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**I N S T I T U T E O F J U S T I C E**  
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# Reassessing the United Nations Relief and Works Agency (UNRWA)

This report analyzes the contrasting histories and track records of UNRWA and UNHCR. UNRWA's original mission has been fatally compromised by a combination of systemic corruption and intervention into the internal political affairs of host countries. Most recently, this has included growing acquiescence, if not outright support, of ideological hostility to Israel and regional terrorism. By comparison, UNHCR remains faithful to its original mission, demonstrating a track record of substantive assistance to refugee communities. *Therefore, we recommend the dissolution of UNRWA by its absorption, where useful, into UNHCR.*

In 1950, the United Nations created two organizations: the United Nations Relief and Works Agency (UNRWA) and the United Nations High Commissioner for Refugees (UNHCR). Both agencies work with displaced persons, aka 'refugees'. The UNRWA was established to help refugees of the 1948 war with Israel (Palestinian Arabs). The UNHCR was charged to care for refugees throughout Europe in the aftermath of World War II. This was later broadened to include refugees worldwide.

UNRWA's mission expanded from the *resettlement* of refugees in their country of origin to their *integration* within the economies of their host countries. UNRWA foresaw this leading to refugee independence of relief rolls. Accordingly, sources noted that UNRWA "has not resettled or repatriated any significant number of these refugees."<sup>1</sup> "UNRWA is not mandated with permanent resettlement or repatriation. The UNRWA served goal is provide aid until other parties find the solution."<sup>2</sup> On the other hand, the UNHCR has developed a great track record for *resettling* or repatriating refugees.

Not surprisingly, UNRWA and UNHCR define the nature and status of a 'refugee' in markedly different ways which mirror their different goals – integration vs repatriation. These definitions shape, critically, how, even whether, UNRWA and UNHCR can fulfill their distinctive missions.

UNHCR defines a 'refugee' as:

"a person who is outside his or her country of *nationality* or *habitual residence*, has a well-founded fear of persecution because of his or her race, religion, nationality, membership of a particular social group or political opinion; and is unable or unwilling to avail himself or herself of the protection of that country, or to return there, for fear of persecution."<sup>3</sup>

UNRWA defines a refugee as:

"... any person 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.

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<sup>1</sup> "What is the UNRWA?" *The Middle East Piece*, [http://www.middleeastpiece.com/arabrefugees\\_unrwa.html](http://www.middleeastpiece.com/arabrefugees_unrwa.html), (2007).

<sup>2</sup> "What is the UNRWA?" *The Middle East Piece*, [http://www.middleeastpiece.com/arabrefugees\\_unrwa.html](http://www.middleeastpiece.com/arabrefugees_unrwa.html), (2007).

<sup>3</sup> Dr. Martin Sherman, "The Refugees: UNRWA vs. UNHCR the Tale of Two Organizations," [http://www.jerusalemsummit.org/eng/ppt/unrwa-pres\\_eng.ppt](http://www.jerusalemsummit.org/eng/ppt/unrwa-pres_eng.ppt), (March, 2008).

Palestine refugees eligible for UNRWA assistance, are mainly persons who fulfil the above definition and are *descendants* of fathers fulfilling the definition.”<sup>4</sup>

The population of Arab refugees has (and will) increase over time. Thus, UNRWA’s decision to grant equal program access to their descendants imposes a dramatic and ever-growing strain on the agency’s capacity to provide humanitarian assistance.

The UNHCR, by contrast, limits the number of total refugees accepted into their program. In addition, refugees must choose from one of three options to receive aid: 1) local integration into their host country 2) permanent resettlement to a third country or 3) a return to their home country.<sup>5</sup> By tying financial aid to the decisions and commitments of refugees, UNHCR can transition recipients to become productive members of their chosen home. None of the choices envision or permit refugees to remain such indefinitely, let alone permanently.

### Mission Drift: Resettlement Becomes “Integration”

‘Mission drift’ refers to the common tendency of organizations to change or even transform the purpose for which they were formed. UNHCR has remained faithful to its assigned mission of facilitating refugee resettlement (repatriation) as well as local integration. UNRWA, however, no longer promotes resettlement, thus dropping a key element of its original mission. UNRWA also insists that host countries integrate refugees living within their borders on terms set by the organization. Intervention within host countries was wholly absent from UNRWA’s founding charter.

Furthermore, UNRWA insists that host responsibilities do not end with their provision of basic needs and services to refugees who choose integration. Instead, integration must be conceived as a “dynamic, two-way process that places demands on both the refugee and the receiving community.”<sup>6</sup> The host country, not UNRWA, assumes the financial and legal burden required to build an environment that supports the long-term economic stability of refugees.

As of 2014, the UNHCR has effectively resettled tens of millions refugees in its 65-year history.<sup>7</sup> The UNHCR boasts, accurately, “10 out of every 100 refugees are resettled every year.”<sup>8</sup> Unsurprisingly, the UNRWA shows few measurable results, beyond helping some Palestinian refugees obtain work within their host countries.

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<sup>4</sup> Dr. Martin Sherman, “The Refugees: UNRWA vs. UNHCR the Tale of Two Organizations,” [http://www.jerusalemsummit.org/eng/ppt/unrwa-pres\\_eng.ppt](http://www.jerusalemsummit.org/eng/ppt/unrwa-pres_eng.ppt), (March, 2008).

<sup>5</sup> Dr. Martin Sherman, “The Refugees: UNRWA vs. UNHCR the Tale of Two Organizations,” [http://www.jerusalemsummit.org/eng/ppt/unrwa-pres\\_eng.ppt](http://www.jerusalemsummit.org/eng/ppt/unrwa-pres_eng.ppt), (March, 2008).

<sup>6</sup> “The Integration of Resettled Refugees,” *UNHCR*, <http://www.unhcr-centraleurope.org/pdf/resources/legal-documents/unhcr-handbooks-recommendations-and-guidelines/unhcr-guide-on-the-integration-of-resettled-refugees.html>, (2013).

<sup>7</sup> “About us,” *UNHCR*, <http://www.unhcr.org/pages/49c3646c2.html>, (2014).

<sup>8</sup> “UNHCR Projected Global Resettlement Needs 2011,” *UNHCR*, <http://www.refworld.org/cgi-bin/texis/vtx/rwmain?docid=4c5acc3e2>, (June, 2010).

UNRWA labels the continual influx of Palestinians who have never been displaced from their homes as ‘refugees.’<sup>9</sup> This compromises the identity and prospects for 90% of so-called UNRWA ‘refugees’. Worse still, UNRWA promises that refugees will return someday to their ‘ancestral’ homelands. This unrealizable vision, enforced at the highest levels as formal ‘mission’, ripples down the relief chain. Refugees endure the systemic corruption that ensues when mission drift lacks internal integrity.

UNRWA’s ability to foster reintegration in the West Bank and Gaza has declined as “restrictions on access and movement in the region...” to ensure Israeli security have grown.<sup>10</sup> People on the ration rolls in areas other than the West Bank or Gaza face impending unemployment.<sup>11</sup>

UNRWA’s educational training programs do qualify refugees in Lebanon, Jordan, and Syria to secure full-time jobs. However, societal discrimination based on their defined status as transients compels refugees in these countries to orient their lives around UNRWA.

Throughout the region, the structural unemployment of refugees, linked to their indefinite dependence upon social services, remains the main inhibitor to UNRWA’s success.

## Budget

UNRWA’s first budget (1950) approximated \$41 million dollars,<sup>12</sup> with 711,000 refugees registered for assistance.<sup>13</sup> Annual budgets have grown, enormously, to \$982,179,000,<sup>14</sup> to underwrite support for today’s roughly 5.2 million refugees.<sup>15</sup> The vast majority are descendants of those registered in 1950. One might expect UNRWA efficiency and productivity to have grown over time to match its increased resources. Sadly, the situation of UNRWA refugees reveals scant, if any, substantive improvement in recent decades.

By contrast, UNHCR’s starting budget consisted of a mere \$300,000 to care for nearly one million Europeans uprooted at the end of World War II.<sup>16</sup> UNHCR now deals with 33.9 million

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<sup>9</sup> Steven J. Rosen and Daniel Pipes, “Lessening UNRWA’s Damage,” *The Jerusalem Post*, <http://www.jpost.com/Opinion/Op-Ed-Contributors/Lessening-UNRWAs-damage>, (July 9, 2012).

<sup>10</sup> “Organization Strategy: UNRWA 2010-2015,” *Denmark*, <http://amg.um.dk/en/~media/amg/Documents/Multilateral%20Cooperation/Multilateral%20Organisation%20Strategies/UNRWA/UNRWA%20Strategy%202010-2015%20-%20final.pdf>, (January, 2012).

<sup>11</sup> “Where We Work: Lebanon,” *UNRWA*, <http://www.unrwa.org/where-we-work/lebanon>, (January 1, 2014).

<sup>12</sup> James G. Lindsay, “Fixing UNRWA: Repairing the UN’s Troubled System of Aid to Palestinian Refugees,” *The Washington Institute for Near East Policy*, <http://www.washingtoninstitute.org/uploads/Documents/pubs/PolicyFocus91.pdf>, (January, 2009).

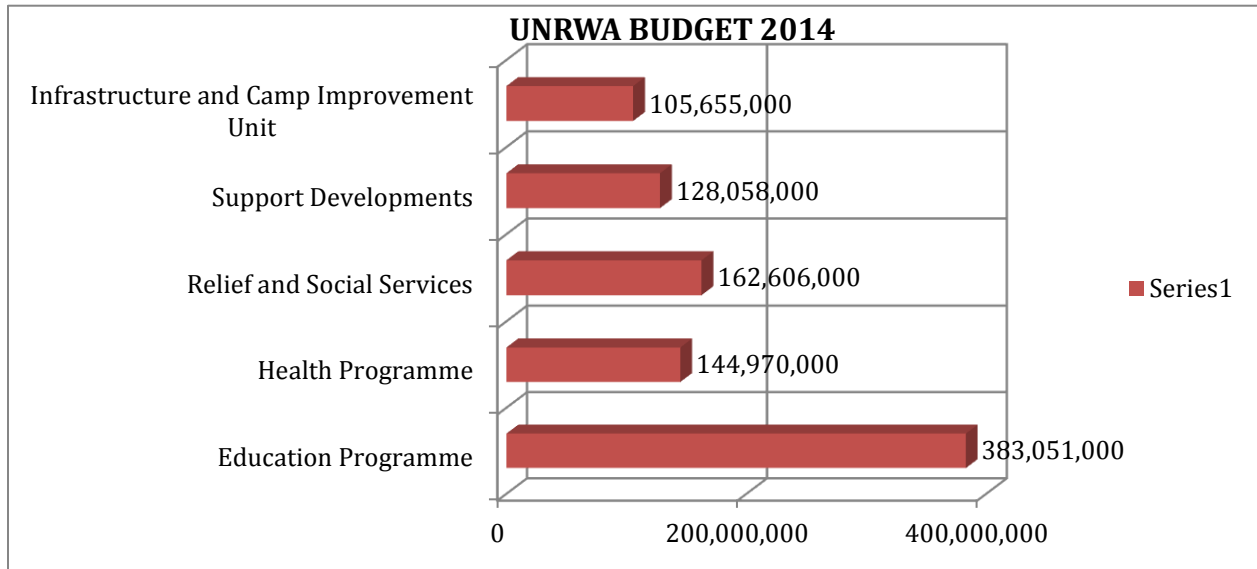
<sup>13</sup> “General Progress Report and Supplementary Report of the United Nations Conciliation Commission for Palestine,” *United Nations*, <http://unispal.un.org/unispal.nsf/b792301807650d6685256cef0073cb80/93037e3b939746de8525610200567883?OpenDocument>, (1951).

<sup>14</sup> “Program Budget,” *UNRWA*, [http://www.unrwa.org/sites/default/files/2014-2015\\_programme\\_budget\\_blue\\_book.pdf](http://www.unrwa.org/sites/default/files/2014-2015_programme_budget_blue_book.pdf), (August, 2013).

<sup>15</sup> “PCBS: 5.4 Million Palestinian Refugees in UNRWA,” *Wafa: Palestinian News and Info Agency*, <http://english.wafa.ps/index.php?action=detail&id=25558>, (June 19, 2014).

<sup>16</sup> “Refugee Figures,” *UNHCR*, <http://www.unhcr.org/pages/49c3646c1d.html>, (2014).

people: 14.7 million internally displaced people, 10.5 million refugees, 3.1 million returnees, 3.5 million stateless people, more than 837,000 asylum seekers and more than 3.1 other persons of concern. UNHCR, with a 2013 budget of \$2.3 billion, continues to resettle four times as many refugees annually as the UNRWA and is present in over 126 countries. UNRWA operates in only the West Bank, Gaza, Jordan, Syria, and Lebanon.<sup>17,18</sup>



## Employment

At its founding, UNRWA numbered 6,140 employees, including 140 non-regional (international) staff. The vast majority (6,000 or 98%) were refugees themselves. By the end of 2010, this number swelled to nearly 31,000 employees – with a whopping 30,677 comprised of refugees. Again, by stark contrast, UNHCR started with 34 employees of varied international origins.<sup>19</sup> This increased to 8,600 employees by 2014, about one-fourth as many as UNRWA.

UNRWA’s refugee-centric employees nurture increased staff affiliation with Hamas and similar terrorist groups. This provokes pressing concerns. According to the U.S. Government Accountability Office, at least 16 UNRWA staff have been detained, and another 3 have been convicted for terrorism-related activities.<sup>20</sup>

<sup>17</sup> “History of UNHCR,” *UNHCR*, <http://www.unhcr.org/pages/49c3646cbc.html>, (2014).

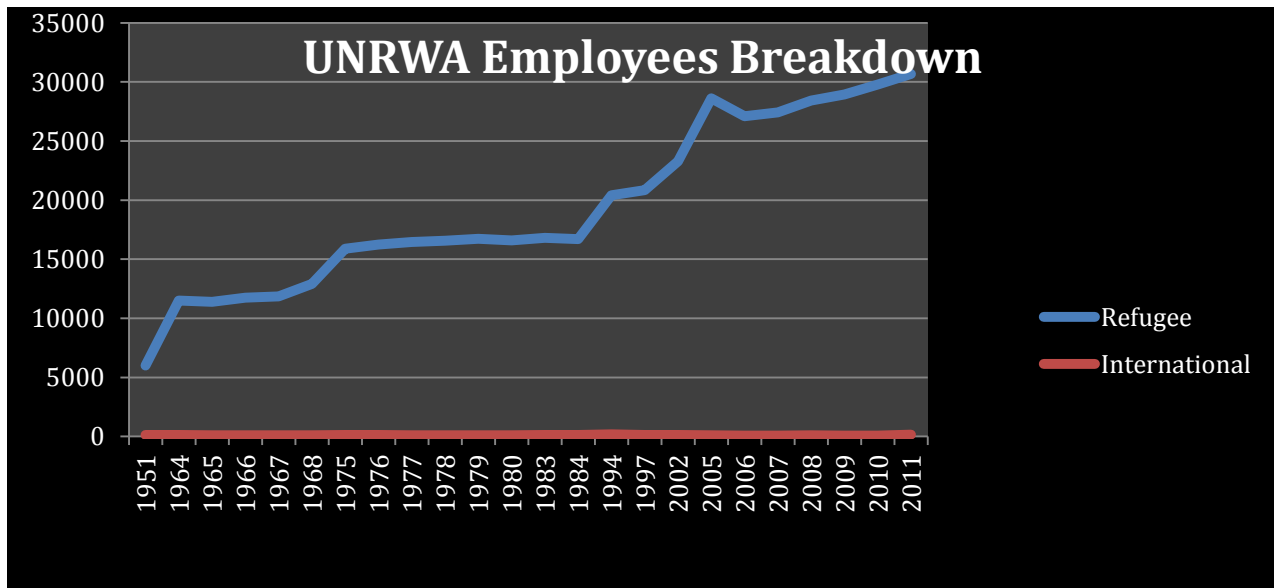
<sup>18</sup> “Where We Work,” *UNRWA*, <http://www.unrwa.org/where-we-work>, (2013).

<sup>19</sup> “History of UNHCR,” *UNHCR*, <http://www.unhcr.org/pages/49c3646cbc.html>, (2014).

<sup>20</sup> Nile Gardiner and James Phillips, “Congress Should Withhold Funds from the UN Relief and Works Agency for Palestinian Refugees (UNRWA),” *The Heritage Foundation*, <http://www.heritage.org/research/reports/2006/02/congress-should-withhold-funds-from-the-un-relief-and-works-agency-for-palestine-refugees-unrwa>, (February 6, 2006).

As far back as 2004, then-Commissioner-General of UNRWA, Peter Hansen, told the Canadian Broadcasting Corporation, tellingly, “I am sure 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...”<sup>21</sup> Furthermore, the UNRWA “makes no attempt to weed out individuals who support extremist positions.”<sup>22</sup>

Hamas, before 2004 and since, boast of their explicit activities aimed at destabilizing the region through terror. Yet, UNRWA’s public statements illustrate knowing consent and acceptance for terrorists to serve as paid staff employees in the hope that a few Hamas employees might not, after all, be ‘militant’.



### Why UNRWA Should Be Absorbed By UNHCR

UNRWA has received billions of dollars in both American and European taxpayer payouts for presumed “relief and support” of the Palestinian people.<sup>23</sup> Yet, its reintegration policies for refugees must be judged a failure. Its education programs have been co-opted to serve ideological goals; it fosters a culture of systemic corruption and, above all, UNRWA has redefined its mission along lines which make large-scale refugee reintegration impossible.

<sup>21</sup> Nile Gardiner and James Phillips, “Congress Should Withhold Funds from the UN Relief and Works Agency for Palestinian Refugees (UNRWA),” *The Heritage Foundation*, <http://www.heritage.org/research/reports/2006/02/congress-should-withhold-funds-from-the-un-relief-and-works-agency-for-palestine-refugees-unrwa>, (February 6, 2006).

<sup>22</sup> James G. Lindsay, “Fixing UNRWA: Repairing the UN’s Troubled System of Aid to Palestinian Refugees,” *The Washington Institute for Near East Policy*, <http://www.washingtoninstitute.org/uploads/Documents/pubs/PolicyFocus91.pdf>, (January, 2009).

<sup>23</sup> Mudar Zahran, “UNRWA: The Palestinians’ Worst Enemy,” *Gatestone Institute*, <http://www.gatestoneinstitute.org/2962/unrwa-the-palestinians-enemy>, (March 21, 2012).

## Ideological surrender

UNRWA's health, relief and social services, micro-finance and micro-enterprise, infrastructure and camp programs and, especially, its education services, rely upon UNRWA-adopted textbooks supplied by host governments with "a bitterly hostile attitude to Israel."<sup>24</sup> Does the 'curriculum' taught children by UNRWA teachers from these government textbooks promote regional stability or contribute fresh fuel for a world-view that glorifies terrorism? This question yields a self-evident answer.

## Systemic corruption

Corruption has become the norm at UNRWA. "The UNRWA maintains a staff that is over 4X the size of the UNHCR, and requires half the budget, but only operates in 4% of the countries that UNHCR does and is concerned with only 13% of the number of people the UNHCR handles."<sup>25</sup>

UNRWA has been subject to minimal public scrutiny and offers very limited transparency. Its main website does not contain specifics to describe where contributed funds have gone nor how they have been spent. The author of this article spent almost 15 hours investigating by phone, email, and diligent search of UNRWA's website for employee and budget numbers with little success. When queried, an UNRWA representative in Brussels explained, unhelpfully, that, "UNRWA maintains its transparency, but does not have the resources needed to upload every single document to the web regarding its 65 year history."

Interestingly, the author received prompt and useful feedback, upon request, from UNHCR staff.

## Collaboration with terrorist activities

In 2007, a prominent Australian Member of Parliament, Michael Danby, protested UNRWA funding support by that nation. He termed UNRWA "a notoriously corrupt" institution that participates in activities related to "arms purchase, terrorist operations, and anti-Israel incitement, as well as (lining) the pockets of the PA leadership."<sup>26</sup>

On July 22, 2014, a Jerusalem Post article reported that terrorist rockets were found in an UNRWA facility in Gaza.<sup>27</sup> UNRWA authorities agreed to release the rockets to a "rocket pickup

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<sup>24</sup> James G. Lindsay, "Fixing UNRWA: Repairing the UN's Troubled System of Aid to Palestinian Refugees," *The Washington Institute for Near East Policy*, <http://www.washingtoninstitute.org/uploads/Documents/pubs/PolicyFocus91.pdf>, (January, 2009).

<sup>25</sup> "What is the UNRWA?" *The Middle East Piece*, [http://www.middleeastpiece.com/arabrefugees\\_unrwa.html](http://www.middleeastpiece.com/arabrefugees_unrwa.html), 2007.

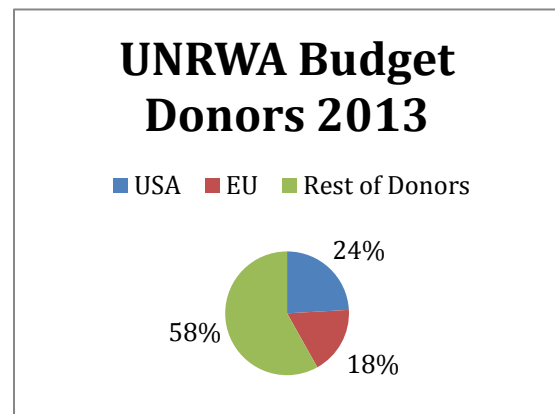
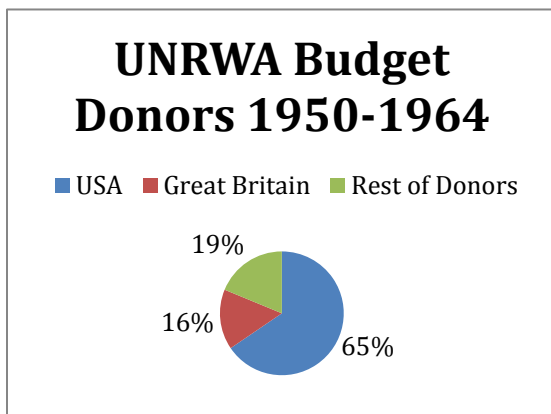
<sup>26</sup> Mudar Zahran, "UNRWA: The Palestinians' Worst Enemy," *Gatestone Institute*, <http://www.gatestoneinstitute.org/2962/unrwa-the-palestinians-enemy>, (March 21, 2012).

<sup>27</sup> Yonah Jeremy Bob, "If UNRWA Handed Rockets Over to Hamas, is that a War Crime? Did it have a Choice?," *The Jerusalem Post*, <http://www.jpost.com/Operation-Protective-Edge/Did-UNRWA-commit-a-war-crime-by-handing-rockets-over-to-Hamas-368348>, (July 22, 2014).

team...but was vague on what ultimately happened with the rockets.”<sup>28</sup> UNRWA has been accused, consequently, of committing a war crime, given the potential that these weapons have been or could be handed over to Hamas.<sup>29</sup>

### Absorbing UNRWA into UNHCR

The United States underwrote 65% of UNRWA’s annual budget through the 1960s. This percentage had decreased to 24% by 2013, revealing U.S. hesitancy to fund UNRWA’s dramatically-changed mission, especially in light of its diminished transparency. Even discounting UNRWA’s lack of transparency, the agency locks Palestinian refugees into perpetual refugee status across generations.



As the United States pushes for a full audit of UNRWA, it must “end the UNRWA dependency culture”<sup>30</sup> by encouraging individual empowerment, private investment, and free enterprise. These will give refugees an actual, not theoretical, opportunity to succeed in the world economy. Ironically, perhaps, but appropriately, this will lead to the gradual elimination of UNRWA.

By contrast with UNRWA, the UNHCR has demonstrated transparency and proven that refugees will respond to reasonable requirements for their accountability. UNHCR’s definition of ‘refugee’, its requirements for realistic decisions by refugees and its refusal to intervene or take sides in the internal affairs of host governments ensures its continued success at the mission for which both organizations were founded.

<sup>28</sup> Yonah Jeremy Bob, “If UNRWA Handed Rockets Over to Hamas, is that a War Crime? Did it have a Choice?,” *The Jerusalem Post*, <http://www.jpost.com/Operation-Protective-Edge/Did-UNRWA-commit-a-war-crime-by-handing-rockets-over-to-Hamas-368348>, (July 22, 2014).

<sup>29</sup> Ibid..

<sup>30</sup> Nile Gardiner and James Phillips, “Congress Should Withhold Funds from the UN Relief and Works Agency for Palestinian Refugees (UNRWA),” *The Heritage Foundation*, <http://www.heritage.org/research/reports/2006/02/congress-should-withhold-funds-from-the-un-relief-and-works-agency-for-palestine-refugees-unrwa>, (February 6, 2006).



This report, therefore, recommends the dissolution of UNRWA as a chartered U.N organization and the absorption of those UNRWA employees and/or programs consistent with a resettlement (repatriation) mission into UNHCR.<sup>31</sup>

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<sup>31</sup> Critics may argue that our recommendation overlooks the enormous political difficulties and financial costs of managing severance for UNRWA's 30,000 Palestinian employees or, alternatively, that absorbing UNRWA into UNHCR might result in a 'reverse acquisition' of UNHCR by an ideologically-focused and media-savvy UNRWA. We believe these criticisms can be answered persuasively, but doing so goes beyond the remit of this report.