

Cutting Aid to Palestine Could Lead to Humanitarian Emergency

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By Brian Adeba

Stephen Harper said Canadian aid to Palestinians is now under review, and development groups working in the region worry that any freezing or cut in aid could have a destabilizing effect.

Reem Bahdi knows exactly what a cut in aid would do to Palestine. The University of Windsor law professor directs the Judicial Independence and Human Dignity Initiative, a project that promotes the teaching and training of the Palestinian judiciary on human rights issues. "It could lead to a breakdown of law and escalating violence," says Ms. Bahdi.

In November last year the project received \$4.5 million from the Canadian International Development Agency (CIDA). This year, the training program was all set to kick off, until Prime Minister Stephen Harper announced at the start of this month that aid to Palestine will be reviewed after Hamas' election to power. Now Ms. Bahdi's project is in limbo. Last week she was informed that funding has been suspended pending a review.

"The news was deflating, but I am confident that the right decision will be made because this project is important to the long term stability in the region," she says.

The West Bank and Gaza stand to lose \$25 million in annual funding from Canada, including another \$37 million announced by former Prime Minister Paul Martin last year, unless Hamas renounces violence and repeals an article in its charter calling for the destruction of Israel. More than half the Palestinian population lives below the poverty line and is largely dependent on financial aid from the international community.

When Mr. Harper said earlier this month that Canadian aid to Palestine will be reviewed in the wake of Hamas' election victory, his statement echoed similar announcements made by the U.S., Britain and some major donor countries whose combined sum of aid to the Palestinians amounts to \$1 billion (US) a year. Now there is concern amongst some Canadian non-governmental organizations that if the government eventually decides to

cut aid, ordinary Palestinians and not Hamas, will be affected.

Bill Janzen, Director of the Ottawa office of the Mennonite Central Committee, Canada, which receives roughly \$300,000 a year from CIDA for agricultural projects, primary health care, income generating activities and peace building in the West Bank and some parts of Gaza, says his organization has not received any official information that its funding will be frozen or cancelled. But he adds that the majority of Palestinians in the West Bank and Gaza require humanitarian assistance.

In the housing sector in the Palestinian territories, a "significant portion" of homes are in need of repairs says André Asselin, Senior Manager with the Canada Mortgage and Housing Corporation (CMHC). Last year CMHC received \$5 million to repair houses in the West Bank and Gaza, starting early this year. It also received another \$1 million to develop a housing policy for the Palestinian Authority, says Mr. Asselin. "We are [at] a pause and everything is under review, but nothing has been cut," he says.

The proposed aid cuts will also see the United Nations Relief and Works Agency for Palestine (UNRWA) lose the \$1 million that it receives from Canada. The agency offers assistance in job creation, health and education to 1.7 million refugees in Gaza. A staffer who asked not to be identified from UNRWA's New York headquarters told Embassy that though there's no official confirmation that the agency's budget is at risk due to withdrawal of funding from Canada, education programs for 250,000 Palestinian children in 180 schools run by UNWPA could be affected.

"So naturally, when one talks about cutting part of a budget that we rely on to keep those kids in school, there's a concern," says the staffer, adding that donors are aware UNRWA is an independent and neutral agency that is not linked to any party in the Palestinian territories and that it will be unfortunate to cut funding for a transparent body.

"Aid cuts is not an outcome we would like to see," says the source. An estimated 130,000 Palestinian families--about 700,000 people -- also receive food aid from UNRWA. The agency says cuts to its budget could push living conditions down considerably, especially in Gaza where the economic situation is still critical. "You still speak of a humanitarian crisis in the Gaza strip," says the staffer.

Hussein Amery, President of the National Council on Canada-Arab Relations, says cancelling aid will only punish ordinary Palestinians for exercising their democratic right. He says it is a "big mistake" and Mr. Harper should rethink Canada's position and engage Hamas in dialogue. "Hamas' election is the result of the failure of all parties to deliver peace," says Mr. Amery.

But since the announcement that Canada will review its assistance to Palestine, no actual aid cuts have been made yet. Mr. Amery says Canadian media discourse on the cancellation of Palestinian aid is failing to distinguish between humanitarian aid and financial assistance that bolsters the structures of the Palestinian Authority. Mr. Amery says he believes humanitarian aid will not be affected, but expressed concern that there is a danger the distinction will not be made and all aid will be cancelled.

Mr. Janzen also says it is important to distinguish between the two types of aid and expressed hope that humanitarian aid will not be cancelled.

Last week The Globe and Mail quoted a CIDA spokesperson saying all Canadian aid, distributed through secondary donors and non-governmental organizations, is under review.

Ismail Zayid, President of the Canada-Palestine Association, says the move to cut aid to Palestine would be "absolute hypocrisy" on the part of the Canadian government. "The West calls for democracy and when the Palestinians elect overwhelmingly a party of their own choice in a recognized free election, we don't like it--this is utter hypocrisy," says Mr. Zayid, adding that the question of aid to Palestine will not arise if Israel ends occupation of Palestinian territories and complies with the stipulations of the Geneva Convention.

Cutting aid to Palestine will push Hamas to seek other sources of funding from radical sources says Dane Rowlands, an Associate Professor at the Norman Paterson School of International Affairs at Carleton University. "This kind of conditionality is a difficult tool to wield effectively and I don't think there's a lot of evidence that this type of behaviour actually works," he says.

After the new Palestinian legislature was sworn in on Feb. 18, Israel withheld millions of dollars in monthly payments and asked foreign donors to restrict assistance to humanitarian purposes only.

Mr. Rowlands warned against judging Hamas as a single homogenous structure, saying that there are sections within the Islamist party who are pragmatic and the West should engage the reformers to tip the balance in their favour.

brian@embassymag.ca