

The political economy of food aid to Palestine

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The aim of this article is twofold. First, it provides an assessment of the extraordinary deterioration in food security in the West Bank and Gaza Strip (WBGS) since the outbreak of the second *intifada* (popular uprising) in 2000. Second, it argues that food insecurity in the WBGS is mainly a result of lack of access to food, both physical and economic. Lack of physical access refers to the severe restrictions on the movement of people and goods imposed by the Israeli army, and which take the form of closures, curfews, construction of a separation wall, and land confiscation. Lack of economic access refers to the income deterioration due to high unemployment and loss of business, which have been among the immediate consequences of the restrictions on movements.

Food insecurity in Palestine is primarily the outcome of a political dysfunction addressed by the international community as if it were a technical and/or natural problem. But rather than food aid, what is needed is the restoration of Palestinians right to unrestricted movement and work.

A World Bank report notes that the Palestinian recession is one of the worst in recent history, with average personal incomes having declined by more than a third between 2000 and 2004 and about half of the population living below the poverty line.¹ Consequently, the state of food security has deteriorated to such an extent that the World Food Program (WFP)

designated over one-half of the WBGS's population as being food insecure in 2006.²

Trends in the Palestinian economy reveal strong relationships among movement restrictions, economic growth, and food (in)security. Progress toward food security has been made when, on the demand side, people and goods could move freely, hence when earnings and incomes rise. On the supply side, movement restrictions increase the transaction costs of food shipments and result in higher prices, hence making food less accessible.

The article shows how food aid is used to mitigate some of the worst effects of food insecurity but stresses that the poverty alleviation effects of food aid programs are rather limited. Food aid, especially in the case of WBGS, treats only the symptoms rather than the roots of the food insecurity crisis. Prolonged physical restriction on movements, with all that this entails for market fragmentation, severe price distortion, the shortage of imported inputs, and loss of export markets threatens to irreversibly destroy Palestinians' domestic productive capacities. This will make the WBGS's dependency on food aid permanent and turn a whole nation, otherwise capable to a great extent of fending for itself, into isolated communities permanently dependent

on the charity of others.

Food insecurity in Palestine is primarily an outcome of a regional political dysfunction, but the international community addresses this as being an outcome of technical and/or natural dysfunctions: the international community responded to a food crisis by pouring in food aid rather than by doing what is needed to allow people to move about and work. Undoubtedly, humanitarian aid has saved lives, yet food aid can never be a sustainable solution to alleviate poverty and foster people's dignity.

In spite of political turbulence, the WBGS was moving steadily toward a better state of food security during the second half of the 1990s. Domestic food supplies as well as access to food were improving. This positive trend was violently disrupted toward the end of 2000 and culminated two years later when the Israeli army reoccupied the whole WBGS. A man-made catastrophe then cast a heavy shadow over the lives of Palestinians, with grave repercussions for food security. To illustrate these developments, the article starts with some background on the main features of the WBGS economy. We then shed light on the peculiar phenomenon of closure — the caging of a population by imposing severe physical restrictions on its movements — so that the reader may gain an idea of the dimension of the socio-economic and political catastrophe witnessed in the WBGS since 2000. In the second section, we assess policy issues with regard to food insecurity in Palestine by tracing trends in food supply and food consumption. Section three identifies the main stakeholders in the food aid business. In section four, the scope of and limits to food aid policy in Palestine are addressed.

Background

The economy

In spite of considerable fluctuations, the WBGS economy witnessed strong growth trends during the 1995 to 1999 period. These came about as a result of a general sense of optimism about a future peace settlement as well as the relative ease of access to external markets, including the Israeli labor market. Fixed investment was over 33 percent of GDP in every year during 1994-1999, and reached 45 percent in 1999.³ Most of this was undertaken by the private sector, although with a large proportion in residential buildings. During the same period, the employment rate increased gradually from 61 to 83 percent of the labor force (see Table A1 appended to this article). Palestinian employment in Israel reached an average of 134,000 workers in 1999, accounting for about 23 percent of total Palestinian employment.⁴ These favorable trends resulted in improved standards of living and were reflected in modest poverty rates (20 percent of the WBGS population in 1999). Food insecurity was a concern for a relatively limited segment of the Palestinian population, mostly those incapacitated by severe poverty.

Toward the end of the 1990s, relations between Israel and the Palestinian

Authority (PA) started to deteriorate. To force the PA into political compromises, Israel began to economically squeeze the WBGS. The PA, in turn, felt that Israel was not serious in meeting its obligations for the establishment of an independent, sovereign Palestinian state. As hope faded, a vicious cycle of violence and counter-violence dominated the scene. Many of the potentially positive aspects of the Oslo Accords on the Palestinian economy, such as free access to the rich Israeli market and outside world, safe-passage between the West Bank and Gaza, and the relatively free flow of Palestinian labor to Israel became irregular, unpredictable, and subject to the total unchallengeable discretion of Israel’s policymakers.

A man-made catastrophe

The overall climate for progress toward achieving increased access to food for all was abruptly cut off with the second intifada in September 2000.⁵ The main feature of this new state of affairs has been the intensification and institutionalization of restrictions placed on the free movement of Palestinian people and goods. These restrictions take various forms, including closures, flying checkpoints, road blocks, curfews, and the separation barrier (which in some sections reaches 12 meter high and goes through the midst of urban, rural, and refugee Palestinian centers).⁶

Closures in the WBGS have taken three forms: (1) internal closure prohibiting movement within the WBGS, reinforced by curfews; (2) external closure of the border between Israel and the WBGS (and thus also between the West Bank and Gaza); and (3) external closing of international crossings between the West Bank and Jordan, and between Gaza and Egypt. During 1993 and 1999, the WBGS were subject to a total of 311.5 days of complete external closure.⁷ Days of (complete and partial) closure increased sharply after the intifada. For instance, 2002 saw more than 250 days of closure, which means that Palestinians had not even 4 months of unrestricted movement during the whole year (Figure 1).

Movement restrictions have adversely affected the entire food chain in the WBGS, that is, domestic production, food imports, the ability to reach and provide food to the needy, food prices, and most importantly people’s economic access to food. Israeli imposed closures, curfews, incursions, land confiscation, and destruction of productive properties combined to bring the Palestinian economy to its knees, resulting in unprecedented levels of unemployment and poverty. At the same time, clearance revenues collected by Israel on behalf of the PA were being withheld and domestic public revenues started to decline as a result of rising unemployment and reduced demand. The drastic decline in revenues came just when a much stronger social welfare net was needed.⁸ By 2002, real per capita income had fallen to 54 percent of the 2000 level and over one-half of the population was living below the poverty line (Table A1).

A World Bank report estimated that as a result of Israeli policies the physical damage within the WBGS from September 2000 to December 2001 was \$305 million,

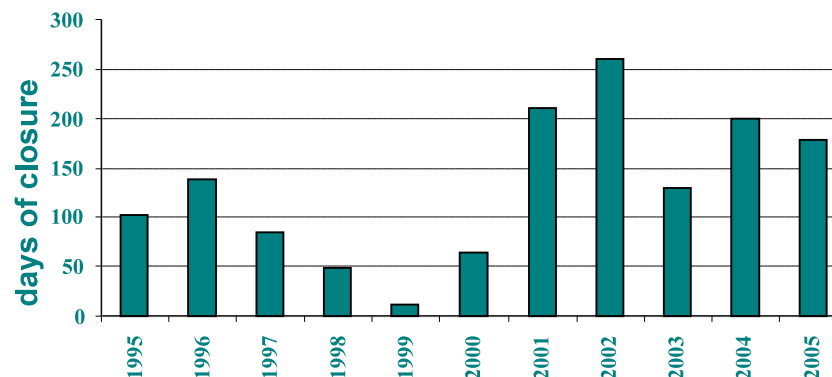


Figure 1: Closure days in the WBGS, 1995-2005

Source: U.N. Special Coordinator for Middle East Peace Process (UNSCO) and Palestinian Ministry of Labor (1995-2005).

much of which was in the agricultural sector. By the end of 2002, after Israel’s major military operation that led to the reoccupation of the WBGS, this figure rose to \$930 million.⁹ Damage included losses associated with the demolition or destruction of greenhouses, poultry and livestock farms, wells, farm houses, irrigation systems and ponds, fences and walls, main water pipelines, packaging and experiment station, nurseries, crop, tree, and vegetable-planted land, as well as killed cattle, sheep, goats, poultry, and damaged beehives.¹⁰

Another immediate impact was the loss of about 109,000 jobs between the third and fourth quarters of 2000, a decline of 18 percent.¹¹ Employment in Israel and the settlements suffered the most, decreasing by about 90,000 at the end of 2000, and a further 47,000 and 20,000 in 2001 and 2002, respectively.¹² This loss of employment had a huge impact on the Palestinian economy: real per capita GDP fell by 9.6 percent in 2000, despite robust growth during the first three quarters. By 2005, real per capita GDP was lower than its level in 1996 (Table A1). According to the World Bank, the loss amounted to around 100,000 jobs in 2005 and directly affected the welfare of about 700,000 people, or 20 percent of the WBGS population,¹³ and resulted in lower standards of living. The World Bank further estimates that before the start of the intifada, 20 percent of the population was living below the poverty line of \$2.1/day. That number increased to 27 percent by December 2000, 37 percent by December 2001, and 51 percent by December 2002. While in 1997, about 200,000 Palestinians (8.5 percent of the population) received assistance from relief organizations, including food aid, this rose to nearly 1.7 million by 2001, some 51 percent of the WBGS population.¹⁴

Policy issues

Food security: definition

One pair of scholars claims that by 1992 there were already about 200 definitions of food security in the literature. But a careful definition adopted in 1996 by the World Food Summit has been gaining widespread recognition. It notes that food security exists “when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life.”¹⁵

The definition emphasizes that food security has four essential components, all of which need to be present before an individual (or household, or country) is considered food secure. These are *availability* (that sufficient quantities of quality food are present, whether produced domestically or imported), *access* (that individuals have access to appropriate, nutritious diet), *stability* (that access to food is secured over time without risk of losing access due to economic or climatic shocks), and *use* (that food consumption is conjoint with clean water, adequate sanitation, and health care). This definition emphasizes the demand side, consumption. Unlike earlier definitions which concentrated almost exclusively on the supply side, this definition stresses the dimension of access — entitlement to food — particularly by vulnerable people.¹⁶

Food supply

Food production in the WBGS fluctuates significantly from year to year, mainly due to changes in weather conditions and the strong biannual cycle in olive production. The total average value of food production during 1998/2000 stood at \$835 million, with the main items distributed as follows (in percent): vegetables (27), meat (26), fruits (15), olives (14), milk (9), and eggs (4). Instability in agricultural production is a major problem for producers, but not necessarily for consumers because commercial food imports make up a large share of the diet. The value of annual net food imports averaged \$100 per person over the 1998-2000 period, with a total annual value of \$290 million. About 40 percent of the food import bill went to cereals, with smaller percentage for fruits, dairy, and meat imports (11, 10, and 5 percent, respectively). Over 87 percent of agricultural imports came from Israel. The WBGS’s deficit in its agricultural trade balance with Israel was \$335 million in 2000, or 24 percent of that year’s total trade deficit.¹⁷

As for exports, vegetables are the largest earner of foreign exchange in the WBGS, followed by fruits. In 1999-2000, these two foods accounted for 65 percent of the agricultural export value. Vegetables are the only food sector showing net exports in good weather years, implying that without the production of perishables such as fruits and vegetables, the trade deficit would be considerably higher.

When the data on the value of production and net imports are combined, the

average value of the food supply in the WBGS turns out to be \$385/person/year for the 1996-1998 period. The share of domestic production in total food availability is around 70 percent. When measured in quantity or in value terms, most of the food consumed is domestically produced, but when measured in terms of food energy, most of the calories come from external sources.¹⁸ This implies that access to food markets, either in Israel or internationally, is essential to maintain a sufficient food supply in the WBGS.

Because they have limited growers’ ability to reach their fields and consumers’ access to import food markets, Israeli movement restrictions have been detrimental to food supply in the WBGS. Table 1 makes clear that while the value of domestic agricultural production did not decline drastically, agriculture value-added since 2000 was either lower than, or only marginally above, the cost of inputs.

Movement restrictions have affected access through their impact on food prices. These arise out of higher transport fees, longer delivery times, and other costs associated with the unpredictability of movement restrictions. For example, importers and exporters from the Gaza Strip experienced a tenfold increase in the cost of transport from the port of Ashdod to Gaza (\$2,300 per truck in 2006 as compared to \$250 before the intifada). As a result, food prices have been on the rise, particularly in the Gaza Strip, where the food CPI increased by 12 percent in December 2006 as compared to December 2005.¹⁹

Food consumption

For those engaged in light physical activity, the thresholds of food energy and protein consumption considered sufficient to meet daily energy requirement is set by nutrition experts at 2,100 kcal and 53 grams, respectively. The PCBS’s household surveys

Table 1: Agriculture in WBGS* (millions of US\$ in constant 1997 prices)

	<i>Value of output</i>	<i>Costs of inputs</i>	<i>Value added</i>
1994	611.3	212.9	398.4
1995	674.1	260.0	414.1
1996	760.6	278.6	482.0
1997	712.1	282.9	429.2
1998	834.0	351.1	482.9
1999	784.5	313.8	470.7
2000	742.6	354.6	388.0
2001	703.1	358.0	345.1
2002	779.0	399.0	380.0
2003	834.0	413.0	421.7**
2004	n/a	n/a	470.7

Source: PCBS, Agricultural Statistics.

Notes: * Excluding East Jerusalem; **469.7 in some PCBS publications (quarterly).

indicate that food energy and protein consumption by the Palestinian population averaged 2,114 kcal and 56.3 grams in 1996-1998 per person per day. These are barely higher than the recommended thresholds.²⁰

The data on food availability and levels of food energy and protein consumption during 1996-1998, as reflected in aggregate data and household surveys, indicate that Palestinians were relatively food secure then. However, this situation has changed drastically since the beginning of the intifada in 2000. The deterioration in economic conditions and the decline in standards of living as well as the increase in food prices all have led to a rise in food insecurity. As such, economic access to food in terms of purchasing power rather than the lack of food per se is the main constraint to securing a healthy, nutritious diet. According to U.N.'s Food and Agricultural Organization (FAO), to cope with this situation, members of vulnerable households have been consuming minimal amounts of expensive protein, with many meals consisting solely of bread and tea.²¹ Thus, one of the gravest consequences of high poverty rates is malnutrition. The World Bank estimates that per capita real food consumption has declined by 25 percent between 1998 and the end of 2002. As a result, malnutrition rates have increased. A PCBS nutrition survey finds a significant increase in both acute and chronic malnutrition between 2000 and 2002.²²

The stakeholders

Since food availability became a serious problem in the WBGS after 2000, following the devastating repercussions of the Israeli measures, the FAO, in cooperation with World Food Program (WFP), carried out the first detailed vulnerability assessment in 2003. The purpose was to identify the food insecure population and the factors and causes of their insecurity and vulnerability.²³ The study confirmed that closures, constraints, and the separation barrier had and were continuing to have a damaging impact on the livelihoods of the Palestinian people. At the same time, prolonging these restrictions risks permanently damaging households' recovery and undermining their ability to attain food security in the long-term. More specifically, the assessment concluded that food insecurity in 2003 was a real and constant threat for 1.4 million people, or some four out of ten people in the WBGS. Furthermore, food insecurity was found to be a near constant threat for an additional 1.1 million people (another 30 percent of the population).

In the West Bank, food insecurity is fairly widespread: 842,000 persons out of a total population of 2.2 million, including East Jerusalem, were considered food insecure. Great concentrations of the food insecure were found in pockets near the Green Line and areas affected by the construction of the Israeli separation barrier, and also near settlements and military zones where internal closure prevents access to land and markets. For Gaza, it was estimated that an astonishing 41 percent of the population (552,000 people) were food insecure.

In 2004, the WFP updated the FAO's baseline survey. The new assessment

revealed a slight improvement in the overall conditions due to an easing of curfews and the partial resumption of payments of clearance money from Israel to the PA. The WFP put the total number of food insecure people in 2004 at 1.3 million (1.4 million in 2003). The population at risk of being food insecure was estimated to amount to a further 27 percent (30 percent in 2003). In-depth studies revealed that food insecurity varies greatly at subgovernorate levels, being higher in areas close to settlements and the wall where restrictions on physical movements and destruction of productive assets are particularly high.²⁴

The most relevant conclusion of this second vulnerability assessment was, yet again, that food in the WBGS is generally available but access is limited due to physical (curfews, closures) and economic reasons (high unemployment, depletion of resources, exhaustion of coping strategies, and strained social support networks). Households have been able to manage in these difficult circumstances, albeit with dwindling resources and increased vulnerability to shocks and an increase in food assistance.

The chronic poor and the new poor

Households most vulnerable to food insecurity are identified either as chronic poor or new poor. The former are households with chronically sick or disabled members, female headed households, widows, and the elderly without income. This category includes refugees who are classified by the United Nations Relief and Works Agency (UNRWA) as Special Hardship Cases (SHC); nonrefugees are classified as Hardship Social Cases (HSC).²⁵ Most of the chronic poor were poor even before the intifada. Their livelihoods have not drastically changed but they have experienced a gradual deterioration in their situation. The most vulnerable among the chronic poor are those who do not receive assistance or food aid from any of the national welfare institutions or humanitarian organizations. This group is the least well equipped to cope.

The new poor are those who, as a result of post-2000 turbulence and restrictions, have lost their main source of livelihood. They include unemployed former wage workers, those whose land has been confiscated or whose businesses have been destroyed, people whose homes have been demolished, and farmers — including Bedouin — fisher folk, and traders who have lost access to land, sea, or markets. The productive assets and savings of this group are depleting fast, making it unlikely that they would become food secure rapidly, even if conditions improved. The new poor in the WBGS were estimated at 1.1 million people in 2003.

Food aid — although it would mitigate some of the worst effects of the economic consequences of movement restrictions — is ineffective in tackling the root cause of food insecurity of the new poor. Their vulnerability came about as a result of the political upheavals. Accordingly, the only way to tackle the deterioration of food security for this group would be to lift movement restrictions so that normality can be restored and life returns to its regular mode.

Food aid providers

To fulfill the needs of the large group of people which has become food insecure since 2000, a number of agencies and actors have been providing humanitarian assistance, including food aid. These can be categorized in three types of institutions: (1) Palestinian Authority (PA) institutions; (2) Palestinian NGOs and civil society organizations; and (3) international organizations. The most important relief-type programs offered by the Palestinian Ministry of Social Affairs are the program for Social Hardship Cases (ca. 47,000 households) belonging to vulnerable groups like female headed households, widows, orphans, and the elderly.²⁶ This program provides monthly cash payments and in-kind assistance. Another program is the social safety net program which consists of 9 subprograms of which only the social protection program is operational due to, among other reasons, the dramatic fall in the PA's revenues. The social protection program targets the poorest of the poor, some 10 to 15 percent of WBGS households.

The number of local and international NGOs providing charitable services in the WBGS is large. Most, but certainly not all, of the food aid distributed by NGOs is delivered to them originally from major international donor agencies such as the WFP and the International Committee of the Red Cross (ICRC). Three major international agencies provide regular food aid: (1) UNRWA provides assistance exclusively to refugees in the WBGS (about 1.7 million); while all refugees in the WBGS are entitled to UNRWA schooling and health care services, food and cash assistance are confined to Special Hardship Cases; (2) the ICRC provides cash and food aid to impoverished (nonrefugee) Palestinians; and (3) the WFP, the main provider of food aid to nonrefugees. The WFP extends aid to food insecure families through a range of relief and rehabilitation programs, usually via a third party, with population group-specific food rations.

Food aid: scope and limits

Food assistance

As a result of the dramatic deterioration of the economic conditions and well being in the WBGS since 2000, food assistance programs have expanded rapidly from a small program focused on the chronic poor before the intifada to become a major component of the social welfare system. Emergency food aid increased from 23,000 to 168,000 tons between 1999 and 2001 (Table A2), when about 1.7 million persons in the WBGS were the target for food aid.

Out of the total number of 265,000 chronic poor in 2003, 115,000 received an assistance package from UNRWA that provided a little over 1,700 kcal (75 percent of which comes from flour and rice). This is only about 80 percent of the recommended minimum energy requirements of 2,100 kcal. The rest of the chronic

poor, the 150,000 who meet WFP's criteria, received a food basket containing 2,100 kcal of food. The new poor, some 1.4 million people, received a smaller food basket than the chronic poor, being provided with about 1,020 kcal rations for refugees and 1,406 kcal for nonrefugees. Clearly, those who received food packages with these amounts of food energy have to have access to substantial alternative sources of income or assistance to be food secure.

A glance at the overall amounts of food aid delivered to the WBGS during the past years reveals a trend increase, yet with sharp and unexplainable fluctuations: 184,000 tons in 2001; 81,000 in 2002; and 202,000 tons in 2004 (see Table A2). Given that the number of the food insecure in the WBGS was either increasing or about stationary (as during 2003-05), the sharp shifts in the delivered food aid cannot be explained by parallel shifts in needs. Apparently, the volume of food aid is supply rather than demand driven. Food aid is dependent on the capacity of the international community to provide aid, rather than the humanitarian requirements of food insecure Palestinians. Food aid may not be a reliable source to remedy food insecurity.

The effort of the international community would be more rewarding and sustainable if targeted at resolving the root cause of food insecurity in the WBGS, that is, Israel's occupation of the Palestinian Territory and movement restrictions. With normality, when the Palestinian population is allowed to move about freely, run its businesses, engage in import and export activities, utilize the available natural and human resources, it would become food secure again. The shadow of hunger would become a passing phenomenon associated with a temporary man-made catastrophe. If the current state of affairs persists, food insecurity will become an integral part of life in the WBGS whereby people become incapacitated and totally dependent on charity, a situation totally avoidable if efforts are targeted in the right direction.

Estimates of food aid needs, 2004 and 2005-07

The FAO's 2004 study argued that in order to meet the target of supporting the chronic poor and the new poor, by providing them with the recommended 2,100 kcal per day, total food aid to the WBGS should amount to about 350,000 tons in 2004, at a cost of about \$150 million. The cost of food assistance programs is low because the proposed food baskets contain low-cost, high-energy foods, mainly cereals, sugar, cooking oil, and pulses.²⁷ But being aware that this quantity of food aid may not be attainable, the study argued that when the chronic and new poor are supported with the equivalent of about 1,020 kcal and 1,400 kcal, respectively, of food energy per

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Table 2: Food basket and daily ration (in gram)

	<i>All activities</i>
Wheat flour	462
Oil	25
Pulses	40
Sugar	18
Iodized salt	5
Kcal/day/ person	2,046

Source: WFP (2005).

person per day, a total of 208,000 tons of food aid would be sufficient in 2004 (at \$92.5 million). This is far below the recommended food security minimum of 2,100 kcal per day. The estimate assumes that some of the poor have access to sufficient resources from other sources to bring their diet to an adequate level and cover their other necessities. But obviously, with 1.4 million insecure persons, many do not have access to any food.

The WFP study adopted this flawed estimation approach when it estimated its own food aid requirements for the WBGs for the 2005-07 period. As noted earlier, WFP estimated the number of the food insecure at 1.3 million. It starts by excluding about 42

percent of those, saying that as refugees they are UNRWA's responsibility. Of the remaining 752,000 food insecure persons, the WFP then proposes to assist only 480,000 of them, arguing that the other 272,000 people "are believed to have a wider range of income opportunities and coping mechanisms."²⁸

The WFP plans to provide a food basket that provides the fortunate 480,000 with about 2,000 kcal per day per person. Table 2 shows the content of the basket. The selected food insecure persons will be approached via three channels: (1) direct free food rations covering 365 days/year for 188,300 persons; (2) a daily meal for 10,600 persons in institutions (hospitals, orphanages, and elderly homes); and (3) food-for-work (FFW) and food-for-training (FFT) programs. These programs are designed to assist 281,100 of the new poor annually, with a focus on the creation or rehabilitation of community assets and enhancement of skills, particularly for women. Able-bodied members of targeted households will be requested to work 20-25 hours per month to qualify for assistance (the programs offer a maximum of 8 months employment per person per year). The WFP planned cover two years (September 2005 to August 2007). As can be seen from Table 3, WFP estimates that it needs 154,069 tones of food aid to fulfill its declared tasks. The total cost of the operation is put at \$80.9 million, of which only \$49.1 million (or about 60 percent) is allocated to the direct procurement of food.

The FFW and FFT programs insert a development dimension into humanitarian food aid. When properly implemented, these programs can assist the new poor to protect and promote their livelihoods. Local cooperating partners will help the WFP to implement the FFW and FFT programs and to identify developmental needs. Proposed areas of intervention include: (1) agricultural land reclamation, leveling and terracing, tree planting, and road rehabilitation; (2) rehabilitating water cisterns and sanitation systems; and (3) food-processing and literacy courses. Gender

Table 3: World Food Program's food aid project for the WBGs 2005/07 — cost breakdown

	<i>Quantity (metric ton)</i>	<i>Average cost (\$/ton)</i>	<i>Value (US\$)</i>
Commodity	154,069	319.25	49,187,200
- Wheat flour	129,418	250.00	32,354,500
- Oil	6,003	950.00	5,702,850
- Olive oil	1,000	3,300.00	3,300,000
- Pulses	11,206	550.00	6,163,300
- Sugar	5,042	275.00	1,386,550
- Iodized salt	1,400	200.00	280,000
External transport	154,069	67.01	10,324,164
Landside transport, storage & handling	154,069	52.34	8,064,100
Other direct operational costs	154,069	8.96	1,380,000
Total direct support costs	154,069	43.00	6,625,200
Indirect support costs (7%)	154,069		5,290,646
Total WFP costs			80,871,310

Source: WFP (2005).

considerations will play important role, and at least 70 percent of FFT participants will be women. Yet even after recognizing some of the potentially bright aspects in the food aid approach, our central point remains valid, and critical: food aid can never be a viable, permanent solution to the WBGs's food insecurity. Although food aid initiatives have alleviated some of the hardship endured by Palestinians, the effort would not be needed if WBGs normality were reestablished. A man-made catastrophe has been at the heart of this devastating destruction and has turned an otherwise dynamic people who, for decades, managed to maintain reasonable standards of living, relatively high educational rates, and a functioning economy, into a group of hungry dwellers waiting to be saved by meager food rations. The international community would better resolve the food insecurity problem in Palestine by doing what is needed to break down the cage that incarcerates the entire Palestinian population.

Notes

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1. World Bank (2004, p. 1).
2. WFP (2006).
3. PCBS (yearly reports).
4. PCBS (2000).
5. The first intifada took place during 1987-1993.
6. The barrier's total length is 703 km, more than twice the length of the border line which existed between Israel and the West Bank until 1967. The total area located between the barrier and the 1967 border line is 10.2 percent of the West Bank (57,518 ha). When completed, 60,500 Palestinians living in 42 villages will reside in areas between the barrier and the old border line (excluding East Jerusalem Palestinians). An additional 124,300 Palestinians living in 28 villages will be located on the east side but surrounded by the wall on three sides and controlled on the fourth with an associated physical structure. See the U.N. Office for the Coordination of Humanitarian Affairs in OPT, July 2006, at <http://www.ochaopt.org/>.
7. Kanafani (2004, p. 276).
8. World Bank (2004).
9. World Bank (2003).
10. FAO (2004).
11. PCBS. Labor Force Surveys (2001, 2002, 2003).
12. PCBS (2005).
13. World Bank (2006, vol. 1).
14. The number of Palestinians receiving aid in 1997 is taken from Hilal and Malki (1997). The estimate of the number of people receiving food aid in 2002 is taken from FAO (2004). Population data are from the PCBS (2006).

15. Maxwell and Smith (1992); FAO (2002, p. 25).

16. The attention to the demand side is closely identified with the seminal works of Amartya Sen, e.g., Sen (1981). Hunger, according to Sen, results from entitlement failure: a collapse in one's ability to have command over sufficient amounts of food due to loss of endowments or a sharp fall in the amount of food the endowments can be exchanged with given the legal, political, economic, and social arrangements of the community in which one lives.

17. PCBS, Agricultural Statistics (1999, 2000, 2001); PCBS (2002).

18. PCBS, Agricultural Statistics (1996, 1997, 1998). The WBG's dependency on imports with respect to meat, dairy products, and fish consumption is almost total.

19. World Bank (2006). The price index data is taken from PCBS, Consumer Price Index (2005, 2006).

20. FAO (2004); the food consumption data are obtained through PCBS household expenditure and consumption surveys undertaken during 1996-1998.

21. FAO (2004).

22. World Bank (2003, paragraph 2.4).

23. FAO (2004).

24. WFP (2005).

25. UNRWA: United Nations Relief and Works Agency for Palestine Refugees in the Near East.

26. The UNRWA's programs are not connected with the PA's programs. Unlike the latter, the latter exclusively support the refugees.

27. WFP (2005).

28. WFP (2005, p. 7).

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Table A1: West Bank and Gaza Strip estimated macroeconomic trends

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Per capita GNI (constant 1997\$)*	1,601.2	1,526.5	1,638.5	1,815.2	1,888.9	1,684.6	1,411.1	1,267.8	1,291.6	n/a	n/a
Per capita GDP (constant 1997\$)*	1,388.2	1,347.8	1,437.7	1,546.2	1,612.3	1,458.3	1,301.8	1,191.3	1,184.8	1,217.8	1,268.2
Per capita GNI (real annual growth, %)	1.6	-4.7	7.3	10.8	4.1	-10.8	-16.2	-10.2	1.9	n/a	n/a
Per capita GDP (real annual growth, %)	-1.0	-2.9	6.7	7.5	4.3	- 9.6	-10.7	- 8.5	-0.5	2.8	4.1
Investment (\$mn)	1,019.5	1,129.1	1,267.0	1,501.3	2,010.4	1,467.4	1,186.2	727.2	1,126.3	n/a	n/a
Exports (\$mn)	667.1	729.3	767.5	919.8	953.8	889.1	605.2	565.0	442.8	449.0	n/a
Imports (\$mn)	2,568.1	2,827.4	3,028.4	3,448.5	4,094.2	3,505.2	3,155.5	2,615.1	2,929.9	2,292.0	n/a
Employment ('000)	309.0	432.0	467.2	533.6	591.6	595.2	508.1	487.1	590.7	604.4	633.0
- of which in Israel (%)	16.2	14.1	17.1	21.7	23.0	19.6	13.8	10.3	9.7	8.7	9.9
Labor participation ratio (%)	39.0	40.0	40.5	41.4	41.6	41.5	38.7	38.1	40.4	n/a	n/a
Unemployment rate (%)	39.3	37.5	29.6	20.9	17.2	19.1	29.5	35.6	31.8	n/a	n/a
- open unemployment (%)	18.2	23.8	20.3	14.4	11.8	14.1	25.5	31.3	25.6	n/a	n/a
- underemployment (%)	21.1	11.9	9.3	6.5	5.4	5.0	4.0	4.3	6.2	n/a	n/a
Poverty rate (% of pop. with < \$2.1/day)	n/a	n/a	n/a	n/a	20.0	27.0	37.0	51.0	47.0	n/a	51.0
Food price index (1996=100)	n/a	100.0	106.2	113.9	119.3	121.2	120.7	123.8	129.5	132.3	137.6

Sources: Palestinian Central Bureau of Statistics (PCBS), national accounts (various issues), labor force survey (various issues), consumer price index (various issues). Poverty data from World Bank (2004; 2006).

* Excluding East Jerusalem.

Table A2: Global food aid deliveries to the Palestinian Territories, 1990-2005 (in tons; cereals grain equivalent)

	<i>CEREALS</i>						<i>NON-CEREALS</i>						<i>ALL FOOD</i>			
	<i>-----Emergency-----</i>			<i>Program</i>	<i>--Project--</i>		<i>-----Emergency-----</i>			<i>-----Project-----</i>			<i>Emerg.</i>	<i>Program</i>	<i>Project</i>	<i>Total</i>
	<i>DT</i>	<i>LP</i>	<i>TP</i>	<i>DT</i>	<i>DT</i>	<i>LP</i>	<i>DT</i>	<i>LP</i>	<i>TP</i>	<i>DT</i>	<i>LP</i>	<i>TP</i>				
1990	7,192	718	2,396		7,986		7,491		19	1,157			17,817		9,144	26,961
1991	46,182		7,535		1,233		12,285	200		262			66,203		1,495	67,699
1992	6,276		4,906		1,626	1,113	6,203		48	360	43		17,434		3,142	20,577
1993	8,339		6,554		4,889	1,000	4,428		933	638			20,254		6,527	26,782
1994	16,549		21,659		2,864	4,544	5,051		292	168		168	43,551		7,745	51,297
1995	15,613		22,876		1,442	230	7,117		387	295	332		45,995		2,300	48,295
1996	1,898		5,605				888		3,182			150	11,573		150	11,724
1997		274	165		6,759	2,483	2,850	20		2,185		215	3,309		11,644	14,953
1998	7,500	219			8,936	3,856	3,044		15,659	738		721	26,422		14,253	40,676
1999	18,915	912		3,569	14,144	1,800	3,775						23,603	3,569	15,944	43,118
2000	4,244	890	6,795		10,771		3,544		30,284				45,757		10,771	56,529
2001	98,992	5,177	52,350	12,193	3,273	419	9,825		2,057			219	168,402	12,193	3,911	184,507
2002	30,800	11,020	19,960	4,223	4,175	764	6,782	178	3,986				72,728	4,223	4,940	81,891
2003	21,732	5,418	28,246				4,436	809	5,803				66,447			66,447
2004	89,697	30,075	65,031		3,924		3,747	1,374	8,297	421			198,223		4,346	202,569
2005	16,076	39,599	12,287				1,412	2,947	7,492				79,815			79,815

Source: Data provided by Interfais (International Food Aid Information System); World Food Program (WFP).

Notes: Food aid categories: (1) emergency food aid: aid destined to victims of natural or man-made disasters. It is freely distributed to targeted beneficiary groups, and is usually provided on a grant basis and usually channeled via multilateral organizations; (2) project food aid: aid that aims at supporting specific poverty-reduction and disaster-prevention activities. It is usually freely distributed to targeted beneficiary groups, but may also be sold on the open market and is then referred to as "monetized" food aid. (3) program food aid: aid which is usually supplied as a resource transfer for balance of payments or budgetary support activities. Delivery mode: DT (direct transfers): Food aid originating from a donor country; LP (local purchases): food aid procured in a country and used as food aid in the same country. For example, the WFP was planning to purchase 1,000 tones of olive oil from poor Palestinian farmers who owe 3 ha or less of land during 2005/07; TP (triangular transaction): food aid purchases or exchanges in one country for use as food aid in another developing country.