

Remote Work and Prospects for Development in Peripheral Regions

Tamar Arieli, Tel Hai University of Kiryat Shmona

Yehudith Kahan, Jerusalem Multidisciplinary College

Doron Lavee, Tel Hai University of Kiryat Shmona

“Wireless telephones and television, following naturally upon their present path of development, would enable their owner to connect up with any room similarly installed, and hear and take part in the conversation as well as if he put his head in through the window. The congregation of men in cities would become superfluous.... The cities and the countryside would become indistinguishable.” (Winston Churchill)

Introduction

Remote work gained momentum in the COVID-19 period, building on rapidly developing technological infrastructures and representing a paradigmatic shift in the labor market in Israel and worldwide. Its implications for individuals, society, and space are only beginning to emerge, yet it is already clear that, beyond psychological, gendered, and familial dimensions, remote work will have crucial implications for socio-economic, urban, and regional planning and development. Our research examines the potential implications of remote work for peripheral regions and their populations, asking whether this emerging mode of employment can contribute to reducing long-standing geographic inequalities.

Remote work may streamline work processes and reduce costs in money, time, space, infrastructure, and air pollution. Seemingly, it reflects the diminishing importance of space as a barrier to labor market integration. However, an initial sectoral segmentation of the economy shows that, unlike occupations characterized by high levels of connectivity and digitalization, most employees hold roles with low connectivity, for whom remote work is not a realistic option. Our study therefore is based on significant doubts regarding the optimistic assumption that remote work can straightforwardly resolve challenges of developing the geographic periphery.

We analyze remote work through a geographic–regional lens, focusing on residents of Israel’s officially designated peripheral regions who are fully or partially employed remotely. A large survey captures their experiences and preferences, supplemented by in-depth interviews with employers and human resource officials that reveal the complex interests, evaluations, and considerations surrounding remote employment. Our core hypothesis is that remote work will not, by itself, close development gaps for peripheral regions and countries

that lie outside the centers of technological development, banking, and commerce. Examining how the institutionalization of remote work affects areas distant from the metropolitan core allows for a realistic assessment of its developmental potential and supports the formulation of more grounded regional policies.

Literature Review: Space, Peripherality, and Technology

Space structures human activity as a complex and evolving network of social, cultural, and symbolic connections anchored in physical settings. Rather than a neutral backdrop, space shapes relationships, actions, and motivations, and is in turn shaped by them, generating meaningful places and unequal geographies of opportunity. Different terms—exclusion, marginality, peripherality, lagging or “left-behind” regions—have been used to describe uneven development, whether in urban neighborhoods or in remote rural regions. Despite conceptual differences, these notions share a relational understanding of inequality between an imagined “center” and its marginalized periphery, raising similar dilemmas over people-versus place-based policies and scales of intervention.

Conventional understandings of peripherality are grounded in both spatial location and economic opportunity. Core–periphery models show how location typically defines parameters of opportunity for individuals, communities, and firms, explaining the centrality of accessibility in measures of peripherality and in policy efforts to “overcome” distance. Yet accessibility itself is difficult to define and measure, involving subjective needs and complex social and cultural networks. Peripherality is thus a dynamic social–spatial phenomenon shaped not only by distance, but also by political decisions, resource allocation, and institutional capacities.

Debates over marginality highlight whether it is a natural, fixed condition or a socially constructed outcome of power relations. Economic approaches emphasize factors such as distance from markets, under-population, and dependence, while constructivist perspectives stress how ethnicity, religion, education, or occupation produce social and spatial exclusion. Recent work underlines how formal institutions, organizational networks, norms, and informal practices combine to sustain regional disparities through agglomeration, migration patterns, skill formation, and political feedbacks. At the same time, some peripheral regions can display vibrancy and growth when they maintain differentiated economic environments with low social inequalities and vulnerabilities.

Technological advances in transport and communications have been presented as offering a “spatial fix,” enabling the reorganization of economic activity and potentially weakening the decisive role of location. Concepts such as “aspatial peripherality” suggest that new technologies decouple development prospects from physical geography, emphasizing soft factors such as information networks, technological literacy, institutional effectiveness, and integration into global markets. However, this perspective risks overstating the “death of distance” and obscuring persistent geographic constraints. Remoteness still increases transport and production costs, limits access to large labor pools and specialized skills, and raises per capita infrastructure costs, while geographic isolation restricts face-to-face

interaction and the diffusion of tacit knowledge. Uneven diffusion and adoption of new technologies further reinforce these divides.

As a result, geography remains highly significant to development, even as digitalization opens new possibilities. Peripheral regions often face “double peripherality,” combining spatial distance from core markets with social and political marginalization, making it particularly difficult to build the technological, human, and institutional capacities required to benefit from global networks. Contemporary policy discourses that treat location as a solved problem through technology underestimate the persistent and multifaceted implications of distance. There is a growing call for updated thinking that acknowledges both the enduring importance of geography and the new forms of peripherality emerging in an increasingly networked economy. Remote work, as a technology-based and spatially mediated practice, must be assessed within this broader debate.

Methodology

The study employs a mixed-methods approach across three sequential phases to analyze remote work’s implications for peripheral development in Israel. The first phase consists of a quantitative survey administered to over 500 employees residing in officially designated peripheral regions who engage in remote work, either fully or partially. The survey collects data on work patterns, frequency and intensity of remote arrangements, perceived challenges and benefits, and socio-economic impacts including income, job satisfaction, and work–life balance.

In the second phase, we conduct in-depth qualitative interviews with more than 20 employers, managers, and human resource professionals from organizations employing remote workers in or from peripheral regions. These interviews explore organizational motivations for adopting or limiting remote work, perceived effects on productivity and collaboration, concerns around social and professional integration, and long-term strategic considerations. They also examine how employers perceive peripheral workers compared to those in central regions, and how this shapes hiring, promotion, and training decisions.

The third phase includes structured conversations with local municipal officials and planners in peripheral regions, focusing on governance, infrastructure readiness, and regional development strategies in the context of changing work patterns. These discussions address broadband and transport infrastructure, local labor market characteristics, and policy initiatives aimed at leveraging remote work for regional development. Taken together, the three phases create a multi-dimensional analysis that captures employee, employer, and governance perspectives, enabling a nuanced evaluation of whether remote employment serves as a catalyst for meaningful peripheral development or merely provides individual employment opportunities without broader regional transformation.

Initial Results

Preliminary findings reveal a marked divergence between employee and employer perspectives on remote work in Israel’s peripheral regions. Remote workers in these areas report high levels of satisfaction across several employment dimensions, including working

relationships, career trajectory, employment conditions, compensation, convenience, and professional development opportunities. For many, remote work enables access to positions and organizations that would otherwise be geographically unattainable, effectively overcoming spatial barriers to quality employment. This suggests that, at the individual level, remote work can mitigate some constraints associated with living in peripheral regions.

However, employers express more reserved or cautious attitudes toward remote work. Interviewed managers and HR professionals frequently raise concerns about reduced social and professional engagement among remote staff, including fewer informal interactions, weaker integration into organizational culture, and limited exposure to leadership networks. They report that remote employees often receive less on-the-job training and mentorship than in-office colleagues, which may hinder their visibility and advancement within company hierarchies. These reservations, combined with growing global trends toward return-to-office policies, suggest that remote work's long-term availability may be more fragile than initial pandemic-era experiences implied.

This discrepancy between high employee satisfaction and employer ambivalence highlights a critical tension that shapes the developmental role of remote work. While remote work may offer peripheral residents improved access to employment, organizational practices and perceptions can limit their career progression and long-term integration. Furthermore, limited digital connectivity and infrastructural gaps in many peripheral areas continue to constrain the spread of remote work, reinforcing existing inequalities between central and peripheral regions. Overall, the initial results indicate that remote work alone is unlikely to resolve structural regional disparities, but, under appropriate policy and institutional conditions, it may become one important component of a broader strategy for more equitable regional development.