

## THE MEANINGS OF PALESTINIAN REFORM

### I. OVERVIEW

Since U.S. President George W. Bush's 24 June 2002 statement on the Israeli-Palestinian conflict, Palestinian reform has emerged as a key ingredient in Middle East diplomacy. In his statement, the president publicly identified "a new and different Palestinian leadership" and "entirely new political and economic institutions" as preconditions for the establishment of a Palestinian state.<sup>1</sup> In early July, the Quartet of Middle East mediators (the European Union, Russian Federation, United Nations, and United States) established an International Task Force for Palestinian Reform "to develop and implement a comprehensive reform action plan" for the Palestinian Authority (PA).<sup>2</sup> The September 2002 statement by the Quartet underscored reform of Palestinian political, civil, and security institutions as an integral component of peacemaking.<sup>3</sup> The three

phase-implementation roadmap, a U.S. draft of which was presented to Israel and the Palestinians by U.S. Assistant Secretary of State William Burns in October, provided details on this reform component.<sup>4</sup>

Palestinians deserve;" the holding by Palestinians of "free, fair and credible elections in early 2003." Communiqué Issued by the Quartet", New York, 17 September 2002 ([www.un.org](http://www.un.org)). The degree to which non-U.S. members of the Quartet have bought into the approach laid out in President Bush's speech is questionable. Certainly, they have distanced themselves from U.S. calls for a change of leadership. While they believe in the necessity of institutional and security reform, privately they express deep scepticism about conditioning political progress on reform conditionality. However, they have not been prepared to challenge it or offer an alternative. For an analysis, see ICG Report, Middle East Endgame I: Getting to a Comprehensive Arab-Israeli Peace Settlement (16 July 2002).

<sup>4</sup> The draft roadmap includes three phases. During Phase I (October 2002-May 2003), which includes Palestinian steps to restore security and security cooperation and Israeli steps to ease Palestinian living conditions, including the withdrawal from areas occupied since the onset of the intifadah, Palestinians are expected to, inter alia: appoint a new cabinet, establish an "empowered" prime minister and an independent election commission, consolidate and restructure their security organisations, draft a new constitution, devolve power to local authorities, and hold elections for their legislative council. Phase II (June 2003-December 2003), which is supposed to lead to the creation of a Palestinian state with provisional borders, would include the holding of an international conference and additional security steps by Palestinians. During this period, Palestinians are supposed to adopt a new constitution. The final Phase (2004-2005), during which further progress on the reform agenda is anticipated, is devoted to negotiations for a permanent status agreement between Israel and Palestine. Transition from one phase to another will be based on the judgment of the Quartet and will depend on action taken by the parties. The U.S. draft currently is being discussed by members of the Quartet, with input from the parties and others, with the aim of reaching a common position within the coming weeks. "Elements of a performance-based road map to a permanent two-state solution to the Israeli-Palestinian conflict," Washington Institute for Near East Policy, 15 October 2002. See also "What is the Latest US Peace Plan?" *Associated Press*, 24 October 2002.

<sup>1</sup> "President Bush Calls for New Palestinian Leadership", The Rose Garden, 24 June 2002 ([www.whitehouse.gov](http://www.whitehouse.gov)). As Secretary Powell later explained, "we decided it was the right thing to do for the United States to make the clear statement that the Palestinian people should elect new leadership, find new leadership; and if they were to do so, then the United States stands ready to work with them and to work with Israel and other parties in the region and the international community to move aggressively forward and create a State for the Palestinian people" National Public Radio, 25 June 2002. National Security Advisor, Condoleezza Rice put it more bluntly: "The United States can do nothing to move this process forward" if Arafat isn't replaced. NBC "Meet the Press", 30 June 2002.

<sup>2</sup> "Press Conference following Quartet Meeting at the Waldorf Astoria (unofficial transcript)", New York, 16 July 2002 ([www.un.org](http://www.un.org)). The Task Force is composed of the individual members of the Quartet, Norway, Japan, the International Monetary Fund (IMF), and the World Bank. It has seven sub-committees dealing with civil society, financial accountability, local government, market economy, elections, judicial reform, and administrative reform.

<sup>3</sup> The Quartet's statement calls for Palestinian security reform; "efforts by Palestinians to develop a constitution, which ensures separation of power, transparency, accountability, and the vibrant political system which

During the same period, domestic Palestinian demands for change were no less evident. Senior officials and legislators, political leaders and activists, civic organisations, and citizens from across the spectrum demanded that the PA improve its performance and transform itself into an effective institution capable of meeting its people's basic needs. Responding to the combination of local and international pressure, Chairman Yasser Arafat approved a series of measures contained in the "100 Days Plan" formulated by the PA's Ministerial Reform Committee and formally adopted on 23 June.<sup>5</sup> It proved too little too late. In an unprecedented development, the entire cabinet was on 11 September compelled to tender its resignation in order to avoid a parliamentary no-confidence motion whose passage was a virtual certainty.

While there has been an apparent convergence of international and domestic calls for reform, there is a distinct gulf between international and indigenous perceptions of the process. For example, U.S. officials and the American press have made much of the seeming coincidence between President Bush's demands and indigenous Palestinian pressure, leading many to conclude that Washington's insistence on a reform-first sequence was having its desired effect. Similarly, reform is viewed by many in the West as synonymous both with Arafat's marginalisation and eventual replacement and with the emergence of a Palestinian leadership more accommodating toward Israel. A corollary to this view is that the reform movement is largely spurred by dissatisfaction with Arafat's failure to conclude a peace deal with Prime Minister Barak, his perceived decision to launch the armed uprising, or intifada, and his inability to terminate it. Taken together, these assumptions lead many to the notion that the lack of Palestinian reform has been a major impediment to a successful peace process and that proceeding with the current reform efforts therefore is a key ingredient of (and important pre-requisite for) a re-energized peace process. Under such reasoning, reform will come first, discussion of final status issues will come later, and any earlier talk of final status issues will actually detract from reform.

Many of these assertions do not withstand closer scrutiny, and often reflect a misunderstanding of domestic Palestinian dynamics:

- ❑ The Palestinian reform movement has an old pedigree; it preceded President Bush's call and will almost certainly outlast it.
- ❑ The very notion of a Palestinian reform movement – as if it consists of a unified coalition of forces sharing broadly similar interests and objectives – is misleading. There are a number of reform agendas sponsored by a host of forces for a variety of motives that have little in common with one another and even less in common with the vision that the U.S. or Israel has of it. The most widely used depiction of the domestic Palestinian reform debate – Old Guard versus Young Guard – fails to do justice to the complexity of the alliances, constituencies, and agendas involved.
- ❑ Far from believing that Arafat adopted an excessively hard line in his dealings with Israel, many in the so-called reform movement fault the Palestinian leadership for having been too responsive to U.S. and Israeli demands and, more importantly, for lacking a clear and effective strategy for resisting Israel's occupation. Perhaps the greatest impetus behind the reform movement is the widely shared perception among Palestinians not that the intifada was a mistake, but that the Palestinian Authority (PA) failed to both properly manage the conflict and withstand Israeli attacks and international pressure. As a result, many Palestinians currently support transforming the PA into a technocratic/administrative body, with political decision-making power residing elsewhere – or even disbanding the PA altogether.
- ❑ For a large number of Palestinians, the idea of modernising the PA and instruments of governance – while under military occupation is either impossible or meaningless; to them, the primary goal of institutional transformation therefore should be to strengthen the Palestinian capacity to challenge the Israeli occupation.
- ❑ Although U.S. intervention initially may have given the reform efforts a boost, there is a consensus among virtually all Palestinians that

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<sup>5</sup> "100 Days Plan of the Palestinian Government (With Reference to the Presidential decree of 12 June 2002)", 23 June 2002 ([www.jmcc.org](http://www.jmcc.org)). These changes included Arafat's ratification of a Basic Law (which had been awaiting his signature since 1997), a cabinet reshuffle, restructuring of the security forces, and the announcement of executive and legislative elections for early 2003.

U.S. – not to mention Israeli – pressure is impairing rather than improving their chances.

Reform of Palestinian institutions and politics is a domestic issue, and one that has wide support within the Palestinian community. Ultimately, Palestinians may well welcome international assistance in this overall endeavour. But today, the international community's insistence on reform as precondition for a peace settlement is both harming its version of reform and delaying everyone's notion of peace.

## **II. ORIGINS OF THE REFORM MOVEMENT**

### **A. BACKGROUND**

The manner in which the Palestinian reform debate emerged in the wake of Israel's May 2002 withdrawal from West Bank cities left many international observers with the impression that Palestinian advocates of change rode into the discussion on the coat tails of the international community. By contrast, Palestinians tend to view states such as Israel and the United States as uninvited latecomers to the reform party, arguing that until recently neither exhibited much interest in how Palestinians are governed and that their current involvement is motivated by transparently self-serving political calculations. Where others such as the European Union (EU) are given credit for a more longstanding commitment during the Oslo years, they are nevertheless faulted for having subordinated their support for reform to the continuation of the peace process.<sup>6</sup>

With the most to gain (and lose) from decisions affecting the system of Palestinian governance, it has in fact been Palestinians who since the 1994 establishment of the PA have led discussion and debate on how its institutions should be structured. To a significant extent, the basic issues currently in

play are as old as the contemporary Palestinian national movement itself, with the key distinction that these are today being contested in the context of an embryonic state rather than that of a national movement.

### **B. PLO REFORM**

Palestinian demands for structural reform have significant antecedents even in the period preceding the establishment of the PA. For example, Palestinian leader Yasser Arafat, whose rule is currently the focus of widespread discontent, was elected Chairman of the Executive Committee of the Palestine Liberation Organisation (PLO) in February 1969 after mobilising growing resentment at the PLO for its performance and for the fact that it was being used as an instrument of Arab state policies. Under Arafat, a revamped PLO emerged, reflecting the coordinated will of the various guerrilla movements.

The transformation of the PLO in the aftermath of the 1967 June War established another familiar pattern where military defeat led to demands for change of those institutions deemed responsible. Thus, in the wake of the PLO's eviction from Jordan in 1970-1971, and even more audibly after its enforced departure from Beirut in 1982, a chorus of Palestinian voices both from within and without the Palestinian political and military establishment called for a thorough accounting for the failures that led to defeat, the removal from power of those responsible and a structural reform of PLO institutions.<sup>7</sup>

Another prominent theme during this period concerned the crisis of Palestinian institutions. With few exceptions, PLO institutions failed to discharge their assigned mandates, and in many cases all but ceased to function as coherent organisations. There are many explanations for this state of affairs, not least of which the fact that the institutions were developed without a territorial basis, with a population scattered throughout the world, and with strong outside pressures and interference from Israel and the Arab states. This included sponsorship of rival organisations (in the case of Syria and Jordan)

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<sup>6</sup> ICG interviews with Hanan Ashrawi, member of the Palestinian Legislative Council (PLC), former PA Minister of Higher Education, and Secretary General of The Palestinian Initiative for the Promotion of Global Dialogue and Democracy (MIFTAH), Ramallah, 14 October 2002; Jamil Hilal, Palestinian intellectual and writer, Ramallah, 22 June 2002; Mamduh Nofal, member of the Palestinian National Security Council and Presidential Advisor for Internal Affairs, Ramallah, 22 June 2002.

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<sup>7</sup> Yezid Sayigh, *Armed Struggle and the Search for State: The Palestinian National Movement, 1949-1993* (Oxford, 1999). The PLO's 1982 eviction from Beirut precipitated a revolt against Arafat the following year which almost unseated him.

and political assassinations (in the case of Israel and of various Arab states). Whatever the reason, however, more often than not PLO institutions developed into heavy bureaucracies and/or personal fiefdoms, in which professionalism and commitment often appeared to play only a marginal role. Transformed in significant respects from an activist national movement into a national patronage system, the PLO continuously sponsored the creation of yet more subsidiary institutions. These typically possessed overlapping responsibilities and worked at cross-purposes – if at all. Popularly derided as *dakakin* (“shops”) in recognition of their role in the patronage system and the self-aggrandisement of their operators, such outfits only accelerated the deepening institutional crisis.

Other aspects of the reform debate as it developed during the early 1990s also had much in common with that which emerged during the following years. Then, as now, advocates for change were to be found within the ranks of the Palestinian National Liberation Movement (Fatah) and other PLO factions, and even more so among nationalist intellectuals and professionals, yet never managed to coalesce into a movement powerful enough to effectuate genuine institutional transformation. Then, as now, such individuals and groupings were motivated by a combination of factors including Palestinian effectiveness in the confrontation with Israel (whether on the ground or around the negotiating table), the competition for control with the Islamist movement, and narrower concerns such as political self-preservation and individual self-promotion. And then, as now, the Islamist movement played an only marginal role in the debate. Hamas, for example, never joined the PLO and it only reluctantly “recognised” the PA.

### C. PA REFORM

If it is indeed true that the reform of Palestinian institutions “was never really possible or realistic” during the PLO’s exile in Tunisia,<sup>8</sup> the 1993 Oslo agreements and the 1994 establishment of the PA fundamentally altered the terms of the debate. To opponents of the agreement, Oslo was a Palestinian “Versailles” and the PA a latter-day “Vichy

government”.<sup>9</sup> It therefore followed that the PA could not but be an authoritarian, repressive, and corrupt entity, because it would otherwise prove incapable of performing its surrogate role for the Israeli occupation and, by extension, survive. To adherents of such views the task at hand was not so much the ultimately futile one of improving the PA’s performance as it was a struggle against the political parameters created by Oslo. It also coincided with the feeling of many Palestinians in the West Bank and Gaza that, although the PLO and Yasser Arafat were the sole legitimate representatives of the Palestinians vis-à-vis the “outside” – predominantly Israel and the Arab world – the Palestinian Authority was a somewhat alien, externally-imposed entity.<sup>10</sup>

Others, including many sceptical of Oslo, saw things somewhat differently. The establishment of a regular Palestinian government on Palestinian soil which would require the consent of the governed because it was too weak to rule by brute force, suggested real opportunities for the further democratisation of Palestinian public life. That the PA would inherit the pluralistic tradition of the PLO in the context of a relatively vibrant civil society as had emerged since 1967 in the occupied territories seemed further cause for optimism.<sup>11</sup> As a result, some Palestinians believed that those committed to the transformation of Palestinian institutions had a political obligation to participate in the process of the PA’s development, in order to help determine the many choices that remained to be made and thus influence the substantive character of such entities.<sup>12</sup>

As the failure to implement Oslo – or, according to some, its inherent limitations – became increasingly clear during the tenure of Israeli Prime

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<sup>9</sup> Edward W. Said, *Peace and Its Discontents: Essays on Palestine in the Middle East Peace Process* (New York, 1995).

<sup>10</sup> See Jean-François Legrain, “Autonomie Palestinienne: La Politique des Néo-Notables,” *Revue du Monde Musulman et de la Méditerranée* (1996), pp. 81-82.

<sup>11</sup> Within a broadly nationalist consensus, political and intellectual debate within the PLO was as a rule free and quite often fierce as well. While there were (at times violent) efforts by some Palestinians to stifle various points of view, the result was one of the most open and tolerant political cultures in the Arab world.

<sup>12</sup> This latter trajectory is perhaps best represented by Haidar Abd-al-Shafi, who in 1996 was elected to the Palestinian legislature with a huge majority, but resigned his seat well before the eruption of the second uprising on the grounds that the system marginalised critical voices and condemned them to ineffectiveness.

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<sup>8</sup> ICG interview, Hilal, *op.cit.*

Minister Binyamin Netanyahu (1996-1999), Palestinian demands for change gradually intensified. On the one hand, the PA proved incapable of providing its constituents with rapid progress towards an end to Israeli military occupation and Palestinian statehood. At the same time, the PA failed to deliver the economic benefits with which it hoped to placate Palestinian public opinion during the interim period. In fact, the Palestinian economy after 1993 significantly deteriorated relative to its desultory state on the eve of Oslo.<sup>13</sup> While the PA justifiably pointed to Israeli foot-dragging, repeated territorial closures, and the donor community's unfulfilled commitments as root causes of its predicament, many Palestinians were quick to add to these a veritable inventory of PA failings and malfeasance, with widespread corruption and mismanagement within PA institutions and the lawlessness of the numerous security forces topping the list.<sup>14</sup> According to a senior PA official,

the general opinion of the Palestinian street has been that there is a basic problem with the PA's civil and security institutions, their development and performance. The view is that they are still dominated by the old mentality of the PLO days, a mentality of Fatah domination, of tribalism, paternalism, and clientelism rather than a scientific and institutional mentality appropriate to an emerging state.<sup>15</sup>

Public sector monopolies played a key role in this regard. The Palestinian leadership was able to derive substantial income by controlling both trade in strategic goods such as fuel and cement and the ensuing profits by acting through front companies rather than PA institutions. Rather than being deposited into the treasury and disbursed on the basis of established criteria, such funds were used by

the leadership to maintain and enhance its system of patronage.

In the context of growing – and increasingly public – domestic criticism, PA Comptroller Jarar al-Qudwa issued a highly publicised report in 1997, which concluded that two-thirds of the entire PA budget had been either mismanaged or illicitly spent. As a result of the ensuing uproar, largely led by members of the Palestinian Legislative Council (PLC), Arafat appointed a presidential commission, which later that year produced its own, 145 page report based upon detailed interviews and cross-examinations of PA officials. Although the commission's report remains strictly classified at the explicit instruction of Chairman Arafat, it expanded upon rather than contradicted Qudwa's findings of endemic corruption and mismanagement, detailing the various methods through which PA funds were misallocated and highlighting the lack of transparency and accountability within its institutions.<sup>16</sup>

Not less importantly, and although the commission was prohibited from interviewing members of the security forces, it strongly suggested that these are structurally corrupt as well, and recommended a separate investigation of their conduct (which was never held).<sup>17</sup> In terms of consequences, however, there were none: the new and significantly expanded PA cabinet appointed in the aftermath of the investigations co-opted a virtual quorum of parliamentary critics, and not a single minister or official singled out for censure was removed from his post.<sup>18</sup>

Similarly, a detailed and altogether more prescriptive study by an international blue-ribbon commission chaired by former French Prime Minister Michel Rocard and published in 1999 suggested a host of

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<sup>13</sup> See the quarterly *UNSCO Report on Economic and Social Conditions in the West Bank and Gaza Strip* ([www.arts.mcgill.ca/mepp/unsco/unfront.html](http://www.arts.mcgill.ca/mepp/unsco/unfront.html)). According to the April 1997 Report, for example, "real GNP, the broadest measure of national income, in the West Bank and Gaza Strip (WBGs) has declined by 18.4 per cent between end-1992 and end-1996 ... The decline is mainly attributable to the loss of employment in Israel and the decline in trade flows due to the Israeli closure policy" (emphasis original).

<sup>14</sup> Graham Usher, "The Politics of Internal Security: The PA's New Intelligence Services", *Journal of Palestine Studies* XXV:2 (Winter 1996), pp. 21-34.

<sup>15</sup> ICG interview, Nofal, *op. cit.*

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<sup>16</sup> ICG interview with member of the Presidential Commission to Investigate Corruption, June 2002. A similar report issued in 1997 by the PLC – *the PLC Special Committee Report* – similarly went further than Qudwa's document. For the full text of the PLC report see [www.jmcc.org/politics/pna/plc/plccorup.htm](http://www.jmcc.org/politics/pna/plc/plccorup.htm).

<sup>17</sup> Ibid.

<sup>18</sup> The cabinet appointed in 1998 counted 30 members, including almost a fourth of membership of the 88-member parliament. This was in part a result of the September 1995 *Israeli-Palestinian Interim Agreement On the West Bank and the Gaza Strip* (also known as Oslo II), which in Chapter 1, Article V:3 stipulates that at least 80 per cent of cabinet members are to be PLC members.

measures through which the PA could promote good governance and enhance its performance.<sup>19</sup> Various declarations by senior PA officials that its recommendations would be implemented in full notwithstanding, the impact was invisible to the public eye.

The renewal of open conflict between Israel and the Palestinians in September 2000 initially had a somewhat contradictory impact in terms of the Palestinian debate on reform. On the one hand, many felt that basic changes to the PA's methods of rule could no longer be postponed, and had in fact acquired a new urgency on account of the need to unify and fortify Palestinian society in its confrontation with Israel. An added incentive for the emerging generation of more activist cadres was the opportunity to use the twin engines of conflict and change to propel themselves into positions of power and influence at the expense of the elite that emerged from the Oslo period. Yet the pressures exerted by a continuously escalating struggle with a foreign power also worked against the prospects for change. Officials consistently argued – with considerable success – that reform would inevitably cause internal dissension and undermine the Palestinian movement at precisely the time when national unity and cohesion were needed most.<sup>20</sup>

Significantly, during a decade in which Palestinians continuously debated and criticised the structure and performance of the PA, albeit with limited success, Israel, the Arab states, and the broader international community tended to pay only lip service to the concept of good governance in Palestine. While the donor community sponsored numerous projects in support of Palestinian public institutions and as a rule meticulously accounted for its own funds, the PA was generally not held accountable on the basis of objective performance criteria, and was ultimately judged on the basis of its willingness to continue implementation of the Oslo agreements.<sup>21</sup> “Nobody

cared,” explains former cabinet minister Nabil Amr. “We would score 20 per cent on a test, and they would give us a grade of 90 per cent. Now, by contrast, we can’t do enough.”<sup>22</sup>

The international community’s lack of interest was particularly evident in the security sphere. Indeed, the PA was repeatedly called upon to utilise its arbitrary powers to neutralise Palestinian militants, and in 1995 US Vice-President Al Gore publicly praised the PA’s establishment of State Security Courts widely condemned by Amnesty International, Human Rights Watch, and others on account of their “pattern of grossly unfair trials”.<sup>23</sup> In the disappointed words of one senior Palestinian official who believes the donor community could and should have done substantially more to support good governance in Palestine, “the West was more interested in the security of Israel than in Palestinian reform. In fact, they didn’t mind Palestinian corruption and violation of human rights so long as such practices helped to guarantee Israeli security”.<sup>24</sup> “Everything was subordinated to the peace process,” added Hanan Ashrawi.<sup>25</sup> Many Palestinians resented international pressure to round up militant or radical Palestinians and called for respect for due process and the rule of law. “In the years since Oslo,” stated a leading Palestinian intellectual and PA critic, “Israel and the US encouraged centralist and authoritarian rule and were resisted by Arafat, not the other way around.”<sup>26</sup>

In short, when Palestinian demands for change erupted once again in the wake of Israel’s March 2002 Operation Defensive Shield, these neither emerged from a vacuum nor represented a belated Palestinian alignment with an established international coalition for reform. Rather, Palestinians were once again seeking to hold their leaders and institutions accountable for their failures, in the hope of producing a more effective and responsive national movement.

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<sup>19</sup> *Independent Task Force Report: Strengthening Palestinian Public Institutions* (New York: CFR, 1999). ([www.cfr.org](http://www.cfr.org)).

<sup>20</sup> “My only responsibility”, Arafat once responded to a member of the PLO Executive Committee urging him to take a broom through the PA, “is to establish an independent Palestinian state with its capital in Jerusalem.” ICG interview, As’ad Abdel-Rahman, member of PLO Executive Committee, Amman, 28 June 2002.

<sup>21</sup> It is equally noteworthy that during this time “various types of benefits [were] distributed to individuals and classes in exchange for their support for the Oslo accords.” Amira Hass, “Two Government Crises,” *Ha’aretz*, 30 October 2002.

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<sup>22</sup> ICG interview, Nabil Amr, PLC member and former PA Minister of Parliamentary Affairs, Ramallah, 14 October 2002.

<sup>23</sup> Human Rights Watch, A Letter to President William Jefferson Clinton, 19 March 1999. ([www.hrw.org](http://www.hrw.org)).

<sup>24</sup> ICG interview, Abdel-Rahman, op. cit.

<sup>25</sup> ICG interview, Ashrawi, op. cit.

<sup>26</sup> ICG interview, Hilal, op. cit.

### III. DEFINING THE REFORM MOVEMENT

Reference often is made to the “reform movement” and to “reformers”, but with little effort to define what either actually is. In fact, there is no unified Palestinian movement for change, but more accurately “a convergence of discontent” among a multiplicity of actors motivated by different, often competing, at times contradictory agendas.<sup>27</sup> As one Palestinian observer noted, “the Palestinian debate on reform encompasses an almost limitless range of agendas both personal and political.”<sup>28</sup> Indeed, it defies easy categorisation into neat camps. Nor does the now popular division between an “Old Guard” composed of the PA/PLO elite and a “Young Guard” comprising a new generation of Fatah activists in league with the Islamic Resistance Movement (Hamas)<sup>29</sup> do justice to reality. Some of the most vocal reformers today are to be found in the senior echelons of the PA and PLO (and are not necessarily Fatah members), whereas a considerable number of the most militant Fatah operatives (such as local commanders of the Al-Aqsa Martyrs’ Brigades) seem content with the status quo.<sup>30</sup>

Moreover, as a movement that in terms of its power structure is by nature diffuse, Fatah does not easily lend itself to categorisation. If such an attempt nevertheless were made, considerably more than two groupings engaged in perpetually shifting alliances would emerge. Aside from Yasser Arafat, who stands in a category of his own, groupings include: the Fatah Central Committee comprising the movement’s historic leadership; its larger Revolutionary Council which includes veteran activists from the West Bank, Gaza as well as those repatriated from Tunis; the Fatah Higher Committee,

a less formal organ that represents the younger generation of political leaders groomed in the occupied territories and that is particularly influential in the West Bank (and forms the backbone of the so-called *tanzim*);<sup>31</sup> the senior echelons of the security forces whose influence tends to be geographically limited rather than national in scope; the militias (such as the Al-Aqsa Martyrs’ Brigades), which tend to be local in character and are in some cases closely aligned with the security forces and in others basically independent of any external influence; and the movement’s rank and file.<sup>32</sup>

Moreover, each of these constituent groups has internal divisions, including on the issue of reform, and its specific position on any given issue related to reform cannot be systematically predicted on the basis of its proximity from the centre of power. (The Revolutionary Council, for example, has a significantly more reformist profile than the Al-Aqsa Martyrs’ Brigades.) The concept of an emerging strategic alliance between the Fatah “Young Guard” and Hamas is equally problematic. In reality, it is a relationship defined by rivalry and competition as

<sup>27</sup> ICG interview, Palestinian negotiator, Washington, DC, September 2002.

<sup>28</sup> Rema Hammami, “Interregnum: Palestine After Operation Defensive Shield,” *Middle East Report* 32:2 (Summer 2002), p. 24. One PLO official claimed that “reform means all things to all people”. ICG interview, September 2002, New York.

<sup>29</sup> Khalil Shikaki, “Palestinians Divided”, *Foreign Affairs* (January/February 2002) presents the most articulate view of the old guard/young guard theory. For a critique see Salim Tamari, “Who Rules Palestine?” *Journal of Palestine Studies* XXXI:4 (Summer 2002). Tamari notes that the Old Guard/Young Guard groupings include “only temporary allies and even future protagonists.” *Id.*, p. 102-113.

<sup>30</sup> ICG interview, Graham Usher, *Economist* correspondent, Jerusalem, 18 September 2002.

<sup>31</sup> Formally, *tanzim* (‘organisation’) refers to Fatah in its entirety; every member of Fatah is a member of the *tanzim* of Fatah and there is no separate component within its structure bearing this name. Informally, the term has become, particularly during the current uprising, a standard collective reference to that part of the movement which is indigenous to the West Bank and Gaza Strip and tends to have a more activist profile, in contrast to its more bureaucratised counterpart repatriated from Tunisia and other Arab states. The term also is often used in specific reference to the political component of this wing of the movement (as opposed to its paramilitary offshoot), though it can also refer to both. Marwan Barghouti, Secretary General of the West Bank Fatah Higher Committee, is thus to many observers the personification of the *tanzim*. See further Graham Usher, “Fatah’s Tanzim: Origins and Politics”, *Middle East Report* 30:4 (Winter 2000).

<sup>32</sup> The Central Committee is the supreme executive institution of Fatah, akin to a communist party politburo. The significantly larger Revolutionary Council is its supreme political institution, and determines the movement’s general policies. The Higher Committee is formally not part of the movement’s organisational structure; it was established by leading Fatah activists within the occupied territories to direct and coordinate the movement’s activities in the West Bank and Gaza Strip. The Al-Aqsa Martyrs’ Brigades, which were established only during the current uprising, are closely aligned with Fatah but are not its official militia. For more on the latter, their localised nature, and their complex relationship with Fatah, see Human Rights Watch, *Erased in a Moment: Suicide Bombing Attacks Against Israeli Civilians* (New York, 2002), pp. 77-87.

much as by cooperation, and by temporary, tactical coincidences of interests involving now one wing of Fatah and then another.<sup>33</sup> Finally, even the notion of Arafat loyalists is problematic. Senior figures around the Palestinian president divide between those who resist all institutional reform, those who advocate it for opportunistic reasons, and those who believe in the necessity of genuine change.

“Reformers” include, *inter alia*:

- ❑ independent intellectuals and activists who have long argued for greater accountability, transparency and separation of powers;
- ❑ elements of the NGO community seeking to regain their role after having been marginalized by the PA;
- ❑ members of PA institutions (most notably the PLC) seeking to expand the influence of their respective bodies;
- ❑ activists from Fatah and other Palestinian political factions who want both a coherent strategy and a greater say in shaping it;
- ❑ Gazans who feel underrepresented in the power structure; and
- ❑ members of Fatah’s Central Committee, who first resisted reform and now see it as a critical tool to rehabilitate themselves and perpetuate their power.<sup>34</sup>

In short, there are cross-generational alliances and intra-generational divides, as well as ideological and at times regional divisions – not to mention personal calculations – that often play a far more prominent role.

#### **IV. WHAT REFORMERS MEAN BY REFORM**

Beyond the universal Palestinian desire to see an end to the Israeli occupation, it would be erroneous to generalise about the political objectives of Palestinian reform. Palestinians are not advocating reform solely for its own sake, but take a decidedly instrumental approach to the issue.

Historically, there has been an important if poorly organised constituency of secular nationalists advocating the conventional elements of democracy, the rule of law, and good governance as an integral component of its agenda. Advocated by individuals such as Haidar Abd-al-Shafi, Hanan Ashrawi, and PLC member Azmi Shu’aibi, key elements of its platform have been ratification of the Basic Law (interim constitution); electoral reform (including conducting perpetually delayed municipal elections in particular);<sup>35</sup> the expansion of political and civil rights; the separation of governmental powers and strengthening of the legislative and judiciary branches; financial transparency of public institutions and accountability of their officials; and regulation (and restriction) of the powers of the security forces.

In the current debate, however, other voices have taken precedence. The goal of some is to strengthen the Authority in order to preserve its role and avoid its collapse. This view, enjoying particular (though not unanimous) resonance among the senior echelons of the transplanted PLO bureaucracy and the upper ranks of the Palestinian security establishment,<sup>36</sup> is that institutional changes are necessary to enable the Palestinian Authority to assert itself as the sole authority within areas under

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<sup>33</sup> Until early 2002, for example, the Fatah Higher Committee was a leading proponent of a strategic relationship with Hamas. More recently they have become increasingly focused on the rivalry between the two organizations, and the Al-Aqsa Martyrs’ Brigades have become the main sponsors of a cooperative relationship between the two.

<sup>34</sup> A member of the Fatah youth told ICG that he did not consider members of either the PLC or the Fatah Central committee to represent the rank and file, and argued strongly for their replacement. ICG interview, Gaza City, September 2002.

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<sup>35</sup> Although usually reticent to take part in the reform debate, the Islamist movement has consistently endorsed local elections, viewing enhanced control over service delivery that comes with municipal positions as complimenting their agenda. They are widely expected to perform well in such elections.

<sup>36</sup> Members of this group are often labelled “Tunisians” on account of their previous state of exile and in order to contrast them with Fatah activists who cut their political teeth within the occupied territories. Such generalisations can however be misleading, as many prominent “insiders”, such as Fatah West Bank Secretary General Marwan Barghouti and former Preventative Security Agency chiefs Muhammad Dahlan and Jibril Rujub, spent a considerable portion of their careers in Tunis after their deportation by Israel.



its jurisdiction. In this conception, the PA must begin to act like a state if it is to become one. In practical terms, this means the PA should vigorously establish a monopoly on the use of force, govern the population through hegemonic, stable, and credible institutions, and in so doing regain the confidence of the international community and pave the way for a resumption of political negotiations with Israel.<sup>37</sup> For this agenda to succeed, they believe it is imperative that the PA not be destroyed by Israel and that it should act to preserve and bolster its international legitimacy.<sup>38</sup> The appointment of a single commander with uncontested responsibility for the security forces has in this context been among their key objectives in the reform process as has been, more recently, the appointment of a prime minister.

But others calling for change have a very different concept of the future role of the PA and they appear to be gaining momentum. Many within Fatah, and even more outside it, have come to the conclusion that in the context of renewed confrontation with Israel, the PA should not and indeed cannot assume political leadership. A state-like entity performing under conditions of military occupation, subject to a host of political, military and economic obligations and constraints pursuant to its various agreements with Israel and its relationship with the international community, is viewed by them as inappropriate for this role.<sup>39</sup> Rather, political guidance ought to come from a revamped and strengthened alliance of representative Palestinian political forces, possibly including the Islamist movements, around a common national platform. Although this particular agenda was first formulated during the early stages of the current uprising, it has gained strength in recent months. The failure of the PA and its security forces to effectively oppose repeated Israeli incursions into Palestinian territory, and the leading role assumed by the political factions in organising the resistance, is a reality on the ground that proponents of this view seek to reproduce at the leadership level. This trend includes prominent Fatah leaders such as imprisoned Fatah West Bank Secretary General Marwan Barghouti, other PLO factions (including several like the Palestinian People's Party which is currently

represented in the PA cabinet) and independents.<sup>40</sup> The Islamist movements ( Hamas and, to a lesser extent, Islamic Jihad) have been more circumspect regarding the formation of a formal coalition.

More broadly, as they see it, the PA has failed to manage the conflict with Israel in an effective manner, and in so doing has damaged the appeal of secular Palestinian nationalism and its political programme.<sup>41</sup> Not only is there a widespread belief that "reform could have prevented the chaos we are currently in," but, particularly among Fatah cadres, that "we [as the movement which forms the heart of the Authority] have had to pay the bill for the PA's failures and corruption" in the form of the ascendancy of the Islamist parties.<sup>42</sup>

These failures are seen not only as the product of personal or institutional failings, but also as derivative of the nature of the Oslo agreement itself; its various constraints have prevented the PA from assuming the functions of the national movement from the PLO and in fact have fractured and weakened it.<sup>43</sup> As a result, proponents of this view see the proper role of the PA as that of an institution devoted to the administration of the Palestinian territories and the provision of the needs of its residents, while subject to clear political controls by either a democratically elected legislature, a cross-

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<sup>40</sup> See Mouin Rabbani, "The Costs of Chaos in Palestine", *Middle East Report* 32:3 (Fall 2002), p. 8. Other than Fatah, the main PLO factions active in the West Bank and Gaza Strip are the Popular Front for the Liberation of Palestine (PFLP), Democratic Front for the Liberation of Palestine (DFLP), Palestinian People's Party (PPP), and Palestinian Democratic Union (Fida). Smaller factions include the Palestinian Popular Struggle Front (PPSF) and Arab Liberation Front (ALF). In terms of size and influence each of these groups is but a shadow of its former self, and even collectively are in comparison with Fatah or Hamas a fairly negligible force. Their presence in a strategic coalition would thus considerably enhance their clout.

<sup>41</sup> ICG interview, Mustafa Barghouti, Secretary, Palestinian National Initiative and a leader of the PPP, Ramallah, 14 October 2002; Daoud Talhami, member of the DFLP Politburo, Ramallah, 23 June 2002.

<sup>42</sup> ICG Interview, Qadura Faris, PLC member and member of the West Bank Fatah Higher Committee, Ramallah, 13 October 2002. Faris applied the observation equally to the period prior to the beginning of the uprising. The position taken by activists such as Faris demonstrates how distinct agendas of administrative and political reform have increasingly coalesced.

<sup>43</sup> ICG interview, Talhami, op. cit.

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<sup>37</sup> Many of these issues are addressed in Nabil Amr, "Letter to President Yasser Arafat", *Al-Hayat* 2 September 2002.

<sup>38</sup> ICG interview, Nofal, op. cit.

<sup>39</sup> For example, the PA would have been in clear violation of its commitments to Israel if it had led a campaign to boycott Israeli products.

factional supreme national authority, or a combination of the two.<sup>44</sup>

To advocates of this type of change, calls emanating from high-level members of the PA for strengthening the Authority are viewed with considerable suspicion. They dismiss such “sudden conversions” to excellence in government and administration as attempts to retain power, settle accounts, and curry favour with foreign powers.<sup>45</sup> According to a prominent PLC member, “they have no concept of governance and are in fact the main constituency resisting change, doing so in order to retain the benefits and privileges of a state without providing the substance of one.”<sup>46</sup>

The National and Islamic Forces (NIF), a cross-factional committee established in late 2000 to coordinate the Palestinian uprising, represented one such attempt to remodel the political scene.<sup>47</sup> However, because the NIF was not recognised as a supervisory authority by the PA and its constituent organisations did not feel bound by its decisions, it achieved only limited success.<sup>48</sup> In a more ambitious attempt to subject the PA leadership and the factions to collective authority, members of the nationalist camp (including unaffiliated independents) have since mid-2001 repeatedly called for the formation of a united national leadership, which would include representatives from both the PA leadership and the nationalist and Islamist factions active in the

occupied territories.<sup>49</sup> As conceived by its advocates, its main purpose would be to formulate a coherent strategy to confront the occupation, and mobilise the population and its resources to achieve this end under its leadership.<sup>50</sup>

No less importantly, such a united leadership would also articulate a consensus on which political strategies and modes of resistance best serve Palestinian national interests, and enforce its decisions upon its members.<sup>51</sup> The implication is that the PA would not crack down on Hamas and would be prevented from entering into partial or interim agreements with Israel, with Hamas and other factions being given a more prominent political role and being prohibited from conducting further attacks against Israeli civilian targets or violently resisting a permanent settlement negotiated with Israel.<sup>52</sup>

In a more recent development, Fatah (and by implication the PA) and Hamas on 10 November 2002 began a series of high-level talks in Cairo. The meetings, which reportedly were facilitated by the EU as well as Egypt, are aimed not only at defusing recent Fatah-Hamas tensions in the Gaza Strip, but also at achieving consensus on political strategy and operational tactics. In their briefings to the press, various Fatah officials have let it be known that reaching an understanding with Hamas to cease

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<sup>44</sup> ICG interviews, Barghouthi and Faris, *op. cit.*; Bassam Salhi, member of the PPP Central Committee, Ramallah, 14 October 2002; Talhami, *op. cit.*

<sup>45</sup> ICG interviews, Ramallah, June and October 2002. In September 2002, armed assailants shot several rounds into the home of Nabil Amr after he and several other prominent establishment figures were accused of treason and scheming to eliminate Arafat.

<sup>46</sup> ICG interview, Ashrawi, *op. cit.*

<sup>47</sup> It was modeled after the United National Leadership of the Uprising (UNLU) established at the outset of the 1987-1993 *intifada*, with the important distinction that whereas the UNLU included only the four main PLO factions the NIF included a dozen of them and, more significantly, the Islamist movements as well. A noteworthy contextual difference is that, unlike the UNLU, the NIF was formed in an environment in which a recognized Palestinian political leadership already existed.

<sup>48</sup> Others have suggested that the NIF was launched by the PA itself in an attempt to retain control over the *intifada*, ensure collective loyalty to the PA and help prevent the development of a potential alternative leadership coalition.

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<sup>49</sup> The most consistent advocates of this initiative have been Haidar Abd-al-Shafi, who chaired the Palestinian delegation to the 1991 Madrid Peace Conference, the imprisoned West Bank Fatah Secretary-General Marwan Barghouthi, and Mustafa Barghouthi. ICG interviews with a variety of activists in the field confirm that their views are broadly endorsed by the secular nationalist factions and secular civil society.

<sup>50</sup> ICG interviews, Barghouthi, Faris, Hilal, and Talhami, *op. cit.*

<sup>51</sup> *Ibid.*

<sup>52</sup> Efforts toward that goal intensified in the summer of 2002, when, with assistance from European diplomats, Fatah sought to reach an understanding with Hamas whereby violence against Israeli civilians would cease and, at a later stage, Hamas would integrate the PLO and become its second largest constituent group (after Fatah). According to some, a deal was within reach in mid-July 2002. Israel's 22 July assassination of Hamas military wing founder Salah Shihada (who, again according to reports, was involved in the talks) brought these efforts to an at least temporary halt. ICG interviews with European diplomats and Palestinian activists, Washington, Ramallah, September-November 2002. See also Graham Usher, “Burying the Ceasefire,” *Al-Ahram Weekly*, 1-7 August 2002.

attacks against civilian targets within Israel is among their primary objectives.<sup>53</sup>

Finally, some Palestinians carry this logic a step further. Rather than transform the PA from a political entity into a professional administrative institution led by technocrats, the goal in their mind ought to be to dismantle the PA, particularly in light of Israel's prolonged re-occupation of Palestinian towns and cities. Hasan Abu-Libdeh, a senior PA official and prominent Fatah activist, objects to the notion that Israel is

implementing its re-occupation for free. There is a functional division in which Israel is responsible for security and the PA for civil affairs, with the acquiescence of the international community. Why should we solve Israel's problems and gradually be turned into a mimic of the South Lebanon Army?

Rather, Abu-Libdeh suggests that the PA

suspend itself if agreements are not going to be respected. Let Israel have the social problems as well, let's confront it and the international community with the consequences of its actions and force them to face the music. If the international community fails to act and there is no PA, all options are open.<sup>54</sup>

Interviews with members of the Palestinian political community suggest that such ideas are being taken increasingly seriously and are part of a broader questioning of the approach adopted since Oslo.<sup>55</sup>

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<sup>53</sup> Joel Greenberg, "Palestinians 'Positive' on U.S. Plan for Peace," *International Herald Tribune* 11 November 2002; Fathi Sabbah, "Palestinian Confirmation of a European Role Facilitating Dialogue Between Fatah and Hamas," *Al-Hayat* 11 November 2002. Greenberg, like most other correspondents, cites Fatah officials confirming their intention to "press for a halt to bombings in Israel." However, Sabbah quotes Gazan Fatah leader Samir Masharawi (who was refused permission to travel to Egypt by Israel) as denying this is the case.

<sup>54</sup> ICG interview, Hasan Abu-Libdeh, President, Palestinian Central Bureau of Statistics and prominent Fatah member, Ramallah, 13 October 2002.

<sup>55</sup> For a discussion of this option, see Yezid Sayigh, "The Palestinian Strategic Impasse," *Survival*, vol. 44, no. 4 (Winter 2002-2003). One of the advantages he notes is that "the ambivalent legal status of the occupied territories since 1993 would revert once more to that of belligerent occupation, with Israel under obligation to apply the Fourth

Ashrawi, for example, has joined the call for the PA to be "re-evaluated", since "the occupation is back in full force and the Authority has been reduced to a punching bag and scapegoat for the Israelis and Americans, while Israel enjoys total impunity".<sup>56</sup> Likewise, former head of security in Gaza Mohammed Dahlan reportedly has been discussing the need to give the Israeli government full responsibility for running the lives of Palestinian civilians, a notion Minister of Local Affairs and Chief Negotiator Sa'eb Erekat put as follows: "If Israel wants to reinstate the occupation, it can pick up the garbage [itself]," adding, "on the day you deport Arafat, there won't be a PA anymore."<sup>57</sup> That said, given the desire by many to preserve the institutions of governance, the fear of undermining the Palestinians' international standing, and the unpredictable repercussions of a formal dissolution of the PA for the Palestinians – such as the massive layoff of public employees, including armed security personnel – it seems unlikely that the Palestinian leadership will undertake such an initiative at this point.

## V. REFORM, ARAFAT AND THE PEACE PROCESS

*A vote by the Palestinian Legislative Council "could have set the stage for new leaders to emerge, a younger generation that would not miss every chance for peace with Israel"*<sup>58</sup>

Commentators have seized upon an open letter written by Nabil Amr, a former cabinet member and leading reformist voice, as evidence that the reform movement is driven in part by dissatisfaction at Arafat's inability to conclude a deal at Camp David. In his words,

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Geneva Convention *de jure*, and the international community would be obliged to ensure that Israel upholds the convention in the occupied territories."

<sup>56</sup> ICG interview, Ashrawi, op. cit.

<sup>57</sup> Quoted in Akiva Eldar, "Winner takes out the garbage" *Haaretz*, 8 October 2002. One *tanzim* activist who also is a member of the PLC told ICG: "Seeing so-called PA Ministers appear on TV everyday with briefcases and suits maintains the fiction that there is still a PA with any territory or power, and undermines global understanding that we are in full re-occupation. We should close the PA and put an end to this lie." ICG interview, Ramallah, October 2002.

<sup>58</sup> *Los Angeles Times*, 2 October 2002.

Didn't we dance for joy when we heard about the failure at Camp David? Didn't we hurl mud at the pictures of President Clinton, who courageously put on the table proposals for a Palestinian state with minor border modifications? We are not being fair, because today, after two years of bloodshed, we are asking for exactly what we rejected then – except that now we can be sure it is no longer possible to achieve it.<sup>59</sup>

On this score, however, Amr's critique appears to have found little resonance among Palestinians and in its numerous interviews in the West Bank and Gaza ICG did not hear regret at the Palestinians' performance at Camp David being voiced, not even by those currently allied with Amr. Rather, the more frequent complaint is that the PA had since its establishment displayed excessive susceptibility to foreign pressure.

The assessment of the intifada is more complex. A few voices have been raised opposing continuation of the uprising in any form. But this appears to be an extreme minority position. Indeed, when Abd-al-Razak Yahya, the recently-dismissed PA Interior Minister, called for Palestinians to discontinue all forms of violence, and went on to proclaim that "throwing rocks is also a form of terrorism," he was roundly condemned throughout the West Bank and Gaza Strip, and his comments disavowed by the PA as a personal intervention.<sup>60</sup> The debate has focused on how, rather than whether, the uprising should continue and whether it should be a popular rebellion or guerrilla/military campaign (or a combination of the two). Assuming military action continues, Palestinians argue over whether armed activities should be restricted to the occupied territories and Israeli military targets or continue to encompass Israel and its civilians as well. In this respect, and despite polls indicating the public holds a different view, a growing consensus opposed to attacks within Israel's pre-1967 boundaries, and in particular to suicide bombs against civilian targets in Israel, appears to be emerging within the Palestinian political class.<sup>61</sup>

A misconception similar to the one regarding the peace process typically pervades interpretations of the reformers' attitude toward Arafat. There is little doubt that Arafat has manipulated the blurred boundary between the PA and PLO, the existence of competing centres of power throughout the Palestinian political system, and the marginalisation of the legislature, judiciary, and other sources of formal authority. This has enabled him to create a system of engineered chaos, providing him with maximum space to manoeuvre among an array of contradictory domestic, regional, and international pressures and enhancing his capacity for patronage – attributes the Palestinian leader considers vital to maintaining his position and achieving Palestinian national objectives. As a result, and virtually without exception, Palestinians believe Arafat will, as in the past, resist genuine reform and introduce change only to the extent he is compelled to.

But while they are prepared to severely fault Arafat the manager and his involvement in day-to-day affairs, few if any of those calling for reform are prepared to challenge Arafat the national symbol and democratically elected leader.<sup>62</sup> Among the PA and PLO elite, their political legitimacy derives from Arafat's more than from any other factor. Consequently, they fear that his elimination will unleash a violent struggle for succession pitting rival factions of the Palestinian elite against each other, as well as against competing forces such as the *tanzim* and Hamas. Moreover, leading PA officials consistently emphasise that any peace agreement negotiated with Israel must be endorsed by Arafat if it is to enjoy popular legitimacy and that it would be far more difficult for any successor to accept the kinds of compromises required for a deal. Other reformers are by their own account frustrated more with the PA than with its leader.<sup>63</sup> Indeed, they have come to see Arafat as their guarantee that the "capitulation" to Israel (or the U.S.) they fear is being entertained by other leadership elements will not be consummated. Young *tanzim* activists stated

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official position of Fatah and appears to be tacitly accepted by the other nationalist factions, it has despite some tentative signals during the Summer of 2002 yet to be endorsed by the leaderships of the Islamist organisations.

<sup>62</sup> In seeking to convince Arafat to appoint a Prime Minister, one influential Fatah leader reportedly told him that no matter who became Prime Minister, he would lack what Arafat would always have: the power of the street. ICG interview, Fatah leader, Ramallah, September 2002.

<sup>63</sup> ICG interviews, Hilal and Talhami, *op. cit.*

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<sup>59</sup> Amr, "Letter", *op. cit.*

<sup>60</sup> Jonathan Cook, "Flexing Democratic Muscles", *Al-Ahram Weekly* 19-25 September 2002.

<sup>61</sup> ICG found this view expressed by virtually all secular Palestinian nationalists and even among some close to the Islamists. Though opposition to such attacks has become the

to ICG that “Arafat is our red line,” insisting “we will not conduct reform on Arafat’s back.”<sup>64</sup> Summing up, a PLO official asserted: “People will always flock to him because he did not sell out, which compensates for the fact that he did not deliver.”<sup>65</sup>

## **VI. REFORM AT WORK: CABINET MUSICAL CHAIRS AND THE CASE OF THE MISSING PRIME MINISTER**

The dismissal of the PA cabinet in September 2002, the near consummation of efforts to appoint a prime minister, and the no less dramatic restoration of the status quo within the space of six weeks provides an apt illustration of the competing agendas, shifting alliances and underlying dynamics involved in the Palestinian reform process. They also illustrate how foreign intervention in the reform debate can undercut its stated objective.

On 11 September 2002, the Palestinian Authority cabinet collectively submitted its resignation to Yasser Arafat in order to head off a no-confidence motion in the Palestinian legislature whose adoption was considered a virtual certainty.<sup>66</sup> The PLC’s resolve was widely praised in the international community as an exercise in reform muscle-flexing. Six weeks later, on 29 October 2002, Arafat presented his new cabinet to the Palestinian legislature. Reduced to nineteen members from the previous 21 (as demanded by both the PLC and key Fatah leaders), it included only five new faces. Although some of its veteran members hailed it as a “reform cabinet”, it essentially reflected a game of musical chairs, in which the majority of those whose removal had been most eagerly sought by Fatah activists and parliamentary critics retained the seats they had occupied since the PA was established in

1994. Yet the PLC approved it by a vote of 56-18. The office of the prime minister met a similar fate. Almost immediately after the PA cabinet was dismissed, a coalition of forces began to form for the creation of this position. Today, it appears to have faded from the agenda.

Behind these clear reversals lie two key factors. First is the existence of disparate and unrelated agendas beneath the apparent united front for reform. Some PLC members (and others outside parliament) were indeed primarily motivated by the desire to achieve a more competent, accountable, and transparent cabinet. To most, however, reform was a means rather than an end, a secondary element within agendas either broader or narrower than the question of institutional change.

The key constituency in this respect is the Fatah movement. Without the support of most of its parliamentary representatives, neither the initial no-confidence motion, nor the subsequent vote of confidence for the new cabinet, would have succeeded. Similarly, the appointment of a prime minister only became a realistic option when Fatah threw its weight behind the proposal, and became an irrelevancy when its sponsorship was formally withdrawn.

Security reform appears to have played a central role in this process. The various elements of the Fatah movement were united in opposition to the continued tenure of Interior Minister Abd-al-Razaq Yahya. To the Central Committee he lacked the power base to restructure and streamline the notoriously unwieldy security forces or take on the militias, given his weak political base of support. *Tanzim* leaders who were beginning to come around to the view that paramilitary formations such as the Al-Aqsa Brigades had to be dismantled, similarly wanted the post occupied by a seasoned Fatah veteran beholden to their movement. Finally, sensing the growing challenge to the militarisation of the intifada, various paramilitaries tended to view Yahya – who had openly called for a total cessation of violent activity – as part of foreign-inspired scheme to sabotage the Palestinian armed struggle. For their part, a number of powerful security chiefs resented their removal by Arafat during Yahya’s tenure. In this context, the appointment in his stead of veteran Fatah leader Hani al-Hasan, who possesses a sufficient array of required credentials, allowed Arafat to enlist the support of key Fatah constituencies and marginalise the rest.

<sup>64</sup> ICG interviews, Fatah youth, Gaza City, Fatah leader, Ramallah, September 2002

<sup>65</sup> ICG interview, PLO official, New York, *op.cit.*

<sup>66</sup> The immediate background to the vote was a cabinet reshuffle conducted by Arafat in June 2002. Arafat took the position that the PLC was only empowered to review the credentials of its new members, whereas the legislature demanded that the entire cabinet be presented for its approval (thus creating the opportunity to remove some of its seemingly permanent members). When Arafat refused to budge, the PLC resolved to use its powers to challenge the collective credentials of the cabinet.

An issue no less important than security reforms concerns the elections now scheduled for January 2003. When Arafat first announced in June 2002 that elections would be held, legislators were keen to demonstrate their independence from the discredited PA, and the 11 September no-confidence vote provided them with an opportunity to do so.<sup>67</sup> At the same time, Arafat's willingness during the September cabinet crisis to set a specific (and early) date for the elections helped bring on board elements within the *tanzim* who saw elections as an important opportunity for them to acquire positions of influence.<sup>68</sup>

Other factors unrelated to the reform agenda also were at work in the PLC's September rebellion. Powerful figures who had been slighted or sidelined after Operation Defensive Shield mobilised their supporters to exact retribution and settle ongoing scores.<sup>69</sup> Representatives from the Gaza Strip felt marginalised and (in part) upset at the fact that the ministers left out of the May-June 2002 cabinet on imputed corruption issues were Gazans, creating the impression that they, unlike West Bankers, were not clean.<sup>70</sup> Others harboured a variety of personal grievances – or were ministerial hopefuls ("mustawzireen"), upset at not having been selected.<sup>71</sup>

Support for the creation of the position of prime minister similarly reflected the temporary alignment of divergent agendas. For some at the higher levels of the PA and PLO, a Palestinian prime minister would help make it more palatable for the international community to engage directly with the PA (and thus themselves), thereby assisting in its

reconstruction.<sup>72</sup> For those colloquially known as the *tanzim*, a prime minister – so long as he or she did not possess an independent base of political and popular power – would symbolise the civil/administrative nature of the PA and serve as a punching bag with which to continue their assault against the current holders of power without the risk of undermining Arafat.

The heterogeneous nature of the reform effort, and the fact that motivations often had little to do with reform as such, meant that by peeling off its supporters through a combination of cosmetic and more substantive changes, cooptation, coercion or both, the coalition was rapidly dismantled.<sup>73</sup>

The second key factor explaining the rapid turnabout relates to the role of the international community. Within days of the parliamentary rebellion, Israeli military bulldozers began systematically razing large sections of Arafat's compound in Ramallah (the Muqata'a).<sup>74</sup> Throughout this period, the U.S. Administration had been insisting on the need both for institutional and personnel changes, focusing on Arafat's replacement and the appointment of an empowered prime minister.<sup>75</sup> The combination of the two stigmatised whatever domestic reform movement existed, exposing it to accusations of collaboration with Israeli and U.S. designs. Muhammad Hourani, a Fatah legislator who had been a leading player in forcing the old cabinet to resign, explained why the new one was able to obtain the legislature's (and his) confidence: "We do

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<sup>67</sup> This was by no means a novelty. Previously, Fatah had contested student council elections at Al-Najah and Birzeit universities on platforms that clearly distanced the movement from the PA.

<sup>68</sup> See Graham Usher, "Burying the Ceasefire" op. cit.

<sup>69</sup> For instance, people close to former West Bank security chief Jibril Rujub sought to protest his abrupt dismissal. "I hope", stated Rujub on 11 September 2002, that Arafat "will learn a lesson from what has happened today." Cook, "Flexing Democratic Muscles", op. cit.

<sup>70</sup> Gaza deputies voted as a bloc (with two exceptions) against the government in September.

<sup>71</sup> See Mamduh Nofal, "Arafat between the Rock of the Legislative Council and the Hard Place of Ministerial Aspirants," *Al-Hayat* 22 October 2002. According to Nofal, Arafat described the pressures being exerted upon him by the "mustawzirin" as "more severe than the psychological pressure he was subjected to during the Israeli siege of his compound".

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<sup>72</sup> Seeking by all means to marginalise Arafat's role within the PA, the United States has been pushing hard for the appointment of a strong prime minister, making it one of the initial steps in its proposed "roadmap."

<sup>73</sup> As Yezid Sayigh writes, the PLC decision to force the resignation of the PA cabinet "was partly due to personal and regional grievances that Arafat was able to mollify through modest revisions to the cabinet line-up." Sayigh, "The Palestinian Strategic Impasse," op. cit.

<sup>74</sup> The September 2002 Israeli siege of the Muqata'a began on 19 September, after a pair of Palestinian suicide bombings by Islamic Jihad and Hamas during the previous day claimed seven lives.

<sup>75</sup> Secretary of State Powell explained the U.S. position on Arafat as follows: "we have come to the conclusion . . . that [Arafat] is not giving the Palestinian people, and his associates along with him are not giving the Palestinian people, the kind of leadership that they deserve, that they need really, to move forward and find peace. And it was reluctantly that we came to this conclusion, but it was the only conclusion we could come to." National Public Radio, 25 June 2002.

not want a no-confidence vote to be used by the American and Israeli side to advance in a war against the Palestinian Authority.”<sup>76</sup> He added: “We don’t support this cabinet, but we said we would vote for it in parliament because of the political situation. The whole world is busy with Palestinian reforms instead of looking at the occupation the Palestinians are suffering from.”<sup>77</sup>

Similarly, the idea of appointing a prime minister was dealt a final blow by the knowledge that this was Washington’s – and Israel’s – way of getting around Arafat.<sup>78</sup> One of the first concessions Arafat extracted from the entire Fatah movement after the siege was lifted, was to have the appointment of a prime minister postponed until after the establishment of a Palestinian state.<sup>79</sup> In the immediate aftermath of the siege, and in a reference to the putative prime minister who might have been named to placate Washington, a group of Young Fatah leaders mockingly began to shout, “Alas, alas for Karzai”.<sup>80</sup>

In short, because the coalition of forces which gathered for change was not a unified coalition for “reform” as generally understood, and because its credentials were further undermined by the direct interference of external forces, demands for a radically new cabinet and for a prime minister were relatively easily deflected. The latter point is key: the United States’ refusal to deal with Arafat and Israel’s attempts to humiliate him have vastly complicated the task of those Palestinians who seek to reduce his

role in daily affairs. By their actions, the U.S. and Israel have succeeded in turning any domestic challenge directed at Arafat the manager into a challenge directed at Arafat the national symbol.

U.S. attempts to intervene in the domestic debate – and the objectives behind such attempts – also were apparent in discussions surrounding Palestinian elections. Having made such elections – and the renewal of the Palestinian leadership they are supposed to produce – a centre-piece of its reform call, Washington found itself outmanoeuvred by Arafat who not only agreed to hold elections, but insisted upon an accelerated schedule that would have presidential elections by January 2003. Fearful of an outcome that will almost inevitably reaffirm Arafat’s legitimacy, the U.S. has since insisted that it is talking about parliamentary elections – despite the fact that Arafat’s presidential mandate itself has long expired – thereby making Washington’s goals all the more transparent.

## VII. CONCLUSION: REFORM AND THE INTERNATIONAL COMMUNITY

In the decade since it was established pursuant to the Oslo agreements, the Palestinian Authority managed a number of political, economic, and administrative achievements under extremely adverse circumstances. During this period, it also committed virtually every error in the book, in terms of establishing sound institutions governed by the rule of law. Because the PA has proven incapable of withstanding the challenges posed by the consistently deteriorating environment since September 2000, its very survival is currently at stake, to the extent that some of its own custodians are discussing its voluntary dissolution.

The enduring irony of foreign involvement with Palestinian institutions is that the international community insufficiently fostered their healthy development when it had the opportunity and perhaps even an obligation to do so, in the belief that greater democracy and respect for the rule of law, by giving more latitude to those opposed to co-existence with Israel, would hinder the peace process. Today, it is compounding this error, by depriving Palestinian institutional development of the viable political context without which it cannot succeed, and by pulling the rug out from under the feet of Palestinian reformers with statements that the

<sup>76</sup> Quoted in *The Christian Science Monitor*, 30 October 2002. As Faris explained: “The president is a target now for the United States and the Israelis, we had a siege against the president and we must make every effort to be together with the president and have a government.” Quoted in *The New York Times*, 30 October 2002.

<sup>77</sup> Khaled Abu Toameh, “Ashrawi Blasts ‘New’ PA Cabinet”, *Jerusalem Post* 30 October 2002.

<sup>78</sup> Nabil Amr’s home was shot at by presumed Fatah activists because it was believed he was continuing efforts in this direction while Arafat was under siege. A statement released by the Al Aqsa Brigades denounced a “group of middlemen and agents that is watching us and trying to force an alternative leadership upon us. . . We have no leadership apart from the warrior leadership. . . We wish to say to all the conspirators, such as Nabil Amar and his group of traitors . . . that their schemes will not be realised.” Al Aqsa Brigades statement, 23 September 2002.

<sup>79</sup> Ibrahim Hazboun, “Palestinian Reformers Drop PM Idea,” *Washington Post*, 2 October 2002.

<sup>80</sup> See Arnon Regular, “Siege took the wind out of reform sails,” *Ha’aretz English Edition*, 30 September 2002.

explicit objective of the process is the removal of the elected Palestinian leader from power. Few Palestinians will be enticed by the tainted brush of regime change.

A consensus exists among many Palestinians that the less the United States is publicly involved in the reform debate, and the more the prospect of ending the occupation becomes real, the better the chances that reform – i.e., more democratisation and better governance – can succeed. “On the question of elections, the framing of a new constitution, the appointment of a prime minister, American involvement is the kiss of death” according to a prominent Fatah member.<sup>81</sup> The United States, so far, does not appear to have learned the lesson. Its most recent roadmap addresses the minutiae of Palestinian reform, calling for the establishment of an “empowered” prime minister, a new constitution, local devolution of powers, legislative (but not presidential) elections, much of it at the front-end of the process and most of it prior to significant progress on political issues (e.g., a settlement freeze) deemed essential by Palestinians.<sup>82</sup>

Unless there is a credible peace process in the offing or, at a minimum, a specific, internationally-sanctioned blueprint of what a final agreement should entail, arguments for the kinds of institutional reform of the PA sought by the United States and others in the international community will be eclipsed by those advocating steadfastness and continued resistance, including by closing ranks with the radical Islamic opposition.<sup>83</sup> Besides, for many ordinary Palestinians the issues involved, such as reforming the PA and holding elections, seem irrelevant when compared to their deepening economic misery and the overarching goal of ending the occupation. In the words of a Palestinian

intellectual and PA critic, “Our message to the world is end the occupation, and we’ll deal with the rest. We know the issues and know what to do.”<sup>84</sup> And the longer the conflict endures, the more the Fatah rank-and-file and indeed all of Palestinian society become radicalised.<sup>85</sup> Indeed, should elections be conducted without a fundamentally different political context, the new parliament is expected to have a significantly different make-up, and will be dominated either by the more radical elements of Fatah or (if Hamas participates) a coalition of nationalist and Islamist activists. As the legislature continues its efforts to become a new locus of power and decision-making within the PA, it might therefore do so with a decidedly more radical hue.

The siege of the Muqata’a was seen by many at the time as a turning point in the reform effort, an Israeli step that – wittingly or not – took the sails out of the movement. In reality, the siege exposed the underlying reality more than it influenced it: that the reform process is vulnerable, an amalgamation of competing and contradictory agendas, highly susceptible to accusations of collusion with outside forces; that it cannot (and indeed has no desire to) touch Arafat as a symbol; that Arafat is not the only Palestinian obstacle to genuine Palestinian reform; that Israeli and U.S. involvement in the process over the past several months has been counterproductive; and that it will remain above and beyond all dependent on progress on the Israeli-Palestinian political front.

**Amman/Washington, 12 November 2002**

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<sup>81</sup> ICG interview with Fatah leader, Ramallah, September 2002.

<sup>82</sup> According to Palestinian minister of Labor Ghassan Khatib, “Not even two lines into the document, there is an attempt to subordinate a meaningful political process to alterations in the structure of the Palestinian leadership. Stage one of phase one of the roadmap does its best to dictate internal Palestinian politics.” Ghassan Khatib, “Roadblocks” ([www.bitterlemons.org](http://www.bitterlemons.org)) 28 October 2002. For more details on the U.S. proposed roadmap, see *supra* note 4.

<sup>83</sup> Of the U.S. proposed roadmap, Henry Siegman writes: “The one thing the new Washington document is not is a road map. The destination does not appear.” Siegman, “A map without a destination,” *International Herald Tribune*, 30 October 2002.

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<sup>84</sup> ICG interview, Hilal, *op. cit.*

<sup>85</sup> ICG interview, Usher, *op. cit.*



## APPENDIX A

### ABOUT THE INTERNATIONAL CRISIS GROUP

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The International Crisis Group (ICG) is a private, multinational organisation, with over 80 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

ICG's approach is grounded in field research. Teams of political analysts are located within or close by countries at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, ICG produces regular analytical reports containing practical recommendations targeted at key international decision-takers.

ICG's reports and briefing papers are distributed widely by email and printed copy to officials in foreign ministries and international organisations and made generally available at the same time via the organisation's Internet site, [www.crisisweb.org](http://www.crisisweb.org). ICG works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

The ICG Board – which includes prominent figures from the fields of politics, diplomacy, business and the media – is directly involved in helping to bring ICG reports and recommendations to the attention of senior policy-makers around the world. ICG is chaired by former Finnish President Martti Ahtisaari; and its President and Chief Executive since January 2000 has been former Australian Foreign Minister Gareth Evans.

ICG's international headquarters are in Brussels, with advocacy offices in Washington DC, New York and Paris and a media liaison office in London. The organisation currently operates eleven

field offices (in Amman, Belgrade, Bogota, Islamabad, Jakarta, Nairobi, Osh, Pristina, Sarajevo, Sierra Leone and Skopje) with analysts working in nearly 30 crisis-affected countries and territories across four continents.

In *Africa*, those countries include Burundi, Rwanda, the Democratic Republic of Congo, Sierra Leone-Liberia-Guinea, Somalia, Sudan and Zimbabwe; in *Asia*, Indonesia, Myanmar, Kyrgyzstan, Tajikistan, Uzbekistan, Pakistan, Afghanistan and Kashmir; in *Europe*, Albania, Bosnia, Kosovo, Macedonia, Montenegro and Serbia; in the *Middle East*, the whole region from North Africa to Iran; and in *Latin America*, Colombia.

ICG raises funds from governments, charitable foundations, companies and individual donors. The following governments currently provide funding: Australia, Austria, Canada, Denmark, Finland, France, Germany, Ireland, Luxembourg, The Netherlands, Norway, Sweden, Switzerland, the Republic of China (Taiwan), Turkey, the United Kingdom and the United States.

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**November 2002**

## APPENDIX B

### ICG BOARD MEMBERS

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