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Democracy Promotion in Palestine: Aid and the “De-Democratization” of the West Bank and Gaza

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Introduction

Since the initiation of the Oslo Peace process in 1993, the West Bank and Gaza Strip is estimated to have received over \$15 billion in aid, two times the size of its GDP. While aid to conflict areas and peace transitioning societies is not unusual, the amount of aid that the Palestinians in the Israeli occupied territories of the West Bank and Gaza have received over the past 18 years has been unprecedented, both in historical terms and in comparison to other developing countries. On average \$258 were disbursed in aid per Palestinian in 2004 compared \$215 in Bosnia in the 1990s or \$235 in East Timor.¹ The donor community, as much as the Palestinian leadership, deemed this aid necessary for the success of the peace process. A philanthropy of UN bodies, international organizations- most notably the World Bank and the IMF-, EU members donor's aid agencies, and local NGOs have been heavily involved in trying to build the foundations of a sound Palestinian economy and to lay the basis for the creation of a viable Palestinian state. Humanitarian aid has also become important as Palestinian per capita income fell after 1996 and again after 2000. The donor community has also given particular attention to projects geared towards promoting democracy and good governance, considered central to any successful Palestinian polity.

However, the ability of aid to deliver on its three main promises of developing the economy, building the foundation of the Palestinian state and promoting democracy, proved limited and contentious.² After more than 18 years of Oslo peace process and huge amount of aid, the Palestinian economy is fragmented, dependent on Israel and

¹ Le More, *International Assistance to the Palestinians after Oslo*, London: Routledge, 2008: 179.

² Keating, Michael, Anne Le More and Robert Lowe (eds), *Aid, Diplomacy and Facts on the Ground*, London: Chatham House, 2005.

unviable. Palestinian per capita income in 2010 was below its 1994 level and unemployment was over 37% in Gaza and 17% in the West Bank.³ While certain sectors of the economy prospered, particularly finance, public employment and real estate speculation, the productive sectors of the economy, namely agriculture and industry, further weakened as a result of Israeli closure and settlement policy. The employment generated by the donor community, estimated to absorb 10-12% of the employed population,⁴ created new problems of geographic and occupational inequalities and exacerbated the economy's dependence on external demand and finance. With regards to capacity building activities, much attention has been paid since 2004 on the donor's role in preparing the Palestinian Authority for statehood, by improving the performance of its security apparatus, enforcing fiscal rigor and accountability, and enhancing the performance of the government and the working of the judiciary. Yet the split between Hamas and Fatah government, the siege imposed on Gaza since 2006 and the entrenchment of Israeli occupation through the building of settlements, the apartheid wall and Israeli control over 58% of the West Bank (in area C) has put into question the sustainability of these capacity building efforts. It also raises questions to the implications of these measures on the donors' aim behind promoting democracy and good governance. In this regard, many argue that aid has actually led to 'de-democratization' of the Palestinian society. Karma Nabulsi, among others, contends that aid contributed to the rise of an authoritarian neoliberal regime that put at risk not only Palestinian fundamental rights to freedom and civic participation but threaten the Palestinian national project of liberation altogether.⁵

The aim of this paper is to provide a critical assessment of democracy promotion programs in the West Bank and Gaza. It seeks to review the amount of aid directed towards such projects and identify their targeted population, as well as their impact on political participation. It will focus in particular on the works of USAID, DFID and World Bank as these were the most active in this field since 2005 and for which I was able to find data. Space and time did not allow me to cover other aid agencies. The paper seeks to demonstrate that the underlying assumptions behind democracy promotion projects put democracy at risk rather than promote it. This is because they tend to prioritize NGOs over participatory political institutions, namely political parties, the parliamentary institutions, Trade Unions, popular committees. These projects, moreover, promote a neo-liberal agenda that makes the market the central agent of change and defender of democracy, a perspective that leads to the de-politicization of the society in the name of empowerment. By focusing on fostering individual rather than associational relation towards authority and the state, democracy promotion projects ultimately weaken political parties and civic engagement. These projects seem to be geared more towards legitimizing the Palestinian authority and preventing the Oslo process from collapsing rather than promoting active critical political participation, one that is inclusive of all sectors of the Palestinian society inside and outside the Occupied Territories.

³ Palestinian Central Bureau of Statistics, *Labor Statistics*, at www.pcbs.org/statistics/laborsurvey, consulted December 10, 2011.

⁴ See Benoit Challand, *Palestinian Civil Society: Foreign Donors and the Power to Promote and Exclude*, London: Routledge, 2009, page 72.

⁵ Karma Nabulsi, "The State Building Project: What Went Wrong", in Keating, Michael, Anne Le More and Robert Lowe (eds.) *Aid, Diplomacy and Facts on the Ground*, London: Chatham House, 2005.

The first part of the paper will review the meaning of democracy and civil society and the history of Palestinian political institutions and democratic tradition. The second part will then analyze the nature of the democracy promotion projects in Palestine, identifying their targeted population, and analyzing their underlying assumption about political participation and empowerment. It will also analyze the extent to which donors' response to the 2006 parliamentary elections compromised Palestinian political engagement rather than enhance it. The third part of the paper will conclude with some recommendations as to how aid can help promote genuine participatory democracy in Palestine.

II- Democracy and Development

Generally defined as the rule of the people by the people, democracy is a nebulous term that has taken various meanings and forms. It is generally understood to be a political system based on the existence of alternative and autonomous centers of power within society and the presence of a representative government chosen through regular competitive elections.⁶ Historically emerging in Europe, it has accompanied capitalist development in the West but its consolidation has been contingent on the persistence of representative competitive political institutions, a market economy, and a vibrant civil society. The term of civil society is particularly important in this debate but just as difficult to define. Historically, it has been contrasted to the political coercive community of the State. It came to include all individuals in a country who are not part of political institutions such as political parties, government ministries, or elected officials but who make political officials accountable to the public. While many have attempted to reify civil society as an instrument to counter state power, it seems more helpful to perceive civil society not as a set of fixed institutions or groups but rather “a *process* whereby the inhabitants of the sphere constantly monitor both the state and monopoly of power in civil society”.⁷

The term civil society has been given particular importance in the debate about economic development and democracy in the Global South since the 1990s. It has become central to the development discourse that emerged in the aftermath of the third wave of democratization that took place in Eastern Europe and as structural adjustment programs imposed by International Financial Institutions (IFI) on Developing countries in the 1980s failed to promote economic growth. The World Bank defines civil society as consisting of groups and organizations, both formal and informal which act independently of the state and market to promote diverse interests in society.⁸ This concept has become part of the Post-Washington consensus that sought to incorporate institutional practice and political concepts into in a neo-liberal agenda geared towards promoting free market economy, conservative fiscal policy and softly regulated private sector. This IFI development discourse, influenced by institutionalist economists, considers that accountable governmental and institutional practices are necessary to the successful functioning of the free market, which remains the main engine of growth. In

⁶ P.Schmitter and T.L Karl (1991) “What Democracy is ... and is Not” *Journal of Democracy*, vol.2 no. 3, pp75-87 .

⁷ Challand, *Palestinian Civil Society*, p.28, N. Chandhoke “The “Civil” and the “Political” in Civil Society” *Democratization* vo. 8, no2. 2001: 22. Italics added.

⁸World Bank, *Defining Civil Society*, at <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/CSO/0,,contentMDK:20101499~menuPK:244752~pagePK:220503~piPK:220476~theSitePK:228717,00.html>

this discourse, not only the way the State is organized impacts growth but also the way the society is organized and functions. This is because members of society are part of the production process as well as the monitors of the state's responsibility to ensure private sector development. The post Washington consensus neo-liberal agenda envisages and seeks to transform the whole of society as it shifts the locus development from the domain of economy and into the society as a whole, i.e. the community, the family and even the individual. In this process though, it continues to hold an individualist atomistic perception of society, one that prioritizes the individual over the collective, conceptualizes the community as a unified rational entity that maximizes benefits and minimizes risks, and the state as a rational impartial agent in the service of growth rather, rather than a body of conflicted interests that tends to be biased towards capital, or certain groups in society linked to specific capitalist interests. In this regard, questions of civic engagement became important to 'promote welfare and democracy', generate 'social capital', which is considered central to economic development, and to promote good governance and the rule of law, viewed as key to a successful thriving private sector since they lower transaction costs and costly corruption.

The donor community in the West Bank and Gaza has focused its attention on 3 central elements of democracy: elections, good governance, and civil society empowerment. EU parliamentary representatives and US NGOs⁹ helped organize and supervise the Palestinian parliamentary election of 1996, and 2006 as well of the presidential elections held in the West Bank and Gaza in 1996 and 2005. By good governance USAID, DFID and the World Bank mean the extent to which the administration of government and non-government institutions are transparent, accountable and uncorrupt. In the 1990s donor's focus was on NGO's institutional structure and means to make them in conformity with IFI codes of management, fiscal responsibility and reaching out to marginalized community to engage them in the project of economic development. After the eruption of the Second Intifada and what was considered to be Arafat's failure to condemn violence, conclude peace with Israel, and allow a transfer of power to the parliament, good governance projects focused more specifically on reforming the PA. USAID defines its governance projects in the West Bank and Gaza as seeking to 'improve the capacity of PA institutions' and 'enhance communication and coordination among PA, local governments and civil society organizations'. The World Bank, who remains the main financial and development advising manager of the PA, defines good governance as improving budget management, fighting corruption, human resource development and legal reforms.¹⁰ These are considered key to ensuring the transparency, accountability and growth of a Palestinian democratic polity.

The focus on civil society has permeated all of the donors' work since it started in West Bank and Gaza since 1980s, but it took a particular impetus after 2001.¹¹ The term that

⁹ e.g. the Carter foundation among others.

¹⁰ World Bank, *West Bank and Gaza Assistance Strategy*, at www.worldbank.org/intwestbankgaza/resources/WBGStrategyFY08-FY10 and UNCTAD, *Palestinian War Torn Economy: Aid, Development and State Formation*, Geneva, 2006: 32.

¹¹ The EU document entitled 'The EU Role in Promoting Human Rights and Democratization in Third Countries' provided the framework for much of EU member state justification for encouraging the development of Palestinian civil society. See Michelle Pace "Democracy Promotion in the Context of an Occupied Nation? The Case of Palestine", in Michelle Pace (ed.) *Europe, the USA and Political Islam: Strategies for Engagement*, New York: Palgrave, 2011.

is most associated with these projects since the 1990s is “empowerment”. This is defined as the ability of individuals to express their opinions, participate in the decision making process of development projects and hold government institutions accountable. However, this empowerment is often conceptualized in individual, and not collective, terms. As will be shown below, empowerment is not always geared towards challenging power, but towards ensuring government conformity with a neoliberal economic agenda, one that ensures private sector development. What has not always been taken into consideration is the extent to which such a neoliberal approach to development and democracy can foster inequality and conceal it in the name of empowerment or how it can de-politicize the society in the name of transparency and accountability. Meanwhile, notions of national self-determination, resistance, collective bargaining, ending the occupation are abstracted from the discussion of empowerment since IFI conceptualizes social relations “in the image of a brutal reading of competitive-market imperatives,”¹² not as a collective project of resistance against power and injustice.

Donors’ attention to the central question of democracy came with a set of assumptions about the Palestinian political system, its civil society and the nature and aims of the Oslo peace process. It has been intricately tied to the objective of sustaining the Palestinian peace process,¹³ a process that does not protect internationally endorsed Palestinians rights, such as the Right of Return, and which can jeopardize the stated objective of empowering civil society and promoting democracy, as will be explained below.

III- Democracy and Its Tradition in Palestinian Society

The Palestinian Political System:

Although donors aid to the Palestinian territories pre-dates the Oslo peace process, projects geared towards democracy promotion have developed mainly after 1994. These democracy promotion projects tend to assume that the Palestinian political system started with the Oslo process, and more specifically with the creation of the Palestinian Authority (PA).¹⁴ The creation of the PA was indeed an important achievement of the Palestinian nationalist struggle. It enabled the exiled leadership to return to part of historic Palestine and to territorialize the state that the PLO had been seeking to establish ever since the late 1960s.¹⁵ The elections of 1996 allowed the Palestinians in the West Bank and Gaza to cast their vote for the first time since the 1974 municipal elections. They were able to democratically elect a Palestinian president, which became

¹² Quoted in Toufic Haddad, *Neoliberalism and Palestinian Development: Assessment and Alternatives*, Birzeit: Center for Development Studies, 2012, p. 8.

¹³ See among others, Rex Brynen, *A Very Political Economy: Peacebuilding and Foreign Aid in the West Bank and Gaza*. Washington D.C.: US Institute for Peace 2000 and Le More, *International Assistance to the Palestinians after Oslo*, Ch.1.

¹⁴ Before Oslo, donors’ aid, generated mainly through Arab countries and the UNDP, was geared towards supporting economic projects and charitable organization that helped sustain Palestinian steadfastness in the West Bank and Gaza. During the Madrid multilateral peace negotiations between 1991 and 1993, the international community showed willingness to support various aspects of Palestinian rights (e.g. refugees, water, etc..) but the Palestinian leadership’s decision to sign off to the Oslo accords, redirected donors aid towards supporting the new political reality set in place with these accords.

¹⁵ Yezid Sayigh, *Armed Struggle and the Search for State: The Palestinian National Movement*, Oxford: Oxford University Press, 1997.

the head of the Palestinian authority, and a Palestinian Legislative Council, which became responsible for producing laws governing the Palestinian population in the occupied Territories.

However a careful review of the history of the Palestinian political system reveals that it predated the Oslo peace process. It is older, more representative and more pluralistic than the Oslo created PA. To start with, the PA cannot replace the larger representative body of the Palestine Liberation Organization, which is the only negotiator with Israel but which the PA subdued under its direction. Whereas the PA represents only the Palestinians in the West Bank and Gaza, the PLO represented the Palestinians in the diaspora and in the refugee camps as well as those living inside Israel. By 1974 it asserted itself regionally and internationally, as much as among the different Palestinian constituencies, as the sole legitimate representative of the Palestinian people. While many contest the extent to which it functioned democratically, given the difficulty of having regular elections in a context of diaspora and also given the PLO's concern for national liberation before democracy, it remained a pluralistic institution. It held different political factions under its umbrella.¹⁶ Although Arafat was its dominant leader for over 35 years (from 1969-2004), he relied on consensual politics that sought to accommodate different political parties and opinions. As Jamil Hilal put it, before the Oslo peace process, "no one political group or organization has the monopoly over the means and aims" of the Palestinian political struggle.¹⁷ Just as important, Palestinian participation in the PLO was based on popular associational politics. Palestinian youth in Lebanon, workers' right groups in refugee camps in Gaza, Jericho and Yarmouk in Syria, as much as women associations in Jordan, Lebanon and the Gulf had their voices heard and their concerns represented in the various echelons of the PLO, including the different Palestinian political parties, the Palestinian National Council, Palestinian TU, the Palestinian Women Committees Association, General Union of Palestinian Students etc...

The Oslo peace agreements changed the Palestinian political system in so far as it prioritized the political constituency of the WBGS newly elected leadership over the rest of the Palestinian population. It thus undermine the representation of over 60 percent of the Palestinian population living outside the Occupied Territories, and created a split between what came to be known as the 'outsiders' and 'insiders'. The latter referred to those who lived in the West Bank and Gaza while the former were the diaspora Palestinians who returned after Oslo. The Oslo peace process also undermined Palestinian/PLO democratic institutions by creating new bodies, namely the PA and the PLC that had neither the mandate nor the representative scope of the PLO. It thereby undermined the Palestinian National Council and created a democratic crisis in so far as Oslo did not respect the supremacy of the PNC in constitutional and representative matters pertaining to the Palestinian people inside and outside the WBGS.¹⁸ It fragmented the Palestinian body politics that the PLO had managed to unify up until 1993.

¹⁶ Jamil Hilal, *The Palestinian Political Order after Oslo: a Critical Analytical Study*, Ramallah: Muwatin (in Arabic) 2006

¹⁷ Jamil Hilal, "Problematizing Democracy in Palestine", *Comparative Studies in South Asia, Africa and the Middle East*, Vol. 23. No. 1&2, 2003, pp. 163-172, pp.164,

¹⁸ Karma Nabulsi, *The State Building Project: What Went Wrong*", pp.120.

Moreover, the Oslo peace process, most clearly after the 2002 Road Map, compromised Palestinian national rights in the name of protecting individual democratic rights of those living in the West Bank and Gaza. This is most clearly seen in its failure to protect the Palestinian right of return, which is an internationally recognized right, and the right to equal rights of Palestinian inside Israel, both of which were kept out of the Oslo process' jurisdiction. At the same time, Oslo did not the end of the occupation, which is central to Palestinian independence. It rather traded the exclusion of the majority of the Palestinian population and their national aspirations for the promise of a democratic polity in the West Bank and Gaza only. This was done with the engagement and compliance of the Palestinian leadership and certain vested interests in the occupied territories who signed off to the Oslo Peace process.

Meanwhile, Oslo did not facilitate the development of political parties in the West Bank and Gaza, a central feature of any democratic state, for fear of opposing the peace process. While it did not end political pluralism so typical of the PLO, Oslo polarized the Palestinian political system, between those who supported Oslo or decided to join its political system (Fatah, and smaller parties such as FIDA) and those who rejected it, such as PFLP, Hamas, Islamic Jihad among others. This polarization of the political system did not permit the rise of authorized political opposition that can eventually come to power.¹⁹ Arafat and his Fatah party came to dominate Palestinian politics and to reject any challenge to its power that it had to contend with in the past. They allured small parties into joining the PA government (FIDA, Independents) while strengthening the hold of Fatah over the executive branch of government. The Aid given to the PA which Arafat and Abbas further strengthened authoritarian tendencies of the regime,²⁰ at times to detriment of the party itself, whose members were not always supportive of the government's policies. The Palestinian parties' refusal to participate in the 1996 elections out of their rejection to the Oslo process only consolidated the hold of one party over the political system, thereby undermining democratic prospects in the new polity created. When Hamas decided to enter the parliamentary elections in 2006, their challenge to the Fatah dominated PA was rejected both by Fatah and the international community, despite the latter's insistence of the importance of alternation of power. The rise of Hamas in the West Bank and Gaza as the most popular opposition force was both rejected and demonized to the detriment of democratic principles.

The Palestinian political system since Oslo witnessed 4 major developments that have implications for its democratic future. Firstly, it proved the dominance of the insider over the outsider, for the first time in the history of the Palestinian liberation movement since 1948. It thus led to the dismissal of important sections of the Palestinian population, namely the refugees, the diaspora and the Palestinians living inside Israel. While representatives of those constituencies were recently appointed to the executive committee of the PLO, they are excluded from the Oslo process. The creation of a democratic polity under Oslo was premised and based on the exclusion of those outside, and thereby too with the Palestinian national right of return, liberation and equality.

¹⁹ Jamil Hilal, "Problematizing Democracy in Palestine", *Comparative Studies in South Asia, Africa and the Middle East*, Vol. 23. No. 1&2, 2003, pp. 163-172.

²⁰ Rex Brynen, "Donor Aid to Palestine: Attitudes, Incentives, Patronage and Peace", in Keating et al (eds), *Aid, Diplomacy and Facts on the Ground*.

Secondly, Oslo created a quasi-state formation dominated by Fatah, presiding over an enclave economy that is aid dependent. The creation of the PA with an extensive public sector, necessary to absorb the unemployment generated by Israeli closure policy, led to the development of a rentier state structure that relies on patronage both for its survival and the survival of its population. This patronage system undermined the very democratic intentions that the 1996 elections promised to protect.

Thirdly, the Palestinian political system saw the decline of secular parties of the left accompanied by the rise of Islamic parties. Those rose in popularity as they were not in government, were able to better represent the voices of the people and the socio-economic changes they went through under Israeli occupation, as well as to protect national principles of resistance and steadfastness.²¹ Moreover they were able to meet the people's social needs through an extensive web of services, all of which did not rely on foreign aid. They often acted as a vehicle for protest vote, with people voting for them out of disaffection with the Fatah dominated PA as was the case in the 2006 parliamentary elections.

Fourthly, the Palestinian political system transformed into a *de facto* 2-party system in the West Bank and Gaza, with Fatah ruling and Hamas being the only real opposition. Tragically for the Palestinian cause this has translated into the formation of two Palestinian governments after June 2007 with Fatah in the West Bank and Hamas in Gaza.

III- Donor's Aid for Democracy: Palestinian and Donors' Priorities

As mentioned earlier, donor's aid to democracy promotion in the West Bank and Gaza has been geared towards three main areas: 1) supporting and supervising presidential, legislative, and municipal elections, 2) promoting civil society and human rights, and 3) ensuring good governance and state capacity building. The amount of money given to each of these areas shifted over the past 15 years, largely as a function of donor's definition of the role of aid in resolving the Israeli-Palestinian conflict, as well as of the Palestinian leadership definition of the Palestinian national priorities. In this regards, the Palestinian leadership considered the objective of establishing a State paramount, and with it all of the State's institutional structure and power apparatus (security). It considered the Palestinian State as the symbol of Palestinian national liberation, given that it was voted for by the PNC in 1988. The leadership, as much as the business community, did not always accord enough attention to the priority of ending the occupation before building the state or to the importance of maintaining the PLO, rather than the PA, as a dynamic representative political organ that unifies the Palestinian body politics.

Elections

Support for elections of newly elected political institutions in the West Bank and Gaza as well as the Palestinian Legislative Council were considered an important part of the process of the Palestinian state building process. The donor community supervised the elections of 1996 and provided money for building the Palestinian legislative council,

²¹ Hilal, 2006.

its library and training its staff.²² It considered those elections important for providing legitimacy of the newly elected PA. It did not give much attention, though, to the fact that such an electoral system favored larger political parties, such as Fatah, to the detriment of minorities or smaller parties. It mitigated against the formation of coalition governments, which are often taunted with political paralysis, to the detriment of more representative political system. It also did not address Hamas' and PFLP's concern about the limitations of such elections in a context of occupation and with the exclusion of the larger Palestinian community abroad.

Meanwhile, the donor community did not insist on having the legislative, local and presidential elections on time and as stipulated in the Palestinian constitution. This is largely because the Palestinian executive did not want to have them. When the donors supervised the presidential and municipal elections of 2005 and legislative elections in 2006, and although they testified to their general transparency and lack of irregularities, they rejected the Palestinian parliamentary verdict in 2006. Just as alarmingly, the donor community boycotted the PA and did not stop Israel from arresting Hamas members of parliament, thus suspending the Palestinian legislative council, and further destroying any democratic process rather than protecting it. The US demonization of Hamas, as much as Fatah *de facto* refusal to share power with any other party put did not help the donors to remain faithful to their democratic principles. Rather, donors ended up penalizing the Palestinians who do not share its vision of the peace process, rather than allowing them to exercise their democratic right to voice their opposition to their government as well as to how to deal with Israel. In a sense, the 2006 elections and international response to it reveals in a nutshell how donors' assistance remained political in the larger sense of the word, i.e. tied to sustaining the Oslo peace process and to sustaining Israel's vision and definition of its security, rather than ending the occupation and promoting participatory democracy.

In terms of numbers

Looking at Tables 1 and 2, we can see that democracy promotion projects are part of the development budget allocated to the WBGS. These projects represented around 10% of the total USAID aid dispersed in the Occupied territories between 1994-2010. They ranged on average between \$25-40 million a year in USAID money and around \$1.2 million of British Foreign Assistance (DFID) between 2005 and 2011. They remained small compared to the amount of aid going to economic development per se, approximately 50% of total aid disbursed over this period. In 2006 and 2008 it was more than double the amount of money given for humanitarian aid by USAID (Table 2). Humanitarian aid was the largest in 2007 and 2009, after the donors' boycott of the Hamas elected government and Israel's war on Gaza (Tables 1 and 2).

Donors' definition of democracy promotion projects, however, can be confusing. These projects are at times lumped together with "State support" projects, as in the case of the EU's and World Bank's definition (Tables 1 and 3). USAID separates the two domains, making the first directed towards civil society and the latter towards supporting the state creation project, thereby confirming a conceptual opposition of the 'Society' versus the 'State'. However, USAID still puts together human rights projects with

²² Guilain Deneoux and Robert Springborg, *Promoting Democracy and State Building in Palestine: Donors Assistance to the Palestinian Legislative Council*, Saffron LMEW Papers on the Contemporary Middle East, 2005.

governance, two categories that in principle are quite distinct. Democracy projects are generally meant to include all projects geared towards civil society with its various constituents (youth, women, children, arts, media, etc...) as well as towards elections and democratic education through public and private institutions. Lumping concerns for human rights violation with citizens learning about democracy to hold their government accountable reflects a mechanistic, not a historically and politically contextualized understanding of democracy. It also tends to reify the government and promotes an individualistic understanding of participatory politics. It is the individual, not the collective (party, trade union, popular committees, etc...) that are the agent and guarantor of democracy, and one who is not constrained by the limits of Oslo and the oppression of the occupation.

The sums allocated for “state building”, defined mainly as PA budget support and finance for law and order, namely security forces development, absorbed 25-30% of USAID and EU aid, the two largest contributors to the WBGS (Table 4). Interestingly enough, the sums allocated to state building are 2 to 3 times larger than the ones directed to democracy (Tables 1 and 2).

V- Good Governance: De-Politicizing Politics

Donors’ attention to issues of governance and accountability in the West Bank and Gaza was part of the state building project the Palestinian authority and the international community are committed to, as much as of the post-Washington consensus discourse on development. Up until 2002 most of this aid went to support local NGOs in the West Bank and Gaza, considered as the counterpart to the state, and the basis of a vibrant civil society. It has focused on improving the performance of Palestinian NGOs, in the sense of acquiring modern management techniques, be accountable to their constituents and become more professionalized, in the belief that such ‘good governance’ would improve the ability of NGOs to represent the interests of various groups in society that are either marginalized or not present enough in the political system (women, youth, the poor in rural area and refugee camps etc...). Towards the late 1990s, good governance projects started to be more geared towards the PA institutions. Already in 1999 the international community expressed concerns over the PA institutions, its system of patronage and the lack of transparency in its finances. An international task force funded by the EU in 1999 put on paper what the Palestinians population has been complaining about since 1995 with regards to the PA’s corruption, lack of accountability, and human right violation.²³

Good governance became thus part of a top bottom approach to implementing democratic state building in developing countries and the West Bank and Gaza more specifically. It gained prominence both financially and conceptually with the US endorsed Road Map for Peace in the Middle East in 2002. This called for the creation of a Palestinian state with provisional borders in the West Bank and Gaza, in exchange for providing Israel with security and stability. The Road Map called for the reform of the PA’s government institutions both financially and structurally, for the development of a strong police force trained by the US and Israel, and for tighter security cooperation between Israel and the PA, under US supervision. It also claimed to want to create a balance of power between centers of power in the Palestinian political system by reducing executive power and strengthening the parliament and the Prime

²³ Le More, *International Assistance to the Palestinians after Oslo*, pp. 157.

Minister. While the international endorsement of the Palestinian State project was an important success for the Palestinian national movement, the aid geared towards its realization remained tied to Israeli and American priorities. It was not tied towards ending the occupation and holding Israel accountable to international law in order to realize the Palestinian state. It chose instead to focus on Palestinian responsibilities in creating a democratic polity in colonial setting²⁴, a self-defeating, if not altogether impossible task.

The Palestinian Reform and Development Plan 2008-2010 (PRDP) declared by the Fayyad government in 2007, best crystalizes the PA's and the donors' understanding of good governance in its quest to finalize the state building process, despite Israel's continuous infringement on, and fragmentation of, Palestinian land and lives. It states that the goal of the Palestinian government is 1) good governance, which was defined to include the separation of powers and the creation of an accountable government, 2) safety and security, including the improvement of the capacity of security services, ensuring democratic oversight over it, and improving the rule of law and the judiciary sector, 3) increasing national prosperity by establishing a stable legal framework for the growth of the public and private sectors, and 4) enhancing the quality of life through social policy that empowers the citizen and ensures their access to basic health and education.²⁵ The PRDP thus consolidates the foundation of a neo-liberal economic system in the West Bank, one based on the importance of austerity measures and the provision of security. Its aim is to free the market and private sector from public constraints while at the same time ensure a system of law and order that it argues is necessary for creating a sustainable environment for investment as much as proof to the international community that the Palestinian Authority has a monopoly over the use of violence, and thus deserving of being a state.

In this regard, the PRDP views legitimacy as attainable through the provision of good services to the citizens, not through public debate or the ballot box. This conceptualization is also shared and found in the language and policy of some of the USAID, DFID and World Bank projects. USAID governance projects promise to enhance 'the capacity of the PA ministries and institutions, in the delivery of services to citizens in an effort to help the PA prepare for eventual statehood' (see Table 7, PACE project). It seeks to achieve that by improving 'the financial and human resource management' of these institutions, their 'accountability and transparency' as well as 'enhance communication and coordination among PA, local governments and civil society organizations'.²⁶ Good governance aid has been thus geared not only towards ministries in Ramallah but also toward local government institutions, municipalities and governorates, considered key in connecting the government to the people (Table 7, LDR project). Various projects have also given attention to the judiciary, which the

²⁴ See among others Leila Farsakh, "The Political Economy of Israeli Occupation: What is Colonial about it", *Electronic Journal of Middle Eastern Studies*, No.8 Spring 2008, and Adam Hanieh, *Development as Struggle: Confronting the Reality of Power in Palestine*, paper presented at 'Development in the Occupied Palestinian Territory: Critical Reflections on Current Practices and Opening the Space for Debating Alternative Approaches' Workshop, Center for Development Studies, Birzeit University, Ramallah, Palestine, 23 June 2011.

²⁵ The Palestinian Authority, *The Palestinian Reform and Development Plan 2008-2010*, Ramallah, pp. 35-36.

²⁶ USAID, West Bank and Gaza, *Democracy and Governance Projects at www.usaid.gov/wbg/dgo.html* consulted March 10, 2012.

PRDP promised to reform and USAID seeks to ‘strengthen’ and ‘broaden public awareness of rule of law and engagement with justice sector institutions’. Among the largest projects USAID is its Civic Engagement Project (CEP), which provides ‘grants to local governmental institutions’ that offer viable democratic alternatives to extremism’.²⁷ With a budget of \$62 million, this project works with 55 government entities (ministries, municipalities, etc...) and 65 NGOs throughout the WBGs in order to ‘improve the quality of life for Palestinian and increase confidence in the peace process’ (Table 7, CEP). Interesting enough, USAID measures CEP’s success in this regard as in having improved the ‘humanitarian assistance to the people in Gaza’, ‘allowed the purchase of needed food and medicines’, and provided ‘economic and social development grants in Jenin and Hebron’.²⁸ What is particularly revealing in this regard is how good governance projects do not address question of democratic participation and accountability. They rather seem to manufacture legitimacy, in the name of transparency, through mainly poverty alleviation, not even development, projects.

Good governance projects, while helpful in providing needed training, education and management techniques, remain problematic. They fail to promote the democracy it promises in four main ways. To start with, they accept rather than challenge the reality of the occupation and the siege on Gaza. Their investment in the judiciary system and the rule of law appears thus quite futile in the face of Israel’s violation of Palestinian right to mobility and its hindrance of legislative deliberation after the legitimate election of 2006. Civic engagement programs are also unlikely to promote deliberative democracy when its ends up providing humanitarian assistance to children trapped by Israel’s iron caste military operation. In this respect, good governance projects can end up sustaining a peace process that is entrenching, rather than ending, the occupation.

Second, good governance projects did not make the PA less authoritarian. Despite all the investment in the judiciary, the improvement of ministry finances and transparency of the PA budget, there has been no separation of power in the Palestinian political system. The reforms have rather led to a concentration of authority in the hand of the executive branch (PM and President). The legislative branch continues to be silent, since it is not in session, and court orders are ignored. Many have argued that what has happened so far is not institution building but institution preservation and regulation to the interests of the executive.²⁹

Third, these projects are embedded within a neoliberal understanding of development and democracy, that seeks to de-politicizes the community rather than empower it. By promising transparent institutions and accountability the PA good governance aid projects are allowing civil society to vent, but not necessarily to suggest an alternative to the ongoing political reality, be it the PA or the occupation. People are allowed to express discontent and report corrupt bureaucrats, not to challenge authority or engage it critically, especially as they became dependent on it economically, either through aid or public employment. The occupation has constrained the policy space of the PA,

²⁷ USAID Democracy and Governance Program, *Civic Engagement Program Project Profile* at <http://www.usaid.gov/wbg/misc/DGO-CEP%20fact%20sheet.pdf>

²⁸ op.cit.

²⁹ Nathan Brown, “Are Palestinians Building a State?” Commentary for *Carnegie Endowment for International Peace*, July 1, 2010: 5-6. <http://carnegieendowment.org/2010/07/01/are-palestinians-building-state/1du>

depriving it of a central bank, control over tariffs, land, and water resources, all central elements in any economic policy. It gave it limited fiscal options, namely in the domain of public expenditures, which neoliberal principles call for its restriction. This, together with the need to raise domestic taxes in order to avoid large budget deficit, has weakened not only the purchasing power of the majority of the population, but also their political engagement. People are too busy looking for work and trying to understand why they should pay taxes and whenever they complain they are told it is the fault of the occupation. As Khalidi and Samhour put it describing the PRDP and its good governance promises:

“underlying its (law and order) technical, neutral vocabulary is the *desire to escape politics*, and indeed the very political nature of the question of Palestine. The statehood program encourages the idea that citizens may have to acquiesce in occupation but will not be defied the benefits of smoother running traffic, a liberal education, curriculum investor-friendly institutions, efficient public service delivery and for the middle class, access to luxury hotel chains”: 15-16 (italics in origin).³⁰

Last but not least, good governance projects undermine the Palestinian national project of national liberation. By focusing on the PA rather than the PLO and by refusing to accept the Palestinian democratic verdict and deal with Hamas and other political parties, good governance projects basically define the Palestinians to be those living in the West Bank, not always those in Gaza let alone the refugees in Lebanon, Syria and Jordan. They thus entrench the fragmentation of the Palestinian people rather than hear their concern for unity. By giving so much attention to state building while the occupation continues and Israel is left unaccountable, the Palestinian national project has been compromised in the name of a Palestinian state. Although it is indeed a Palestinian national consensus that endorsed the creation of a Palestinian state in the West Bank and Gaza, attempts to create it in the name of good governance and without ending the occupation risks not only to trivialize the project but also to deepen Palestinian fragmentation. The idea of modernizing PA institutions under occupation is impossible if not meaningless, unless one considers the vested interests in such a project. Over the past 15 years a new class of vested interests emerged composed mainly of a small middle class of entrepreneurs and professional NGOs who are linked to the PA’s neoliberal projects of economic liberalization. Privileging these to the detriment of the majority of the population who is facing increasing poverty, exclusion and unemployment inside and outside the occupied territories, is not only undemocratic but economically and socially highly problematic.

IV-Targeting Civil Society: The Power to Exclude and Include

Donors’ democracy promotion projects in the West Bank and Gaza have also focused on a bottom top approach to democracy, one that is directed towards groups within civil society. The declared aim of these civil society projects is to “empower” excluded or silent sectors of the society, by which is meant the ability to express their concerns and defend their rights as well as become resourceful to fulfill their needs and participate in the creation of a democratic Palestinian state. As can be seen in Table 5 the bulk of donors aid goes to human rights groups (32 projects). These are NGOs that report on

³⁰ Raja Khalidi and Sobhi Samour, “Neoliberalism as Liberation: The Statehood Program and The Remaking of the Palestinian National Movement”, *Journal of Palestine Studies*, 158, no.2, 2011.

human right violations, are concerned with rule of law, and with protection of citizens' rights. The youth has become an increasingly important category, where emphasis is put on youth and children's right as well community building for the under 25 years of age. As many projects are directed towards the youth as towards women, both focusing on question of their human rights and democratic education (Tables 5 and 6). The media has also been an increasingly popular target, especially for the EU and USAID, who define it as central to providing "dialogue between the Palestinian authority and the Palestinian public" (See Table 7, EPIM project).

Aid to civil society organizations though has been selective. For instance, women organizations have always been a priority in donor funding, and among the oldest, but the bulk of their aid in this domain has gone to few NGOs. These have increasingly been described as having become professionalized in a way that meets Donor's language and not necessarily their constituents needs.³¹ In this respect, though, aid to civil society organizations created a wedge between those who learned how to address a western audience and thus were capable to accumulate aid, and those who remained more involved in grassroots work but lacked funding either because they were not Anglophone or secular enough. Professionalized NGOs stood to gain from this process and remained tied to international aid as it increased the salary of its staff as much as expanded its outreach, if also its conspicuous consumption. Aid in this respect, fostered inequality within civil society rather than reduced it, at a time when the occupation intensified and the PA neo-liberal economic policies increased the class differentials. Certain Palestinian NGOs are as much implicit in this process as the donor community, both of whom remained constrained by the straight-jacked imposed by the Oslo peace process that limited the scope of intervention for ending the occupation.

While undoubtedly important in targeting often neglected population and providing useful fora for discussion and training, democracy promotion projects are problematic in four important ways. First, they are geared towards allowing the population to vent about the PA as much as participate in legitimizing it, rather than challenging it. The aim is not to oust the PA but to maintain a dialogue with it along a western or donor defined criteria of engagement. As the USAID put it in its definition of its civic participation programs (CPP), which provide 161 grants to over 75 Palestinian civil society organizations (CSO), the aims is:

*"to reinvigorate the involvement of the Palestinian society in the Palestinian Authority decision making process, in the monitoring and oversight of government institutions, and in the broader public sector discourse in order to ensure a more vibrant and robust democratic dialogue between the government and the citizens of the future Palestinian state.....CPP will provide technical assistance of CSOs through every step of the program lifecycle giving them strategic opportunities to adapt and utilize democratic management practices, generate greater public value and manage the external environment more effectively".*³² (italics added)

³¹ Rima Hammami, "NGOS: The Professionalization of Politics", *Race and Class*, vol. 37, no.2 pp. 51-63 and Challand, *Palestinian Civil Society*.

³² See USAID Democracy and Governance Program, *Civic Participation Program Project Profile* at <http://www.usaid.gov/wbg/misc/DGO-CPP%20fact%20sheet.pdf>.

In this respect, civic engagement projects assume and foster an individual relation to public authority, not an associational one. Although they promise to ‘teach’ Palestinians how to ‘monitor government institutions’ and ‘establish a democratic dialogue between the government and the citizens’, as data in Table 7 and the quote above suggest, these projects keep the dialogue on individual not collective level. No political parties, Trade unions or association of NGOs (PINGO) are leading the conversation or undertaking the dialogue collectively, internally and with the PA. It is simply the “enlightened, democratically trained” individual Palestinian who will hold the PA accountable, each alone in his own way. In other words, the conversation is taking place *outside the arena of politics* (parliament, ballot box, etc...). This is problematic all the more as the Palestinian society is a very politically active and vocal society, which has often expressed its critique of Oslo, as much as of the PA, and emphasized pluralist politics.

Second, democracy promotion projects excludes from its constituents important elements in civil society. While women and youth groups are important because they were often excluded, prioritizing them should not come at the expense of other groups such as labor, trade unions, and charitable organizations that are directly involved in community building. Moreover, even within certain privileged groups, such as women or youth, donors tend to exclude those it defines as close to Hamas or groups it defines as terrorist organizations. This is highly problematic from a developmental and empowerment point of view because many of these Islamist associations are not politically motivated or financed by Hamas.³³ By excluding the whole Islamist sector, which has been for years active in community building and reaching out to various components of civil society, the donor community is actually depriving half, if not more, of the society of representation as well as of money. The power to decide whom to exclude and include that donors are actually exercising is highly undemocratic, but also politically biased. It indicates how donor’s aid remains tied to western perception of the peace process and who the partners for peace should be.

Third, these civil society projects are geared towards legitimizing the Oslo peace process rather than challenging its underlying failures. Nearly half of USAID civil society projects are geared towards promoting a culture of peace with Israel and thereby push towards a politics of normalization (See table 6). They seek to do so through the development a peace radio station, multi-media education program, training in peaceful coexistence, joint Israeli-Palestinian basket teams or environmental awareness groups. While some of these projects try to ‘build skills and attitudes that promote conflict mitigation in Gaza’ through sports and play, especially among children and youth, they fail to address the cause of this violence, namely continuing Israeli repression (See Table 7, CMM project). For most Palestinians these projects are an obstacle, not a means towards peace, for they absolve Israelis of their responsibilities in perpetuating the occupation. The donor community also fails to hear or accept the Palestinian society’s own perception of the Oslo process and how to empower its resistance against the occupation. For example, peace promotion projects go against the Palestinian civil society’s call, by over 170 civil society organizations in the WBGS, for boycott divestment and sanctions of Israel (BDS) which was launched in 2005. The BDS campaign has gained momentum both inside and outside the

³³ Sara Roy, *Hamas and Civil Society: Engaging the Islamist Social Sector*, Princeton: Princeton University Press, 2011.

occupied territories but donors continue to ignore its principles, largely as it goes against the aim of the Oslo peace process and the politics of normalization.³⁴

Fourthly, donors are intervening in determining the content and process of Palestinian civil society activity rather than accepting its autonomy and internal processes. Many of the projects maintain that they seek to teach “democratic participation” and “organizational development of civil society” (see Tables 5 and 7) in order to improve the internal working of some of the NGOs. Their aim is to make them more transparent in their decision-making and more responsive to their constituents. They thus seek to define for them the democratic process rather than hear from them how they determine the relation to their constituencies. This reflects both an ignorance of the nature and diversity of the Palestinian civil society as well as of the long history of its pluralistic and associational tradition. Again donors’ exclusion of the Islamist sector on the basis of Hamas’ refusal to recognize Israel is problematic since it fails to acknowledge the Islamist internal democratic structure, both within Hamas and in the various charitable organization that it in no way manages.³⁵ While undoubtedly many Palestinian NGOs did not function democratically, it is on the community rather than the donors to make them accountable. As Raff Carmen put, it participatory development and democracy projects can distract the indigenous population of their known ways of political participation that they are used to and call to participate in projects that are designed by outside agencies. They thus end up being about creating new social mechanisms of control rather than liberating or empowering the population.³⁶

VI-Conclusion and Recommendations

Democracy promotion projects in the West Bank and Gaza Strip has not always succeeded in creating the empowerment that they promised to deliver. While they provided a space for people to discuss and to vent, an opportunity to learn about new management techniques and financial accountability, and at times a means for providing trapped children in Gaza or behind the separation barrier with needed food and medicine, they have not always empowered the population. This is largely because these projects seem more concerned with enhancing the legitimacy of the Palestinian authority rather than allowing the population to challenge its control or its definition of the Palestinian national project. They do not accord enough attention to central institutions to any democracy, namely the parliament, regular elections, and political parties among others. Moreover, these projects remain confined to a neo-liberal set of assumptions that puts the individual rather than the collective, at the center of the analysis, making his/her mission and interest in the functioning of a free market prosperous economy. They thus risk entrenching the occupation rather than setting the stage for national liberation and consolidating authority rather than empower viable alternative challenges to it.

The donor community needs to be upfront as to extent to which it is interested in promoting democracy or saving its own version of the peace process. If democracy and empowerment, rather than peace with Israel or the survival of the PA is the primary concern, then democracy promotion projects need to change their approach. The Palestinian civil society is a vibrant society and the tradition of political engagement and

³⁴ European donors apply at times only boycott of Israeli products from the settlements

³⁵ Roy, *Hamas and Civil Society*, ch.4 and 5

³⁶ Raff Carmen, *Autonomous Development: Humanizing the Landscape: An Excursion into Radical Thinking and Practice*, London: Zed Books, 1996, pp.44.

opposition is well entrenched in Palestinian society and history. The civil society call for Boycott Divestment and Sanction, PNGO as much as Stop the Wall Campaign and other grassroots organizations are actively engaged with their community and vocal about the needs and demands of the Palestinian society. These need to be heard more attentively and supported. Given that the international organizations implement their projects through local NGOs, ministries and local governments, they need to pay more attention to the demands and needs of the people as they express them, not necessarily as the PA or the donor priorities redefine them or skew them.

At the same time, Palestinian NGOs, associations and community based initiatives need to be more assertive about their demands and needs. They also need to have an unified local effort that specify their aid priorities and that says no to projects that are not in line those. This in turn entails a larger conversation within the Palestinian society about Palestinian national priorities after the failure of the Oslo peace process to materialize the Palestinian State. The Palestinian civil society organizations, as well as political parties need also to address how to make to unify the Palestinian leadership and protect Palestinian rights. They also need to agree on how to revive the PLO as well as address the donor community in a unified and clear away about the Palestinian resistance priorities and its methods for ending the occupation and protecting its internationally recognized rights.

For democracy promotion projects to be more successful in the future in addressing Palestinian people's concern for national liberation and empower them to do *achieve it on their own terms* so long as it is in the framework of internationally law, they need to:

- 1- Address the totality of the Palestinian people, rather than focus on those living in the West Bank and at times those in Gaza. Donors need not only accept Palestinian democratic choices, whatever the result might be, but also to take into consideration the Palestinian refugees worldwide, who are part of the Palestinian people. The donor community needs to deal with the PLO, which represents all fragments of the Palestinian people. While it cannot do so before the PLO specifically asks it, it needs to be aware of its representative reality and not seek to empower the PA to the PLO's detriment.
- 2- Strengthen political institutions, for without them there can be no democracy. Focusing on individual attitudes in civil society organization can at best, if at all, create democrats but without democracy. Democracy promotion projects should be directed towards reopening the Palestinian Legislative Council, reviving the Palestinian National council, encouraging Trade unions to protect their workers by law, and allowing political parties to form and exercise their right to organize, advertise and mobilize within nationally agreed upon rules. Aid should not be given to political parties but to creating a transparent open space for free elections, for parties to work and for people to make a free choice on which will not be penalized.
- 3- Donors need to avoid exercising their power to exclude and include whom they see best fit. They need above all to accept the diversity and complexity of the Islamist social sector rather than ostracize it, as well as engage with alternative visions, be they leftist or other.
- 4- Empower Palestinian resistance against the occupation rather than pacify the population in the name of good governance. The Palestinian state project as presented by the PA and supported by the international community cannot

fulfill Palestinian liberation for it did not end the occupation. Aid towards democracy promotion will neither alleviate Palestinian fragmentation. Palestinian civil resistance that seeks to hold Israel accountable to international law can prove to be more successful. Palestinian civil society has had a long tradition both inside the occupied territories and outside it in resisting the occupation through civic engagement. The 2005 call by over 170 civil society organizations for boycott, divestment and sanction of Israel or the weekly demonstration against the separation barrier led by numerous NGOs and associations are just a few of the most recent example of the kind of peaceful resistance that is in conformity with international law and with people's own definition of their needs and methods. These need to be supported rather than individualized.

Palestinians society is likely to remain aid dependent so long as the occupation and Israeli violation of international laws goes unhindered. Aid cannot empower people by making them aid dependent nor by denying their right to resistance and politics. The autonomy of civil society needs to be respected and encouraged not made dependent on donor politically motivated finances. As Raff Carmen put it “we encourage aid which helps us to do without aid. An aid dependent policy cannot help us to organize. It simply enslaves us and makes us irresponsible”.³⁷

Table 1: Size of USAID, EU and UKAID to the West Bank and Gaza, 1994 to 2011 (in millions and percentages).

	USAID (1994 to 2010)	DFID (2005 to 2011)	EU Aid (2000 to 2003)
Development:			
Democracy (human rights and governance)	\$374,994,996 (10.82%)	£900,000 (0.56%)	
Economy (economic development, health, education and social services)	\$1,956,408,398 (56.45%)	£143,058,776 (89%)	€316,850,000 (34%)
State (Budget support/Peace and security)	\$890,000,000 (25.68%)	£5,895,518 (3.66%)	€286,640,000 (30.78%)
Humanitarian/ Emergency Aid:	\$185,586,207 (5.35%)	£10,826,189 (6.73%)	€ 327,700,000 (35.19%) (Includes UNRWA)

³⁷ Raff Carmen, *Autonomous Development*, page 88.

TOTAL:	US\$ 3,465,341,567	£160,680,483	€ 931,190,000
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Note: Total of USAID between 2006 and 2010 was \$2,144.4 million

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2006&AgencyID=0&budTab=tab_Bud_Planned

Sources:

USAID, *West Bank and Gaza Program Budget*, Historical budget by sector (1994-2010)

<http://www.usaid.gov/wbg/aboutUs.html>

UKAID, data collected and calculated from DFID.gov.uk found on

<http://projects.dfid.gov.uk/Default.aspx?countrySelect=WB-Occupied%20Palestinian%20Territories>

Commission of the European communities, *Commission staff working paper*, European neighborhood policy, Country Report, Palestinian Authority of the West Bank and Gaza strip, 2004/Community Assistance 2000-2003, p. 4

http://ec.europa.eu/world/enp/pdf/country/pa_enp_country_report_2004_en.pdf

Table 2: Composition of USAID to the West Bank and Gaza strip, 2006-2010 (In US\$ millions and percentages).

	2006	2007	2008	2009	2010	TOTAL
Development:						
Democracy (human rights and governance)	24.8 (16.16%)	7.8 (12.30%)	41.9 (10.37%)	36.9 (3.59%)	31.9 (6.42%)	143.3 (6.68%)
Economy (economic development, health, education and social services)	26 (16.94%)	28.4 (44.79%)	319.2 (79%)	652.5 (63.50%)	318.5 (64.18%)	1344.6 (62.70%)
State (Peace and security)	95.8 (62.45%)	n.a	26.4 (6.53%)	233.5 (22.72%)	100.7 (20.29%)	456.4 (21.28%)
Humanitarian/Emergency aid:	6.8 (4.43%)	27.2 (42.90%)	16.5 (4.08%)	104.5 (10.17%)	45.1 (9.08)	200.1 (9.33%)
TOTAL	153.4	63.4	404	1027.4	496.2	2144.4

Sources:

USAID, West Bank and Gaza,

Fiscal year 2006:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2006&AgencyID=0&budTab=tab_Bud_Planned

Fiscal year 2007:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2007&AgencyID=0&budTab=tab_Bud_Planned&tabID=tab_sct_Peace_Planned#ObjAnchor

Fiscal year 2008:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2008&AgencyID=0&budTab=tab_Bud_Planned&tabID=tab_sct_Peace_Planned#ObjAnchor

Fiscal year 2009:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2009&AgencyID=0&budTab=tab_Bud_Planned&tabID=tab_sct_Peace_Planned#ObjAnchor

Fiscal year 2010:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2010&AgencyID=0&budTab=tab_Bud_Planned&tabID=tab_sct_Peace_Planned#ObjAnchor

Table 3: Composition of World Bank Projects in West Bank and Gaza, completed and ongoing as of March 2008 (US\$ million).

Current World Bank Projects (From March 2008 till FY2010)	Total Committed in US\$ million
Good Governance	22.5 (10.16%)
Economic Development	52.6 (23.75%)
Emergency Aid	146.3 (66%)
TOTAL	221.4
Completed Projects as of March 2008	Total Disbursed in US\$ million
Good Governance	18 (1.76%)
Economic Development	860.9 (84.32%)
Emergency Aid	142 (13.90%)
TOTAL	1020.9

Sources:

World Bank, *West Bank and Gaza Assistance Strategy*. Worldbank.org. International Bank for reconstruction and development and international development association, interim strategy for West Bank and Gaza for the period FY08-FY10 and request for replenishment of the trust fund for Gaza and West Bank, March 15, 2008. Annex 1: Summary of WG&G Portfolio as of March 2008, p.28.

<http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/WBGStrategyFY08-FY10.pdf>

Table 4: Amount of aid disbursed to the West Bank and Gaza by Donor Country

Donor Countries	1996-97	2002	2003	2008 *	2009 *	2010 *
Arab League Countries:						
League of Arab States		316	124			
Kuwait				100	100	100
Qatar				33	33	33
Saudi Arabia	22			258	258	258
UAE				100	100	100
OPEC				44	44	44
European Union:	78					
European Commission		217	187	635	394	228
Germany	23	21	27	96	96	96
Denmark		18		3	3	3
Sweden	21	16	32	110	101	101
Italy		32	40	194	38	38
Spain	20			151	93	86
United Kingdom			43	165	165	165
USAID	66	194	224	545	1027.5	495.9
Norway	43	44	53	166	165	165
Turkey				50	50	50
World Bank	31	37	50	109	50	50

Notes:

*Numbers for 2008, 2009, 2010 refer to money pledged at the Paris Conference in 2007, whereas the numbers for the US for the same years are the actual numbers disbursed by the US

Sources:

LeMore, Ann 2008. *International Assistance to the Palestinians after Oslo*, London: Routledge, Appendices p. 180

World Bank, The Secretariat of the Ad Hoc liaison committee, *Aid Effectiveness in the West Bank and Gaza*, Draft Report, December 18, 1999. Figure 2.34:page. xxvi.

http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/03/26/000334955_20080326113811/Rendered/PDF/430640WP01NOOP10Effectiveness0front.pdf

World Bank, West Bank and Gaza Assistance strategy. International Bank for reconstruction and development and international development association, interim strategy for West Bank and Gaza for the period FY08-FY10 and request for replenishment of the trust fund for Gaza and West Bank, March 25, 2008. Annex 6: Donor pledges at Paris Conference, December 17, 2007, p. 41-42

<http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/WBGStrategyFY08-FY10.pdf>

USAID to West Bank and Gaza:

Fiscal year 2008:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2008&AgencyID=0&budTab=tab_Bud_Planned&tabID=tab_sct_Peace_Planned#ObjAnchor

Fiscal year 2009:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2009&AgencyID=0&budTab=tab_Bud_Planned&tabID=tab_sct_Peace_Planned#ObjAnchor

Fiscal year 2010:

http://foreignassistance.gov/OU.aspx?OUID=389&FY=2010&AgencyID=0&budTab=tab_Bud_Planned&tabID=tab_sct_Peace_Planned#ObjAnchor

Table 5: Projects funded by Donors per Theme, ongoing, 2011

Targeted Areas	EU	SIDA	CIDA	USAID
Human Rights Groups	32	1		
Women's Equality Organizations and Institutions	5			
Democratic Participation and Civil Society	4			
Organizational Development of Civil Society		1		
Capacity Building				1
Democracy General		14		
Democratic Governance			15	7
Civilian Peace Building, Conflict Prevention and Resolution	8			
Peaceful coexistence				11
Promoting a Culture of Non-violence				1

Source: Data collected by the Center for Development Studies, Birzeit University.

Table 6: Number of Projects funded by Donors, ongoing 2010-2011

Targeted Population	EU	SIDA	CIDA	USAID
Women	7	2	1	
Parents	1			
Media	6			2
Arts	2			
Youth	5	2		2
Children Rights	5			
Family/Health		1		
Fighting Addiction		1		
Worker's Rights		1		
Labour			1	
Trade Union	1	1		
Refugees		1		
Community Building	3	1	2	
Civil Society		3		2
Poverty			1	
Environment				2
Culture		1		
Jerusalem		1		
Elections	1			
Courts/Judiciary system	2		1	
Justice/Civil Rights	6		1	1
Human Rights	2		2	
Good Governance	1	1	2	2
National Dialogue	1			
Tolerance/Non-violence	1			
Reconciliation among Palestinians				1
Peace with Israel	5			8
Peace/ Development			3	
Regional Development			1	

Source: Data collected by the Center For Development Studies, Birzeit University.