



The Economic Integration of Agriculture in Israel and the Palestinian Territories

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Project

- Trilateral cooperation between German, Palestinian and Israeli agricultural economists: four universities, fifteen researchers
- Funded by DFG from April 2010 – March 2014



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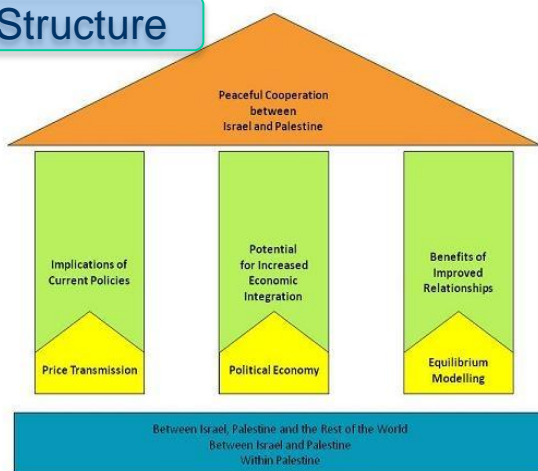
Interests

1. Effects of the Israeli-Palestinian conflict on the agricultural sectors and food markets
2. Potential benefits of removing these restrictions for agriculture and the economy
3. Options for increased future cooperation

Background

- Role of agriculture in Israeli political discourse & history & importance for Palestinian economy
- ➔ loss of welfare gains from trade in inputs and final products with each other

Structure



Research questions

- Effects of closures of West Bank Barrier on food prices
- Transmission of high international food prices in domestic Israeli and Palestinian markets
- Impact of violent political conflict on Israeli food market
- Willingness of Consumers of paying a peace dividend
- (Economic) Cooperation in political conflict
- Market power and price setting in Israeli dairy market
- Impacts of the conflict on food demand in Hebron
- Effects of easing restrictions for Palestinian labor
- Impacts of liberalized horticultural trade between Israel, Palestinian Territories and the EU

Selected results

- Bar-Nahum, Finkelshtain and Kan (2013): Estimating Political and Market Power in the Israeli Fluid Milk Market. 29th Annual Conference of the Israel Economic Association, Tel Aviv, June 4.
- Flaig, Siddig, Grethe, Luckmann and McDonald (2013): Relaxing Israeli Restrictions on Palestinian Labour: Who Benefits? Economic Modelling 31: 143-150.
- Ihle and Rubin (2013): Consequences of Unintended Food Policies: Food Price Dynamics Subject to the Israeli-Palestinian Conflict. Food Policy 42: 96–105.
- Wendler, Liebe, Ihle and von Cramon-Taubadel (2012): The Willingness to Pay of European Consumers for Jointly Produced Israeli - Palestinian Products. Contributed poster, Intern. Ass. of Agric. Economics 2012 Congress, Brazil.