



# *Contentious Economics in Occupied Palestine: Challenging Neoliberalism, Advancing Resistance*

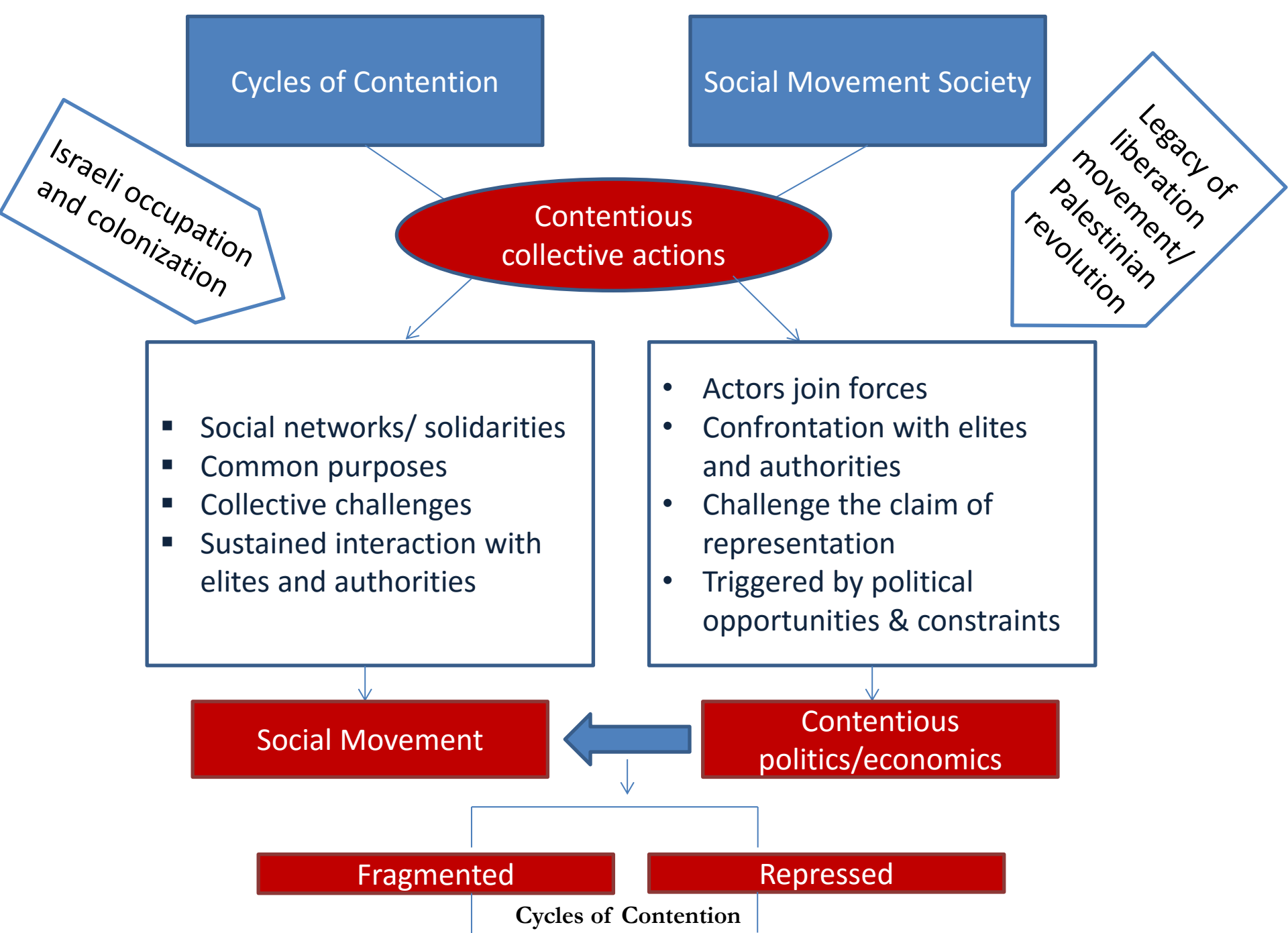
**Alaa Tartir**

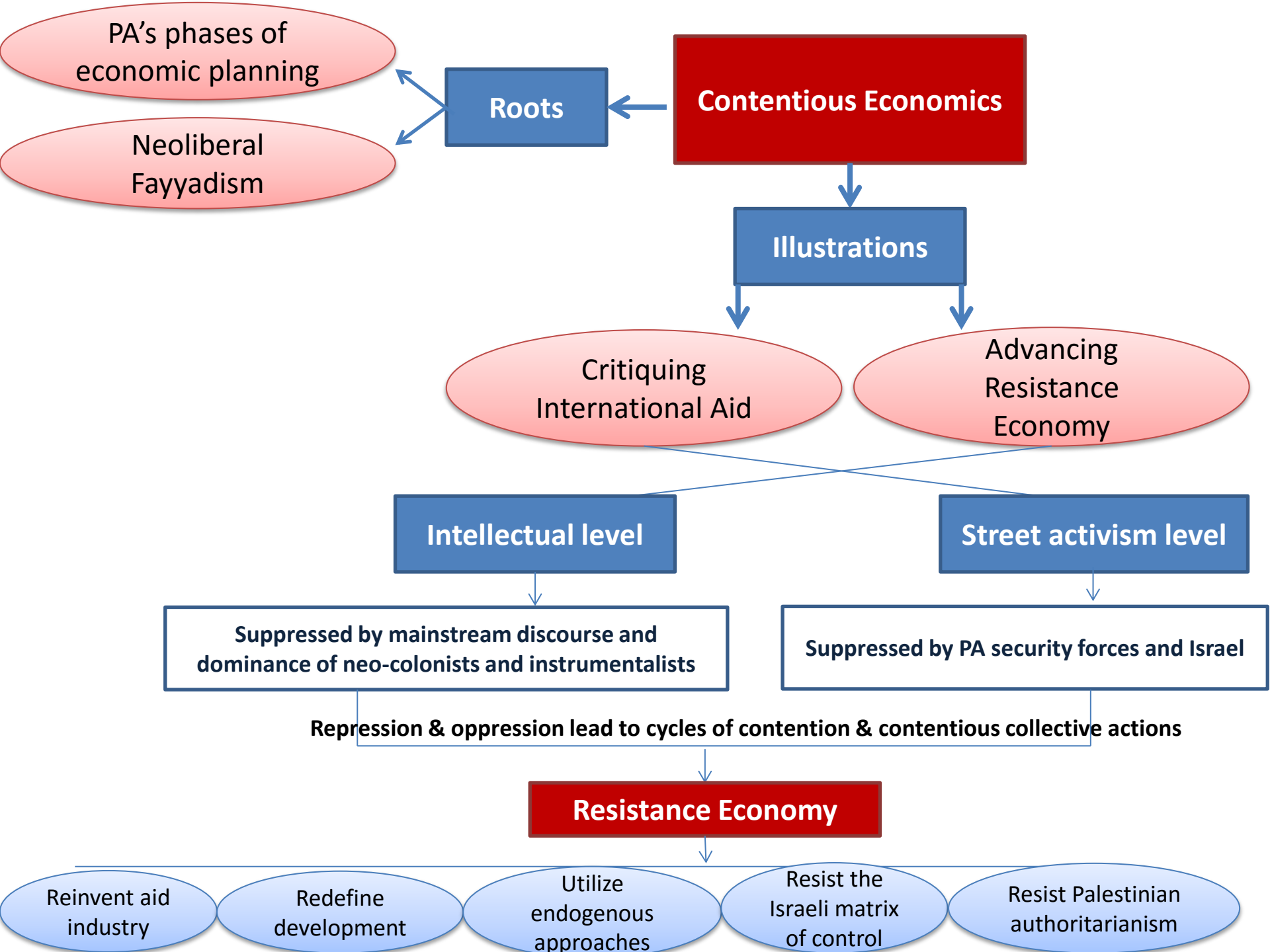
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LSE Middle East Centre PhD Conference 2013

30<sup>th</sup> of September 2013

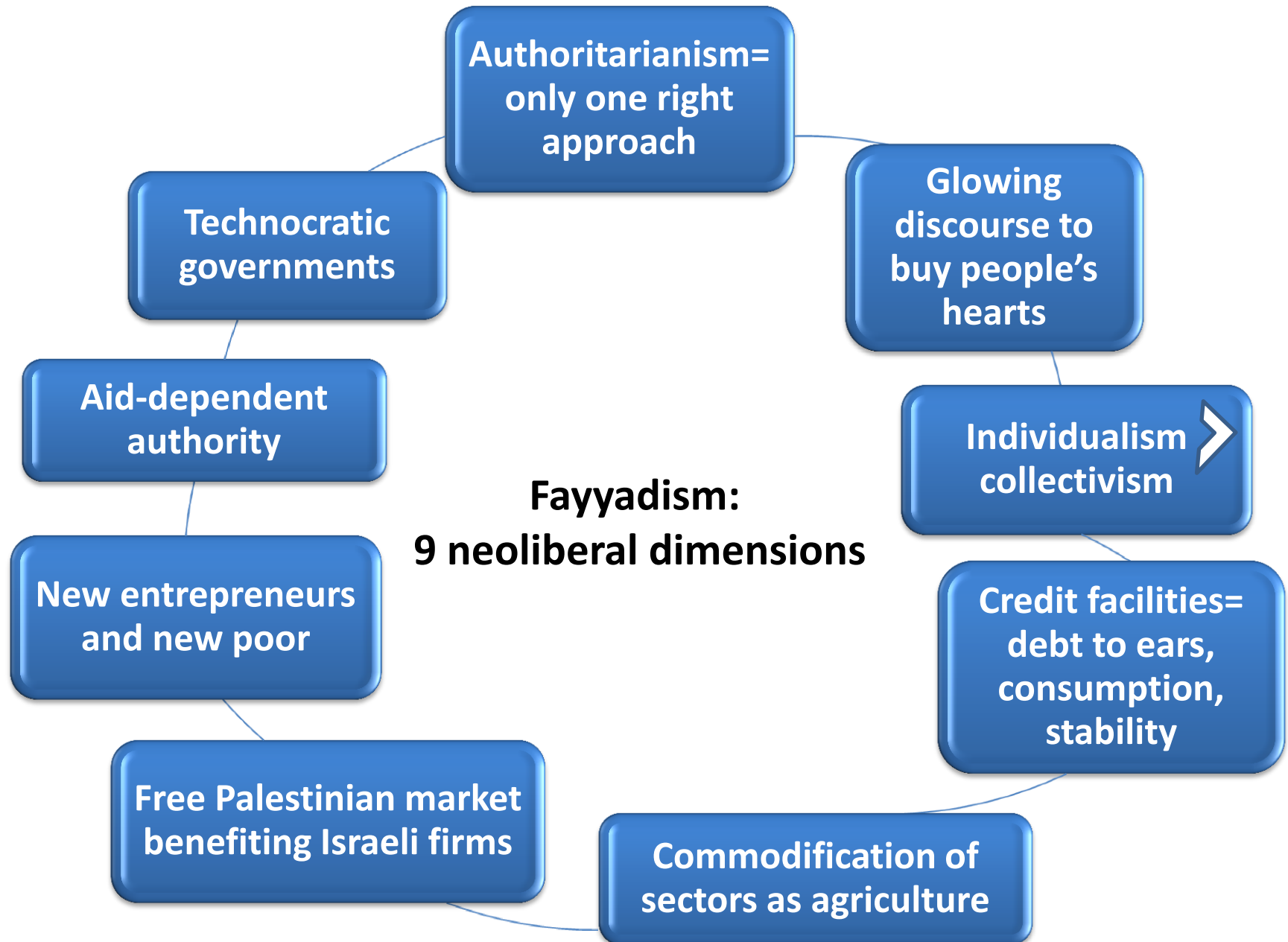




# The Roots of Contentious Economics in Palestine

- Dictated by Oslo Accords=Political roots for economic contention.
- Oslo Accords= Neoliberalism as leading and defining ideology for the Palestinian Authority (PA).
- The PA was created to be inherently dependent on aid and peace dividends.
- 20 years on since Oslo led to dramatic failures (an alternative is needed!).
- Understanding failures: 3 stages of PA's Economic Planning
  - ✓ **Ignorance and confusion phase (1993-1997)**
  - ✓ **Pressure and coercion phase (1998-2004)**
  - ✓ **Conviction and promotion phase (2005-Today)**

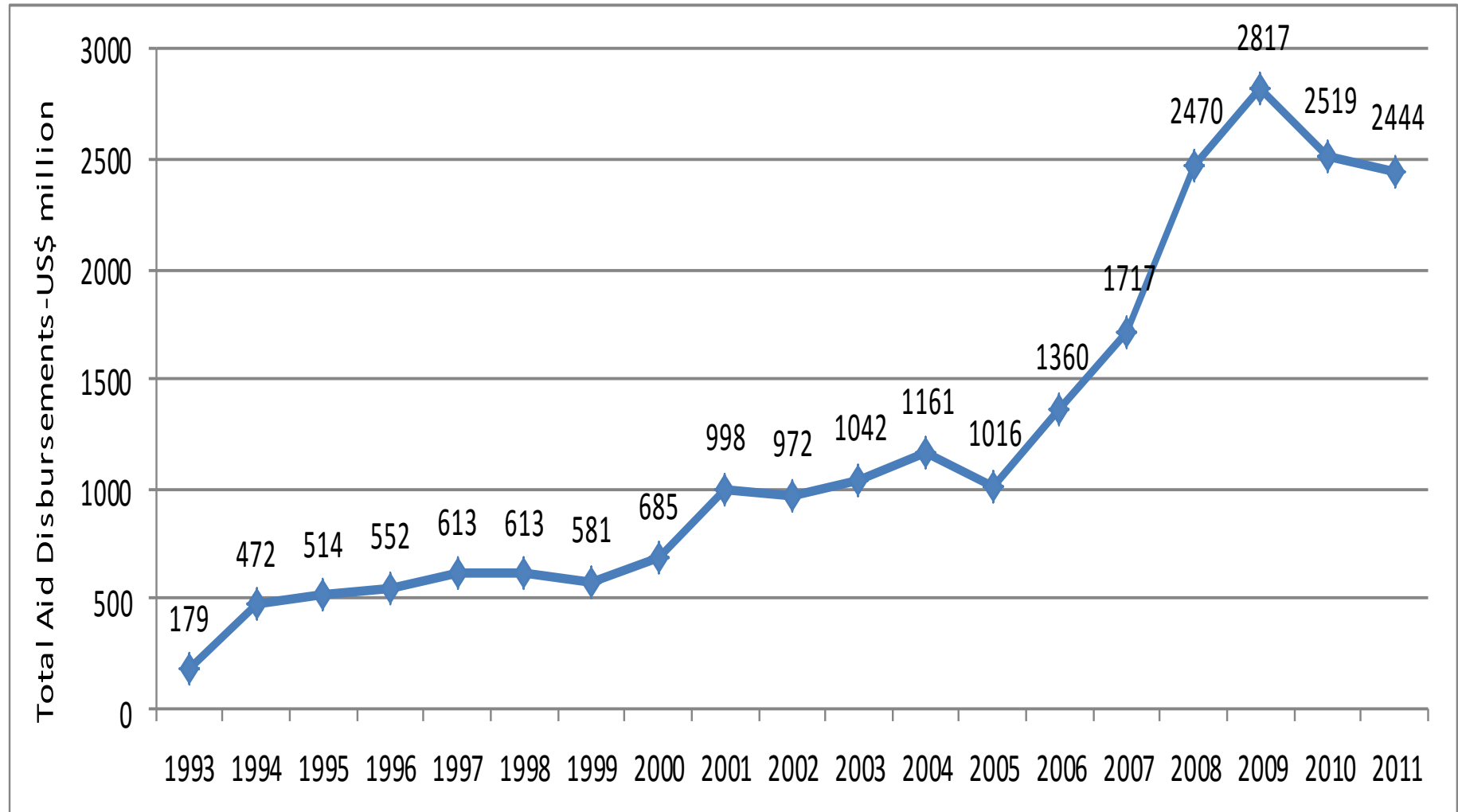
# Neoliberalism with a Palestinian Flavour...



# Illustration of Contentious Economics in Palestine

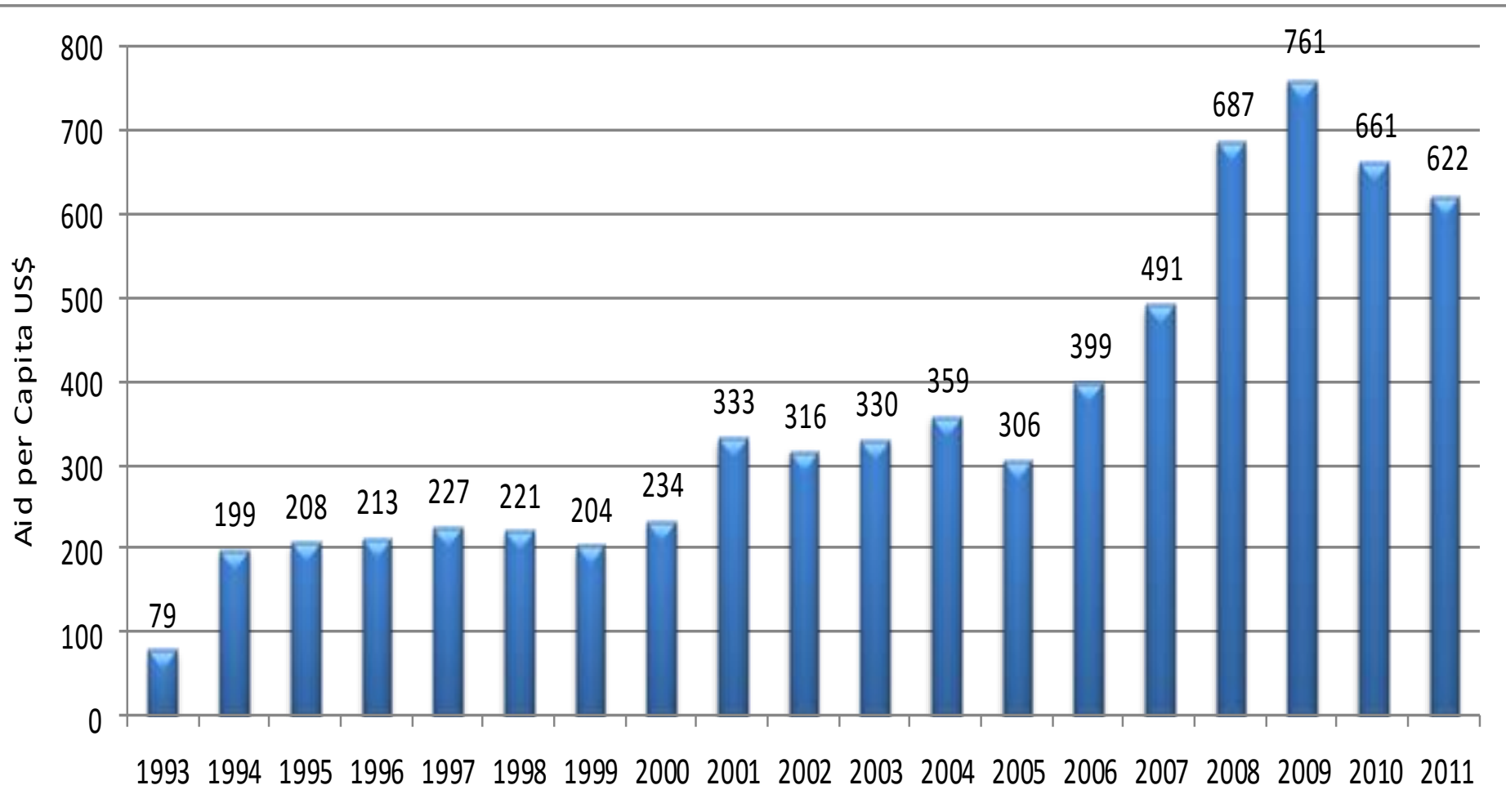
- Illustrating contention through two dimensions:
  - ✓ Critique of aid industry at the intellectual and streets levels;
  - ✓ Efforts to develop an alternative paradigm to the neoliberal model, namely resistance economy.
- **Lines of Argumentation:**
  - ✓ Critique of the aid industry, donor's policies, and the PA economic policies, moved from the intellectual élite circles to the streets through contentious collective actions.
  - ✓ Despite their fragmentation, critics went further in their challenge to the authorities and proposed a different economic paradigm, resistance economy model.

# Total International Aid to Palestinians 1993-2011



Source: Compiled by Author based on OECD/DAC and World Bank-WDI Databases 2013.

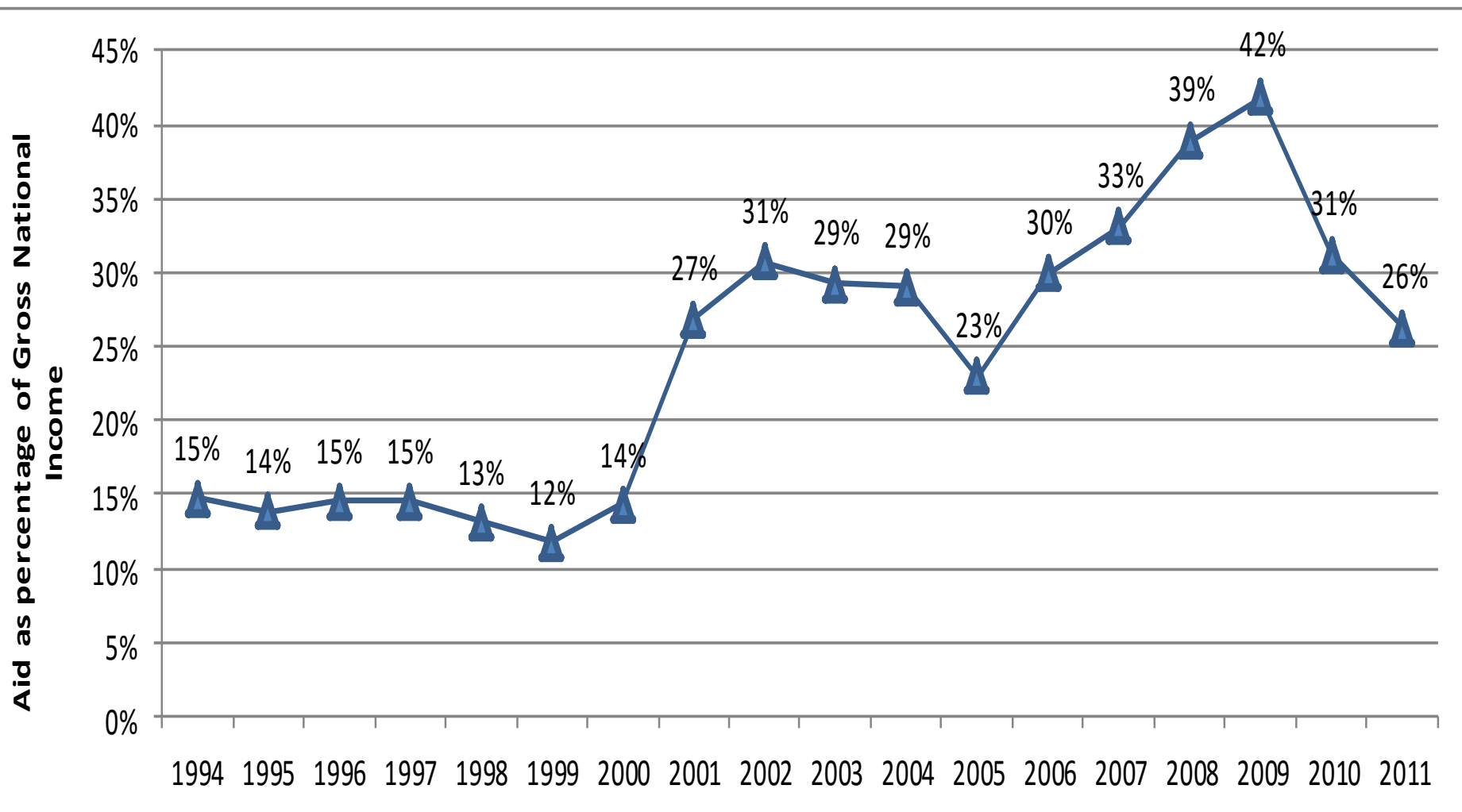
# International Aid Per Capita in West Bank and Gaza 1993-2011



Source: Compiled by Author based on OECD/DAC and World Bank-WDI Databases 2013.



# Aid as percentage of the West Bank and Gaza's GNI 1993-2011



Source: Compiled by Author based on OECD/DAC and World Bank-WDI Databases 2013.

# Is there an 'aid-development' puzzle in Palestine?

## The socio-economic indicators reveal a gloomy picture:

- Using the consumption-based definition, 26% of the Palestinians lived in poverty in 2009 and 2010 (19% WB, 38% GS). Using the income-based definition, 50% of the Palestinians lived in poverty (38% WB, 70% GS).
- 50% of Palestinian households were impacted by food insecurity.
- Unemployment has remained at around 30% since 2009 (47% in Gaza, 20% in WB). Unemployment rate for Palestinian youth under 30 is 43%.
- The income and opportunities inequality gap continues to widen not only between the West Bank and Gaza, but also within the West Bank.
- The manufacturing and production capacities continue to erode, while the agriculture sector remains neglected.

# Is there an 'aid-development' puzzle in Palestine?

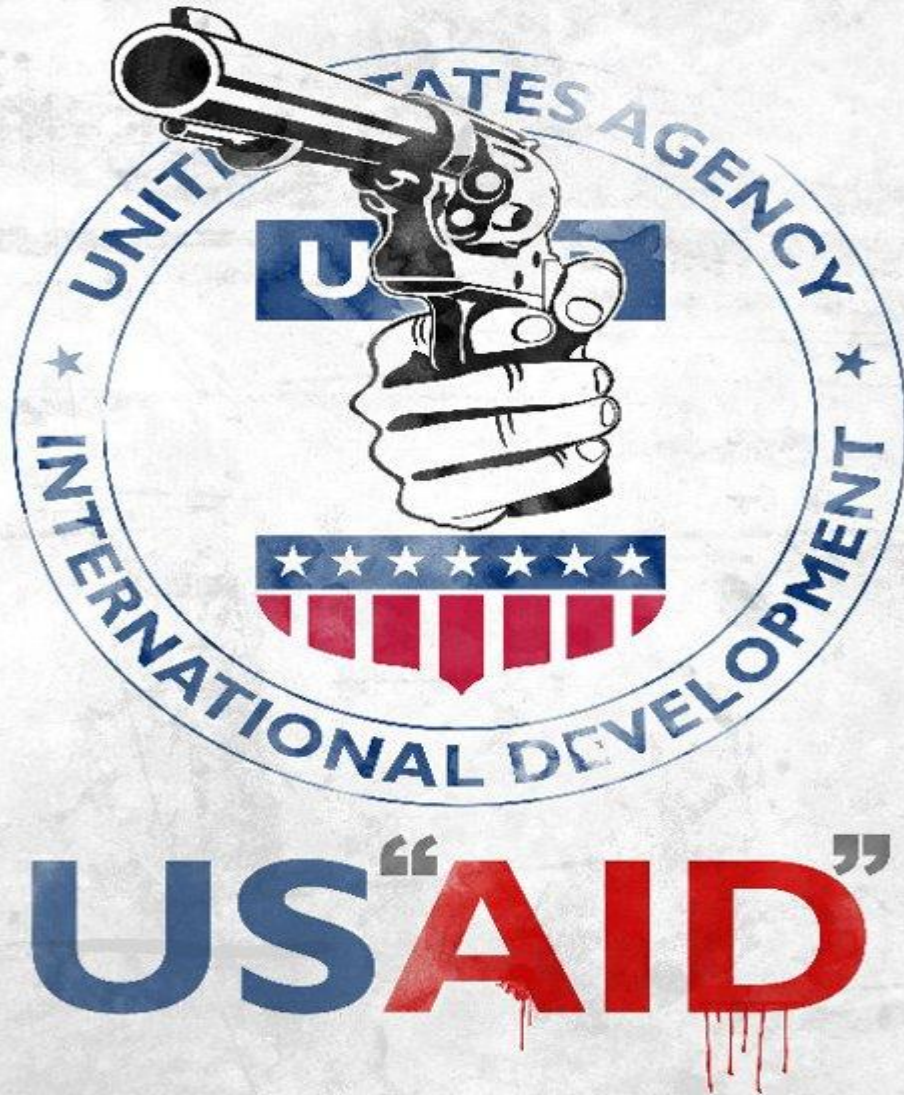
- Public debt doubled, while the private debts, thanks to the easier credit facilities, expanded to extraordinary rates.
- Real income per capita needs a proper deconstruction noticing the unbearable increase in the cost of living.
- The celebrated economic growth is a jobless, aid driven, with an eroded productive base (de-industrialization), non-Jerusalemite, anti-poor, and reflects an economy recovering from a low base.

## ❖ Aid has failed the Palestinian people. Why? 4

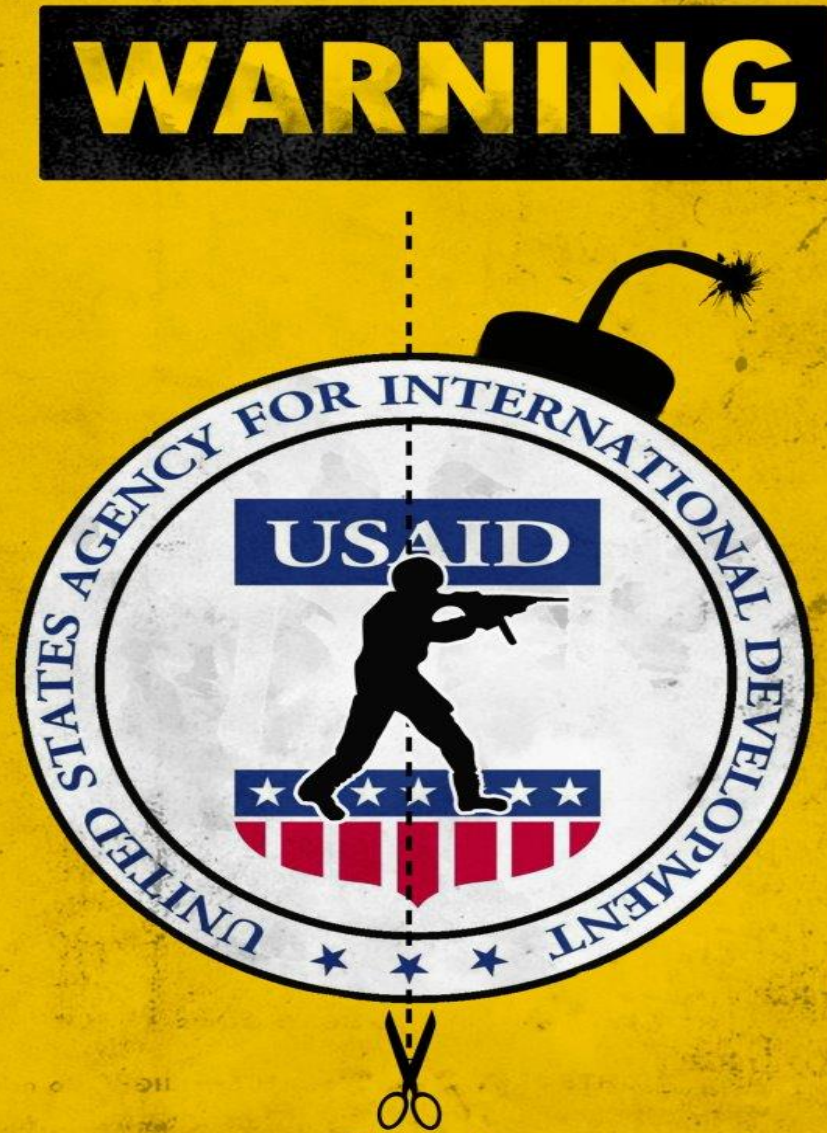
### Schools of thought.

- ✓ Instrumentalists.
- ✓ The critical instrumentalists.
- ✓ The critics.
- ✓ The neo-colonialists.

# Illustrating dimensions of Contentious Economics



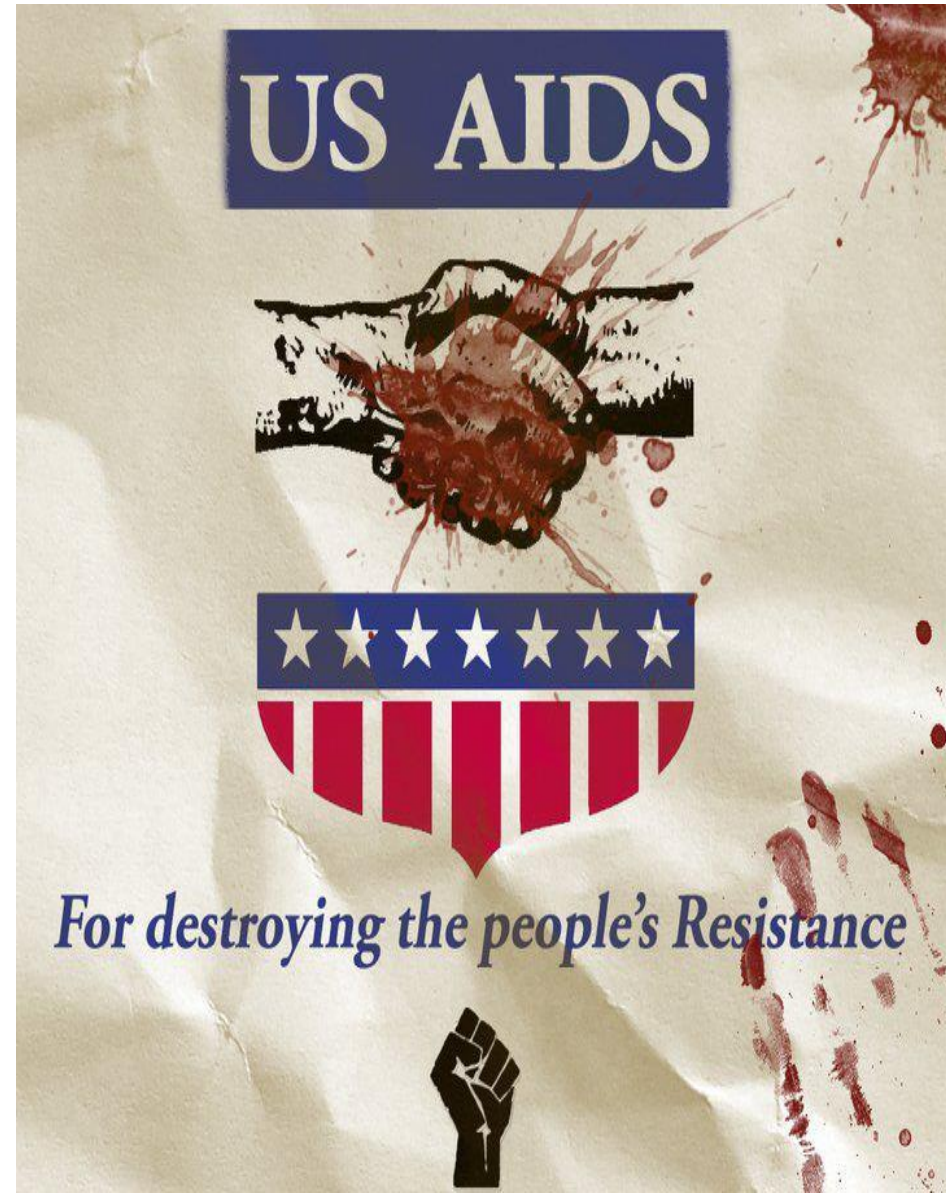
Holice Umar



{Waleed Idrees}



# Illustrating dimensions of Contentious Economics



# Illustrating dimensions of Contentious Economics



{Waleed Idrees}





# Illustrating dimensions of Contentious Economics



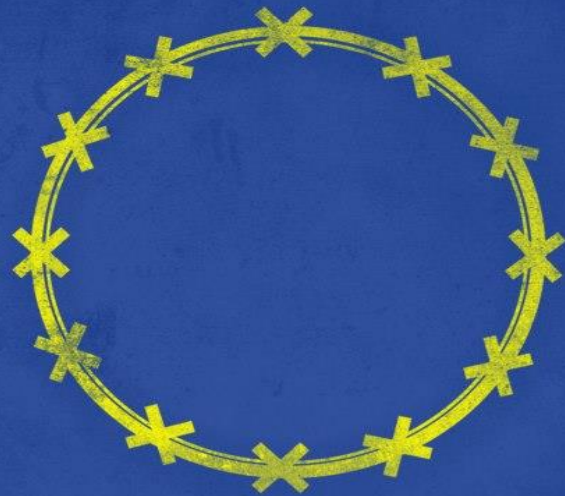


# Illustrating dimensions of Contentious Economics



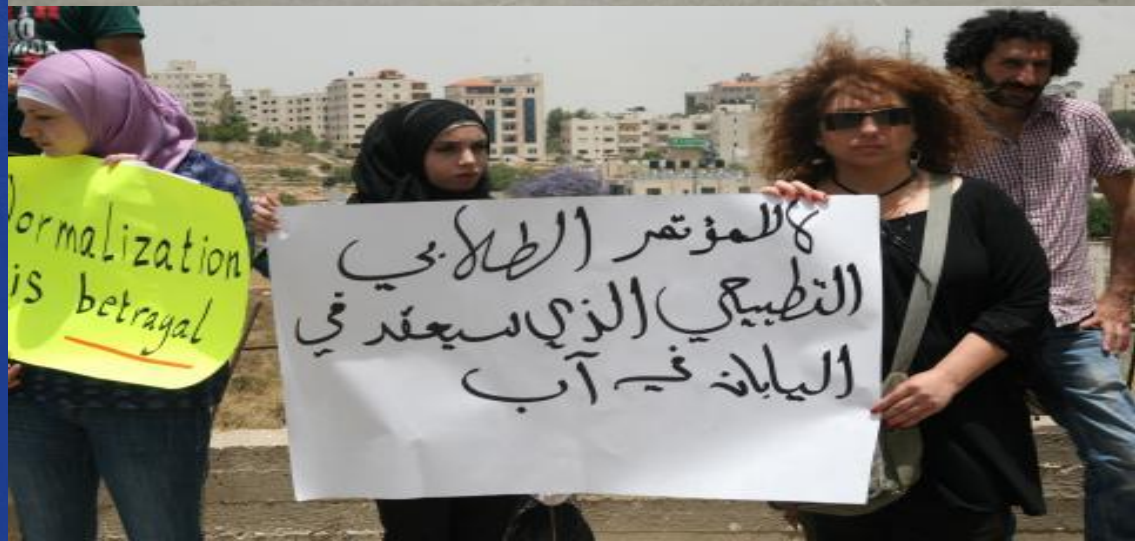


# Illustrating dimensions of Contentious Economics



eur<sup>o</sup>pean  
union

Waleed Idrees





## The logo is a circular emblem. The outer ring contains the text 'COMITE INTERNATIONAL' at the top and 'GENEVE' at the bottom, both in black, uppercase, sans-serif font. The center of the logo features a red cross. The cross is formed by two hands, one on the left and one on the right, holding a vertical red bar. The hands are depicted in a dark, textured style. The entire logo is set against a light beige, textured background.

## ایف داکور

**"The International Committee of the Red Cross (ICRC) is an impartial, neutral and independent organization..."**  
Yves Daccord

Yves Daccord





# Illustrating dimensions of Contentious Economics



# Challenging Neoliberalism, Advancing Resistance

- Critics aim to reinvent the aid industry; redefine development; utilize endogenous approaches; resist the Israeli matrix of control and Palestinian authoritarianism.
- Illustrate an ultimate challenge to the authorities and their dominant models: Acts of resistance/continuous economics.
- Definition of resistance economy.
- Contrast resistance economy with the neoliberal Fayyadism.
- Paradigm shift from considering development as a technocratic, apolitical and neutral approach into a model that recognizes structures of power, relations of colonial dominance and rearticulates processes of development as linked to the struggle for rights, resistance and emancipation.



# Challenging Neoliberalism, Advancing Resistance

- Alternative ideas at the macro intellectual level were coupled with micro initiatives on the ground that operationalize them.
- The micro initiatives aim to challenge the dominant discourse and authorities by using social movements tools:
  - ✓ Public awareness and lobbying; challenge public policies; work with and mobilize grassroots; work with neglected and marginalized actors; build-up different discourse through innovative media outlets, and arts.



# Challenging Neoliberalism, Advancing Resistance



MA'AN Development Center



**Dalia Association**  
A Palestinian Community Foundation



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al-shabaka policy brief

## DEFEATING DEPENDENCY, CREATING A RESISTANCE ECONOMY

By Alaa Tartir, Sam Bahour, and Samer Abdelnour

February 2012

### Overview

In an important recent piece - [Economic Hallucination](#) - Ramallah-based Al-Shabaka policy advisor [Sam Bahour](#) exposed the charade played by both Western donors and the Palestinian Authority (PA) to cover up the occupied territory's inexorable economic meltdown after decades of Israeli military occupation. Arguing that the combined donor-PA approach poses major obstacles to freedom and rights, Bahour concluded: "It's time for a new economic model, one built on economic justice, social welfare, solidarity, and sustainability." What would such an economic model look like and how can Palestinians living under occupation move from today's



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al-shabaka policy brief

## FARMING PALESTINE FOR FREEDOM

By Samer Abdelnour, Alaa Tartir, and Rami Zurayk

July 2012

### Overview

For Palestinians, agriculture is more than a source of income or an economic category in budgets and plans. It is tied to the people's history, identity, and self-expression, and drives the struggle against Israel's Separation Wall. In this brief, Lebanese activist, author, and agronomist [Rami Zurayk](#) joins Al-Shabaka Policy Advisors [Samer Abdelnour](#) and [Alaa Tartir](#) to tackle the almost spiritual significance of the land to the Palestinians and the deliberate Israeli efforts to break the link between farmers and their crops. They also discuss the Palestinian Authority's terrible neglect of the agricultural sector and the destructiveness of some donor aid.<sup>1</sup> The authors argue that farming is a productive, meaningful, and multi-dimensional form of



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## PERSISTENT FAILURE: WORLD BANK POLICIES FOR THE OCCUPIED PALESTINIAN TERRITORIES

By Alaa Tartir and Jeremy Wildeman

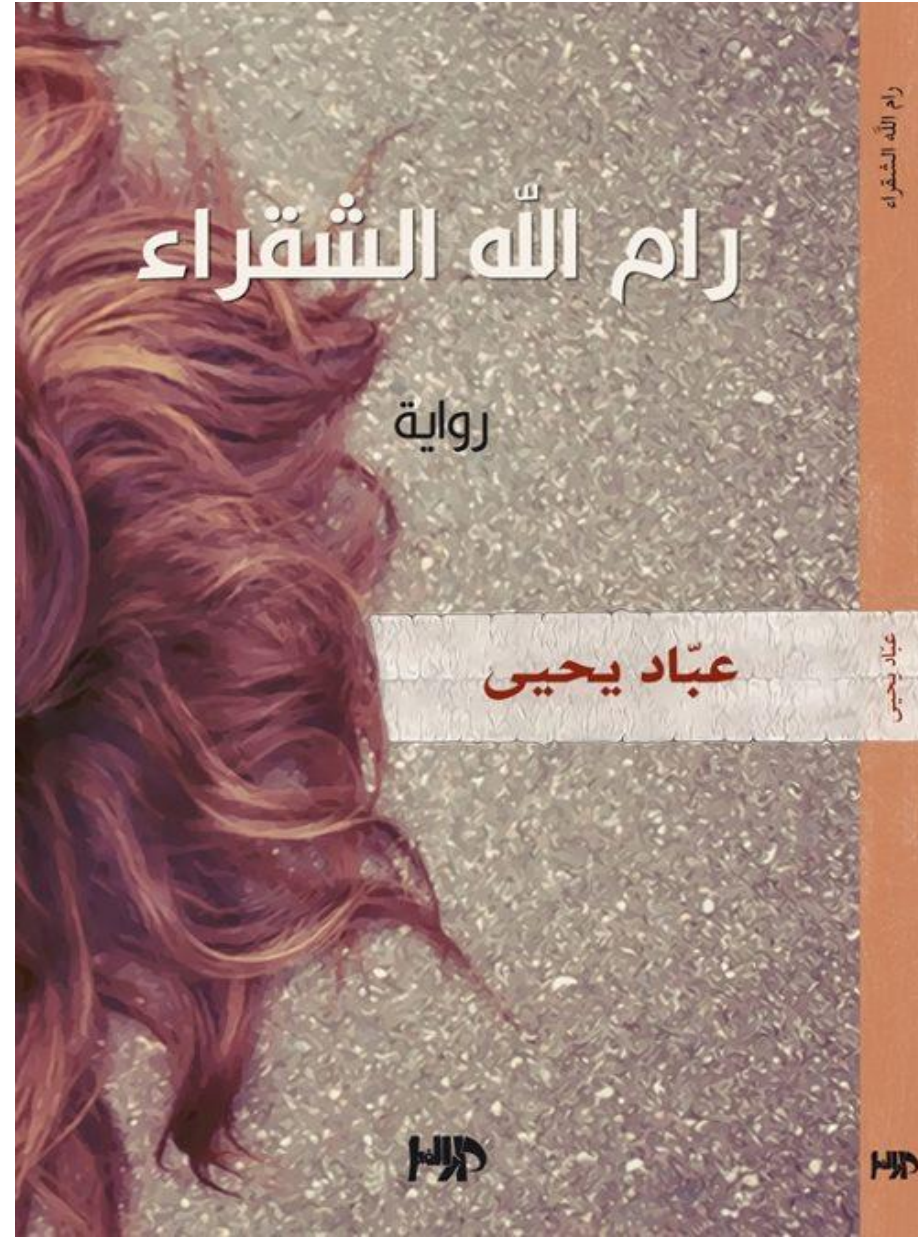
October 2012

### Overview

The World Bank's growth report on the Occupied Palestinian Territories concludes – unsurprisingly – that growth is unsustainable because it is aid-driven, and yet it recommends private sector-led growth as a way forward. Can such growth or indeed any form of sustainable development really take place under the conditions of prolonged occupation, colonization, and dispossession? This question badly needs to be addressed because so few development organizations, least of all the Bank, do so. Al-Shabaka Program Director [Alaa Tartir](#) and Guest Author [Jeremy Wildeman](#) do so by deconstructing the Bank's report, bringing to light the danger of present and past recommendations, and calling for a completely new approach.



# Challenging Neoliberalism, Advancing Resistance





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