

# Replacing UNRWA Is an Opportunity Trump Should Not Miss

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## ABOUT THE AUTHORS



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Brief Analysis

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**The incoming U.S. administration has no intention of strong-arming Israel into working with such a problematic organization, so officials should focus on pressing other UN agencies to take on its job in Gaza—or risk cuts to their own funding.**

The expected announcement of a Hamas-Israel ceasefire agreement would be a huge early success for the incoming Trump administration as much as a final achievement for the outgoing Biden team, especially given the president-elect’s warning that there would be “hell to pay” if the remaining hostages in the Gaza Strip are not released before he takes office. But within days of inauguration, Trump will face an early diplomatic showdown over another hot-button Middle East issue: the fate of the UN Relief and Works Agency (UNRWA), the controversial body tasked with providing aid and services to Palestinian refugees. The details sound arcane, but the stakes are high.

## The Resettlement Difference

UNRWA was established by a General Assembly resolution (<https://www.unrwa.org/what-mandate-unrwa-0>) in December 1949 to provide “direct relief and work programmes” for the hundreds of thousands of civilians displaced by the just-ended regional war, which Arab states and local Palestinian militias had launched to prevent the establishment of the Jewish state authorized by the UN two years earlier. Originally, the displaced included Arabs and Jews; although Israel soon took care of the latter, no Arab state wanted responsibility for the 700,000 Arabs.

In its early years, UNRWA’s mandate included resettlement as an objective (<https://history.state.gov/historicaldocuments/frus1952-54v09p1/d392>), but this provision was deleted by the late 1950s under pressure from Arab states. Ever since, UNRWA has operated on the principle that Palestinian descendants of those original refugees are refugees too, with the “right of return” to present-day Israel—even generations after their original displacement, and regardless of whether they started a new life elsewhere or became citizens of another country. In practice, this means UNRWA now counts some 5.9 million

<https://www.unrwa.org/palestine-refugees>) Palestinians as registered refugees, though only one-third still live in refugee camps, mostly in Gaza. This inherited refugee status plays a huge role in perpetuating the mentality of victimhood that partly drives the Israeli-Palestinian conflict.

It is important to underscore how differently UNRWA operates from the body established to address the fate of all other refugees around the world, the Office of the UN High Commissioner for Refugees (UNHCR). Beyond providing emergency relief, UNHCR's core mission includes promoting the resettlement and integration of refugees into countries where they have sought refuge. For the past seven decades, however, UNRWA's mission has been the exact opposite—to oppose their resettlement and integration. Indeed, there is an inherent contradiction in support for UNRWA (given its anti-resettlement posture) and support for a two-state solution (or any negotiated resolution) to the Israel-Palestinian conflict. Providing relief to millions of Palestinians based on the argument that their legitimate, rightful home lies inside Israel is deeply counterproductive to the search for peace.

In line with this posture, UNRWA long ago shed its identity as an impartial provider of emergency relief to become a Palestinian advocacy agency—and a sometimes hostile one at that. For example, according to numerous [independent assessments \(https://www.impact-se.org/unrwa/\)](https://www.impact-se.org/unrwa/), UNRWA schools that serve hundreds of thousands of children have often taught curricula suffused with anti-Israel, even antisemitic, messages that have no place in UN institutions.

Under the first Trump administration, these problems were enough to convince the U.S. government—traditionally the world's largest contributor to UNRWA—that the agency was “[irredeemably flawed \(https://www.cnn.com/2018/08/31/politics/trump-administration-ending-funding-palestinian-refugees/index.html\)](https://www.cnn.com/2018/08/31/politics/trump-administration-ending-funding-palestinian-refugees/index.html).” U.S. support was therefore suspended in 2018—only to be restored in 2021 by the [Biden administration \(https://www.reuters.com/article/world/us-restores-assistance-for-palestinians-to-provide-235-million-in-aid-idUSKBN2BU2XS/\)](https://www.reuters.com/article/world/us-restores-assistance-for-palestinians-to-provide-235-million-in-aid-idUSKBN2BU2XS/), which promised to seek substantial reforms. Yet UNRWA's fundamentally problematic mandate is controlled by the UN General Assembly, where an automatic anti-Israel majority makes reforming said mandate a Sisyphean task. The Biden team evidently believed that UNRWA's provision of basic services (especially in impoverished Gaza) was so vital that it was worth swallowing the mandate problem.

## UNRWA in the Hamas-Israel War

On October 7, 2023, another major UNRWA problem emerged in all its ugliness—the participation of agency personnel in the heinous Hamas assault that left more than 1,200 dead in Israel, thousands wounded, and 250 taken hostage. UNRWA [acknowledges \(https://www.unrwa.org/newsroom/official-statements/investigation-completed-allegations-unrwa-staff-participation-7-october\)](https://www.unrwa.org/newsroom/official-statements/investigation-completed-allegations-unrwa-staff-participation-7-october) that at least nine of its staff likely took part in the attack, but their punishment was apparently limited to termination of their work contracts.

This horrific discovery was only the [tip of the iceberg \(https://unwatch.org/evidence-of-unrwa-aid-to-hamas-on-and-after-october-7th/\)](https://unwatch.org/evidence-of-unrwa-aid-to-hamas-on-and-after-october-7th/). Over the course of the war, it became clear that Hamas terrorists were operating with impunity inside, near, or beneath numerous UNRWA facilities, storing weapons, assembling rockets, and organizing their forces in the agency's [schools \(https://www.nytimes.com/2024/12/08/world/middleeast/hamas-unrwa-schools.html\)](https://www.nytimes.com/2024/12/08/world/middleeast/hamas-unrwa-schools.html), shelters, hospitals, and clinics. The idea that UNRWA's 30,000 officials and staff—nearly all of whom are Palestinian—were ignorant of this activity strains credulity. Indeed, numerous wartime reports emerged of UNRWA staff supporting, assisting, or even [serving as officials \(https://www.nytimes.com/2024/12/08/world/middleeast/hamas-unrwa-schools.html\)](https://www.nytimes.com/2024/12/08/world/middleeast/hamas-unrwa-schools.html) of Hamas.

That is when Israel had enough. Even Israel's military—which had long held its nose at UNRWA's virulently anti-Israel advocacy and defended the agency's operational role as a necessary evil—joined the chorus of condemnation. Last October, the Israeli parliament voted overwhelmingly to pass [two laws](#)

[\(https://www.timesofisrael.com/knesset-approves-laws-barring-unrwa-from-israel-limiting-it-in-gaza-and-west-bank/\)](https://www.timesofisrael.com/knesset-approves-laws-barring-unrwa-from-israel-limiting-it-in-gaza-and-west-bank/) that will come into effect January 30: a ban on UNRWA operations in Israeli sovereign territory and the severing of all Israeli ties with the agency. This includes cancellation of a post-1967 agreement that allowed UNRWA to operate freely in what was then newly occupied territory.

The territorial ban will have relatively little practical impact, since UNRWA operates only seven schools inside Israel (mainly in Jerusalem), and the state can pick up the slack. But the severing of ties has more significant implications.

The problem lies mainly in Gaza, not UNRWA's other areas of operation. In the West Bank, the Palestinian Authority runs an autonomous administration under Israeli security control and, despite endemic problems with service delivery, seems capable of taking over the agency's responsibilities. In neighboring Jordan, Lebanon, and Syria, UNRWA operations will not be directly affected by the new Israeli legislation. In war-torn Gaza, however, Israel—along with Egypt—has principal responsibility for the entry and distribution of food and medical aid, much of which is distributed to residents by UNRWA. (It is important to note that all outside parties only bear these responsibilities because Hamas has been grossly derelict in providing for the people of Gaza.) Hence, implementing Israel's new policy of severing ties with UNRWA could worsen an already terrible humanitarian situation.

## A Win-Win for Trump

In recent weeks, with Israel's January 30 legislative deadline looming, the Biden administration reportedly approached other UN agencies operating in Gaza—including UNHCR, the World Food Programme (WFP), the World Health Organization, and others—to gauge their ability to take over UNRWA's tasks. They all said no, insisting that only UNRWA can do the job. In response to Israel's new laws, UN secretary-general Antonio Guterres [declared \(https://unric.org/en/guterres-no-alternative-to-indispensable-unrwa/\)](https://unric.org/en/guterres-no-alternative-to-indispensable-unrwa/) “there is no alternative to UNRWA,” while Philippe Lazzarini, the agency's commissioner-general, [argued \(https://www.unrwa.org/newsroom/videos/unrwa-commissioner-general-christiane-amanpour-cnn-stories-gaza-are-absolutely\)](https://www.unrwa.org/newsroom/videos/unrwa-commissioner-general-christiane-amanpour-cnn-stories-gaza-are-absolutely) that “UNRWA is not replaceable.” In other words, the UN system essentially said it would rather Gazans starve than for it to be complicit in sidelining UNRWA.

Since then, [voices within the State Department \(https://www.axios.com/2025/01/08/trump-biden-israel-gaza-un-aid-agency-palestinians\)](https://www.axios.com/2025/01/08/trump-biden-israel-gaza-un-aid-agency-palestinians) have called on Israel not to implement its new laws. With Trump's inauguration imminent, however, that is precisely the wrong approach. The political winds are all blowing in the opposite direction—with Trump having already cut off UNRWA funding once, his likely inclination to cut it off again will only be reinforced by the complicity of agency personnel in the horrors of the past fifteen months. There is no way his first major initiative in the Middle East will be to twist Israel's arm to save UNRWA.

To the contrary, the new administration's path of least resistance will be to cut off U.S. support to UNRWA and let Israel manage the fallout of the new laws. Yet the record of Trump's previous UNRWA cutoff is that donors in Europe and elsewhere filled in much of the gap, and the agency carried on unreformed.

A more ambitious U.S. approach could score a win-win achievement that advances American interests in Middle East peace while saving millions of taxpayer dollars. Namely, Washington could take advantage of Israel's new laws to create an alternative support mechanism that eases UNRWA out of Gaza. This would entail raising the stakes with other specialized UN agencies operating in the area. Instead of politely asking them if they can assume UNRWA's job in Gaza, the Trump administration should put them on notice that continued U.S. funding of their own global operations is contingent on them taking over those tasks. Only such a dramatic step is likely to produce results.

Specifically, President Trump should do the following upon coming to office:

- Announce the suspension of all U.S. support to UNRWA.

- Authorize his new UN ambassador to threaten specialized agencies with an across-the-board funding cut of 40 percent if they refuse to assume UNRWA's Gaza responsibilities (matching the percentage of UNRWA's budget that Washington currently provides).

For example, the United States is the largest donor **to the WFP (<https://www.wfp.org/funding/2024>)**, providing 46 percent of its 2024 budget of \$9.67 billion, and **to UNHCR (<https://reporting.unhcr.org/donors/united-states-america>)**, providing around 44 percent of its \$4.7 billion budget. (In comparison, UNRWA's budget is under \$1.5 billion.) Faced with losing a large chunk of this aid, these agencies would no doubt discover that they are suddenly quite capable of doing UNRWA's job—especially since the countries that made up the agency's multi-million-dollar shortfall in 2018 are unlikely to fill a multi-billion-dollar shortfall today.

To be sure, this shift would not be a panacea, since these agencies would likely still rely on many of the same local Gaza staff that currently fill UNRWA's ranks. Substituting one set of UN agencies for another also does nothing to advance the important objective of building effective, responsible, non-Hamas Palestinian self-governance. Yet switching from UNRWA to a combination of WFP, UNHCR, and other specialized agencies would be more than just a shuffling of deck chairs. Having UN bodies provide needed services outside UNRWA's highly politicized mandate would be a significant step toward ending the agency's grip on the Palestinian refugee issue, thereby boosting the long-term prospects for peace.

Some have argued that a U.S. threat to cut funding would open the door for greater Chinese influence over these agencies, but this is highly unlikely. Even with a 40 percent cut, U.S. support would still be 238 times larger than China's paltry \$11 million contribution to the WFP and 212 times larger than its minuscule \$5.8 million support to UNHCR—massive funding gaps that Beijing will not be willing to fill simply in order to score political points.

Of course, orchestrating all these moves in the ten days between inauguration and Israel's January 30 legislative deadline is not feasible, especially in war-torn Gaza. The Trump administration should therefore consider issuing its funding ultimatum to the relevant UN agencies and then, if they accept, giving them a defined period—say, 90-120 days—to execute the takeover of UNRWA's Gaza functions. With that commitment in hand, Washington could reasonably ask Israel to postpone implementation of its UNRWA cutoff for three or four months.

And what if the UN agencies refuse Trump's request? In that case, Israel would be left responsible for the provision and distribution of aid and services after January 30 (the default alternative embedded in the logic of its anti-UNRWA legislation), and Washington would need to back these efforts, recognizing that Israel would be hard-pressed to fulfill all of UNRWA's current functions by itself.

While one can envision Israeli troops supporting aid organizations in the delivery and distribution of food and medicine, it is virtually impossible to imagine Israelis operating Gaza schools or providing shelters for civilians amid ongoing military operations. Before long, this reality would likely confront Jerusalem with a fateful choice: to reimpose full Israeli civil administration over Gaza, essentially restoring a key element of its pre-2005 occupation of the Strip (a prospect that Israelis **reportedly reject (<https://www.timesofisrael.com/majority-of-israelis-oppose-annexation-resettlement-of-gaza-poll/>)** overwhelmingly), or to develop an alternative Palestinian governance and administrative structure that can fulfill most or all of these responsibilities, likely including a role for the much-derided Palestinian Authority. Indeed, one of the great unintended consequences of the anti-UNRWA legislation is that it may compel Israeli decisionmakers to revisit the PA's potential role in Gaza, if only to save Israel from an even more unpalatable situation.

As these political calculations play out inside Israel, there would be daily real-life consequences for Palestinian civilians, who would suffer needlessly if UN officials continue to prioritize allegiance to UNRWA over the fate of the people the agency was designed to serve. To ease this problem, Washington could direct some of the money it cuts

from UN agencies to a special humanitarian support fund for Gazans. For example, zeroing out U.S. support to UNRWA and cutting 40 percent from just two agencies (WFP and UNHCR) would yield nearly \$3 billion per year in windfall savings.

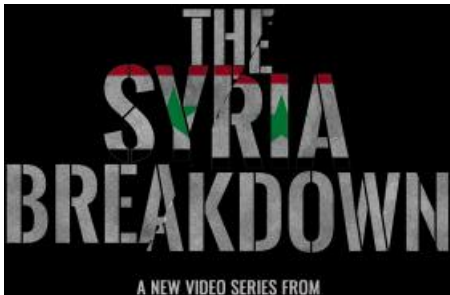
In sum, once President Trump returns to the Oval Office, he will have an immediate opportunity to fix a huge obstacle to Arab-Israel peace. The most straightforward route is to cut UNRWA funding and move on to other issues, but that would result in other complications for Washington while doing nothing to eliminate the agency's pernicious effects on the longer-term pursuit of peace. A much better approach is to leverage U.S. support for other UN agencies to create a practical alternative to UNRWA. Let's hope he takes it.

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