

Introduction: Why Now and Why Again?

In 2020, the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) entered the eighth decade of its existence. Given the complexity of the humanitarian situation in UNRWA's various operational zones (in particular in the Gaza Strip, Lebanon, and Syria); the stagnation of the political process; the regional upheaval and its impact on the population of Palestinian refugees; and the centrality of Palestinian refugees to the Israeli-Palestinian conflict, there is a place—and even an obligation—to examine UNRWA's mandate, operational paradigms, and functional procedures with fresh eyes.

Relating to UNRWA a decade ago, James Lindsay, UNRWA's former legal counsel, noted that “sixty years is too long, and waiting longer to demand change will only make the task more difficult.”¹ Given that milestones offer an opportunity for reflection, the beginning of another decade begs a critical examination of previous assessments and existing literature in light of new developments. Materials that have accumulated on UNRWA's functioning over the course of seven decades point to a troubling conclusion, as noted in the past, regarding the agency's operational and functional lacunae along with the slim chance of reform.

Thus, the purpose of this paper is to present a broad factual background on the establishment of UNRWA, its development over the years, and its operational paradigms and procedural functioning as a basis for assessing alternatives to the agency's current format of activity. This is because after seven decades and more, UNRWA has sadly not led to the rehabilitation of the Palestinian refugees, to the end of their refugee status, or to their integration as citizens with equal rights neither in host states nor in the Palestinian Authority. Thus, after an in-depth background in the first two chapters, the third chapter presents possible alternatives to the status quo of UNRWA's operation and criteria for assessing them. We conclude with

a recommended policy directive, considering the interests of the different parties to the conflict and given the continued stagnation of the political process.

Considering these objectives, in reading the memorandum, it is worth remembering two points: First, UNRWA's provision of health, education, and social services is a lifeline for vulnerable Palestinian refugees. In this respect, the agency's important work must not be belittled. It is important to note that officials in Israel and around the world believe that UNRWA fills an imperative role in providing regional stability and in serving as the eyes and ears of the international community, particularly in the Gaza Strip. This is also the reason that many prefer UNRWA to continue in its current format over an uncertain alternative if UNRWA ceases its activity.² As a result, introducing changes to UNRWA's operational paradigms and procedural functioning will need to be gradual and should consider the diverse needs of Palestinian refugees who live in the agency's five operational zones. In this respect, UNRWA should not be treated as a monolithic bloc.

The second point is that despite the natural tendency to stick to the paradigm that has prevailed for the past seven decades, and dismiss attempts to change UNRWA's operational patterns, the fact is that seventy years into UNRWA's operation, it has not succeeded in adequately addressing the issue of the Palestinian refugees. Given this state of affairs, in August 2018, the US administration—UNRWA's largest donor, responsible for a third of the organization's budget—decided to halt its funding on the grounds that “the fundamental business model and fiscal practices that have marked UNRWA for years—tied to UNRWA's endlessly and exponentially expanding community of entitled beneficiaries—is simply unsustainable and has been in crisis mode for many years.”³ As such, this document presents a series of issues that need to be addressed regarding UNRWA's operational paradigm and procedural functioning, proposing alternatives to advance a more effective model of operation.

The first chapter opens with an overview of UNRWA and focuses on its establishment and early days, the development of its mandate and activities, its organizational structure, and funding. This chapter relates to the shifts in its declared policies, from that of reintegration of the Palestinian refugees (wording that was understood to include their resettlement outside of Israel) to omitting any reference to “reintegration” in General Assembly resolutions

related to UNRWA, and transferring funds originally designated for aid and employment toward education, health, social services, microfinance, infrastructure, and emergency aid instead.

The second chapter, which examines UNRWA's activity, begins with a description of the differences between UNRWA and the UN High Commissioner for Refugees (UNHCR) and continues to look at UNRWA along two main axes: the agency's operational paradigm and its procedural functioning. As part of the analysis, the definition of the agency's mandate and beneficiaries are discussed, as are UNRWA's responsibilities as a nongovernmental organization with governmental authority and budget; its politicization; policies in relation to the recruiting of employees; and apparent involvement of UNRWA facilities in terror activity.

To address the lacunae presented in chapter two, chapter three focuses on the path to change. To this end, the chapter offers an empirical model for creating a constructive strategy, by analyzing three alternatives, along with a fourth modular alternative. The first three alternatives are examined according to five criteria, demonstrating that the alternative of transferring UNRWA's authority and budget to the local governments is preferable, along with the logic of a fourth modular alternative that combines different elements from the first three basic alternatives. The chapter ends with a presentation of six principles for formulating the strategy going forward. The memorandum concludes with policy recommendations based on the extensive research conducted in drafting this document.

Our main contribution to the literature on UNRWA is the theoretical model offered in chapter three, which enables an empiric assessment of alternatives to the agency's current method of operation. The strength of the model is in establishing foundations for future "out-of-the-box" thinking and objective indices to assess alternatives to the current status quo. Another contribution is the meta-analysis of UNRWA-related literature presented in chapters one and two.

On a personal note, while we are well aware of our predisposition to favor Israel's interests (although we do not fully agree on ideological issues relating to the conflict), we sought to adopt a broad macro-approach that stretches beyond Israeli interests in presenting the alternatives and the theoretical model for assessing them. We both sincerely believe that UNRWA's current operation not only hampers the rehabilitation of Palestinian refugees but

also sows the seeds for a future crisis. Simultaneously, we emphasize that it would be a mistake to exaggerate UNRWA's contribution to the stagnation of the political process; that is, despite UNRWA's negative contribution to perpetuating the Palestinian refugee problem, we refrain from—and indeed protest—attributing the failure of resolving the Israeli-Palestinian conflict to UNRWA. As such, we truly hope that this memorandum will prompt Israeli, regional, and international discussion and will lead to more critical and proactive thinking regarding the complex issues at hand.

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