

Mr Abbas Goes to Washington: Can He Still Succeed?

I. OVERVIEW

As he visits Washington six months after his appointment as Chairman of the Executive Committee of the Palestine Liberation Organisation (PLO) and more than 100 days after his election as President of the Palestinian Authority (PA), Mahmoud Abbas (Abu Mazen) is in a difficult position. He has institutional and popular legitimacy for his agenda, but remains in crucial respects a leader who is finding it hard to rule. Making demands upon him is legitimate, as Israel has justified security concerns. But these should be matched by actions that empower him, including, where necessary making no less legitimate demands upon Israel.

Enjoying international support Yasir Arafat could only dream of at the end of his rule, Abbas has been no more successful than Arafat in changing Israeli policies or fundamentally altering the U.S. approach. Domestically, he has a deserved reputation as a reformer committed to the institutional reconstruction of the Palestinian polity. While change has occurred, it has been slow and haphazard, as a result of resistance from within the dominant Palestinian National Liberation Movement (Fatah) rather than of defiance by the opposition. Not less importantly, some of Abbas's most noteworthy achievements -- including a significant reduction in Israeli-Palestinian hostilities and the gradual incorporation of the Islamist Resistance Movement (Hamas) into the political system -- are being threatened by the stalemate in relations with Israel, differing views of the Israeli-Palestinian ceasefire, and the prospect of delayed parliamentary elections.

Before his election, Crisis Group argued Abbas would have to earn legitimacy from the Palestinian people and sustain his mandate with results. He has made real progress on the former but his legitimacy is undermined by shortcomings on the latter. Without change on the ground and tangible diplomatic progress, his difficulties will grow exponentially.

The Palestinian leader's 26 May 2005 visit to the White House, legislative elections later in the year, and Israel's scheduled disengagement from Gaza and parts of the northern West Bank are critical milestones. If he emerges without convincing commitments from the first, Fatah

fares poorly in the second, and Israel's withdrawal is less than complete or serves to forestall meaningful political progress, his authority will be much undermined. A repeat of his 2003 premiership, in which Israeli intransigence, U.S. neglect, and international passivity empowered Palestinian rivals to frustrate him, would be in prospect.

While circumstances in 2005 differ, the challenges confronting Abbas and the Palestinian national movement are essentially unchanged:

- **Improving daily life.** Reversal of the economic crisis and restoration of law and order are immediate priorities. The Palestinian consensus is that results have been slow at best. Personal security has improved only marginally amid growing unrest by the poor and unemployed. Unless the PA can rapidly translate institutional reforms in the security and financial realms into achievements on the ground, frustrated expectations will produce further disaffection. President Bush, who in January pledged \$200 million to the PA, should use Abbas's visit to announce that he seeks repeal of Congressional restrictions that would divert more than a quarter of this to Israel and deprive the PA of direct access to the rest.
- **Putting the Palestinian house in order.** Virtually unanimously Palestinians recognise the political system bequeathed by Arafat needs to be fundamentally transformed if it is to survive his death. Institution-building, genuine power-sharing, and the rule of law must also be given priority. Abbas gets high marks for managing an orderly transition and integrating Hamas into the political system, but so far the leadership has been unable to stem growing disarray within Fatah and associated rivalries within the PA.

The legislative elections, scheduled for 17 July 2005, form the lynchpin of this entire process. While Abbas is personally committed to that date, he faces increasing pressure from within Fatah, Arab states, and the international community for delay in order to stem the Islamists' electoral momentum and use the time to produce more visible progress. But delay would tarnish Abbas's reputation as a man of his word, while Hamas has warned that this could lead it to revisit its

commitments. Abbas should not be pressured -- particularly by Washington -- to postpone the elections unilaterally or renege on the understandings he has forged with Hamas.

- **Delivering on Israel's commitments.** On the basis of parallel understandings reached with Israel at the 8 February 2005 Sharm al-Shaikh Summit, and separately with Palestinian political organisations in Gaza and Cairo, Abbas achieved a relative halt to the grinding confrontation with Israel and commitments for an end to the Israeli siege of Palestinian population centres. Glacial implementation, however, endangers these understandings. That Israel has withdrawn from only two cities, released few prisoners, and maintains most checkpoints undercuts Abbas's claim that engagement can achieve more than confrontation. For its part, Israel claims the PA falls short on curbing militant groups. Bridging the gap in the parties' perceptions, monitoring their actions and pressing on performance requires a more active U.S. role than the envoy, General Ward, has been granted.
- **Freezing settlements.** As Israel's withdrawal from Gaza nears, Abbas looks for more than U.S. words to arrest continuing settlement construction in the West Bank, especially surrounding Jerusalem.

Abbas does not need to produce a comprehensive peace immediately but does need to demonstrate that Israel's disengagement amounts to permanent withdrawal, not tactical redeployment; that this will activate the Roadmap rather than replace it; and that the Roadmap will result in a peace settlement that meets minimum Palestinian demands within an acceptable timeframe, not a long-term interim agreement suited to Prime Minister Sharon's objectives. The signals from the White House will help Palestinians decide whether Abbas's agenda deserves continued support. Formal assurances and credible commitments to a process -- what it will achieve, and when -- are critical to bolster him.

II. A PALESTINIAN GAMBLE RAISES THE STAKES

Mahmoud Abbas's 9 January 2005 victory in the PA presidential election, while not overwhelming, was sufficient to empower him to pursue the policies he articulated during the campaign and at the 8 February 2005 Sharm al-Shaikh Arab-Israeli summit.¹ Still, his

mandate is not open-ended. While his agenda of ending the armed confrontation with Israel, reforming Palestinian institutions, and reaching a negotiated two-state settlement enjoys widespread domestic support, his appeal derives primarily from the belief that he can get the international support necessary to achieve it. In practice, this means that "Abbas will be judged on the basis of concrete achievements more than any other factor".² In the words of Hanan Ashrawi, an independent legislator, "people have very high expectations. If he fails, the letdown will be enormous and the consequences very serious".³ Prominent Fatah leader and parliamentarian Muhammad Hourani is more explicit: "Rather than characterise this as a historic opportunity, I would say it is perhaps the final opportunity. And failure this time means the PA will collapse, Fatah will disintegrate, and others will replace it. The Israelis, too, will lose".⁴

Abbas's strategy is straightforward. By initiating measures to stabilise the political system, incorporate Hamas, revive the economy, restore law and order, and end attacks against Israel, he hopes both to improve the quality of daily life and to transform the Palestinians' image in the U.S. and Israel. Having lived up to his commitments, he expects in turn that President Bush will stand by his own -- to push the peace process forward and press Israel to do its part -- and that shifting public opinion in Israel will either force Prime Minister Sharon to be more forthcoming or lead to domestic political change.

In every component of this strategy, in other words, the Palestinian leadership is at least as dependent on the actions of others -- Israel, the international community, and other Palestinians -- as on its own actions. Moreover, given the interdependence between the various facets of his approach, Abbas must succeed in every aspect or risk failure in all. Without a cessation of violence, neither the U.S. nor Israel will respond; absent Israeli and international gestures, the cease-fire will be unsustainable; if Hamas is not provided an appropriate place in the political system, it will have no incentive to maintain calm; and without genuine improvements in daily life, Palestinians will

62.32 per cent of the vote on a turnout of approximately 45 per cent of eligible and 70 per cent of registered voters. For analysis of the poll's transparency, see Arnon Regular, "PA elections fair but not free of flaws", *Haaretz*, 13 March 2005. For more on the challenges faced by Abbas as he assumed office, see Crisis Group Middle East Briefing N°16, *After Arafat? Challenges and Prospects*, 23 December 2004.

² Crisis Group interview, Fatah activist, Ramallah, January 2005.

³ Crisis Group interview, Hanan Ashrawi, independent Palestinian legislator and former PA minister, Ramallah, 29 January 2005.

⁴ Crisis Group interview, Muhammad Hourani, Palestinian legislator and Fatah leader, Ramallah, 29 January 2005.

¹ According to the official election results Abbas garnered

question the strategy as a whole. Mamduh Nofal, PLO Central Council member and former adviser to Yasir Arafat, identifies "seven obstacles" confronting Abbas:

Sharon, who is against any peace process and won't give Abbas any support; Bush, who will not pressure Sharon but rather press Abbas to support Sharon; Arafat's legacy, because he denounced Abbas as a Palestinian Karzai; Hamas and the opposition, because Abbas can't implement his diplomatic agenda with or without them; Fatah, because many of its main power centres are obstructing the implementation of his agenda; poverty, which is his most urgent problem; the Israeli and Palestinian peace movements, which are too weak to support him; and Mahmoud Abbas himself, who lacks the decisiveness and methods Arafat would have used to overcome all of the above.⁵

A. CEASEFIRE

The Palestinian leadership's strategy is predicated on a comprehensive and sustained cessation of hostilities. Without it, the PA will be unable to acquire control on the ground, persuade Israel to loosen the noose stifling Palestinian social and economic life, reconstruct institutions and political life, or mobilise the international community to provide support and press Israel on its own roadmap commitments. Failure to deliver on these will lead to popular disenchantment, heighten the disarray within Fatah, and challenge its dominance of the Palestinian national movement. Abbas has, in effect, staked his presidency upon a lasting ceasefire.

The armed uprising has largely been prosecuted by independent and autonomous armed groups that operate beyond the PA's control and have their own command structures. Imposing discipline upon the security forces and restructuring them, therefore, only partially resolves this issue.

To achieve the required outcome the PA has two options. It can either disarm these movements and militias by force, or engage them politically to lay down their arms. At this point, the former option, tantamount to civil war with forces whose power and popularity have grown tremendously during the uprising, is only a theoretical possibility. Sustained intra-Palestinian conflict remains - - at least so long as the occupation endures -- a moral

and political "red line".⁶ The security forces -- already substantially weakened -- would face a powerful challenge, and the loyalty of their rank and file would be tested to the limit. It is unlikely that the PA and Fatah would emerge functionally intact from such a confrontation.

It is also doubtful that a PA success in such a confrontation would produce a timely halt to attacks. Even in defeat Palestinian militants might retain a residual capacity to inflict painful blows against Israel and an even greater determination to do so.⁷ Given the military and especially political risks inherent in such an approach, Abbas has consistently and categorically rejected this option.

Abbas has instead chosen engagement and integration. On the one hand, he has sought to capitalise on the desire of the public and militant organisations themselves for a respite. On the other, he has enticed Hamas with the opportunity to translate its popular support into political power through participation in the electoral process and integration into the political system,⁸ and tempted members of the Fatah-affiliated Al-Aqsa Martyrs' Brigades with the prospect of inclusion into the security forces and regularisation of their status. By bringing a critical mass of political leaders and militant commanders inside, he intends to isolate the holdouts, delegitimise their actions, and confront rogue elements. The 25 February 2005 Tel Aviv suicide bombing, widely believed to have been perpetrated by a rogue cell associated with Islamic Jihad,⁹ illustrated this approach; not only did Islamic Jihad leaders within the occupied territories and in exile for the first time since September 2000 publicly distance themselves from an attack conducted by one of their own, but members of the cell were subsequently detained by the PA with only token resistance.¹⁰

Israel forms a critical link in this process. Claiming that the unilateral ceasefire proclaimed by militant groups in mid-2003 was deliberately sabotaged by Prime Minister

⁶ The term is consistently used by Palestinian leaders of all persuasions, including Abbas.

⁷ This has clearly been the case in the West Bank, where much stronger Israeli forces dealt Palestinian militant groups a devastating blow during Operation Defensive Shield in 2002 but despite continuous operations thereafter required at least a further year to reduce Palestinian attacks to their current level.

⁸ In addition to participating in PA municipal and legislative elections, Hamas, along with Islamic Jihad, has agreed in principle to become constituent members of the PLO.

⁹ Khaled Abu Toameh, "Islamic Jihad: TA blast is work of rogue cell", *Jerusalem Post*, 7 March 2005; Conal Urquhart, "Bomber's family shunned by whole town", *The Guardian*, 1 March 2005.

¹⁰ PA officials respond to claims that they failed to prevent the attack by noting that at that time Israel retained security control in the Tulkarm region, from which the attack emanated.

⁵ "I told Abbas, 'if you get nothing in your first 100 days, you will lose'. The 100 days are now over, and not one Israeli checkpoint has been removed". Crisis Group interview, Mamduh Nofal, Ramallah, 9 April 2005.

Sharon,¹¹ these organisations are unprepared to formalise a renewed cessation of hostilities unless Israel reciprocates and institutes a moratorium on assassinations, armed incursions, house demolitions, and arrests. They also are asking for meaningful prisoner releases,¹² the return of deportees and associated measures such as withdrawals from Palestinian population centres. "The PA can't maintain the status quo while Israel keeps changing it. The militants will not accept a ceasefire that from their perspective is being used by Israel to build settlements".¹³ According to Minister of Planning Ghassan Khatib, the ceasefire can only be sustained by "linking security progress and the calm with a political process".¹⁴

Securing a cessation of hostilities is how Abbas intends to respond to competing pressures from Israel, the international community, the Palestinian opposition and public opinion. In the case of Israel and the international community, quiet is supposed to generate diplomatic progress, a revival of the Roadmap and a relatively smooth disengagement from Gaza. For the Palestinian opposition, their adherence to a ceasefire portends reciprocal Israeli measures as well as an opportunity to capitalise on their political gains since September 2000 through local and legislative elections and integration into the political system.¹⁵ And for the Palestinian public, the ceasefire is meant to produce rapid improvements in daily life through the lifting of Israel's siege, economic assistance, and structural, institutional reform.

The declarations made at Sharm al-Shaikh suggest some of the problems ahead. The ceasefire was not formalised,

and there was no common understanding regarding operational details or monitoring arrangements. This has led, inevitably, to differing assessments of what this informal truce entails. By largely terminating "initiated operations", both sides claim to have lived up to their end of the bargain, even as Israel and Palestinian militant groups continue to respond to perceived infractions by the other with armed and at times lethal force. Israel claims that the PA's failure to disarm these groups or at least wanted militants violates the understandings, while Palestinians respond in kind with respect to continued Israeli incursions into Palestinian population centres and arrest campaigns. Due to the absence of an Israeli-Palestinian agreement, Hamas and other organisations have declined to announce a formal truce (*hudna*) and have only assented to an informal, temporary, and conditional de-escalation (*tahdi'a*). The latter was reconfirmed at the meeting of Palestinian political organisations in Cairo in mid-March, with a pledge to maintain it through the end of 2005. Whether or not a formal ceasefire is necessary or desirable, it will be important to address existing ambiguities either directly or through a third party -- most likely the U.S.¹⁶

More broadly, there is disagreement about the meaning of the Palestinian obligation under the Roadmap to "dismantle the terrorist infrastructure". As far as Israel is concerned, Abbas is required to confront and disarm organisations that engage in attacks upon it as a precondition for Israeli reciprocity.¹⁷ The Palestinian approach, by contrast, emphasises ends rather than means and is dependent upon Israeli reciprocity. The U.S. has taken an ambiguous stance, supporting Israel's interpretation while signalling it is prepared to accept the phased and voluntary disarmament of Palestinian militants in the context of a political process. Here, too, American clarifications that take into account the legitimate needs and interests of both Israel and the Palestinians would be helpful

B. REFORM

Under the rubric of "putting the Palestinian house in order", the new leadership has committed itself to far-reaching structural reform, a project that goes beyond conventional notions of enhancing PA effectiveness,

¹¹ Crisis Group interviews, Hasan Yusif, Hamas leader, 29 January 2005; Zakariyya Zubaidi, Al-Aqsa Martyrs' Brigades commander, Jenin, 15 November 2004.

¹² The issue of prisoner releases is a central and highly emotive one among Palestinians. Key Palestinian demands in this respect are the release of prisoners convicted prior to the 1993 Oslo accords, minors and women, the sick and elderly, and prominent leaders such as Fatah West Bank Secretary General Marwan Barghouti.

¹³ Crisis Group interview, Khalil Shikaki, Director, Palestinian Centre for Policy and Survey Research, Ramallah, 23 February 2005.

¹⁴ Ghassan Khatib, "Political negotiations must follow", bitterlemons.org, 14 February 2005. The notion that Israel has not sufficiently delivered for Abbas also is held by some Israeli officials. An official at the ministry of defence told Crisis Group: "I am not sure what we can do for Abu Mazen when it comes to bigger picture issues -- we are hardly delivering for him on the more immediate issues. We made promises to ease things up, lift checkpoints, VIP passage, withdraw from cities and release prisoners, and we are not delivering on them. It is quite depressing". Crisis Group interview, Tel Aviv, 17 February 2005.

¹⁵ See Crisis Group Middle East Report N°21, *Dealing With Hamas*, 26 January 2004.

¹⁶ Crisis Group interview, senior Egyptian foreign ministry official, Cairo, 10 May 2005.

¹⁷ "It was long believed that peace will bring us security. I submit that security will bring us peace. We are no longer naïve. Security comes first. I do not accept that Abu Mazen cannot act against the armed factions". Crisis Group interview, Brigadier General (res.) Eival Giladi, former director of the Strategic Planning Unit of the Israeli Military, Tel Aviv, 20 February 2005.

transparency, and accountability and is ultimately about the re-legitimisation of the political system in the post-Arafat era. It involves elections, leadership renewal, integration of the opposition, and new power-sharing arrangements all designed to revitalise institutions on a pluralistic basis, remove obsolete power centres, and create a stronger and more unified national movement. Giving this effort added urgency have been the widespread convictions that the days when a single leader or organisation could monopolise that national movement died with Arafat, and that the alternative to institutionalisation and the rule of law is disintegration and chaos. Further underpinning it is the belief among many in Fatah that structural reform is the only mechanism through which their movement can remain dominant in the face of unprecedented challenges from Hamas and Israel. Simultaneously, Hamas also feels it stands to gain from a more open, transparent, and democratic system.¹⁸

At a more basic level, Abbas is also seeking to transform the basis of authority "from revolutionary to electoral legitimacy",¹⁹ and thereby address what Ashrawi describes as "the problem of chaos and factional politics, the right of factions to act outside the system".²⁰

1. Contested elections

Abbas's dilemma is that while the strongest pressure for structural reform is coming from within Fatah, so is the most effective resistance to it. He can ill afford to alienate core organisational constituencies until the legislative elections currently scheduled for July 2005 and the Fatah General Congress slated for August reveal the balance of forces within the movement. Further complicating matters, the slow pace of improvements on the ground, halting implementation of the Sharm al-Shaikh understandings, a strong Hamas showing in local elections and delays in the conduct of internal Fatah primaries to choose parliamentary candidates and General Congress delegates,²¹ have led

a growing number of Fatah reformists to support calls for a postponement of parliamentary elections until at least the end of 2005. This in turn would hold back his efforts to renew the political system and could jeopardise agreements reached with Hamas on de-escalation of the conflict, of which timely elections are an integral component.

Thus far, in opposition to a growing chorus within Fatah and the advice of key allies such as Egypt,²² Abbas has insisted on holding parliamentary elections on schedule. This can be explained in part by his conviction that elections are a prerequisite to genuine reform. A Palestinian observer says:

Elections are likely to produce a pro-reform coalition of new Fatah leaders, Hamas, and the [secular leftist] third force that will allow Abbas to successfully confront the vested interests and power blocs within the Fatah-PA nexus that constitute the party of power [*hizb al-sulta*] and form the main obstacle to change.²³

Nofal concurs that Abbas "is not particularly concerned by the prospect of Hamas gains in elections because he intends to use this to weaken those within Fatah [and the PA] obstructing his agenda".²⁴

A somewhat different view but with the same conclusions was voiced by Ziad Abu Ain, a Fatah

There are two leaderships within Fatah, the Tunis-based former exiles and those who emerged within the occupied territories. The leadership should have fused these two leaderships and experiences during the past decade but didn't. We must now achieve this through equal participation rather than replacement. Secondly, Fatah was established on the basis of Arafat's charisma rather than collective leadership. With him gone, we are now in effect starting from point zero. The real struggle is to develop a unified political, socio-economic program and a unified approach to the conflict, ending the situation where any member can be for or against any of the movement's core positions.

Crisis Group interview, Ziad Abu Ain, Fatah Revolutionary Council member, 9 April 2005.

²² "We advocate postponement of the elections until December 2005 because this will allow the PA to benefit from the achievement of disengagement, reconstruct the security forces, manage an orderly disposal of Israeli assets in the Gaza Strip, and put an end to the existing chaos. The public will then support the Authority [i.e. Fatah] rather than Hamas". Crisis Group interview, senior Egyptian intelligence official, Cairo, 10 May 2005.

²³ Crisis Group interview, George Giacaman, Director, Muwatin - The Palestinian Institute for the Study of Democracy, Ramallah, 9 April 2005.

²⁴ "In any case, a few months delay is not going to affect the election result", Crisis Group interview, Mamduh Nofal, Amman, 16 May 2005.

¹⁸ See Hussein Agha and Robert Malley, "The lost Palestinians", *The New York Review of Books*, 9 June 2005.

¹⁹ Crisis Group interview, Haidar Awadallah, member of the political bureau of the Palestinian Peoples' Party (PPP), 24 February 2005.

²⁰ Crisis Group interview, Ashrawi, Ramallah, 29 January 2005.

²¹ The Sixth Fatah General Congress, the first such meeting since 1989, is expected to inaugurate the most comprehensive leadership transformation within the movement in a generation. Delegates will elect a new Central Committee, which functions as the movement's supreme decision-making organ, as well as the larger Revolutionary Council and various other committees. Fatah Revolutionary Council member Ziad Abu Ain outlines the challenges confronting the Congress:

Revolutionary Council member and leading ally of imprisoned Fatah West Bank Secretary General Marwan Barghouti:

We should not have rushed into elections. It makes no sense to hold them on the ruins of the uprising, before the government produces results. Abbas should have given himself at least a year to establish stability, security, development. And Fatah should have organised itself first. Then hold elections. It was a wrong decision but now we have to stick by it. The calls for postponing the elections are no good, because they suggest Fatah is afraid of them.²⁵

Nevertheless, momentum clearly has shifted towards delay as parliament has refused to endorse an electoral law that reflects agreement reached in Cairo between Abbas and the panoply of Palestinian political organisations.²⁶ That agreement included a change to the law from the current district-based, first-past-the-post system -- which tends to favour larger parties and individual candidates with a localised power base -- to a mixed one in which half the seats are won through proportional national representation -- a system that offers numerically small but influential parties their best hope of parliamentary representation.²⁷

For a variety of reasons, many within Fatah -- particularly sitting parliamentarians -- are resisting proportional representation. Proportional representation requires national popularity and/or extensive party connections of successful candidates, whereas in a district system candidates enjoying local backing can prevail; in a mixed system, candidates retain the option of running as independents if they are unable to achieve secure positions on party lists.²⁸

Although Abbas later proposed an electoral law based exclusively upon proportional representation, parliament on 18 May 2005 sent him a draft law stipulating that 70 per cent of the seats will remain district-based.²⁹ Because this contravenes the Cairo agreements, the Palestinian Legislative Council (PLC) may in fact be hoping he will veto the bill and be forced to assume responsibility for the delay in elections while debate is resumed. Abbas's alternative -- to call parliament's bluff and approve the proposal -- could cause tensions with especially the smaller political organisations that consider 50 per cent proportional representation one of their key achievements in Cairo. Given enduring tensions within Fatah,³⁰ the fact that primaries to choose Fatah candidates have yet to be held and that less than two months remain, the prospect of elections on 17 July is increasingly remote.³¹ In the meantime, Hamas appears less concerned about the details of the electoral law than ensuring that elections are held on their scheduled date. Amid repeated warnings that any delay in the elections could lead the Islamist movement to revisit existing understandings with Abbas, Hamas spokesperson Sami Abu Zuhri on 11 May emphasised that postponement "might affect Palestinian relations".³²

2. Cabinet crisis

The formation of the current PA government in January-February 2005 exemplified the role of intra-Fatah conflicts in obstructing reform. According to a member of the PLC:

The process went wrong from the start. [PA Prime Minister] Ahmad Quraei [Abu Alaa] did not submit his resignation to Abbas once the presidential elections were concluded, and Abbas did not ask for it or formally re-appoint him.

²⁵ Crisis Group interview, Ziad Abu Ain, Ramallah, 9 April 2005. According to Hourani, "no one can stop this tidal wave of elections. If they try, the crisis within Fatah will only become deeper. Fatah could split. Elections are the only way of keeping the movement united". Crisis Group interview, Hourani, op. cit.

²⁶ Crisis Group telephone interview, Palestinian civil society activist, 16 May 2005.

²⁷ Crisis Group interview, Bassam Salhi, Palestinian People's Party (PPP) Secretary General, Ramallah, 9 April 2005.

²⁸ Within Fatah, views differ as to which system would best serve the movement's electoral prospects; of course, different systems would favour different Fatah politicians. Those who advocate proportional representation, including Abbas, see it as more conducive to a renewal of the movement through national primaries. They also believe it will help stem the proliferation of power centres that are often based on local networks. Crisis Group interviews with Fatah members, Ramallah, April-May 2005.

²⁹ The size of parliament was additionally expanded by a third.

³⁰ Noting that West Bank Fatah Secretary General Marwan Barghouti, imprisoned by Israel, received 20 per cent support in public opinion polls when briefly a prospective independent presidential candidate and that a list comprising Fatah rebels led by Barghouti would garner greater support, Abu Ain (who is very close to Barghouti) would not rule out the prospect of a schism in the movement if decisions on internal democratisation and institutional reform are not implemented. Rather, he stated, "I hope it will not come to a formal split led by Marwan". Crisis Group interview, Abu Ain.

³¹ On 23 May, the Palestinian Election Commission stated that elections should be delayed because it needs at least two months from the time a new election law is ratified to prepare the vote. BBC, 23 May 2005.

³² The Associated Press reported that "Hamas has frequently threatened to break Abbas's February 8 truce unless certain conditions are met, including holding the election on time". Mark Lavie, "Hamas rejects hint of election day", Associated Press, 12 May 2005.

Quraei simply continued in office with Abbas's consent.³³

The subsequent wrangling over the new cabinet's composition, which lasted until 24 February and was marked by several crises, exposed Abbas's tenuous control over the organisation and difficulties in forging a consensus, "particularly when at one point Fatah parliamentarians pledged to Abbas that they would support the latest cabinet proposal and then promptly voted against it".³⁴

The fact that Fatah is not split into two distinct camps, but rather comprises multiple constituencies and power centres that alternatively compete and cooperate on the basis of distinct political agendas, organisational priorities, and personal interests has complicated matters further. Advocates of a reformist cabinet, for example, set forth distinct and at times incompatible demands about representation and the inclusion of other political movements and unaffiliated technocrats in the cabinet, and promoted rival candidates for each ministry. Similar divisions emerged regarding the purpose of the new government. Some insisted that it immediately initiate an ambitious overhaul of the entire PA to bolster Fatah's electoral prospects, while others perceived it as a temporary caretaker pending legislative elections, "because the core of the problem is that the parliament has served nine years and needs to renew its mandate through elections".³⁵

The final result, widely dubbed a "technocratic" cabinet, received mixed reviews. Ashrawi characterised it as "an important step that represents a departure from the norms of the past. We had an entirely dysfunctional system and now have the possibility of a functional one".³⁶ Hani Masri, a prominent Palestinian commentator, was more circumspect: "It is a step forward but not enough. We should recognise the positive development of changing so many faces in one fell swoop, but Palestinians won't be convinced by these changes unless they see tangible results".³⁷ Thus far, few appear to feel that the cabinet has risen to the occasion.

³³ Crisis Group interview, Palestinian parliament member, Ramallah, 23 February 2005.

³⁴ Crisis Group interview, Graham Usher, *The Economist* Palestine correspondent, Amman, 16 March 2005.

³⁵ Crisis Group interview, Qaddura Faris, Fatah parliamentary leader and Revolutionary Council member, Ramallah, 24 February 2005.

³⁶ "The new cabinet understands it is facing a historical test and has to perform. I think it is capable of passing this test, shifting from the old politics of patronage to the new politics of reform, the rule of law, and public service". Crisis Group interview, Ashrawi, Ramallah, 24 February 2005.

³⁷ Crisis Group interview, Hani Masri, Palestinian commentator, Ramallah, 24 February 2005.

3. Corruption and accountability

Corruption (*fasad*) has emerged as a key issue in the reform debate. The Corruption Perception Index for Palestine is among the highest in the world;³⁸ even though in objective terms the PA is hardly the worst in the region, and its institutional malfeasance is often exaggerated for political reasons, a high proportion of Palestinians nevertheless -- and to their credit -- view it as a serious problem. Palestinians typically attribute much of their socio-economic as well as political predicaments to corruption; self-serving, nepotistic, unaccountable individuals are seen as seeking personal gain at the expense of the national cause and held responsible for unemployment and hunger. The issue has acquired political urgency as a result of Hamas's successful showing in local elections; the Islamists' ability to project an image of unblemished dedication and to mobilise popular resentment against PA-Fatah corruption has left the Palestinian leadership with no choice but to confront the issue. A leading Fatah legislator said:

The [28 January 2005] Gaza municipal elections [overwhelmingly won by Hamas] were a surprise, and should raise serious questions about candidate selection and organisational discipline within Fatah. It was a vote for change and against the establishment, where people voted against Fatah before voting for Hamas. We ran a poor, confused campaign with unsuitable candidates.³⁹

While PA cabinet appointments and more recent changes in the leadership of the security services partially addressed this issue, efforts have on the whole failed to impress; some appear to want more high-profile action to hold officials accountable, for example by referring them to court.⁴⁰

As noted, structural obstacles have hindered Abbas. Among these is the difficulty of dislodging the entrenched bureaucracy and vested interests that form *hizb al-sulta* without the authority conferred by a new parliament and elected Fatah leadership. Many Palestinians interviewed by Crisis Group concluded that genuine change in this respect will remain unfulfilled until the balance of forces is clarified at the ballot box.⁴¹ It is also a battle that can get nasty and dangerous if those being removed from power seek to sabotage the process by generating conflicts

³⁸ Transparency International, "Global Corruption Report 2005" (London, 2005), pp. 235-238.

³⁹ Crisis Group interview, Hourani, op. cit.

⁴⁰ Crisis Group telephone interview, former PLO official, April 2005.

⁴¹ Crisis Group interview, Giacaman, op. cit.

that would change Palestinian priorities, undermine the leadership, or both.⁴²

From the outset, Abbas faced a dilemma: overhaul PA personnel at the risk of alienating powerful figures, or give priority to stability, at the cost of disappointing a restive public. He appears to have wavered between the two approaches. While some complain of his slow start -- "Abbas failed to strike while the iron was hot. He lost the initiative, and as the window of opportunity has started to close, the question is whether he can strike at all"⁴³ -- others caution that a wave of dismissals would have consolidated his opposition at a time when he was not in full control.⁴⁴

Ashrawi stressed the centrality of this issue:

Fatah will pay the electoral price for real or perceived corruption. People want the PA to take this job seriously, and Abbas is serious in this respect. People have never accepted corruption. They put up with it but despise it; it has never been internalised or normalised, and people remain uncompromising on this issue. Abbas can't waver on this -- there can be no business as usual.⁴⁵

On the whole, Abbas is seen as a "man of institutions".⁴⁶ But while few doubt the sincerity of his intentions, time is running short. For a Fatah activist associated with the reformists grouped around the movement's West Bank Higher Movement Committee (HMC):

Abu Mazen should use his time in office to rebuild Palestinian institutions. He wants to do this, he is capable of it, and will be supported in doing so. Even if he achieves nothing else, reviving our institutions to confront the challenges of the next phase will be a decisive and lasting contribution and will earn him his place in history.⁴⁷

4. Security and its forces

Since the Palestinians first accepted the Roadmap in 2003, Abbas supported and in fact actively promoted the consolidation of the sprawling security services into three agencies. He repeatedly clashed with Arafat over

the issue, touting security reform as vital to restoring law and order and international confidence in the PA. Yet, upon assuming office, he was unable to mobilise a consensus; instead, he made a string of statements about the imminent dismissal of senior security commanders that antagonised powerful officers without actually replacing them. By the time he got around to it in the second half of April 2005, "it looked as if Abbas was acting under American and Israeli pressure rather than implementing a Palestinian initiative".⁴⁸ Even then, the transition was all but smooth.⁴⁹

A related and potentially more complex challenge, given the intimate overlap between Fatah and the security forces, is posed by the growing divisions and disarray within the Fatah movement. Should any of its core constituencies conclude that Abbas's policies are jeopardising their position or political future, they could resort to destructive activity. Among frustrated reformists, this might take the form of decisions to disassociate themselves from an increasingly sclerotic movement in order to secure an independent political future. By contrast, entrenched elites who conclude reform is being undertaken at their expense may well resort to the same strategy utilised by some at the outset of the uprising to increase their organisational clout: escalation of violence through alliances with rank-and-file activists, a process which in 2000 led to the formation of the Fatah-affiliated Al-Aqsa Martyrs' Brigades.

⁴⁸ Crisis Group telephone interview, former PLO official, April 2005.

⁴⁹ Abbas's primary method of replacing senior security officers was to dismiss more than 1,000 on the grounds that they were over the age of 60. Given that many have decades of service to the national movement and have acquired powerful positions and connections within Fatah, it would have been prudent to ease them out with due consideration for their personal history and dignity. Rather than simply firing them en masse, the leadership could have appointed key officers to diplomatic postings abroad or new advisory bodies created to absorb them, and nominated others for electoral office. Instead, many reportedly learned of their fate from the Israeli press, and were left with and/or actively propagated the impression that their removal was as much about the settling of accounts, their replacement with other peoples' cronies, and capitulation to American-Israeli dictates as about security reform. In an unmistakable show of resentment, a number of senior officers refused to accept medals to mark the end of their service. Belatedly, several were also offered advisory positions. See Khaled Abu Toameh, "Security chiefs shun Abbas", *Jerusalem Post*, 26 April 2005; Graham Usher, "Challenges from within", *Al-Ahram Weekly* 740, 28 April-4 May 2005.

⁴² Crisis Group interview, Fatah Revolutionary Council member, Ramallah, April 2005.

⁴³ Crisis Group telephone interview, former PLO official, April 2005.

⁴⁴ Crisis Group interview, PA official, Washington, March 2005.

⁴⁵ Crisis Group interview, Ashrawi, Ramallah, 29 January 2005.

⁴⁶ Crisis Group interview, Qaddura Faris, Ramallah, 4 January 2005.

⁴⁷ Crisis Group interview, Fatah activist, Ramallah, January 2005.

C. PEACE

Although Abbas views a cessation of hostilities and Palestinian reconstruction as objectives in their own right, and is additionally pursuing them for domestic political reasons, determination to revive prospects for a permanent status agreement forms a critical part of his calculations as well. Palestinians are convinced that Sharon has persuaded the international community that they form the principal obstacle to peace, while he himself has no intention of conducting serious negotiations with them. With Arafat's departure from the scene, Abbas's priority is to deprive Israel of the uprising and the reform issue as pretexts for refusing to negotiate and thereby persuade Washington to exercise sufficient pressure on Sharon to implement the Roadmap.⁵⁰

1. Abbas vs. Arafat

Since his accession to power and throughout his subsequent campaign for the PA presidency, Abbas consistently proclaimed faithfulness to Arafat's legacy. At one level this was an obligatory display of loyalty to his legendary predecessor, designed to minimise differences between the two men. Yet it also illustrates the importance of continuity as a pillar of Abbas's legitimacy. A former Palestinian official summarises these constraints with the observation that "Abbas can accept what Arafat accepted and also what Arafat did not reject. But he cannot accept that which Arafat rejected".⁵¹ In practice, this means a peace process based on the 2003 Roadmap and a permanent status accord based on the 2000 Clinton Parameters, the 2001 Taba negotiations and the 2002 Arab peace initiative.

In fact, there is little daylight between Arafat and Abbas on these questions.⁵² As president, Abbas also has

consistently opposed the prospect of an incremental process without a guaranteed endgame. As he explained, "I will reject it ... I told Sharon that it's better for both sides to establish this back channel to deal with final status and go in parallel with the stages of the road map".⁵³ And on the key domestic question that concerns the international community, Abbas has adopted the demand for a reciprocal ceasefire and "is not going to confront Hamas, Islamic Jihad, or others in a political vacuum".⁵⁴

Indeed, when it comes to relations with Israel and the international community, the main differences between Arafat and Abbas appear to be primarily tactical. Whereas Arafat after September 2000 consistently refused to fulfil commitments unless and until he had sufficient confidence that Israel and the international community would respond in kind -- which was seldom the case -- Abbas's approach is to persuade and pressure his interlocutors to do their part by doing his voluntarily. In this manner, he hopes to "ensure that Palestinian performance cannot be used as a pretext by others to shirk their own responsibilities".⁵⁵ Where Arafat saw an Israeli-American trap to end the confrontation without ending the conflict, Abbas sees an opportunity to entrap Sharon by ensnaring Bush. By the same token, where Arafat was criticised for duplicity that produced growing Palestinian isolation, the fear is that Abbas will prove naïve and facilitate Sharon's efforts to perpetuate the occupation.

2. Abbas vs. Sharon

Almost all Palestinians see Sharon's core objective as consolidating Israel's hold on the West Bank and preventing the emergence of a viable Palestinian state by means of unilateralism.⁵⁶ In this respect, virtually every Palestinian interviewed by Crisis Group referred to the statement made by senior Sharon adviser Dov Weisglass in October 2004 which, though subsequently minimised

⁵⁰ "The orderly and peaceful transition since the absence of the late President Arafat, in addition to the acceleration in the reform process on the Palestinian side, should see a shift in international pressure from that [Palestinian] side to the positions and behaviours of the current anti-peace process government in Israel. This may allow and contribute to a possible change in Israel". Ghassan Khatib, "Israel, Palestine, and the US: The next four years", bitterlemons-dialogue.org, 1 March 2005.

⁵¹ Crisis Group interview, Nofal, Ramallah, November 2004.

⁵² Crisis Group interview, Palestinian officials and political activists, November 2004-February 2005. The assessment is shared by many Israelis: "Those who think that changing the Palestinian leadership changes the price of peace are wrong and deceptive. Abbas is moderate in his strategy, not his goals, which are no different from Arafat's goals. Abbas's PA will also have to return to revolutionary and violent patterns of behaviour once it feels that the minimum goals of the Palestinian national movement are being denied". Shlomo Ben-Ami, "Back to Oslo's obstacles", *Haaretz*, 17 March 2005.

⁵³ Steven Erlanger, "Abbas sees end of war with Israel", *The New York Times*, 14 February 2005.

⁵⁴ Crisis Group interview, Faris, December 2004.

⁵⁵ Crisis Group interview, Faris, November 2004.

⁵⁶ The statements presented by Abbas and Sharon at the Sharm al-Shaikh summit in this respect revealed their different and largely incompatible approaches to the revival of a political process. The Palestinian leader pointedly criticised unilateral initiatives, characterised the summit as the beginning of the Roadmap's implementation, and called for the speedy resumption of negotiations on the core issues in order to produce a comprehensive settlement on the basis of "international legitimacy". His Israeli counterpart made clear that disengagement from the Gaza Strip and parts of the northern West Bank is the principal item presently on his agenda. According to Sharon, implementation of the Roadmap has not begun and will only follow Palestinian steps to dismantle the "infrastructure of terror".

by Israeli officials, continues to have significant ripple effects.⁵⁷ Exhibit B was the April 2004 letter of assurances provided to Sharon by Bush, which included U.S. endorsement of the view that some West Bank settlement blocs would have to be annexed by Israel in a final status deal and that Palestinian refugees would be resettled in Palestine, not Israel, seemingly making such issues a matter of U.S.-Israeli rather than Israeli-Palestinian negotiation.

From the Palestinians' perspective, the combination of settlement construction, particularly around Jerusalem, the separation barrier, Gaza disengagement and U.S. assurances amounts to an effort by Sharon to shape the outcome of the conflict unilaterally. Privately, some U.S. officials agree. "Step by step, Sharon is resolving the Israeli-Palestinian conflict on his own terms. The fence is defining the territorial boundaries. The Bush letter of assurance is defining the refugee question. What is left is Jerusalem -- and there, he is being very active on the ground".⁵⁸ Sharon will, under this view, pursue unilateral initiatives and simultaneously undermine the prospects of any political process, precisely because he understands that "he will never find a Palestinian partner for what he is trying to achieve".⁵⁹

Palestinian opposition to incrementalism goes beyond unpleasant memories of past failures. In the words of a senior Palestinian presidential adviser:

The absolute priority is to stop the wall and settlement expansion. This will make or break Abbas the way settlement expansion destroyed Oslo. If they are not stopped, forget it. Let's learn the lessons of the last ten years and stop ridiculing the centrality Palestinians give to this issue.⁶⁰

The available indications point to renewed attempts to implement the Roadmap once Israel has carried out its disengagement during the second half of 2005. If enforced, its provisions for a settlement freeze and removal of outposts established since March 2001 will

do much to allay Palestinian concerns. At the same time, emphasis is likely to shift to Phase II of the Roadmap, and specifically the possibility of "an independent Palestinian state with provisional borders". Such a state is viewed with particular suspicion by Palestinians because it is seen as laying the groundwork for a long-term interim agreement that could transform the Israeli-Palestinian conflict into a border dispute, "like Kashmir",⁶¹ without core issues being resolved.⁶²

Palestinians interviewed by Crisis Group repeatedly noted that Abbas had already rejected the concept of provisional statehood during his 2003 premiership, has done so at every opportunity since,⁶³ and will continue to do so because he will enjoy sufficient popular and organisational support for doing so.⁶⁴ The only exception in this respect might be if there is a clear link with permanent status negotiations, in terms of both a timetable, procedural guarantees (e.g. as to what will occur in the event of a deadlock) and substantive details regarding the outlines of a deal.⁶⁵ "A state with provisional borders can only be a realistic option", a senior Palestinian presidential adviser says, "in combination with guarantees regarding permanent status including terms of reference, outcome, and deadline. Short of this there is absolutely no chance we will accept it".⁶⁶

Haidar Awadallah's views were echoed by many:

There is nothing Abbas is prepared to accept next year that he would not accept today, and anything he would reject today he will also reject next year. This is because his views on permanent status issues are clear, based on conviction rather than calculation, and because any agreement will be submitted to a popular referendum to achieve legitimacy.⁶⁷

Abbas's position notwithstanding, Palestinians will face a serious challenge in the aftermath of disengagement. Sharon likely will resist engaging in permanent status

⁵⁷ "The significance of the disengagement plan is the freezing of the peace process. And when you freeze that process, you prevent the establishment of a Palestinian state, and you prevent a discussion on the refugees, the borders and Jerusalem. Effectively, this whole package called the Palestinian state, with all that it entails, has been removed indefinitely from our agenda. And all this with ... a presidential blessing and the ratification of both houses of Congress. The disengagement is actually formaldehyde. It supplies the amount of formaldehyde that is necessary so there will not be a political process with the Palestinians", *Haaretz*, 6 October 2004.

⁵⁸ Crisis Group interview, U.S. official, February 2005.

⁵⁹ Crisis Group interview, Faris, November 2004.

⁶⁰ Crisis Group interview, senior Palestinian presidential adviser, Ramallah, 29 January 2005.

⁶¹ Crisis Group interview, Awadallah, op. cit.

⁶² "A Palestinian state will now become an Israeli demand", Crisis Group interview, Azmi Bishara, Palestinian member of Israeli parliament, January 2005.

⁶³ As Abbas informed the PLC on 8 March 2005, for example: "We also reiterate our total rejection of the idea of a provisional state".

⁶⁴ Crisis Group interview, Hourani. See Akiva Eldar, "They don't want provisional", *Haaretz*, 11 March 2005; Ben-Ami, "Back to Oslo's obstacles", op. cit.

⁶⁵ "Abbas seeks change on the ground without legal or political change in the status of the territory involved", Crisis Group interview, Shikaki, op. cit.

⁶⁶ Crisis Group interview, senior Palestinian presidential adviser, Ramallah, 29 January 2005.

⁶⁷ Crisis Group interview, Awadallah, op. cit.

talks,⁶⁸ and the Bush administration will be wary of going down that road given its slim chances of success; in contrast, a state with provisional borders would be supported by Israel and would offer the U.S. the prospect of a concrete achievement in a region where it has had few. Europeans but also Arabs would likely follow suit, determined to move the process forward and seeing in the establishment of the first Palestinian state a foundation on which to build. Faced with such pressures and without a credible alternative to offer, the Palestinian leadership might be forced at the last minute to accept what it all along will have vowed to refuse.

III. THE PERILS OF INERTIA

A senior Palestinian presidential adviser characterises Abbas's predicament thus:

We're like someone who has just woken up and found out he is a millionaire. We now have to go to the Bank of the United States and the Bank of Israel to cash our cheques. If we don't succeed before the cheques expire, we are left with nothing.⁶⁹

While sounding a similar note, Bassam Salhi, the secretary general of the Palestinian People's Party (PPP), expresses a sense of alarm that is increasingly common among advocates of a two-state settlement: "We are now in a critical period concerning the conflict. If Abbas fails, the concept [of a two-state solution] fails with him. It is a strategic moment of truth".⁷⁰

There is consensus among Palestinians that, contrary to expectations, Abbas today is in a weaker position than after his election.⁷¹ While he has gained support from the international community and unprecedented levels of cooperation from the Palestinian opposition, the type of support he most needs -- Israeli cooperation and unity

within Fatah -- has been much less forthcoming. For the time being, therefore, he must rely on the U.S. and Hamas to achieve his essential policy objectives.

1. Loyal opposition?

Among the more striking contrasts between Abbas and Arafat is that the current president tends to get stronger praise from the opposition than from within the movement he helped lead for over four decades. Key Fatah power centres reject critical elements of Abbas's agenda, and others within the movement are frustrated at the slow implementation of that agenda, while Hamas appreciates that however much it may differ with the president's stands, determining them is at least a fairly exact science. Where Arafat obfuscated to the point of leaving even his closest advisers in the dark, Abbas plays it straight. On questions as diverse as permanent status negotiations with Israel and relations with Hamas, he has on the whole spoken clearly and practiced what he has preached.

Hamas also sees an opportunity in the institutional weakness of the current Palestinian leadership and its consequent need for Islamist participation. Prominent West Bank Hamas leader Hasan Yusuf, for example, told Crisis Group that, "for the first time, we feel there is a genuine potential for partnership with the Authority".⁷² Though unstated, the implication is that this would have been inconceivable under Arafat because a leader who refused to share power with his own movement was even less inclined to do so with the opposition.

Hamas's agenda remains controversial. Some Palestinian observers tend towards the view that the Islamists aim to supplant Fatah and/or renew the conflict with Israel with the goal of establishing an Islamic state over the entirety of historic Palestine by force of arms. Most, however, appear to have concluded that Hamas, like Fatah before it, has over the years evolved towards more pragmatic positions and now essentially accepts the principle of partition.⁷³ Similarly, few believe that Hamas is actively seeking formal leadership of the Palestinians and the responsibilities this entails. Rather, Hamas's primary interest is seen as achieving power-sharing arrangements whereby it increases its domestic influence and participates in national decision-making, and its views on key issues are taken into account.⁷⁴ The decision

⁶⁸ "There will be an ongoing effort by the Palestinians to take the process to Phase III [of the Roadmap], and we will oppose it. We are not going to Phase III and in the process ignore Phase I. The entire conflict resolution paradigm has collapsed". Crisis Group interview, Giladi, op. cit.

⁶⁹ Crisis Group interview, senior Palestinian presidential adviser, Ramallah, 29 January 2005.

⁷⁰ Crisis Group interview, Salhi, op. cit.

⁷¹ See, for example, Karin Laub, "Abbas struggles to meet expectations", Associated Press, 23 April 2005; Ben Lynfield, "Abbas mired in struggle", *Christian Science Monitor*, 25 April 2005; Donald Macintyre, "After 100 days, Palestinian leader's aura begins to fade", *The Independent*, 23 April 2005; Harvey Morris, "Abbas comes under increasing pressure", *Financial Times*, 19 April 2005; Graham Usher, "Out of pocket", *Al-Ahram Weekly* 739, 21-27 April 2005.

⁷² Crisis Group interview, Yusuf, 29 January 2005.

⁷³ See Crisis Group Report, *Dealing with Hamas*, op. cit.

⁷⁴ "The coming phase is of critical importance and it can't be left to only one [Palestinian] party to determine our people's future. As stated by Abd-al-Aziz Rantisi [Hamas' senior leader in Gaza, assassinated in 2004], 'partners in blood, partners in

neither to contest nor endorse an opposition candidate and not to call for a general boycott of the January presidential election was broadly understood as tacit endorsement of Abbas.⁷⁵ At this stage, it appears more interested in the role of kingmaker than that of monarch.

While Hamas is not the only Palestinian opposition movement, it is by far the largest and most disciplined,⁷⁶ and considerably more of a threat to Fatah than was the Popular Front for the Liberation of Palestine (PFLP) in its heyday during the 1970s. This has reinforced Abbas's determination to reach understandings with its leaders and integrate it within the political system. At the same time, it makes it considerably easier to marginalise and if necessary isolate other movements that reject such arrangements.

Current arrangements are fragile. The understanding between Fatah and Hamas could collapse if Fatah stalls on elections and institutional reforms, or if stagnation in Israeli-Palestinian relations continues beyond 2005. Israel, worried that Hamas is using the respite to rebuild and prepare to launch attacks after the Palestinian elections and its own disengagement from Gaza, is hinting at a resumption of its offensive. Likewise, Hamas may renounce the *tahdi'a* at the end of 2005 if it feels it has not gained enough in return or it fears that stability and quiet will redound to Fatah's benefit.⁷⁷ The recent escalation in Israeli-Palestinian violence presents a worrisome omen, irrespective of whether one sees Islamist or Israeli provocation, growing Hamas-Fatah tensions over the electoral process, or a combination of the two as the main culprit.⁷⁸

decision-making", Crisis Group interview, Yusif, Ramallah, 23 February 2005. See also Agha and Malley, op. cit.

⁷⁵ Crisis Group interviews, Palestinian citizens and activists, Ramallah, December 2004-January 2005.

⁷⁶ "We are very satisfied with Hamas. They keep their word, and they see Abbas as an honest man who does exactly what he says he will do", Crisis Group interview, senior Egyptian foreign ministry official, Cairo, 10 May 2005.

⁷⁷ Ibid.

⁷⁸ In mid-May 2005, a decision by the Fatah-dominated PA judiciary to investigate the municipal election results in Rafah and Beit Lahia in the Gaza Strip, where the Hamas-affiliated List for Change and Reform had scored significant victories, was angrily denounced by Hamas officials and lawyers as politically motivated and illegitimate meddling. Amid wry observations that for once a government is accusing the opposition of electoral fraud rather than the other way around, it has sparked a marked increase in Fatah-Hamas tensions and an 18 May threat by senior Hamas leader Mahmoud Zahhar that the Islamist organisation may be "compelled to reconsider all understandings reached in recent dialogues" if the matter is not satisfactorily resolved.

2. Peace partner?

Among Palestinians, the perception that Sharon is determined to avoid substantive negotiations and foil progress towards a comprehensive peace has fed the notion that Israel is actively working to undermine the new president.⁷⁹ Palestinian views of American policy are on the whole equally pessimistic, pitting those who believe Bush is under Sharon's spell against those who think the president has been outfoxed by the Israeli premier. According to Fatah Central Committee member Hani Hasan, for example:

Sharon will complete disengagement in late 2005. Then he will call elections in the first half of 2006, and by the time he forms his cabinet and the U.S. Congressional elections are over it will be 2007. So he will procrastinate and procrastinate in order to avoid American pressure.⁸⁰

Still, the dominant trend, and certainly that advocated by Abbas, remains one of seeking constructive partnership. Palestinians will be searching for evidence that the Bush administration is looking beyond Sharon's disengagement initiative and is developing concrete proposals to be implemented once disengagement is completed. Among suggested proposals, the U.S. could:

- ❑ provide the Palestinian leader with public, written assurances mirroring those delivered to Sharon in April 2004. These could include an affirmation that the Palestinians have a right to self-determination; that the U.S. will actively pursue a comprehensive, negotiated two-state settlement on the basis of UN Security Council Resolution 242; that a Palestinian state must be viable, territorially contiguous, and genuinely sovereign, and must be based on the lines that existed before the Six Day War (4 June 1967), with mutually agreed and reciprocal modifications; that it should have its capital in Arab East Jerusalem; and that the Palestinian refugee question must be resolved on the basis of a negotiated agreement that addresses the basic needs and interests of both the Palestinian people and Israel;
- ❑ reconfirm its opposition to further Israeli settlement activity in the occupied territories and demand that Israel dismantle all outposts established since March 2001. In this respect, the U.S. would need

⁷⁹ Suspicions about Sharon's intentions run so high that Israel's recent announcement it will delay implementation of disengagement by three weeks on account of a Jewish religious festival led to widespread if seemingly unwarranted speculation that further postponements are in the pipeline. Crisis Group interviews, May 2005.

⁸⁰ Crisis Group interview, Hasan, 9 April 2005.

to be particularly firm with regards to construction in the Jerusalem area, specifically concerning the so-called E1 project in Maale Adumim;

- announce the establishment of separate U.S. - Palestinian and U.S.-Israeli working groups to begin informal dialogue on permanent status issues; and
- expand the mission led by General William Ward to monitor Israeli and Palestinian compliance with obligations undertaken pursuant to Phase I of the roadmap.

Time is seen as a critical factor:

You can buy time but not permanently without a permanent settlement. Otherwise you will have a new wave of violence. The more Abbas delivers, the more time he buys. If Israel refrains from further colonisation and prejudicial unilateralism, that will buy additional time, and Israeli public opinion will also begin to shift. What Abbas needs most of all now is not achieving a permanent status agreement or a date for negotiations, but a response that this will happen.⁸¹

Khalil Shikaki, a leading pollster and analyst, asserts that "people have to know that the Bush Parameters are on the way".⁸² In his view:

The Bush Parameters have to be the conclusion, not beginning, of a process of consultation. Begin immediate American-Palestinian bilateral consultations to build a shared vision of a permanent status agreement, to create balance with what you've done with the Israelis. There is a need for a real political breakthrough, and this is impossible without defining a permanent status agreement in clearer terms. Do with the Palestinians what was done with Israelis, in terms of permanent status, that's the agenda for 2005.⁸³

Similarly, according to a senior Palestinian presidential adviser, "Bush's vision needs flesh, blood, and bones".⁸⁴ And, as expressed by Fatah leader Qaddura Faris:

The parameters of a permanent status agreement are clear: land for peace, with guarantees for implementation. The only question is which land for which peace. Both Palestinians and Israelis need to know what the deal will be. Neither party can oppose the whole world.⁸⁵

IV. CONCLUSION

"The difference between Arafat and Abbas", according to Fatah Revolutionary Council member Ziad Abu Ain, "is that Abu Ammar was able but unwilling, while Abu Mazen is willing but unable".⁸⁶ It is an observation that, as with his ill-fated 2003 premiership, sums up Abbas's predicament as well as any.

The new Palestinian leadership undoubtedly has mismanaged aspects of its agenda; most notably, it failed to exploit Abbas's electoral victory and forge ahead with institutional changes when opposition would have been easiest to overcome. What was possible in January 2005, no longer is possible today. Nevertheless, Abbas is not operating in a vacuum. His domestic position and policies cannot be separated or insulated from his relations with Israel and the state of the peace process. The more he achieves in dealings with Israel and the international community, the more he is strengthened domestically in relation to detractors within Fatah and outside rivals. The less he harvests on the diplomatic front and on the ground, the weaker he becomes at home.⁸⁷

For Washington, the message should be clear. By pressing both parties to implement what they have agreed to at Sharm al-Shaikh and providing its own credible assurances that disengagement will revive the Roadmap initiative and accelerate progress towards the end of occupation and a comprehensive settlement, it can both help sustain the current relative calm and contribute to diplomatic progress.

Ultimately, if Abbas is unable to persuade his people that he is capable of safeguarding their national interests and attending to their social and economic needs, they will turn against him. In turn, some of his detractors within Fatah could seek to exploit such discontent to abbreviate his rule. More than a change of leadership would be at issue, for the very nature and coherence of the Palestinian national movement might well be at stake. Not because Fatah would be replaced by Hamas, which at present remains unlikely, but rather because Abbas's fall could unleash powerful centrifugal forces within the Palestinian polity -- and Fatah in particular -- at a time when their institutionalisation has barely commenced. Because the prospects for achieving a durable peace may be hanging in the balance, this ought to be of concern to all.

Amman/Brussels, 24 May 2005

⁸¹ Crisis Group interview, Ashrawi, Ramallah, 29 January 2005.

⁸² Crisis Group interview, Shikaki, op. cit.

⁸³ Ibid.

⁸⁴ Crisis Group interview, 29 January 2005.

⁸⁵ Crisis Group interview, Faris, op. cit.

⁸⁶ Crisis Group interview, Abu Ain, op. cit.

⁸⁷ Crisis Group interview, Salhi, op. cit.

APPENDIX A

MAP OF ISRAEL



APPENDIX B

ABOUT THE INTERNATIONAL CRISIS GROUP

The International Crisis Group (Crisis Group) is an independent, non-profit, non-governmental organisation, with over 100 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

Crisis Group'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, it produces analytical reports containing practical recommendations targeted at key international decision-takers. Crisis Group also publishes *CrisisWatch*, a twelve-page monthly bulletin, providing a succinct regular update on the state of play in all the most significant situations of conflict or potential conflict around the world.

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May 2005



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