

# COVID-19, Sustainable Development and West Bank Economy

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# COVID-19, Sustainable Development and West Bank Economy

Wisam A. Samarah and A.F.M. Ataur Rahman

## Abstract

The term sustainable development is reserved for achieving development without harming the environment. The purpose of this paper is to examine the relationship between economic growth and environmental degradation in Palestine and we will also consider the Palestinian government policies implemented to limit the spread of COVID-19. Its importance lies in the attempt to provide an answer to whether the relationship in Palestine is a result of the challenges manifested by the spread of the Israeli occupation. A time series analysis was performed to determine whether the economic growth is considered 'clean'. We found that Particle Emission Damage Granger causes the GDP growth for both the Palestinian Territories and Israel. Nonetheless, the Carbon Dioxide (CO<sub>2</sub>) was not related to GDP growth. Thus, Palestine is not experiencing a sustainable development in spite of the Palestinian government's efforts which were clearly demonstrated in its reaction to the COVID-19 crisis.

**Keywords:** COVID-19, Economic Growth, Fully Modified Least Squares Method, Granger Causality, Economy, Sustainable Development

## Introduction

The spread of COVID-19 had demonstrated the vulnerability of both the human race and the economic system. The rapid spread of the virus had caused all the governments of the world to be faced with the same challenge. As a result governments had to find a trade-off between the human well-being and the economy. Hence their reactions to this epidemic fell into one of the two categories. The first category viewed the economy as its top priority meanwhile the second considered the human health as its top priority. This is why we will look at the Small strip occupied by the Israelis that contains two governments, the Israeli and Palestinian governments.

On March 7<sup>th</sup> 2020, the Palestinian government took strong measures as a result of the COVID-19 outbreak. It closed down churches, government offices, Mosques, retail stores, schools, and universities. In addition, they suspended all public transportation, limited restaurants for takeout only, prohibited large gatherings in any given place, and restricted grocery stores to limited number of hours during the day. Meanwhile, the Israeli government agenzized to take strict measures to limit the spread of the virus.

The two governments were on opposite ends of the spectrum. The Palestinian government had realized that there can be no sustainable economic development without a healthy population and a clean environment. In this paper we will examine the effect of economic growth on the

environment degradation and then we will consider the reaction of the Palestinian government to COVID-19.

Economic growth and development are generally understood as the increase in the standard of living of a nation's population and thus transforming the nation from a simple low-income economy into a modern high-income economy. This process and policies include the improvement of a nation's economic, political and social well-being of its citizens. However, the economic development is the fundamental component of a country's development.

This economic development includes economic growth – an increase in output utilizing more resources – and intensive economic growth namely the increase in productivity, innovation implementation or economic shake-up and job creation. “Economic development is a process that can be defined as appointive mobilization of human, financial, organizational, physical, and natural resources in order to improve the quality of competitive services and products and to increase their quantity for the community.” (Lankauskiene & Tvaronaviciene, *Economic Sector Performance and Growth: Contemporary Approaches in the Context of Sustainable Development*, 2013, p. 356). It is important to differentiate between economic growth – quantitative change – and economic development – qualitative change (Pisani & Jacobus, 2006).

The year 1994 was the birth of a semi-independent Palestinian economy. This shifted the responsibility of achieving a sustainable development for Palestine to the Palestinian National Authority (PNA). However, development is “normally” dirty especially for a country that does not have a good track record of producing cutting edge technology and is not financially rich. Most of the developed countries around the world had recorded growth in dirty ways. However, they have a general excuse that the overall level of technology during their time of growth was not clean enough. Therefore, it was not possible for them to adapt cleaner options. Nevertheless, that explanation does not fit and is not accepted in the current world. Although technology is neither cheap nor easy to adopt yet availability is not an issue.

The problem is further complicated as the world is facing an unprecedented level of environmental problems. Resource depletion, environmental pollution, global warming are all adding up complicity to the situation. Therefore, naturally sustainable development is a vital and a crucial issue in contemporary world. People are not only concerned with development but also sustainable development, a development path that brings prosperity to the current generation without taking something off from the future generation. Thus sustainable development refers to the utilization and exploitation of resources along the life span of today's generation in such a manner that they are still available to be used by future generations (Redclift & Woodgate, 2013). So resources that will be consumed by the current generation will be left for the future one in the form of higher level of technological and physical capital. On September 2015, the Sustainable Development Goals (SDGs) were adapted as a global development agenda.

The purpose of this paper is to examine the relationship between economic growth and environmental degradation for Palestine and we will also look at the policies implemented to combat COVID-19.

To make a sensible conclusion we also tried to bring the case of Israel on a similar point. We will also look at the reaction of both the Israeli and Palestinian government's reaction to COVID-19 and include it in our analysis. Environment degradation can be caused by either global or local environmental problems. In this paper we will deal with local environmental problems that cause environmental degradation. Uncontrolled and unsustainable rapid extraction of natural resources causes environmental degradation. Environment degradation can happen locally, regionally, and globally. Both local and global environment degradation will hurt the poor the most. Local environment degradation deals with water pollution, air pollution, waste disposal, water contamination, and deforestation. The United Nations had defined environmental degradation as "the deterioration in environmental quality from ambient concentration of pollutants and their activities and processes such as improper land use and natural disasters" (United Nations, 1997).

However, the Palestinian economy is unique in nature since it is not only dependent on policies adapted by the Palestinian government but also on the actions of the Israeli government. Israeli maintains its control of the borders and build industrial sites in the West Bank. To measure economic growth we selected GDP and GDP per capita. Meanwhile, for measuring environmental degradation we considered Carbon Dioxide Emission (CDE) and Particle Emission Damage (PED). Both of these two variables are typical in the literature as measurements of environmental degradation. We wanted to include some measure of water quality in our investigation, however due to poor availability of data we could not do that. The importance of this paper attempts to provide an answer to whether it is possible for the Palestinian economy to achieve a somewhat sustainable development given the continuous challenges manifested by the Israeli occupation.

It is important for the economic sectors to cause sustainable development. Thus sustainable development is now associated with the increase in the standard of living of a nation through the economic progress (Lankauskiene & Tvaronaviciene, 2011) (Lankauskiene & Tvaronaviciene, 2012).

Let us now take a closer look at the Palestinian economy. The Palestinian economy is a small and open economy. Table 1 shows the contribution of the different economic sectors to the Palestinian Gross Domestic Product (GDP).

Table 1: Value Added by Economic Activities for the Palestinian Economy for Years 1994 and 2016 at Constant Prices Base Year 2004

<b>Economic Activity</b>	<b>1994</b>	<b>2016</b>
Agriculture, Forestry, and Fishing	361.2	236.6
Mining and Quarrying	23.8	28.4
Manufacturing	593.5	887.2
Electricity, Gas, Steam, and Air Conditioning Supply	41.3	123.4
Water Supply, Sewerage, Waste Management and Remediation	47.3	75.5
Construction	218.7	601.1
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	476.2	1383.9
Transportation and Storage	147.1	180.1
Financial and Insurance Activities	30.5	320.7
Information and Communication	3.0	443.3
Services	907.3	1652.5
Public Administration and defense	225.9	1034.1
Household with Employed Persons	4.0	4.0

Source: Palestinian Central Bureau of Statistics (2015). Website: [www.pcbs.gov.ps](http://www.pcbs.gov.ps)

The year 1994 was chosen due to the fact that it marked the creation of the Palestinian Authority and the transfer of some governance responsibilities. Looking at the table 1, we notice that the values added from the agricultural sector had decreased considerably. Meanwhile, both the manufacturing and service sectors had increased. However, the increase in the manufacturing sector was somewhat insignificant compared to the service sector. The service sector was the biggest contributor to the GDP.

Table 2, shows the value added for the economic activities as a percentage of the GDP for the year 1994 and 2016 for the Palestinian economy.

Looking at Table 2, we notice that the percentage of contribution of the agricultural sector to the GDP had dropped from 13.3 percent to 2.9 percent. This sharp drop is primary due to both the expansion of Israeli settlements into Palestinian farm lands and the rising number of Palestinian workers working in Israel (Samarah & Rahman, 2017). The manufacturing sector had also experienced a decrease in its contribution were its share fell from 18.8 percent to 11 percent. This is primarily due to foreign competition, especially the Chinese firms (Samarah, 2017).

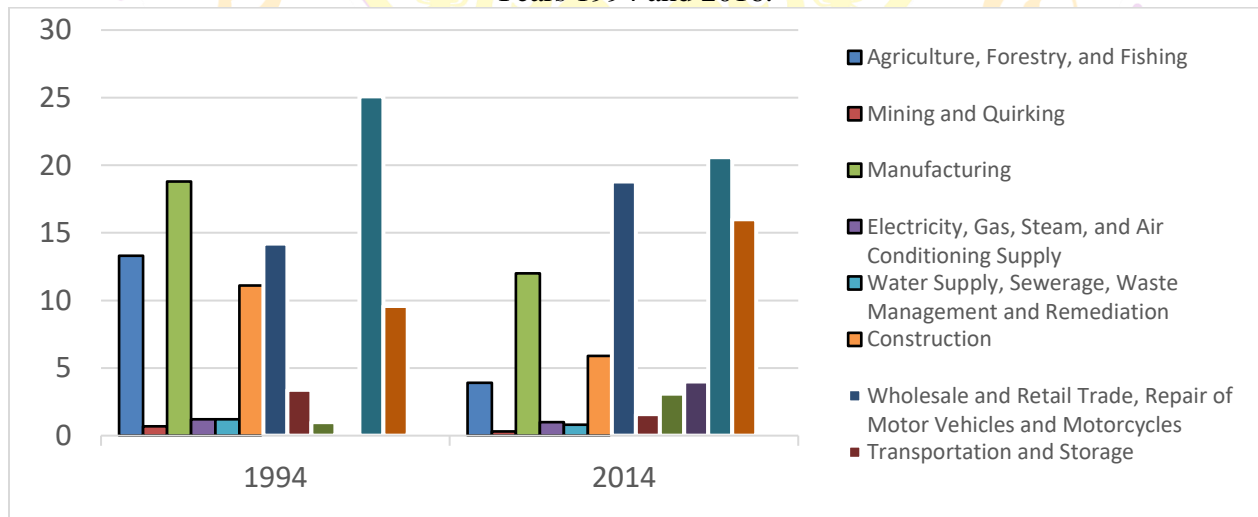
Table 2: Percentages of Value Added by Economic Activities for the Palestinian Economy for Years 1994 and 2016

Economic Activity	1994	2016
Agriculture, Forestry, and Fishing	13.3	2.9
Mining and Quarrying	0.7	0.4
Manufacturing	18.8	11
Electricity, Gas, Steam, and Air Conditioning Supply	1.2	1.5
Water Supply, Sewerage, Waste Management and Remediation	1.2	0.9
Construction	11.1	7.5
Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles	14.2	17.2
Transportation and Storage	3.4	2.2
Financial and Insurance Activities	1	4
Information and Communication	0.1	5.5
Services	25.1	20.6
Public Administration and defense	9.6	12.9
Household with Employed Persons	0.2	0.05

Source: Palestinian Central Bureau of Statistics (2015). Website: [www.pcbs.gov.ps](http://www.pcbs.gov.ps)

The graph below shows the percentage of contribution to the GDP for each economic activities of the Palestinian economy for the year 2016.

Figure 1: Percentages of Value Added by Economic Activities for the Palestinian Economy for Years 1994 and 2016.



Source: Data taken from table 2.

The rest of the paper is organized as follows; the next section discusses the relevant literature; methodology; data sources; the results; a discussion of the results; and finally, the conclusion.

## Literature Review

A number of researchers wrote extensively about sustainable development, we will start our discussion with Lankauskiene and Tvaronaviciene (2013). A review of the relevant literature was mentioned, and a number of insights revealed that the structure of a country's economy is the key factor in determining the success of a country. The performance of economic sectors target at economic growth is called structural changes.

Mayanja and Nkata (2019) discusses the constraints on both implementing the anti-corruption strategies and meeting Sustainable Development Goals in Uganda. In addition, they discuss the role played by the Management Development Institutes in fighting corruption in Uganda. Finally, the study recommends involving the higher education sector in the campaign to eradicate corruption. This will lead to meeting the SDGs more effectively.

Thakur, Rout, and Chakraborty (2014) studied local environmental problems in India and constructed linkages with both environmental degradation and human well-being. The paper focuses on water contamination problems and water diseases. It also lists environmental problems in India and suggest changes in policies that will lead to sustainable development.

Hussin and Ching (2013) asserted the contribution of economic sectors to economic growth for both Malaysia and China. The study had concluded that the biggest contributor to the rapid economic growth in Malaysia was the service sector. Meanwhile, the biggest contributor to the rapid economic growth in China was the manufacturing sector.

Aluko (2004) examined how environmental degradation had hindered sustainable development and impoverished the quality of life of Niger Delta citizens. Primary and secondary data were used to calculate percentages. The study had found that environment degradation in the Niger Delta had resulted in the loss of farm lands, loss of fishing sites, and diseases, this had increased the unemployment rate and affected quality of life and hindered the sustainable development of the Niger Delta.

Clearly the Israeli occupation had hampered the efforts of sustainable development in Palestine. The Israeli Segregation Wall and land confiscation had an effect on biodiversity and environmental sustainable development (Abdallah & Swaileh, 2011). Nonetheless, in spite of these restrictions we can achieve some level of sustainable development in Palestine. The stone and marble industry was a good example, where better techniques could be utilized to achieve sustainable development in that industry (Hanieh, Abu Elall, & Hasan, 2014).

Samarah (2017) examined the role of foreign aid in achieving sustainability in the different industrial sectors of the Palestinian economy. The Palestinian industrial sector includes 15 sectors, and a time series analysis was performed to evaluate the effect of foreign aid on the sustainability on the 15 industrial sectors. The results indicated that foreign aid for development had a negative effect on four of the industrial sectors. Meanwhile, foreign aid for supporting the Palestinian

Authority (PA)'s budget had a positive effect on two of the industrial sectors. Nevertheless, this paper did not take any environmental indicators in consideration (Samarah, 2017).

This paper will first examine whether Palestine is achieving an economic growth without environmental degradation, i.e. examining whether this growth is sustainable. Of course, we will focus on the economic aspect of sustainable development. Unlike most of the above literature we will use a more quantitative approach using time series analysis. We will also analyze the policies implemented to limit the spread of COVID-19.

## Methodology

Macro variables are notorious for their endogeneity. Therefore we avoided full blown regression based model rather we took the path of cointegration-Granger causality approach. We start our analysis with unit root test. Using the Augmented Dickey-Fuller test, we will examine the significance of the null hypothesis that there is a unit root for each of the variables against the alternative hypothesis that there is no unit root for each of the variables. Thus determining the stationarity of each of the variables used. Stationary, guarantees the absence of fundamental fluctuations in the structure of the process. This property allows the possibility of the prediction of future values, i.e. the absence of this property for a variable would make it either impossible or difficult to predict future values (Greene, 1995, p. 556). To achieve stationarity (Hendry & Juselius, 2000) demonstrated that when the data is non-stationary purely due to the reason of a unit root (integrated once,  $I(1)$ ), the data can be brought back to stationary by taking the difference. Thus, here we are looking at the first difference of the series – the change that occurs from one period to the next, i.e. the quantity of  $Y_t - Y_{t-1}$ .

Generally, if two variables are integrated to different orders, the linear combinations of the two variables will have an order of the higher of the two orders. Thus if  $y_t$  is  $I(1)$  and  $x_t$  is  $I(0)$  then the linear combination given by regressing  $y_t$  on  $x_t$  represented by  $e_t = y_t - bx_t$  will be  $I(1)$ . If two independent variables  $y_t$  and  $x_t$  are non-stationary but there exists a stationary linear combination of the integrated variables, then the two variables are cointegrated. In this case, there exists a long-run relationship between the two variables were the two variables drift together. This relationship is distinguished from the short-term dynamics that is measured by the relationship between the deviations of  $y_t$  from its long-term trend and deviations of  $x_t$  from its long-term trend. Nonetheless, cointegration test does not determine the direction of the causality (Greene, 1995, p. 567). We will determine whether the Carbon dioxide emission for West Bank and Gaza is cointegrated with the GDP or with the GDP per capita. We will also test whether the Particulate Emission Damage for the West Bank and Gaza is cointegrated with the GDP or the GDP per capita. This test will be repeated to the Israeli case.

Hence, the Granger Causality test will be used to determine the direction of the causality between the cointegrated variables. Finally we will use the Fully Modified Least Squares Method to determine the sign of the Granger Causality relationships. The FMOLS regression method was developed to determine the optimal estimates of cointegrating regressions. As the name implies, the Least Squares method was modified to take in consideration the serial correlation effects and the endogeneity of regressors resulting from the existence of a cointegrated relationship (Phillips, 1995, p. 1023).



## Data

The data was collected from the Palestinian Central Bureau of Statistics (PCBS) and the World Bank for the period of 1998 to 2015. Meanwhile, the GDP, value added from the different economic sectors data covering the period from 1994 to 2016 was collected from the PCBS. The Eviews software was used to perform the different statistical analysis. Data spans from 1994- 2014.

## Results

The unit root test was performed for the Israeli carbon dioxide emission (ISCO2), Israeli GDP (ISGDP), Israeli GDP per capita (ISGDPPC), Israeli Particulate Emission Damage (ISPED), West Bank and Gaza carbon dioxide emission (WBGCO2), West Bank and Gaza GDP (WBG GDP), West Bank and Gaza GDP per Capita (WBG GDP PC), and West Bank and Gaza Particulate Emission Damage (WBG PED). We ran group ADF unit root tests and results are given below (Phillips-Perron unit root test results are qualitatively similar):

Table 3: Augmented Dickey Fuller (ADF) test results

Variable Name	Unit Root
WBGCO2, WBG GDP	No Unit Root at level
WBGCO2, WBG GDP PC	No Unit Root at level
WBG GDP, WBG PED	No Unit Root at level
WBG PED, WBG GDP PC	No Unit Root at level
ISCO2, ISGDP	No Unit Root at level
ISCO2, ISGDPPC	No Unit Root at level
ISPED, ISGDP	No Unit Root at level
ISPED, ISGDPPC	No Unit Root at level
WBG PED, ISPED	No Unit Root at level
ISCO2, WBGCO2	No Unit Root at level

After getting individual variable groups as unit root free we tested for possible long-term relationships among variables of the group using cointegration technique in the spirit Johansen. Thus, we will have the results in the table below.

Table 4: Bivariate Johansen Cointegration test results

Variables	Nos. of Cointegrating relationship
WBGCO2, WBG GDP	None
WBGCO2, WBG GDP PC	None
WBG GDP, WBG PED	One
WBG PED, WBG GDP PC	One
ISCO2, ISGDP	None
ISCO2, ISGDPPC	None
ISPED, ISGDP	None
ISPED, ISGDPPC	One
WBG PED, ISPED	One
ISCO2, WBGCO2	None

This leads us to the Pairwise Granger Causality Test; unfortunately, there was no causality between the variables.

Table 5: Results of Granger Causality Tests

Variables	Causality (lag)	Causality (direction)
WBGDP, WBGPEd	1	Bidirectional
WBGPEd, WBGDPPC	1	Bidirectional
ISPED, ISGDPPC	2	ISGDPPC Granger cause ISPED
WBGPEd, ISPED	1	WBGPEd Granger causes ISPED

To find the sign of the relationship we will use the FMOLS. The results are presented in table 6.

Table 6: Results of Fully Modified OLS (FMOLS) regression

Variables	Relationship
WBGDP, WBGPEd	Positive
WBGPEd, WBGDPPC	Positive
ISPED, ISGDPPC	Positive
WBGPEd, ISPED	Positive

The results clearly show some interesting trends, they are as follows:

- Carbon dioxide emission is not an important issue for both Palestine and Israel. That is most probably because of low share of manufacturing sector in the economy.
- Particulate matter damage seems to be significant for both countries.
- In case of Palestine the relationship is bidirectional, which indicates that such damage is related to GDP growth, and GDP in turn contributes to such damage. Maybe prominent mining sector can be an explanation of this. Also, low level of precipitation and semi-arid environment contributes in particle generation and sustenance.
- However, in case of Israel GDP per capita contributes positively to particulate matter damage. Since both countries share similar weather pattern, in case of Israel higher GDP growth may contribute to particles in air through added building construction and consumption of petroleum-based fuel.
- However, the fourth cointegrating relationship tells that as particle damage in Palestine grows that cause's Israeli particle damage to grow as well. This is most probably due to close geographic proximity of two countries that compel them to share common environment.
- At least from perspective of pollution two countries show almost same pattern.

## Discussion

The time series analysis had included the West Bank and Gaza (Palestinian Territories) and Israel for a Particle Emission Damage (a measure of air pollution) and Carbon Dioxide Emission. We found that Particle Emission Damage Granger causes the GDP growth for both the Palestinian Territories and Israel. Nonetheless, the Carbon Dioxide (CO<sub>2</sub>) was not related to GDP growth. These results had indicated that both the Israelis and Palestinians achieve the same path of

sustainable development. This is due to three main reasons: 1) the simple fact that large Israeli industrial compounds are located in the West Bank; 2) the exploitation of Israelis to Palestinian land for dumping and treatment of waste, and 3) given that Israel controls the borders, all imports and exports to the Palestinian territories must meet the Israeli standards.

The illegal Israeli settlements are entrenched in the West Bank. An Israeli settlement in the West Bank is adjacent to a Palestinian village - only a few kilometers away, and in some instances, meters away. These settlements house a wide spectrum of Israeli manufacturers that range from carpet manufacturers to manufacturers of fences for military and civilian use. such as D.N. Kol Gader. Barkan Industrial park is one example, located on the northern part of the West Bank, inside the governorate of Salfit. Barkan Industrial Park currently includes about 120 factories manufacturing plastics, metal-work, food, textile, and more (Who Profits, 2018 and Ministry of Economy & Industry).

The second reason for the high Particle Emission Damage in the Palestinian territories is due to the regular Israeli exploitation of Palestinian land for dumping Israeli waste. Barkan is one example where it is known for its factories to dump an estimated 810,000 cubic meters of industrial wastewater annually, which flowed untreated into a nearby wadi leading to the agricultural lands of the Palestinian villages of Sarta, Kafr ad-Dik and Bruqin, and reportedly polluting the groundwater with heavy metals and other hazardous waste. It was reported that Palestinians living in those areas have a high rate of cancer. B'Tselem reports 15 waste treatment facilities in the West Bank that process waste produced in Israel. Six of the facilities handle hazardous waste which requires special processes and regulatory supervision due to the dangers it poses, including toxicity, mutagenicity (carcinogenicity), infectiousness, flammability and combustibility (Aloni, 2017).

While the third reason is due to Israel controlling all borders, exports, imports and regulation. Israel, on the other hand, is known to prioritize profit and scalability, over nature and sustainability. Since its establishment Israel exploited the resources in order to generate economic growth and development. A perfect example is Hula Lake. This lake was located north of Lake Tiberius (or Tabaria). The lake used to cover an area of 14 kilometers square – 60 kilometers square including its marsh lands, and its deepest point was 6 meters. The Israeli government decided to dry the lake gaining more land for exploitation. The result was the disappearance of the lake and the destruction of an entire ecosystem. Draining the Hula Lake created serious ecological and agricultural problems, which include underground peat fires, soil subsidence and inundation, loss of endemic species, and increased nutrient loading to Lake Tiberius. The dried land from the lake was not suitable for agriculture and Israel was successful in changing the landscape to the disadvantage of human wellbeing (Hambright and Zohary, 1998, 83 and Gophen, 2011).

A second example is the Dead Sea. The water level in the Dead Sea is decreasing as Israel continues to re-route the fresh water from Lake Tiberius leading to the Dead Sea, for its mass agricultural production – maximizing profits (BBC, 2016). Given the shared sea with Jordan, and the international breach of shared natural source, Israel proposed a solution to the shrinking area of the Dead Sea. The solution was for Israel to dig a canal connecting the Dead Sea to the Red Sea, thus changing the natural habitat. In a society where the economy is the primary concern, it is very hard to prevent rapid exploitation of resources.

Finally, the COVID-19 outbreak was another example demonstrating the lack of interest in the human well-being when the economy is at stake. Since the beginning of the outbreak the Israeli government had responded in a slow fashion. The Palestinian government took some measures in closing schools and universities in the first week of March 2020. Meanwhile, the Israeli government failed to take strict measures to save its own people. Instead they waited for the virus to spread where it was getting out of control and then started to take action.

Hence for those reasons it is believed that the results had indicated the Israelis' path of sustainable development due to the geographically entrenchment of Israel into Palestine and its control over the area.

## Conclusion

Our findings confirm the dependency of the Palestinian economy on the Israeli economy (Samarah & Rahman, 2017). Thus the primary responsibility of achieving a clean and sustainable economic growth in the Palestinian territories falls on the occupying power – Israeli government. As long as Israel does not end its occupation it will be hard for the Palestinians to take matters into their own hands and achieve a clean and sustainable economic growth. Nonetheless, it will be better for Palestinians to earn their independence and take matters into their own hands. Time and time again, Israel had proved that economic growth and development is a priority and cannot be traded off or compromised in order to prevent environmental degradation.

As demonstrated, since its establishment Israel exploited the resources in order to generate economic growth and development. Three examples were Hula Lake, Dead Sea, and the current situation with COVID-19.

In such a situation, Palestinians are better off gaining independence and breaking away from Israel, especially after the COVID-19 epidemic. This epidemic had demonstrated that there are two types of governments. The first type considers the economy as the most important entity in a country. Meanwhile, the second considers the individual as the most important entity. Given the reaction of the Israeli and Palestinian governments, it is clear that they are on opposite ends. The Israeli economy is a high tech and advanced economy when compared to the Palestinian one; if people are quarantined major losses will be recorded. Thus the Israeli government not only did not take effective measures to stop the spread of COVID-19, but also continued to facilitate the movement of Palestinian labor to meet the demand generated by the Israeli economy.

In addition, they provided extra incentives for Palestinians –such as free housing for Palestinians– in order for them to provide the needed supply of labor to fulfill the demand of Israeli firms. These policies by the Israeli authorities had not only not stopped the spread of Covid-19 in the Israeli society, but also contributed substantially to the spread of COVID-19 in the Palestinian society. Therefore, the Palestinians are better off having their own government.

Then the Palestinian government can take more effective measures in preventing the environmental degradation in the West Bank and ensuring the continues presence of the Dead Sea for future generations. This will also stop the spread of the Israeli settlements and the

disappearance of Palestinian farmland. Finally, the Palestinian government can implement policies that maintains the quality of both air and water.

It is always important to consider what is happening in the small area occupied by Israeli due to the fact that it is in most cases a small scale of what issues are happening in the world. For example, this small area includes the different types of landscape –it includes a desert, lake, lowest point on earth, mountains, rivers, and bordering three seas. In the case of COVID-19 –which affects sustainable development considerable- it was a summary of the two different types of reactions that are adapted by most governments all over the world. This paper had attempted to study the path of sustainable development in the Palestinian territories and its challenge. Due to the strong influence of Israel it was important for us to take Israeli into account. Our paper had concluded that it is difficult to achieve a sustainable economic development given the dominance of Israeli on the Palestinian territories.

Finally, nations should stop worrying about the economy and focus on the health of their citizens. They should also work together and stop trying to undermine one another so everyone can go through this hardship with the least amount of casualties.

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