

**Dollars and Sense for a Better Childhood:
A Palestinian Child-Focused Budget Study**

Secretariat for the National Plan of Action for Palestinian Children
October 2000

National Plan of Action for Palestinian Children

Dollars and Sense for a Better Childhood 2000

Work Team:

Cairo Arafat	Team Leader	Director, NPA Secretariat
Peter Leckman	Principal Author	Project Manager, NPA Secretariat
Naser Abdel-Karim	Researcher	Guide to the Palestinian Authority Budget
Ibrahim Dakkak	Researcher	Financial Resources and Palestinian Child Education
Nidal Sabri	Researcher	Analysis of the PNA Social Budget: Focusing on Child Allocations
Nader Said	Researcher	Child Focused Municipal Budgets in the West Bank and Gaza: Case Studies from Gaza City and Salfit
Izzat Abdul Hadi	Researcher	A Report About the Social Conditions in Palestine
Mahmoud Abdulhadi	Advisor	UNRWA
Pieter Bult	Advisor	UNICEF
Mohammad Ghadiya	Advisor	Ministry of Planning and International Cooperation
Penny Johnson	Advisor	Women's Studies Program, Birzeit University
Anita Vitullo and Ghada Rabah	Advisor	The Welfare Association
Carl Soderlind	Advisor	Rädda Barnen

Table of Contents

Executive Summary	5
PNA Budget Process and Structure: Recommendations	5
Education For All: Recommendations.....	6
Social Welfare and Children: Recommendations	8
Child Focused Municipal Budget Case Studies: Recommendations.....	9
Introduction	11
Political and Economic Context.	12
Child Institutions and Policies.	13
Child Development Situation.	15
Guide to the Palestinian National Budget	16
Fiscal Account Priorities and Status.	18
Recommendations.....	19
Education for All: Education Policies, Processes and Spending Levels	21
Quality of Palestinian Education	21
Government Run Schools.	24
MOE Advances.	24
Remaining Challenges.	26
Public Education Spending.	27
United Nations Relief and Works Agency (UNRWA).....	29
Private and Non-Governmental Sectors.	31
Jerusalem Schools.....	31
Assessment of Education Equity and Impact	32
Conclusion and Recommendations	35
Social Welfare and Children: Where are the links?	38
Ministry of Social Affairs	38
UNRWA	40
Non-Governmental Organizations	42
International Social Welfare Support	43
Consolidated Assessment - Conclusions and Recommendations	45
Child Focused Municipal Budget Case Studies: Gaza City and Salfit	47
Gaza City and Salfit: Basic Information.....	47
Gaza City: Background	47
Salfit: Background	48
Municipal Budgets	48
The Ordinary Budget	49
The Development Budget	50
Gaza City Budget.....	50
Salfit Budget	53
Children's Views: The Results of the Workshops.....	54
Needs and priorities as seen by the children.....	55
Recommendations.....	57
Selected Socio-economic Indicators	59

Selected Tables

Number of Basic and Secondary Students per Provider in 93/4 and 98/9	23
Number of Teachers and Student/Teacher Ratios, 1993/4 and 1998/9	23
MOE Recurrent Budget and Expenditure, 1994-2000	28
An account of school donations and their distribution	29
Pledges made by donors and actually transferred amounts	28
UNRWA Actual Budget Expenditures in the West Bank and Gaza	
Between 1980 and 1999	30
Average Score for Fourth Grade Students taking Standardized tests, 1999	32
Measurements of Education Equity by Type of Provider and by Region	34
Status of the Social Welfare Budget under the PA 1995-2000.....	39
Ratio of UNRWA Social and Relief Subprograms, 1999.....	41
Share of the UNRWA Social/Relief Budget 1994-99	41
International Aid Devoted to Social Welfare: 1994 to 1999	44
Revenues and Expenditures – Gaza Ordinary Budget.....	51
Gaza City Development Budget – 1999	52
Gaza Municipality – Cultural and social centers	52
Salfit Ordinary Budget – Revenues 1999-2000	53
Salfit Ordinary Budget – Expenditures 1999-2000	54

Executive Summary.

When this report was first drafted, a peace agreement between the Palestinians and Israelis appeared to be only weeks away. At the August 2000 Camp David Summit, President Arafat and Prime Minister Barak reached tentative agreements toward many of the final status issues. Although serious differences remained (most notably the issue of Jerusalem), there appeared to be movement toward an eventual agreement. Today, the situation is drastically different and the road to peace, on paper and between peoples, is much longer. Precipitated by Ariel Sharon's visit and claims of Israeli sovereignty over the holy Harim al-Sharif, but fueled by years of resentment and uncertainty, a new Palestinian uprising began in late September 2000. Israel responded to this "Al-Aqsa Intifada" with incredible force, using tanks, helicopter missiles and live ammunition to quell the protests. Hundreds of Palestinians have died, thousands have been injured, and yet another generation has been scarred by the psychological traumas of fear and hatred.

Of importance to this study, the Al-Aqsa Intifada has drastically changed Palestine's budgetary and economic landscape. Israeli border closures have prevented Palestinians from reaching their places of work within Israel. At various times, Israel has sealed Palestinian cities, preventing Palestinians from moving within and between the West Bank and Gaza Strip. These policies have raised the unemployment rate from 11 percent to over 40 percent in just a few weeks. The latest report of the Office of the United Nations Special Coordinator in the Occupied Territories (UNSCO), estimates that the Palestinian GDP will be cut in half due to the conflict and closures.¹ This crippling of the economy is doubly painful to the Palestinian people, because it simultaneously increases the need for governmental support and decreases the ability to meet this need by lowering national revenue. This child-focused budget study, therefore, is of even greater importance than it was before the conflict began. With even scarcer resources, the government must strive for greater efficiency and effectiveness. The following recommendations hope to address the short and long-term child-budget issues within the PNA budget process and structure, the education and social welfare sectors, and Palestine's municipal budgets.

PNA Budget Process and Structure: Recommendations

1. Government thinking needs to broaden from focusing on the traditionally considered nation-building inputs of infrastructure, economic policy and security to realizing that investments in child rights and welfare are just as important, if not more so, in establishing a successful nation.
2. The fundamental difficulty in assessing whether the public budget adequately addresses the needs of children is that there has not been a significant dialogue in Palestinian of which needs should be prioritized. Budgets simply repeat the prior year's expenditure, shaping programs around the budget-not shifting expenditures to meet established priorities. The NPA Secretariat is currently undertaking a child needs assessment to help governmental agencies identify the particular needs

¹ UNSCO, "The Impact on the Palestinian Economy of the Recent Confrontations, Mobility Restrictions and Border Closures, 28 September – 19 October 2000," Gaza 2000.

and desires of Palestinian children. Budget items should reflect these priorities, focusing on the most needy groups of Palestinian children.

3. Both the budget structure and budget process need to become more transparent and participatory. Budget lines should go beyond broad headings and identify target groups, policy agendas, and yearly goals. A simple list of expenditures prevents budget advocacy and accountability. The budget process should be opened to the public. Current laws and timetables should be abided by and the community should be given the ability to influence the budget prior to its passage by the Palestinian Legislative Council (PLC). A national youth parliament should be established to give youth a say in the laws, plans, and budgets that affect their lives.
4. Although the current political situation makes future planning difficult, each Palestinian line ministry should link their recurrent and developmental budgets within a medium-term macroeconomic framework. Based on established priorities and cost analyses, each ministry should set clear goals and objectives for the short and medium term. Such a program-defined budget would be more accountable, less open to informal avenues of cash transfer and would give the community more say in how their taxes are spent.
5. The current tax structure needs to become more progressive, shifting from a commodity-based value-added tax (which applies to all citizens equally), to more equitable income and property taxes.
6. Greater accountability is needed within the public budget. All governmental agencies, regardless of their function, should be audited. The Government Financial Management Information System should be implemented to standardize and record agency transactions. Auditing procedures should begin to shift from cash accounting, which does not reveal all pertinent costs, to more accurate accrual principles. These changes will allow for more appropriate distribution of revenues for children by increasing transparency and accountability.
7. Inroads should be laid towards the establishment of a budget office. Independent, or under the auspices of the PLC, such an office would research the consequences of certain expenditures, publicize budget issues of importance, and serve as an avenue of budgetary advocacy for the Palestinian population. Such an office would democratize the budget process and enable the public to identify the link between children rights and public resources.

Education For All: Recommendations.

1. Due to the lack of resources and the pressures on recurrent spending, education programs should focus their efforts and resources on the most needy areas and groups. The clear cycle of poverty in Palestine will not be reversed until greater efforts are made to provide the poor with the educational capabilities they need to lead fruitful and productive lives. The ongoing development of school mapping is a positive step towards identifying at-risk groups. Further efforts are needed to identify the particular needs and difficulties of each district.

2. Many Palestinian teachers are under-qualified. Teacher training, focusing on those schools with the poorest performance scores, is an urgent priority. Current teacher salaries, moreover, do not encourage the educated and energetic to join the teaching profession. In the medium-term, the teaching profession should be raised on the governmental pay scale, reflecting a societal commitment to teachers. Since increasing teacher salaries in the short term may not be feasible, other incentives/provisions should be sought to encourage teachers. Performance based monetary awards, for example, might increase the incentive of teachers to teach well at relatively low cost to the Ministry of Education (MOE). The Ministry of Higher Education and the MOE should also work together to develop widespread and consistent teacher qualification standards.
3. Although the ministry is moving toward decentralization and greater cooperation with the community, further efforts are needed to capitalize on local strengths. Student/Parent/Teacher/Administration committees should be given a sincere role in coordinating school activities. Strengthening local participation will give the local community, and children themselves, a feeling of ownership over the education system. This will encourage the community/families to be more active contributors to school needs, improving budget sustainability. Schools should also be given more freedom over their individual budgets to devise creative programs. Such diversity tailors education schemes to local needs and serves as a laboratory for innovative programming.
4. Education planning, curriculum development and school pedagogy should be more child-friendly. Children should be included in the budgetary and programmatic decision-making process of each school. Children with special needs, the handicapped, and the girl-child should be incorporated into the planning frameworks of the MOE and local education committees.
5. The importance of female education should be stressed by the MOE and society as a whole. Girls do not appear to be discriminated against in most schools, but societal pressures remain that prevent many girls from reaching their academic potential. The value of women's education should be advertised in hopes of increasing private school enrollment ratios for girls and lessening the disproportionate number of girls who drop out of school in the eleventh and twelfth grades. If these policies are undertaken, the quality of Palestine's labor force will improve and the representation of women in the economy will increase.
6. Although most kindergartens will remain in the private sector, the MOE should create and enforce pre-school regulations that guide the programming and financing of kindergartens. Kindergarten enrollment should be encouraged by advertising the value of early education. Funding should be specifically sought for those districts that have few kindergartens and/or low pre-school enrollment ratios. This will ensure that marginalized children receive the support they need to be successful in later schooling.
7. Given the Palestinian age structure and high fertility rates, preparations must begin now to confront the constantly expanding student body. This natural growth, in conjunction with the uncertain future of UNRWA and other donor support, places immense pressure on the future education budget. Long-term

strategies and clear policy priorities are needed. Under the current situation, increased population will result in fewer resources per child, decreasing academic potentials.

8. Given the cash-strapped status of the MOE, greater rationalization is needed in the hiring of additional administrative posts within the MOE. Before hiring new administrators, MOE leaders should consider delegating responsibility to local school officials.
9. Greater communication and partnership is needed between the Ministries of Finance, Local Government and Education. Budgets, priorities and responsibilities should be determined together, establishing a less centralized and more sustainable education planning and provision network.

Social Welfare and Children: Recommendations

1. A child sensitive vision must pervade all aspects of social welfare. More research is needed to determine what amount of current support actually reaches children. More creative programs and methods of service delivery are needed to guarantee that children are adequately protected from poverty.
2. Social welfare in Palestine is provided through an uncoordinated network of governmental, private, charitable, non-governmental, and international organizations. Services are characterized by gaps in some areas and redundancy in others. Coordination between groups is of utmost importance. By creating a central database that identifies beneficiaries, donating organizations, and types of support received, gaps and redundancies can be identified. Such a database would also help organizations target their services to the most impoverished areas. Coupled with clear priorities, performance indicators and cost calculations, such an information system would vastly improve the equity and efficiency of social welfare.
3. The social welfare sliding scale of the Ministry of Social Affairs (MOSA) is antiquated and has not adapted to the increasing cost of living in Palestine. Poor and at-risk children need to be identified and better protected. Social support requirements should be tailored around whether or not a family is living beneath the poverty line, not simply the presence or absence of income. Social welfare should also consider the causes and impact of the trans-generational cycle of poverty in Palestine.
4. A viable social security system needs to be developed. Without guaranteed and adequate support for the elderly, handicapped and disadvantaged, Palestinian poverty will remain entrenched and most children will not receive the support they need to become healthy and productive citizens. Studies should be commissioned to research the cost, structure and feasibility of a Palestinian social security system.
5. The effect of high fertility rates on the national budget needs to be addressed. The current fertility rate is unsustainable without a dramatic reduction in the quality and quantity of services that the government provides. Without reductions in

fertility, poverty and unemployment will increase. With ever growing numbers of children, moreover, budgets will have to expand tremendously just to maintain the current status quo. Both academics and governmental officials need to focus on fertility reduction and determine the concrete steps needed to address the issue.

6. Innovative social welfare programming should be developed with the donor community. Income generating and social development programs are more sustainable and longer lasting than simple cash transfers. A demand driven Palestinian social fund, for example, could invest in the ingenuity of target populations, simultaneously building human capital and protecting those in need.
7. The MOSA is woefully under funded and needs continued upgrading of staff. To address the above recommendations their budget will have to increase significantly and their staff will have to be trained to meet the specific needs of children.

Child Focused Municipal Budget Case Studies: Recommendations.

1. The dominant paradigm in “local government” views the work of municipal councils as limited to service delivery and the development of infrastructure. Local councils are seen as departments of the Ministry of Local Government (MOLG) and thus accountable to the Minister, not to the local community. A less centralized and more participatory approach will give the community a sense of pride and ownership over new projects. With greater input from children and the community, moreover, municipal projects will more accurately reflect the needs and desires of the entire community. Specific mechanisms should be devised to guarantee that the needs and rights of children are incorporated into the municipal budget process (e.g. regular town meetings, lowering the voting age from 18 to 16, encouraging citizens to attend council meetings, instituting quotas for women in municipal councils, and organizing methods of child feedback.)
2. Greater accountability is needed within municipal councils. Most municipal councils are not elected democratically, limiting a feeling of responsibility to the local community. Democratizing municipalities would give the community, including children, more of an opportunity to alter municipal budgets and plans because municipal leaders would be responsible to their constituencies.
3. There is an assumption by many municipal leaders that all development is good for children. Unfortunately, this is not the case. Without child consideration, many projects actively harm the rights and needs of children. The new Salah Al-Dein road constructed by the City of Gaza, for example, is the scene of many accidents involving children. Many of these accidents could have been avoided if child-friendly safeguards had been incorporated into the project’s plan. Child-friendly development and laws should be implemented to insure that children are protected by new development schemes.
4. The relationship between the Ministry of Local Government and local councils needs to become more consistent. The MOLG has varying degrees of influence over the budget process and content depending on the strength of municipal

leaders vis-à-vis MOLG offices. Set and consistent policies need to be established to regulate the interaction and budget process between the municipality and MOLG. The Ministry of Finance should also be consulted to determine which partner is responsible for the provision and monitoring of budget expenditures.

5. Municipal capacity building is needed to give local leaders the tools needed to plan, implement and monitor community development. The central and local government should work in coordination, not competition, to strengthen each other's ability to serve the needs of the people.

Introduction.

Although the Israeli-Palestinian peace process remains uncertain and Palestinian statehood has yet to be realized, conducting a child-focused budget study now is of utmost importance. Palestine's pre-state status and lack of institutional legacy present a unique opportunity. If pro-child policies and their costs can be identified, incorporating them into the national budget debate will be relatively easy. Since most Palestinian governmental institutions have only been extant since 1994, there are few historical routines and structures to combat. National norms and institutional processes are just beginning to solidify. During this formative period, the lion's share of attention and expenditure has been devoted to the traditional nation-building inputs of infrastructure, security, and economic policy. The rights and welfare of children have not been a national priority. The fundamental goal of this study is to initiate a national discussion concerning the challenges facing Palestinian children; to illustrate that child rights and welfare are not nominal expenditures, but fundamental inputs for a successful nation. Public support for child rights fortifies a virtuous circle: healthy, well-adjusted children become responsible and productive citizens who strengthen the society and economy. A strong socio-economic condition, in turn, supports child rights and development. This study was undertaken in an attempt to bring Palestine closer to this ideal.

The nascence of the Palestinian state presents a number of obstacles. First, Palestine is not yet a country. It cannot ratify international treaties like the Convention on the Rights of the Child (CRC) and its national plans, policies, and budgets are influenced by outside forces. The Palestinian economy is still dominated by Israel, which hinders the free flow of people, goods, and services across the West Bank and Gaza. Donor countries, acting in support of the peace process, further complicate the child-budget dynamic by providing additional, often uncoordinated, funds and services. International assistance, moreover, raises an issue of sustainability – donor supported budgets today, may not exist tomorrow. Due to these factors, an accurate assessment of child-focused budgets in Palestine must look beyond the national budget and examine the additional expenditures of UN, international, and non-governmental institutions.

Another significant obstacle to adequately assessing the status of child rights within the Palestinian National Authority's (PNA) budget, is that the current Palestinian budget process and budget structure is vague and unpredictable. The published budget disaggregates expenditure by category (e.g. salary, travel, department), not by target beneficiary, policy, or program. Similarly, the budget process is opaque and often closed to public debate. Given these constraints, it is difficult to determine if governmental commitments to children are being adequately supported financially.

More than these institutional and external conditions, however, the fundamental difficulty in assessing whether the public budget adequately addresses the needs of children is that there has not been a significant dialogue in Palestine of which needs should be prioritized. Not enough time or effort has been afforded to clearly identify what Palestine wants for the children of today and tomorrow. Budgets simply repeat the prior year's expenditure, shaping programs around the budget – not shifting expenditures to meet established priorities. Palestinian society must determine what they want for their children, how much it will cost, and how much they are willing to allocate to achieve their goals. National decision-making has to shift from reactive crisis intervention to proactive prevention.

This study aims to overcome some of these challenges by suggesting policy/structural changes, clarifying the budget process, outlining avenues of advocacy and attempting to both assess and improve the status of child rights within the PNA budget. After a brief introduction to the history and socio-economic status of Palestine, this report is organized around four main elements: (1) a guide to the Palestinian budget from a child rights perspective with a general overview of social sector spending, (2) an analysis of education spending in Palestine, (3) an assessment of the Palestinian social welfare sector and (4) a child-focused budget comparison of two Palestinian municipalities. By extracting lessons from these four components, this study hopes to inform legislators, ministerial finance departments, civil society, and children themselves about the budgetary issues and processes that impact child rights.

Political and Economic Context.

Palestinian history has been marked by successive waves of occupation, colonization, and resistance. After World War I, the French and British carved the Ottoman Empire into distinct Arab states. The British took control over what was then called Palestine, but with the Balfour Declaration of 1917, the area was also committed as a Jewish homeland. The realization of the Balfour Declaration, with the establishment of the State of Israel in 1948, set forth a massive displacement of Palestinians over the region and the world. Indeed, 43 percent of all Palestinians are still classified as refugees.² At the same time as this displacement, the West Bank was annexed to Jordan and the Gaza Strip was placed under Egyptian administration. This division between the West Bank and Gaza resulted in distinct development paths that can still be felt today, e.g. disparate school curricula or varying penal codes. After the six-day war of 1967, Israel occupied the West Bank and Gaza Strip. Twenty years later, in 1987, the Palestinians initiated the *intifada*, or uprising, to protest continued Israeli military control. This violent period of resistance ended in 1993 when Israel and the Palestinian Liberation Organization (PLO) signed the first Oslo Peace Accords (also known as the ‘Declaration of Principles’).³

The Oslo Accords formally initiated the peace process, establishing the Palestinian National Authority in 1994 and setting a clear timetable for peace. The PNA was given control over most civil issues in the West Bank and Gaza (covering 95 percent of the population), but the area’s geography is still fragmented between Israeli and Palestinian control (See Map). Of importance to children, the PNA is now responsible for the education, culture, health, social welfare and information sectors of Palestinian society. In February of 1996, elections were held for the 88-member Palestinian Legislative Council. Despite these state-like institutions, Palestinian economic and human development is still largely dependent on Israeli policies. Due to their close geographic location and their isolation since 1967, the Israeli and Palestinian economies are closely tied in terms of employment, markets, and monetary supply. Despite this interdependence, the relationship has been far from equal. If examined against other nations, the level of Palestine’s human development indicators (literacy, health, poverty level) should translate into a per capita GDP that

² “The Palestinian Refugees: 1948-2000,” PLO Department of Refugee Affairs, April 2000.

³ For a more in depth examination of Palestine’s history in relation to children, please refer to “The Situation Analysis of Palestinian children, young people, and women,” UNICEF, July 2000, from which the historical information presented here is based.

is nearly five times greater.⁴ This gap between economic wealth and human development is largely due to Israeli restrictions on the interflow of labor and goods. From 1993 to 1997, for example, the Palestinian/Israeli border was closed for a total of 307 days, costing the Palestinian economy nearly \$3 billion.⁵ Moreover, by increasing the levels of poverty, the closures strained social spending and forced donor support to concentrate on short-term poverty alleviation programs, instead of long-term capital development.

After Israel curtailed its policy of comprehensive border closures in 1997, the Palestine economy began to strengthen. In 1998, the real GDP in Palestine grew by 4.1 percent, creating new jobs and raising the national income for the first time since the signing of the Oslo Accords.⁶ High growth continued into 1999, estimated at 6 percent.⁷ However, the current uprising has halted and reversed this trend. Israel is publicly shifting from a policy of direct confrontation, to economic sanctions and blockades. The later is perhaps even more deadly. Unemployment is at near record high and the absence of goods will increase inflation and separate further the already unequal economies. A full 23 percent of Palestinian homes remain under the poverty line (38 percent in Gaza and 16 percent in the West Bank).⁸ Without a stable political environment and appropriate development strategy, investment will be limited and these high rates of poverty will remain.

Child Institutions and Policies.

In regards to the PNA commitment to children, President Yasser Arafat verbally endorsed the CRC in April 1995, proclaiming Palestine would sign the treaty once statehood was achieved.⁹ Just prior to this proclamation, the Secretariat for the National Plan of Action for Palestinian Children (NPA) was established under the auspices of the Palestinian Ministry of Planning and International Cooperation (MOPIC). A steering committee comprised of representatives from relevant line ministries, the NGO community, UNICEF, and the UN Relief and Works Agency (UNRWA) provides the leadership and direction for the NPA. The legitimacy of the NPA follows from a presidential endorsement and Article 29 of the Palestinian Constitution (Basic Law), which states that care for childhood and motherhood is a 'national duty'.¹⁰ In 1998, President Arafat furthered the governmental commitment to children with the creation of the Palestinian High Council for Childhood and

⁴According to Ishac Diwan and Radwan A. Shaban, Development Under Adversity: The Palestinian Economy in Transition, given the average level of schooling in Palestine the per capita GDP should be more than \$10,000. The current Palestinian per capita GDP is \$2,286 (PPP adjusted). The Israeli GDP (adjusted) equals \$18,150. Despite this great divide in income, the cost of most goods is the same for Palestinians and Israelis.

⁵ Palestinian National Authority, "Palestinian Development Plan: 1999-2003," January 1999: 8.

⁶ UNSCO, Report on the Palestinian Economy, Office of the Special Coordinator in the Occupied Territories, Gaza, Autumn 1999: 1.

⁷ UNSCO, Report on the Palestinian Economy, Office of the Special Coordinator in the Occupied Territories, Gaza, Spring 2000.

⁸Palestinian National Commission for Poverty Alleviation, "Palestine Poverty Report 1998," West Bank, 1998: 33-34. The actual number of poor in the West Bank and Gaza is nearly equal because the total population of the West Bank is significantly higher than Gaza.

⁹ President Arafat has ratified the Arab Convention on the Rights of the Child, a planning document that translates the issues of the CRC into the Arab and Middle Eastern context.

¹⁰ The Basic Law was written in 1996 but has yet to be signed by the president or ratified by the parliament.

Motherhood (HCCM), chaired by Suha Arafat, the first lady. The NPA and the HCCM set the national child policy agenda, monitor the status of Palestinian child well-being, and advocate for an expansion of child rights.¹¹

One of the recent objectives of the NPA Secretariat has been to unify and supplant existing child related laws with a CRC-oriented Palestinian Children's Act.¹² This is vital because the content and application of child related laws are disparate and haphazard due to Palestine's history of Ottoman, British, Jordanian, Egyptian rule and Israeli occupation. Laws differ between the West Bank and Gaza and are often unfairly applied across the region. The Children's Act states that education is compulsory to age sixteen. Child labor issues are addressed and norms are unified with the ILO Convention on Child Labor. The law raises the marriage age to 17 years (previously, laws could be interpreted so that women could marry as young as fourteen). The law also sets standards for parental care, for instance allowing mothers time off from work to care for their children. Despite these significant advances, the Children's Act still does not address certain articles of the CRC. The child's right to express his/her opinion is not guaranteed, juvenile penal codes have not been updated, and adoption laws are formulated to prevent adoption – supporting 'Kefala' Islamic codes for institutional care of abandoned children. A draft of the Act is currently being circulated for recommendations and amendments. Even if the law is passed, as expected, it will only be a small step closer to guaranteeing child rights. The current challenge is to enforce the implementation of these laws. All too often, paper laws do not translate into actual practice. Raising awareness and understanding of these laws at the governmental and community level is of utmost importance.

A main detriment to child rights planning and evaluation in Palestine is the lack of written/formal child policies. Even within the Ministries of Culture, Social Affairs, and Youth and Sports (ministries directly targeting children), there are no clear outlines of goals and priorities. The Ministry of Education, the largest of Palestinian ministries, recently outlined broad goals, but actual policies remain limited and vague. Without clear policies, child programs and target beneficiaries are at the whim of program planners. Projects overlap, evaluation is difficult, and groups of children are left behind. In the vast majority of ministries, moreover, departments that are specifically designed to manage children's issues are under funded and considered non-priorities. Even though children comprise the majority of the Palestinian population, these departments are relegated to the sidelines of policy debates and are given a small share of the ministerial budget. In March of 1999, the NPA began a concerted effort to encourage and support ministries and local organizations develop strong, verifiable child policies for their departments. This work has helped policies shift from randomly targeting groups of children by district to more apt targeting based on identified criteria. Policies now incorporate the disabled, the girl-child and other marginalized groups. Furthermore, there is now a greater emphasis placed on using scarce resources more efficiently and effectively. Despite these considerable advances, there is much work to be done. A child needs assessment is necessary in Palestine in order to prioritize which child issues are of most importance. The CRC, by design, presents each right as no less or more important than the next. Although each article has merit and should be implemented, in the world of scarce resources this is often impossible. By clearly identifying the particular needs of Palestinian

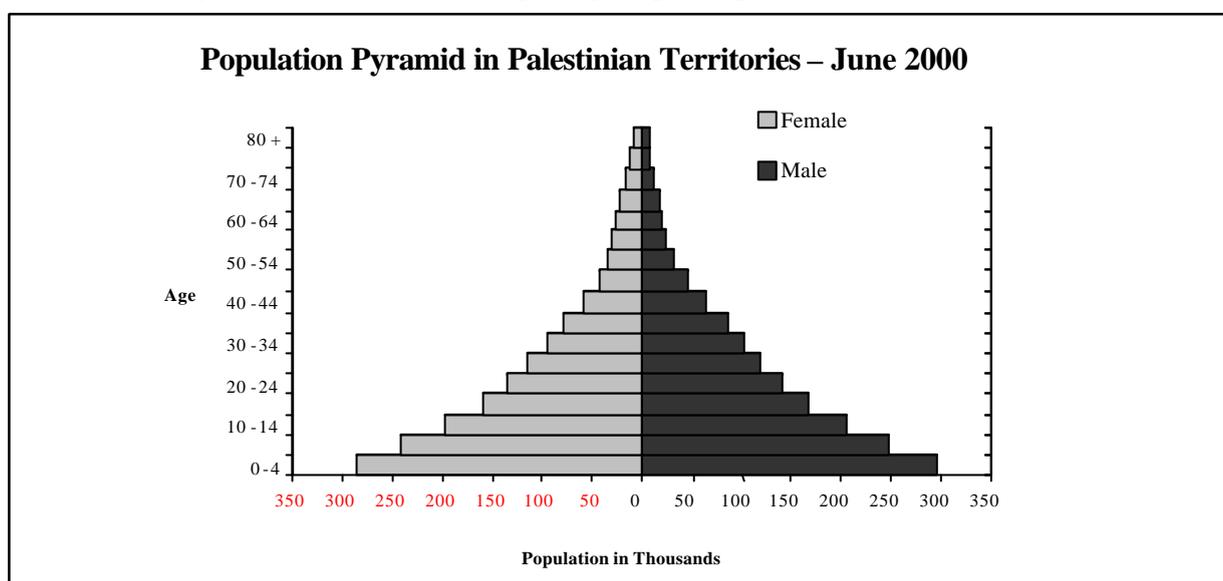
¹¹ The NPA Secretariat's child-policies are outlined in the "Agenda for Social Renewal: 1999-2001," NPA Secretariat, MOPIC: June 1999.

¹² Child Legislation reform has been conducted in cooperation with UNICEF, the Ministry of Justice, and Birzeit University's Law Center.

children, ministries and local organizations can work together to address the most pressing issues facing Palestinian children.

Child Development Situation.¹³

Over 53 percent of the Palestinian population is under the age of eighteen and most of these children are under the age of eight (See Table 1: Age pyramid). This high proportion of children is due to some of the highest fertility rates in the world. In Gaza, the total fertility rate is 6.84 children per woman and in the West Bank the fertility rate equals 5.49. These high rates of fertility are odd because in most countries fertility rates decline as health indicators improve. Palestine has strong child health (infant mortality of 25.5 per 1000 live births and an U5MR of 36.0 per 1000), yet fertility rates remain substantial. These high rates are due to a combination of social, economic and political factors. First, the average age for women to marry is just 18.7 years, compared to 23.9 years for men, increasing the childbearing time frame for women. Although the vast majority of married women (99.6) are knowledgeable of family planning methods, only 46.2 percent of these women use these methods regularly.¹⁴ This infrequent use of contraception may be due to the perception that large families translate into greater wealth. This perception is untrue as the latest Poverty Commission report shows a clear link between large families and poverty.¹⁵ Recent memories of the *Intifada* and a fear of future conflict may also spur greater family size. Political and economic insecurity forces many families to view children as a ‘safety net’ for the future. No matter what the particular causes of the high fertility rates in Palestine, this dynamic has huge consequences on the public budget. Given such high rates of growth, public spending will have to increase dramatically to even maintain current per capita spending levels.



¹³ Unless otherwise stated, the data for this section is from “Palestinian Children: Five Years Under the Palestinian National Authority,” the Palestinian Central Bureau of Statistics: April 2000.

¹⁴ Maternal and Child Health Survey, PCBS, 2000.

¹⁵ Table 3-7 “Poverty Rates by Number of Children,” Palestine Poverty Report 1998, 14.8 percent of families with 1-2 children were classified as poor, as compared to 32.2 percent of families with 7-8 children.

Child poverty is one of the most pressing concerns in Palestine. According to the PCBS Database of Expenditure and Consumption, 24.0 percent of all Palestinian children live under the poverty line.¹⁶ Poverty is spread throughout the Palestinian Territories, but is concentrated in refugee camps (37.3 percent of all child refugees are poor) and in Gaza (41.5 percent of children). In Gaza, moreover, 24.6 percent of children live in severe poverty, classified as less than \$285/month for a family of six. These children are more likely to be undernourished and most do not have adequate access to social services. These children are often forced to work and most are unable to escape poverty in adulthood, creating a cycle of impoverishment. The PNA and international donors have put forth a concerted effort to lessen the poverty in Palestine, but if the poverty level is going to decrease significantly public resources must be used more efficiently (e.g. more accurate targeting) and poverty policies must be more creative (e.g. micro-loans or a demand driven Palestinian Social Fund). There is a potential for poverty to increase because UNRWA currently provides support for impoverished refugees. If a peace agreement is reached and UNRWA ceases to function, the PNA will have to dramatically increase public support to replace UNRWA spending. Plans have been established to address some of these future issues (Palestinian Development Plan 1999, Palestinian Social Development Plan 2000), but with the current political uncertainty such plans cannot adequately determine future needs.

Despite these difficulties there is a wealth of opportunity for Palestinian children. The Palestinian Diaspora is relatively wealthy and with political stability private investment will hopefully flourish.¹⁷ Historically, Palestine is an educated society and even despite the *intifada*, when many schools were closed, education indicators remain strong. Palestinians, moreover, have a strong national identity, founded in their rich history and culture. These factors, given the proper public support, have the potential to transform Palestine into a child-friendly, socially stable and economically strong nation.

Guide to the Palestinian National Budget.¹⁸

When the PNA took control over public finance in the West Bank and Gaza, they inherited a system that lacked significant institutional, legal and regulatory capacity. The newly formed Ministry of Finance (MOF) combined personnel and operating procedures from the Israeli-run civil administration, the PLO's National Fund, and Fatah's (the ruling Palestinian political party) financial department. None of these organizations had significant experience preparing a public budget of this size or subjecting it to open debate and review. The Israeli Military Government and Civil Administration, moreover, oversaw a recurrent budget that did not monetarily increase between 1967 and 1994 and capital budget that was all but inexistent.¹⁹ There

¹⁶According to the Palestinian Poverty Report 1998, the poverty line for a family of six was 1390NIS (\$400) per month.

¹⁷The wealth of the Palestinian Diaspora has been estimated to be between \$40 and \$80 billion.

¹⁸This section is based on Dr. Naser Abdelkarim's, "Guide to the Palestinian Budget With a Child Right's Focus," June 2000. This paper was contracted out to Dr. Abdelkarim for the purposes of this study.

¹⁹Ishac Diwan and Redwan Shaban, Eds. Development under Adversity: The Political economy in Transition, MAS and World Bank, 1999. Although direct and indirect tax revenues increased from 4.8 percent in 1968 to more than 6.5 percent in 1989, public sector expenditure declined from 1.1 percent of GDP in 1968 to 0.5 percent in 1989.

was, and still is, a serious need for investment, so the PA had to simultaneously increase spending (and thus revenue collection) and create a financial system to guide and regulate the resulting financial account increases.

Faced with these challenges, the MOF has made significant advances. Revenue collection totaled more than 25 percent of the GDP in 1999 and the PNA has kept budget deficits low, ranging from 1 to 3 percent of GDP.²⁰ Through a deliberately friendly approach to taxpayers, furthermore, the MOF has increased tax compliance to nearly 70 percent. This success is largely due to legal and institutional advances within the ministry. An Organic Budget law was approved in 1998, defining the oversight parameters of the PLC and providing a framework and timetable for annual budget preparation, execution, and evaluation. Further regulations have been put in place that require ministries and agencies to link their capital and recurrent budgets. A procurement law and civil service law have been passed, but these are not yet fully complied by. The MOF has also initiated a medium-term macroeconomic framework to foster cabinet level discussions of various policies and their implications.

The PNA and the MOF have made concerted efforts to strengthen public finance procedures, but there are still significant gaps between formal laws and actual practice. The PLC still does not have significant influence over the budget and only the most recent budget was submitted on time from the PNA cabinet to the PLC budget committee. The auditing framework remains weak and significant budget expenditures are kept from monitoring agencies (notably, the Presidential Office and the nine security forces).²¹ The budget process is largely closed to public debate and shifts in allocations are still possible through informal networks of patronage. It is hoped that the MOF's newly formed Higher Council for Development will address these problems by increasing budget transparency and accountability.

The Palestinian budget process can be divided into four basic stages: (1) Formulation, when the executive branch puts the budget plan together; (2) Enactment, when the executive budget is debated, altered and approved by the legislative branch; (3) Implementation, when allocations are dispersed and programs commenced; and (4) Auditing and Outcome Assessment, when budget lines are accounted for and the effectiveness of programs is evaluated. The budget process is not confined to a few months, but is spread throughout year. Budget advocacy must do the same, requiring a public understanding of the budget process in order to identify ever-changing avenues of advocacy. For over fifty years, Palestinian society has not been able to advocate for shifts in spending priorities. Many civil institutions feel that they “do not” or even “should not” have a say in budget issues, economic policy, and national lawmaking because this has been the status quo for decades. The NPA Secretariat has just completed a “Guide to the Palestinian Budget Process with a Child Rights Focus” in order to shift some of these ideas and promote public (specifically child) involvement in budget formulation, enactment, and evaluation. Currently, children are not present in the budget process; their views are not solicited and child organizations are voiceless. One proposal to improve child participation is the creation of a Child/Youth Parliament where all pertinent laws and budget items are

²⁰ Palestinian public expenditures in their entirety are equivalent to about 3 percent of the Israeli public budget.

²¹ The MOF is currently experimenting with a computerized “Government Financial Management System,” at the MOE in an attempt to strengthen auditing by shifting to accrual accounting principles.

submitted for child comment and review. Members of the Youth Parliament could also submit child-related legislation to the PLC.

Fiscal Account Priorities and Status.

Fundamentally, public expenditure represents a social contract between the government and the citizenry. As Palestinian leaders seek legitimacy and as the competition for resources begins to intensify, it is necessary to assess who and what is given priority in the social contract between the PNA and the Palestinian people. If children are not represented adequately in the public budget, their status as citizens, as members of that social contract, is lessened. Their access to public goods and services curtailed. At first glance, it may appear that public spending addresses the needs of Palestinian children as basic social services (BSS) have consistently accounted for over a third of all Palestinian expenditures. This is well above UNICEF's minimum 20/20 initiative target,²² but the percentage by itself does not reveal the actual status of child spending. Most BSS spending, for example, is devoted to salaries, as the PNA has actively swelled the civil service to combat unemployment. The resulting bureaucracies are inefficient and actual allocations to children are minimal.

Current budget priorities are reflected in the functional and economic classifications of the national budget. Within recurrent public expenditures, the majority of funds are devoted to public order and safety (police and judiciary), absorbing approximately 35 percent of the recurrent budget and general public services (legislative and executive financial operations and planning) receiving around 25 percent. The level of social service spending compares favorably to other middle-income countries, but has dropped from 41 percent of recurrent spending in 1995 to 36 percent in 2000. The ministry of health has been hit particularly hard, dropping from 14 percent of spending in 1996 to less than 11 percent in 2000. These priorities are in direct contrast to what children feel the government should strengthen. A recent survey of 7th, 8th, and 9th graders found that if the youth respondent was made the town's major, 33.3 percent would focus their attention on improving health and 30.8 percent education.²³

Most public spending is devoted to wages and salaries, with the civil service/security wage bill totaling over 60 percent of all expenditures in the year 2000 budget. This wage bill is more than double the world average of 29 percent.²⁴ Public employment, moreover, represents over 20 percent of all employment in the West Bank and Gaza; over 100,000 people were employed by the PNA in 1999. Bloating the civil service helps control unemployment, but it may hinder private sector growth by absorbing the educated and qualified. Moreover, such a high wage bill prevents public funds from reaching the most needy target groups.

Since the PNA was established, recurrent expenditures have risen in line with increasing revenue collection and grant-supported recurrent spending has been replaced with domestic funds. Capital spending, on the other hand, is nearly

²² UNICEF's 20/20 initiative aims to ensure that public budgets allocate at least 20 percent of their national budget for basic social services and international donors designate at least 20 percent of their budgets to the same.

²³ "Education Survey," Conducted by the NPA Secretariat during the summer of 2000 at a West Bank summer camp. There were 40 respondents.

²⁴ Schiavo-Campo et al., "An International Statistical Survey of Government Employment and Wages," World Bank Policy Research Paper 1806, World Bank: Washington D.C., 1997.

completely financed by donor assistance and as donor disbursements have declined so has investment spending.²⁵ This trend represents a serious worry for budget planners. The domestic tax burden is high²⁶ and if donor supported budgets decline it will be difficult for the MOF to raise the funds needed to maintain current per capita expenditure levels. Outstanding loans already total nearly \$600 million and loans accounted for nearly \$165 million in the year 2000 budget alone.²⁷ A potentially vicious circle is developing: the population is growing at nearly 4 percent a year, straining public accounts and increasing the reliance on loans. As loans increase so does debt service requirements, further straining the future budget and increasing the need for loans. This 'debt trap' burdens today's children and may limit the government's ability to provide services or fund investment in the future.

The PNA has established a full cycle of gathering revenue and distributing budgets to national entities. However, current constraints - minimal revenues, poor infrastructure, rapidly growing population, bloated civil sector, lack of sovereignty, and limited avenues of economic development - do not bode well for the future. If children's needs and rights are to be met, the people must be able to clearly identify national child priorities, the amount of needed resources, and the methods for ensuring that children actually receive these benefits. The issue is not simply allocating funds, but ensuring that these expenditures are guided by proactive policies that guarantee their effective and efficient use.

Recommendations.

1. Government thinking needs to broaden from focusing on the traditionally considered nation-building inputs of infrastructure, economic policy and security to realizing that investments in child rights and welfare are just as important, if not more so, in establishing a successful nation.
2. The fundamental difficulty in assessing whether the public budget adequately addresses the needs of children is that there has not been a significant dialogue in Palestinian of which needs should be prioritized. Budgets simply repeat the prior year's expenditure, shaping programs around the budget-not shifting expenditures to meet established priorities. The NPA Secretariat is currently undertaking a child needs assessment to help governmental agencies identify the particular needs and desires of Palestinian children. Budget items should reflect these priorities, focusing on the most needy groups of Palestinian children.
3. Both the budget structure and budget process need to become more transparent and participatory. Budget lines should go beyond broad headings and identify target groups, policy agendas, and yearly goals. A simple list of expenditures prevents budget advocacy and accountability. The budget process should be

²⁵ Donor disbursements have declined from a peak of \$537 million in 1996 to a low of \$235 million in 1999. Investment expenditures have fallen respectively from \$392 million (11.5 percent of GDP) in 1997 to \$241 million (6.5 percent of GDP) in 1999.

²⁶ The tax burden (taxes collected to GDP) in Palestine has increased from 11 percent in 1995 to about 22 percent in 2000, which is relatively higher than the average tax burden in the Arab Countries (14%) in 1993, and than that of all developing countries (16%). Hammed Davoodi, "Tax Policy and Tax Administration Issues in the West Bank and Gaza: The Present and The Future," IMF Working Paper, Washington, DC: International Monetary Fund, Fiscal Affairs Department, 2000.

²⁷ MOF budget data.

opened to the public. Current laws and timetables should be abided by and the community should be given the ability to influence the budget prior to its passage by the PLC. A national youth parliament should be established to give youth a say in the laws, plans, and budgets that affect their lives.

4. Although the current political situation makes future planning difficult, each Palestinian line ministry should link their recurrent and developmental budgets within a medium-term macroeconomic framework. Based on established priorities and cost analyses, each ministry should set clear goals and objectives for the short and medium term. Such a program-defined budget would be more accountable, less open to informal avenues of cash transfer and would give the community more say in how their taxes are spent.
5. The current tax structure needs to become more progressive, shifting from a commodity-based value-added tax (which applies to all citizens equally), to more equitable income and property taxes.
6. Greater accountability is needed within the public budget. All governmental agencies, regardless of their function, should be audited. The Government Financial Management Information System should be implemented to standardize and record agency transactions. Auditing procedures should begin to shift from cash accounting, which does not reveal all pertinent costs, to more accurate accrual principles. These changes will allow for more appropriate distribution of revenues for children by increasing transparency and accountability.
7. Inroads should be laid towards the establishment of a budget office. Independent, or under the auspices of the PLC, such an office would research the consequences of certain expenditures, publicize budget issues of importance, and serve as an avenue of budgetary advocacy for the Palestinian population. Such an office would democratize the budget process and enable the public to identify the link between children rights and public resources.

Education for All: Education Policies, Processes and Spending Levels.

Education spending is often perceived as the most direct means of assessing governmental and societal commitment to children. Since children are basically the sole target group for education spending at the compulsory level, it is easy to make the link between expenditure and child development. Other ministries and spending strategies have diverse target groups, making it more difficult to assess their particular child consequences. A simple evaluation of the level of education spending, however, provides only the broadest form of analysis. Education policy, allocation equity, and functional budget expenses unveils the educational strategy that ultimately determines the worth of total spending. Assuming a simple link between education and child development may prompt demands for greater overall education spending, but without knowledge of how, and exactly for what, these resources will be allocated, such calls miss their mark. This section aims to assess education spending not only via its financial status versus other expenditures, but also through the processes and regulations that guide these allocations. Through such an analysis we can begin to evaluate the equity and assess the impact of education spending.

Quality of Palestinian Education.

The quality of the Palestinian education system is difficult to determine. On the one hand, literacy levels are fairly high (91.9 percent for men, 79 percent for women) and female literacy rates are improving by the fastest rate in the Arab world.²⁸ On the other hand, the average score for Palestinian fourth graders taking a standardized test in the Arabic language was 53.9/100 and less than 40/100 for the standardized math exam.²⁹ This disparity may be due to the mixed legacy of the Palestinian education system. Historically, Palestine has had strong education levels, but under the years of occupation and specifically during the *intifada*, education levels dropped dramatically. In 1994, the MOE inherited ‘an education system nearing collapse.’³⁰ Schools were dilapidated, triple shifts were routine, institutions were understaffed, and teachers were not qualified. During the *intifada*, moreover, many schools were completely closed, furthering youth involvement in the violent resistance, increasing dropout rates, and causing serious gaps in the students’ education narrative. Despite these harsh external conditions, a 1994/5 study of 7000 9th grade students and their families revealed that societal commitment to education remains high, as most students showed high levels of educational aspiration.³¹

²⁸“Palestinian Human Development Report 1998-1999,” Development Studies Programme, Birzeit University, April 2000. Palestine has an education attainment index of 0.81, placing it in the lower half of world education levels – 91 out of 172 countries. Compared to the rest of the MENA region, however, Palestine ranks among the top, as the average literacy rate for the MENA region is just 56 percent.

²⁹PNA Ministry of Education, “Education for All in Two Periods: The Palestinian National Report,” submitted to the Arab Regional Conference on Education for All, Cairo 1/2000.

³⁰Ministry of Education, “Five-Year Education Development Plan: 2000/2001 – 2004/2005,” October 1999.

³¹Fronek C., Huntingdon, R.L., and Chadwick, B.A., 1999 Educational attitudes and trends in Palestine, in *Educational Studies*, Vol 25 (2), 217-243. As quoted by, “Situation Analysis of Palestinian Children and Women, 2000,” PNA-UNICEF, unpublished draft, 2000.

I try to think about my lessons, I look through my books, but I know I am loosing my education. Education without practice is like dirt without a terrace, it gets washed down the mountain... I watch the graffiti on the walls. I think that the spelling is getting worse. Either the older shabab are forgetting how to spell, or the younger shabab are writing on the walls. Either way, it doesn't look good when you come into a village and see on the walls that words have mistakes. What is happening to us?

From Winternitz, H., 1990, "A Season of Stone," New York, The Atlantic Monthly Press, p.239, the words of a teenage male Palestinian. As quoted in UNICEF/PNA, "The Situation Analysis of Palestinian Children, Young People, and Women," 2000.

From 1994/5 to 1999/2000, the number of students participating in kindergarten, basic, and secondary schooling increased by 43 percent, from 654,697 students to 942,942.³² During 1998/9 school year, 77,173 children attended pre-school (34 percent enrollment), 746,914 attended basic education, defined as grades 1-10 (96.8 percent enrollment) and 65,808 were enrolled in secondary school, grades 11 and 12 (45.1 percent enrollment).³³ Girls represented 47.85 percent of pre-school enrollment, 49.26 percent of basic enrolment and 50.03 percent of secondary school. The children enrolled in these stages represent nearly a third of the entire West Bank and Gaza population. Nearly 100,000 children, moreover, entered the first grade in 1999. This large and growing number of students places enormous strains on school infrastructure and personnel. During the 1998/9 school year there was an average of 36.5 students per classroom and 29.6 students per teacher.³⁴ Even more discouraging is the fact that overcrowding was most prevalent in grades 1 through 6, where low student/teacher ratios are critical for successful learning.

These broad numbers cover three diverse and distinct education providers: the Government, providing services to 67.6 percent of students; UNRWA, focusing on the refugee population and providing education for 25.9 percent of students; and private schools, who educate 6.5 percent of the population. There are also distinct differences between schooling in the West Bank and Gaza since Gaza follows Egyptian curricula and the West Bank, Jordanian. This disjointed network of education providers hinders cooperation and limits education equity.

³² PCBS, "Executive Summary - Palestinian Children: Five years Under the Palestinian National Authority," PCBS Child Statistics Program, April 2000.

³³ PCBS, "Palestinian Children: Issues and Statistics, 1999" PCBS Child Statistics Program, April 1999, 50.

³⁴ MOE, "Education for All."

Number of Basic and Secondary Students per Provider in 93/4 and 98/9³⁵

Region	Provider	1993/94	1998/99	Percentage 98/9
West Bank	Government	286,312	385,544	79.4
	UNRWA	42,789	51,774	10.7
	Private	32,455	48,172	9.9
	Total	361,556	485,490	100
Gaza Strip	Government	103,911	163,860	50.1
	UNRWA	109,393	158,985	48.6
	Private	2,093	4,387	1.3
	Total	215,397	327,232	100
Total	Government	390,223	549,404	67.6
	UNRWA	152,182	210,759	25.9
	Private	34,548	52,559	6.5
	Total	576,953	812,722	100

***Number of Teachers and Student/Teacher Ratios
By Provider and Location – 1993/4 and 1998/9³⁶***

Region	Provider	Number of Teachers	Student Teacher Ratio	Number of Teachers	Student Teacher Ratio	% of Teachers with a BA or Higher
		1993/94	1993/4	1999/2000	1999/2000	1999/2000
West Bank	Government	9410	30.4:1	17891	23.0:1	56.7
	UNRWA	1434	29.8:1	1646	32.7:1	46.5
	Private	2056	15.8:1	3325	15.3:1	59.1
	Total	12900	28.0:1	22862	22.6:1	56.3
Gaza Strip	Government	3170	32.8:1	6366	27.4:1	58.9
	UNRWA	2986	36.6:1	4282	39.5:1	37.5
	Private	162	12.9:1	316	15.5:1	70.25
	Total	6318	34.0:1	10964	31.8:1	50.8
Total	Government	12580	31.0:1	24257	24.2:1	57.2
	UNRWA	4420	34.4:1	5928	37.6:1	40.2
	Private	2218	15.6:1	3641	15.3:1	60.0
	Total	19218	30.0:1	33825	25.6:1	54.6

³⁵ MOE, "Education for All."

³⁶ Calculated from data presented in MOE, "Education for All"

Given the stark differences between student teacher ratios and teacher education levels it is not surprising that the quality of education differs significantly between the West Bank and Gaza and between the government, UNRWA, and private schools. As one might expect, pupils of private schools perform much better than their counterparts in national exams – they come from wealthier families, their parents and teachers are more educated, and there is significantly less overcrowding in the classroom. Interestingly, fourth grade UNRWA students perform better than public school students, even though their teachers are less educated and their classrooms are more crowded. In order to fully assess the basis of this disparity between regions and providers and its implications on educational equity, it is necessary to analyze each actor independently.

Government Run Schools.

Since its establishment two days prior to the 1994/1995 school year, the Ministry of Education has made sincere advances toward improving the public education system in Palestine. In most districts, they have reduced class size and/or reduced the number of school shifts from three to two. Many schools have been repaired or rebuilt, teacher training has been initiated, and the ministry has drafted a comprehensive five-year development plan, outlining long-term goals and short-term objectives. Despite these advances, the MOE is still struggling. Decision-making is centralized, cooperation with other agencies and civil society is weak, and public school students lag behind their peers at UNRWA and private schools.

MOE Advances.

When the MOE replaced the Israeli Civil Administration in 1994, they took over an education sector with just twelve administrative employees. Schools were both crowded and dilapidated and the quality of education was poor. The MOE has sought to improve this situation by establishing a five-year education development plan and by creating a unique Palestinian curriculum, ending the disparities between the West Bank and Gaza. The five-year plan is the first attempt by the ministry to outline broad targets and policy strategies – providing an education agenda into the twenty-first century. Created during 1999, the plan gathered input from the local, governmental, and international communities in order to outline the following five general principles and five overall objectives:

Principles	Objectives
<ol style="list-style-type: none"> 1. Education is a human right 2. Education is a basis of citizenship 3. Education is a tool for social and economic development 4. Education is tool for democracy 5. Education is a continuous and renewable process and educational support is the responsibility of all 	<ol style="list-style-type: none"> 1. Provide access to education for all children. 2. Improve the Quality of Education 3. Develop formal and non-formal education 4. Develop management capacity in planning, administration, and finance 5. Strengthen the education system's human resources.

The Ministry has made a concerted effort to meet these goals. 125 new schools have been built since 1994 (bringing the total to 1103) and an additional 1842

classrooms have been added to existing schools, nearly eliminating the need for triple school shifts.³⁷ The Ministry had hoped to eliminate double shifts, increasing classroom-teaching time, by building an additional 9,340 classrooms by the end of 2004/5 school year, but this has proved too costly and the ministry is now reassessing the number of additional classrooms it can afford. Even with the original optimistic numbers, the Ministry had expected that the number of students per classroom (if double shifting was removed) would increase. This constant building of schools and classrooms does not even meet the necessary requirements to maintain the current status quo. High population growth coupled with the probable return of some of the Diaspora will place an immense strain on the Palestinian education infrastructure. Moreover, this necessary emphasis on school infrastructure prevents the ministry from investing in creative and cutting edge education programs within the classroom. Without such support, many teachers rely on rote learning that does not maximize students' educational capacity.

In an attempt to boost the quality of teaching and administration, the MOE has initiated in-service teacher training and administrative capacity building with cooperating institutions. The Ministry is also attempting to modernize school facilities. Twenty-five percent of obsolete furniture is to be replaced by 2004/5. By the 2004/5 school year, moreover, the MOE plans to add 150 new school libraries, 150 new science laboratories and provide 250 schools with computers.³⁸ Given the large number of schools in the region, however, most schools will remain without these services. In the 1998/9 school year, 65 percent of schools were without a library, 82 percent were without computer labs, and 86 percent had no audiovisual equipment.³⁹

Perhaps of most importance, the ministry has actively sought out marginalized groups and attempted to incorporate them into the education system. An "integration program for children with special needs" has introduced physically handicapped students in over 25 schools. A school counseling program is now available in over 600 schools, helping identify potential school dropouts and providing support for abused children. The MOE also runs a program to educate the nomadic Bedouins of Palestine, training a tribe member and then providing the tribe with materials to create a classroom setting as the group travels. Such programs are vital to helping marginalized children realize their academic potential. Unfortunately, it is still impossible to assess the equity and impact of these services. The ministry is currently developing a school mapping and electronic management information system to identify at risk groups and provide more complete and fair coverage to the total population.⁴⁰

The other significant advance made by the MOE since its establishment, is the ongoing creation of a unified Palestinian curriculum. The Palestinian education system has been divided between Egyptian curriculum in Gaza and Jordanian guidelines in the West Bank. This educational division not only impacts education equity and quality, but also conceptions of national unity and values. What a student learns becomes part of his/her identity and if curriculum is disparate it is harder to form a common national character. Partly due to their differences in education, there

³⁷ MOE "Five –Year Education Development Plan: 2000/2001-2004/2005," October 1999.

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ Ibrahim Dakkak, "Financial Resources and Palestinian Child Education" National Plan of Action for Palestinian Children, El Bireh: 2000.

is a significant feeling of separateness between the West Bank and Gaza populations. Starting in the upcoming school year, grades 1 through 6 will begin using the new curriculum. The new curriculum will then be phased into the older grades, with universal coverage by the 2004/5 school year. The MOE should be applauded for its efforts to ensure a very participative approach to developing the new curriculum. Teachers, experts, and civil society were encouraged to participate in defining the goals and content for the new curriculum. The spirit has been that the materials will be tested and revised. This is in stark contrast to previous eras of Palestinian education when foreign curriculums were imposed on students and teachers.

Establishing a new curriculum is nothing less than complete education reform. It influences teaching methodologies, school administration, and student activity. Moreover, it is a means to empower Palestinian children by teaching them about their society's beliefs and values. According to the MOE, this new curriculum shall help:

“Realize national unity and nation building by overcoming divergence in the framework of the Declaration of Independence and of Arab and Islamic identity;

Support economic development and employment by providing the qualified and skilled human resources necessary for comprehensive national development in the context of ever-increasing technological changes and economic globalization; the new curriculum shall be an enabling instrument for taking advantage of the opportunities and challenges forthcoming with peace in the region and regional cooperation;

Develop in the individual the set of norms and values prevailing in a modern and democratic civil society required for peaceful cooperation in the region and balanced relationships worldwide, and, thus, actively contribute to the progress of the international community;

Provide good education by introducing the necessary changes to improve the school environment, quality of education, learning and teaching methods, teachers' competence, and the management of the education system.”⁴¹

Remaining Challenges.

Despite these significant advances, the Ministry still faces a number of institutional difficulties. Input from the community is limited, as the high degree of centralization hampers teachers, administrators, and students from contributing to the development of most MOE plans and policies. Despite this centralization, there are still no codes or regulations, outlining the responsibilities of, and means of cooperation between MOE technical committees. Each committee identifies their role informally, depending on the perceptions and vision of its chairperson and members. Without clear mandates, these committees are often characterized by redundancy and mismanagement. Schools are expected to simply follow the dictates of the Ministry, preventing an information feedback loop that would strengthen policies and the overall education system.

⁴¹ MOE “Five – Year Education Development Plan: 2000/2001-2004/2005,” October 1999.

Furthermore, there is little cooperation between the MOE, other government agencies and civil society. The MOE, for example, requires the support of the private and NGO sector to provide pre-school education, due to their shortage of human and financial resources. Instead of facilitating the work of these groups, however, the Ministry of Finance (MOF) demands that they pay value added taxes, diverting resources away from children. The centralized disbursement policies of the MOF, moreover, cause significant financial and planning difficulties. The MOE, for example, had received only 500,000 NIS (\$125, 000) from its annual development budget of 12 million NIS (\$3 million) by the end of May 2000. Without expected funds, the MOE has been forced to delay or suspend the implementation of some their programs.

The MOE has sought to decentralize and improve its relationship with civil society by widening the involvement of the local community, particularly parents' and teachers' councils. The Five-year Development Plan aims to establish a legal and formal framework for these councils, providing them with information, facilitating their contribution to school maintenance and extracurricular activities, and encouraging their cooperation.⁴² Unfortunately, these ties have yet to be formalized and community-MOE relationships remain weak and haphazard.⁴³ The community has donated land to build new schools and provided funds for renovation, but they have little input into education policy. It remains incumbent upon the MOE to move to a more decentralized structure, giving local community decision-making powers. Similarly, it is the responsibility of civil society to speak out and demand their involvement in children's education. By giving the community a sense of ownership over the education system, the level of importance a family places on education may increase, encouraging family education expenditure and necessitating greater education achievement. With increased dialogue between the community and the government, moreover, the views of children will become a greater part of the education process. The next step is to insure that the views of children are taken seriously and reflected in their school environment.

Public Education Spending.

The cost of implementing the original MOE five-year plan was \$650 million, in addition to the recurrent budget allocated by the MOF of \$176 million per year.⁴⁴ However, due to the prevailing uncertainty of the Palestinian political situation and in order to avoid the possibility of a shortage of funds required to implement the plan, MOE developed a revised plan with a cost of \$200-250 million. This fiscal prudence leads to more realistic goals, but it prevents the MOE from attaining the ideals set forth in the Five Year Plan.⁴⁵ It should be noted that the international community is expected to finance the entire five-year plan, increasing the tenuousness of developmental education spending.

⁴² Ibid.

⁴³ Ibrahim Dakkak, "Financial Resources and Palestinian Child Education," 2000.

⁴⁴ MOE, "Summary of Projections for the Development of Education During 2000-2004," 1999.

⁴⁵ Interview with Khalil Mahshi, Director General, MOE, 3/5/2000

MOE Recurrent Budget and Expenditure, 1994-2000 (US Dollars)⁴⁶

Year	Period	Specified budget	Expenditure, excluding salaries	Salaries % of the budget
1994 ⁴⁷	9/1 –12/31	7,643,373	1,588,424	79%
1995	1/1 –12/31	31,672,250	965,176	97%
1996	1/1 –12/31	98,700,000	897,147	99%
1997	1/1 –12/31	109,342,500	3,452,575	97%
1998	1/1 – 12/31	132,402,250	7,331,852	94%
1999	1/1 – 12/31	165,507,870	14,104,700	91%
2000	1/1 –12/31	175,798,000	22,623,000	87%

The recurrent budget outlined above represents an average of 13 percent of the PNA annual budget. The high salary burden on recurrent spending is not due to high salaries, but to the large and growing number of teachers. In fact, the average teacher salary in Palestine falls below the national poverty line (\$400/month for a family of six). In order to retain and improve the quality of teachers, salaries will have to increase, straining the budget further. There has been growing pressure among teachers for increased benefits (actually leading to a strike in May 1999), increasing worries of widespread school disruptions if salaries remain low. The MOE has put forth a sincere effort to improve Palestinian education, as evidenced by infrastructure investment and curricula development, but the failure to increase teacher salaries has left some believing the PNA does not take education seriously. Government officials face a dilemma for if they increase teacher salaries they may be forced to increase civil salaries across the board. With about 60 percent of the recurrent budget already spent on civil service salaries, further expansion may not be feasible.

Because of these immense strains on the public budget, the donor community is relied on to provide developmental support. The following table illustrates the difference between pledges made by the donor community to the education sector and the actual amounts that were transferred. These disparities between pledges and allocations hinder the effectiveness of development planning and implementation. Nevertheless, donor generosity has been vital in improving the Palestinian education system.

Pledges made by donors and actually transferred amounts

Year	Pledged amounts in \$1000	Transferred amounts in \$1000	%
1994	70314	54431	77
1995	78529	76060	97
1996	71881	57628	83
1997	69398	56783	72
1998	43812	37907	87
1999	50426	34878	

Adapted from: Ministry of Planning and International Cooperation, MOPIC's 1998 Fourth Quarterly Monitoring Report of Donors' Assistance, December 31, 1999.

⁴⁶MOE, "Summary of Projections," 1999.

⁴⁷Please note that the amounts for 1994 only account for last four months of that year.

As the above tables illustrate, the MOE budget is primarily dependent on governmental and international support, but it also receives some funding from “student/family donations.” School donations are not transferred to the MOF accounts. Instead, the MOE is authorized to manage them according to the "Guidelines for Collecting School Donations" issued by the Minister of Education on September 1, 1999. These guidelines provide for collecting a donation of 50 NIS from students in the basic level and 70 NIS from students in the secondary level. Partial or full exemptions from school donations are made for children of MOE staff, special and social cases, and children of martyrs, detainees, ex-detainees and injured. The "Guidelines" dictate that these collections be spent to purchase land, construct new schools, add classrooms and repair current facilities.

Although policy decision-making is concentrated at the top of the ministry, the "Guidelines" authorize the directors of departments and school principals to manage a particular share of this collected revenue. The MOE share from the donations is 10 percent, in addition to 10 NIS from each student deposited in the curricula budget. The Department's share is 25 percent, in addition to donations from the community, 10 percent of school cafeteria revenues, and interest gained from the total account. The remaining amounts are transferred directly to the schools.

An account of school donations and their distribution (in US Dollars)

School year	Region	Collected donations	Curricula share	MOE share	Dep. Of Ed. share	Schools' share
1996 /97	West Bank	3,357,620	767,458	388,524	64,755	1,554,098
	Gaza Strip	4,608,905	100,898	539,989	899,983	2,159,958
1997 /98	West Bank	3,539,228	813,383	691,135	50,868	1,911,960
	Gaza Strip*					
1998 /99	West Bank	3,794,388	838,863	288,541	495,842	2,771,142
	Gaza Strip*					
1999 /2000	West Bank	4,078,213	892,600	323,245	542,908	2,316,960
	Gaza Strip*					

Source: MOE, * Not available.

UNRWA.

The United Nations Relief and Works Agency for Palestinian Refugees in the Near East (UNRWA) was established in December 1948 in order to offer social support to the Palestinian refugees. It offers public services for the 1,384,655 registered refugees who are living in (43.2%) or outside (56.8%) West Bank/Gaza refugee camps. The UNRWA annual budget is financed almost completely through donations from UN states and UN special allocations. The UNRWA budget has steadily increased from \$18 million in 1972 to \$156 million in 1999, reflecting the substantial growth rate and number of returning refugees.⁴⁸

The UNRWA budget finances public services in three major areas: (1) relief services, which include rations, shelters, special hardship assistance, and other forms of social welfare; (2) education, which includes schools, vocational and technical training, and university scholarships; and (3) health, which includes medical care, nursing, and environmental sanitation. The Education budget forms more than half of the total UNRWA expenditures followed by health and social services respectively.

⁴⁸ UNRWA, “Report of the Commissioner-General of UNRWA,” New York, 1999.

**UNRWA Actual Budget Expenditures in the West Bank and Gaza
Between 1980 and 1999 (\$ Million)**

Year	Actual Expenditures
1980	52
1988	80
1991	80
1995	130
1997	138
1999	156

Sources: UNRWA Financial Position Reports and Internal Financial Statements (1980 to 1999)

The UNRWA mandate is to provide the Palestinian registered refugees with basic education (grades 1-9) and vocational education in certain areas. During the 1999/2000 school year, UNRWA ran 96 schools in the West Bank (covering 20% of the student population) and 168 schools in Gaza (covering nearly 60% of education). Due to curriculum and socio-economic differences, UNRWA runs separate education departments in Gaza and the West Bank. Like the MOE, UNRWA has been forced to hire new teachers to meet the demand of growing enrollment. Although fewer of these teachers have BA degrees than their MOE counterparts, UNRWA has provided them with greater training and higher salaries. This reflects a shift in spending from administrative level to the teaching level. UNRWA has frozen all non-teacher posts and has a target goal of one administrator for every 90 teachers (the current ratio is 1:83).⁴⁹ This is in stark contrast to the Ministry of Education, which currently has a ratio of only 5.3 teachers per 1 administrator.⁵⁰ These divergent ratios are perhaps the most telling reason why UNRWA students perform better than their governmental counterparts. Despite the fact that their classrooms are more crowded and their teachers less formally educated, UNRWA budgets focus their resources on strengthening the teacher/student dynamic.

One of UNRWA's most significant advances, is its ability to maintain good relations with the community. The value of local community support to the UNRWA education sector in the West Bank is estimated to be around one million dollars per year. This support takes the form of donation of land, building schools, provision of equipment and supplies. Community relations are formalized through school councils and parents' committees at each school. Similarly, UNRWA's fiscal planning is less centralized than the public education budget, with schools working with regional coordinators to develop local education budgets. After approval of the budget, moreover, local authorities have the power to shift funds between budget lines.

UNRWA's budget situation, however, is far from secure. UNRWA announced at a September 2000 session that it is currently facing an \$8 million deficit in its latest \$670 million budget.⁵¹ A total of \$123.8 million, moreover, has been planned, but not provided to the West Bank and Gaza. Such shortfalls have prevented a number of UNRWA projects from materializing.⁵²

⁴⁹ Un published data Released by UNRWA's office of public in formation, October 2000.

⁵⁰ Unpublished data provided by the MOE, November 2000.

⁵¹ Peter Hansen, Commissioner General of UNRWA, "Harmonization of UNRWA Services: Challenges and Progress," Presented in September 2000, Amman.

⁵² Ibid.

Private and Non-Governmental Sectors.

The private school system is comprised of 843 kindergartens (covering nearly 100 percent of pre-school education), 144 primary schools (6.4 percent of the total basic education) and 70 secondary schools (representing 5.8 percent of secondary students). There are also a total of 38 non-governmental education societies across the West Bank and Gaza. Unfortunately private schools are not evenly distributed across the West Bank and Gaza. The vast majority of private schools are located in the West Bank urban areas of Jerusalem, Bethlehem, and Ramallah (all in the central region of the West Bank). This concentration of the best schools in urban areas hinders equity between the rural and urban locations. Furthermore, a disproportionate number of men attend private school, reflected in the fact that 41 percent of private schools students are girls. This gender disparity is even more evident in Gaza, where only 35 percent of private school students are female.⁵³

Recent studies have shown a link between early child education and later success. Due to a shortage of funds, nearly all of Palestine's pre-schools are run by the private sector. Although kindergartens are spread throughout the West Bank and Gaza, enrollment rates are low, totaling about 34 percent of the eligible child population. There is no unified curriculum for these schools and the Ministry of Education has insufficient supervisory capacity. Teachers are primarily high school graduates and receive an extremely low wage between \$50-\$150 per month. Despite these difficulties, there is substantial demand for preschool education among the community. First grade teachers, moreover, note that children who participated in preschool are better prepared for the first grade. Providing preschool education only in the private sector furthers economic inequity as only the wealthy have the capability to improve their child's academic potential.

Unfortunately, this economic disparity only grows in secondary schools. The NPA secretariat recently analyzed 10 percent of private secondary schools and found an average tuition cost of \$771/ year.⁵⁴ For a population with an unadjusted per capita GDP of under \$2000, such fees are prohibitive. This study also highlighted that private school teacher salaries are nearly double that of their governmental counterparts. Higher salaries attract more qualified teachers, which improve the education of wealthy children. The prohibitive cost of a quality education is perhaps the most severe barrier of the poor to attain middle class jobs and lifestyles.

Jerusalem Schools.

Due to the current political situation, MOE is unable to intervene in the educational process of most Jerusalem-based, Palestinian schools. Officially, the Islamic Waqf Administration, accountable to the Jordanian government, supervises the public schools in Jerusalem, while MOE attempts to oversee the administrative and educational aspects of these schools. The condition of most Jerusalem schools is poor due to the difficulties in obtaining permits for construction and the high construction costs in Jerusalem. To respond to this situation, buildings are leased and then transformed into classrooms in 42 percent of all public schools, 34 percent of private and 44 percent of UNRWA schools in Jerusalem. Yet there is still a shortage

⁵³ Calculated from data presented in MOE, "Education Statistics Series (No. 6)," June 2000.

⁵⁴ This study was carried out in October 2000 by interviewing school officials in Gaza and the West Bank. Unfortunately the scope of this analysis is limited. The NPA Secretariat originally hoped to contact 40 percent of all private schools, but due to the latest conflict and the resulting border closures interviews were impossible. The final tally was six schools, with a combined student body of over 5000.

of classrooms in 41 percent of the schools, leading to a space per student that is no more than 0.9 square meters in the basic level and 1.1 square meters in the secondary level. Even more detrimental to Jerusalem students than this lack of space is their exposure to two value patterns. An Israeli value pattern is applied in the schools run by the Israeli authorities, while Palestinian values are applied in the remaining schools. Students are raised with varied, and perhaps opposing, attitudes and values, further dividing the Palestinian student community.

Assessment of Education Equity and Impact

In a recent survey of Palestinian students, the NPA Secretariat found that nearly 95 percent of those surveyed felt the current Palestinian education system was inequitable.⁵⁵ For myriad political, historical, geographic, and demographic reasons, the Palestinian education system is disjointed and the quality of education varies significantly across regions and between providers. In 1999, the first Palestinian student achievement tests were conducted to determine the educational status of children. The results were discouraging. The average score for student achievement in the Arabic language was 53.9 percent, a failing grade. Mathematics and science were even worse with averages of just 38.7% and 39.7% respectively. If these achievement rates are to improve, many changes are needed, including better pay and training for teachers, more inclusive guarantees to educational inputs, and a creative, participatory curriculum must replace the current reliance on rote learning.

Average Score for Fourth Grade Students taking Standardized tests in Arabic, Mathematics, and Science, 1999⁵⁶

Disaggregated by:	Arabic	Math	Science
Male	48.6	37.1	35.7
Female	58.4	40.3	42.1
West Bank	55.13	38.2	40.3
Gaza	52.6	39.3	39.0
Government	50.0	35.1	37.5
UNRWA	57.4	41.8	42.1
Private	72.6	53.9	48.8
Total	53.9	38.7	39.7

While it is not surprising that achievement rates vary between West Bank and Gaza students (due to different curriculums that emphasized different subjects), it is surprising that females and UNRWA students perform better than their various counterparts (excluding private schools). In the male-oriented Palestinian society there is a greater emphasis on male achievement. Women, for example, comprise only 41 percent of private school enrollment and only 35 percent of enrollment in Gaza private schools, reflecting a general predilection to male education. Despite this

⁵⁵ Convention on the Rights of the Child Youth Survey. Conducted in April 2000 across the West Bank. There were 167 student respondents.

⁵⁶ Data gathered from the MOE Department of Curriculum Development's evaluation and assessment division.

male bias, girls scored at least six percentage points higher than male students. Unfortunately, these achievement rates have little impact on the societal pressures that force many girls to drop out of school before they turn eighteen. Indeed, 7.6 percent of girls drop out of school in the twelfth grade (compared to only 3.6 percent of boys). These high numbers are due to a combination of factors: early marriage (seen increasingly post-*intifada*), lack of family and societal support for higher education, and higher unemployment rates for female college graduates. Palestinian women have considerable academic potential – their education should be promoted, not discouraged.

Since I'm the only girl in my family, I lead a miserable life full of domestic fights, financial problems, and mental anguish. Education is the only means of escape from my depression and confusion. Without education my life is nothing but a slow death.

-Response from a 16 year-old Palestinian girl to the question, "Why is education important to you?" Taken from the NPA Secretariat's Convention on the Rights of the Child Youth Survey, April 2000.

It is also surprising that UNRWA students performed significantly better than students attending governmental schools, because UNRWA has greater student/teacher ratios and fewer UNRWA teachers have attained a bachelor's degree. One of the possible explanations for this apparent paradox is the greater emphasis UNRWA places on supporting teachers, as reflected in higher salaries. Whereas the government has been forced to spend the majority of its budget on infrastructure and mass teacher hirings, UNRWA has invested in its teachers through higher salaries and more intensive training.⁵⁷ As mentioned earlier, UNRWA also spends proportionately more on teaching than education administration – in contrast with the MOE. This greater emphasis on the direct teacher/student relationship is perhaps the most significant reason why UNRWA students perform better than their government counterparts. Such policies improve teaching potential and therefore enhance student achievement.

Higher UNRWA achievement rates are also due to UNRWA's stricter policies toward social advancement. More UNRWA students are forced to repeat a school grade, decreasing the possibility that a student will advance without achieving the necessary education requirements. This is in stark contrast to government schools where there is policy dictating that no more than five percent of any class can fail.

⁵⁷Recent budget shortages have forced UNRWA to scale back some of their more generous benefits. Many teachers are now hired on a contract basis, limiting their access to corollary benefits.

**Measurements of Education Equity
By Type of Provider and by Region**

Region	Provider	Student Teacher Ratio 1999/2000	% of Teachers with a BA or Higher 1999/2000	Amount of Space per pupil (m ²) 1999/2000	% of Schools w/o electricity (# schools) 1999/2000	Provider Expenditure per pupil – Basic Edu. 1999/2000 (\$)
West Bank	Government	23.0:1	56.7	1.06	7.5 (74)	279.44 ⁵⁸
	UNRWA	32.7:1	46.5	1.14	2.1 (2)	411.60 ⁵⁹
	Private	15.3:1	59.1	1.25	1.0 ⁶⁰ (2)	N/A
	Total	22.6:1	56.3	1.08	6.1 (78)	N/A
Gaza Strip	Government	27.4:1	58.9	1.26	1.9 (4)	202.65
	UNRWA	39.5:1	37.5	0.99	0.0 (0)	309.07
	Private	15.5:1	70.25	1.49	0.0 (0)	N/A
	Total	31.8:1	50.8	1.12	1.0 (4)	N/A
Total	Government	24.2:1	57.2	1.11	6.5 (78)	257.39
	UNRWA	37.6:1	40.2	1.03	0.7 (2)	333.76
	Private	15.3:1	60.0	1.27	0.9 (2)	N/A
	Total	25.6:1	54.6	1.10	4.9 (82)	N/A

The MOE is caught in a fiscal bind. It has to improve school infrastructure, highlighted by the fact that 6.5 percent of schools still do not have electricity, but education achievement will not improve unless these physical inputs are supported with less obvious, but often just as expensive, investment in teaching and creative curriculum. Currently, the MOE scrapes enough money together from the local community to support recurrent costs, but must rely on donor support for any additional or development spending. Each year sets a new record for the number of Palestinian children attending first grade and to improve education achievement, spending levels will have to increase faster than enrollment. Given all of the pressures on public spending, this is an immense challenge.

The Palestinian education system is at a critical juncture. Education decision-makers are now aware of basic expenditure costs and the approximate size of their annual budget. The task now is to determine how these funds can be used more efficiently and effectively. Issues of equity have not yet been fully addressed. Education is provided for most, but it is now necessary to target those groups that have weaker systems. Teacher training, for example, should not be evenly distributed

⁵⁸ This data was calculated from MOE, “Education for All,” which presents child spending as 14.6 percent of per capita GNP. This was then cross referenced with the latest calculation of per capita GNP in Gaza (\$1388) and the West Bank (\$1915) to estimate expenditure levels.

⁵⁹ Calculated by manipulating “UNRWA in Figures” amounts for cost per elementary pupil (grades 1-6) and preparatory pupil (grades 7-9). These number were compared to the total number of these students to determine a cost per pupil for basic education to make it comparable to the government’s estimates of cost per basic education (grader 1-10).

⁶⁰ There are two private schools without electricity and both are located in Jerusalem.

across districts, but focused on those districts that have the poorest achievement or teaching quality.

The Palestinian education system should also begin to create greater links with the community. This is necessary not only because of a shortage of funds, but also because community/family respect for education will increase if they are given greater responsibilities. Currently, families spend less than \$7 per month per child on education,⁶¹ as detailed in the following table.

Families' financial contribution to educational costs⁶²

The West Bank	Household size	Amount (\$)	~amount per child (\$) ⁶³	Gaza Strip	Household size	Amount (\$)	~amount per child (\$)
	1-5	15.73	7.86		1-5	10.21	5.11
6-7	31.47	7.87	6-7	26.73	6.68		
8-9	29.74	5.95	8-9	35.38	7.06		
10+	47.01	6.71	10+	50.76	7.25		

From January to December 1997, \$19.59 was spent per family per month on educational inputs in the West Bank and \$21.98 per family per month in the Gaza Strip.⁶⁴ Given these relatively low numbers, there is room for greater financial and human inputs from the community. Families and the community have been seen as tertiary supporters of public education, not as full partners. Families should be encouraged to further a child's education in the home and some financial decisions should be decentralized. This may include strategies to increase education taxes, greater municipal involvement in public education, and cost-sharing strategies.

Conclusion and Recommendations

It is quite evident from the review of the educational sector that major achievements have occurred in Palestinian education. New schools have been built, a Palestinian curriculum has been established, teachers' capacities have been upgraded, and numerous progressive pilot projects have been initiated. The next phase of development needs to focus on maintaining these advances while supporting the remaining challenges of ensuring improved quality of education, equity of service provision, increased community participation and responsibility for education, decentralized decision-making policies, and improved salaries for teaching staff. The other service providers, the community, and the family must strive to equip Palestinian children with the education they need to meet the challenges of the 21st

⁶¹ Family contribution to education includes fees for kindergarten, primary, secondary, and university schooling. As well as the cost of transportation related to education, cost of books, uniform, bags, and supplies. The cost for private lessons is also included

⁶² PCBS (1997), "Family Expenditure and Consumption Survey-1997, Living Standards in the Palestinian Territories, the Final Report."

⁶³ These amounts are rough estimates because it is impossible to accurately disaggregate education spending per child. These amounts were calculated via a simple division of the total number of children per family by the cost devoted to education. In the PCBS expenditure survey, education was not targeted solely at children. Thus these amounts are greater than actual child expenditure because they also include adult education spending.

⁶⁴ PCBS (1997), "Family Expenditure and Consumption Survey-1997, Living Standards in the Palestinian Territories, the Final Report." Unfortunately, it is impossible to disaggregate family education expenditure by gender or service provider, but in the upcoming 2001 consumption survey education spending will be disaggregated by the age of child, gender and by service provider.

century. The pressures are tremendous because these children will be the first generation of the Palestinian state. They are the future leaders, legislators, doctors, and teachers. It is time to ensure that all children are given the quality education they need to be productive and viable citizens.

Recommendations.

Education For All.

1. Due to the lack of resources and the pressures on recurrent spending, education programs should focus their efforts and resources on the most needy areas and groups. The clear cycle of poverty in Palestine will not be reversed until greater efforts are made to provide the poor with the educational capabilities they need to lead fruitful and productive lives. The ongoing development of school mapping is a positive step towards identifying at-risk groups. Further efforts are needed to identify the particular needs and difficulties of each district.
2. Many Palestinian teachers are under-qualified. Teacher training, focusing on those schools with the poorest performance scores, is an urgent priority. Current teacher salaries, moreover, do not encourage the educated and energetic to join the teaching profession. In the medium-term, the teaching profession should be raised on the governmental pay scale, reflecting a societal commitment to teachers. Since increasing teacher salaries in the short term may not be feasible, other incentives/provisions should be sought to encourage teachers. Performance based monetary awards, for example, might increase the incentive of teachers to teach well at relatively low cost to the MOE. The Ministry of Higher Education and the MOE should also work together to develop widespread and consistent teacher qualification standards.
3. Although the ministry is moving toward decentralization and greater cooperation with the community, further efforts are needed to capitalize on local strengths. Student/Parent/Teacher/Administration committees should be given a sincere role in coordinating school activities. Strengthening local participation will give the local community, and children themselves, a feeling of ownership over the education system. This will encourage the community/families to be more active contributors to school needs, improving budget sustainability. Schools should also be given more freedom over their individual budgets to devise creative programs. Such diversity tailors education schemes to local needs and serves as a laboratory for innovative programming.
4. Education planning, curriculum development and school pedagogy should be more child-friendly. Children should be included in the budgetary and programmatic decision-making process of each school. Children with special needs, the handicapped, and the girl-child should be incorporated into the planning frameworks of the MOE and local education committees.
5. The importance of female education should be stressed by the MOE and society as a whole. Girls do not appear to be discriminated against in most schools, but societal pressures remain that prevent many girls from reaching their academic potential. The value of women's education should be advertised in hopes of

increasing private school enrollment ratios for girls and lessening the disproportionate number of girls who drop out of school in the eleventh and twelfth grades. If these policies are undertaken, the quality of Palestine's labor force will improve and the representation of women in the economy will increase.

6. Although most kindergartens will remain in the private sector, the MOE should create and enforce pre-school regulations that guide the programming and financing of kindergartens. Kindergarten enrollment should be encouraged by advertising the value of early education. Funding should be specifically sought for those districts that have few kindergartens and/or low pre-school enrollment ratios. This will ensure that marginalized children receive the support they need to be successful in later schooling.
7. Given the Palestinian age structure and high fertility rates, preparations must begin now to confront the constantly expanding student body. This natural growth, in conjunction with the uncertain future of UNRWA and other donor support, places immense pressure on the future education budget. Long-term strategies and clear policy priorities are needed. Under the current situation, increased population will result in fewer resources per child, decreasing academic potentials.
8. Given the cash-strapped status of the MOE, greater rationalization is needed in the hiring of additional administrative posts within the MOE. Before hiring new administrators, MOE leaders should consider delegating responsibility to local school officials.
9. Greater communication and partnership is needed between the Ministries of Finance, Local Government and Education. Budgets, priorities and responsibilities should be determined together, establishing a less centralized and more sustainable education planning and provision network.

Social Welfare and Children: Where are the links?

The most troubling demographic in Palestine is the number of poor and vulnerable children. Over 24 percent of all children live under the poverty line, limiting their ability to realize their rights and lead healthy, productive lives. Current social welfare capacities are woefully inadequate, covering less than a third of the poor population. Such support, moreover, only attempts to alleviate the severity of poverty, not lift families from the phenomenon.⁶⁵ Although it is difficult to identify clear, verifiable links between social welfare policies and child development, it is obvious that more support is needed to rid Palestinian children from this destitution. In 1998, the National Commission for Poverty Alleviation conducted the first real assessment of Palestinian poverty. Although this report was an important first step to providing essential poverty information, it did not specifically address child poverty. This is alarming because information extrapolated from this study indicates that approximately 24 percent of the 1.4 million Palestinian children are currently impoverished. Hence, children are not only the poorest of the poor, but they are the single largest group of Palestinian persons living in poverty. It must also be realized that the population of vulnerable children does not only include the poor, but also many disabled, abused and neglected, institutionalized, female, and working children. The majority of these children are not supported by the government and must rely on transient, project-based donor support.

This section seeks to assess the status of social welfare by analyzing the four main groups that currently provide material assistance to the poor: the PNA, non-governmental organizations, UNRWA, and the donor community. By identifying the eligibility requirements, level and type of support, and the equity of distribution policies implemented by these social welfare actors, we can identify the gaps in service and begin to recommend monetary and procedural changes that may lessen Palestinian child poverty.

Ministry of Social Affairs

The Ministry of Social Affairs (MOSA) runs the largest social welfare program in Palestine, offering monthly aids to 8144 widows, 2435 divorced women, 8375 handicapped individuals, 5827 elderly persons and 4696 social needs families (martyrs, prisoners, injured).⁶⁶ Eligibility is determined by the absence or inability of the breadwinner to work due to death, absence, or sickness. Thus only income is assessed, not living below a certain poverty line. If a father or mother works and earns a wage, but does not bring home enough money to keep the family from poverty, they are more often than not, ineligible for support.⁶⁷ The status of the child is not considered. Thus the MOSA focuses on the poorest of the poor – and offers them marginal support – while ignoring the vast majority of poor children who live with two parents, at least one of whom works.

Under the PNA, the public social welfare budget has been kept at the same monetary level, while falling significantly (and steadily) as a proportion of the national budget. Social welfare has ranged between \$34 and \$47 million (peaking in

⁶⁵ Palestinian Poverty Report

⁶⁶ Nidal Sabri, "Analysis of the PNA Social Budget: Focusing on Child Allocations," NPA Secretariat 2000, 32. The NPA Secretariat commissioned this paper for the purposes of this report.

⁶⁷ Palestine Poverty Report 1998

1997) and has fallen from 11 percent of the recurrent budget in 1995 to under 5 percent in 2000. PNA revenue has increased steadily since 1994 and nearly all sector budgets have increased monetarily – save the Ministry of Social Affairs. The monetary value of the social welfare budget has decreased by 6.3 percent from 1997 to 2000, whereas foreign affairs spending has grown by 33.1 percent and internal security by 19.3 percent. As reflected in the budget, social welfare and child poverty are not governmental priorities.

***Status of the Social Welfare Budget under
the Palestinian Authority 1995 - 2000 (\$ million)***⁶⁸

Year	PNA Social Welfare Spending	Total PNA Recurrent Budget	Total Capital and Recurrent Budget	Social Spending as a Percent of Recurrent Budget	Social Spending as a percent of Total Budget
1995	34	560	750	11%	5%
1996	40	710	928	6%	4%
1997	47	790	1113	6%	4%
1998	44	819	1183	5%	3.7%
1999	41	927	1185	4.4%	3.5%
2000	44	925	1386	4.8%	3.2%

Approximately 38.2 percent of Gaza households and 15.6 percent of West Bank households live under the poverty line, defined as living on less than \$420 a month for a family of seven.⁶⁹ This translates to total of about 354,200 poor children across Palestine. The MOSA partially assists approximately 30.6 percent of the poor families in the West Bank and about 26.6 percent in Gaza.⁷⁰ The remaining poor either go without assistance or are helped by UNRWA or the NGO community. For MOSA, and also for UNRWA and the non-governmental sector, most of these beneficiaries are not poor children. The elderly receive the largest percentage of support, followed by widows. There has been no survey to determine the number of poor children supported, but a recent survey by the NPA secretariat found that 72.9 percent of Palestinian youth felt that the government would not support their family if something happened to their father or mother.⁷¹ The level of monthly support, moreover, is minuscule - \$113 for a family of seven. This represents about a third of the needed income just to reach the poverty line and about 14 percent of the average

⁶⁸ Nidal Sabri, 2000: 17

⁶⁹ Palestinian Poverty Report 1998. Although the percentage of poverty is greater in Gaza, the numbers of poor are nearly equal due to the greater population size of the West Bank.

⁷⁰ Calculated from PCBS 1997 census data of the number of total families in the West Bank (262,568) and Gaza (144,497). This total was then compared to the percentage of poor families from the Poverty Report in order to assess the total number of poor families in West Bank (15.6 % or 40,961 households) and Gaza (38.2 % or 55,197 poor households). By cross-referencing the MOSA number of households supported with the number of poor families in the West Bank and Gaza, it is possible to determine the percentage of poor families supported by the MOSA (26.6 percent in Gaza) and (and 30.6 percent in the West Bank).

⁷¹ Convention on the Rights of the Child Youth Survey. Conducted in April 2000 across the West Bank. There were 167 student respondents.

Palestinian monthly expenditure of \$830.⁷² This inadequacy of support is partly due to the fact that the sliding scale used by the MOSA has not been adequately updated since its creation by the Israeli Civil Administration in 1987. Due to inflation, the purchasing power of support in 1996 was just 35 percent of its purchasing power in 1987.

Children are starting to be seen as more of a social welfare priority, but targeted child assistance is still minute. The MOSA established a Department of Family and Child in 1995, with the goal of (1) supporting “special hardship” children; (2) enhancing child capabilities via protection/activities centers; (3) supervising private nursing centers and pre-schools; and (4) supervising the social societies that care for disabled children and orphans. With an annual budget of less than a million dollars, however, the Department of Family and Child has limited resources with which to reach their goals. The vast majority of support to this department comes from donors, particularly Sweden. The MOSA has never provided marginalized children with direct support from their recurrent budget, except for covering staff salaries and transportation. The Ministry is currently proposing further projects related to infant childcare and youth training/rehabilitation centers, but due to the current lack of public funds, MOSA is shopping these programs to the international community. This situation reflects the necessity of lobbying within ministries to allocate more of their budgets to specific child needs.

UNRWA

UNRWA’s social needs program focuses on the needs of Palestinian refugees and is divided between family support (relief services) and support for priority areas (social services). Relief services provide special hardship assistance, food support, shelter rehabilitation, and limited cash assistance, whereas social services focus on community development, institution building, disability programs, youth activities, women’s issues, and poverty alleviation. UNRWA assumes that nearly all Palestinian refugees benefit from their social services, listing the number of beneficiaries as 100 percent of the refugee population. In 1998-1999 there were 28,016 family support cases in the West Bank and 69,147 in Gaza.

The eligibility requirements for relief support are strict. Like MOSA, this support targets those families who have lost their income due to death, disability, old age, or chronic illness of the breadwinner. However, UNRWA also stipulates that the refugee family must not include a male between the ages of 18-60 who is able to earn an income. The total household income from all sources, moreover, must not surpass two-thirds of the lowest UNRWA employee salary for the same region and number of dependents. This type of policy supports a cycle of poverty because once a child turns 18 he/she must immediately seek employment in order to support his family. Since these children are less educated they often have to take low-skill, low-wage jobs maintaining their families’ poverty. In 1999, the number of refugee relief beneficiaries was 69,147 people in Gaza (8.7 percent of the Gaza refugee population) and 28,016 in the West Bank (4.9 percent of the West Bank refugee population). The most common form of support is food with 70 percent of the UNRWA relief service budget donated to food provision,⁷³ including five basic commodities (flour, rice, sugar, oil, and milk powder) and a small cash subsidy to buy fresh food.

⁷² Palestinian Poverty Report – this average expenditure was calculated between October 1995 and September 1996. The PPR reports this value in Jordanian Dinars, but to make the value more illustrative it was converted to dollars using \$1.4/1 JD.

⁷³ UNRWA Annual Report 1999, as quoted in Nidal Sabri, p. 33.

The level of UNRWA support is not substantial. Food and other in-kind assistance are valued at around \$12 every three months per individual. This represents approximately 7.2 percent of the average West Bank and Gaza expenditure in 1996, after subtracting health and education (as these are provided by UNRWA to the majority of beneficiaries).⁷⁴ For a limited number of special hardship cases, UNRWA provides the small amount of \$228 a year.

Ratio of UNRWA Social and Relief Subprograms, 1999⁷⁵

Social Services Expenditures	1999	Relief Services	1999
Community Development	0%	Hardship assistance	3%
Disability Program	24%	Food support	70%
Youth Services	4%	Shelter rehabilitation	19%
Women	18%	Cash assistance	7%
Poverty alleviation	52%	Other	1%
Other	2%		
Total	100%	Total	100%

UNRWA's social and relief budget ranked third after education and health expenditure. Gaza received nearly half of the social welfare budget and spending per refugee is significant higher in Gaza (\$38.83), then it is in the West Bank (\$24.57). This favor toward Gaza enhances equity, not only because poverty is more entrenched in Gaza, but also because most non-governmental social support is focused in the West Bank. This division between primarily UNRWA support in Gaza and NGO support in the West Bank, however, is still inequitable because UNRWA support does not meet the need for most of Gaza's impoverished. This high-reliance on UNRWA, moreover, has severe implications on the PNA who will have to take over social welfare for all citizens in the future.

Share of the UNRWA Social/Relief Budget 1994-99 (\$ million)

Years (Two Years)	Total Budget		Social and Relief Budget		%
	Gaza	West Bank	Gaza	West Bank	
1994 -1995	149	110	21	12	13%
1996-1997	167	109	25	13	14%
1998-1999	202	110	31	14	21%
2000 (1 year)	88	48	11	5	12%
Average					14%

Source: Financial Position and annual reports of UNRWA, in 1995 and 1999

⁷⁴ Palestinian Poverty Report, 71.

⁷⁵ UNRWA Annual Report 1999, as quoted in Nidal Sabri, p.33

Non-Governmental Organizations

The latest count of non-governmental organizations focusing on providing social services was 460 institutions, of which 376 were in the West Bank and 84 were in Gaza. The non-governmental community in Palestine is well established due to the significant role civil society played in service provision prior to the establishment of the PNA. In addition to these service-providing NGOs, 62 Al-Zakat (Islamic alms) Committees provide considerable support throughout the West Bank and Gaza.⁷⁶ These institutions are a major crutch to the Palestinian poor, offering food, cash, and clothing. Nevertheless, they are not an adequate replacement for a formalized social safety net.

Non-Profit Organizations offering Social Support in the Palestine, 1997⁷⁷

Non-Profit Organizations	West Bank	Gaza	Total
Relief Charities	57	7	64
Credit Institutions	8	1	9
Rehabilitation	12	6	18
Charity Organizations	149	18	169
Education Societies	30	8	38
Health Societies	34	15	49
Handicapped Societies	43	15	58
Orphans Societies	5	1	6
Older Charities	16	1	17
Other Charities	22	11	33
Total	376	84	460

It is difficult to assess the social support eligibility requirements for the NGO sector as a whole, since it is comprised of a multitude of actors and agendas. A 1997 study of the sector, determined that 19 percent of the above NGOs offer cash-support, 19 percent offer in-kind support, 36 percent offer free services, 17 percent offer rehabilitation programs, and 6 percent offer other services.⁷⁸ The volume of this support (in general and specifically for child spending) is hard to extract due to the diversity of the organizations and their different distribution timetables. Furthermore, due to the fact that there is very little interaction between governmental and the non-governmental organizations, it is impossible to determine if there is redundancy and/or significant gaps in social support. The PNA has made an increasing effort to reach out to the NGO community to better coordination, but these linkages are often avoided by NGOs who cherish their autonomy. The PNA has also placed some constraints on the NGO community furthering a sense of distrust between the government and civil society.

A recent study by the Welfare Association, examining international support for local NGOs, provides some insight into the level and type of NGO support for children. Since 1994, the NGO community has received an average of about \$60

⁷⁶ Palestinian Poverty Report.

⁷⁷ Hilal, Jamil, and Majdi Malki, *Social Support Organizations in the West Bank and Gaza*, MAS, Ramallah, September 1997.

⁷⁸ Ibid.

million per year from international sources. From 1994 to 1999, approximately 8 percent of these funds, \$24 million, and 12 percent of all project surveyed, targeted children and youth directly. These projects focused on clubs and community centers, books and literary activities, reform for social problems, services for special needs children, social activities such as festivals, parks and camps, educational resources and technology, civic rights education, school construction (including preschools), health services and policy planning. Although this international support for the Palestinian child is positive, these funds translate into about \$3 per child per year and most programs do not address child poverty directly (although they are often targeted to the most impoverished regions).⁷⁹ In an attempt to lessen their dependence on international support and cover their rising recurrent costs, many NGOs are starting to shift toward a profit making strategy.⁸⁰ Such a strategy may lessen dependence, but it also risks shifting the ideology and effectiveness of the NGO's service provision. Profit making encourages efficiency, but it prevents NGOs from targeting the poorest of the poor, since the cost of reaching them limits profit. In Palestine, moreover, most of these attempts have consistently reported losses, decreasing the funds available for programming.

Zakat Committees are the most widespread social welfare institutions in Palestine, assisting 27, 585 households.⁸¹ Most of Zakat support comes in the form of cash-assistance, at an average of \$326 per family per year. Zakat committees have the least stringent eligibility requirements, developing a network of sub-committees and field investigations to actively identify the needy. Unfortunately, most of those identified are in the West Bank, reflecting the fact that local fundraising constitutes the main source of Zakat income and there is simply more money (and more Zakat institutions) in the West Bank.

There are numerous support agencies distributed throughout Palestine, but due to a lack of coordination between NGOs and between the NGO community and the government, services often overlap. This results in some poor families receiving multiple support, while others, often the poorest of the poor, are left without aid. Often families in the direst need of support live in distant rural areas and do not receive support because they are not within the scope of NGO target areas and they are unaware of how to seek out assistance. The major social welfare providers, excluding many Zakat committees, do not actively seek out the poor and vulnerable, but wait for these persons to approach them. A more proactive and preventive outreach approach is needed.

International Social Welfare Support

After the peace process was established, international aid flooded the Palestinian territories to help state building, democratization, and infrastructure development. Palestine is a high profile development agenda as it is often in the news and donor projects can be publicized as strengthening the foundations of a nation. From 1994 to 2000, over \$5.7 billion in donor support was pledged to the West Bank and Gaza.⁸² Although less than 54 percent of these pledges were ever disbursed, this aid has been vital – almost completely funding Palestine's development budget. From

⁷⁹ Welfare Association, "Donor Assistance to Palestinian Civil Society for the Benefit of Children and Youth," unpublished paper, November 1999.

⁸⁰ Nidal Sabri 2000, 36.

⁸¹ Palestinian Poverty Report, 69. The last survey of Zakat beneficiaries was conducted in 1996.

⁸² MOPIC, "Second Quarter Monitoring Report of Donor Assistance," June 2000.

these totals, however, it is difficult to assess the exact amount donated to social welfare. Although MOPIC aggregates certain donor support under the social welfare headings of Children and Youth (beginning as a target area in 1997), Human and Social Development, Humanitarian Aid, and Women's Issues, a number of other programs directly target poverty, but are placed under other headings.

If MOPIC's divisions are used, international social welfare expenditure represents approximately seven percent of all donor allocations, as presented in the following table:

International Aid Devoted to Social Welfare: 1994 to 1999 (\$ million)

	1994	1995	1996	1997	1998	1999
Children and Youth	0	0	0	2.044	2.660	1.397
Human and social development	3.559	2.174	9.198	10.124	26.384	7.782
Humanitarian aid	33.798	31.013	16.231	13.343	15.688	2.885
Women	1.406	2.032	2.919	1.881	3.177	1.251
Total of social aid budget	38.763	35.219	28.348	28.336	47.293	13.118
Total aid budget	655.0	457.3	541.9	490.4	382.1	409.8
Ratio of Social to total	6%	8%	5%	6%	12%	3%

Sources: MOPIC Reports from 1998 to 2000

Although MOPIC lists certain projects under the rubric of Children and Youth, this represents only a small proportion of the international aid devoted to child welfare. By examining the project titles of the donor community it is possible to come up with a more accurate, but still imprecise, amount of international child spending. According to this approach, international child commitments (excluding education, but including child health) totaled \$39 million from 1994 to June 2000. Of these pledges, approximately \$25 million was disbursed. This represents about eight-tenths of one percent of all international support disbursed from 1994 to June 2000.

Unfortunately, it is difficult to assess whether these projects are equitably distributed across the West Bank and Gaza, between boys and girls, or between urban and rural settings. One of the recent findings of NPA Secretariat is that most development projects do not consider the impact their project will have on child rights and welfare. Repaving a road may improve the transport of goods, but it also may increase automobile speeds and child fatalities. The NPA is currently developing an evaluation framework from which to judge the "child-friendliness" of new projects, evaluating the project's consideration to child needs, the level of suitable child participation, and the degree to which the project reaches out to at-risk or marginalized groups.

The donor community has been a substantial crutch to the Palestinian National Authority and the Palestinian people since 1994. Without their support, most Palestinian infrastructure would still be dilapidated, the education sector would be without a development budget, and many child programs would be inexistent. The difficulty is that the Palestinian budget has grown dependent on this support and if the peace process fades or Palestine becomes less of a high profile donor agenda, this support will evaporate and the strain on the Palestine public budget will be severe. Clear priorities and target groups need to be elucidated so that donors know where to focus and Palestinian budget planners know what allocations are crucial for the future.

Consolidated Assessment - Conclusions and Recommendations

The Palestinian social welfare system is the least developed sector within the Palestinian territories. For the last half-century, Palestinian welfare, and particularly child welfare, has depended on the good will of community-based organizations and international/regional donors. Services were haphazardly delivered for there was in effect no social welfare infrastructure or network to provide services in a reliable, organized manner. This legacy has carried over to the present. Numerous small agencies and charitable organizations exist, but they are in no way a substitute for a viable social security system. Children's protection, and efforts to ensure that their basic needs are met, only recently became a priority with the establishment of the Palestinian Ministry of Social Affairs.

A review of the existing budget and expenditures within the MOSA, however, indicates that insufficient national and international resources are being allocated to meet the needs of children and other marginalized groups. Although poverty is highest amongst children and female-headed households, there is no national policy that specifically dictates the necessity of providing these groups with assistance. The MOSA functions within a very limited budget that is insignificant when compared with the actual social needs of children, disabled persons, juvenile offenders, and institutionalized children. Without the development of pro-child policies and without increased allocation by the PNA and donors to meet established priorities, the MOSA will continue to fail to meet its mandate.

It is also incumbent upon the MOSA and other relevant ministries to formalize social safety systems and policies that protect child well being. It is not only the responsibility of the ministries of health and education to consider children, but the ministries of labor, economy and trade, agriculture, and planning must also ensure that child well being and protection is considered in their overall planning, implementation and monitoring of programs. Currently, little consideration is given to the "family" and even less is afforded for children's interests. Without an awareness of the impact ministerial projects have on family and child well being, Palestine may improve its economic condition but weaken the rights and development of children and at-risk groups. Such a strategy is unsustainable.

Recommendations.

1. A child sensitive vision must pervade all aspects of social welfare. More research is needed to determine what amount of current support actually reaches children. More creative programs and methods of service delivery are needed to guarantee that children are adequately protected from poverty.
2. Social welfare in Palestine is provided through an uncoordinated network of governmental, private, charitable, non-governmental, and international organizations. Services are characterized by gaps in some areas and redundancy in others. Coordination between groups is of utmost importance. By creating a central database that identifies beneficiaries, donating organizations, and types of support received, gaps and redundancies can be identified. Such a database would also help organizations target their services to the most impoverished areas. Coupled with clear priorities, performance indicators and cost calculations, such an information system would vastly improve the equity and efficiency of social welfare.

3. The social welfare sliding scale of the MOSA is antiquated and has not adapted to the increasing cost of living in Palestine. Poor and at-risk children need to be identified and better protected. Social support requirements should be tailored around whether or not a family is living beneath the poverty line, not simply the presence or absence of income. Social welfare should also consider the causes and impact of the trans-generational cycle of poverty in Palestine.
4. A viable social security system needs to be developed. Without guaranteed and adequate support for the elderly, handicapped and disadvantaged, Palestinian poverty will remain entrenched and most children will not receive the support they need to become healthy and productive citizens. Studies should be commissioned to research the cost, structure and feasibility of a Palestinian social security system.
5. The effect of high fertility rates on the national budget needs to be addressed. The current fertility rate is unsustainable without a dramatic reduction in the quality and quantity of services that the government provides. Without reductions in fertility, poverty and unemployment will increase. With ever growing numbers of children, moreover, budgets will have to expand tremendously just to maintain the current status quo. Both academics and governmental officials need to focus on fertility reduction and determine the concrete steps needed to address the issue.
6. Innovative social welfare programming should be developed with the donor community. Income generating and social development programs are more sustainable and longer lasting than simple cash transfers. A demand driven Palestinian social fund, for example, could invest in the ingenuity of target populations, simultaneously building human capital and protecting those in need.
7. The MOSA is woefully under funded and needs continued upgrading of staff. To address the above recommendations their budget will have to increase significantly and their staff will have to be trained to meet the specific needs of children.

Child Focused Municipal Budget Case Studies: Gaza City and Salfit⁸³

In April 2000, the NPA Secretariat commissioned a child-focused municipal budget case study, in order to hear the opinions of Palestinian children and determine the specific child-related issues of municipal budgets. Municipalities in Palestine are relatively weak. They do not command major budgets and are not mandated to provide significant social services. The following analysis examines the municipal budgets of Gaza City, an urban center in Gaza, and Salfit, a rural municipality in the West Bank.

Gaza City and Salfit: Basic Information		
Criteria	Gaza City	Salfit
Type of locality	Urban	Rural
Population size	Over 380,000	About 7,300
Region	The Gaza Strip	North of West Bank
Poverty Distribution	High inequality rates	More egalitarian
Proximity to governmental institutions	Center	Remote
NGOs	Relatively strong	Relatively weak
International organizations	Relatively active	Relatively inactive
UNRWA activity	Active	Inactive
Number of staff	About 1500	31
Representatives in PLC	12	Zero
Economic resources	Diversified	Less diversified
Refugee Population	Relatively large	Relatively small

Gaza City: Background

Gaza City is the largest Palestinian urban community with a population of 380,000 (approximately). Over 57 percent of the population is 19 years old or less. Gaza City was the site of continuous confrontations with the Israeli occupation between 1967-1994. The continuation of the Israeli occupation led to the destruction of the City's infrastructure and economic base. Many children of Gaza were exposed to violence and other traumatic experiences. A large number were killed during the Intifada and many others were detained in Israeli jails. The current children of Gaza face severe poverty and substandard living conditions. The Palestinian Poverty Report (1998) showed that the poverty rate in the Northern District (where the City is located) is one of the highest in Palestine; over one third of the population is poor. The majority of the City population is refugees, most of who live in camps. Refugee children face additional risk factors due to their poor living conditions and unequal access to resources as compared with more affluent Gaza children.

The first municipal council for the City of Gaza was established in 1893 under the Ottoman Law on Municipalities. Under the British Mandate and the Israeli occupation, a number of councils were appointed directly by the occupying forces. In 1994, with the establishment of the PNA, President Yasser Arafat appointed the first municipal council under a Palestinian jurisdiction headed by Mr. Own Al-Shawa. The present Council faced the challenges imposed by the legacy of the occupation and the

⁸³ This section is developed from Dr. Nader I. Said, "Child Focused Municipal Budgets in the West Bank and Gaza: Case Studies from Gaza City and Salfit," July 2000. The NPA Secretariat commissioned this study for the purposes of this report.

resulting economic and social constraints. According to the Mayor, even after six years of infrastructure development, the City still needs \$6 billion over the next five years for basic reconstruction.

The City of Gaza is the center of the Palestinian Authority. Various ministries and authorities have their offices in the City. In addition to the City Council, Gaza is considered a governorate and has its own governor. UNRWA and other international humanitarian and donor agencies have a relatively strong presence in the City (especially among the refugee population). This high density of organizations often results in overlap and gaps in service, as communication between these organizations is limited.

The Municipality of Gaza has received the largest proportion of external funding. The value of development projects funded by external sources has reached \$92,950,392 over the last five years. The total amount of the recurrent budget was about \$25 million. The Mayor asserts that the Municipality has already spent \$200 million in developing the City over the last 6 years. Other bodies in the City receive external funding as well and UNRWA covers over 10 percent of the total recurrent budget, in addition to providing the majority of health, education, and sanitation services to the population.

Salfit: Background

Salfit is a rural community in the heart of the West Bank. It has a population of 7,300. About 700 of them are refugees who are almost fully integrated in the community. Salfit had a large land ownership reaching (38,000 dunums within municipal boundaries and 27,000 dunums outside of municipal boundaries).⁸⁴ Due to this substantial land ownership, Salfit is the target of Israeli settlements. Thousands of dunums have been expropriated from the citizens of the city. In fact, Areil, the largest settlement in the West Bank and Gaza was established on Salfit land. The presence of Israeli settlers causes severe planning constraints. A planned sewage treatment plant, for example, has been put on hold because of Israeli refusals to develop the area. Approximately \$100,000 was wasted as a result.

The population of Salfit is highly educated. Salfit is officially a governorate that is comprised of 18 localities, 8 of them are officially municipal councils. But it is a governorate without a governor, leaving the city council with the double task of a municipality and a governorate office. This, according to the City officials, is a burden on the budget of the City.

The first city council in Salfit was established in 1886. In 1976, the city council was elected. Three of the elected members continued to serve in the council until July of 1997 when the Ministry of Local Government (MOLG) appointed 13 new members. The council included one woman among its members (who later resigned to get a job as an engineer in the municipality). The City employs 31 full time employees and 7 daily workers. The size of Salfit's ordinary budget for 1999 reached \$998,791.

Municipal Budgets

It is typical to find two types of budgets in the work of municipal councils: an ordinary budget and a development budget. The budget of the city of Gaza is clearly

⁸⁴ One dunum equals 1000 square meters or approximately ¼ of an acre.

divided into these two streams. The City of Salfit publishes an “ordinary budget”, but not a “development budget.” This is an indicator of the degree of control over development budgets, and the power and administrative sophistication of a council. In Gaza, the Municipality is an active player in determining the types of projects that will be executed in the City, and is involved in the various stages of the projects. In Salfit, almost all of the development projects are executed by outside agencies, with no significant input from the Municipal Council. The citizens of Salfit have no real chances to voice their concerns and priorities to the relevant authorities. This is partly due to the lack of political influence of Salfit in comparison with large city like Gaza. This is reflected in the fact that 12 members of the Palestinian Legislative Council come from Gaza City, while there are no elected representatives from Salfit.

The MOLG has yet to formalize budget norms and structures across the board for all municipalities. Differences in budget content, administrative processes and financial procedures vary, making it difficult to generalize across budgets. In both of the municipalities reviewed, however, there were no specific budget lines devoted to children.

The Ordinary Budget

The ordinary budget is designed to cover the running cost of the municipality, including the salaries of the employees. It is perceived as a highly – specialized and technical endeavor. The main method for budget creation is for heads of sections to identify their needs in relation to available budget. Over the past years, no changes in the division of the budget lines have taken place. In part, this reflects the limited conception of local government by the MOLG. The budget for each section must be within the range that was used in previous years.

While the budget process seems to be a routine activity, it was obvious that the role of the city council was the most important. The mayors of the cities played the most important role and their endorsement was the most important part of the process. The participation of the members of the council varied between the two cities. In Gaza, the members were more assertive in the meetings concerning the budget. This was not the impression in Salfit, where the process was more informal.

The primary source (and maybe the only source) to fund the ordinary budget is through the fees and taxes paid by citizens (as will be shown in later tables). At the same time, no community participation is integrated in the process. The role of the rest of the community (including NGOs, political groups, women’s organization) is almost totally absent. Children are in no shape or form in the minds of the few who put together the budget. The question of involving children to participate was not considered, especially in the process of putting together the ordinary budget. It was argued that children (naturally) benefit from the work of the municipality through their households and through providing the community with infrastructure and other services (including public health). As in the national budget, there was a conception that the opinions of children were of scant importance.

Representatives of non-governmental organizations in Salfit argued that they are excluded from municipal work. Women’s organizations in Salfit have called for a number of meetings with the mayor, but there has never been a positive response.

The Development Budget

The process of putting together the “development” budget is far more complex than the ordinary budget. The number of actors increases, and the relative power of the councils diminishes in regards to determining the amount and content of the budget. The largest part of the “development” budget is derived from international donor assistance. A percentage of this budget comes from the contribution of the local community. Occasionally, a small part of it comes from contributions from influential persons including the President of Palestine, or from loans (as indicated later in the study).

Most of the projects that fall under this budget are determined through a “consultative” process between various actors. Those include the municipality, the donor agencies, Palestinian Economic Council for Development and Reconstruction (PECDAR), the MOLG, the MOPIC, and (in some cases) the Office of the President. The process of determining priorities and budget allocations is a highly centralized one, as well as political. Even the local councils are not fully involved in the allocation of projects in their localities. In fact, the Salfit municipality was unable to determine the amount of funds spent on some of the projects in their community, as PECDAR and other governmental agencies had control over the process. No significant consultations are carried out with the community. The NGOs are not involved as well.

The officials in the two municipalities argued that most of the ideas for the projects come from their assessment of the needs in the community. In Gaza, the consultative process with the community (as minor as it was) had some structured features. A large city like Gaza has “neighborhood committees,” who bring the issues of the community to the attention of municipality officials, and help the municipality execute its projects in the neighborhoods. In the City of Gaza approximately 7 meetings were held with the local communities over the past year (1999). Older dignitaries, educated men, and political leaders attended the meetings. In contrast, no specific invitations or arrangements were made to involve women and children in these meetings. Most of those interviewed outside of the municipality felt that the decisions concerning the priorities of the city are hardly consultative.

In Salfit, no organized means are devised to promote participation. The head of the council and some of its members determine the priorities of the city. They feel that they know the priorities of the community, as they are part of it, and that “in a small community, the needs and priorities are clear to everyone”. On one occasion, the city council called for a town meeting. About 200 citizens were invited (including only 15 women and no children). About 100 attended the meeting. While the meeting was meant to consult with the community, most of the time was spent on presenting the work and achievements of the present council. According to one of the women who attended the meeting, none of the women were allowed (or encouraged) to speak.

Gaza City Budget

The revenues for the City of Gaza for the year 1998 were derived mainly from taxes and fees. The revenues were approximately \$25 million. The available additional funds for development were approximately \$16 million (annually, less than one million comes from internal funding).

The following table illustrates the various budget lines. It shows that the financial status of the municipality in terms of its revenues and expenditures. As shown in table (3), the largest revenue sources for the City comes from its electricity project (over 50%). The fate of this revenue is uncertain as electricity services are set

privatized. The rest comes from fees and taxes paid by the citizens for various services including water, sewage, and other services.

Revenues and Expenditures – Gaza Ordinary Budget					
Actual revenues	NIS ⁸⁵	%	Actual expenditures	NIS	%
Taxes & Fees	6,566,751	6.63	Public Administration	7,558,104	7.53
Health Services	4,898,778	4.95	Public Health	13,607,304	13.56
Zoning & Construction	5,489,778	5.54	Engineering	6,554,976	6.53
Public property	5,728,088	5.78	Public property	2,223,445	2.21
Miscellaneous	4,569,740	4.61	Miscellaneous	5,646,658	5.63
Municipality services	1,161,312	1.17	Community services (public health).	1,969,189	1.96
Water project	8,662,672	8.75	Water project	6,148,380	6.13
Electricity project	50,616,825	51.1	Electricity project	44,188,144	44.0
Sewer System	2,667,051	2.61	Sewer system	3,779,489	3.76
Savings from previous years	8,600,000	8.69	Contribution of ordinary budget into the development budget	8,600,000	8.57
Total	98,960,352	100	Total	100,275,698	100

The ordinary budget reflects the administrative structure of the municipality. It reflects the vision that the municipality has for itself in relationship to its role in society. The list of departments in the Gaza Municipality shows that the focus is on service provision in the areas of electricity, water, sewerage, and infrastructure. Out of its 15 departments, the sophisticated administrative structure of the Gaza Municipality does not include any department specialized in social and community development. At the present time, the only department that might be of direct relevance to children is the “Public Health and Environment Department.” Among its activities was an awareness-program targeting children in schools and summer camps.

The 1999 development budget is illustrated in the next table. It shows that less than 7 percent of the available funds went to cultural and recreational activities and facilities. In contrast, road construction and area development comprised 61.85 percent of the budget. In addition, about 23 percent went to land purchase, equipment, electricity, water, and sewerage projects. While some of the projects in these areas include limited social activities (such as awareness raising), the social aspects of development and the effects of the projects on various groups in society, including children are not considered.

⁸⁵ There are approximately 4 NIS per \$1.

Gaza City Development Budget – 1999		
Expenditures	Amount \$	%
Cultural – Educational – Training	814,758	5.74
Recreational facilities	124,565	0.87
Road Construction & area development	8,777,224	61.85
Electricity, water, & waste water	1,315,659	9.27
Land, equipment & transport	1,984,966	13.98
Emergency projects	682,775	4.8
Beautification of the City & others	323,343	2.77
Total	14,189,792	100

The revenues to support the development budget were derived from four main sources: (1) “Internal funding” (36.6%); (2) Residents’ direct contributions (1.74%); (3) International agencies (11%); 4) Donor countries (through UNDP) (50.6%). One of the sources was a loan that the municipality has borrowed. The amount of this loan was 6.4 million.

Directly related to international funding are the “Community Centers”, attached to the Municipality. In relation to children, the City of Gaza is proud of a number of cultural centers affiliated with the municipality. These centers have their own supervisory committees. They cover their running cost from external and internal funding.

Gaza Municipality – Cultural and social centers				
Center	Year of establishment	Funding	Objectives	Services to Child
Public Library	1999	France	Emphasis on cultural upbringing of children	Children section
Holst Cultural Center	1998	Norway	Improve the lives of children	Computers, sports, music, theatre, library, arts
Community Resource Center	1998	UNESCO	Empower youth	No specific activities for children’ yet children participate
Rashad Shawa Center	1991	Rashad Shawa & Charitable Commission	Cultural exchange and debate	No mention of children, but public library benefits children
Artificial Limbs, Polio, and Physiotherapy Center	1977	Rashad Shawa & Charitable Commission	Rehabilitation of disabled	Services to disabled children

As shown in the previous table, with the exception of Rashad Sahwa Cultural Center, the community centers were mainly initiated or funded by various international donors. Almost all of the community centers provide children with a chance to participate in cultural and artistic activities. It would be interesting to further investigate the background of the children who have access and participate in the activities of these centers. As the study will show later, a group of children complained that there are class and area biases in the distribution of municipal services to children. The data published by the Municipality show that the value of development projects varies widely from one area in the City to another. For example, the Al-Shati' refugee camp receives about 4 percent of the value of projects per person, while the Sheik Ejleen (a tourist attraction) receives 23 percent of the value of projects per person.

Salfit Budget

The Salfit budget is not as specific as that of Gaza. No development budget (as such) is available. This is a reflection of a number of variables, such as the small size of the projects and the uncertainty surrounding the development budget, which forces the council to supplement sections of the development budget with the ordinary budget. A list of projects was available for the last few years. Some of the figures were missing as other government institutions, such as PECDAR, controlled these projects. The municipal council didn't know the cost of several projects that were executed in the City. The mixing of the two budgets and the absence of relevant data on development projects made the analysis incomplete.

A review of the ordinary budget (1999-2000) reveals that about 95% of the revenues come from the fees and taxes paid by the residents. Donations (as shown in the ordinary budget) have decreased from 16.4% in 1988 to 5% in 1999. This reflects the inconsistency and passivity in the field of collecting taxes.

<i>Salfit Ordinary Budget – Revenues 1999-2000 (NIS)</i>				
Item	Actual Revenue 99		Expected Revenue 2000	
Taxes (PNA)	126,051	3.15	265,000	4.32
Fees	625,453	15.65	1,030,000	16.8
Miscellaneous	208,404	5.2	291,000	4.74
Electricity Project	1,744,044	43.65	2,555,000	41.6
Water Project	782,429	19.58	1,165,000	19.0
Donations	202,927	5.0	113,000	1.84
Loan	---		90,000	1.46
Subscriptions – community participation in projects	157,892	3.95	390,000	6.36
Others	147,965	3.7	231,648	3.77
Total	3,995,165	100%	6,130,648	100%

Typical of ordinary budgets, most of the Salfit budget is devoted to salaries and running costs. In relation to children, the pride of the city is in its public library. The library expenditures (most for staff) are included in the ordinary budget. However, it must be noted that while the initiative to establish the library came from

private individuals, the establishment of the library was funded by external sources, and is currently supported by donations and subscriptions. One staff member is responsible for the Children's Library and activities. The Ministry of Culture and NGOs involve a number of children in their activities (including summer camps). In addition, some schoolrooms and a health center were constructed through a project that was implemented by PECDAR.

<i>Salfit Ordinary Budget – Expenditures 1999-2000 (NIS)</i>		
Item	Actual Expenditures 1999	Expected Expenditures 2000
Administration	401,090	426,000
Health	226,102	324,000
Engineering & maintenance	228,539	765,000
Public Library	90,629	125,000
Mechanical Services	162,230	205,000
Water & Electricity	2,388,591	2,872,000
Repayment of Loan	---	100,000
Total	3,497,181	5,873,000

In general, Salfit has no governmental or non-governmental organizations with a specific mandate towards children. This reflects the general developmental status of Salfit as a rural, out of the way community that is not as politically sophisticated as other city centers (such as Gaza). There is a general lack of civil society initiatives and activities. In Salfit, there are two women's organizations, a non-functioning youth center, a rehabilitation center for persons with disability (including children), and a workers' union. One of the women's organizations has a kindergarten that cares for 150 children. A private kindergarten (with Islamic leanings) involves 150 children.

Two initiatives are worth mentioning here. First, the City Council has plans ready for a public park that has facilities and a playground for children. No funding is yet available for this project. The other is a civil society initiative to establish a community center for children. A committee was formed, but the work is hindered by the difficulties in obtaining the proper licensing from governmental agencies.

Children's Views: The Results of the Workshops

Two workshops were organized to gather the ideas and opinions of Salfit and Gaza's child populations. A total of 41 children participated in the discussions. The Salfit workshop involved 21 children between the ages of 9-17. The group was divided among females (12) and males (9). The workshop was organized with the assistance of the "Children Section" in the Salfit Public Library. The Gaza workshop was organized through Kana'n Institute of Pedagogy. A total of 20 children between the ages of 11-18 attended (8 females and 12 males). The facilitators of the workshop came from the young volunteers who are trained by the Kana'n Institute for Pedagogy. In general, these children are from the wealthier sectors of Palestinian society.

In both cities, children showed a great deal of interest in the work of the municipality and were able to cite the most important aspects of its work, including infrastructure, electricity, and water. However, when discussing what they thought the municipality should undertake, they articulated a broader vision of what the

municipality should be doing. Their vision was holistic and rooted in the needs of the community. Very few children knew the content of a municipal budget. They did not know about the process through which a budget is constructed, nor did they know about its structure.

Children felt that they were excluded from the municipal councils. In Salfit, they could not cite any specific project or activity directed at them and initiated by the Municipal Council. The only outlet for children in that city is the children's section in the public library that is owned and managed by the municipality. One of the most attractive sections of the library to the children was the computer facility that allowed them to hook up to the Internet. The initiation of the library and its children's section came from activists outside of the municipality and all the funding resulted from proposals submitted to outside institutions. The commitment for the Library was clear from the interview with the Mayor; however, no specific initiatives are proposed for the future.

In Gaza, children cited a larger number of institutions and centers that target children including the various community centers established by the Municipal Council. They also cited a number of non-governmental organizations that target children. A diversity of activities and initiatives were also cited. Despite this relatively high level of services, the Gaza children felt also excluded. One of them said "no body cares about children". She added "we would like to have a say in the budget." They all expressed a desire to participate. One child in the Salfit workshop said 'I would like to be the mayor for one week, I will change everything.' Another added "we have many good ideas, they should ask us."⁸⁶

The children in both cities felt that they need to be more informed and active in the field of municipal work and budgets. In fact, as a result of the workshop the children from Gaza called for a meeting with a nearby city mayor (Mr. Abdallah Khalidi- of AlNusairat). They discussed with him the policies of Municipality and its projects.

Needs and priorities as seen by the children

The children were asked to form their own municipal council. They divided themselves into groups. They selected names for the groups that are very telling: Points of lights, Geniuses, Jerusalem, Flowers, Dreams, The Smurfs, and Hani Shaker (a popular singer among youth). After selecting a name for their community, they elected a mayor and the rest of the group became council members.

The children of Salfit created a very comprehensive list of projects for their community, where social services were given the highest priority. They also expressed the need for social solidarity and projects for the poor. The following is a list of municipal priorities as seen by the Salfit children:

1. *Clubs for youth and children*
2. *Recreational areas, playgrounds, and parks*
3. *Health facilities and hospitals*
4. *Proper schools and kindergartens*
5. *Projects for the orphans and the poor*
6. *Agricultural roads*

⁸⁶For a discussion of children's and youth priorities, see Development Studies Programme, 1998. The Secretariat of National Plan of Action for Children (with UNICEF) is currently planning a study to determine what children themselves see as their fundamental needs.

7. *Develop Salfit to become a tourist attraction by preserving old cites and building facilities that will attract tourists*
8. *Develop the transportation system (better roads and transport means), and better organization of traffic in the city*
9. *More computer facilities*
10. *Speed up the execution of various projects (indicating to the delays in executing current projects)*
11. *Special activities for children with disabilities*
12. *Clearer regulations for buildings and application of the law against violators*
13. *Encourage women to become part of the council*
14. *Allow participation through systematic forums; the Council should continuously consult with the citizens including the children*

In Gaza, the children proposed a comprehensive program of action. In their program, they articulated the following:

“We are the Palestinians... We come together to promote democracy and human rights, and ensuring a happy life for the children in which their dreams could come true. We would like to bring about a state of solidarity, love, and cooperation. We will make sure that we bring about a better life for children through consulting with them in a democratic environment and in a society where children’s rights are respected.”

If they were the decision-makers in the City, the children would adopt the following program:

1. *Work on raising community awareness in regards to the work of the municipality*
2. *Promote a sense of belonging, love, cooperation between the citizens*
3. *Create mechanisms to promote communication between the Municipality and the citizens*
4. *Establish educational and cultural centers for children, including kindergartens*
5. *Build recreational facilities (playgrounds, parks, and clubs)*
6. *Encourage children’s creativity and self-expression by organizing exhibitions and other activities*
7. *Organize summer camps and field trips, and end the discrimination in recruiting the participants⁸⁷*
8. *Develop the schools and the educational system*
9. *Create programs to assist the poor*
10. *Put together a specific plan of action directed at children and with their participation*
11. *Train qualified and sensitive staff in the municipality to wok with children*
12. *Focus on the needs of poor and orphan children*
13. *Treat basic services as human rights for all citizens*
14. *Work with community and governmental organizations to promote the rights of children*

⁸⁷The comment about discrimination in recruiting participants in summer camps was mentioned in both cities.

15. *Create mechanisms to promote knowledge among citizens of the work of the municipality and its budget*
16. *End discrimination among citizens and children in service delivery*
17. *Create specific mechanisms to promote participation of citizens in determining priorities and spending.*

It appears that although these two municipalities are very different, the ideas and needs of their children are very similar.

Recommendations.

Child Focused Municipal Budget Case Studies.

1. The dominant paradigm in “local government” views the work of municipal councils as limited to service delivery and the development of infrastructure. Local councils are seen as departments of the Ministry of Local Government and thus accountable to the Minister, not to the local community. A less centralized and more participatory approach will give the community a sense of pride and ownership over new projects. With greater input from children and the community, moreover, municipal projects will more accurately reflect the needs and desires of the entire community. Specific mechanisms should be devised to guarantee that the needs and rights of children are incorporated into the municipal budget process (e.g. regular town meetings, lowering the voting age from 18 to 16, encouraging citizens to attend council meetings, instituting quotas for women in municipal councils, and organizing methods of child feedback.)
2. Greater accountability is needed within municipal councils. Most municipal councils are not elected democratically, limiting a feeling of responsibility to the local community. Democratizing municipalities would give the community, including children, more of an opportunity to alter municipal budgets and plans because municipal leaders would be responsible to their constituencies.
3. There is an assumption by many municipal leaders that all development is good for children. Unfortunately, this is not the case. Without child consideration, many projects actively harm the rights and needs of children. The new Salah Al-Dein road constructed by the City of Gaza, for example, is the scene of daily accidents involving children. Many of these accidents could have been avoided if child-friendly safeguards had been incorporated into the project’s plan. Child-friendly development and laws should be implemented to insure that children are protected by new development schemes.
4. The relationship between the Ministry of Local Government and local councils needs to become more consistent. The MOLG has varying degrees of influence over the budget process and content depending on the strength of municipal leaders vis-à-vis MOLG local offices. Set and consistent policies need to be established to regulate the interaction and budget process between the municipality and MOLG. The Ministry of Finance should also be consulted to determine which partner is responsible for the provision and monitoring of budget expenditures.

Municipal capacity building is needed to give local leaders the tools needed to plan, implement and monitor community development. The central and local government should work in coordination, not competition, to strengthen each other's ability to serve the needs of the people.

Dollars and Sense for a Better Childhood: Selected Socio-economic Indicators

Please note that the latest conflict between Israel and the Palestinian people has weakened the Palestinian economy and thus some statistics may be inflated. The unemployment rate has grown from 12.6 percent in 1999 to over 30 percent today because of border closures that prevent Palestinian laborers from reaching their places of employment.⁸⁸ Since the conflict began, the Palestinian GDP has been cut in half and that the economy is losing no less than \$8 million per day.⁸⁹

Total GDP (1999): ⁹⁰	\$4.75 billion
GDP per capita (1999): ⁹¹	\$1, 576
Sector share of GDP (1997) ⁹² :	
- Agriculture:	6.4
- Industry:	17.6
- Building and Construction:	8.9
- Services	67.1
Total State Budget:	\$963 million
Total Debt:	\$600 million
Rate of Inflation (CPI 1999) ⁹³	
- Gaza	3.99
- West Bank	6.50
- Total (Palestinian Territories)	5.54
Total Import (1999) ⁹⁴	\$8.16 billion (83.3% from Israel)
Total Export (1999)	\$1.948 billion (96.6% from Israel)
Population: ⁹⁵	
West Bank:	2.01 million
Gaza:	1.14 million
Total:	3.15 million
Percentage of Children in Total Population ⁹⁶	53.3
Share of Population living in rural areas ⁹⁷	

⁸⁸UNSCO, Report on the Palestinian Economy, Office of the Special Coordinator in the Occupied Territories, Gaza, Spring 2000.

⁸⁹Ibid.

⁹⁰UNSCO, "The Impact on the Palestinian Economy of the Recent Confrontations, Mobility Restrictions and Border Closures, 28 September – 19 October 2000," Office of the Special Coordinator in the Occupied Territories, Gaza.

⁹¹Ibid

⁹²Palestinian Human Development Report 1998-1999," Development Studies Programme, Birzeit University, April 2000.

⁹³UNSCO, "The Impact on the Palestinian Economy."

⁹⁴Ibid.

⁹⁵PCBS, "Palestinian Children: Issues and Statistics," No. 3, 2000.

⁹⁶Ibid.

- West Bank:	47.0
- Gaza:	5.4
Share of Population living in urban areas	
- West Bank:	46.6
- Gaza:	63.5
Life Expectancy (2000) ⁹⁸	
- Men:	70.3
- Women:	73.4
- Total:	71.8
Infant Mortality	
- Boys:	25.3
- Girls:	25.6
Primary School Enrolment Rate ⁹⁹	
- Boys:	91.6
- Girls:	92.7
Country UNDP Human Development Index Ranking ¹⁰⁰ (.70)	100 (HDI value:
Income distribution (Gini Index - 1995): ¹⁰¹	0.378
Unemployment rate (1999): ¹⁰²	12.6 %
Poverty: ¹⁰³	
- Share of population living in poverty	22.5 %
- Share of children living in poverty	26.0 %

⁹⁷ PCBS (1997), "Family Expenditure and Consumption Survey-1997, Living Standards in the Palestinian Territories, the Final Report."

⁹⁸ PCBS, "Mother, Infant, Child Study II (1995-2000)," 2000.

⁹⁹ PCBS, "Palestinian Children: Issues and Statistics," 2000.

¹⁰⁰ Palestinian Human Development Report 1998-1999

¹⁰¹ Radwan A. Shaban, "Worsening Economic Outcomes Since 1994 Despite Elements of Improvement," in Diwan and Shaban Eds., Development Under Adversity: The Palestinian Economy in Transition, World Bank: 1999.

¹⁰² UNSCO "Report on the Palestinian Economy," Spring 2000.

¹⁰³ Palestinian National Commission for Poverty Alleviation, "Palestine Poverty Report 1998," West Bank, 1998