

Sociology of the Informal Sector During the Al-Aqsa Intifada: A Means of Adaptation and Steadfastness

Abstract

This study focuses on the conditions under which the informal sector enterprise has constituted an important means of adaptation for Palestinian families in the West Bank and Gaza during the second intifada. The study specifically concentrates on the factors involved in the reproduction of these informal sector enterprises; the impact of enterprise characteristics on the reproduction process; and the reciprocal relations between the family and the enterprise. Briefly, the study attempts to address two major questions: how does the informal sector enterprise benefit from the characteristics of the family that nurtures it, and how does the family deploy the enterprise in its adaptation strategies within the context of Israeli policies of siege and closure?

Twenty informal sector enterprises operated by families in the Ramallah Governorate were selected through the maximum variety sampling technique. The sample consisted of two groups of equal size: the first was comprised of families that had established their enterprises as a nucleus for a future investment project; and the second was made up of families whose enterprises were primarily meant as a means of alleviating their poverty. The sampling process took into account the diversity of the families in terms of their age and gender composition, place of residence, and type of enterprise. Data were collected through interviews with family members from November 2001 through December 2002.

The study has found that two sets of factors appear to be important in the reproduction of the enterprises: internal factors having to do with the type of enterprise, and external factors relating to the general environment in which the enterprise operates. Internal factors include the objective behind the enterprise's establishment; establishment size and type; and the magnitude of its relation to the formal sector and the market. External factors pertain to characteristics of the family (age and gender composition), and the generally unstable conditions prevailing in the area.

The study has revealed that family composition and resources play an important role in the choice of enterprise, particularly in terms of the kinds of activities in which men and women can engage, and their locations. The study also shows that the reproduction of the enterprise and its use by the family are influenced by the intensity of the family's kin and other relationships.

The performance of informal sector enterprises during the intifada shows that the informal sector absorbs surplus labor; acts as a means for alleviating poverty, whether temporary or permanent; and is a means of increasing income through additional work. The negative impact of Israeli policies of siege and control on small-scale enterprises has underlined the strong influence of the general environment on limiting the leading role of the informal sector, a sector that is capable of infusing a measure of dynamism into the local economy.

The study has underlined the important role of external factors in the reproduction and sustainability of informal sector enterprises. External factors were decisive in limiting the potential of these enterprises to serve as incubators of creative entrepreneurial ideas. Instead, they have become basic survival strategies in absorbing surplus labor and the alleviation of poverty. This has entailed the increased prominence of domestic, family-based income-generating activities and independent services at the expense of small-scale businesses.