UNRWA Financial Crisis: The Impact on Palestinian Employees

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President Donald Trump's decision to reduce the United States' contribution to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to only \$60 million in 2018—compared to a total of \$364 million in 2017<sup>1</sup>—has been widely denounced as a brutal form of collective punishment of the Palestinian people. Current fundraising campaigns are attempting to fill the gap to keep schools open and medical services available for Palestinians across the region. The campaigns are focused on the rights, needs and dignity of Palestinian infants, children and adults in their roles as patients, students and recipients of emergency cash assistance. However, another related, unspoken crisis threatens Palestinian refugees' future: a crisis of employment for the tens of thousands of Palestinian UNRWA staff who provide these services. The jobs, pensions and futures of thousands of Palestinian refugee families across Lebanon, Jordan, Syria, Gaza and the West Bank are at risk.

To confront the "most critical financial situation in the history of the Agency," UNRWA's Commissioner-General Pierre Krähenbühl launched a major emergency fundraising campaign on January 22, 2018.<sup>2</sup> The #DignitylsPriceless campaign aims to mobilize donations from states and civil society worldwide to keep open the 700 UNRWA schools that educate 525,000 Palestinian children and to ensure that UNRWA can continue to provide lifesaving emergency food aid, emergency cash assistance and essential medical services to millions of Palestinian refugees.<sup>3</sup> UNRWA aid recipients include 400,000 Palestinians who remain at great risk within Syria, almost 1 million people who rely entirely on UNRWA in Gaza and 50,000 Palestinians from Syria now living precariously in Lebanon and Jordan. By the end of April 2018, the UN Secretary-General's office reported that \$100 million had been committed to UNRWA by the states that attended the Rome Extraordinary Ministerial Conference, Preserving Dignity and Sharing Responsibility: Mobilizing Collective Action for UNRWA, in March 2018.<sup>4</sup>

At the same time as launching the fundraising campaign, Krähenbühl, in an official statement, called upon

UNRWA's 30,000 full-time staff of doctors, nurses, school principals and teachers, guards and sanitation laborers, social and psychosocial workers, administrative and support staff: be at your duty stations to serve the community with the same dedication and commitment that you have always shown. This is a moment for internal cohesion and solidarity. Times are very critical but we will do our utmost to protect you.<sup>5</sup>

Due to the precarious nature of UNRWA's budget since its inception in the 1950s, full-time permanent employees are supplemented by staff on fixed-term and indefinite contracts. In addition, thousands of people are employed on daily contracts for years, and often decades. These precariously employed "dailies" are called up on an ad hoc basis to fill short-term gaps as they arise, including as substitute teachers and doctors to cover sick leave.

It is important to note that UNRWA is one the main employers of Palestinians in the region, and indeed is seen as having an obligation to employ Palestinians as part of the effort to uphold their rights. This role is particularly important in Lebanon, where Palestinians are formally prohibited by the Lebanese state from working outside of the camps in two dozen professions, including as doctors and engineers, and where only 42 percent of Palestinians were estimated to be economically active in 2017.<sup>6</sup> In the context of such high unemployment and their formal exclusion from the labor market outside of the camps, many UNRWA employees—including the Palestinian teachers, guards and sanitation workers I have been speaking with across Lebanon—do not believe that UNRWA can truly protect their jobs and futures. Indeed, potential job cuts in Lebanon's vocational centers were recently announced. My interviewees informed me that throughout the first three months of 2018, dozens of UNRWA daily workers have either been cut or have not had their contracts renewed. Palestinians are left to wonder if the United Nations and international donors are taking UNRWA employees' needs and rights seriously.

## **Exceptional Measures, Major Insecurities**

Also in January 2018, UNRWA headquarters in Amman, Jordan sent employees an internal Area Staff Circular,<sup>7</sup> in English and by email, noting that, "In view of the severity of the funding shortfall that the Agency currently faces," the Commissioner-General is announcing a series of exceptional measures. The circular announced that UNRWA would no longer grant any extension of service beyond the official age

of retirement of 60. Furthermore, "posts that become vacant due to retirement of Area staff members are not to be filled until further notice." It announced that "conversion of fixed-term (X) appointment to indefinite (A) appointment is suspended" as of January 18. Moreover, "Area staff members with 10 years of continuous service as of 18 January 2018 or later, and eligible for an indefinite appointment, will instead be considered for extension of their fixed-term appointment in line with applicable rules and instructions at the time of the extension."

Sara's heart dropped when she read this circular.<sup>8</sup> She is a Palestinian teacher, born in a camp in Lebanon, who was first employed as a daily teacher and then, for the past eight years, as a fixed-term full-time UNRWA employee. Since 2011, she has been teaching Palestinian children from Syria who are seeking sanctuary in her home camp. Sara explained why she felt that her future had been pulled out from under her:

If my contract is not converted to an indefinite one, I will have nothing to support me or my family after I am 60. As a "B" employee [the term Palestinians use to refer to workers on fixed-term UNRWA contracts], I would only receive my own savings as a lump sum, with no contribution from UNRWA.

Upon retirement, UNRWA employees receive no monthly pension, and only UNRWA employees who are on indefinite contracts (known as "A" employees) are eligible to receive the full Provident Fund lump sum. This retirement fund is what Palestinians refer to as *ta'weed* and is the full compensation employees receive from UNRWA for their many years of service. The fund is a combination of the monthly contributions deducted directly from their salaries, plus an UNRWA contribution. Fixed-term employees like Sara would only receive her own savings in one lump sum, which would never be sufficient to support herself and her family.

After several days of despondency while imagining her family's enforced destitution, Sara was partially relieved to receive a second UNRWA circular, also by email and in English. It stated that the "Conversion of Fixed-Term to Indefinite Appointment is reinstated as per previous terms, effective 18 January 2018." In theory, Sara should have been happy. The implication of the second document is that when she reaches her ten-year anniversary of working on a fixed-term basis for UNRWA, her contract could still be converted to an indefinite one. However, having received devastating news once, Sara still fears that UNRWA's ongoing funding

insecurity will mean that, in the end, she will never be offered an indefinite contract.

Her fears are not unfounded, as Sara informed me a short time later that she and her colleagues had been dealt yet another blow. UNRWA reportedly informed them in February that even if they have been employed for ten years or more, UNRWA will be unable to pay its retirement contribution to any UNRWA employees due to the funding shortfall. If this is the case, employees will only receive their own savings when they turn 60. While no formal announcement has (yet) been made, Palestinians' fears and mistrust must be situated in the context of their knowledge of UNRWA's past operational changes over the course of the agency's multiple financial crises, and also in relation to the nature of UNRWA's uneven communication with its employees. In this context, Palestinians' insecurities are linked simultaneously to actual operational changes, apparent policy reversals which many people believe cannot be trusted and sometimes unconfirmed potential changes that are passed on by word of mouth.

What is certain is that Sara and her colleagues face an insecure future and increasingly difficult working conditions since no new recruitments will be made as posts become vacant due to retirement. Sara recently felt the consequences of reduced funding for staff when UNRWA did not hire a daily substitute teacher when her colleague was on sick leave. Instead, Sara's class of 35 students had to absorb the other teacher's class, leaving her with 70 children to teach in her small classroom. It also means that young Palestinians who had hoped to work for UNRWA, including prospective teachers, doctors, clerical and facilities staff, will have increasingly limited employment possibilities, leading to increased levels of unemployment, underemployment and related long-term insecure living conditions.

## **Miscommunication and Continuing Fears**

Abu Issa, a diligent UNRWA sanitation worker who commutes three hours a day to keep UNRWA hospital rooms and operating theaters clean and functioning, does not have an email address so he never receives UNRWA's circulars. This situation means that he had to wait longer than Sara for the revised message to reach him through word of mouth. He explains:

Those of us who are employed in the lower grades don't receive emails. We need UNRWA staff who are higher up to tell us the news about our jobs and futures. Not everyone knows what is going on. And, remember, not everyone

working for UNRWA can read, including other people who work with me as cleaners and guards at the hospital. We need to wait for other colleagues to explain what is going on.

Even employees who are "higher up" find it difficult to follow UNRWA's notifications. Khamees, who is the head teacher of an UNRWA school in Lebanon, stressed:

These notifications are always issued in English first. Sometimes they are translated into Arabic, but not always. Even when they are translated into Arabic they always arrive several days after the English version. Why don't they arrive at the same time? Why does the Arabic version sometimes not arrive at all?

With important messages arriving in complex English sentences, several of my interviewees noted that they have never really understood the exact meaning or the implications of the statements that are issued by UNRWA. Khamees asked:

Why does UNRWA HQ always issue several circulars within two or three days of one another, saying they are going to do one thing and then changing part of their decision in the next message? Are they camouflaging their decisions, or trying to pretend that they are being kind to us by only withdrawing some of our rights rather than all of them?

UNRWA employees often dwell on the first message and overlook the second one, especially when they depend on other people to keep them up to date. My interviewees, including Sara, Abu Issa and Khamees, expressed their suspicions that sending many messages in complex writing might be a purposeful UNRWA strategy. When UNRWA appears to reinstate a particular right that it had just withdrawn, people wonder if the UN agency is aiming to ensure that other, more significant changes, will pass peacefully and without resistance from employees.

## **An Uncertain Future**

During my conversations in Lebanon in early 2018, my interviewees repeatedly asserted their fear that it is their own and their family's futures which are at risk. Not

only do the US funding cuts mean that they may be unable to access UNRWA educational and medical services, but also that any sense of future stability through their employment has been pulled out from under them. Even if UNRWA services are available, and even if Sara continues to be employed until retirement, she and her family will not be able to afford to buy food, clothes, household goods and medicine if she does not receive full compensation from UNRWA after her retirement. It is unclear under what employment conditions, if any, future generations of Palestinian teachers, doctors, clerical and facilities staff will be recruited.

Guaranteeing fair wages and secure pensions is seen as a less attractive fundraising goal than the need to protect the rights and needs of children and other vulnerable groups. The images and text used in the #DignitylsPriceless campaign consistently echo this prioritization and indeed fundraising and advocacy campaigns around the world typically focus on the needs of vulnerable and innocent social groups—with "womenandchildren" at their core— since they are most easily identified by potential donors as ideal victims who are truly worthy and deserving of material and political support.

In the context of the current funding crisis, when children's access to school, pregnant women's access to prenatal care and lifesaving emergency cash assistance are all at risk, Sara, Abu Issa and Khamees ask who will prioritize employment and pension rights, and their family's futures? UNRWA employees are being implored to work and serve the members of their refugee community even if UNRWA cannot pay fair wages, and even if they are at risk of staffing cuts with long-lasting implications for their present and future wellbeing. For each UNRWA staff member whose contract is not made indefinite, for each person whose job is cut, for each daily staff member not called upon to substitute for a colleague, for each potential employee not recruited to fill a gap left by retirement, and for each person whose full Providence Fund will not be paid by UNRWA, an entire family's, and community's, livelihood is being undermined not only today but in the months, years and even decades to come.

<sup>&</sup>lt;sup>1</sup> "2017 Pledges to UNRWA's Programmes (Cash and In-kind) - Overall Donor Ranking as 31 December 2017," UNRWA:

https://www.unrwa.org/sites/default/files/overalldonor\_ranking.pdf.

<sup>&</sup>lt;sup>2</sup> Pierre Krähenbühl (@PKraehenbuehl): "After decades of generous support, dramatic reduction of US funding to @UNRWA results in most critical financial situation in history of Agency. I call on member states of the United Nations to take a stand & demonstrate to Palestine Refugees that their rights & future matter." January 17, 2018, 1:41am. Tweet.

<sup>3</sup> "UNRWA Launches \$800 Million Emergency Appeal for Syria, Gaza and the West Bank," UNRWA Press Release, January 30, 2018.

- <sup>5</sup> "Statement by UNRWA Commissioner-General Pierre Krähenbühl," UNRWA, January 17, 2018.
- <sup>6</sup> Lorraine Charles with Sharq.org, "Lebanon Livelihoods: Economic Opportunities and Challenges for Palestinians and Lebanese in the Shadow of the Syrian Crisis," Konrad Adenauer Stiftung, 2017.
- <sup>7</sup> Quotes from UNRWA circulars are from documents in the author's files.
- <sup>8</sup> All interviewee names have been changed. All interviews were conducted by the author in Palestinian refugee camps in Lebanon in January and February 2018.
- <sup>9</sup> Cynthia Enloe, "'Womenandchildren': Propaganda Tools of Patriarchy," in G. Bates, ed., *Mobilizing Democracy: Changing the US Role in the Middle East* (Monroe, ME: Common Courage Press, 1991), p. 89ff.

<sup>&</sup>lt;sup>4</sup> "Welcoming \$100 Million Pledged for Palestine Refugee Agency, Secretary-General Encourages More Support to Close Critical Funding Shortfall," UN Secretary-General Statement, March 23, 2018.