

Unwilling to Change, Determined to Fail: Donor Aid in Occupied Palestine in the aftermath of the Arab Uprisings

Alaa Tartir

PhD. Candidate and Researcher

Department of International Development, LSE

Program Director, Al-Shabaka: The Palestinian Policy Network

Paper's Aim and Conclusions

➤ *Aim:*

- To investigate whether patterns in OPT donor aid have changed following the Arab uprisings of 2011.

➤ *Conclusions:*

- Building on **30** original interviews we found that failing aid patterns remain unchanged.
- Donors remain transfixed on a failed 1993 World Bank's 'Investment in Peace' framework.
- Donors are not ready to alter a framework dominated by policy instrumentalists who emphasise pre-determined normative values, trading financial inducements to Palestinians to forego political rights within a 'peace dividends' approach.
- Critics of the existing aid framework remain largely ignored with little influence over aid policy.

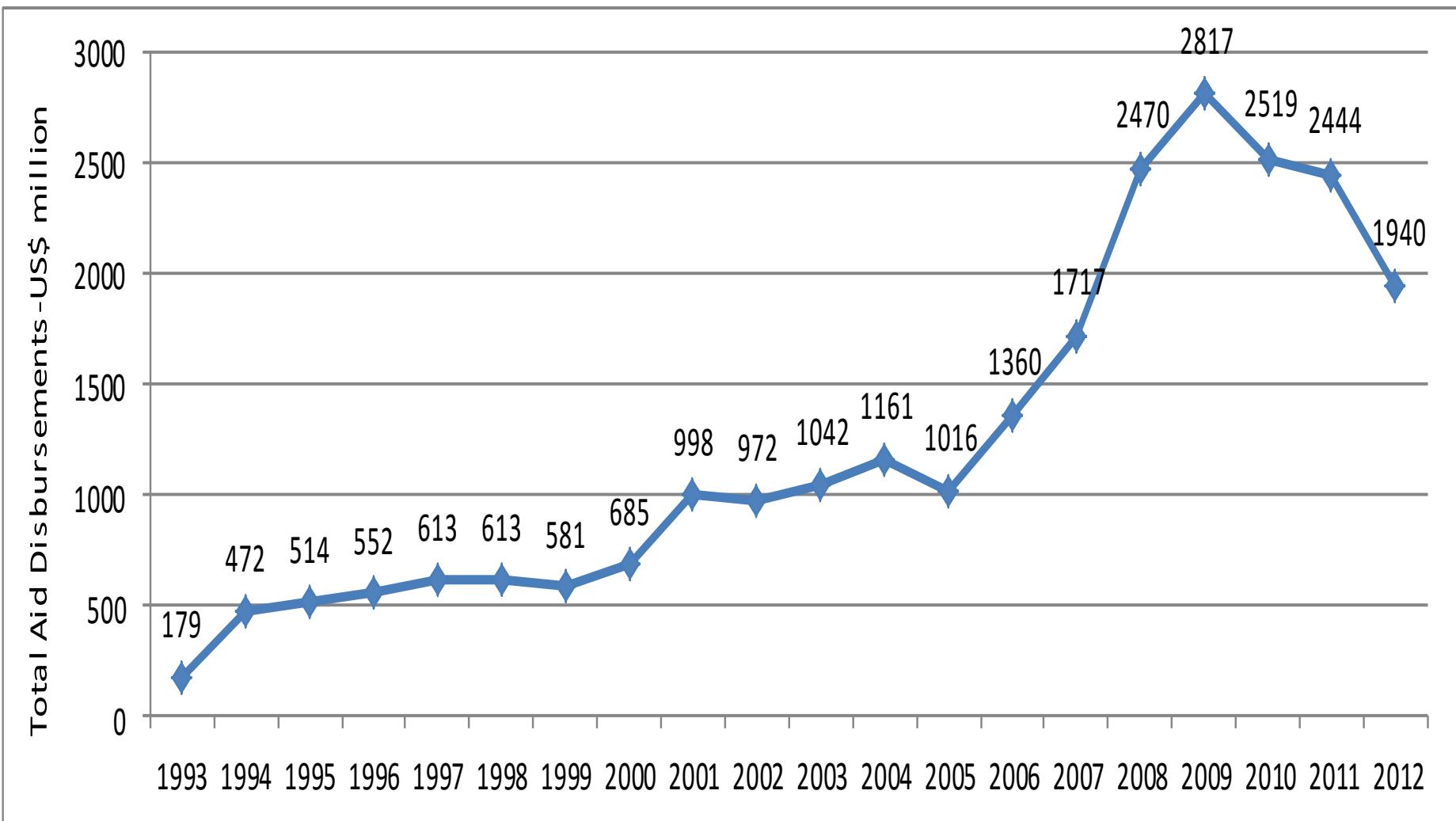
Let us unpack these conclusions!

- Why still studying/researching int'l aid in OPT?...because, the aid-development paradox persists despite **\$24 billion since 1993.**
- How we can explain the impact of aid at the scholarly level?

4 Schools of thought.

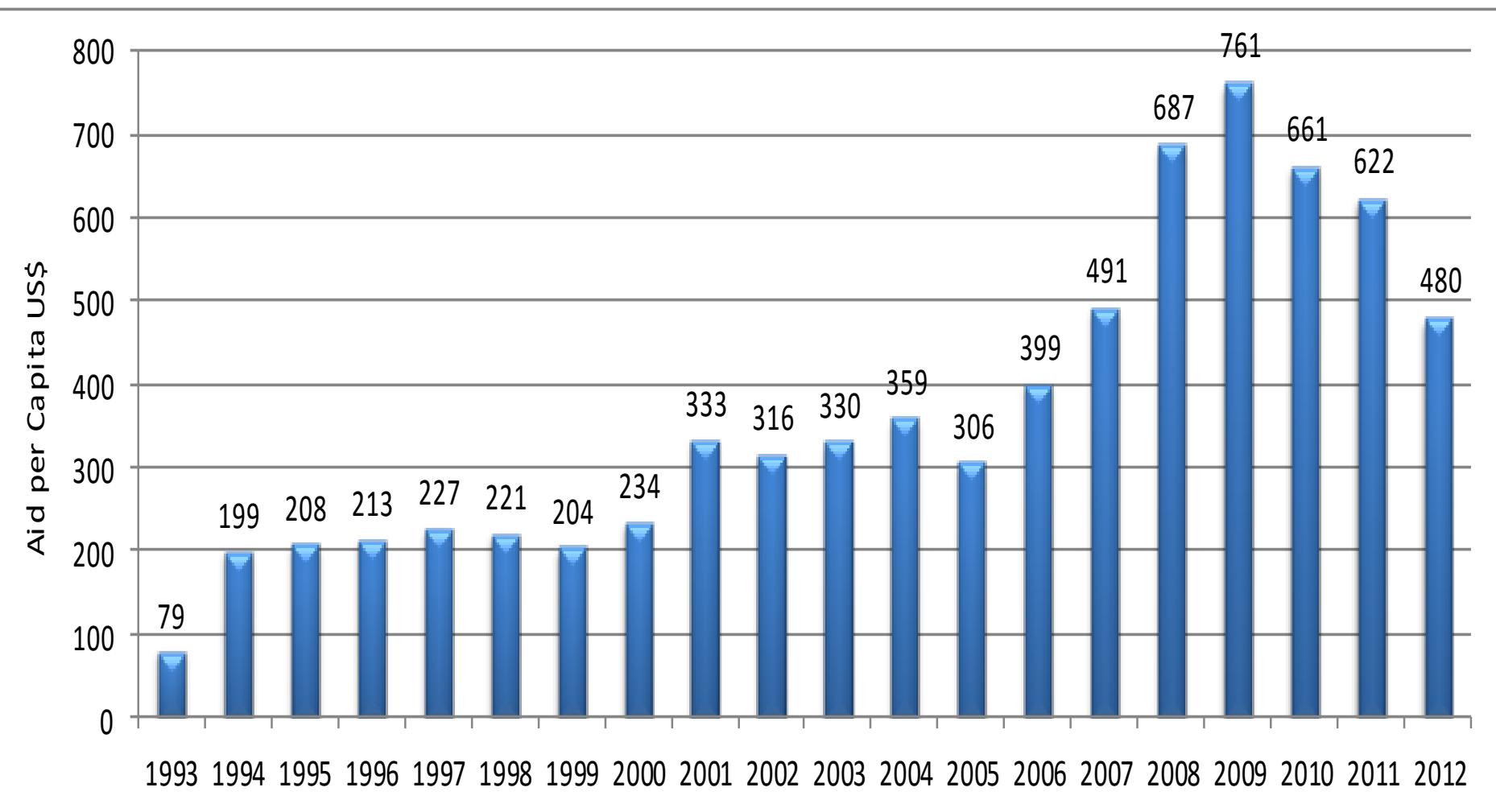
- New evidence(s)? How we did it? (Research interviews/methodology).
 - Any link to the Arab uprisings?
 - Transfixed on the same old rules
 - Keys to effective aid in the OPT
 - Conclusion: Business as usual

Total International Aid to Palestinians 1993-2012



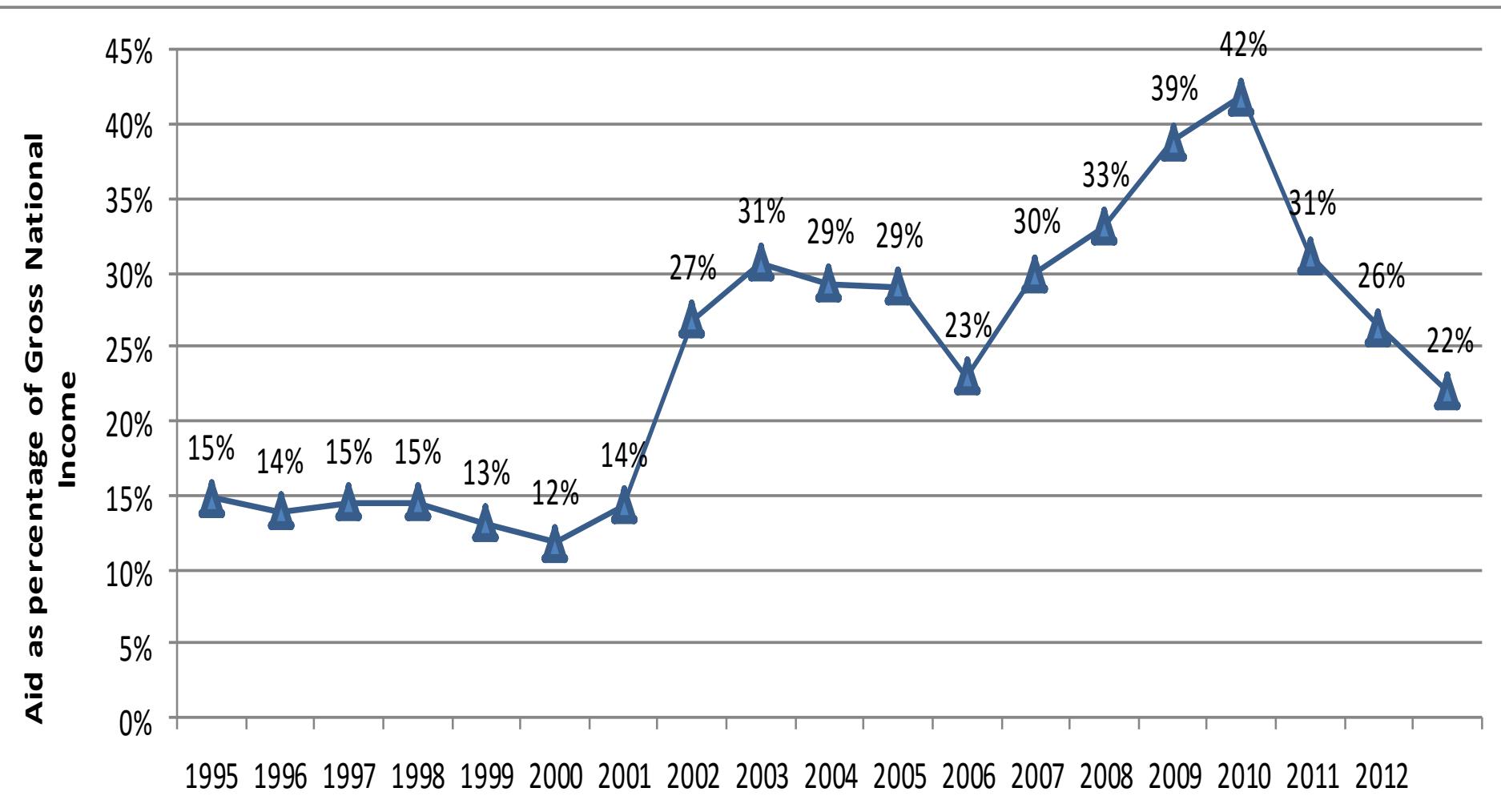
Source: Compiled by Author based on OECD/DAC and World Bank-WDI Databases 2014.

International Aid Per Capita in West Bank and Gaza 1993-2012



Source: Compiled by Author based on OECD/DAC and World Bank-WDI Databases 2014.

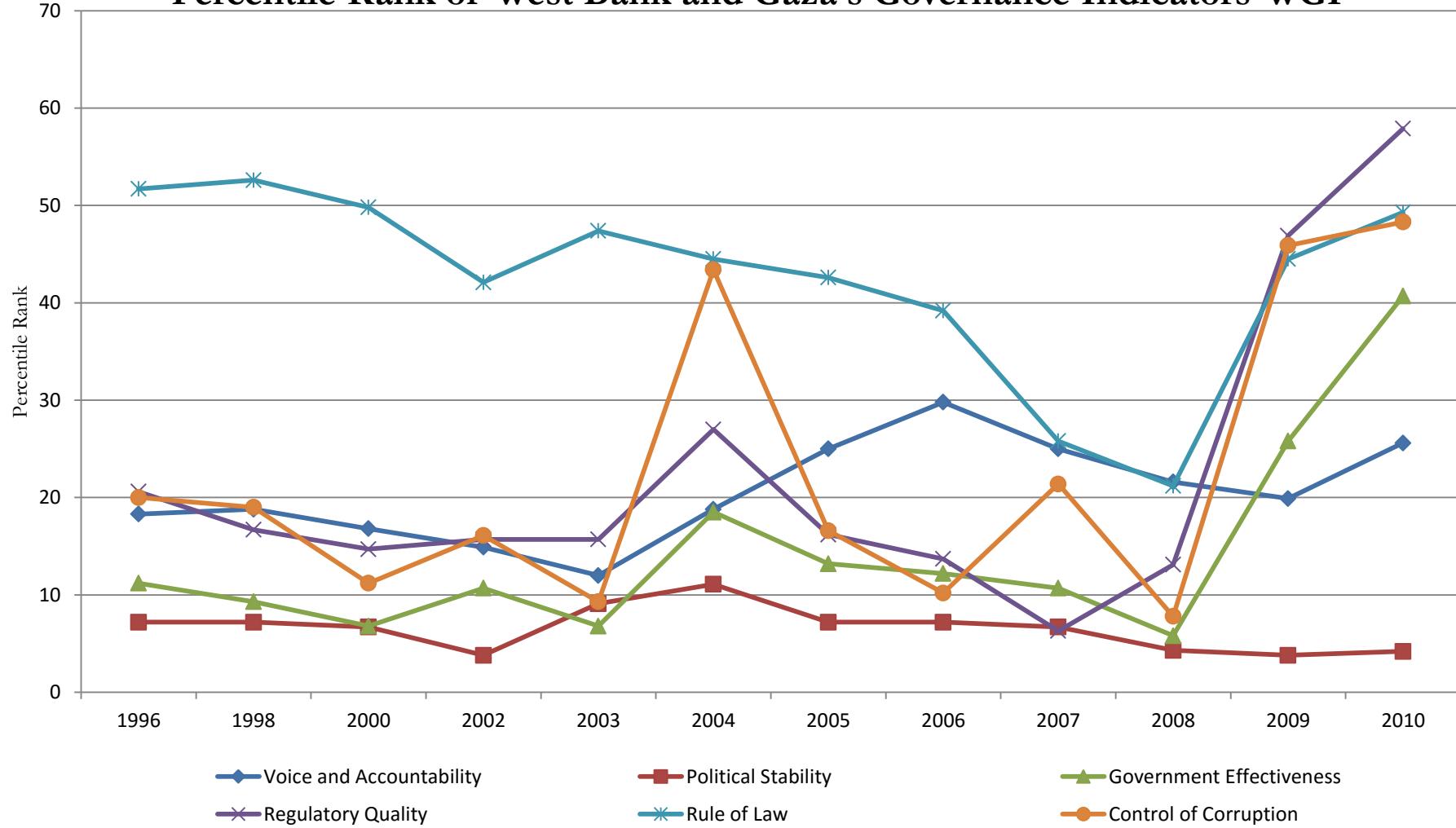
Aid as percentage of the West Bank and Gaza's GNI 1993-2012



Source: Compiled by Author based on OECD/DAC and World Bank-WDI Databases 2014.

Should the fact that the number of families that receive financial assistance increase from 30,000 to 100,000 make us happy and believe that aid did a miraculous job?

Percentile Rank of West Bank and Gaza's Governance Indicators-WGI



Source: Worldwide Governance Indicators Database, World Bank (2012)

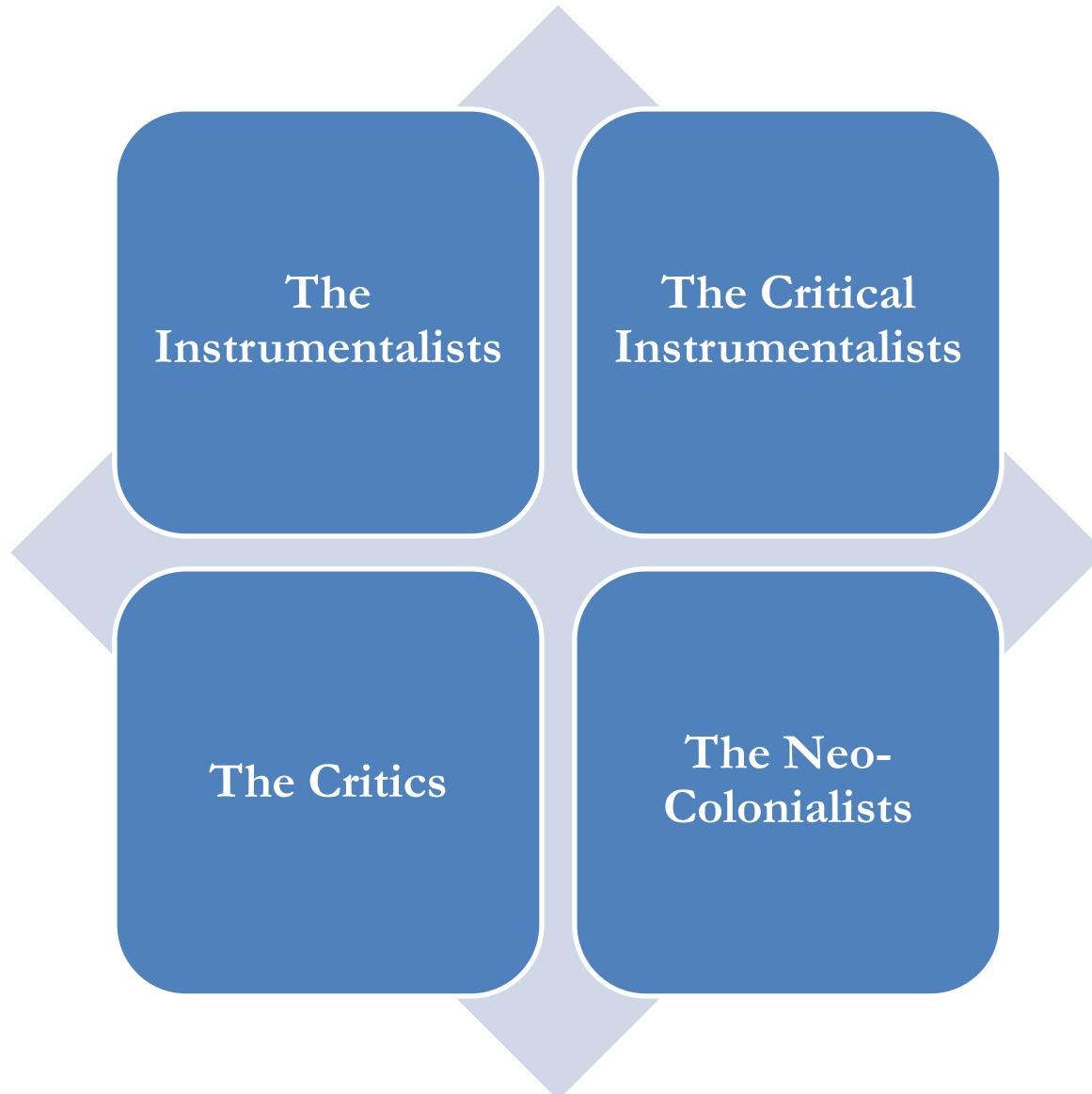
Is there an ‘aid-development’ puzzle in Palestine?

- Consumption-based definition: 26% of Palestinians lived in poverty in 2009 and 2010; Income-based definition: 50% of the Palestinians lived in poverty.
- 50% of Palestinian households were impacted by food insecurity.
- Unemployment has remained at around 30% (47% in Gaza, 20% in WB). Unemployment rate for youth under 30 is 43%.
- The income and opportunities inequality gap continues to widen not only between the WB and GS, but also within the WB.
- The manufacturing and production capacities continue to erode, while the agriculture sector remains neglected.
- Public debt doubled, while the private debts, thanks to the easier credit facilities, expanded to extraordinary rates.

Is there an ‘aid-development’ puzzle in Palestine?

- Real income per capita needs 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), anti-poor, and reflects an economy recovering from a low base.
- Total measurable cost of the Israeli occupation on the Palestinian economy was \$6.897 billion, a staggering 84.9% of the total Palestinian GDP in 2010?
- The imports produced in a third country and re-exported to the oPt as if they were produced in Israel (indirect imports) cause losses of \$480 million per year -almost 25% of public revenues, 10% in lost gross domestic product and 30,000 jobs per year?

Aid has failed the Palestinian people. Why? 4 Schools of thought

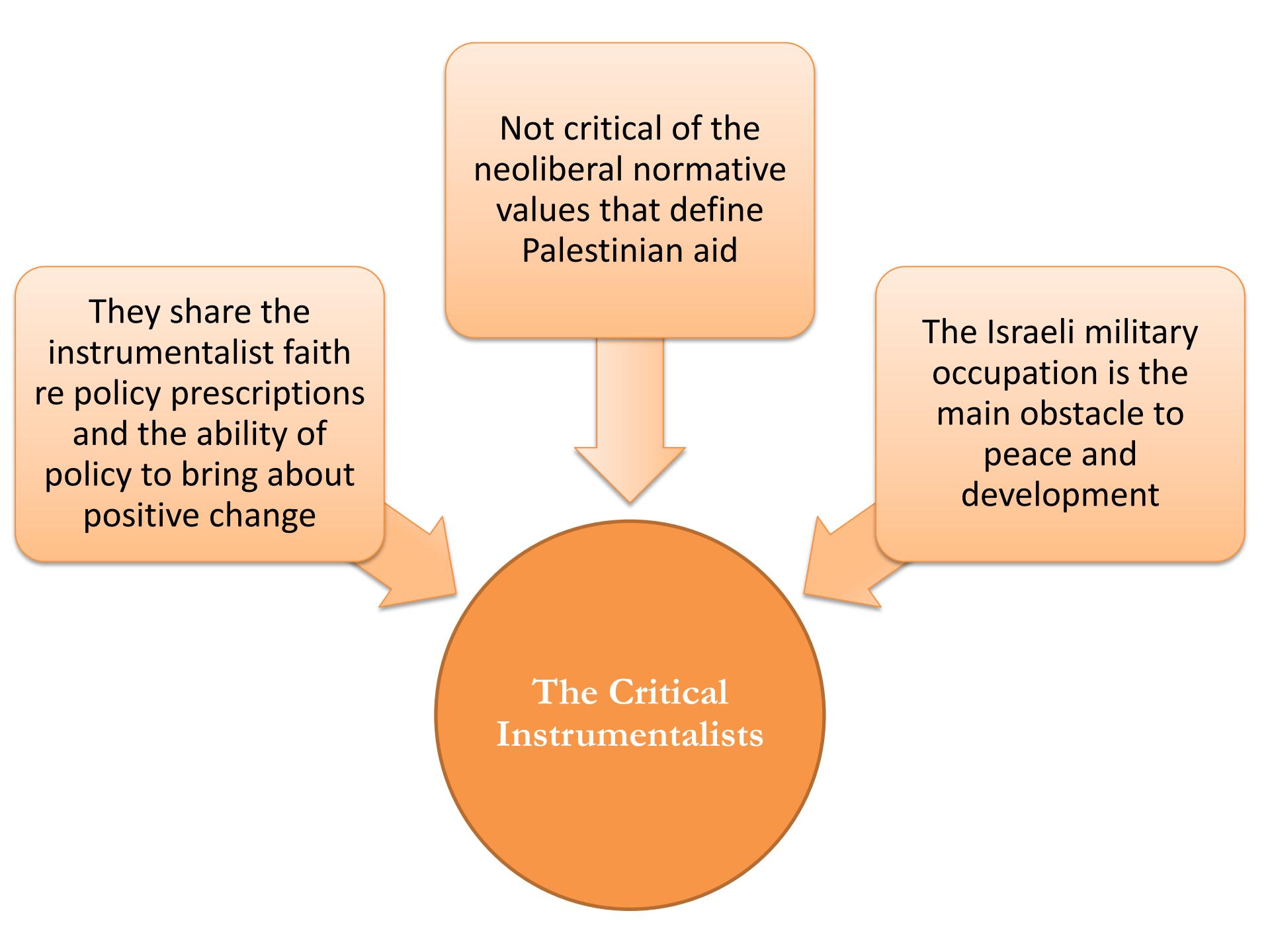


Sanitize the Israeli occupation and the settler colonial nature of the Israeli state

The World Bank's *"An Investment in Peace"* is a sound model: should be maintained but better applied

Blame on the PA for the failure of aid

The
Instrumentalists

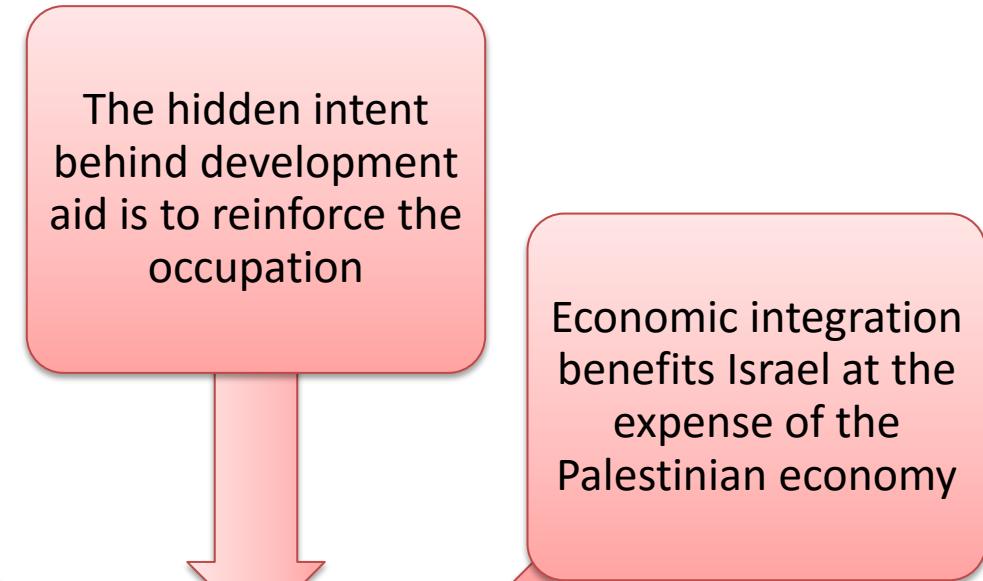


Not critical of the neoliberal normative values that define Palestinian aid

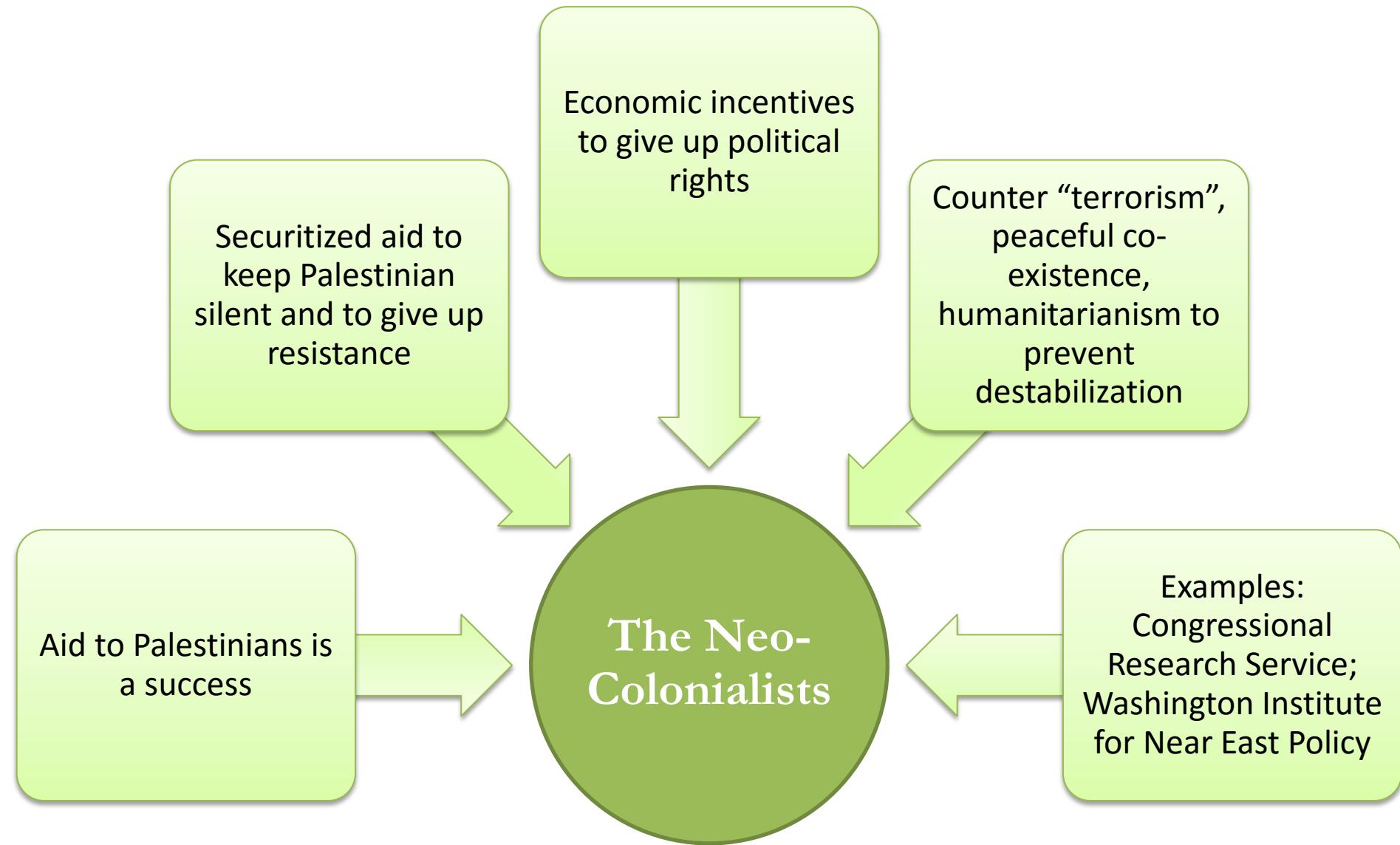
They share the instrumentalist faith re policy prescriptions and the ability of policy to bring about positive change

The Israeli military occupation is the main obstacle to peace and development

The Critical
Instrumentalists



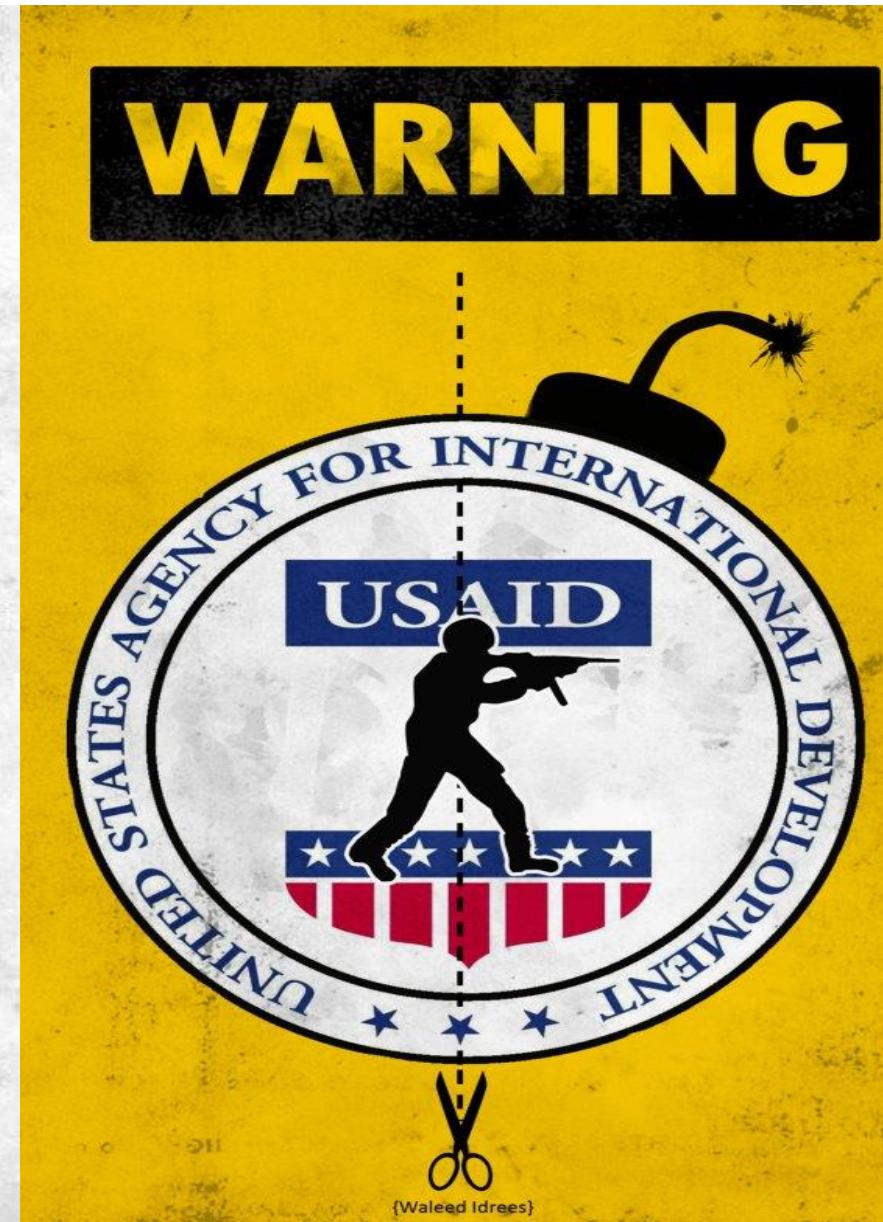
The Critics



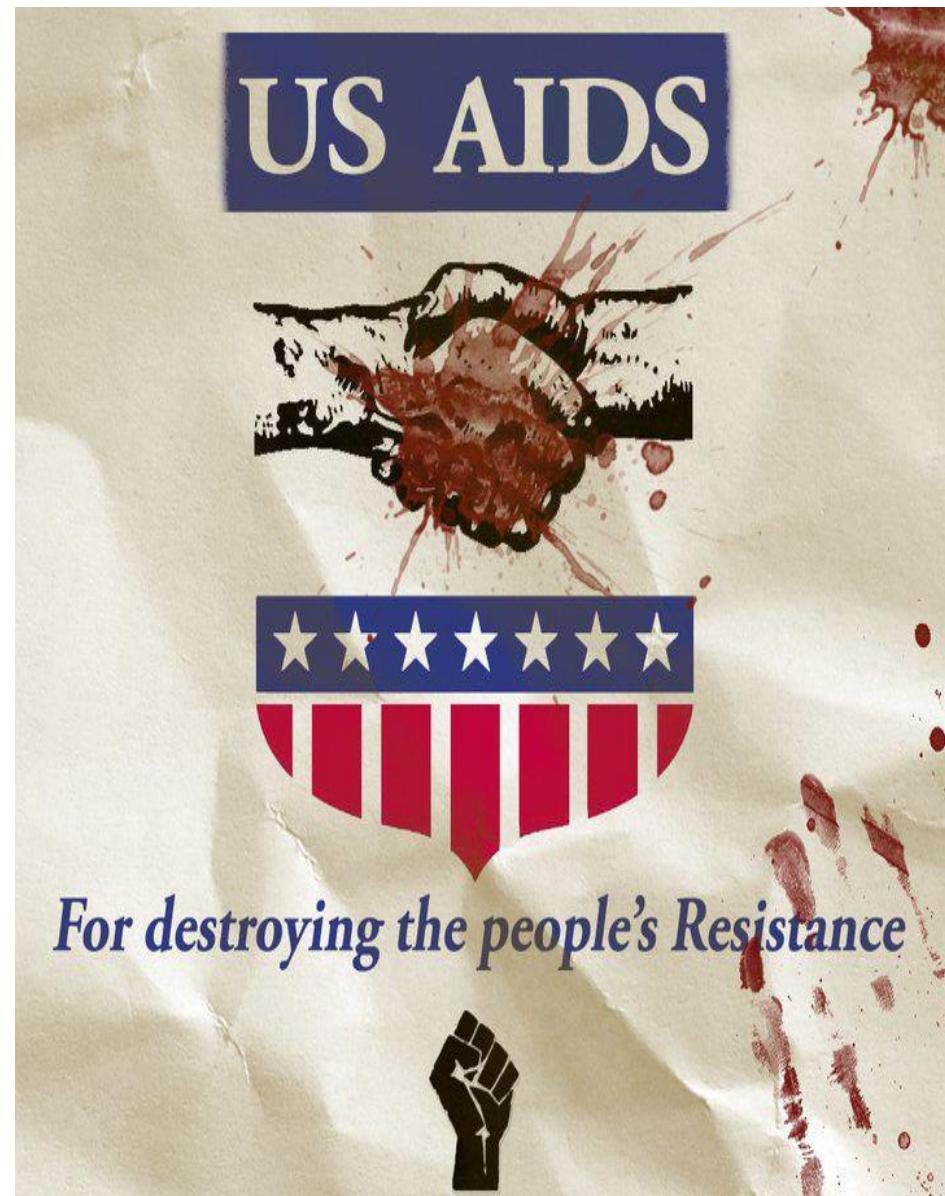
Research Interviews

Questions for Donors=Instrumentalists	Questions for Non-Donors=Critics
<ol style="list-style-type: none"><li data-bbox="69 365 917 581">1. How have your operations or priorities changed since the start of the Arab 'Spring' of 2011?<li data-bbox="107 624 917 927">2. Have you seen a difference in how Palestinian partners work with you since the start of the Arab 'Spring'? In what way is it different?	<ol style="list-style-type: none"><li data-bbox="986 365 1854 581">1. How have the operations and priorities of donors changed since the Arab 'Spring' of 2011?<li data-bbox="1023 624 1854 999">2. Have you seen a change in the way international donors work with Palestinian organisations since the start of the Arab 'Spring'? In what way has this changed?
<ol style="list-style-type: none"><li data-bbox="69 1071 1835 1200">3. Do you believe there is a link between recent protests against the Palestinian Authority (PA) and aid donors, and the Arab 'Spring'?<li data-bbox="276 1272 1605 1316">4. What is the key for effective aid in the oPt after the Arab 'Spring'?	

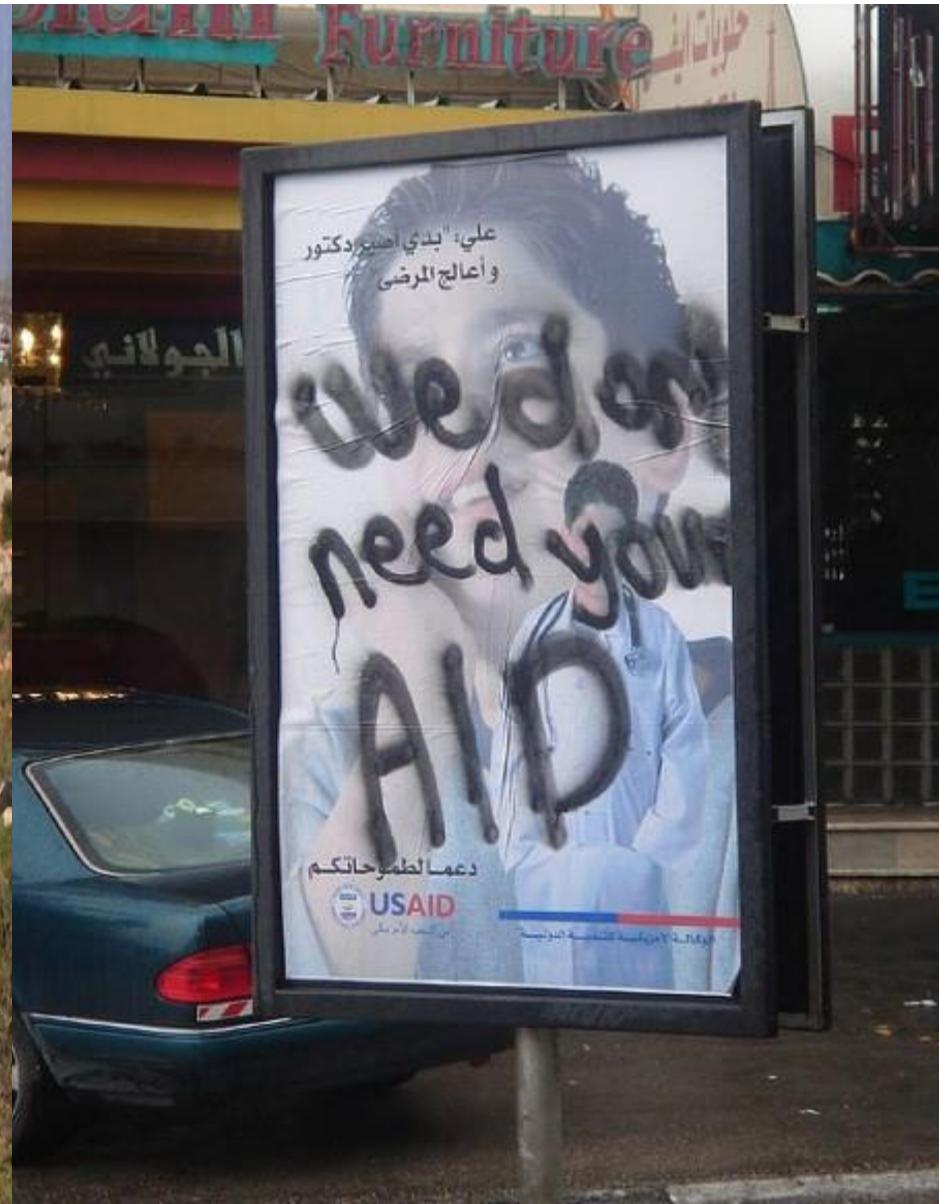
Protesting aid: a link to the Arab uprisings?



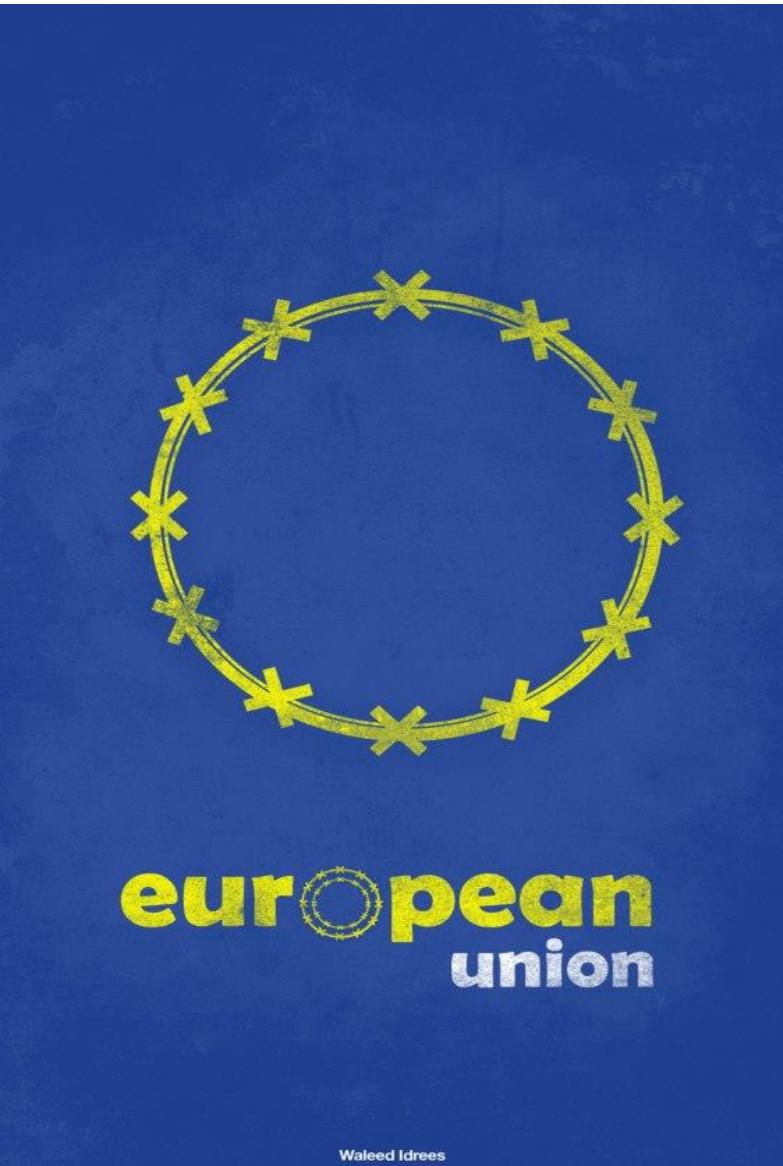
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اللجنة الدولية للصليب الأحمر منظمة
غير متحيزة ومحايدة ومستقلة ...
اي ف داكور

"The International Committee of the Red Cross (ICRC) is an
~~Impartial, Neutral and independent~~ organization..."

Yves Daccord



Protesting aid: a link to the Arab uprisings?

- No, not really!
- Interviewees gave conflicting accounts for why the protests took place:
 - Social movement society resisting layers of oppression and repression
 - PA's authoritarian transformation
 - The unique case of Palestine: Colonial dominance
 - Economic reasons; internal politics, youth challenging the leadership's legitimacy and Oslo Accords overall framework
- Protesting aid at both the intellectual elite circles and the streets levels, but with very limited impact.

Aid industry in the oPt: Transfixed on the same old rules

- No change in the aftermath of the Arab uprisings. Remained transfixed on old programs.
- Unsupported feeling among critics of a shift to the Arab uprisings countries.
- Palestine as a model for the new Arab world!

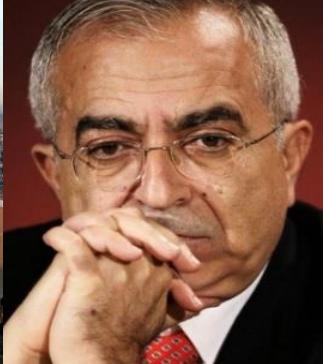
“Basically Palestine teach lessons to the region and provide expertise...we are well advanced in terms of our projects and policies here in Palestine than the rest of the Arab world...So we can export the last two decades’ models to the new Arab world”

- The IFIs are not joking: Salam Fayyad is exported to Yemen!

Conclusion: Keys to effective aid in the oPt

Instrumentalists	Critics
Sustain a very bureaucratised and securitised institutional approach	Resist this approach in favour of indigenous leadership and self-determination
“Stay the course”: Sound policy model to be applied with greater vigour	Aid is reinforcing the occupation, the colonisation of Palestinian land and destruction of Palestinian society
Since 1993 they display the same normative values	Reform aid to strive toward Palestinian self-determination and challenge forces that sustain the status quo
Have faith but blame the PA	Little faith in the PA and its legitimacy and effectiveness
Unwillingness and inability to change	Lack of change is attributed to the hidden intentions of donors
Aid is working just fine	Aid is working, but for all the wrong reasons

However, business remains as usual in the aid industry despite the 2 decades of failing aid



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