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Palestinian President Mahmoud Abbas: Overview of Internal and External Challenges

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Summary

On January 15, 2005, Mahmoud Abbas (a.k.a. Abu Mazen) was sworn in as President of the Palestinian Authority (PA). Many believe that the Abbas victory marks the end of an autocratic era dominated by the late Yasir Arafat and the increased possibility of improved prospects for Israeli-Palestinian peace. This report details Abbas's policy platform and potential challenges he may face from within and without the Palestinian political landscape. Domestic challenges include the Israeli planned withdrawal from Gaza, upcoming parliamentary elections slated for July 17, 2005, violent anti-occupation elements, calls for financial, judicial, and security reform, as well as a paralyzed economy. Abbas also faces multiple challenges in creating a viable Palestinian state based on a secure peace with Israel: the requirements of the "Road Map," Palestinian violence toward Israel, and final status issues, such as the future of Jerusalem, refugees, and final political borders. This report will be updated as necessary.

Palestinian Centers of Power

Fatah. Under Arafat, Fatah became the most prominent political party in the Palestinian territories. The leading political body within Fatah is the Central Committee (CC), elected by the general membership. Fatah's Revolutionary Council (RC) parallels the CC as a decision-making body and does not exclude armed resistance as an option. On November 21, 2004, Fatah nominated Mahmoud Abbas as its presidential candidate. Some analysts claim any credibility that a moderate Abbas may have within Fatah hinges on a compromise between "old-guard" CC Members and the RC "young-guard".¹

Palestinian Liberation Organization (PLO). The PLO describes itself as "the embodiment of the Palestinian national movement," and for four decades it was

¹ The "old-guard" are founding members of the PLO and Fatah. The "young-guard" are generally comprised of key actors in the first *intifada* and seek an increased role in the national movement.

dominated by Arafat.² The PLO is organized into three political bodies: the Palestine National Council, a parliamentary body; the Central Council, a 124 member decision-making body; and the 18-member Executive Committee, which elects the Chairman of the PLO. After the death of Arafat, the Executive Committee elected Mahmoud Abbas Chairman of the PLO.

Palestinian Authority (PA) & Elections. The PA, created by the 1993 Declaration of Principles, is charged with administrating the West Bank and Gaza. On January 9, 2005, the PA held presidential elections (which Hamas boycotted), and Fatah candidate Mahmoud Abbas was certified winner and President-elect. The first two rounds of municipal elections (held in January and May) resulted in Abbas' Fatah party winning 60 municipalities and Hamas winning 48. Two more municipal rounds are expected in September and December 2005. On July 17, 2005, Palestinian legislative elections are expected with party elections to take place sometime in 2005.

January 9, 2005, Palestinian Presidential Election Results

Candidates	Votes (%)	Votes (total)
Mahmoud Abbas	65.52	501,448
Mustufa Barghouti	19.48	156,227
Tayseer Khaled	3.35	26,848
Abd Alhalim Ashqar	2.76	22,171
Basam Al Salhi	2.67	21,429
Assayed Barakeh	1.30	10,406
Abd Al-Karim Shbair	0.71	5,717

Source: Palestinian Central Elections Commission.

Positions on Internal Security and Reform Challenges

Security Services. Most analysts agree that PA security reform is necessary in order to halt violence directed against Israel and provide stability for a future Palestinian state. In 2005, the PA National Security Council (NSC) was formed as a first step in consolidating security elements.³ According to the legislation, as President, Abbas is supreme commander of three institutions which consolidate dozens of security services: General Intelligence (unifies PA intelligence organs), General Security (civil and preventive services), and the National Security Council (the basis of a possible armed force). Recently, Secretary of State Rice stated that the "United States is prepared to help train Palestinian security forces."⁴ Egypt has also offered to train Palestinian security forces. On April 23, 2005, Abbas appointed Brigadier General Sulayman Abu-Mutlaq commander of general security in the Gaza Strip. Brigadier General Ziyad Hab-al-Rih is in charge of general security affairs in the West Bank.⁵ Many experts view these developments as positive, noting that Abbas is attempting to rein in disparate intelligence

² PLO-related documents available online at [<http://www.palestine-un.org/plo/frindex.html>].

³ Arnon Regular, "PA Security Council to Oversee Armed Forces," *Ha'aretz*, Jan. 11, 2005.

⁴ "Rice: U.S. Prepared to Train Palestinian Security Forces," *Ha'aretz*, Feb. 4, 2005.

⁵ "Abbas Announces Security Shake-Up," *BBC News Service*, Apr. 23, 2005.

apparatuses. Still others contend that organizational reform masks underlying problems of a lack of power-sharing and vaguely assigned duties.⁶

Corruption. The PA has been criticized repeatedly for non-transparency, corruption, and cronyism, and Palestinian opinion surveys consistently reveal public displeasure over corruption. However, some international assessments have acknowledged progress in Palestinian judicial, economic, and political reforms. Abbas has stated the need to “continue to implement and develop its reform plan.”⁷ On March 1, 2005, Britain hosted a conference on Palestinian reform. At the conference, the European Union pledged to assist with the establishment of new Palestinian institutions; the United States committed to setting up a security coordinating group; and the World Bank stated its intention to assist in economic development. Many feel that the retention of Salem Fayyad as Finance Minister is also a positive step.

Economic Conditions. One of the most pressing domestic issues Abbas faces is economic stagnation. A recent World Bank report warns of “the potential disintegration of the Palestinian economy under the sustained pressure of conflict and Israeli closure policies.”⁸ Many analysts agree that openly contested, free elections, and ongoing reforms may increase the likelihood of international aid to Palestinians, particularly from the United States. According to one report, “people voted for Abbas because they believed that he would be able to bring them jobs, and improve their living conditions.”⁹ On March 31, the Palestinian Legislative Council approved a \$2.2 billion budget for 2005. The budget assumes that pledges of \$1.2 billion in international aid, made at the March 1, 2005, London Conference, will be included. James Wolfensohn, outgoing head of the World Bank, was recently appointed special representative to Gaza to coordinate reconstruction efforts after Israel’s planned withdrawal from Gaza.

The Palestinian Opposition. Nationalist groups like the al-Aksa Martyrs Brigade and Islamists like Hamas and the Palestinian Islamic Jihad oppose many PA bilateral agreements with Israel and continue to advocate violent resistance to the occupation. However, some, most notably Hamas, have indicated a degree of pragmatism and flexibility in recent statements vis-a-vis the PA and Israel. For example, Mahmoud Zahar, a leading Hamas figure, recently expressed interest in joining the PLO.¹⁰ Secular groups like the Popular Front for the Liberation of Palestine (PFLP), Democratic Front for the Liberation of Palestine (DFLP), and the People’s Party (formerly Palestine Communist Party) are often critical of PA policies but work alongside the PLO in a loose political coalition, voicing dissent within the body politic. Some report that Fatah may

⁶ Hani al-Masri, “What Is the Purpose of Unifying Security Agencies?,” *Al-Ayyam* (West Bank), Apr. 16, 2005.

⁷ Palestinian PM Mahmoud Abbas’s speech before Palestinian Legislative Council, Apr. 29, 2003. Negotiations Affairs Department, PLO available at [<http://www.nad-plo.org>].

⁸ The World Bank, *Stagnation or Revival? Israeli Disengagement and Palestinian Economic Prospects*, Dec. 2, 2004.

⁹ “Palestinians Expect Abbas to Bring Economic Prosperity,” *Palestine Chronicle*, Jan. 9, 2005.

¹⁰ “Hamas Ready to Join PLO,” *Al-Jazeera*, Mar. 29, 2005.

form a united nationalist-democratic front to challenge Hamas, which is expected to join the Palestinian political system after the 2005 elections.¹¹

Peace and the “Road Map”

Violence. The sustained violence since September 2000 has greatly affected both Palestinians and Israelis.¹² At the June 2003 Aqaba Summit, Abbas stated, “there will be no military solution for this conflict, so we repeat our renunciation of terrorism against the Israelis wherever they might be.”¹³ Since then, Abbas has continually denounced violence as a means to achieve independence, instead calling for popular and social means to end the Israeli occupation. Congress has noted President Abbas’s denunciation of terror as a means of securing a Palestinian state.¹⁴

Israel briefly ended talks with Abbas (January 14-19, 2005) after a bombing occurred at a crossing point between Israel and Gaza. This was seen, by some, as indicative of Prime Minister Sharon’s mistrust of Abbas’s commitment to ending violence and as an effort to push Abbas to act rapidly. Others see Abbas as a fully committed partner for peace, as evidenced by his deployment of security forces in Gaza to halt attacks on Israeli settlements and military personnel. On February 8, 2005, President Abbas and Prime Minister Sharon discussed Israeli-Palestinian security measures to decrease armed violence. As a result of the meeting, and despite sporadic violence, Sharon and Abbas agreed, in principle, to a unilateral cease-fire.¹⁵ Random attacks against Israel (mostly in Gaza) have continued. Notably, Hamas claimed responsibility for launching 26 mortars and a number of anti-tank rockets at settlements and army outposts in Gaza on May 18, injuring one Israeli. However, an Israeli intelligence officer credited Palestinian security services with preventing many attacks.¹⁶

Israeli Closures. In the spring of 2002, Israel implemented a series of village, town, and city closures and curfews in an effort to reduce violence. Many claim that restricting the flow of Palestinian goods and people within and between the West Bank, Gaza, and Israel, hampers Palestinian economic activity and may increase militancy. Others cite Israel’s need to ensure its citizens protection by drastically limiting the movement and supplies of Palestinian militants. In his presidential inaugural address, Abbas stated “our hand is outstretched to the Israeli partner to make peace, not with words

¹¹ Khalid Amayreh, “Palestinian Politicians Eye Alliances,” *Al-Jazeera*, Apr. 25, 2005.

¹² Since 2000 over 3,000 Palestinians and nearly 1,000 Israelis have been killed. The total number of Palestinians injured ranges between 20-35,000 and between 5-6,000 Israelis. Available online at [<http://www.un.org/News/Press/docs/2004/sc8166.doc.htm>].

¹³ “Abbas Says Armed Intifada Has to Stop,” *Al-Sharq al-Awsat* (London), Dec. 14, 2004.

¹⁴ H.Res. 56 (passed on Feb. 2, 2005) acknowledged that President Abbas disavows terrorism. S.Res. 27 (passed on Feb. 1, 2005) recognized Abbas’s commitments to peaceful coexistence with Israel.

¹⁵ Steven R. Weisman and Terence Neilan, “Israeli and Palestinian Leaders Meet for 1st Time in 4 Years,” *New York Times*, Feb. 8, 2005.

¹⁶ Available online at [http://news.bbc.co.uk/2/hi/middle_east/4372561.stm].

but with deeds, and put an end to closures, arrests and the building of the fence.”¹⁷ To date, Israeli officials have transferred the security responsibility of two towns (Jericho and Tulkarem) to the PA, with three more (Bethlehem, Ramallah, and Qalqilyah) to come. Recently, Israeli Defense Minister Shaul Mofaz announced a freeze to these transfers due to the PA’s lack of action against Palestinian violence.¹⁸

Israeli Separation Barrier. In April 2002, in reaction to Palestinian suicide-bombings, Israel approved the construction of a barrier between Israeli and Palestinian-held territory, largely built inside the Palestinian side of the “Green Line” (the 1967 cease-fire line separating the West Bank from Israel).¹⁹ Some Israelis contend their security depends on the construction of the barrier, noting decreased suicide bombings in Israel since the barrier’s construction. Critics of the barrier see it as *de facto* Israeli annexation of portions of the occupied West Bank. President Abbas claims “the removal of the wall will be among the first issues that our government will address because, without its removal, Israel will effectively destroy the Roadmap.”²⁰

Israeli-Palestinian Mutual Commitments. Released on April 30, 2003, the framework (or “Road Map”) envisions a three-stage process comprising reciprocal steps leading to a viable Palestinian state alongside a secure Israel by 2009.²¹ President Abbas has expressed support for the Road Map and its implementation.

Prisoner Release. A core domestic issue for Abbas is the release of Palestinian political prisoners. Abbas has publicly stated “in principle we work for every prisoner to be released, but what we are looking for is the release of those who have spent many long years in jail.”²² On December 27, 2004, an agreement between Egypt, Israel, and the PA culminated with the release of 159 Palestinian political prisoners; on January 3, 2005, Israeli Cabinet ministers approved the release of an additional 900 Palestinian prisoners and on February 21, 2005 the first 500 prisoners were released. Some experts see this development merely as an Israeli gesture of goodwill towards Abbas; others view the release as a first step toward the wider release of an estimated 7,000 political prisoners.

Jerusalem. Israel claims Jerusalem as its undivided capital, while Palestinians seek to establish a capital for their state in East Jerusalem. Abbas repeatedly has called for the capital of any Palestinian state be located in the eastern portion of Jerusalem. There are also reports that Israeli internal security forces are preparing for possible confrontations between Jewish extremists and Palestinian Muslims near the al-Aqsa

¹⁷ Arnon Regular, “Abbas Says Wants Road Map Implemented in Full,” *Ha’aretz*, Jan. 16, 2005.

¹⁸ “Mofaz freezes handover of West Bank cities to Palestinians,” *Ha’aretz Service*, May 3, 2005.

¹⁹ The barrier or wall/fence is slightly more than half finished.

²⁰ Palestinian Prime Minister Mahmoud Abbas’s speech before Palestinian Legislative Council, Apr. 29, 2003. Negotiations Affairs Department, PLO, available at [<http://www.nad-plo.org>].

²¹ Available online at [<http://www.state.gov/r/pa/prs/ps/2003/20062.htm>]

²² “Abbas, Qurei Urge Release of All Palestinian Detainees,” *Palestine Media Watch*, Dec. 28, 2004.

mosque, Islam's third most venerated site.²³ In April 2005, Israeli police arrested Jewish militants on suspicion they were planning to attack the al-Aqsa mosque.

Refugees. President Abbas, himself a refugee, has made several unequivocal statements in support of the right of return for Palestinian refugees, claiming Palestinian refugees and their descendants from the war that followed Israel's creation in 1948 have the right to return to their original homes.²⁴ Some have suggested that Abbas may relax his stance on the refugee issue depending on the outcome of other outstanding issues.

Issues for Congress

U.S. Aid to the Palestinians.²⁵ Since 1993, Congress has authorized over \$1.5 billion in assistance to the Palestinians, generally distributed via third parties such as the U.S. Agency for International Development and private voluntary organizations. Funds are also distributed to Palestinians through the U.N. Relief and Works Agency (UNRWA). The Executive Branch has granted assistance directly to the PA on three occasions: in 1994 \$10 million was distributed to the PA through the Holst Fund at the World Bank; on July 8, 2003, \$20 million was granted to the PA for infrastructure projects; and on December 8, 2004, President Bush approved \$20 million for Palestinian utility payments to Israel.²⁶ P.L. 109-13, May 11, 2005, the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005, states that \$200 million should be made available for programs to support the Palestinians. Experts and policymakers continue to call for greater PA economic transparency to ensure that U.S. assistance not contribute to violence.

Israeli-Palestinian Peace. President Bush has stated that the establishment of a Palestinian state, living next to a secure Israel, is a top priority for his second term.²⁷ The conference report for FY2005 supplemental appropriations designated \$200 million in assistance to Palestinians for economic revitalization and trade, health care, civil society, infrastructure, and education.²⁸

²³ "Israeli Police Chief in Jordan," *Al-Jazeera News*, May 3, 2005.

²⁴ "Abbas: Refugees Will Return to Israel," *Associated Press*, Jan. 4, 2005.

²⁵ For a more detailed analysis of U.S.-Palestinian aid, see CRS Report RL32260, *U.S. Foreign Assistance to the Middle East: Historical Background, Recent Trends, and FY2005 Funding*, by Jeremy M. Sharp.

²⁶ Congress prohibits direct funding for the PA, but provides for a Presidential waiver if the President finds such aid is in US national interest. See H.R. 4818 (P.L. 108-447), Consolidated Appropriations Act, FY2005, Limitation on Assistance to the Palestinian Authority, Sec. 550.

²⁷ "Bush Vows to Work for Palestinian State," *CNN*, Nov. 12, 2004.

²⁸ Conference Report on H.R. 1268, Emergency Supplemental Appropriations for Defense, the Global War on Terror, and Tsunami Relief, for the fiscal year ending Sept. 30, 2005, and for other purposes, May 3, 2005.