



## **DEBATE: Should US Aid to the Palestinians Be Suspended?**

**Moderated by George N. Tzogopoulos**

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**Q: On January 2, 2018, US President Donald Trump threatened to pull funding from the Palestinians with the tweet: “But with the Palestinians no longer willing to talk peace, why should we make any of these massive future payments to them?” Two weeks later, the US said that it while it remains [committed to a voluntary contribution of \\$60 million](#) to sustain Palestinian schools and health services, it is holding back a further \$65 million for reconsideration. BESA joins the debate by posing the question: Should US aid to the Palestinians be suspended?**

**Respondents: Yossi Kuperwasser, Peter Brookes, Hillel Frisch,  
Asaf Romirowsky, Neri Zilber, Alex Joffe**



**Yossi Kuperwasser, Director of the Project on Regional Middle East Developments at the Jerusalem Center for Public Affairs. Former Director General of the Israel Ministry of Strategic Affairs and head of the Research Division of IDF Military Intelligence**

Cutting American aid to the Palestinian Authority as a result its insistence on paying salaries to terrorists and refusal to engage in the peace process means that

Palestinian deterrence has weakened dramatically. The US is no longer afraid of the myths about the harsh reaction such moves may bring. It realizes that the legendary Arab Street is not really a threat and that the pragmatic Arab states consider other issues more pressing than the Palestinian issue.

The US attitude causes great anxiety among the Palestinians – especially as the Israelis are losing hope that there will ever be a Palestinian partner for real peace, the Arabs are giving them the cold shoulder, and the US is recognizing the reality about the conflict (Jerusalem, refugees, Palestinian position as the main obstacle to peace) and is forming a peace plan they are likely to oppose.

The Pavlovian Palestinian reaction is to show even greater commitment to their narrative of struggle against Zionism, as demonstrated by Abbas in his recent public appearances. He advocates more “popular resistance” (violence without the use of firearms) and more unilateral activity in international fora (including the ICC), and refuses to deal with the American administration.

The option of cutting off relations with Israel and suspending both the recognition of Israel and Palestinian security cooperation are probably going to remain as threats, even after the US funds are actually cut. The option of dissolving the PA has not been mentioned recently, because the Palestinians regard its establishment as a major achievement. In the long run, after the PA realizes how futile these measures are and after its hope are dashed that Europe and the Arabs will replace the US, the Palestinians might start asking questions about the logic of sticking to a false narrative. But until this happens, the Palestinian arena may experience rising tensions both internally (between the factions and between the Diadochi inside Fatah) and between the Palestinians and Israel, though the probability of a new Intifada is low.



**Peter Brookes, Senior Fellow, National Security Affairs, Douglas and Sarah Allison Center for Foreign Policy, The Heritage Foundation, Washington DC**

The US generously supports the Palestinians through both the United Nations Relief and Works Agency for Palestinian Refugees (UNRWA) and the Palestinian

Authority (PA). The US is UNRWA's biggest donor and the value of American aid is hundreds of millions of dollars annually for both programs.

UNRWA was established as a temporary initiative to assist Palestinian refugees resulting from the 1948 Israeli-Arab war. Nearly 70 years later, UNRWA has become a permanent institution providing services to multiple generations of Palestinians, many of whom are not refugees.

Instead of helping resolve a crisis, UNRWA prolongs it. The US should reconsider the need for UNRWA at all, especially since every other refugee population in the world is handled by the United Nations High Commissioner for Refugees.

All US aid comes from American taxpayer dollars. It is not an entitlement. President Trump is right to expect that US support will result in a Palestinian willingness to negotiate with Israel on finding a comprehensive peace. Unfortunately, that hasn't happened – and Palestinian intransigence should not be rewarded.

The US should suspend aid to UNWRA and the PA until the Palestinians engage in meaningful talks with the Israelis on peace. Perhaps with that, we'll finally see movement on the peace process.



**Hillel Frisch, Professor of Political Studies and Middle East Studies at  
Bar-Ilan University**

The recent US decision to cut aid to UNRWA is a move in the right direction and Israel should welcome it. UNRWA is an organization that privileges Palestinian refugees over all others in flagrant contempt of the principle of equality, especially as most of them are descendants of refugees and not refugees themselves. If the US doesn't know what to do with the funds, they can go to the surviving refugees and victims of the Holocaust.

The timing couldn't be better. It presses the inhabitants of Gaza, who voted in Hamas in 2006, to induce that murderous organization to spend its funds on their welfare

rather than on missiles, underground attack tunnels, and terrorism in the West Bank. The people of Gaza need, among other things, a primary school system to replace the current one – mostly run by UNRWA – which teaches blind anti-Jewish hatred to Palestinian youngsters.

The talk that budget cuts to the organization will increase the likelihood of a humanitarian crisis is nonsense. The same sources that promote this fear report a growing gap between electricity supply and demand in Gaza. How can a society under economic stress consume more electricity, a proxy economists use to measure increases in economic welfare in the absence of GDP data?



**Asaf Romirowsky, Fellow at the Middle East Forum, former IDF International Relations liaison officer in the West Bank and to the Hashemite Kingdom of Jordan**

UNRWA helps perpetuate the Palestinian refugee problem through an entrenched and dysfunctional bureaucracy that is accustomed to almost 70 years of international welfare. There exists a subversive dynamic between UNRWA and the Palestinian leadership: the existence of UNRWA allows the Palestinian Authority (PA) to continue dodging core responsibilities towards its citizens.

At its root, UNRWA effectively argues that – regardless of reality – all Palestinians are refugees and victims of an Israeli "occupation." The organization has financial and political interests in maintaining this fiction. As long as the Palestinians are refugees, UNRWA is in business. Success is measured by the contributions it receives and the prerogatives it assumes.

UNRWA's financial structure underlies its moral hazard and directly supports its own rent-seeking behavior. Ironically, one of the rhetorical strategies employed by the organization is stressing the pathos of the refugees' plight, a variation on the "moral degeneration" argument made by American Friends Service Committee (AFSC) personnel during their years in Gaza. Now, with the withholding of UNRWA funds, the Trump administration has the opportunity to disrupt

dysfunctional patterns that are long entrenched and fantastically expensive. It also has the chance to confront the PA with a choice: if it wishes to be regarded as a state, it must assume its responsibilities and act like a state.

Historically, the US government has not ignored the lack of return on this "investment," but never before has it responded with such measures. Since the 1970s, a number of Congressional resolutions have sought to limit or cut off funding to UNRWA. Congress regularly introduces language into appropriations bills requiring UNRWA to promote transparency, self-policing, and accountability with regard to vetting employees for terrorist connections, as well as eliminating the promotion of terrorism in educational materials. Similar provisions are regularly written into United States Agency for International Development budgets administered by the State Department in regard to the PA. All of this may finally lead to real change and to an understanding that US support for UNRWA has kept Palestinians in stasis, promoted Palestinian rejectionism, and failed to advance either peace or US policy.



**Neri Zilber, journalist based in Tel Aviv and adjunct Fellow of the Washington Institute for Near East Policy, for which he is co-authoring a forthcoming study on the Palestinian Authority Security Forces**

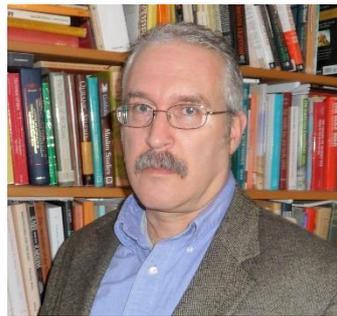
The Trump administration's recent threats to suspend aid to the Palestinians runs the risk of severely undermining stability on the West Bank while at the same time doing little to further the administration's stated diplomatic goals in the Israeli-Palestinian arena.

In contrast to the popular perception, the West Bank has been relatively stable over the past decade, especially in comparison to the violence of preceding years. This has been achieved, *inter alia*, by the close security coordination between Israel and the PA Security Forces (PASF). The US government funds and trains these forces, so any cutoff in aid would inevitably undermine their cohesiveness and effectiveness. The notion that security can be shielded from a wider suspension of

aid is not credible given the very real systemic strain – budgetary and political – it would place on the PA writ large.

It should be a vital US interest to maintain these security ties (Israeli-Palestinian and US-Palestinian), not least because they are arguably the most successful facet of the entire "peace process" ecosystem.

Given the Trump administration's stated (quixotic) goal of restarting peace talks, undermining this one positive aspect makes little diplomatic sense, and even less sense in terms of the realities on the ground.



**Alex Joffe, archaeologist, historian, and the  
Shillman-Ginsburg Fellow at the Middle East Forum**

Reports indicate that the Trump administration has followed through on its reevaluation of US aid to the Palestinians, specifically UNRWA. A \$65 million payment will be deferred while an additional \$60 million will be transferred.

These figures must be seen in context. US taxpayers currently provide over \$750 million a year: half in economic and security assistance provided to the Palestinian Authority (and its creditors), and half to UNRWA, the UN's health, welfare, and education agency dedicated solely to Palestinian "refugees." These sums give the US ample latitude to communicate via suspension of payments or reprogramming of funds. But how would this message be received? The hysteria accompanying the \$65 million deferred payment to UNRWA gives us the answer.

Palestinian leaders perceive foreign aid as an entitlement. The process of giving aid is ritualized and sacrosanct; it must be done reliably and in increasing amounts. Any cuts automatically result in the putative death of children and the inevitable radicalization of adults. The element of blackmail is inescapable. These perceptions are often characteristic of welfare dependents worldwide, but Palestinian culture has long internalized the belief that their political circumstances are the absolute responsibility of the international community. Until they are miraculously restored to an imaginary status quo antebellum, they must be sustained.

Indeed, the PLO's Hanan Ashrawi's angry response that "Once again, the US administration proves its complicity with the Israeli occupation by attempting to remove another permanent status issue off the table" shows that any changes to UNRWA are seen as tantamount to erasing the "refugees" as a political issue. Here too is another element of blackmail.

Would removing more aid encourage independence or collapse? Probably both. The kleptocratic and entrepreneurial sectors of Palestinian society would manage, but with a massively bloated public sector, inefficient agriculture, and underdeveloped manufacturing, the bulk of Palestinian society would suffer. Moreover, Palestinian leaders (the core of the kleptocratic class) would gladly collapse the economy and increase the people's suffering in order to burden Israel and the international community. US suspension of aid should therefore continue to target UNRWA and the public sector, especially the numerous private militias, while directing aid to health and educational services.

Unfortunately, Mahmoud Abbas's overwrought speech excoriating the Trump administration and declaring that Jews are European-supported occupiers indicates how the messages have been received. This is to say characteristically, with incoherent rage, incomprehension, and a retreat into solipsistic tropes about resistance.

One lesson here is that US aid reduction must be accompanied by a well-articulated message directly to the Palestinian public: welfare is not forever, self-reliance is critical, and the path for the future goes through negotiations with Israel.

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