# Arab State Support to the Palestinian Authority: Unfulfilled Expectations

by Barry Rubin (/experts/barry-rubin)

Oct 6, 1998

#### **ABOUT THE AUTHORS**



Barry Rubin (/experts/barry-rubin)

Barry Rubin was a senior fellow at the Institute from 1988-1993 and a visiting fellow frequently thereafter. He passed at the age of 64 in February 2014.



asir Arafat received a standing ovation from the United Nations General Assembly last week when he reiterated Palestine's claim to statehood and eventual full UN membership. He had hoped to receive even more substantive backing when he asked the member-states of the Arab League to lend tangible support to the Palestinian drive for statehood at the League's meeting in Cairo earlier in September. Not surprisingly, however, few real commitments of action or aid to the cash-strapped Palestinian Authority (PA) were forthcoming. Continuing a trend that has endured since the signing of the Oslo Accords in 1993, this Arab League meeting did not presage increased Arab support for the PA. Given statements of Arab leaders that seem to indicate overwhelming backing for Arafat and the Authority, the low level of Arab state support for the PA is remarkable. Indeed, the issue of Arab support for the PA is generally overlooked, but the absence of material support is a critical factor in the peace process.

Between 1993 and 1996, when the peace process was steadily progressing, Arab states were slow to aid the PA. Since 1996, as negotiations between Israel and the PA have faltered, these same Arab governments have applied very little leverage to help the PA overcome deadlocks and a toughened Israeli negotiating position. With the Palestinians in transition from revolutionary movement to state-in-the-making, two million people are now in need of "normal" types of material aid -- money, equipment, training, credits, and markets for goods. Yet, the Arab states' behavior, which should be a factor strengthening the PA, has often undermined the power and interests of the Authority.

In a Perfect World: Help from Arab states is, in fact, one of the PA's few potential international assets. Reliable Arab assistance to the PA would complement the often fickle assistance programs of the European Union and the United States. If so inclined, the Arab states could provide economic and political assistance that would ameliorate tenuous living conditions in PA territory and consolidate Arafat's rule. Arab assistance would also strengthen the PA's bargaining position and enable Arafat to crush, co-opt, or otherwise control his political opposition.

Money and Material Aid: In the years since Oslo, the international community has committed nearly \$3.5 billion to the fledgling Palestinian entity for infrastructure development projects. According to the Palestinian Authority 1998 Second Quarter Report on Donor Assistance, only \$2.5 billion has thus far been disbursed to the PA. Of the \$2.5

billion, roughly 38 percent has come from Europe, 14 percent from the United States, and 13 percent from Japan. Only 8.59 percent -- or \$210 million -- has come from Arab states. In fact, Arab states have disbursed less than 45 percent of their total commitment to the PA. In contrast, since the signing of Oslo, Norway itself has disbursed nearly \$10 million more than all Arab states combined. Despite the influx of \$2.5 billion in aid dollars, the PA remains quite poor. In addition to mismanagement of funds, a significant portion of aid dollars has vanished into the abyss of PA corruption. Even with an inflated public sector bureaucracy, the PA cannot afford major work-creation or development programs necessary to fuel a sickly economy. Further complicating a difficult situation are the losses attributable to Israeli closures of PA-ruled areas, the often fluctuating number of Palestinian workers employed in Israel, and declining remittances from overseas.

It has been suggested that Arab oil- producing states could easily double the amount currently being allocated to the PA. Foreign financing of the PA would likely stem from political or humanitarian motives, as profit opportunities in the West Bank and Gaza are limited. Ironically, the 1996 Arab summit's final communique urges Europe, Japan, and other countries, "to continue providing political and economic support to the Palestinian people and their National Authority." But there was no Arab pledge -- not even a non-binding recommendation -- for an Arab aid program for the Palestinians.

Arab Pressure on Israel: Theoretically, Arab states could play a role in pressuring Israel to concede to Palestinian demands during negotiations. There is little doubt that the PA would like the Arab states to pursue a more strident line against Israel. Since 1993, however, the Arab states -- with the exception of Syria and Iraq -- have not pursued particularly aggressive policies against Israel. Arab League resolutions have at times during the past eight years proven harsh. Yet, the unstated goals of these states vis-a-vis Israel are seemingly more moderate and pragmatic in historical terms than ever before: that is, if Israel cannot realistically be destroyed, it should be compelled to accept a compromise peace. A return to the 1974-1994 era of "no war, no peace" is unlikely. Short of preparing for war, Arab states could exercise several options to pressure Israel. During the 1996 Arab League meeting, Arab states resolved that normalization with Israel would be contingent on the progress of the peace process. (Critics point out that this resolution has had little or no effect in slowing the pace of normalization.) In November 1997, a majority of Arab states boycotted the Doha economic summit in protest of Israeli policy and in solidarity with the PA.

> Another tactic Arab states could use to pressure Israel would be to come out unequivocally in support of the unilateral declaration of a Palestinian state, which Arafat has pledged to declare on May 4, 1999. During his speech to the Arab League on Thursday, September 17, Arafat requested the support of Arab and Islamic states for the declaration. In theory, Arab states do support the PA demand for an independent Palestinian state with its capital in east Jerusalem. Yet, thus far, with the exception of Egypt, the responses to Arafat's request have proven tepid.

Ending Arab Aid to Anti-Arafat Palestinian Groups: At the very least, the PA would be strengthened if the Arab states ceased their financial and material assistance to Arafat's potent violent opposition. Militant Islamic groups like Hamas receive assistance from counterparts in Egypt, Jordan, and Lebanon. In 1997, Hamas's spiritual leader, Shaykh Ahmad Yasin, toured the Middle East, visiting several countries, including Saudi Arabia, the United Arab Emirates, and Iran. During his trip, he reportedly received pledges in excess of \$50 million in funding for Hamas. Factions of the Palestinian Islamic Jihad (PIJ) receive backing from Libya, Syria, Sudan, and Iran. Lebanese Hizballah, which is financed by Iran and helped by Syria, works to foster anti-Arafat Palestinian forces in the refugee camps. Anti- peace, anti-PLO terrorist organizations, such as the Popular Front for the Liberation of Palestine-General Command (PFLP-GC) and the Democratic Front for the Liberation of Palestine (DFLP), are headquartered in Damascus. Ramadan Abdullah, leader of the PIJ, also lives in Syria.

The above-mentioned groups, sponsored or subsidized by Arab states, subvert the PA. By launching attacks on Israel, they toughen the Israeli position and increase pressure on Arafat -- who cannot or may not want -- for political

and/or logistical reasons -- to suppress his violent opposition. Events ranging from the 1996 terrorist bombing campaign and the Grapes of Wrath operation -- both of which contributed to the election of Prime Minister Binyamin Netanyahu -- as well as periodic Israeli closures of the territories can be attributed to the actions of these anti-Arafat groups. Conclusion: The issue of Arab states' support for the PA is problematic. In terms of financial support, it is clear that the Arab states (and especially the Gulf States) could be more generous. Similarly, one would expect that the Arab states, even if only for purposes of domestic propaganda consumption, would provide the PA with strong verbal support -- the type of support that would enable these states to avoid 'real' commitments. But even this type of support is conspicuous in its absence. There is a real distrust and dislike of Arafat among many Arab states: Kuwait and to a lesser extent Saudi Arabia are still angry about PLO support for Iraq in 1990; Jordan is still, to some degree, competing with the Palestinian nationalist leadership for the loyalty of Palestinian Jordanians and for control over eastern Jerusalem's holy sites. If post-Oslo posture and policy toward the PA is any indication of what is to come, the Arab states' tactics will continue to disappoint and undermine the PA.

Barry Rubin is a senior resident scholar of the BESA Center for Strategic Studies and editor of the Middle East Review of International Affairs (MERIA).

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