



FOR THE RECORD



“A Changing United Nations: The Future of Palestinian Refugees” Dr. Peter Hansen, Former Commissioner-General of UNRWA

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Below is an edited transcript of remarks by Dr. Peter Hansen. In his briefing on the economic and infrastructure limitations Palestinians face today in the Gaza Strip, Jerusalem and the West Bank, Hansen argued against calls for the United Nations High Commissioner for Refugees (UNHCR) to take over the mandate of the UN’s Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). He argued that such a change would undermine the Palestinian refugees’ symbolic right of return under any final status negotiation, would hinder an already beleaguered process toward socio-economic development, and would prematurely relieve Israel and the international community of their obligations toward Palestinians.

This event was held at The Palestine Center on 26 October 2005. The speaker’s views do not necessarily reflect those of the Jerusalem Fund for Education and Community Development or its educational program, The Palestine Center. This "For the Record" transcript may be quoted without permission but with proper attribution to The Palestine Center.

Thank you for that introduction. You said I retired—I would say that I *was* retired last spring! [Laughter] I retired last spring from what was a long tenure with UNRWA, but it was a period where UNRWA was entering into a very difficult phase with the issues that the Israeli army’s withdrawal from Gaza led to and which was not, from my and some others’ point of view, the optimal time. I have very much kept my interest in the region, in the United Nations and first of all in the condition and the fate of the refugees with whom I lived and worked for nine years.

What I’d like to touch on today are four issues, but you’ll be free to take up whichever other ones we have the discussion session. First, I’d like to say a few words about the current balance of expectations and performance in the process, whatever sort of process it is. Secondly, I will talk about some of the challenges in the economic and social area. Thirdly, I will address who can or should be doing what. Finally, I will talk about an issue that probably is going to emerge again and again, namely the status of the refugees and their future in relation to the two agencies dealing with refugees in the United Nations’ system, UNRWA and UNHCR.

With regard to the current balance of expectations regarding the performance of the parties in conflict, I was recently on a panel with a former British Foreign Secretary and a former American Under Secretary of

State. As I listened, I was impressed by their eloquent case for how much the Israelis have done now with the withdrawal from Gaza, how it was going to change the situation, and how, therefore, Mr. Sharon needed at least a year of peace and quiet from any further pressures to be put upon him.

Everybody in that particular audience would have, as I do, agreed with the fact that one has to apply whatever pressure the international community can apply in a measured way. What struck me particularly was that—with all the sympathy for the difficulties of Mr. Sharon, and let’s face it, he has really had a great deal of political difficulties in Israel with getting as far as he did with the withdrawal—not a word was said by these gentlemen about the situation of the Palestinian President Abu Mazen. It was as if he was under no pressure to perform, as if he were under no pressure to deliver, and as if he were not living through an existential political crisis of his own, that would be at least as difficult for him to manage politically in his environment as the political difficulties Mr. Sharon is to manage in *his* environment.

However, to underestimate the difficulties that Mr. Abu Mazen is under, I think, is just another way of this one-sided view of the situation, as if it were only a unilateral process and not one in which there were more than one party with legitimate demands and needs.

If I read the situation right, it has appeared to me that perhaps the United States' administration—I am very pleased to be able to say something positive in this respect—is not pressuring unilaterally only Mr. Abu Mazen, as seems to have been the case in the past. Nor is it following every Israeli desire about the direction of this pressure, as consistently as seems to have been the case in the past. If this is the beginning of a more even-handed U.S. approach to the conflict, and to the process among the parties, I think it is something that can only be welcomed very, very warmly.

Something everybody would agree on is that what has been done was needed to give the Palestinians hope that there will be some changes that will improve their lives politically, socially, economically, culturally—in every respect. It has been said time and again that this must be the outcome of the Israeli withdrawal from inside Gaza. Israelis would say that, Palestinians would say that, and certainly the international community, whatever it is, will chime in with halleluiahs and advocate that we must create better conditions for the Palestinians.

What I hear is that the situation, if anything, is getting even worse. Now, after having lived through years and years where the situation every year and every month was getting worse, and despite making myself and everybody else sound out like a tired old record, how long can this situation go on becoming worse and worse before you have an absolute disaster on your hands? For years, many have predicted that the situation was getting worse and worse. What I hear now is that the situation is certainly not getting any better after the Israeli withdrawal, as if it were any news.

When I arrived in Washington last night, I read the Washington Post and on page 18 in the news section there was reference to [special Middle East envoy, James D.] Wolfensohn's conclusions as to what sort of progress he is making. Without reading the whole story or content of the letter [which Wolfensohn sent to members of the Quartet on 17 October 2005], let me just quote a few lines: "The government of Israel," Wolfensohn writes to Kofi Annan, "with its important security concerns"—never forget about those!—"is loathe to relinquish control, almost acting as though there has been no withdrawal, delaying making difficult decisions and preferring to take difficult matters back into slow-moving subcommittees."

Now, for Wolfensohn to write this, the situation must be very bad. Placing it in the news section, I find, is a bit ironic, because I could have written that same letter every day for nine years when I was judging the speed with which the Israeli government and army were reacting to my constant requests for freedom of movement for access to humanitarian cases, etc. But there is not much news in this. Unfortunately, the news is not that we have now taken calculated risks,

something that many Israeli decision makers have been talking about to move towards a more beneficial cycle than the vicious malignant downward spiral we have been living through for much too long.

What will be needed of course will be first of all what Wolfensohn is making reference to, which all of us engaged in the situation, including many on the Israeli side, have said for years. That is that unless the Palestinian economy gets a chance to provide for the people of Palestine, there is no way in which the situation can improve. And for Gaza, it is obvious. In a piece of land 42 kilometers by 7 kilometers on average in width, which is totally closed off, who would think of investing anything in such a place? Gaza needs trade and investment, but if you cannot get your goods out, or raw materials in, and you cannot interact fairly and freely with the world. There is absolutely no way that either trade or foreign direct investment is going to flourish the way it would have to, in order to provide the progress that the Palestinians are perfectly capable of doing, given different circumstances.

Two major motivations drive foreign investment. One is a big domestic market, such as in India and China. Gaza, where 1.3 million people in poverty are locked in behind barbed wire, is hardly a promising, big domestic market for which anybody would come and produce anything!

The second force is if you can use a place as a production platform, as Singapore and many other smaller economies in the world which have become export platforms for foreign production. Again, obviously, when you cannot bring anything in or export anything out, there is not much by way of a future economic platform that would attract any foreign investor. Trade itself, if any of you have been to any of the trading points or border crossings in Gaza, moves little. In fact, if you visited Karni [Crossing] in Gaza, which is the major terminal in and out, you could see, although you can't anymore, terminals loaded with goods from the settlements that were being exported. You could have seen precious little else moving out of Gaza by way of export that could earn the necessary foreign currency for the Gaza economy to take off.

The West Bank is a similar story, since the situation of all the checkpoints and blockages from villages, camps and towns have been installed. Even though they have been reduced, there are still enough to make a functioning economy a bit of a joke. The infrastructure of the area has been severely damaged. Again, I don't know if any of you have been to Gaza or in towns or camps in the West Bank—I mention Jenin as an example, but of course most of the destruction has taken place in Rafah and Khan Yunis. There, in some places as long as the eye reaches, there are scenes of complete destruction and rubbish, which is all that is left after the bulldozing of the homes of some 25000

people who were made homeless by the deliberate destruction of infrastructure.

In Rafah, plows were used to rip up the infrastructure on the roads, the sewage and the water and electricity systems. The airport was not just made inoperable; it was thoroughly bulldozed over to make it into a mini-mountain landscape. On and on, we can go on about that destruction.

There is a major task here to be carried out in terms of repairing infrastructure, just in terms a simple environmental health infrastructure, sadly lacking, with disastrous health resources for the population there. We are talking again about unemployment numbers that are actually meaningless. We should talk about employment numbers—there will soon be more people than unemployed than employed, for practical purposes. With people under the poverty level, counting between 60-70 percent, it is a place where there is a huge need. And it is a need that is not really being seriously addressed and met.

I won't quote to you all the figures of how many billions and billions of dollars are needed and that have been pledged. I wish that a larger percentage of all that would actually go there, and would actually be productively utilized. However, that is not the case either. Every month and every year for the past several years, there would have been a much greater scope for doing the things that need to be done, than has actually been done. Assuming the money comes—and that's a very, very big assumption—let me interject for everything you hear about the generosity of the international community.

The generosity of the international community is such that in the 1970s, UNRWA was given resources to the tune 200 dollars per refugee per year (not adjusting for inflation, so I make the numbers look very much better than they are). In the 1990s and beginning of this decade, that figure dropped to 70 dollars, that is, it dropped by 300 percent. That means a constant thinning out of whatever the international community could be doing. It still clamors for a lot of praise for what it's doing, and let me say, before I too easily dismiss the international community's failure to support, that there *are* exceptions.

Thank God for the Swedens of this world, for the Norways of this world, for the Luxembourgs of this world, and indeed also for some of the Gulf countries who are always belittled and maligned for not giving enough. The fourth largest donor in terms relative to UNRWA is actually Kuwait. If you take some of the funding that the United Arab Emirates have made available to rebuild destroyed refugee camps, the Emirates come up there pretty much. I'm not saying they're doing enough, I'm saying that the constant Western harping that all Arab countries are not doing anything is simply not true, and is simply not reflected

in the performance of, albeit too few, Arab countries in the Gulf in particular.

There are two main actors who could play a role in case the international community would up the ante a bit, and live up to all the promises and pledges being made. One of them obviously is the Palestinian Authority, where still a lot of improvement is desirable, but where I for my part think that Abu Mazen has made great strides ahead. Great strides ahead were also made by the Finance Minister before Abu Mazen's time, so it's not as if they are starting from scratch.

The other actor is UNRWA, which has the formal responsibility for the approximately 70-plus percent of the population in Gaza who have refugee status, and the 40-plus percent in the West Bank and Jerusalem with refugee status. When I first came to the region, setting up the U.N. political offices there, I met with Arafat. That was well before I knew that I would ever have anything particular to do with UNRWA. I asked Arafat, "So when can we start building down and phasing out this international agency, this U.N. agency?"

Arafat looked at me in horror, or maybe with compassion, that I could be so stupid as to ask such a question. He answered, "Well, we can begin thinking about that in ten years' time." Those were in the optimistic words in the immediate post-Oslo days, where you thought that the process would have come to a successful end by 1999. Abu Mazen has said pretty much the same thing.

It is not something that seems to be much in the books, when you look at the wishes of the Palestinians and certainly of the vast majority of United Nations members. But it is still a subject which is there, not too much below the surface in several comments, which I will get into in a moment. I hope that in the time to come, UNRWA and the PA will be able to manage their interrelationships in the kind of productive, cooperative way that should be the case, and avoid what is a very big temptation for both parties—that is, to get into a zero-sum game when it comes to who could or should be doing what. There have been small tendencies of a particular part of management in the two organizations.

There is no doubt that, at some point, the Palestinian Authority should take over all of UNRWA's capacity in Gaza and the West Bank. I would say the sooner the conditions for that are ripe and it can be done, the better.

One of these conditions is that such a transfer of responsibilities would not be a case of, as the Palestinians see it, prejudging the outcome of the refugee issue. In 1994, when the PA moved in with the strong view, "Don't start messing about with UNRWA," there were ministers who took a look at this well-functioning, well-equipped agency, which has

been quite effective, and would have liked to take it over sooner rather than later. But, they desisted.

Why did they desist? For financial reasons, as they could not be assured that additional funding. For managerial reasons, as they had challenges enough to deal with in setting up their own fledgling new administration. But, first of and most importantly, politically, they would not dream of taking over something that would be giving up the symbolic value that the U.N.'s heavy presence with UNRWA in the Occupied Territories means to the Palestinians and to the refugees.

When, early on in my administration UNRWA offered to hand over a clinic that was serving both refugees and non-refugees in the West Bank, the offer was met with demonstrations and anger. "Don't do it," many said. This was the way the Palestinians looked at it. [We would have been] thereby prejudging the refugee question.

That is probably one of the reasons that in Israel—and I must say also parts of the U.S. Congress here—there is a very strong wish to see UNRWA phased out. They see it that if UNRWA goes, the refugee problem goes and they would be through with that. Extremely naïve! Of course the refugee problem won't go because UNRWA goes.

Even in Yossi Beilin's plans, as presented in Geneva, one important part is that early on in the process UNRWA will be phased out so that the institution does not exist anymore, to remind anybody that there are refugees. As if anybody needs reminding, with such a majority of the population, that most of them are refugees. Certainly in Gaza, the vast majority are.

Finally, are there other ways in which one can come to deal with the refugees in the changing United Nations? Well, the proposition that is often raised is that you have such a wonderful refugee organization headquartered in Geneva, which has settled and solved so many refugee problems, but that UNRWA has only been there to perpetuate the problem in Palestine.

Now if we could pass the whole thing over to the UNHCR, they would reach the same results they have reached in other organizations. The refugees, who are now under the care of UNRWA, would have no protection in the 1951 Convention's sense of refugee protection, would not get such protection under UNHCR.

Let me say, I believe as strongly as anybody else that everything that can be done to improve the protection of the Palestine refugees should be done. But I'm not sure that solution—if it is a solution—would do an *iota* to improve the situation, and might indeed do a lot of harm in the process for the Palestinians. Abiding by UNHCR criteria the refugee population would, just by applying the criteria under the '51 Convention, be

reduced from 4.23 million refugees to probably less than 1 million. That would not make it likely that the refugee problem could find a negotiated solution in the process at home.

Quite apart from that, the UNHCR protection and what the UNHCR can do and has done for the refugees is not terribly practical from a Palestinian refugee's [perspective]. While the UNHCR has very often done has been successfully to resettle the refugees where they are. But, that is precisely what the Palestinian refugees do not want as a proposition to start from. Or, they have facilitated return solutions—which, again, is hardly something that UNHCR would be in a better position to persuade the Israelis to accept than UNRWA, who has been unsuccessful in doing it for all these years! So, I think it is a bit of a red herring, which detracts from the real issues of the matter, to pursue this line of reasoning. It's more a deviation than anything else.

What needs to be done is to see an international community, led by those who can lead—and the United States is certainly the country that is most obvious in that context—to the process of negotiation. It has been going—I wouldn't say no where, but not very far over the past ten years. I think we can change the United Nations by doing away with its largest agency, namely UNRWA. But not the other way around, doing away with UNRWA before all that is needed to be done for the refugees has been done. And we are very far from having done that.

Everything organizations like [the Palestine Center] can do to help spread knowledge about the issue, I think, will be very welcomed. The high turnout today, at this event, I think is something that warms my heart from all my time in Gaza and that leads me to believe that it will be possible to find solutions, and improve the condition for everybody in that unhappy region, which of course includes also Israel.

Thank you very much.