

Coronavirus on the Israeli-Palestinian Scene (Part 1): The West Bank and East Jerusalem

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Brief Analysis

The outbreak has temporarily shifted the two sides from squabbling over the 'deal of the century' to cooperating against the 'pandemic of the century,' though bitter political differences continue to cause tensions.

Since the COVID-19 crisis erupted, the Palestinian Authority has taken numerous steps to contain the virus and secure help from abroad. The pandemic has also underscored its mutually dependent relationship with Israel, as both sides are jointly implementing practical measures to keep the situation under control at home and next door. This two-part PolicyWatch examines how those efforts are going and what prospects they hold for encouraging broader cooperation. Part 1 focuses on the situation in the West Bank and East Jerusalem; [Part 2 discusses Gaza \(https://www.washingtoninstitute.org/policy-analysis/view/coronavirus-on-the-israeli-palestinian-scene-part-2-the-gaza-strip\)](#).

THE PALESTINIAN AUTHORITY

Even before the pandemic, the PA government in the West Bank was chronically weak and heavily reliant on Israel for imports/exports, medical assistance, and, most significantly, jobs. Under normal circumstances, about 140,000 Palestinian workers are legally employed in Israel and its West Bank settlements, providing a critical source of income to the ailing Palestinian economy.

Israel's reliance on the PA is considerable as well, and not just in terms of economic benefits provided by Palestinian workers in the construction and agricultural sectors. If an uncontrollable crisis undermines the PA's stability, Israeli authorities are deeply concerned this might raise serious security challenges in the West Bank that could spill over into Israel itself.

As of April 27, PA officials reported 325 coronavirus cases in the West Bank, with two fatalities. By and large, they have reacted swiftly and efficiently to the disease, declaring a state of emergency, closing schools and mosques, and severely restricting movement into and within the West Bank. In most areas, the government's instructions have been enforced by the PA security services. In locales where these forces are not permitted to operate freely (e.g., East Jerusalem and villages in "Area C"), local "emergency committees" established by the ruling Fatah movement have taken on this responsibility. Yet their activities in Israeli-controlled neighborhoods of East Jerusalem have sparked tensions.

Internationally, PA outreach has yielded a significant number of testing kits from China, but otherwise only modest support—whether medically from the World Health Organization and other donors, or financially from the EU (\$71 million) and Qatar, Kuwait, and the World Bank (up to \$10 million each). The idea of resuming U.S. humanitarian support came up but has yet to materialize, mostly for political reasons. In the meantime, Washington has earmarked \$5 million in aid for urgent needs in Palestinian hospitals and households, but that is largely a symbolic gesture offered as part of a broader Middle East humanitarian package.

Politically, the PA's handling of the situation has significantly boosted its otherwise low approval ratings. The eighty-five-year-old, medically fragile President Mahmoud Abbas has mostly gone into self-isolation, so the main beneficiary is Prime Minister Mohammad Shtayyeh, who seems to have taken control of the situation. A veteran Fatah official, he was chosen for his post in part because he was perceived as a nonthreatening technocrat, but his leadership of the response effort is raising his profile as a potential successor to Abbas. Aware of the negative implications of appearing too cooperative with Israel, he has issued harsh rhetoric against the country and delegated direct contact with its officials to others. Yet his rise to political prominence will eventually have to survive post-pandemic economic challenges and rivalries with other presidential aspirants.

Moreover, the PA's current performance cannot overcome its basic weaknesses and dependence on outside support, which will inevitably be less forthcoming. Since the outbreak, the PA has lost over 50 percent of its revenue, forcing it to borrow heavily from Palestinian banks and appeal to Israel for support. It will soon be unable to pay full salaries to public sector employees. If the West Bank remains shut down for **several more months**

<http://www.pma.ps/Portals/1/Users/002/02/2/Publications/English/Working%20Papers/Position%20Paper%20Covid19%20impact%20on%20Palestinian%20economy.pdf>

, Palestinian GDP will **likely contract** (<https://www.worldbank.org/en/country/westbankandgaza/publication/economic-update-april-2020>) by unprecedented amounts.

ISRAELI-PALESTINIAN COOPERATION FRAUGHT WITH TENSIONS

Early in the crisis, Israel and the PA established a virtual joint operations room to coordinate their response. The existing framework for civilian coordination—the Israeli Coordinator of Government Activities in the Territories (COGAT) and the Palestinian Ministry of Civilian Affairs—was beefed up with representatives from each side's Health Ministry and other institutions. UN envoy Nickolay Mladenov characterized the ensuing cooperation as "excellent," and the Palestinian public has broadly supported it.

In recent weeks, Israel transferred several thousand testing kits and tens of thousands of masks and other protective gear to the PA, mostly from the WHO and some from its own coffers. Additionally, COGAT organized joint training sessions for Israeli and Palestinian medical personnel and disseminated relevant information to the Palestinian public on how to cope with the virus.

In late March, Israel released an extra \$33.5 million on top of the regular monthly transfers of indirect Palestinian tax funds that it collects for the PA—agreeing to bridge over some differences in calculating past clearances. In addition, it accepted the PA's request to transfer clearance revenues of no less than \$137 million per month for the next few months. Previously, Israel took the unusual decision, in coordination with the PA, of allowing Palestinian employees in "essential sectors" to continue working inside the country under certain conditions. According to Israeli officials, some 50,000 Palestinian workers chose that option.

On March 24, however, the PA called on these workers to return from Israel and enter self-quarantine, claiming that the country is the main source of infection in the territories. A substantial number of workers complied, and it is unclear when they will return to Israel, especially with Ramadan now commenced.

Indeed, the practical cooperation between the two sides has not translated into positive public messaging or diplomacy. Citing isolated incidents, Shtayyeh and other senior officials have alleged that Israeli soldiers deliberately spread the virus in the West Bank, and that Israel is obstructing PA efforts to fight the pandemic; these and other claims have even been incorporated into an international diplomatic campaign. Israel has vehemently rejected all of the allegations, accused the Palestinians of incitement, and warned that further provocations may force it to reconsider its level of cooperation.

More promisingly, Israel's defense establishment has recorded a noteworthy reduction in attacks against Israelis in the West Bank during the pandemic, and bilateral security coordination has continued unabated. Yet an escalating economic crisis could reverse this trend.

EAST JERUSALEM

Home to some 350,000 Palestinians, East Jerusalem stands out as a particularly vulnerable area. Its hospitals have traditionally served as the core of the Palestinian healthcare system, offering treatments unavailable in the West Bank. Yet the Trump administration cut all U.S. funding to these facilities in 2018 (\$25 million per year, or a quarter of their budget). Consequently, they incurred severe deficits and entered the current crisis much weakened, with only two of six hospitals equipped to treat coronavirus patients.

The growing number of infected Palestinians in East Jerusalem (over 140 with two fatalities) could turn it into a major center of transmission for both sides. On April 7, Jerusalem mayor Moshe Lion warned Israel's Health Ministry that the potential collapse of Palestinian hospitals could trigger a domino effect in the entire city's health system, worsening its status as a major center of Israel's own pandemic.

CONCLUSION

Under the worst scenarios, the crisis could economically incapacitate the PA and undermine security cooperation in the West Bank. At the same time, the pandemic has produced solid cooperation on the ground, which should be expanded, encouraged, and highlighted via international diplomacy and public messaging.

To address the risks while promoting cooperation, the United States, Israel, and regional/international stakeholders should jointly design a proactive rescue plan for the PA. This effort should include significant medical assistance, a tailor-made economic program, and the return of Palestinian workers to Israel—a critically important factor for each side's economy. As part of the plan, Palestinian allies should urge PA leaders to cease their inflammatory rhetoric and focus on concrete cooperation.

Washington should also consider the full resumption of assistance to East Jerusalem hospitals. This should be presented as assistance to the Palestinian people, not to the Palestinian government. Setting aside narrow bureaucratic or legalistic attitudes would serve U.S. and Israeli interests as well.

At the same time, the administration should calibrate its expectations about what the recent cooperation means for peace diplomacy. The basic pre-pandemic diplomatic dynamics are still in play, and the PA is unlikely to reverse [its rejection of the Trump peace plan \(https://www.washingtoninstitute.org/policy-analysis/view/continuity-vs.-overreach-in-the-trump-peace-plan-part-2-security-refugees-a\)](https://www.washingtoninstitute.org/policy-analysis/view/continuity-vs.-overreach-in-the-trump-peace-plan-part-2-security-refugees-a). Moreover, the crisis has injected new volatility into the arena and increased the urgency of maintaining stability on the ground. Washington should therefore consider how an Israeli move to apply sovereignty in parts of the West Bank might affect the situation. This move is [high on the agenda of Israel's new government \(https://www.washingtoninstitute.org/policy-analysis/view/israels-rush-to-apply-sovereignty-in-the-west-bank-timing-and-potential-con\)](https://www.washingtoninstitute.org/policy-analysis/view/israels-rush-to-apply-sovereignty-in-the-west-bank-timing-and-potential-con), which might launch it as soon as July.

Finally, the United States should explore whether the pandemic's daunting challenges can be used to convince the PA to resume political engagement with Washington. This could produce immediate practical benefits for all parties and potentially lay the ground for an improved diplomatic context in the future.

Brig. Gen. Michael Herzog, IDF (Res.), is the Milton Fine International Fellow at The Washington Institute; his past posts include senior military advisor and chief of staff to four Israeli defense ministers. Ghaith al-Omari is a senior fellow at the Institute and a former advisor to the Palestinian negotiating team. ❖

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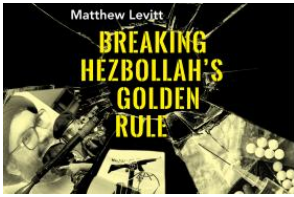
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