BACKGROUNDER

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Time to Reconsider U.S. Support of UNRWA

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Abstract

The United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) was established more than 60 years ago as a temporary initiative to address the needs of Palestinian refugees and to facilitate their resettlement and/or repatriation. It has become a permanent institution providing services to multiple generations of Palestinians, of whom a large majority live outside refugee camps, enjoy citizenship in other countries, or reside in the Palestinian-governed territories. Despite the presence of and activities funded through UNRWA, the Palestinian refugee problem has only grown larger, in part due to UNRWA’s expanding definition of refugee. The U.S. should encourage reform and replacement of UNRWA to facilitate its original purpose.

The Palestinian Authority (PA), which was created by the Oslo peace process, has turned its back on negotiations with Israel and sought to pressure and delegitimize the Jewish state through the United Nations. Palestinian efforts to secure a one-sided Security Council resolution calling for an Israeli withdrawal to the borders that existed before the 1967 Arab–Israeli War are opposed by the United States, which correctly sees them as incompatible and harmful to negotiating a peace accord.

The Obama Administration should not only block efforts to bypass direct Israeli–Palestinian negotiations, the only genuine path to peace, but also seek to prevent the United Nations from being exploited to advance these efforts. One egregious example is the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), whose facilities were used by Hamas.

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in 2014 to house missiles—Hamas has launched thousands of rockets against Israeli civilians—and tunnels that were used to launch strikes into Israeli territory.

UNRWA has existed for more than 60 years as a temporary initiative to address the needs of Palestinian refugees from the 1948 Israeli–Arab conflict and to facilitate their resettlement and/or repatriation. It has evolved into a permanent institution providing services to multiple generations of Palestinian “refugees,” of whom a large majority live outside refugee camps, enjoy citizenship in other countries, or reside in the Palestinian-governed West Bank and Gaza Strip.

The reality is that UNRWA obstructs its original mission of resolving the Palestinian refugee problem. Worse, by encouraging the Palestinian fixation on their “right to return” to Israel, UNRWA impedes negotiations for a permanent peace agreement. The U.S. should withhold its contributions until UNRWA implements critical reforms. The medium-term U.S. goal should be to eliminate the organization and shift responsibility for actual Palestinian refugees to the United Nations High Commissioner for Refugees (UNHCR).

UNRWA Origins and Mission

Following World War II, the U.N. General Assembly adopted Resolution 181 (II), which endorsed the division of the British Mandate of Palestine into independent Jewish and Arab states. The Palestinian Arabs refused to support this division, resulting in internal conflict between Jewish and Arab groups. When Israel declared its independence on May 14, 1948, and was quickly recognized by the United States, the new nation was invaded by armed forces from five Arab nations (Egypt, Iraq, Lebanon, Saudi Arabia, and Syria) in support of the Palestinian Arabs, who opposed the establishment of Israel. Israeli forces repelled the invasion, keeping the area allocated to it in Resolution 181 (II) and taking control of parts of the territory originally allocated to the Palestinians. Following the conflict, more than 600,000 Palestinians fled or were expelled from these Israeli-controlled territories.

To address this massive refugee crisis, the U.N. General Assembly passed Resolution 194 (III) to establish a Conciliation Commission for Palestine to assume the functions of the U.N. mediator on Palestine, supervise U.N. control of specified religious sites, facilitate economic development of the area, and resolve the refugee situation. Specifically, paragraph 11 stated that the General Assembly:

Resolves that the refugees wishing to return to their homes and live at peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property which, under principles of international law or in equity, should be made good by the Governments or authorities responsible;

Instructs the Conciliation Commission to facilitate the repatriation, resettlement and economic and social rehabilitation of the refugees and the payment of compensation, and to maintain close relations with the Director of the United Nations Relief for Palestine Refugees and, through him, with the appropriate organs and agencies of the United Nations.  

To address the short-term needs of the refugees, the General Assembly established UNRWA with Resolution 302 (IV) in December 1949 to carry out humanitarian relief and work programs for Palestinian refugees from the 1948 Arab–Israeli conflict and to “consult with the interested Near Eastern Governments concerning measures to be taken by them preparatory to the time when international assistance for relief and works projects is no longer available.”


olution 302 (IV) makes clear that UNrWA’s mandate would be short-term and reiterated this through the need for expeditious resolution of the refugee issue through repatriation or resettlement by referencing paragraph 11 of Resolution 194 (III). In the words of former U.N. Secretary-General Trygve Lie,

[T]he refugees will lead an independent life in countries which have given them shelter. With the exception of the “hard core” cases, the refugees will no longer be maintained by an international organization as they are at present. They will be integrated in the economic system of the countries of asylum and will themselves provide for their own needs and those of their families.4

Six decades later, UNrWA has made little progress and provides support and services to 5.09 million refugees (5.49 million registered persons) in Jordan, Lebanon, Syria, and the West Bank and Gaza Strip.5 Indeed, UNrWA now downplays its original purpose of resettling Palestinian refugees and, instead, identifies its mission as a development and social services provider to Palestinians, focusing on “primary and vocational education, primary health care, relief and social services, infrastructure and camp improvement, microfinance and emergency response, including in situations of armed conflict.”

Six Decades of Failure

UNRWA has required enormous financial support from the international community—support that increases as the population served by UNRWA increases. Although UNRWA receives some resources from the U.N. regular budget, most of its funding is provided through voluntary contributions. The U.S. is the largest single-state donor to UNRWA, providing $294 million (24 percent of UNRWA contributions) to support the regular and non-regular budgets in 2013.7 Cumulatively, the U.S. has provided roughly $4.9 billion in contributions to UNRWA since 1950.8 Despite this generous support, the U.S. has been unable to address a number of concerns about UNRWA’s mandate, operations, and impact.

Relative Inefficiency. While UNRWA focuses on Palestinian refugees in five countries and territories, the rest of the world’s refugees are considered the responsibility of the U.N. High Commissioner for Refugees (UNHCR). UNHCR was established by a General Assembly resolution in 1950 and charged with providing international protection to refugees and “seeking permanent solutions for the problem of refugees by assisting governments and, subject to the approval of the governments concerned, private organizations to facilitate the voluntary repatriation of such refugees, or their assimilation within new national communities.”9 Like UNRWA, UNHCR receives some resources from the U.N. regular budget, but voluntary contributions provide most of its funding. The U.S. is the largest donor to both UNRWA and UNHCR, with its contributions to UNHCR totaling $1.04 billion (36 percent of contributions) in 2013.10

While UNRWA and UNHCR have similar original mandates to assist refugee populations, UNHCR does more with relatively fewer resources over a broader range of situations.

- As of July 1, 2014, UNRWA reported a staff of 30,252 to support 5.49 million persons (5.09 million “registered refugees” and 398,229 “other

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registered persons”) in Jordan, Lebanon, Syria, the West Bank, and Gaza Strip. UNRWA reported expenditures of $1.1 billion in 2013, including $678.9 million in regular budget expenditures ($206 in total budget expenditures per individual and $125 in regular budget expenditures per individual).\textsuperscript{12}

- UNHCR reported a staff of 7,735 in 2013, a 2013 budget of $5.34 billion, and budget expenditure of $2.97 billion to support more than 42.9 million refugees, internally displaced persons, and “others of concern” to UNHCR in more than 100 countries ($124 of total budget per individual or $69 in budget expenditure per individual).\textsuperscript{13}

- The difference in the number of staff per refugee is staggering. UNHCR has one staff member for every 5,500 refugees and other persons of concern. UNRWA has one staff person for every 182 people registered by UNRWA.

More fundamentally, UNRWA has failed to accomplish what should be the focus and priority of every refugee organization: the permanent resolution of the problem by either assisting refugees’ return to their own country or settling them permanently in another country as quickly as possible. The Palestinian refugee problem is hardly unprecedented. In the decades preceding and following the establishment of UNRWA, there have been numerous refugee crises involving hundreds of thousands or millions of refugees who were successfully repatriated or resettled and integrated into various destination countries. Indeed, Israel absorbed over half a million Jewish refugees from Arab countries in its first three decades.\textsuperscript{14} Many of these efforts have been facilitated by UNHCR. The fact that the Palestinian refugee situation remains unresolved after six decades, albeit due in considerable part to the political interests of Arab countries in perpetuating the problem as a justification for their ongoing hostility toward Israel, is clear indication of UNRWA’s failure.

**A Counterproductive Definition of Refugee.** UNRWA was set up to address a temporary crisis involving over 600,000 refugees defined as “persons whose normal place of residence was Palestine during the period 1 June 1946 to 15 May 1948, and who lost both home and means of livelihood as a result of the 1948 conflict.”\textsuperscript{15} Many of these original refugees are deceased, but the refugee population has expanded to 5.09 million individuals because UNRWA redefined and expanded its definition of refugee.\textsuperscript{16} Today, UNRWA has made refugee status eligible to the “descendants of Palestine refugee males, including legally adopted children.”\textsuperscript{17} Under UNRWA, even if a Palestinian lives in the West Bank or Gaza—territory governed by Palestinians—or earns citizenship in another country, he is still considered a refugee.\textsuperscript{18} Moreover, some registered persons receiving UNRWA assistance are “economic refugees” who resided on the Arab side of the armistice

\textsuperscript{11} UNRWA, “In Figures as of 1 July 2014.”


\textsuperscript{17} UNRWA, “Who We Are.”

line or were nomads or seasonal workers who were not displaced by the 1948 conflict.\textsuperscript{19}

The sheer size of this redefined refugee population presents an impediment to peace in the context of the Palestinian insistence that refugees have a “right of return” to Israel. Even Palestinian Authority President Mahmoud Abbas has acknowledged, “On numbers of refugees it is illogical to ask Israel to take 5 million or indeed 1 million—that would mean the end of Israel.”\textsuperscript{20} As long as UNRWA adheres to its existing definition of refugee, this problem will grow. According to an UNHCR projection, the Palestinian refugee population is expected to reach 8.5 million by 2030.\textsuperscript{21}

Over 71 percent of the people registered with UNRWA are not actually in refugee camps and have established alternative housing arrangements.

Although the immediate descendants of refugees who were born while displaced are often considered refugees, applying this status to multiple generations is a unique situation that applies nowhere else in the world. As stated in the 1951 Convention Relating to the Status of Refugees, a person should no longer be considered a refugee if he has “voluntarily re-availed himself of the protection of the country of his nationality”; “acquired a new nationality, and enjoys the protection of the country of his new nationality”; or “has voluntarily re-established himself in the country which he left or outside which he remained owing to fear of persecution.”\textsuperscript{22} Of the 5.49 million “registered persons” supported by UNRWA, only 1.58 million or 28.7 percent actually reside in UNRWA camps.\textsuperscript{23} In other words, over 71 percent of the people registered with UNRWA are not actually in refugee camps and have established alternative housing arrangements.

Palestinians are exempted from the 1951 Convention relating to the Status of Refugees because Paragraph 1 of Article 1D classifies the Palestinians as “a special category of refugees for whom separate arrangements have been made to receive protection or assistance from organs or agencies of the United Nations other than the United Nations High Commissioner for Refugees (UNHCR).”\textsuperscript{24}

Former UNRWA lawyer and general counsel James G. Lindsay succinctly demonstrated the absurdity of this situation:

As a practical matter, with a fourth generation of refugees now in existence, the UNRWA policy can lead to some strange outcomes. For instance, a man who fled in 1948 from what is now Israel and was registered as a refugee (first generation refugee) could have had a male child with a non-refugee; that child (a second generation refugee) could have himself grown up and had a male child with a non-refugee and then that male child (a third generation refugee) could have had a male child (a fourth generation refugee) with a non-refugee. Although such a fourth generation refugee would have only one-eighth “refugee blood” and even though he, his parents, and his grandparents may have never set foot in what is


\textsuperscript{23} UNRWA, “In Figures as of 1 July 2014.”

\textsuperscript{24} U.N. High Commissioner for Refugees, “Note on the Applicability of Article 1D of the 1951 Convention Relating to the Status of Refugees to Palestinian Refugees,” October 10, 2002, http://unispal.un.org/UNISPALN5F/0/68C845ADCF3671A85256C85005A4S92 (accessed February 12, 2015). The 1951 convention states: “This Convention shall not apply to persons who are at present receiving from organs or agencies of the United Nations other than the United Nations High Commissioner for Refugees protection or assistance. When such protection or assistance has ceased for any reason, without the position of such persons being definitively settled in accordance with the relevant resolutions adopted by the General Assembly of the United Nations, these persons shall ipso facto be entitled to the benefits of this Convention.” Convention Relating to the Status of Refugees, Art. 1D.
now Israel, for UNRWA they all remain refugees entitled to repatriation to their “homes” there.

Using the UNHCR criteria would, for instance, make it nearly impossible for UNRWA to find a “relationship of social, emotional or economic dependency” for the great-grandson of a refugee who was born after the death of his refugee great-grandfather. UNRWA's wholesale acceptance of all descendants via the male line is far from UNHCR's careful consideration of each case and appears designed to create refugees where there are none.\(^{25}\)

Whether intended or not, UNRWA's expansive refugee definition increases the number of refugees, impedes their permanent settlement elsewhere, and stokes anger and political pressure against Israel.\(^{26}\) This is clearly contrary to America’s stated goal of peaceful resolution of the Israeli–Palestinian conflict.

Support and Sympathy for Hamas. Substantial evidence indicates that UNRWA employs individuals affiliated with Hamas, a Palestinian Islamist extremist group in control of Gaza that is designated as a terrorist organization by the United States, Israel, and the European Union and that refuses to recognize Israel’s right to exist.\(^{27}\) In 2012, UNRWA employees “elected candidates affiliated with the terror group Hamas to 25 out of 27 seats on a union board that represents ten thousand UNRWA workers.”\(^{28}\) This is not surprising because UNRWA functions as a de facto jobs program for Palestinians, who comprise the vast majority of UNRWA's 30,252 staff. It would be difficult for UNRWA staff not to reflect the beliefs and perspective of Palestinians, many of whom support Hamas and other radical extremists, when they overwhelmingly staff the organization. Indeed, in October 2004, UNRWA Commissioner-General Peter Hansen admitted:

> Oh, I am sure that there are Hamas members on the UNRWA payroll and I don’t see that as a crime. Hamas as a political organization does not mean that every member is a militant and we do not do political vetting and exclude people from one persuasion as against another.\(^{29}\)

There have been frequent claims, backed by examples, that Palestinian schools, including UNRWA schools, have used textbooks and allowed the presence of materials that delegitimize Israel, denigrate Jews, and venerate martyrdom.\(^{30}\) These

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perspectives would inculcate views and opinions in Palestinian children that benefit radical groups, including Hamas.

Although UNRWA conducts terrorist screening of its employees, it does so only against the lists compiled by Security Council Sanctions Committees pursuant to Resolutions 1267 and 1989, adopted in 1999 and 2011, concerning al-Qaeda and associated individuals and entities and Resolutions 1988 and 2082, adopted in 2011 and 2012, concerning individuals, groups or entities associated with the Taliban.31 These lists do not include Hamas, Hezbollah, and most of the other militant groups considered terrorists by the U.S. and Israel and that are present in Jordan, Lebanon, Syria, and the West Bank and Gaza Strip.32 During the Gaza conflict in the summer of 2014, UNRWA officials found caches of Hamas rockets stored on the grounds of three UNRWA schools, where Hamas used Palestinian civilians and UNRWA’s protected U.N. status to shield them from Israeli retaliation. When alerted to this practice, in at least one instance UNRWA informed Hamas—which is the governing authority in Gaza—and allowed the organization to remove and retain possession the rockets rather than asking the U.N. for help in destroying them.33

UNRWA has pressured Israel to permit entry of resources into Gaza that have been misallocated to support terrorism.34 UNRWA’s stated intent was to assist the rebuilding of destroyed and dilapidated infrastructure, which is an admirable goal. The people of Gaza have suffered tremendously under Hamas, but facilitating access to these resources ultimately assisted Hamas, which controls Gaza and used the supplies to continue its terrorist campaign.35 In particular, Hamas constructed tunnels to facilitate attacks into Israel that required hundreds of tons of cement and other construction materials. In one instance, during the 2014 conflict, Israeli soldiers were killed in a booby-trapped UNRWA facility that housed the end of a tunnel intended to allow terrorists to enter Israel.36

UNRWA also has not adhered strictly to the neutrality expected of an international organization in the U.N. system. UNRWA has repeatedly downplayed Hamas’s role in starting and prolonging three conflicts since 2008. Most recently, during Israel’s 2014 summer campaign to protect itself from rockets fired from Gaza by Hamas, UNRWA spokesperson Chris Gunness clearly expressed his sympathies, “There are times when tears speak more eloquently


34. In December 2013, at the urging of UNRWA, the Israeli government agreed to allow “the entry of construction materials for projects planned by UNRWA (UN Relief and Works Agency) into Gaza.” According to Nathmi Muhanna, the PA director of border crossings, Israel will allow cement, iron, and gravel into Gaza for the continuation of UNRWA projects.” Israel had previously suspended the entry of construction materials after discovering a “2.5-kilometer (1.55-mile) tunnel built which led from Gaza all the way into a kibbutz in southern Israel.” Elad Benari, “PA Official: Israel Will Allow Construction Material into Gaza,” Arutz Sheva, December 9, 2013, http://www.israelnationalnews.com/News/News.aspx/174942#.VMjwel8o7cs (accessed February 12, 2015).

35. The Israeli government reported in August 2014: “Cement was needed by Hamas in the Gaza Strip and the Gazan civilian population after Operation Cast Lead to build new buildings and rebuild those that had been damaged during the operation. However, Hamas made wide use of the cement that reached the Gaza Strip or was manufactured there to rebuild its military infrastructure and to construct new military-terrorist facilities. A significant amount of the cement was allotted to building the extensive system of attack tunnels exposed during Operation Protective Edge, smuggling tunnels, and defensive tunnels under Gaza’s urban landscape. The cement was also used to construct posts and facilities for weapons storage, military training and rocket launching.” Israeli Ministry of Foreign Affairs, “Cement Delivered to the Gaza Strip Used to Build Tunnels,” August 12, 2014, http://mfa.gov.il/MFA/ForeignPolicy/Terrorism/ Pages/Cement-delivered-to-the-Gaza-Strip-used-to-build-tunnels-12-Aug-2014.aspx (accessed February 12, 2015).

than words. Mine pale into insignificance compared with Gaza’s.”

Similarly, the UNRWA Commissioner-General ignored Palestinian actions during the 2014 conflict that could be considered war crimes, including deliberately targeting Israeli civilians, while accusing Israeli armed forces of committing a “serious violation of international law” for allegedly targeting UNRWA schools housing civilian refugees while failing to mention repeated instances of Hamas housing arms in UNRWA facilities.

The U.S. Should Shift Its UNRWA Policy

UNRWA clearly is not and has not been primarily a refugee organization for decades. Indeed, by neglecting its original mandate to resettle Palestinian refugees, UNRWA serves to perpetuate the problem, not resolve it. UNRWA has deviated substantially from its original mission and assumed long-term responsibilities and functions normally expected of governments, such as education and health care. Palestinians are in need of these services and have been poorly served by their governing authorities in this regard, but UNRWA’s presence and activities have undermined the incentives for the Palestinians to assume the responsibilities of government in the West Bank and Gaza, which are critical if they are serious about statehood. An independent state of Palestine should not be a ward of the international system. Worse, UNRWA’s ties to Hamas and other Palestinian radical elements taint its neutrality and make it vulnerable to misuse by Palestinians seeking to use the U.N. system against Israel.

While well-intended, U.S. contributions to UNRWA have undermined efforts to broker a sustainable peace agreement between the Palestinians and Israel. The U.S. should shift its policy by:

- **Urging UNRWA to acknowledge the non-viability of the “right of return” and emphasize its original mandate to resettle Palestinians in neighboring countries and the Palestinian territories.** To enhance this, the U.S. should encourage other nations to accept Palestinian immigrants and grant them full citizenship, especially those nations where they have already settled and established lives.

- **Enforcing U.S. law regarding UNRWA’s ties to terrorist organizations, particularly Hamas.** U.S. law prohibits the funding of UNRWA unless it takes “all possible measures” to prevent U.S. aid from going to any refugee who has engaged in terrorism or received military training from the Palestine Liberation Army or any other “guerrilla-type organization.” Under the Framework of Cooperation with the U.S. government, UNRWA has committed to “taking all possible measures to ensure that funding provided by the United States to support UNRWA is not used to provide assistance to, or otherwise support, terrorists or terrorist organizations.” However, it is not clear that this commitment extends to contributions to UNRWA from other governments. UNRWA claims to screen its employees biannually in consultation with the U.S. government, but this vetting process is not as strict as it should be. Congress should make any funding contingent on UNRWA instituting a vetting process that prohibits employment of or contracting with individuals or businesses with connections to Hamas, Hezbollah, Palestine Islamic Jihad, or any other designated terrorist group under U.S. law. Congress should also make funding contingent on access by relevant congressional committees to UNRWA’s screening and vetting documents, reports, and other materials to ensure that its procedures are rigorous and regular.

- **Suspending contributions to UNRWA until it submits to a full independent audit.** In the Framework of Cooperation with the U.S. government UNRWA has promised to comply with


requirements to remain neutral in the Israeli–Palestinian conflict. However, this commitment has not been verified. The U.S. should demand a full, independent audit of UNRWA to provide a comprehensive analysis and account of UNRWA activities, expenditures, publications, approved education materials, and communications for the past five years to ensure that its activities and materials strictly adhere to its pledge of neutrality.

- **Make the definition of Palestinian refugees consistent with the 1951 Convention Relating to the Status of Refugees.** By awarding refugee status to descendants and those with citizenship in other countries, UNRWA creates a permanent and growing refugee population. The U.S. should insist that U.S. assistance be restricted to Palestinians who resided in Palestine from 1946 to 1948 and were displaced by the 1948 and 1967 conflicts, as proposed by Senator Mark Kirk (R–IL) in 2012, and who are not settled in Gaza and the West Bank, which are governed by Palestinians, or are settled in and possessing nationality in another country, such as Jordan.

- **Seek in the medium term to eliminate UNRWA and place Palestinian refugees, defined as those Palestinians resident in Palestine and displaced by the 1948 and 1967 conflicts that do not reside in the West Bank or Gaza Strip or possess nationality in a third nation, under the mandate of UNHCR as with all other refugee populations around the world.** Palestinians who no longer qualify as refugees will still have needs, but this should be the responsibility of the Palestinian Authority or other leadership selected by the Palestinian people and the governments where the Palestinians reside and have established lives. As is the case with other developing countries and territories, donors may and likely will provide economic and development assistance on an ad hoc, voluntary basis to assist their efforts.

**Conclusion**

UNRWA abandoned its original mission of resolving the Palestinian refugee crisis decades ago. It too frequently violates the neutral comportment expected of international organizations. Its policies and actions have exacerbated the Israeli–Palestinian conflict. The U.S. could advance the long-term prospects for peace by fundamentally shifting U.S. policy to encourage reform and replacement of UNRWA to facilitate its original purpose: ending the refugee status of Palestinians and facilitating their integration as citizens of their host states, where most were born and raised, or resettling them in the West Bank and Gaza where the Palestinian government can assume responsibility for their needs, as must occur as part of any final Israeli–Palestinian peace agreement.

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The Acting Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), Christian Saunders, today called for a minimum of US$ 1.4 billion to fund the Agency’s essential services and assistance, including life-saving humanitarian aid and priority projects, for 5.6 million registered Palestine refugees across the Middle East for the year 2020.