees more seldom are self-employed or business owners than other Palestinians. It should be noted that a considerable proportion of them are teachers and nurses, not professions which typically foster entrepreneurs.

A second reason for the comparably low prevalence of entrepreneurs is the legal obstacles to establishing businesses outside of the refugee camps – it is essentially illegal. Inside the camps there are other hindrances. One is the limited purchasing power there, minimizing the chance of success. A second challenge is various 'distortions', such as competition from unqualified business people selling smuggled goods. Says a male pharmacist in the middle of his career,

I thought of opening my own pharmacy in a camp, but there are too many complications involved. (1) The pharmacy industry in camps is full of illegalities and I'm not used to such work, nor would I be comfortable taking part in such an industry. (2) The profits would be very low. Expensive

medicine is sold at prices of LL 1,000 [USD 0.67] a piece.¹² [...] (3) Making profit is made more difficult by the fact that there is a lot of competition with other [such] pharmacy businesses located in the camps.

However, some manage to expand their customer base to also include Lebanese nationals, such as this dentist,

I chose my clinic to be outside of [Nahr] Al-Bared camp. [It was set up] on the border so as to facilitate the access of my patients as 90% of them are not Palestinians. They are Lebanese with a modest income from the Akkar area.

Switching from the self-employed to wage earners, many experience discrimination when they apply for work. A young male pharmacist from Saida shared with us his many attempts at finding a job. Here are some excerpts from his tale,

I had lived in Lebanon my whole life. Speaking on the phone with the head of a company, I must have sounded like any Lebanese. When he started asking some personal questions about me, he asked me where I was from. I didn't know any wiser and responded honestly that I was Palestinian. It was amazing how he drastically changed the tone of his voice. I will never forget the change in his voice. He was clearly upset, and ended the phone call quickly after that.

After this incident and others similar to it I increasingly started to realize how much of a problem my 'Palestinianness' was becoming. It was preventing me from finding a job [...]. So I removed any indication of me being Palestinian from my CV. [...] I went to a company in Verdun [area in central Beirut]. [...] When we started the interview, the interviewer seemed very impressed with my credentials, and so I was really happy. To cut a long story short, by the end of the interview all had gone well and we were wrapping things up. I then said: 'I forgot to tell you, but it may be important: I am Palestinian.' The man gasped, [...]. He looked at me as if I was of a lesser making than him. He was very rude. [...] He told me this [being Palestinian] was the problem, and said quite frankly that I couldn't get the job. [...]

One particular incident that, once again, hurt my feelings, was when my Lebanese friend and I both went to apply to a company in Hadath [area in southern Beirut] and she got accepted while I didn't. I wouldn't have been upset if it wasn't for the fact that in university my cumulative average was 77, and her average was 61. This example clearly demonstrated to me an account of clear discrimination.

I got an opportunity to work at a pharmacy while I was still a junior student at the BAU [Beirut Arab University]. [...] I was offered [...] USD 700, which is very good, especially since I hadn't graduated yet. But when he [the owner] found out I was Palestinian, he started playing games with me. He told me everything was set, and that I should only get confirmation from the university that I was a third year student. When I brought him the papers, he told me he could only offer me USD 500, and I refused. I felt demeaned by his change in offer as it was probably because I was Palestinian.

Discrimination also concerns promotion. A female nurse employed at a private hospital in Beirut declared,

¹² Lebanon uses two currencies interchangeably: 1 United States dollar (USD) = 1,500 Lebanese lira/pounds (LL).

I often sense that they don't promote you because you are Palestinian. This really makes you feel disgusted. It's really very sad because often I deserve a promotion more than someone else. Not only do they promote nurses based on nationality, but based on religion as well. Christians get the most privileges, followed by Druze, and then Sunni and Shia are tied for last. So, I am discriminated against based on my nationality and my religion [she is Sunni like the vast majority of Palestinians]. This is what I sense, at least.

Pay and Non-pay Benefits

The last part of the story of the young pharmacist above is but one of many accounts of discrimination against Palestinians with regard to salaries and other benefits in the workplace. For example, a male accountant from Beirut reported that,

I applied to a bank, for example, and the offer was USD 1,600 a month. When they found out I was Palestinian, they told me they would give me USD 1,000. I was upset by this, and so I refused. I went to a computer company and the offer was USD 800 a month. I was interested in the job, and the owners of the company were naturalized Palestinians. But still, [in the end] they told me they couldn't hire me because I was Palestinian.¹³

Medical insurance and retirement benefits are vital and other benefits such as sick leave, maternity leave and vacation are also important. With the exception of those employed with UNRWA, few Palestinian professionals have access to such arrangements.

Underemployment

Many Palestinian professionals hold jobs which are not related to their degree, either because a relevant job is not to be found, the salary is too low, working conditions are substandard, or – as we have seen – they do not accept discrimination. The following is taken from the story of a mechanical engineer,

When I returned from Russia, I started searching for work in fields related to mechanical engineering. Alas, I could not find anything. I soon obtained work in a bakery. I stayed there until 1999. I was earning USD 200-300 a month. In 1999, I found work with a photocopying company. I kept working there until 2000. My salary ranged from zero to USD 500 a month depending on how much work I was given. [...] Since 1997, you can say that I have made about USD 2,000-3,000 per year [USD 167-250 a month].

A male engineer aged 41 from the Bekaa and a graduate of Beirut Arab University, while not strictly working in his profession and while being discriminated against has been more successful. He told us the following:

I started to work in a Lebanese company as a site engineer. I left the job after three months because the salary was very low, USD 300, and it wasn't sufficient for my food. Then I was working in the Bouromana area which is very far from Baalbek [around 100 km] but I couldn't afford to commute every weekend. Two months later I found a job in the Chouwayfat area [around 70 km from Baalbek]. It was a project for Palestinians and they wanted an engineer to supervise the work. I accepted because I thought the

¹³ Wage discrimination has been proven statistically utilizing survey data from three impoverished and rapidly changing communities in greater Beirut. Analysis revealed significantly lower hourly wages for Palestinian refugees as compared with Lebanese citizens, both for people with secondary or higher education and for those with only basic education (Khawaja 2006).

Palestinians could do better with me and also because it was closer [to home] than the previous job. I was paid USD 300 monthly for one year. When I asked for a pay raise they offered [only] USD 50 so I left.

Meanwhile I had got a family and a child. So, I decided to settle in Baalbek and to find any decent job even if it wasn't in my profession because I needed to feed my family. I found a job as a teacher in a Lebanese private school next to my home. I started with a salary of USD 500; now it is USD 800. I teach 30 hours mathematics and physics. It is a good salary for me but the Lebanese who teach 30 hours are paid USD 1,200.

Multiple Jobs

Our fieldwork showed that in several cases professionals work more than one full job in order to secure a decent living for their families. Particularly dentists and medical doctors are known for long work hours. A male doctor in Al-Bass refugee camp outlined his work life thus:

In 2000 I worked as a volunteer at the Red Crescent Hospital for one year and a half. Then I became a permanent employee there. I am paid USD 450 per month. In addition I opened a medical office in a shared clinic. There I earn a maximum of USD 200 per month. Moreover, I am working nightshifts in a pharmacy where I am paid USD 250 [per month]. Finally, I am a doctor on call, which yields nearly USD 200 [per month].

Working Illegally

Given the extremely low number of Palestinians with work permits (278 in 2005) there is no surprise that most Palestinian professionals report being without a work contract. The most salient exception would be employment with UNRWA or Palestinian organizations, where a Lebanese work permit is irrelevant. Working without a contract implies not being officially registered as an employee. For this reason, professionals typically adopt a low profile at the workplace, including 'hiding' during visits by Ministry of Labor officials. Since it is virtually impossible to become member of a professional association or acquire a work permit, most professionals work illegally. Besides, a work permit requires an annual fee varying from USD 600-1,100 which would constitute a heavy burden for most Palestinians given the modest salaries. Nevertheless, some Palestinians purposely look for companies that facilitate the process of acquiring a work permit.

Palestinian self-employed engineers tend to encounter problems when they work outside the refugee camps. As a young male civil engineer from Beirut reported,

When I got the call to begin the project in Baalbek, I went there to launch the work but soon started to face problems. The project was located in a non-camp area, and so there were problems with licenses and legalities. The cops would visit us every day and would hassle us.

For two months the project was halted, but work was resumed after bribes had been paid.

Transgression

Transgression of labor regulations refers to the methods Palestinian professionals use to circumvent the legal and non-legal obstacles to their professional careers. Transgression may also refer to a professional's capacity to use his or her social capital to challenge the hindrances. We found that Palestinian professionals resort to a

wide variety of strategies to penetrate the Lebanese labor market and improve their professional status.

An example of overcoming a legal obstacle is being hired by a company without the relevant work permit, and an instance of transgressing a non-legal obstacle is a Palestinian professional building a favorable personal relation with his or her superiors so that they may overlook personal, racial or ethnic prejudices that could otherwise injure his or her career prospects. Other examples of transgressing labor regulations include exploiting one's seniority in a company, cooperating with other Palestinian professionals and raise joint demands to improve pay and non-pay benefits, and assimilating the Lebanese culture and denying ones Palestinian roots. Above we presented the example of a civil engineer who had to sweeten local authorities to get the work done. Yet another form of transgression is to establish a company in the name of a Lebanese while the Palestinian professional does the bulk of the work. Our interviews suggest that the occurrence of work in the name of others have risen, especially for professionals who are not entitled to sign documents because of the lacking membership in a professional association. A male lawyer in Tripoli stated that,

Recently I opened an office with a Lebanese partner and my name is written next to his name on the plaque placed at the entrance. The difference is that besides his name is written 'lawyer' and besides mine is written 'judicial consultant'. The office is registered with the Lebanese authorities in the name of my partner.

Medical doctors confront the problem that they are ineligible to write prescriptions reimbursable by the social security or private insurance companies. Says one doctor,

I can't put my name on the medicine prescription that is going to be presented to the social security because I am not registered with social security - like some Lebanese doctors [...]. The difference between us is that I am prohibited as a Palestinian but they can if they want to. But I found a solution to this problem: Many of my Lebanese friends give me signed and stamped prescriptions that I can fill in for those of my patients who adhere to the social security.¹⁴

Sometimes private insurance companies accept prescriptions from Palestinian medical doctors, but only when their addresses are outside the refugee camps. Keeping the street address but leaving out the name of the area might even work, as shown by this story,

When my address on the prescriptions used to be [Nahr] Al-Bared camp, the private insurance companies would reject them. Then I decided to reprint the prescriptions without mentioning [Nahr] Al-Bared camp, just the name of the street, Lemhamara Route. It works out beautifully.

Other Palestinian professionals use their relations with local officials to transgress impediments. The case of a nurse from the Nahr Al-Bared refugee camp employed at a private hospital is telling. By organizing the Palestinian staff and suggesting that a local notable would receive political support from naturalized Palestinians if he revoked a decision by the Labor Ministry requesting that 'all the 80 Palestinians

¹⁴ In return for the signed 'blank' prescriptions, Lebanese doctors would expect Palestinian doctors to refer some of their patients to them, for example if they need a specialist.

employees should have work permits, or the hospital would have to suffer the consequences', all the nurses managed to keep their jobs.

Refugee Camps and Transnational Companies

Our interviews show that with the exception of lawyers the refugee camps make up an important workplace for many Palestinian professionals. A third of those we interviewed were employed inside a camp. However, a refugee camp is not an easy environment, especially for the Palestinians who have never lived in one. The camps are fairly closed communities with their particular rules and where familial relations and a 'history' are sometimes imperative for success. Besides, the clientele there are predominantly underprivileged Palestinians with low purchasing power. Yet, even self-employed Palestinian engineers, medical doctors, dentists and pharmacists outside the camps rely on Palestinian clients from the camps. A consequence of this is marginal businesses with limited chances to expand.

However, there are a number of large Palestinian-owned enterprises in Lebanon. Yet they tend not to have a Lebanese 'origin'. The country has attracted since a long time many transnational companies including some owned by Palestinian diasporic entrepreneurs of various backgrounds. There was a vibrant Palestinian business community (in e.g. accounting and engineering) in Lebanon even before 1948, which has continued to operate to date and where the entrepreneurs typically have assumed Lebanese nationality (Hanafi 1997, 2001).

The study reveals that a majority of the most successful Palestinian engineers in Lebanon are employed in large engineering companies with ties to Palestinian Diaspora elites. Examples are the CCC, Khatib and Alami, and Dar Al Mohandissin. These companies' culture fosters the recruitment and advancement of Palestinian engineers. Nevertheless, even here the most qualified of Palestinian engineers are 'penalized' by their Palestinian identity. Even in these 'Palestinian' companies they are discriminated against mainly in the form of lower salaries and fewer benefits.

4. Conclusion

Lebanon has erected a guard against foreign professional labor. Such nationalistic protection is particularly strong against Palestinian refugees – residents in Lebanon for nearly 60 years - who due to obstacles such as the rule of reciprocity and the by-laws of professional associations virtually cannot obtain legal work.

As a consequence of the legal impediments many Palestinian professionals end up in low-productivity and poorly paid jobs outside their field of expertise. However, as we have shown, other Palestinian refugees overcome such hurdles and work as medical doctors, nurses, pharmacists, engineers, teachers, etc. Yet these transgressions have great costs: A majority of Palestinian professionals in the Lebanese labor market (as opposed to the refugee camp labor market where above all UNRWA offers good work conditions) are exploited by their employers. They work long hours, are underpaid, and often lack benefits such as retirement allowance, maternity leave and vacation. This situation is facilitated by the overall legal system laid down by the state. Furthermore, labor controls are exercised rarely and employers frequently tipped off, which renders the chances that illegal employment will be uncovered and employers penalized slim. This underpins and perhaps even encourages illegal employment, discriminatory practices and economic exploitation.

One would think that the dismal circumstances described in this article would discourage Palestinian refugees in Lebanon from university studies and professional careers. This is seemingly corroborated with education statistics showing that, among the youngest adults the proportion with a post-secondary degree is 50-100% higher in the Lebanese than in the Palestinian (camp) population, and that the education gap between the two populations is wider in younger than older age groups.

However, the variation in educational outcome could be explained by other factors than characteristics of the labor market, e.g. disparity in educational systems and migration both from the camps to non-camp neighborhoods and out of the country. Out-migration implies direct human capital loss in the Palestinian community as more often than not it is the most resourceful people, including those with the better education, who leave. Since children of parents with higher education typically perform better at school, an indirect and long-term effect of Palestinian out-migration would tend to be poorer performance of the children of those who remain in the camps and the country. However, these are hypotheses that cannot be tested with our data. Unfortunately, neither do our interviews contain sufficient information on people's educational choices to infer something meaningful about their perceptions and thinking around the education labor-market nexus.

Despite the massive out-migration of Lebanese professionals and the subsequent brain drain and lack of manpower at least in some fields, there is little sign that the laws and discriminatory practices are changing anytime soon.

We think the arguments deployed by the state and the professional associations to justify the current treatment of Palestinians in Lebanon are weak when considering the liberal, democratic premise of the Lebanese society and political system. The corporatist ideology that emerged in continental Europe at the beginning of the 20th century to protect liberal professions soon spread to the rest of the world - including Lebanon, where, as we have seen, professional associations have bylaws to impede the non-Lebanese from exercising their profession. The corporatist influence combined with local dynamics and took on a national form.

However, the control of the professional market of Lebanon does not reflect the 'development project' established by the State but rather reflect a blend of two logics: the logic of a neo-liberal market, which allows only 'legitimate' experts to exercise the professions and creates a second category of professionals exposed to exploitation, and the logic of the Lebanese nation-state formation - almost biologically defined by patrimonial lines, and in which there is no room for refugees.

In our opinion, there are compelling arguments that after three generations in Lebanon Palestinian refugees should not simply be considered 'foreigners' and temporary migrants. Most, if not all, Western countries distinguish between foreigners and permanent residents, and the disparity in rights between a citizen and a permanent resident is usually negligible.

While the region's professional associations often play the role of civil society (e.g. Hanafi, 1997a), in Lebanon they are rather agents promoting the status quo.

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