## Blair's international donors' conference: Another conspiracy against the Palestinian people

Jean Shaoul 19 December 2007

Monday's conference in Paris of potential donors to the Palestinian Authority, chaired by former British Prime Minister Tony Blair, had nothing to do with the development of the Palestinian economy or the alleviation of the appalling suffering of the Palestinian people. Rather, it will serve to increase unemployment, poverty and oppression.

Following last month's Annapolis summit, it is part of an ongoing effort by US imperialism to be seen as attempting some kind of resolution of the Israeli-Palestinian conflict. This is so as to provide a cover for the Arab regimes' continuing support for the American and British occupation of Iraq and their planned assault on Iran.

Blair, in his opening remarks to the conference, told donors their pledges would be "indispensable" to the creation of a Palestinian state. But the monies will in fact be used above all to maintain the Palestinian Authority (PA) and the security forces it is using to suppress opposition to Israel in the West Bank and to mount a counteroffensive against the Hamas-led regime in Gaza.

Appealing for aid, PA President Mahmoud Abbas of Fatah told donors in Paris a "moment of truth" had arrived. "Without the payment of aid ... we will be facing a total catastrophe in the West Bank and Gaza," he said.

US Secretary of State Condoleezza Rice called for "the continued and unwavering support of the international community." "The Palestinian Authority is experiencing a serious budgetary crisis," she told the gathering. "This conference is literally the government's last hope to avoid bankruptcy."

The conference, attended by delegates from 68 countries, pledged a \$7.4 billion aid package. The European Union pledged \$650 million in 2008. The US pledged \$550 million for 2008, although only \$150 million is new money as President Bush had already promised \$400 million and this has still to be agreed by Congress. France, Germany and Japan pledged \$300 million, \$290 million and \$150 million respectively over three years. Britain has promised about

\$500 million a year, linking this explicitly to developments in "security."

The rest of the money is expected to come from the Arab states. Saudi Arabia has pledged \$450 million. However, while the Arab states pledged \$55 million a month in 2002, little of this has materialised.

While the PA has received \$10 billion in aid since 1993, mainly from the EU, much of this went toward buildings since destroyed by the Israeli army or on shoring up businesses that could not get their goods to market due to the hundreds of roadblocks and border closures.

As of the beginning of 2007, Iran was by far the largest donor to the then Hamas-run PA. Earlier this year, the head of Israel's secret service Shin Bet warned that international sanctions against the PA were having the perverse effect of forcing it into a closer relationship with Iran. Iran, Syria and Yemen sent only ambassadors to the conference, which means that they will not be contributing to this aid package.

Palestinian prime minister and former International Monetary Fund staffer and banker, Salam Fayyad, pledged that 70 percent of the money would be used to scale back the PA's public sector, which is the main source of employment in the occupied territories. That can only mean an end to what little still exists in the way of public services. He also promised to end the hundreds of millions of dollars that go into subsidising utility charges.

Only 30 percent would be available for economic development, which includes a rehash of proposals that have long been languishing on the shelf: a trade park in Jericho linking it to Jordan, and the development of tourism in Bethlehem.

Fayyad said he had no guarantees from Israel that it would ease travel restrictions. "There has not been much progress in the six months since we took over," he added. He also said Fatah would supply trained security forces at Gaza's Karni cargo crossing point, which has long been closed to all but humanitarian aid, adding, "We are prepared to accept our responsibility if Israel agrees to lift the blockade."

The World Bank has admitted that the aid will be money down the drain unless Israel lifts some of its 500-plus roadblocks in the West Bank and allows Gaza to open its borders. The widespread closures implemented after the Palestinian uprising in September 2000 have decimated the Palestinian economy, wiping out jobs and plunging three-quarters of the population into poverty. Agricultural products rot on the roadside as they wait for days for clearance from Israeli security forces. Per capita income has fallen by 60 percent since 1999. The Palestinians are now almost entirely dependent upon remittances from those living abroad and the international aid agencies. Tens of thousands have fled Gaza for Canada and Cuba, which still offers legal immigration, or sought political asylum in Europe, in recent years.

The World Bank admitted in a report published last week that even if all the donors deliver on all their promises, the Palestinian economy would still shrink by 2 percent a year.

While the aid package formally includes Hamas-controlled Gaza, with a new sewerage system for Gaza, this is only a sop to international public opinion. The money is destined for the Fatah-controlled West Bank.

Hamas, which had formed the elected government until illegally deposed by Abbas and Fatah last June, was not invited to the Paris conference. Sami Abu-Zuhri, a Hamas spokesman, called the talks a "declaration of war" on Hamas.

"This was very clear in the speeches," he said. "[French President Nicolas] Sarkozy, for example, called on the Palestinians to unite behind Abbas and said there would be no peace with a group that refuses to recognise Israel—meaning Hamas," he continued.

The Paris conference follows last month's US-backed conference in Annapolis, Maryland, which launched negotiations nominally aimed at creating a Palestinian state within the next 12 months.

A key element of the renewed peace talks is the US-backed road map, which requires Israel to freeze settlement-building activity and the Palestinians to disarm militants. However, any conditions on Israel are a dead letter. Until the enfeebled PA can somehow prevent Palestinian explosives and rockets from attacking any Israelis, then Israel does not have to abide by its responsibilities under the Road Map.

Israel is utilising pressure from the US to push the PA into a direct conflict with Hamas in Gaza, while continuing its own efforts to grab most of the best Palestinian land, secure its control of Jerusalem and divide the West Bank in two.

Within days of the Annapolis talks, Israel unveiled plans to build 300 new homes in Har Homa, a settlement on occupied land between Jerusalem and Bethlehem. As Monday's Financial Times editorial, headlined "More Israeli settlement on Palestinian land will sink peace," explained, "Neither the significance of Har Homa, nor the timing of this initiative, can be easily understated."

The original establishment of the settlement, announced by the then Prime Minister Benyamin Netanyahu in 1997, and started just before the Oslo peace talks finally collapsed, was widely denounced at the time as contravening international law. The expansion of Har Homa is aimed at completing the encirclement of East Jerusalem, illegally annexed by Israel after its conquest in the 1967 war, with Zionist settlements. This would prevent any possibly of a compromise solution to the Palestinians' demand for East Jerusalem as their capital and make travel for those Palestinians living in West Jerusalem outside the city limits all but impossible.

Just as talks are due to restart between Israel and Palestine on the borders of the two states, in order to achieve a Palestinian state by the end of 2008, "the possibility of sharing Jerusalem, essential to that outcome, is being foreclosed," the *Financial Times* continued.

Rice has made a ritual statement warning Israel that this might "prejudge final status negotiations."

Meanwhile, Israeli military incursions into Gaza continue on an almost daily basis aimed at stopping the firing of homemade Qassem rockets into southern Israel. Last Tuesday, in what an Israeli military spokesman called a "routine operation against militants," 30 Israeli tanks and bulldozers pushed 1.5 kilometres into Southern Gaza. They killed at least six militants, destroyed 75 acres of olive groves and citrus orchards, demolished homes and left others without power near Khan Younis.

Last Thursday, following a barrage of at least 17 Qassem rockets that injured a woman in Sderot, Ehud Barak, Israel's defence minister, announced that the town near Gaza's border will be placed under military rule. Prime Minister Ehud Olmert has agreed to a military proposal to regularly bomb Hamas compounds.



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