

## BENEFICIARY ASSESSMENT OF DONOR ASSISTANCE

---

- 3.1. In recent years, participatory project design and beneficiary impact assessments have become widely accepted as essential tools in effective development planning and evaluation. Indeed, previous World Bank research suggests that these tools increase the probability of project success more than six-fold in some sectors (World Bank 1998a, 87).
- 3.2. In the case of the West Bank and Gaza, many donors have utilized such tools in planning and evaluating their programs. The World Bank's first Community Development Project (CDP) in the WBG, for example, undertook beneficiary impact assessments to identify project strengths and weaknesses, in order to refine the design of CDP II. In many other cases, however, donors have not systematically examined the impact of projects on target populations, but rather relied on field reports by donor personnel or implementing agencies. Indeed, strikingly few impact assessments of donor projects in the West Bank and Gaza are publicly available. This may be due to the emergency nature of the aid program in its early years, and the political and economic imperatives of delivering assistance in a timely fashion. However, compared to many other areas undergoing war-to-peace transitions, the WBG provides unusually rich terrain for such analysis: beneficiary populations are readily accessible, there are little or no social or political barriers to community consultation, local civil society is relatively vibrant, and local assessment capacity—whether provided by local consultants, NGOs, academics or the private sector—is unusually rich, and often better suited than external evaluators. The WBG also features a now well-established tradition of public opinion polling: academic opinion surveys have been widely used in the region for more than a decade, while two Palestinian research centers—the Center for Palestine Research and Studies (CPRS) in Nablus, and the Jerusalem Media and Communications Center (JMCC)—have offered regular opinion polling on a range of topics since the mid-1990s. In fact, the available opinion survey data in the West Bank and Gaza exceeds, in both quantity and quality, the total amount of information on public attitudes available for all other areas of the Arab world combined.
- 3.3. It is, of course, beyond the scope of the present aid effectiveness study to offer beneficiary assessments on a project, program, community, or sectoral basis. However, the study does make use of survey data to offer considerable insight into the attitudes,

perceptions and evaluations of ordinary Palestinians regarding the past achievements and future priorities of the assistance effort. Two special surveys were commissioned for this purpose.

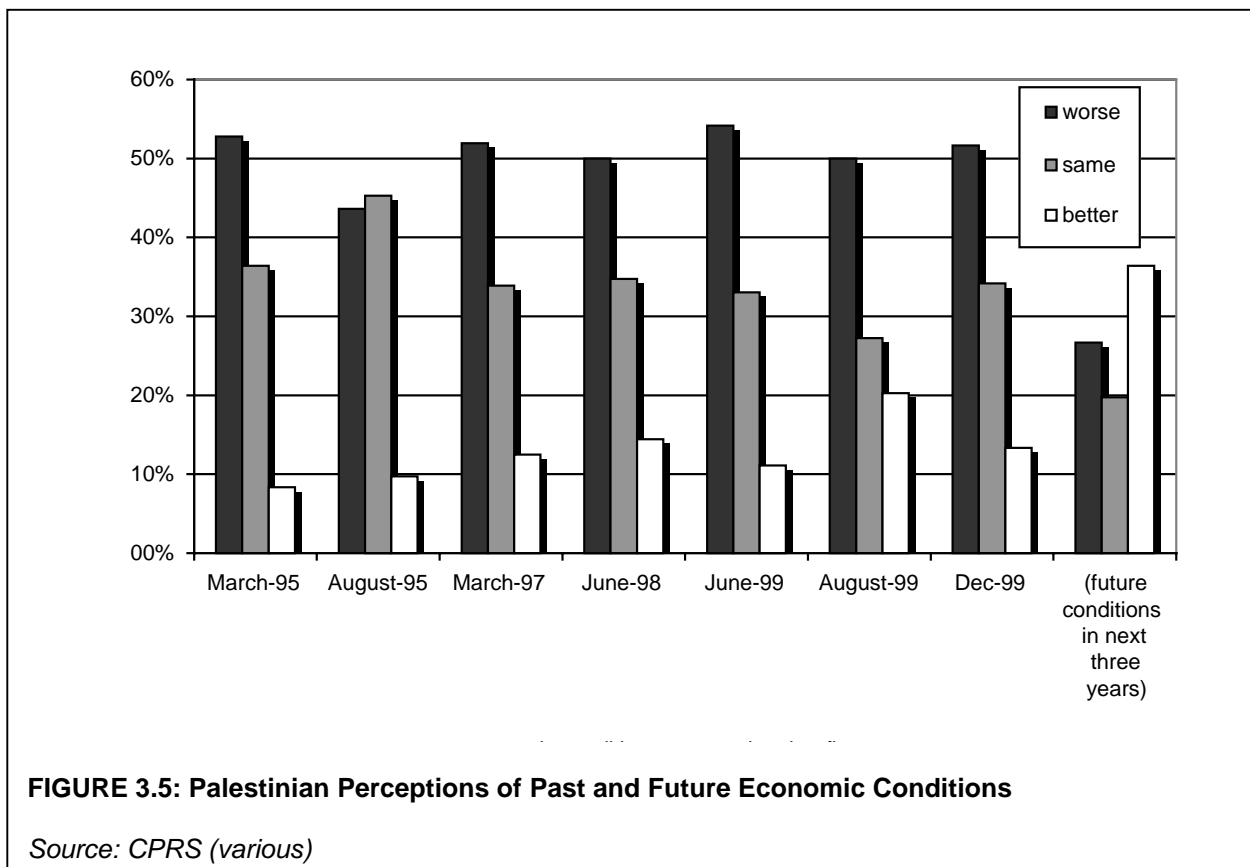
- A CPRS public opinion survey was conducted in August 1999, involving a systematic random sample of 1,253 adult Palestinians in 120 locations in the West Bank and Gaza Strip. This survey asked respondents about past and future economic conditions; donor, PA and NGO performance; sectoral impacts; and future aid priorities. The full national sample of this survey has a margin of error of plus or minus three percent.
- A second CPRS opinion survey of over 160 Palestinian “public opinion leaders” was also conducted in August 1999. The sample included members of the Palestinian Legislative Council, medium-to-senior level officials in PA institutions, local NGO staff, academics, and political and social activists drawn at random from a larger list maintained by CPRS. While these results are much less generalizable, they do provide an indication of the views of the most active, influential and well-informed strata of the Palestinian population. In addition to the questions asked of the national sample, this group was also asked for their opinions on the type, geographic distribution, and policy implications of donor assistance.

3.4. These surveys are complemented by a number of other useful sources of information, including:

- previous general opinion surveys conducted by CPRS, JMCC, and others, which typically address the political attitudes and economic perceptions of the general population;<sup>1</sup>
- a previously-published CPRS survey project on *Prevailing Perceptions on Aid Management* (1997), which surveyed the attitudes of 190 donor, PA and NGO officials toward the aid effort;
- the World Bank-funded *West Bank and Gaza Service Delivery Survey* (1998), which examined the delivery of health and basic education services using a combination of quantitative data from household questionnaires and qualitative data from focus groups, interviews and institutional reviews in selected representative locations in the WBG.

## Economic Conditions

3.5. Data from various CPRS surveys indicates that Palestinians generally perceive a decline in their standard of living since the start of the peace process. This represents the reality of economic life in the West Bank and Gaza: per capita incomes *did* decline in most years after 1993. However, opinion polls also suggest that many Palestinians sense that this decline has been reversed. Many report that they are now somewhat more optimistic about future economic conditions (Figure 3.5).



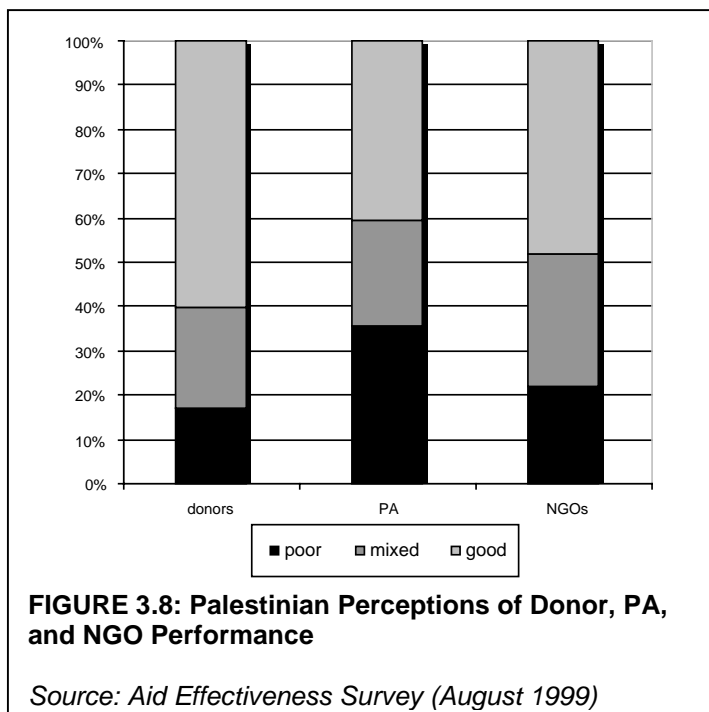
3.6. In the August 1999 survey, 50 percent of respondents reported a decline in their personal economic situation during the past five years, while 20 percent reported an improvement. There were no statistically-significant differences in this regard between West Bank and Gaza respondents, nor between inhabitants of cities, villages or refugee camps. In general, older Palestinians (56 percent of those aged 42+ years), those in the private sector (56 percent, with the proportion highest among merchants and farmers), and low-income earners were most likely to report a deterioration in their personal economic circumstances. Younger Palestinians (34 percent of those aged 18-21), students, public

sector employees (48 percent), and high income-earners were somewhat less likely to report a decline.

- 3.7. Asked about their expectations of future economic conditions over the next three years, 36 percent of Palestinians were optimistic that conditions would improve, while 27 percent were pessimistic that conditions would worsen. Optimism was strongest among high-income earners (48 percent). Pessimism was greatest among men (32 percent), within villages (53 percent), and in the districts of Tubas, Jericho, Hebron, Gaza North, and Khan Yunis.

### Donor, PA, and NGO Performance

- 3.8. Respondents were asked to evaluate the overall role of donors, the Palestinian Authority and NGOs in supporting economic development in the West Bank and Gaza (Figure 3.8). Of those with an opinion, donor performance was rated as “good” or “very good” by 60 percent of Palestinians. Only 17 percent of those surveyed felt that overall donor performance was “poor” or “very poor.”



- 3.9. PA performance was rated “good” or “very good” by 40 percent of those with an opinion (Figure 3.8), while 36 percent offered a “poor” or “very poor” evaluation. According to previous surveys, the PA receives highest marks for its performance in the areas of education, public security, and health. Evaluations of its performance in the area of democracy and human rights are mixed, while its handling of the economy is seen as poor (Figure 3.9).
- 3.10. NGO performance received a positive (“good” or “very good”) evaluation from 49 percent of Palestinians with an opinion, and a negative evaluation (“poor” or “very poor”) from 22 percent (Figure 3.8).
- 3.11. There was no statistically-significant difference between West Bank and Gaza appraisals of donor performance. However, there were some substantial regional variations. These are illustrated in Figure 3.11, which shows net (positive minus negative) public

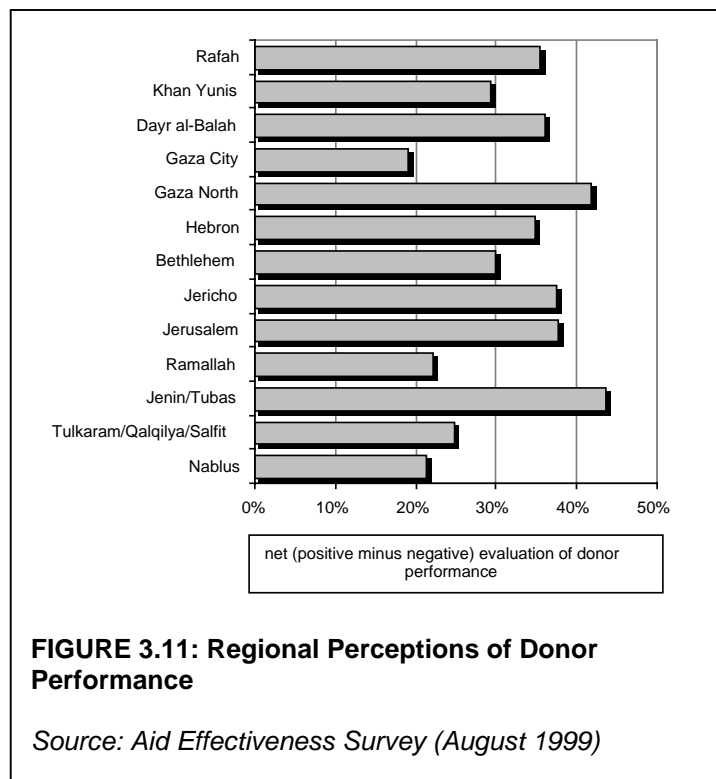
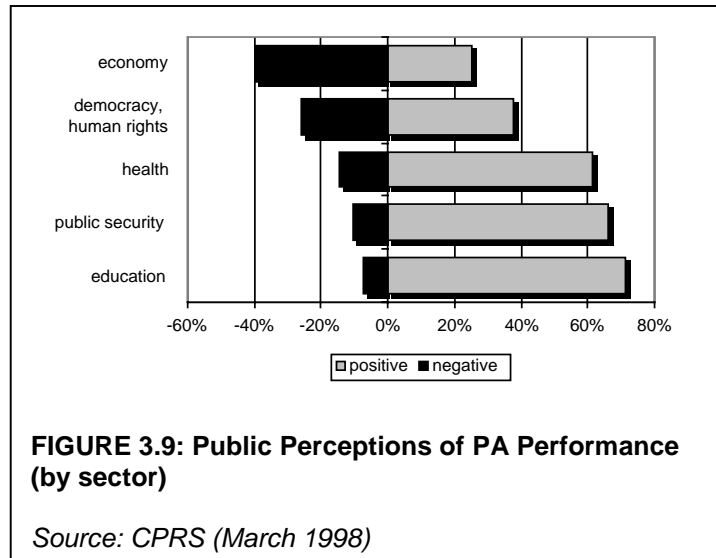
assessments. It is particularly noteworthy that evaluations of donor performance appear to be lowest in areas where donors are most engaged (Gaza City, Ramallah, Nablus). This may suggest that those *most* exposed to donor activities are the *least* impressed. Conversely, donor evaluations tend to be better in the peripheral and poorer areas of the WBG.

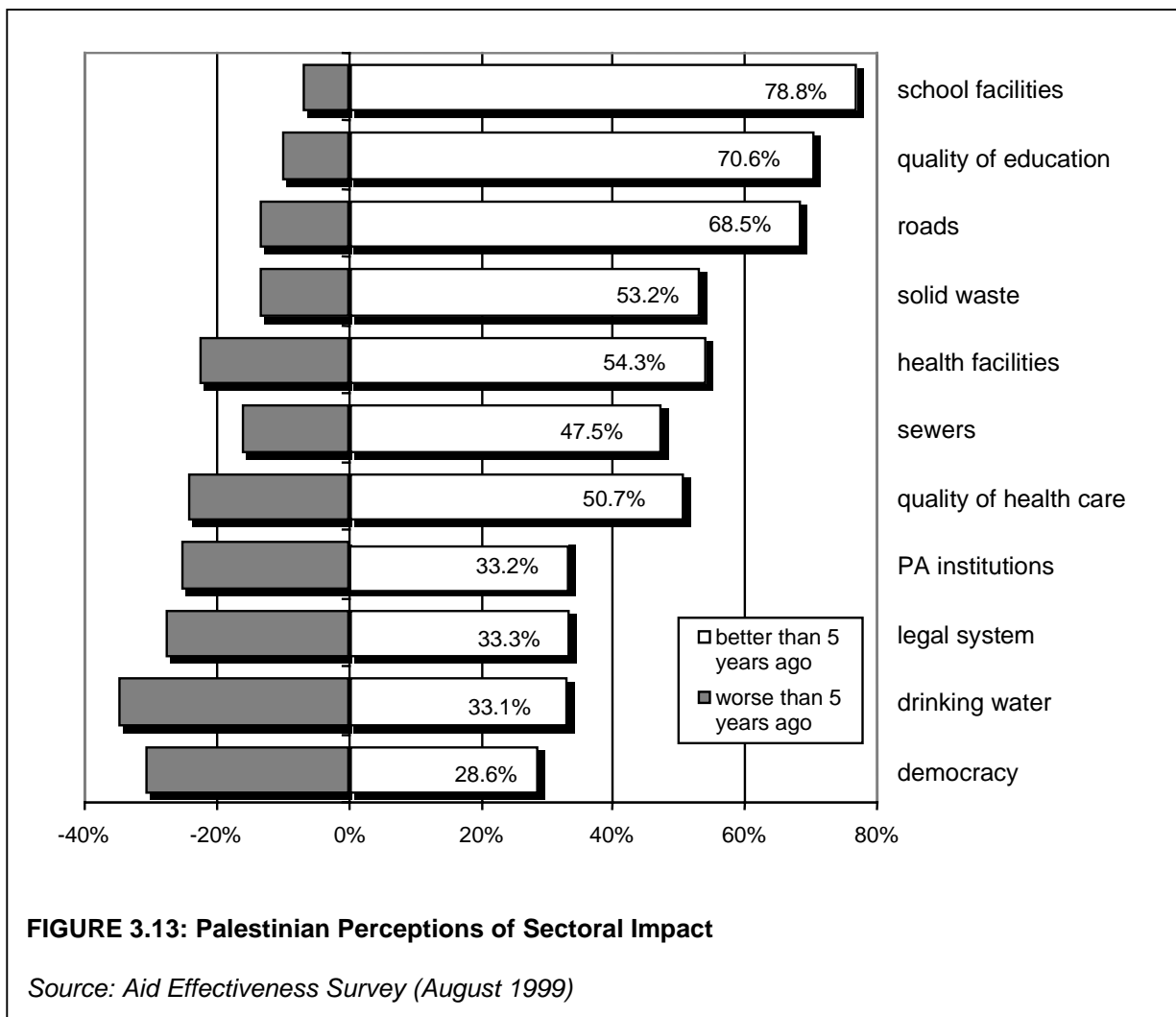
### Public Perceptions of Sectoral Impact

3.12. The aid effectiveness survey asked respondents to evaluate the extent to which various aspects of infrastructure, services, and institutions have improved (or declined) since 1994. The results provide an extremely useful indicator of how donor assistance has impacted the everyday lives of Palestinians, as well as how effects vary with locality, gender, age, income, occupation, and other demographic and socio-economic variables.

3.13. In general, the August 1999 survey found that most Palestinians reported tangible improvements in most areas (Figure 3.13).

- Large majorities reported improvements since 1994 in *educational facilities*, the quality of *educational services*, and *roads*.
- Smaller majorities reported overall improvements in *health facilities*, the quality of *health services*, and *solid waste disposal*.





- Overall assessment of *sewage systems*, the *legal system*, and *PA institutions* was mixed. While more respondents reported improvement than deterioration, the median result was that no substantial progress had been made during the past five years.
- Overall assessment of the supply of *drinking water* and of the status of *democracy* was also mixed. Although slightly more respondents reported deterioration rather than improvement in these areas, the median result is that no substantial progress has been since 1994.

These findings are generally consistent with earlier findings. A much earlier JMCC survey (April 1997), for example, found that 72 percent of respondents reported that services had improved under the Palestinian Authority, and 76 percent of these felt that donor aid had contributed to this. Of those who saw no progress, 26 percent blamed donors, and 47 percent blamed the PA. It is noteworthy that, in all of these surveys,

progress is reported in most areas despite economic stagnation for most of the period since the signing of the Oslo Agreement. This implies that respondents differentiate between economic weakness largely caused by external factors (notably closure and mobility restrictions), and the positive development initiatives undertaken by donors and the Palestinian Authority.

### *Infrastructure*

- 3.14. An absolute majority of respondents (53 percent) reported substantial improvements in *solid waste* collection and disposal over the last five years, and few (14 percent) reported deterioration in this sector. This result, however, is heavily weighted by improvements in urban areas and refugee camps, and in Gaza. In West Bank villages, by contrast, little improvement is reported.
- 3.15. Substantial improvement in roads was also reported in the *transportation sector*. Progress in this area was much more strongly felt in Gaza than in the West Bank.
- 3.16. In the *water and sanitation* sector, 48 percent of respondents reported significant improvement in sewage systems, and only 16 percent suggested that service had declined. However, only 33 percent reported improvements in the provision of drinking water since 1994, while a slightly larger proportion (35 percent) expressed the view that conditions had worsened. The negative evaluation of the latter reflects general supply constraints, as well as the political-regulatory complications facing any development of the water sector under the current interim agreement. These results may also have been affected by drought and water shortages in the summer of 1999, when the survey was taken. Evaluation of achievements in the water sector was weaker in villages than cities or camps, and weaker in Gaza than in the West Bank. With regard to sewage services, evaluations were strongest in Gaza and weakest among village inhabitants. Compared to men, women tended to be more positive (or less negative) in their evaluations of both water and sanitation achievements.

### *Social Services*

- 3.17. In the *education sector*, an earlier September 1996 CPRS survey found a large majority (78 percent) expressing positive appraisal of the PA policy in this sector, and only a small minority (8 percent) holding negative views. Similar results were produced by the August 1999 aid effectiveness survey, in which public evaluations were also strikingly positive: 79 percent reported improvements in school facilities and 71 percent reported improvements in education quality over the past five years, while few (7 percent and 10 percent respectively) felt that facilities or quality had worsened. The slightly higher evaluations given for educational facilities than for the educational system undoubtedly reflects the greater ease of school construction and rehabilitation, compared to the longer-term process of strengthening curriculum and teacher qualifications.

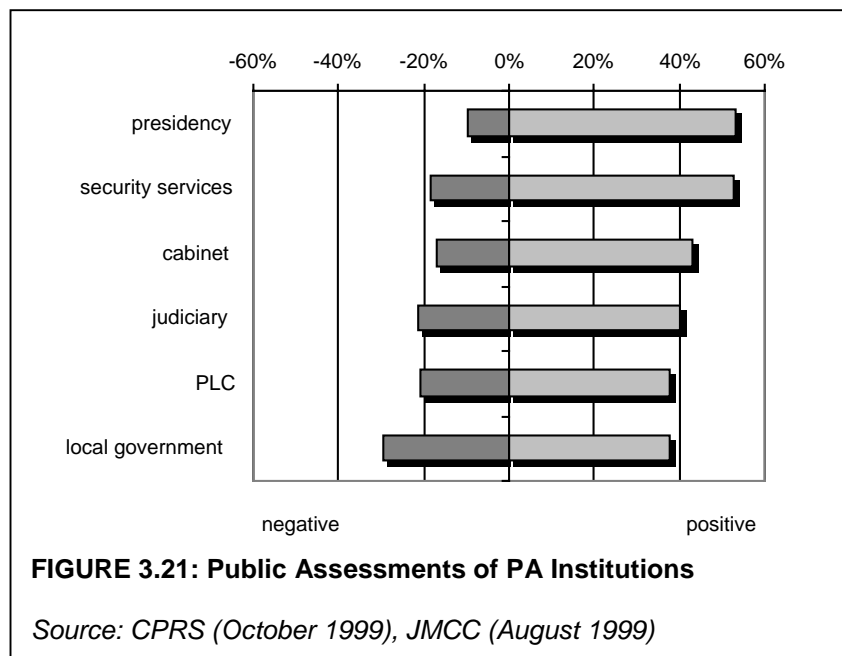
- 3.18. Overall, the strong positive results for education mirror the findings of the 1998 SDS survey, which found that 73 percent of those surveyed classified basic education services as “good” or “very good”. The evaluation was higher for UNRWA than for PA schools, and site visits found UNRWA schools were, on average, somewhat better equipped and in a better state of repair. Overcrowded classrooms (37 percent) and weak teacher skills (22 percent) were identified as the areas most needing improvement (World Bank 1998e).
- 3.19. In the *health sector*, 66 percent of Palestinians expressed a positive view of PA policy in this area in an earlier September 1996 survey, compared to only 14 percent offering a negative appraisal. In the August 1999 aid effectiveness survey, improvements in hospitals and clinics were reported by 54 percent of respondents, while 51 percent reported improvements in the overall quality of health care since 1994. Almost one quarter of respondents, however, suggested that facilities and services had weakened. Positive evaluations were particularly striking in Gaza, within refugee camps, and for UNRWA-registered refugees, suggesting that much of the net improvement in services is due to a combination of effective UNRWA service provision and significant growth in the number of government clinics serving the Gaza population.
- 3.20. These results also echo the findings of the earlier 1998 SDS survey (World Bank 1998e), which found that health services were rated “good” or “very good” by 57 percent of Gaza households sampled and 43 percent of those in the West Bank. Satisfaction rates increased to 70 percent in the case of hospital care. Negative evaluations (“poor” or “very poor”) of general health services were offered by 13 percent of Gazans and 20 percent of West Bankers respectively. One of the main problems identified with general health services was a lack of medicine (37 percent)—a frequent result in surveys of this sort, where respondents tend to equate the availability of medicine with the provision of treatment. Other problems included inefficient service (11 percent), poor facilities (10 percent), and lack of staff (9 percent). UNRWA and NGO facilities were generally rated better than government hospitals and clinics.

### *Institutional Development*

- 3.21. An October 1999 CPRS survey measured public assessments of the performance of Palestinian national institutions, including the security services, judiciary, Palestinian Legislative Council, cabinet and presidency (Figure 3.21). These results were generally positive, but have declined in recent years. A separate August 1999 survey of local government performance by the Jerusalem Media and Communications Center (JMCC) found that net assessments of this level of government were only mildly positive at best.

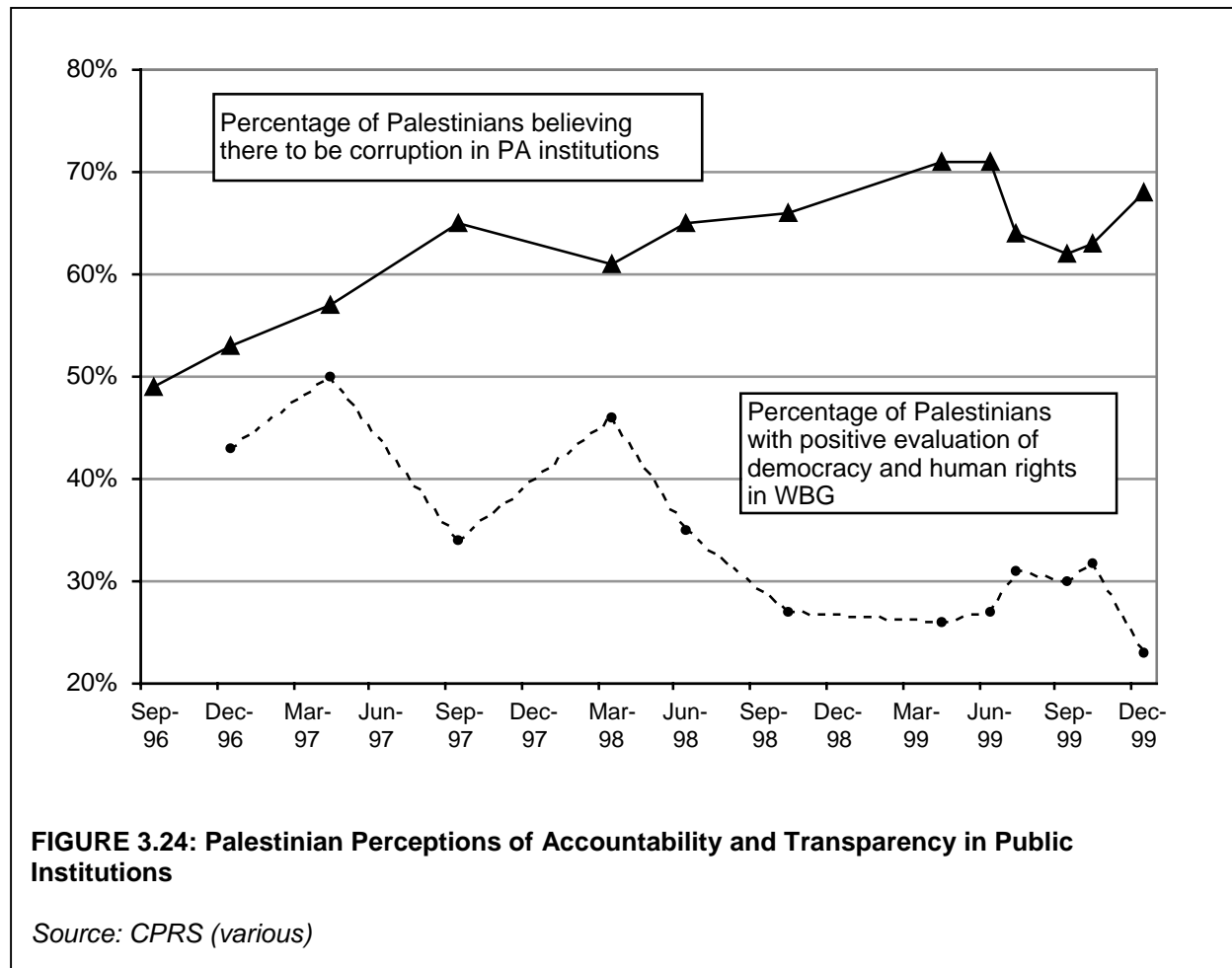


3.22. The aid effectiveness survey also sheds light on public perceptions of government institutions. In general, the various aspects of institutional development assessed by the aid effectiveness survey—namely the performance of PA institutions, the rule of law, and democracy—fared weakest among those sectors evaluated. In the case of PA institutions, 42 percent of Palestinians surveyed offered a positive evaluation, 28 percent suggested little change and 30 percent thought that the situation had grown worse. With regard to the legal system, 39 percent of respondents reported improvement since 1994, while 32 percent reported deterioration. In the case of democracy, the net evaluation was negative: 33 percent termed the situation better, but 36 percent termed the situation worse. Evaluations tended to be more negative in Gaza than in the West Bank, among high income groups compared to low income groups, and among men than women.

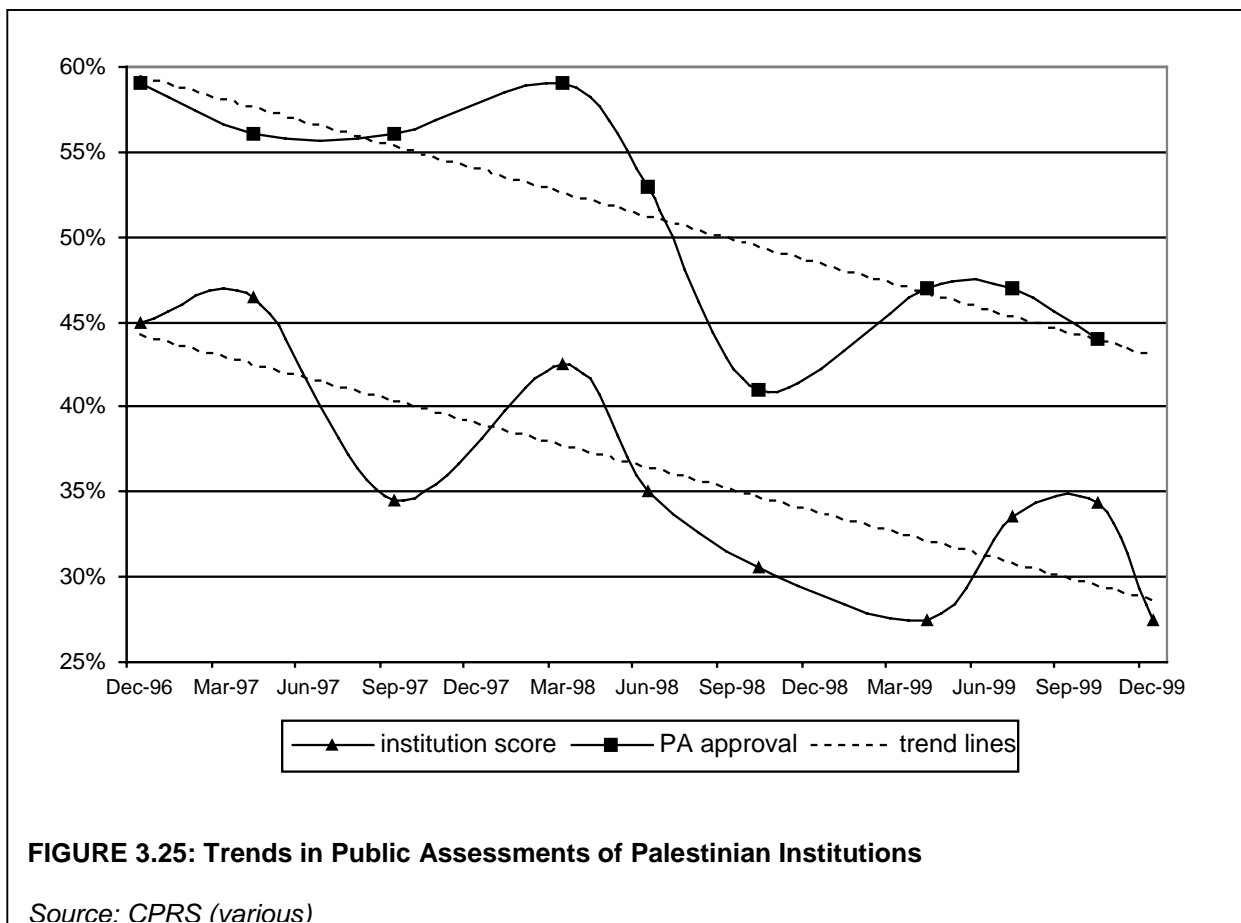


3.23. Given the relatively positive evaluations of service delivery in the key social services sectors, as well as an overall sense of progress in improving Palestinian infrastructure, these results do indicate a lack of discernable development progress. And given the clear evidence from the aid effectiveness survey that ordinary Palestinians differentiate between the negative effects of economic downturn and the specific positive effects of development initiatives, these results cannot be dismissed as by-products of economic stagnation.

3.24. These survey results strongly suggest that Palestinians expect a greater degree of efficiency, transparency, and accountability in public institutions. Moreover, there is a growing gap between expectations and achievements. The proportion of the public evaluating the status of democracy and human rights in the WBG as positive (“good” or “very good”) has declined significantly since 1996. At the same time, substantial numbers of Palestinians believe that corruption is present within PA institutions (Figure 3.24). Government ministries and offices are seen as most problematic in this regard. A majority also express the fear that corruption might worsen.



- 3.25. As discussed in Section 4 of this study, the task of effective institution-building is both essential and challenging. However, opinion surveys underscore the high cost of failing to meet this challenge. Specifically, there is a strong correlation between public perceptions of transparency and accountability, and overall public perceptions of the performance of PA institutions. This is illustrated in Figure 3.25, which compares a combined measure of public perceptions of accountability and transparency (“institution score”) against the degree of public confidence in the PA.<sup>2</sup> A close relationship between the two is evident—and the current overall trend line is negative.
- 3.26. Other survey data confirms the perception of a growing problem. An August 1999 public opinion survey conducted by the Jerusalem Media and Communications Center (JMCC) found that 41 percent of respondents stated that they “trusted no one” when asked about which leader they trusted most. Similarly, 42 percent stated that they trusted no political group in the WBG.

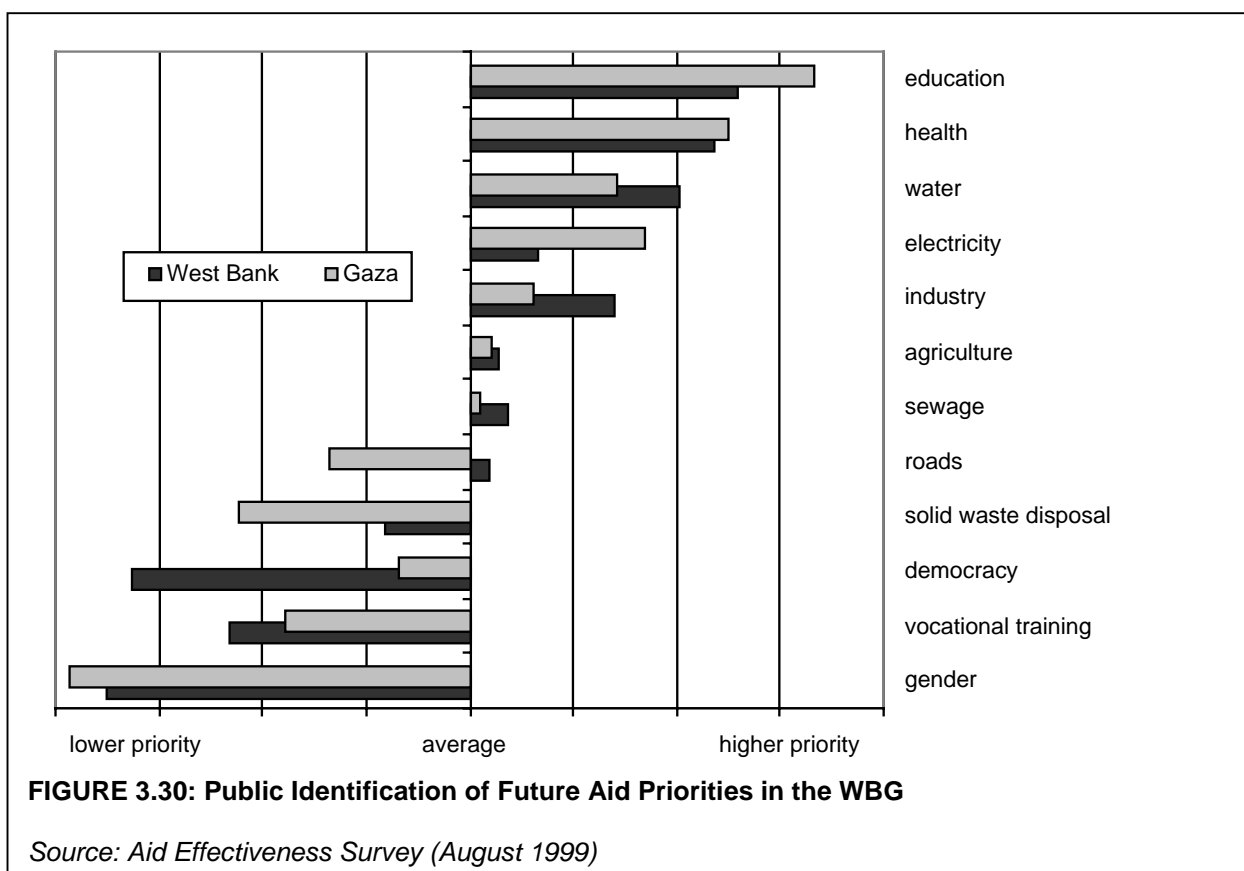


- 3.27. It is important to emphasize that such trends do not measure the actual effectiveness of public institutions. In particular, declining assessments of transparency and accountability may reflect rising standards rather than declining performance. It should also be noted that surveys have revealed some positive views. In particular, a March 1998 CPRS survey found that a majority of Palestinians reported they felt comfortable (32 percent) or very comfortable (22 percent) in dealing with PA officials, while a minority (16 percent) reported any degree of discomfort.
- 3.28. One conclusion that emerges from the data is that *failure to address these problems will result in a serious erosion of public confidence in—and support for—the PA, its institutions, and its leadership*. In turn, this is likely to create growing pressures on donors to reduce levels of assistance to the Palestinian Authority, or to make aid conditional on progress in specific areas of accountability, transparency, and human rights.
- 3.29. Fortunately, popular support for reform is strong, with 61 percent trusting the PA to address existing weaknesses (CPRS, October 1999). There was significant improvement in public perception of both democracy and corruption in mid-1999, when the PA

publicly signaled support for reform by appointing a special high-level commission (although this perception soon eroded by subsequent events that year). Vigorous action to address present weaknesses would thus not only increase the effectiveness of public institutions, but would also help mobilize greater public support for those same institutions.

### Future Aid Priorities

3.30. In addition to looking at the impact of past development efforts, the aid effectiveness survey also asked a random sample of Palestinians what areas they viewed to be priorities for future donor assistance. The results of this portion of the survey are presented in Figure 3.30.



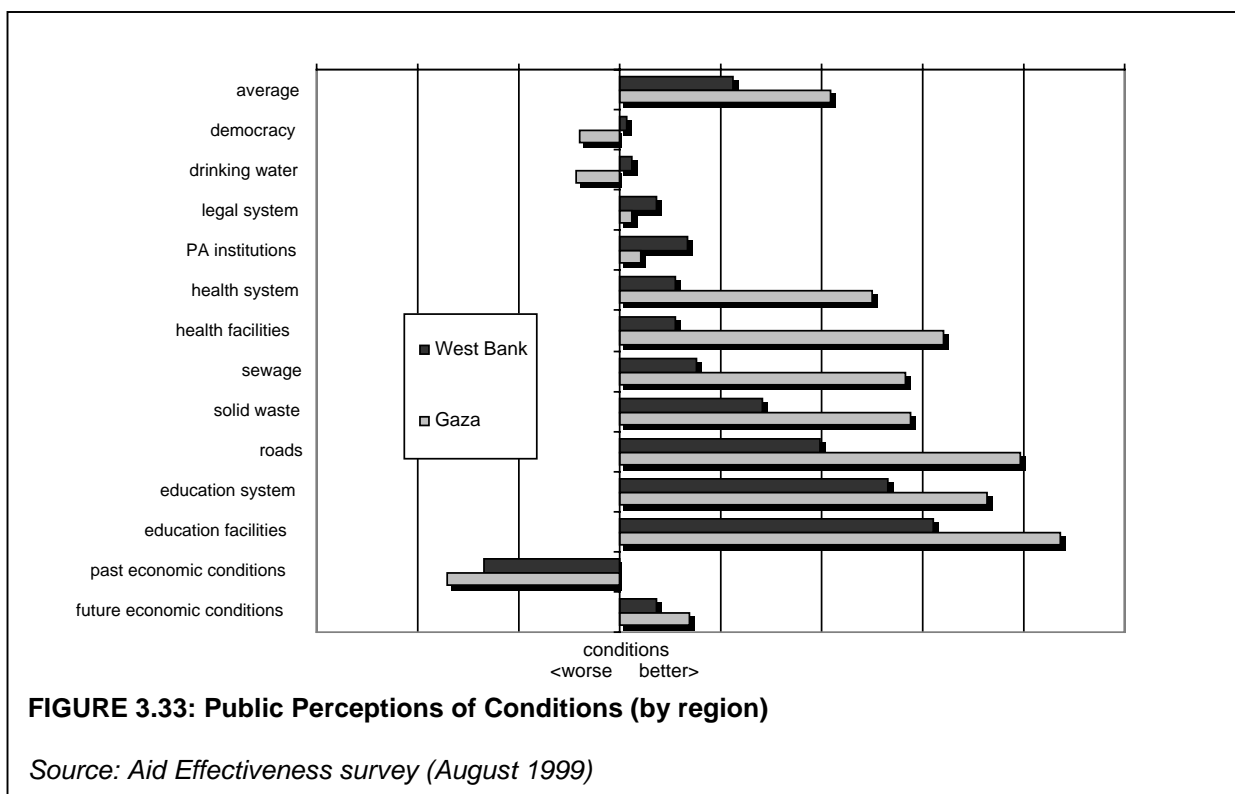
3.31. Health and education topped the responses, followed by water, electricity, and industrial development. Agricultural development, sewage facilities, roads, and solid waste disposal rank around the middle of public priorities. Although respondents generally felt that democratic development, vocational training and the status of women were important in an absolute sense, these programs were assigned the lowest relative priority.

### Variations in Beneficiary Assessment of the Development Effort

3.32. In addition to examining survey results by sector, it is also valuable to look at how perspectives differ among key social groups. Four comparisons are offered here: regional differences between the West Bank and Gaza, urban/rural/refugee camps variations, the views of low-income groups, and the impact of gender on perceptions of development. The perceptions of Palestinian public opinion leaders are also considered, and how these differ from those of the mass public.

#### Regional Differences

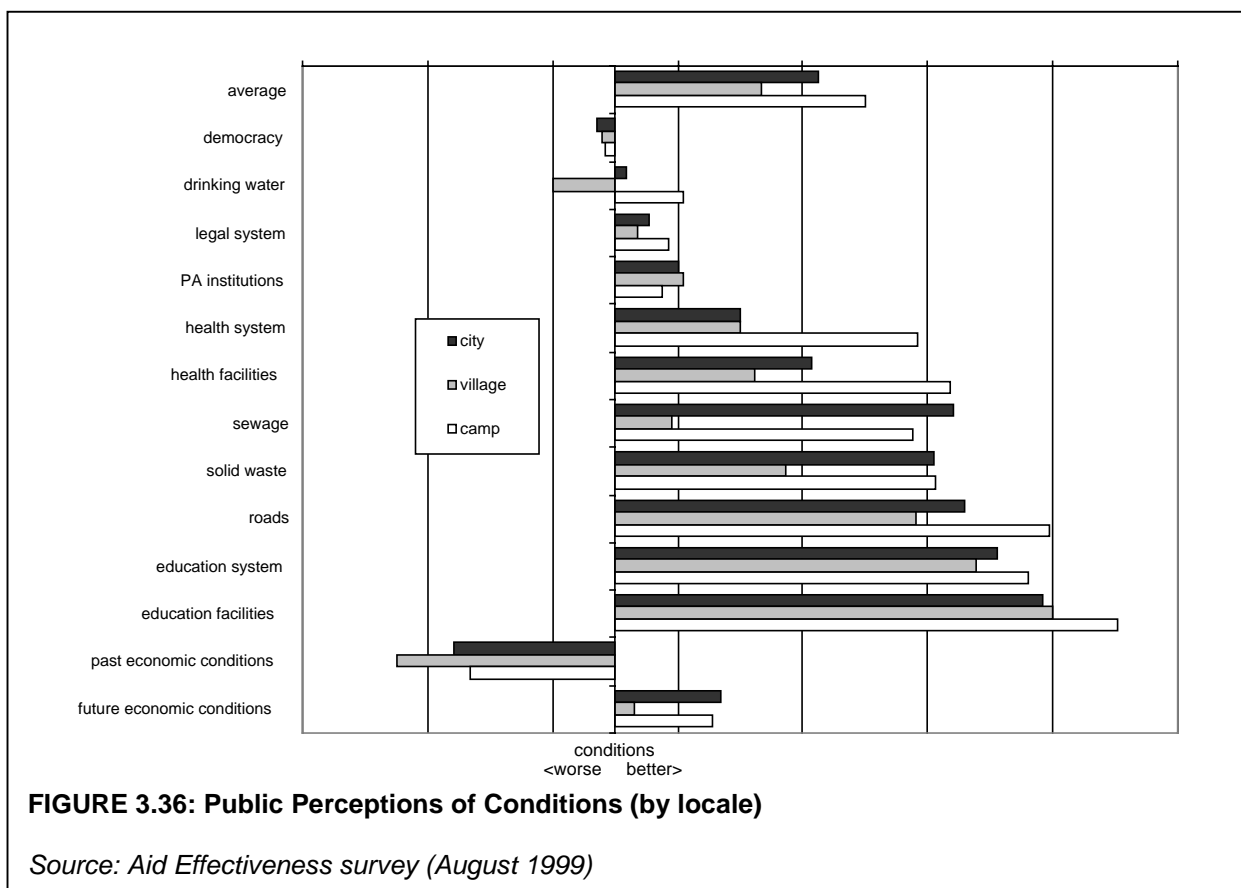
3.33. A number of interesting differences are evident in comparing the evaluations of development efforts by West Bank and Gaza Palestinians. In particular, West Bank respondents tend to have a less positive view of change since 1994 than Gazans—undoubtedly because of substantial early donor focus on initiatives in Gaza, and the slower and more conditional extension of Palestinian authority in the West Bank. Differences are particularly noteworthy in the health, education, solid waste and transportation sectors. In all of these areas, Gazan assessments are much more positive. In the areas of drinking water and democracy, by contrast, Gazans tend to have a slightly more negative assessment of progress (Figure 3.33).



- 3.34. With regard to future aid priorities (Figure 3.33), West Bank respondents tend to place slightly greater emphasis on water, sewage and roads, and less on electricity supply and democratic development.

### Locality

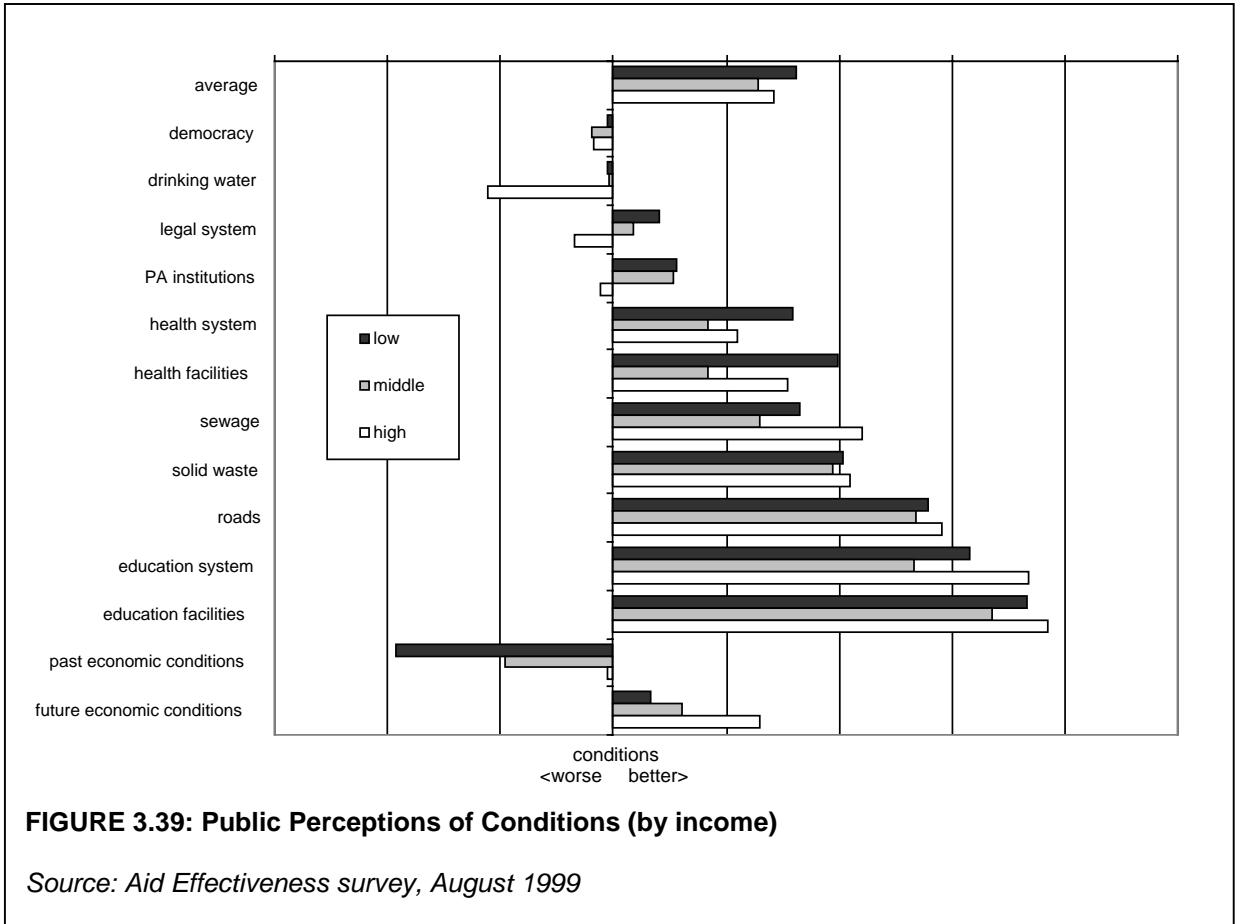
- 3.35. Physical circumstances, social needs, and developmental circumstances vary significantly among those residing in urban areas, refugee camps, and rural villages. The aid effectiveness survey highlights some of those differences, and hence the efficacy with which donors and the PA are meeting the broad range of developmental needs in the WBG.
- 3.36. Public evaluations of change over the past five years show that those living in refugee camps generally have the most positive assessment of changes in local conditions since 1994, while those residing in rural villages have the least positive view. The differences are relatively small, however, and fall within the survey's margin of error. Differences in evaluations of the water and health sectors are larger, and camp residents are significantly more positive in their views than others. By contrast, those living in villages report significant deterioration in drinking water, and little improvement in solid waste disposal, sanitation, or health care (Figure 3.36).



- 3.37. With regard to future development priorities, the priorities of urban, village and refugee camp inhabitants are generally quite similar. All three groups identify education, health and water as their three top priorities. Those living in villages, however, tend to give slightly greater weight to health and education, reflecting poor access to clinics in some rural areas, as well unreliable local water supplies. Electricity, sewage, agriculture and industrial development figure as middle-range priorities for all three groups, with the expected (and relatively minor) variations. At the opposite end of the spectrum, gender programs are assigned a particularly low priority by rural populations, while democratic development rates a low priority with refugee camp dwellers.

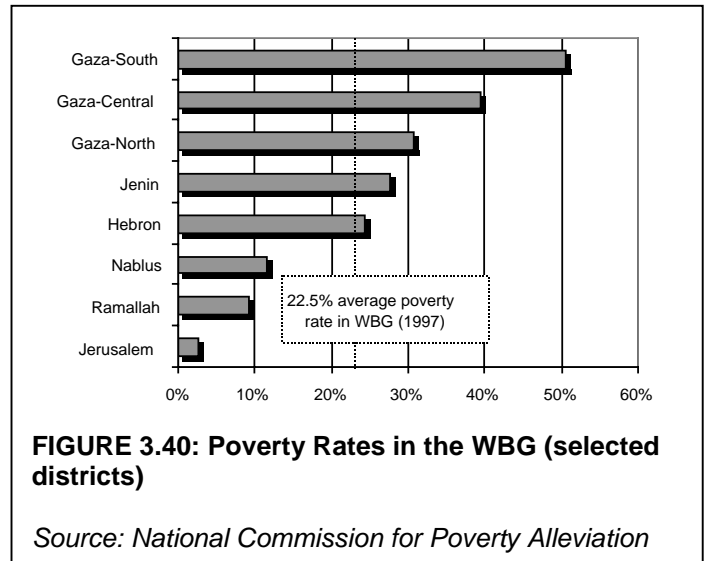
### *Lower Income Groups*

- 3.38. In the WBG as elsewhere, poverty alleviation is a key objective of many donor programs. It is important to note that the aid effectiveness survey indicates public perceptions of development initiatives, rather than the actual impact of such activities. The difference is a crucial one, since some programs that are perceived to be progressive or beneficial to the poor (such as fuel subsidies in many developing countries, or direct transfers to post-secondary education) may actually have a number of regressive effects, disproportionately benefiting the middle class. On the other hand, the aid effectiveness survey does indicate whether beneficiaries of development initiatives perceive any systematic bias against the poor. Were such a bias to exist, one would expect poorer groups to offer much less positive assessments of donor, PA and NGO performance, and experience less improvement in infrastructure, services and institutions.
- 3.39. In fact, survey data suggests that the poor have a generally positive assessment of recent development initiatives. Low-income Palestinians report the largest deterioration in living standards since 1994 relative to other income groups.<sup>3</sup> However, they do not differ substantially in their evaluation of infrastructure, services or institutions compared to other Palestinians. Moreover, when differences emerge, low income groups tend to have slightly more *positive* views, as in the health sector or with regard to PA institutions, for example.
- 3.40. According to data provided by the PA National Commission for Poverty Alleviation (1998), there is substantial variation in the rates of local poverty across districts (Figure 3.40). It is therefore instructive to compare perceptions of donor and PA performance in “high poverty” and “low poverty” areas of the WBG.



3.41. This analysis for the areas noted in Figure 3.40 reveals an interesting pattern: economic optimism is significantly lower in high-poverty areas than low poverty areas, but assessments of donor and PA performance are higher in high poverty areas (Figure 3.41).<sup>4</sup>

3.42. Although this data offers little insight into the poverty alleviating effects of donor assistance, it does indicate that donor assistance is viewed in a slightly more positive light by low-income groups and in high poverty areas, suggesting that development

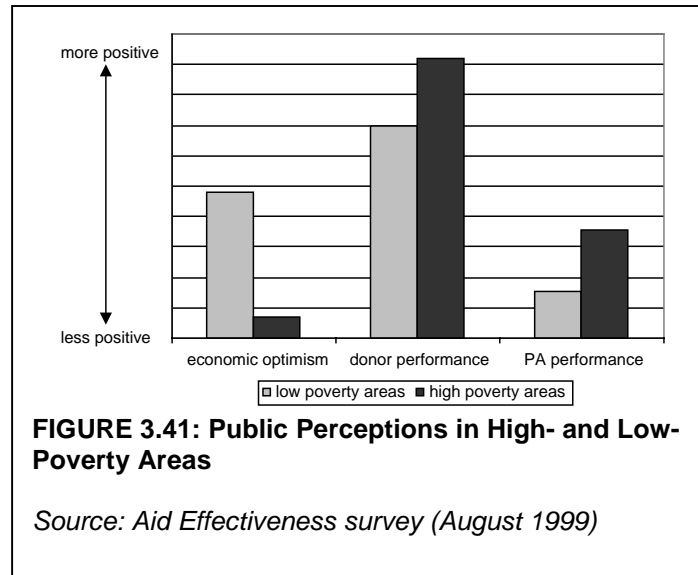




initiatives are not perceived as compounding existing patterns of poverty or income inequality.

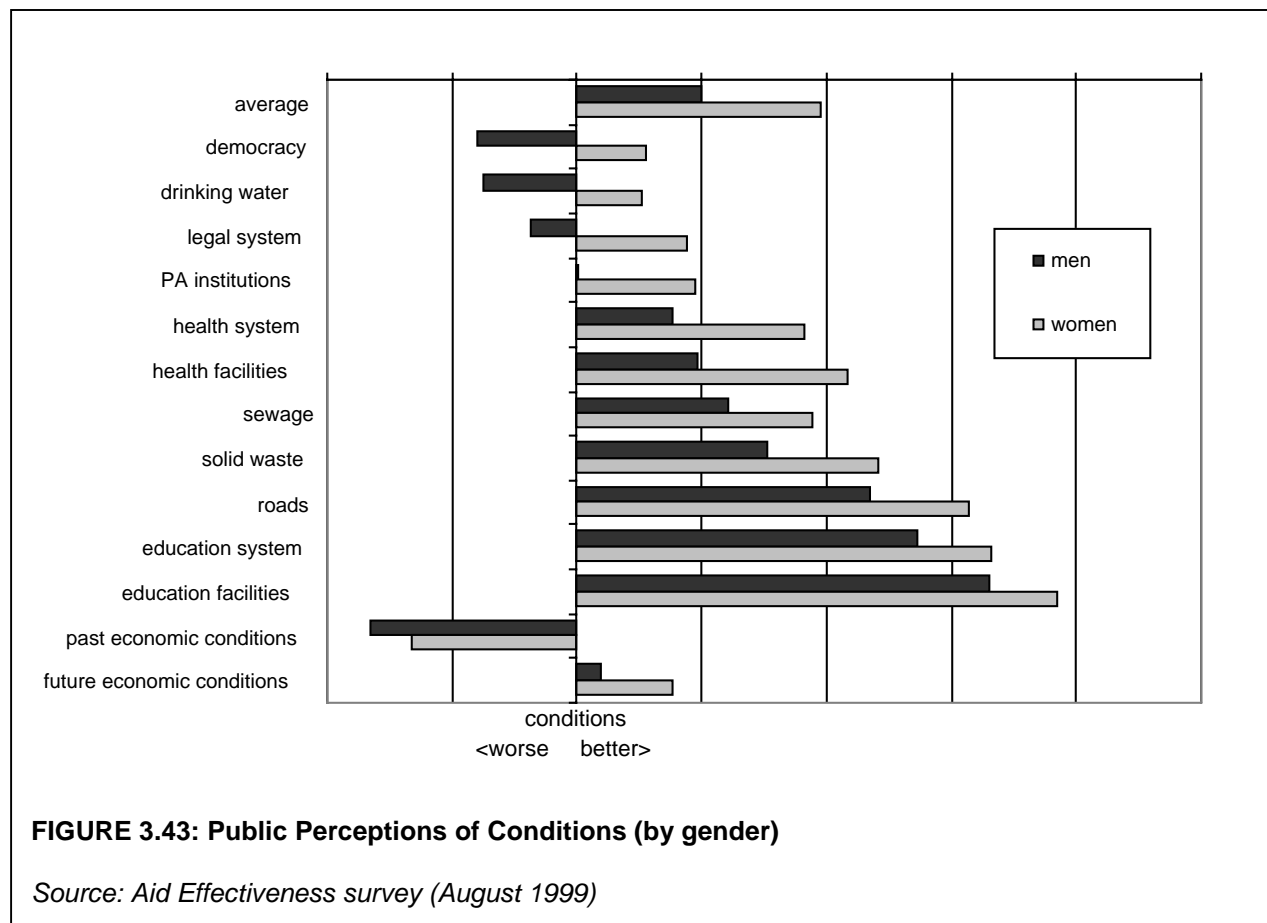
### Gender

3.43. Data collected by the aid effectiveness survey provides a number of interesting findings with regard to the impact of gender differences in assessing donor performance and improvements in local infrastructure, services and institutions. Overall, women tend to be less critical, or more positive, than men in most areas of evaluation (Figure 3.43). This



“gender gap” is particularly evident in certain sectors. Women tend to be especially likely to assign positive evaluations to drinking water and health services—perhaps reflecting their greater everyday use of these facilities in their traditional role as family care-givers. On the other hand, men tend to be more negative in their evaluation of the various indicators of PA institution-building, perhaps as a consequence of their traditional dominance in the “public” sphere and hence their greater interaction with officials, administration, bureaucracy and politics. This data tells us nothing, of course, about whether aid has served to empower Palestinian women or promote greater gender equity. But it does suggest that women have experienced a substantial share of the benefits accruing from donor assistance.

3.44. Gender differences are less pronounced when it comes to future development priorities. Women place slightly greater emphasis than men on the health and water sectors, and slightly less emphasis on vocational training and democratic development. While women generally give a higher rating to women’s programs than do men, they still rate gender as their lowest priority of the twelve sectors surveyed.



### Opinion Leaders

- 3.45. This study investigates a final perspective on attitudes by comparing the results of the aid effectiveness survey of mass attitudes with the results obtained from the survey of Palestinian “public opinion leaders”. The attitudes of these elites are important insofar as they influence both domestic and international views of the development effort in the West Bank and Gaza—thus shaping both policy choices and political support for the aid effort.
- 3.46. Methodologically, the elite “opinion leader” sample is more problematic than the general opinion survey, since it is difficult to gauge how representative it is. Nevertheless, the comparison provides insight into how mass and elite attitudes differ. In many cases, differences may be due to variations in education or knowledge. Ordinary Palestinians are likely to be much less exposed to information on the content and dynamics of donor programs. Conversely, elites may be more likely to filter perceptions through the lens of

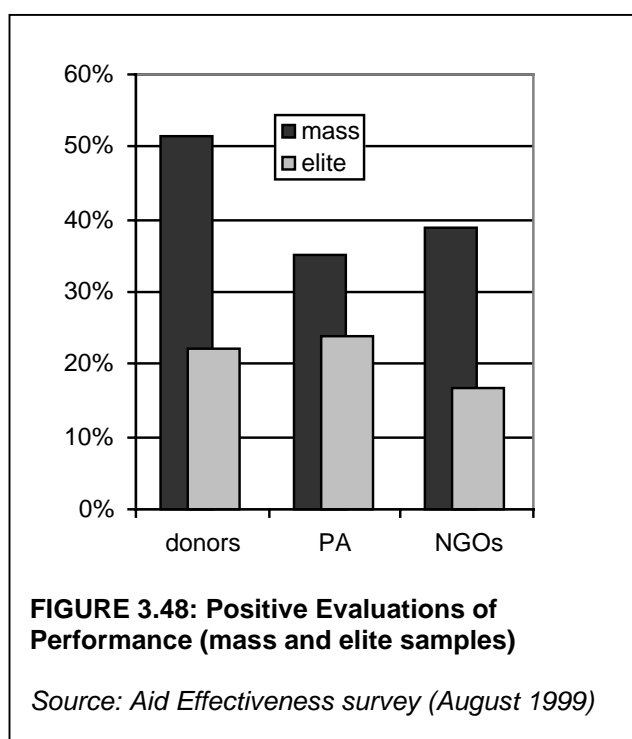
pre-existing ideological preferences, or may be out-of-touch with the attitudes of significant segments of the general population.

3.47. Overall, public opinion leaders exhibited greater familiarity with donor assistance programs in the WBG. Over half—55 percent, compared to only 25 percent of the general sample—believed they knew what level of assistance donors had provided to the WBG. In general, however, opinion leaders were more likely to overestimate the volume of aid flows, while ordinary Palestinians were more likely to underestimate them.

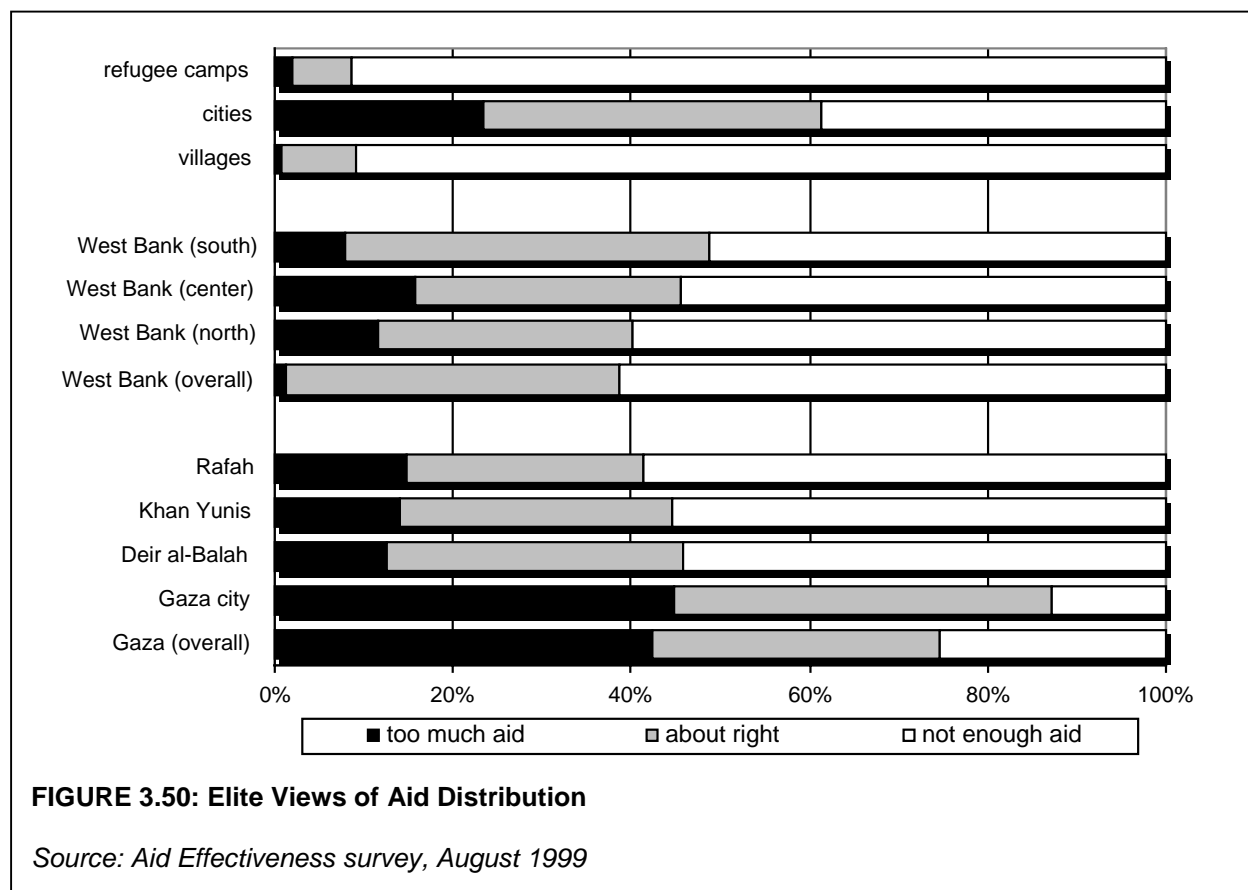
3.48. The survey results indicate that Palestinian elites tend to have a less positive view of development activities in the WBG (Figure 3.48). Not only do opinion leaders offer fewer positive evaluations of donors, the PA, and NGOs, but they are also more likely to offer negative appraisals. And unlike the general public, the overall judgement of opinion leaders is negative.

3.49. Similar divergence between elite and mass perceptions emerges with regard to the sectoral impacts of development efforts.

- Palestinian elites tend to offer a more negative assessment of the rule of law and Palestinian public institutions, possibly reflecting greater elite knowledge of weaknesses in the political process and public sector.
- Palestinian elites offer a more negative assessment of the health care system. Elite attitudes may reflect press coverage of shortages of medicine, labor unrest, and periodic liquidity problems within the Ministry of Health. Conversely, public attitudes (particularly in Gaza) may reflect actual experience with improved facilities and treatment.
- Palestinian opinion leaders are less likely to observe improvements in solid waste disposal, which may reflect the greater likelihood of Palestinian elite residence in areas already enjoying superior waste collection and disposal.



3.50. The aid effectiveness survey also asked Palestinian public opinion leaders (but not the general sample) for their views on types and geographic distribution of donor assistance. The results show a strong view that Gaza (and especially Gaza City) has received enough or too much aid, while the West Bank (especially the south), refugee camps, and villages have received too little (Figure 3.50). It is important to place these results in context, however. Responses may be biased by the geographic residence of elites, and a parochial tendency of respondents to underestimate need and overestimate aid effects in other areas. Thus, West Bank-based elites may not fully recognize that unemployment and poverty rates in all areas of Gaza remain higher than any of the West Bank governorates. However, it is also the case that the northern West Bank is a needy area too, and a region that the aid effort was relatively slow to reach.



3.51. Asked about types of donor assessment, public opinion leaders felt that enough (26 percent) or too much money (42 percent) had been spent on studies and seminars, while not enough was spent on legal reform (65 percent) and infrastructure investment (72 percent). The areas of human rights and democratic development—which a previous 1997 elite survey found to be regarded as “overfunded” (Brynen 2000)—are now regarded as more important development priorities. While this may be due to variation in

the samples, it is likely to reflect growing elite concerns about deterioration in these areas.

3.52. The survey also asked opinion leaders for their views on several aspects of aid management in the WBG. The results indicate a mixed appraisal of coordination among donors; a slightly more negative evaluation of donor coordination with local actors, cooperation among NGOs, and project implementation; and a strongly negative evaluation of both project prioritization and coordination within the PA. These results generally echo those of a larger December 1997 CPRS survey of PA officials, NGO activists and other Palestinian experts, summarized as follows.

- *Donors* received mixed marks for coordination with each other and the PA, and for monitoring and evaluation of aid projects. Donors received poor marks for identification and prioritization of projects, expediency in processing proposals, and fulfillment of financial commitments. The impact of donor politics (both domestic pressures and foreign policy interests) on aid programs was seen as particularly negative.
- The *Palestinian Authority* received mixed marks for identifying and prioritizing projects, and for coordinating with donors and NGOs. It received poor marks for internal coordination, and very poor marks for its proficiency in project preparation, aid management, and financial transparency.
- *NGOs* received good marks for identification and prioritization of projects and their project management. They were given mixed marks, however, for financial transparency, and poor marks for project preparation.

3.53. Finally, the aid effectiveness survey asked opinion leaders (and, in some cases, the general public sample) for their views on a number of broader issues relating to the aid effort.

- A large majority of the elite sample (68 percent) felt that donor assistance had strengthened the Palestinian private sector, with only 28 percent disagreeing with this view. A similar view was expressed by respondents in the general opinion survey as well.
- A majority of the elite sample (60 percent) felt that donor assistance had encouraged better management of the economy by the PA. Again, a similar view was expressed by the mass public.
- A large proportion (42 percent) of the elite sample believed that donor assistance has weakened Palestinian economic independence, and a surprisingly large proportion (41 percent) thought that aid should be phased out. The general public, however, generally opposed (58 percent) any reduction of aid.

- There was a consensus among both opinion leaders and the general public that, if future aid was limited, donors should continue to assist both the PA and local NGOs, rather than increasing the relative volume allocated to one channel over the other.
- Public opinion leaders overwhelming (92 percent) felt that political and economic conditionality was applied to donor assistance. This perception is striking in view of the relatively low degree of direct or explicit conditionality in most donor assistance programs in the WBG.

### **Building Social Capital: Perspectives on Palestinian Civil Society**

- 3.54. Social capital refers to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions. There is increasing evidence that social cohesion is critical for societies to prosper economically and to develop in a sustainable way (World Bank 1999b). In the West Bank and Gaza, non-governmental organizations—supported in part by donor assistance—continue to play an important role in social service delivery, as highlighted in Section 2 of this study. As discussed in Section 5, the participation of civil society in policy formulation and service delivery is an important dimension of “getting policies and institutions right,” and hence maximizing the effectiveness of development initiatives. It is therefore worth asking what insights survey data can provide into the level of social capital in the WBG and the health of Palestinian civil society.
- 3.55. Efforts to measure the vibrancy of civil society—or degree of “social capital”—in any given place are fraught with a number of methodological challenges (Fukuyama 1997). One possible indicator is the “density” of associational life—that is, the extent to which individuals are members of, and participate in, civic organizations. A second measure is the degree of interpersonal trust in society, and the degree of public space for civic participation and organization.
- 3.56. As previously noted, the aid effectiveness survey reveals that Palestinians have a generally positive view of the contribution of NGOs to Palestinian society and development. Similar findings are reported by other CPRS and JMCC polls. According to an October 1999 CPRS poll, however, 38 percent of Palestinians believe that corruption exists within NGOs (compared to only 31 percent who believe that it does not exist).
- 3.57. Despite decades of Palestinian nationalist mobilization, some data suggests that the degree of Palestinian participation in civic organizations was relatively low (JMCC, September 1999). Specifically, only 19 percent of respondents reported membership in non-governmental organizations. Of those who were members of such groups, approximately one-third reported that they were inactive members. The most common organizations to which respondents belonged were sports associations (6 percent of all respondents), followed by social service and charitable associations (5 percent), health and educational organizations and centers (4 percent), trade unions and professional

syndicates (4 percent), and women's organizations (3 percent).<sup>5</sup> When Palestinians were asked from whom they would seek assistance with a social problem, family relatives were ranked highest (34 percent), followed by "no one, because they won't listen" (22 percent). Local government officials (16 percent) and PA/PLC members (6 percent) were next in importance. Various non-governmental groups—including political party activists, religious leaders, charitable organizations, local business associations, and foreign NGOs—were the first choice of only 12 percent of those surveyed, with political parties accounting for more than half this total.

- 3.58. Public attitudes in the WBG suggest a mix of orientations that are both conducive to, and barriers to, developing greater social capital. On the negative side, a majority of the public (72 percent) believe that holding public meetings should be subject to regulation by the PA (CPRS, March 1998). Indicators of interpersonal trust are ambiguous. Only a small proportion (7 percent) of people agreed that "most people would like to help others," while most (66 percent) argued that "most people care about their own personal interest" (JMCC, September 1999). However, a large majority (80 percent) reported a social obligation to help others in society.
- 3.59. Surveys also reveal the existence of external constraints on civic action, organization, and the free flow of information. A December 1999 CPRS poll, for example, reports that only 30 percent of Palestinians believed they could criticize the PA "without fear"—a decline from 44 percent in June 1996. Younger and more educated Palestinians expressed the most pessimistic appraisal of freedom of expression. An October 1999 JMCC survey on the Palestinian media found that, while Palestinians overwhelming thought that a free press was important to promote democracy (73 percent), only 20 percent expressed the view that the Palestinian press was fully independent.
- 3.60. Overall, these results suggest that—in addition to concerns raised in Section 2 about the post-Oslo decline in donor funding for NGOs—serious challenges face the development of Palestinian civil society. Levels of civil participation may be lower than expected. If true, this may be due to past over-romanticization of public participation in the *intifada* era. However, it may also be due to poor economic conditions, the demobilization of civil society since the start of the peace process, or aspects of NGO performance. In any case, constraints on free expression and organization, coupled with often problematic relations between the PA and some sections of the local NGO community, have further hampered the creation of social capital.

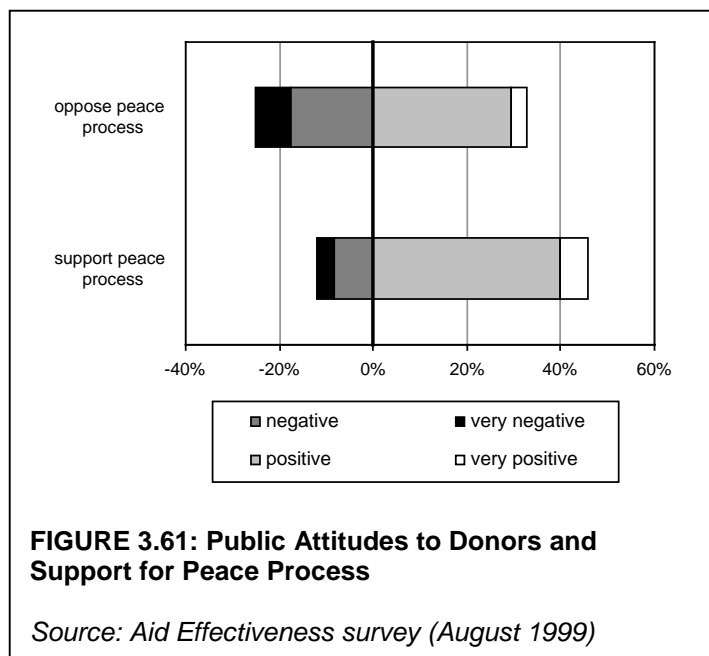
### **Aid and Support for the Peace Process**

- 3.61. The survey undertaken for the aid effectiveness study did not probe the political views of respondents, nor did it explore any linkage that might exist between donor support for Palestinian development and Palestinian support for the peace process. However, a majority of respondents in the public opinion leader survey (51 percent) thought that

donor assistance had contributed to Palestinian support for the peace process, while a smaller proportion (13 percent) thought that it had negative effects.

3.62. Analysis of earlier survey work by CPRS provides additional insight into this issue. Specifically, there appears to be a significant but relatively minor relationship between evaluations of donor performance and attitudes toward donor success in mobilizing greater support for peace, or whether pre-existing attitudes towards the peace process condition evaluations of the donor contribution to

economic development. Most plausibly, both effects are at work. Moreover, it is misleading to look at the linkage in this way. Quite apart from its (relatively weak) short-term attitudinal impact, donor assistance has a number of important indirect effects such as building local capacities for self-government, encouraging a cooperative approach to shared problems, and building the foundations for sustainable economic growth in the future.



## Conclusions

- 3.63. The beneficiary assessment tools used in this section of the aid effectiveness report have highlighted the generally positive effects that donor assistance has had on many aspects of daily life in the West Bank and Gaza. Surveys indicate that—despite several years of economic stagnation and decline—Palestinians have broadly positive views of donor efforts, perceive many positive changes in local services and infrastructure, and are currently somewhat more optimistic about their economic futures.
- 3.64. Of all the sectors evaluated in the surveys, Palestinian institution-building stands out as most problematic. Moreover, analysis of public attitudes indicates a growing gap between public expectations and actual results. Indeed, the data clearly indicates that failure to address these weaknesses will result in a serious erosion of public confidence in—and support for—the PA, its institutions, and its leadership.
- 3.65. The survey data also indicates a number of significant variations across social groups. The West Bank tends to produce less positive public assessments, particularly in the areas of health, sewage, solid waste, and roads. Although the development needs in Gaza



remain more acute, the elite survey suggests a growing sentiment that the West Bank has received less than its fair share of development investments. One area where this might in fact be true, however, is the rural West Bank, where public ratings are particularly low. On the other hand, two historically disadvantaged groups—women and the poor—tend to offer generally *more positive* assessments. While this says little about progress towards the alleviation of poverty or gender inequality, it does suggest that these groups *do not* believe the development effort is ignoring their concerns.

- 3.66. Of particular interest among the aid effectiveness survey results is the substantial gap in the evaluations given by Palestinian elites and by the mass public regarding development efforts. More negative assessments by the former may reflect greater familiarity with the aid effort. Alternatively, it may indicate that many elites have only a limited sense of the everyday circumstances of ordinary Palestinians. Since the views of public opinion leaders are more readily reflected in the media, the data suggests that international media coverage tends toward an excessively negative view of the impact of donor assistance in the WBG.
- 3.67. Opinion data reviewed for this analysis, coupled with the sectoral developments reviewed in Section 2, indicate several potential warning signs with regard to the formation of social capital in the WBG. Specifically, declining funding, popular demobilization, and political constraints on civil organization might all act to sap some of the vibrancy of the NGO sector at a time when it can make critical contributions to Palestinian social and economic development.
- 3.68. Finally, the survey findings suggest a modest but positive attitudinal connection between donor assistance and public support for the peace process. Even greater than any direct effects, however, is the past, present and future peacebuilding role of donors in supporting Palestinian self-government, building local capacities, facilitating the search for cooperative solutions, and laying foundations for future development. In other words, donor assistance in the West Bank and Gaza serves to build public support for peace, as well as the foundations upon which peace can be achieved.

## NOTES: SECTION 3

---

<sup>1</sup> The results of most of these surveys can be found online at the websites of the Center for Palestine Research and Studies (<http://www.cprs-palestine.org>) and the Jerusalem Media and Communications Center (<http://www.palestinereport.org>).

<sup>2</sup> The “institution score” varies from 0-100, and is the sum of the corruption score (scaled from 0-50) and the democracy score (also scaled 0-50) from the data previously presented in Figure 3.24. The PA approval score equals the percentage of respondents rating cabinet performance as “good” or “very good”. All data is drawn from regular CPRS surveys.

<sup>3</sup> CPRS divided respondents into four income groups: less than JD300 annual family income (61 percent of total sample); JD301-600 annual family income (32 percent of total sample); JD601-1,000 annual family income (6 percent of total sample); and annual family income over JD1,000 (1 percent of total sample). There are a number of methodological weaknesses in this categorization. Most importantly, there appears to be systematic under-reporting of family income by respondents, given PCBS estimates of average monthly family expenditures equal to JD547 in 1998. The Palestinian National Commission for Poverty Alleviation (1998) defined the poverty line at a monthly income of less than NIS1,390 (approximately JD230 or US\$330) for a family of six.

Nevertheless—and pending more robust survey data—these first groups in the CPRS have been taken as representing “low” and “middle” income Palestinians respectively, while the latter two have been aggregated to represent a “high” income category.

<sup>4</sup> Because all Gaza governorates are “high poverty” areas, and in order to minimize the effects that West Bank/Gaza attitudinal differences have on indicators, the scores presented in Figure 3.41 represent an *unweighted* mean of: i) Jenin, Hebron and Gaza assessments for “high poverty” areas, and ii) Nablus, Ramallah and Jerusalem assessments for “low poverty” areas.

<sup>5</sup> Due to low cell sizes and resulting margins of error, this comparison of rates of associational membership must be interpreted with caution. However, the broader figures indicating low aggregate levels of membership in civic organizations appears to be robust.