

PALESTINE: NATION-BUILDING?¹

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As Israel celebrates its 60th year of independence, Palestinians commemorate their *nakbah*, the date of their exile from their lands, the one event being the opposite side of the same coin of the other, reflecting both the joy of creating a State and the tragedy of dislodging and dispersing a nation. But more and more, with the American Administration now openly and urgently calling for the finalization of a two-state agreement between the two sides before the year is up, this sixtieth year also is beginning to look like the year of reckoning -that is, the year when it will finally be decided whether the two sides will indeed prove to have the capacity to bring about a two-state negotiated solution.

A two-state solution defines one possible contour of Palestinian nation-building, namely, designing the nation as the unique occupant of a new State, and designing that State more specifically to be the unique embodiment of the nation. But one cannot realistically discount other political scenarios, including -whether by design or by default- an integrative historical process which will merge Israelis and Palestinians in one single political structure. Surely, such an eventuality will require investing in and planning for another model of Palestinian nation-building, as well as of state-building, namely, one which will fit into the framework of a binational political structure -or into a State which will at once embody more than one national occupant. Still other political scenarios, such as dividing up between Gaza and the West Bank with a view to merging the first in Egypt and the second in Jordan, are also possible, and will clearly require an opposite approach, which one might call a de-constructive strategy, with the aim of submerging Palestinian national identity under filial Arab or Moslem identities. My point is, in the absence of a defined national evolutionary path, even the largest of aid packages will not serve the purpose of helping the process of nation-building, let alone of state-building.

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Unfortunately, the past does not make it easier for us to read into the future - to know what it would be best for us to focus on. For the last forty years the West Bank/Gaza territory (and the Palestinian people more generally) has existed in some kind of limbo, neither being integrated into Israel, nor being properly disgorged from it. Prior to that, and for the first twenty years of Israel's life, those two blocks of Palestinian territory were controlled by Jordan and Egypt respectively, either as integral and annexed parts (Jordan), or as extra-territorial domains of authority (Egypt). During those same years, i.e. from '48 to '67, Israel worked to convince its some 300,000 remaining Palestinian Arabs that they were Arabs merely, i.e., that they belonged to the Arab people, and as such were not possessed of a distinct Palestinian national identity. And indeed, Israel partially succeeded, as almost did Jordan, which was engaged in a parallel exercise with *its* Palestinian lot, also partially because, discounting the mandatory years following the first World War, Arabs in any case living in the Arab world under the Ottomans or earlier Moslem Caliphates regarded themselves as Arabs rather than as distinctly this or that national kind of Arab. In typical Levantine fashion, if Arabs wished to be specific about their regional affiliations they would tend to emphasize their tribe or city rather than the nations which we have now come to identify them as belonging to, marked by the passports which they now use as their identity proofs. And so, returning to the present day, and to the politically unique circumstance of the geo-historical scatter of the Palestinian people in contrast with that of their Arab brethren, it is little wonder that Palestinians seem to inhabit or reflect a world of political chaos, or of apparent incongruities -leaving every future political scenario therefore wide open. An Israeli Palestinian may at one and the same time insist on his distinct national identity, but insist with equal passion on remaining an Israeli citizen. A Palestinian refugee in Lebanon may on his part insist on his distinct national identity, but reject totally the idea of embedding that national identity in a political home, if that home was not to include the exact ancestral property from which his parents were evicted or which they left in fear back in '47-'48. Truth is, the absence of a clearly-defined and stable evolutionary path in Palestinian history, whether towards this nationalism or that, within this political structure or that, has left the Palestinians of today in a totally confused state, making it harder for Israel or the international community to deal with a single political player. Altogether, sixty years after that important date-marker in history when the fate of Israelis and Palestinians seemed to have been sealed in favor of total separation between the two, more than half of the entire Palestinian people find them-

selves living on Palestinian soil, in territory between the Mediterranean and the River Jordan, under one form or another of Israeli rule- either as Israeli citizens, or as Israeli residents, or as holders of that dubious, post-Oslo Palestinian identity document- dubious for being Palestinian only by name. The rest of the Palestinians -several millions by now- live in various places, and in different political manners, abroad, in each place nurturing different dreams, not necessarily common with one another, let alone being reconcilable in any workable fashion by the best of today's politicians.

Little wonder therefore that nation-building, in such circumstances, seems such a formidable task. For, *where, on whom, and what* does one focus on as one wishes to focus on building the nation? For a while, Oslo seemed to provide a gateway -to rearrange the scattered national cards in one state-deck, so to speak. And in stepped the well-wishers and do-gooders of the international community, all eager to pour money into a presumed budding State, where a presumed process of nation-building is taking place. And the result? Fifteen years after the signing of Oslo and the injection of some 6 billion US dollars, both nation and State seem to be on the verge of collapse. While the nation seems to be more divided than it has even been before, the seedling structures of the State-to-be (ministries, institutions, security-forces, etc.) seem to have become all but irrelevant or extinct.

Let me say one or two words about the negative effects of aid on so-called "nation-building", but introduce the topic by first looking at an altogether different place: Africa.

Even if we abstract from the sudden surge of the price of food, threatening to make the some one billion hungry human beings, mostly living in Africa, even hungrier, as the UN Secretary General points out in a recent article in the **Herald Tribune**², it is instructive to learn that, in spite of 600 billion US dollars pumped into Africa between 1960 and 2003 in both aid and debt relief, more people in Africa are poorer today than there were in 1960: In 1981, 11 percent of the world's extremely poor (living on less than one dollar a day) lived in Africa, but this number had gone up to 29 percent by 2003. Andrew Mwenda, a Ugandan economic expert, goes on to argue in a recent issue of the German publication **International Politik**³ that the main reason why aid failed all those years

² Herald Tribune, May 1st. 2008

³ Andrew Mwenda "Subsidizing Failure", IP, Spring Issue 2008, Vol.9,pp24-27

is that it was primarily channelled through governments: *“Governments want to reward loyal supporters, win constituencies, and buy off real or potential opposition parties...[they] do this through a combination of patronage and repression..jobs are given to elites, others are awarded government contracts and tenders....ruling elites have little incentive to build effective public institutions..that may threaten existing power structures. Therefore rulers have a strong incentive to undermine institutional development....In the process, (its) citizens become clients who are bribed with welfare handouts paid for by aid -relief food, relief medicines,poor quality health care, and primary education.”*

Andrew Mwenda argues in effect that aid to Africa went seriously wrong: *“the more aid [Africa] gets, the more the continent reproduces poverty, corruption, conflict, indebtedness, and bad governance”*⁴. Mwenda’s remarks could well have been about the occupied Palestinian Territories of Gaza and the West Bank. Indeed, a similarly harsh critique of international aid to Palestinians abounds in a study, **The Myth of Palestinian Development**, written by a Palestinian economic expert who worked closely with donor agencies during the past twenty years⁵. The parallels are haunting. In each case, target populations are treated as passive objects rather than as participant shareholders and decision-makers, this treatment being facilitated by corrupt governments, so-called elites and, specifically in the Palestinian case, foreign experts, otherwise called “the new mercenaries” as the afore-mentioned book describes them.

There is consensus among all parties that the economic situation in the Palestinian areas began to worsen after 2000. According to a situation paper on foreign aid published by an Israeli human rights organisation the GDP per capita (or the annual domestic production per Palestinian) dropped within the two short years following 2000 by over 40 per cent.⁶ Foreign aid was eventually doubled by way of counteracting the worsening conditions, with the ratio of the funds however being reversed from 5:1 in favor of development, to becoming 7:1 in favor of crisis management. As in Africa, though brought about by a different set of circumstances, aid in other words was eventually forced to become a mere

⁴ *ibid*, p.25

⁵ **The Myth of Palestinian Development: Political Aid and Sustainable Deceit**, Khalil Nakhleh (Passia, Jerusalem) 2004.

⁶ **The Economy of the Occupation/Foreign Aid to Palestine/Israel**, Shir Hever, The Alternative Information Center (AIC)-2nd edition, Feb. 2006.

hand-out to an economically incapacitated population. Interestingly, the said paper uses terms to describe the Palestinian population -“a nation of consumers who are unable to produce”- which are similar to those used by Mwenda to describe the African populations (e.g. “clients who are bribed with welfare handouts paid for by aid..”).

But even without the violence raging since 2000 and its immediate debilitating effects, whether on the infrastructure or on the form of disbursements by foreign funding agencies, it is important to repeat the warnings being voiced ever more loudly by Palestinian intellectuals that foreign aid has on the whole only succeeded in helping subsidize Israel’s continuing occupation: essentially, both the Oslo agreements as well as the Paris Protocol signed later between the two sides *left the dependent nature of the Palestinian economy on Israel as it had been before*. Israel continues to get “the best” of both world: exploiting the territory and its resources to the full while making foreign agencies finance its continued occupation of, and hegemony over the people. Palestinians continue to be allowed to buy their goods, even with funds made available through aid, only from Israeli companies or from international companies via paying customs to Israel. Indeed, to take the year 2000 as an example, imports to the Palestinian areas from and via Israel constituted 73% of all imports, while exports to Israel represented 92% of total exports from those areas. So captivated by Israeli border and import controls are the Palestinian areas that even Gaza is unable to import its own food or gas supplies directly from sources other than Israel, a circumstance which allows Israel to use this as a means of pressure against the entire population there- even while it still boasts that it left Gaza.

Let me recapitulate, sum up, and then return to some political prognosis: Palestinian political history since Israel’s creation underwent haphazard evolutionary paths, essentially diversifying and complicating the meaning of Palestinian national identification. The attempt since Oslo to capture the salient features of that identity in the framework of an economically and politically vibrant democratic State in the so-called ’67 territories seems to have all but failed, for different reasons, of course, but with foreign aid having clearly become a source for subsidizing the continuing state of occupation. The disillusionment with Oslo, and the shattered hope has only helped exacerbate an already chaotic national field-map, breaking up the social order and the political as well as moral system of values, pitting Hamas against Fatah, and encouraging the development of a hand-out economy run by what is coming to be considered

a lackey central authority, whose political legitimacy and significance is becoming more questioned by the day. A web of power centers has evolved to help this authority run the affairs of the population, a mirror-image of Africa's so-called "elites", which include millionaire-returnees holding monopoly contracts, so-called "new mercenaries" or technical advisors, local war-lords masquerading as political leaders, and petty opportunists running a flourishing industry of peace NGOs, naively described by well-meaning technical advisors as Palestine's thriving civil society!!

Needless to say, such conditions can only lead in the long run to the breakdown of the national order, as already seems to be happening. This is not necessarily in Israel's interest, since such a breakdown will make a two-state solution, the Jewish State's savior, harder to achieve. Best then to prevent this from happening, and one way to shock the two sides into taking a decision in this direction is to stop foreign aid forthwith -or to reformulate it entirely.

Ladies and Gentlemen:

It has long been said that where the Israeli-Palestinian conflict is concerned, Europe has been a payer rather than a player. But Europe's role as payer can become an effective political tool for wielding real power - the minute Europe decides to pull out or threatens to do so, or to re-define its involvement. In suspending aid, Europe's message must be : Israel has to bear the full brunt of its continued occupation -to pay for infrastructure, as well as to support essential services to the population, such as health, education , social welfare, etc. But the EU must make clear that it will cease to subsidize the PA salaries and institutions, and to subsidize, through these, the services which the occupying power is bound by international law to subsidize, including the enormous bills of an inflated civil service, and of an even more inflated, and totally counter-productive, so-called "security-force". (As an aside, I do not hesitate to point out here that I shudder to think what role these special-task, American-trained, storm-units will play in the future of so-called "nation-building").

I believe we still have time -maybe a few months. But the Israeli and Palestinian publics must be shocked out of their complacency. At the

end of the day, however, I want to remind us all that nation-building is, or ought to be, above all, an engagement in humanization -in the consensual formulation of, and adherence to social and moral values. Pity the nation for whom these values no longer have meaning.