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AND THE WORLD PAYS

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Despite the fact that the Palestinians receive aid in amounts that other countries can only dream of, they are still pitied. Thus wretchedness has turned into an industry. Third article in the series

In the eyes of the international community, the Palestinians are the most wretched people in the world, the most oppressed people on earth. They are a national group personifying the image of the victim. An endless number of publications deal with the wretchedness, the poverty, the refugee status that has continued for decades. Here too, the link between the facts and publicity is less than fragile.

The first article in the series, "And the World Remains Silent," which was published in the Rosh Hashana supplement, dealt with the mass murder that Arabs and primarily Moslems perpetrate against Moslems and Arabs, compared with the relatively minimal number of Arabs killed in general, and

¹ Based on by translation of the Information Department, Israeli Foreign Ministry, edited by the ITIC. Ben-Dror Yemini is the editor of Ma'ariv's Op-ed page. The article appeared in the January 5, 2007 Saturday supplement.

Palestinians in particular, in the Israeli-Palestinian conflict. The second article in the series, "And the World Lies," which was published in the Yom Kippur supplement, dealt with the manipulation of the Palestinian refugee problem: even though almost 40 million people have undergone various population exchanges carried out to create states with national, ethnic or religious identities, of all the tens of millions, only the Palestinians have remained refugees.

This article examines the myth of Palestinian misery. The Palestinian situation is, in fact, bad. No one disputes that. The question is whether it is a self-inflicted condition for which the Palestinians are responsible, or an international plot, primarily American or Israeli.

The myth, which is cultivated by the "forces of progress," says, as is well known, that the United States is the root of all evil. Not only does it have an "unbalanced policy," it is also the oppressor of the Palestinian people and their legitimate aspirations. And Israel, of course, makes the economic oppression only that much worse. Is that really so?

The Palestinians have acquired a place of honor on the world's list of the wretched and well-oiled public relations have turned them into a nation of victims. The facts are essentially different from the myths and mass frauds appearing in the deluge of academic and daily publications deceiving world opinion.

Misery pays. It has turned into an industry. The world opens its pockets. The "Great Satan," the United States, the country most hated by the Palestinians, which vies for precedence only with Israel, the "Small Satan," is the country that since the signing of the Oslo Accords in 1993 has helped the Palestinians more than any other country in the world. Not Saudi Arabia, not the Gulf States, separately or together. Not the countries of Europe, which donate separately, and not even the European Union.

They have been showered with dollars and respond with criticism

These are the facts: according to a World Bank report, from 1994 to 1998 the United States was the Palestinians' largest contributor. The figures are no different after 1998, but the 1990s, which ended with the Intifada, are particularly important. It is true that Israel receives more aid. Military aid is given for strategic reasons and this is not the place to discuss them. In any cast, most of it aids American industry, because Israel can only spend the money in America. With regard to economic aid, it has become marginal in recent years and it is less than that given to the Palestinians.

In all aspects of per capita aid for Palestinian development and well-being, they receive far more aid, for example, than Egypt. But the myth obstinately claims that the Palestinians are the "victims," that they must be given more and more because perhaps, that will convince them to want peace and to abandon terrorism.

According to the World Bank report, during the aforementioned years, Washington contributed \$344.73 million, while the European Union contributed \$298.3 million. Japan is also at the top of the list, contributing \$306.09 million. After them are Germany (\$270.8 million), Norway (\$221.38 million), Saudi Arabia (\$133.15 million), the World Bank (\$127.57 million), France (\$52.71 million), Britain (\$39.61 million), and Kuwait (\$24 million).

The American contribution is actually much larger: during those years and the preceding decades, the United States was the largest contributor to UNRWA (the United Nations Relief and Works Agency for Palestine Refugees in the Near East). During that period the Agency's annual budget was close to \$300 million.

If the entire decade between 1994 and 2004 is calculated, the United States is still in first place, having provided \$1.3 billion in aid. After the U.S. come the European Union, with \$1.11 billion, and Japan, \$0.5 3 billion. Here, too, the

amounts do not include the contributions to UNRWA and the “*da’wah*” (“charity”), which were used in large part to fund terrorism.² It should be taken into account that Hamas operated an additional, separate fund raising mechanism, and some of the contributions were actually used for welfare, education, health and propaganda, while some went to strengthening its military wing and funding terrorist activities.

Billions have been given to the Palestinians, and the money could have made a tremendous change the Palestinian economy. It could, forgive the cliché, have turned Gaza into Beirut (except that Hezbollah would have turned Beirut into Gaza). But the Palestinians chose a different path. The world rained dollars on them and they replied with criticism. They were not the oppressed of the world, but rather the pampered of the world. Most of the inhabitants of Africa, who suffer far more, can only dream of aid in the quantity given to the Palestinians. There is poverty in the world. There is exploitation. There is oppression. But the Palestinians are not at the top of the list. They are far from that. They have never starved. Their distress is mostly of their own devising.

They preferred struggle to prosperity

Even before the Oslo Accords, money flowed to the Palestinians. Nineteen ninety-two was a peak year for the Palestinian economy. The per capita GDP reached \$1,999, and the actual per capita GNP was \$2,683. The difference was supplemented by foreign sources: some funding came from the UNRWA budget, some was transferred from Palestinians working abroad, and a significant amount came from the many Palestinians working in Israel.

Theoretically, in the 1990s, if not for the terrorism which forced Israel to impose closures and curfews, the Palestinian economy would have led the

² A great deal of material on how the Palestinian terrorist organizations, particularly Hamas, funnel money into terrorism through their *Da’wah* “charitable societies) can be found at the Intelligence and Terrorism Information Center Website, <http://www.terrorism-info.org.il/engsite/home/default.asp>.

Middle East, after Israel. That was when secret talks were being held in Oslo, and following the signing of the Accords, the great flow of international aid to the Palestinians began. But those were also years of great waves of terrorism. The Palestinians preferred struggle to prosperity.

During those years countries like Yemen, Chad and Nigeria had per capita GDPs of about \$1,000, and they were not the poorest countries in the world. Those were the years when in Congo, Sudan and the Sahara millions of Africans became refugees and were abandoned to their fate by the international community. The black people of Africa did not create terrorism and did not present a strategic threat. The moral conscience of the world in general and of the West in particular is activated very selectively: by television, by threats of terrorism, by the threat of a rise in oil prices. Thus the greater suffering of tens of millions of black Africans is ranked much lower than the lesser suffering of the Palestinians.

The distress of the Palestinians is apparently their most successful industry. It is both self-perpetuating and the basis for more and more demands for payment. What is it for? Not for building infrastructures. Not for improving the educational system. Not for improving the lot of the hundreds of thousands who live in refugee camps. There were three main expenditures: perpetuating wretchedness and the political situation, purchasing weapons and explosives, and corruption: enormous amounts constantly funneled into the pockets of cronies and hangers-on, such as the millions that went into Yasser Arafat's bank accounts around the world, and the cream the heads of the Palestinian Authority skimmed off the top of almost every economic development deal in the territories.

The supreme objective: wiping Israel off the map

Israel has made its own fair share of mistakes, but they are all dwarfed by the Palestinians. Living under an occupation is no great pleasure, and criticism of the occupation in general and of the settlements in particular, is legitimate. More than legitimate. It is not a question of theories, however, but with facts:

huge sums of money given to the Palestinians went down the drain, and opportunities to win independence and prosperity were rejected in favor of the supreme objective: wiping Israel off the map.

The turning point was the Oslo Accords. The entire world volunteered to help the Palestinian Authority established following the Accords. The Palestinian Authority did, indeed, grow and flourish. Big money began to flow in. But the Palestinians themselves did not enjoy the fruits of peace. On the contrary, they went into an economic decline.

Various studies present contradictory data on the changes in the per capita GNP and the purchasing power of the Palestinians before and after the Oslo Accords. But even the contradictory data are consistent: on the one hand, there was an astonishing, unprecedented flow of funds into the Palestinian Authority, and on the other, there was a drop in per capita GNP. The explanation is simple: after the Oslo Accords there were several waves of terrorism which led to a series of closures. Fewer and fewer Palestinians worked in Israel.

But change came. Nineteen ninety-seven marked a turning point and the Palestinian economy began to recover. The Palestinians began to feel the benefits of peace. According to Palestinian data, from 1994 to 2000 there was a real increase of 36% in the GDP. And yet, despite the dramatic improvement, recovery was short-lived and ended with the outbreak of the second intifada in September 2000. Again, the chance for prosperity was destroyed. Again, the Palestinians chose violence.

The timing was important. The violence (*intifada*) broke out precisely after Israel made the Palestinians the most generous offers ever extended in the history of the conflict between the two nations. The myths of “Palestinian suffering” and of the “horrors of occupation” are inconsistent with reality.

Far from last place in suffering and poverty

First, the uprising began after two years of waning terrorism and the rise of economic prosperity. Second, those were days when the Palestinians had a Palestinian state almost in hand. It began at the Camp David summit, at which Ehud Barak, then Prime Minister, proposed something that no Israeli leader had dared to propose before him. It continued under the guidance of Bill Clinton and its essence was a Palestinian state with the 1967 borders, with the exception of minor border adjustments, including substantial parts of Jerusalem, and territorial exchanges in compensation for the Palestinians.

And how did the Palestinians respond? This is how Bandar bin Sultan, the highly influential Saudi ambassador in Washington at that time, described the events of that historic day, January 2, 2001: bin Sultan was sitting with Arafat at the Ritz Hotel before his meeting with Clinton. Bin Sultan told Arafat that it was a historic opportunity, that he had the support of Saudi Arabia, Egypt and most of the Arab world, and that if he refused the proposal “It would be a tragedy, it would be a crime.” It did no good. Arafat went to Clinton and said “No.” Arafat did not want a Palestinian state. Arafat did not want prosperity. Arafat did not want an end to the occupation. Arafat wanted war.

Israel was forced to respond to protect itself from the enormous wave of terrorism. Yes, Israel made mistakes. But all of its mistakes are dwarfed, to repeat, by Palestinian intransigence over ending the occupation and the conflict, and their refusal to establish a Palestinian state alongside Israel.

To continue with the facts: funds for economic aid and human development and to prevent hunger are supposed to flow according to the condition of the needy community. Were the Palestinians the neediest community? Comparative data show that the Palestinians are far from last place on the poverty scale. While their GNP was not at Western levels, even among the Arab-Muslim countries the Palestinians are not the last on the list.

The Human Development Index for 2003 places the “occupied Palestinian territories,” as the Palestinian Authority is defined, in the 102nd place out of 180 countries. Since 2003 represents the height of the intifada, one of the economic low points, and since the GNP during the 1990s was far higher, we can assume that during the 1990s the Palestinians were ranked closer to the top. In any case, even in the dire situation of 2003, the Palestinians were ahead of Algeria (ranked 103rd), Syria (106th), Egypt (116th), Morocco (126th), Yemen (156th) and certainly most of the countries in Africa and some in South America.

Both money and support for terrorism

The Palestinians are ranked high in human development relative to other Arab states, even though their GNP is lower. And yet, a comparison of GNP and international aide, relative to other countries and to the size of the population, yields an amazing result: the Palestinians received the greatest amount of aid in the world. Actually, for a decade and a half the Palestinians have been far from being the poorest, but they received the most aide. The facts tell the story:

From 1994 to 1998, the Palestinians in the territories received more than \$2.6 billion in aid from donor countries, and another \$600 million through UNRWA, but that is only part of the picture. An enormous number of Palestinian NGOs received support from many funds and foundations, primarily in Europe.

Additionally, “charitable organizations” sent money, mainly to bodies engaged in terrorism and/or religious activities. The money came from Muslims in America and Europe, from Saudi Arabia and the Gulf States. The cumulative amount each year comes to hundreds of millions of dollars.

Comparative data for 2003 shows an even more surprising picture. While poverty-stricken Yemen received external aid of \$30 per capita, each person in the Palestinian Authority received \$470. Even in absolute terms, that is a

distortion. Egypt received external \$1.286 billion in aid while the Palestinian Authority received \$1.616 billion in aid. (It is superfluous to mention that the population of Egypt is 73 million and the Palestinians population is only 3 million.)

That is not the end of the Palestinians' shameless cynicism, which responds to American economic and political support with ingratitude. In 2003, following the terrorist bombings but for other reasons as well, Washington decided to make its aid to NGOs around the world conditional, on the signing of an agreement stipulating that the recipient did not support terrorism. That was American policy for every aid recipient all over the world, not just the Palestinians. However, some Palestinians were dissatisfied. They wanted both money *and* support for terrorism. An internal debate developed peppered with the expected nationalistic rhetoric. The radical elements prevailed, and at the beginning of June 2004 the Palestinian Legislative Council passed a resolution rejecting the American conditions.

The Palestinians wanted both aid and the option to give it to terrorists or to groups supporting terrorism. Why? Because Palestinian "national honor," which includes support for terrorism, was more important than American aid.

Weapons are more important that welfare, education and prosperity

Three researchers – Michael Keating, Anne Le More and Robert Lowe – edited a comprehensive book of articles called *The Case of Palestine: Aid, Diplomacy and Facts on the Ground*, which was published in 2005. The three will never be accused of being overly sympathetic to Israel. However, two facts clearly emerge: first, that the Palestinians have received the greatest amount of aid since World War II, not just in absolute terms, but also taking into account adjustment for various indices. Actually, relative to their numbers, the Palestinians have received more aid than those covered by the Marshall Plan, which was designed for the recovery of Europe after the Second World War.

Second, to quote the book, “Aid may have been part of the problem rather than the solution, and massive international aid has not prevented the decline of Palestinian society.”

As usual with books of this type, it is full of claims against Israel, for example that the aid contributed to perpetuating the occupation (how does that fit in with the Palestinian intransigence over refusing a Palestinian state and the Clinton initiative?). However, the objective data – provided by the World Bank, the International Monetary Fund and research institutes – tell the real story.

Throughout the Palestinian Authority-administered territories there are now tens of thousands of privately held weapons that are not associated with the Palestinian security forces. According to age and model, the price of a rifle ranges between thousands of shekels and thousands of dollars. When Palestinian distress is discussed, it is also worth remembering Palestinian priorities, both national and private: weapons are more important than welfare, education and prosperity. The problem is not money. The problem is that weapons are preferable.

If the Palestinians had fought the occupation they would have had an independent Palestinian state long ago, very close to the 1967 lines. But the Palestinians have made every effort to convince public opinion in Israel that their goal is not the end of the occupation, it was and for many remains end of the State of Israel. Fantasy has overcome reality.

Like the hot-house dream of the right of return, which has only increased the misery of those who have been forced to remain refugees, the dream of the destruction of Israel has only increased the wretchedness of the Palestinians. The blame is not theirs alone. It can also be attached to their propaganda agents in the West, who treated them like oppressed wretches and not like equal human beings who are responsible for their actions. There is no other explanation for the fact that since the Oslo Accords, the Palestinians in the territories alone have received \$5.5 billion, if we do not take into account

additional sources that are not mentioned in the official reports. This comes to about \$1,300 per Palestinian. Just for the sake of comparison, under the Marshall Plan, every European received only \$273 (after adjustment for the cost of living index).

There are many good reasons why the Palestinians deserve to receive that aid. However, it is now possible to see what happened to those vast amounts of money. It was spent on corruption and Fatah was removed from the government. Encouraged by the central government, it was spent on weapons and the result was social deterioration and anarchy. And above all, the blame belongs to those who helped this enormous amount of money flow in without weaning the Palestinians from their futile dreams of the destruction of Israel. The result is mainly the continued destruction of Palestinian society.