

As humanitarian crisis hits Palestinian territories

US and Israel continue drive to overthrow Hamas-led government

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The ongoing international financial embargo of the Palestinian Authority, initiated after the Islamist organisation Hamas won the legislative elections in January, has led to a humanitarian crisis of unprecedented dimensions within the West Bank and Gaza. The already impoverished Occupied Territories are facing a complete economic collapse, with skyrocketing unemployment and poverty and increasing hunger and malnutrition. Palestinian Authority (PA) employees, including medical and education workers, have not been paid for two months.

The response of the Israeli government and the Bush administration to the crisis has been to further tighten the screws. Neither Tel Aviv nor Washington has wavered from its commitment to destabilise and ultimately overthrow the Hamas-led PA. Exposing the hypocrisy of its claim to be promoting democracy in the Middle East, the Bush administration responded to the democratic election of Hamas by seeking to reverse the result through the collective punishment of the Palestinian people. It backed Israel's withholding of more than \$50 million in monthly tax and customs revenue owed to the PA and coordinated an international funding freeze.

Foreign funding last year amounted to \$1.3 billion of the PA's \$1.9 billion annual budget. Almost all of this money, including the European Union's \$600 million a year, has been withdrawn. Countries still providing direct aid include Saudi Arabia (\$92 million), Iran (\$50 million), Qatar (\$50 million), and Russia (\$10 million). This money still leaves a massive shortfall and is insufficient to cover the PA's monthly wage bill of approximately \$100 million for its 165,000 employees.

It was against this background that representatives of the diplomatic "Quartet"—the US, the European Union, Russia, and the United Nations—met in New York on May 9 and announced the formation of a "temporary international mechanism" to distribute humanitarian aid in the West Bank and Gaza.

The new funding arrangement came after the release of a series of reports describing the deepening crisis within the West Bank and Gaza. In its quarterly report released last month, the World Bank estimated what will happen if the embargo of the PA continues: "Real GDP per capita declines by 27 percent in

2006, and personal incomes (real GDI per capita) by 30 percent—a one-year contraction of economic activity equivalent to a deep depression. Under this scenario, unemployment hits 47 percent and poverty 74 percent by 2008. By 2008, the cumulative loss in real GDP per capita since 1999 has reached 55 percent."

On May 7, the World Bank released a short statement admitting that these estimates were "too rosy."

Most of the PA's employees have not been paid, and about a quarter of the West Bank and Gaza's population depends on these incomes. Media reports have described Palestinian families selling heirlooms and jewellery to buy food and medicine for their children.

The funding cutoff has further damaged what little remains of the social infrastructure in the West Bank and Gaza. With salaries unpaid, municipalities have been unable to collect taxes needed to fund basic services. Rubbish collection has been cut in Gaza City, and sanitation and sewerage systems in other urban centres are threatened. Other services were put under further pressure last week when Israel cut off fuel supplies for three days, resuming supplies only after President Mahmoud Abbas agreed to pay \$30 million. Israel is the sole supplier of petrol and cooking gas to the Occupied Territories.

Palestinian schools and hospitals have run short of vital equipment. At least four kidney patients have already died after their dialysis treatment had to be cut from three times to twice a day in order to conserve drugs. Cancer patients are no longer able to receive chemotherapy, while other patients have had to forego painkillers and anaesthetics.

The catastrophic situation in the Occupied Territories goes beyond anything witnessed even when former Israeli prime minister Ariel Sharon was in power. It has been accompanied by a sustained Israeli military offensive.

In the six weeks since March 31, the army has fired more than 5,100 artillery shells into Gaza. At least five civilians, including an eight-year-old girl, have been killed as a result.

The government also continues to assassinate Palestinian militants. Six men were killed on Sunday, May 14, in the West Bank, including Elias Ashkar, a senior Islamic Jihad leader.

Ashkar and another militant were killed in the town of Qabatiya after an armoured Israeli bulldozer demolished the house they were in. Amir Peretz, Labour Party leader and new defence minister, hailed the operation as an “important achievement in the war against terrorism.”

The Quartet’s response to the humanitarian crisis thus represents little more than a band-aid pressed over a gaping wound. It remains unclear how much money the US and Europe will channel through the new funding mechanism. But Washington and Tel Aviv are insisting that whatever money is disbursed be directed through humanitarian organisations and not through any section of the PA. They have also indicated that they will oppose any move to pay the salaries of PA employees, including health and education workers, despite the fact that humanitarian organisations unconnected to the PA do not have the capacity to address Palestinians’ medical needs.

US Secretary of State Condoleezza Rice made clear that the Quartet’s statement did not represent any real concession or shift in US policy. “Nothing changed with the Quartet statement,” she bluntly declared in an interview on Fox News.

Haaretz reported on May 5 that the US had blocked earlier proposals by Britain, France, and the Arab League for direct funding to sections of the PA. Quoting an unnamed Western diplomat, the Israeli newspaper reported that this move was driven by “the belief that an aid cutoff will prompt Palestinians to rebel against the Hamas government.”

A Reuters report, also released May 5, stated that “some Western diplomats say Washington’s goal is to shore up Abbas while making it impossible for the Palestinian Authority to function.”

Abbas has left little doubt that he is willing to go along with the Bush administration’s efforts to subvert January’s election result. The Palestinian president gave an interview with CNN, broadcast April 23, in which he threatened to remove the Hamas government from power unless they recognise the Zionist state and work with the Israeli government. “If Hamas’s behaviour continues in its present form I will act against them, since the international community’s conditions are also mine,” he told foreign diplomats.

The aggressive stance of the US has provoked objections from within the Quartet. After meeting with Abbas on April 28, French President Jacques Chirac called for the creation of a fund overseen by the World Bank that would allow the payment of Palestinian officials’ salaries. The plan was backed by Britain, while an EU spokesperson described the proposal as “not at odds with the position” of the European Commission.

At the Quartet’s meeting, however, the European powers backed down in the face of American opposition. The statement subsequently released was deliberately vague as to exactly how the “temporary international mechanism” will function. Some European officials have suggested that the new fund could direct money to PA employees such as medical and education workers, notwithstanding US and Israeli objections.

Even if this occurs, it will not resolve the crisis in the West Bank and Gaza. One issue all of the major powers have avoided addressing is that of paying the salaries of those employed in the PA’s massive security apparatus. An estimated 70,000 men work for the police and security agencies, almost all of whom are linked with Fatah. The inability to pay many of these forces has exacerbated factional rivalries between Hamas and Fatah-linked militants and contributed to the eruption of shootouts on the streets of Gaza in the past few days.

The European powers’ differences with the US are of a solely tactical character. No European government is prepared to challenge Washington’s aggression or Israel’s ongoing oppression of the Palestinian people. Europe merely hopes to prevent the disintegration of the PA, in which it has invested billions of dollars, by cajoling the Bush administration into adopting a less reckless strategy.

Reflecting the increasingly antagonistic relations between Washington and Moscow, Russia last month defied the international financial embargo and donated \$10 million to the PA. President Vladimir Putin met with Abbas on May 15 and discussed proposals for further aid transfers.

The Arab League again demonstrated the political bankruptcy of the bourgeois nationalist regimes in the Middle East when its secretary-general Amr Mousa reportedly told Abbas last week that it could not go ahead with a plan to transfer \$70 million directly to PA employees. The Arab League claimed that the donation could not proceed, as regional and international banks refused to transfer the money due to fear of US anti-terrorist laws, which allow for institutions to have sanctions imposed and their assets frozen.



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