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With Israeli - Palestinian Peace Fund, Congress Signals US Hasn't Given Up

By Ben Samuels

- In December 2020, Congress passed a landmark piece of legislation providing \$250 million over five years to expand “people-to-people” Israeli and Palestinian grassroots programs, as well as joint economic ventures that could help shore up the Palestinian economy. Now, months after the passage of the Nita M. Lowey Middle East Partnership for Peace Act (MEPPA), and weeks after the latest round of fighting between Israel and Hamas and unprecedented intercommunal violence, Congress is taking its first steps at implementing it. House Speaker Nancy Pelosi announced recently she is tapping former Rep. Robert Wexler as the first member of an advisory board that will lead the fund’s work. The board will consist of high-profile figures, peace-building experts and regional figures to advise on potential projects, and inform Congress of actions undertaken.
- In an interview with Haaretz, Wexler says MEPPA represents a potential centerpiece for the Biden administration’s policy on the Israeli-Palestinian conflict. “It’s a significant policy tool – that’s what’s so critical about this legislation,” he says. “It’s not just money to provide grants, which would be good in and of itself, but this is much more profound. It’s a policy tool for the American government to enhance and enable progress between Israelis and Palestinians.” Wexler, who has spent the past 11 years running the [S. Daniel Abraham Center for Middle East Peace](#), is quick to praise Congress for “putting forth a substantial down payment on hope,” adding that “defining this in the American interest is an incredibly important congressional statement.” The former Florida Democratic congressman underlines the bipartisan rigor involved in passing the act – something increasingly rare in Washington these days. “The way in which this was enacted is critically important and is not typically the case with most pieces of legislation,” he says. “The fact that they did it is great, but that it was done on a truly bipartisan basis makes it even more remarkable.”
- Wexler, who was widely supported by Democratic lawmakers and Jewish organizations to be the next US ambassador to Israel prior to Tom Nides’ nomination in June, notes that MEPPA reinforces the multilateralism in which President Joe Biden hopes to center his foreign policy, both substantively and symbolically. “It’s a

reinforcement of America's engagement in the Middle East when some observers think we're withdrawing," Wexler says. "We're making a quarter of a billion-dollar investment in people-to-people programming and private sector investments, as well as partnerships that will hopefully be even bigger after we're done attracting international participation." He further highlights how such participation could allow for the compounding of American dollars. Momentum surrounding an international fund for Israeli-Palestinian peace springboarding off MEPPA has grown over the past several months, particularly among lawmakers in Britain and the European Parliament. "There's no better symbol of something being proper than USAID [the US Agency for International Development] and the American government in terms of investment.

- There's great interest from our European allies, and the possibility of Arab countries in the Gulf and others participating is a real prospect too," he notes. Wexler has visited the region twice in the past five weeks and has discussed MEPPA with "pretty much everyone involved in the new Israeli government." This includes Prime Minister Naftali Bennett, Foreign Minister Yair Lapid, Defense Minister Benny Gantz, President Isaac Herzog – "who is totally gassed up about it" – and United Arab List leader Mansour Abbas. "We spent a significant amount of time with [Abbas] and his aides talking about ways in which the Arab citizens of Israel can participate in this effort to benefit their communities, and essentially benefit from participating in the Israeli [governing] coalition," Wexler says.
- He adds: "It's fortuitous that this program came along right at a time when relations between Jews and Arabs inside of Israel are so strained as a result of the war with Hamas and the controversial circumstances in Jerusalem." Beyond political leaders, Wexler also met with leading industrialists and Palestinian private sector figures, whom he describes as "thirsty to engage in cooperative projects, as well as industrial and economic development efforts with the United States and Israel."
- "I can tell you already that they are thinking about projects that would be marquee projects that possibly would fit into the mold of MEPPA," he notes. Wexler explains how both MEPPA and a potential international fund can further aid the Palestinian private sector in encouraging international investment. "The Palestinian economy has not been a magnet for international investment because of concerns regarding legal protections, violence, political stability, financing and insurance. When the US comes

along and has the potential to finance certain things, there's a compounding effect," he says. He explains that the Palestinian economy has experienced a particularly rough stretch during the coronavirus pandemic. "What [the Palestinian Authority] had to do to get through COVID was essentially take loans or tax their private sector. The private sector on the Palestinian side is hungrier than ever to have attractive opportunities, because they've had a particularly rough 18 months," Wexler explains.

- This economic hardship has not helped prospects concerning the Palestinian Authority's long-term stability. While MEPPA's goal may not be to directly stabilize the PA, Wexler notes "there's no question it offers an element of stability that can significantly add to the prospects of peaceful transfer of power in the Palestinian territories when this time comes." For now, though, it "importantly bolsters up the forces of moderation within Palestinian society." After the recent war, Wexler says, " Hamas unfortunately gained so much credibility amongst ordinary Palestinians. They need to see that moderate, non-Hamas, Palestinian leadership that engages with both Israel and American leadership, which rejects violence and can also deliver dividends for their own people. MEPPA offers a policy tool in which to do that." Beyond the advisory board, USAID's side is also taking shape, including the nomination of Tamara Cofman Wittes as USAID assistant administrator for the Middle East and the designation of Megan Doherty as MEPPA's day-to-day point person. Wexler is quick to welcome USAID Administrator Samantha Power's "enormous role to play," noting her stature within the US government as well as her international reputation.

Ultimately, according to Wexler, the goal is to improve conditions for Israelis and Palestinians, and in the process advance rights for the latter and, essentially, minimize the political differences between the two. "This can provide hope for progress and give people something to support and something to be proud of. In this part of the world, what normally sets in is a zero-sum analysis. MEPPA changes that."