

# The Palestinians: Background and U.S. Relations

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## Summary

This report covers current issues in U.S.-Palestinian relations. It also contains an overview of Palestinian society and politics and descriptions of key Palestinian individuals and groups—chiefly the Palestine Liberation Organization (PLO), the Palestinian Authority (PA), Fatah, Hamas (a U.S.-designated Foreign Terrorist Organization), and the Palestinian refugee population. The "Palestinian question" is important not only to Palestinians, Israelis, and their Arab state neighbors, but to many countries and non-state actors in the region and around the world—including the United States—for a variety of religious, cultural, and political reasons. U.S. policy toward the Palestinians is marked by efforts to establish a Palestinian state through a negotiated two-state solution to the Israeli-Palestinian conflict; to counter Palestinian terrorist groups; and to establish norms of democracy, accountability, and good governance. Congress has appropriated assistance to support Palestinian governance and development while trying to prevent the funds from benefitting Palestinians who advocate violence against Israelis. Since the signing of the Oslo Accord in 1993, Congress has committed more than \$5 billion in bilateral assistance to the Palestinians, over half of it since mid-2007.

Among the issues in U.S. policy toward the Palestinians is how to deal with the political leadership of Palestinian society. Although Fatah and Hamas agreed to the June 2014 formation of a consensus PA government appointed by Fatah head and PA President Mahmoud Abbas, Hamas retains de facto control over security in the Gaza Strip, despite forswearing formal responsibility. The United States has sought to bolster Abbas—who also chairs the PLO—vis-à-vis Hamas, though some Members of Congress have manifested concern about Abbas's periodic dealings with Hamas, international diplomatic tactics, and perhaps increasingly authoritarian domestic leadership. Anticipation that Abbas may be approaching the end of his tenure may be fueling political posturing among possible successors and influencing Abbas's own decisions.

The United States has supported various rounds of Israeli-Palestinian negotiations for more than 20 years. Another round ended acrimoniously in April 2014. Lack of progress on the peace process with Israel has led Abbas and his colleagues to consider alternative pathways toward a Palestinian state. This approach was initially based on the strategy of obtaining more widespread international recognition of Palestinian statehood in the West Bank (including East Jerusalem) and the Gaza Strip, and now may also be encouraging or taking advantage of international legal and economic pressure on Israel to improve the Palestinian negotiating position. The PLO has not obtained membership in the United Nations, but a November 2012 resolution in the U.N. General Assembly identified "Palestine" as a "non-member state," and the U.N. Educational, Scientific and Cultural Organization (UNESCO) admitted "Palestine" in late 2011. The Palestinians are primed to accede to the Rome Statute of the International Criminal Court (ICC) in April 2015, and the ICC could conceivably investigate Israeli, Palestinian, or other individuals for alleged crimes committed in the West Bank and Gaza. Palestinian actions at the ICC or elsewhere could trigger existing legal restrictions on U.S. aid and greater congressional scrutiny of future aid.

The Gaza situation also presents a dilemma. Humanitarian and economic problems persist, especially in the wake of a summer 2014 conflict between Israel and Hamas. Israel and Egypt maintain tight control over access to and commerce with Gaza. They and other international actors seem reluctant to take direct action toward opening Gaza's borders fully because of legal, political, and strategic challenges to dealing with Hamas. Political support and economic assistance from Iran and other state or private benefactors may bolster Hamas's rule and, combined with other factors, exacerbate the Palestinian political divide.

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## **Issues for Congress**

Congress plays a significant role in U.S. policy toward the Palestinians, which is marked by efforts to establish a Palestinian state through a negotiated two-state solution to the Israeli-Palestinian conflict; to counter Palestinian terrorist groups; and to establish norms of democracy, accountability, and good governance. Since the signing of the Oslo Accord (Declaration of Principles) in 1993, Congress has committed more than \$5 billion in bilateral assistance to the Palestinians. Recent annual U.S. bilateral assistance appropriations for the West Bank and Gaza Strip have been around \$440 million—\$370 million in economic aid and \$70 million in non-lethal security assistance for the Palestinians, by (name redacted), for more detailed information on this topic. A number of other international actors have also sought to assist the PA. Additionally, the United States remains the largest single-state donor to the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

Some Members of Congress question the continuation of U.S. budgetary, security, and/or developmental assistance to the Palestinians. Two concerns predominate. First, some Members oppose a Palestine Liberation Organization (PLO)/PA effort to pursue international initiatives outside negotiations with Israel, including at the United Nations and the International Criminal Court (ICC). Palestinian actions in late 2014 and early 2015 have enabled the ICC Prosecutor to open a preliminary examination into the "situation in Palestine" to determine "whether there is a reasonable basis to proceed with an investigation" against Israelis, Palestinians, or others.<sup>1</sup>

Second, some Members have opposed U.S. aid to the PA, or have sought to place it under increased scrutiny, after a new PA government was formed in June 2014 as a result of an agreement between Fatah (the faction that has traditionally dominated the PA) and Hamas. Although Hamas agreed to the government's formation, no Hamas members serve as government ministers, and a de facto split persists between Fatah-led authorities exercising means of control over the PA's West Bank areas of self-rule and Hamas-led groups exercising those means in Gaza.

The Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235), includes conditions on U.S. aid to the PA addressing these concerns, but the merits and sufficiency of these conditions remain subject to debate.

As Congress weighs the effectiveness and appropriateness of U.S. aid to the Palestinians and exercises oversight over Israeli-Palestinian developments, Members may consider the following:

- Prospects for a negotiated two-state solution between Israel and the PLO—with or without diplomatic measures relating to Palestinian statehood or international legal action involving Israelis and Palestinians.
- Threats of terrorism and armed conflict—both Israeli-Palestinian and intra-Palestinian—and options (military, political, economic) to prevent, counter, or mitigate these threats.
- The possible impact of regional developments and concerns over stability in Syria, Iraq, Egypt (especially the Sinai Peninsula), Lebanon, and Jordan.

<sup>&</sup>lt;sup>1</sup> ICC Press Release, "The Prosecutor of the International Criminal Court, Fatou Bensouda, opens a preliminary examination of the situation in Palestine," January 16, 2015.

- Palestinian leadership and civil society developments, including (1) a continued de facto division of control between the PA in the West Bank and Hamas in Gaza; and (2) concerns about growing authoritarianism and succession disputes in the absence of elections and other institutional mechanisms, checks, or reforms.
- Palestinian economic development and humanitarian considerations.

## Overview

### The "Palestinian Question," Israel, and Key Recent Developments

The Palestinians are Arabs who live in the geographical area that constitutes present-day Israel, the West Bank, and the Gaza Strip, or who have historical and/or cultural ties to that area. Since the early 20<sup>th</sup> Century, the desire to establish an independent state in historic Palestine has remained the dominant Palestinian national goal. Over time, Palestinians have differed among themselves, with Israelis, and with others over the nature and extent of such a state and the legitimacy of various means to achieve it. Today, the "Palestinian question" focuses on whether and how Palestinians can overcome internal divisions and external opposition to establish a viable, independent state capable of fulfilling their shared national aspirations. Along with the Palestinians of the West Bank, Gaza, and East Jerusalem (which include approximately 2 million U.N.-registered refugees), an estimated 3 million Palestinian U.N.-registered refugees outside these territories, in addition to a wider diaspora, await a permanent resolution of their situation.<sup>2</sup>

#### **Historical Background**

Historians have noted that the concept of Palestinian national identity is a relatively recent phenomenon and in large part grew from the challenge posed by increased Jewish migration to the area that now makes up Israel, the West Bank, and Gaza during the eras of Ottoman and British control in the first half of the 20<sup>th</sup> Century.<sup>3</sup> Palestinian political identity emerged during the British Mandate period (1923-1948), began to crystallize with the 1947 United Nations partition plan (General Assembly Resolution 181), and grew stronger following Israel's conquest and occupation of the West Bank and Gaza Strip in 1967. Although in 1947 the United Nations intended to create two states in Palestine—one Jewish and one Arab—only the Jewish state came into being. Varying explanations for the failure to found an Arab state alongside a Jewish state in mandatory Palestine place blame on the British, the Zionists, neighboring Arab states, the Palestinians themselves, or some combination of these groups.<sup>4</sup>

As the state of Israel won its independence in 1947-1948, roughly 700,000 Palestinians were driven or fled from their homes, an occurrence Palestinians call the *nakba* ("catastrophe"). Many from the diaspora ended up in neighboring states (Egypt, Syria, Lebanon, and Jordan) or in Gulf states such as Kuwait. Palestinians remaining in Israel became Israeli citizens. Those who were in

<sup>&</sup>lt;sup>2</sup> See http://www.unrwa.org/where-we-work for a place-by-place breakdown of U.N.-registered refugees.

<sup>&</sup>lt;sup>3</sup> See Rashid Khalidi, *Palestinian Identity: The Construction of Modern National Consciousness*, New York: Columbia Univ. Press, 1997.

<sup>&</sup>lt;sup>4</sup> See, e.g., Edward Said, *The Question of Palestine*, New York: Times Books, 1979; Barry Rubin, *Israel: An Introduction*, New Haven: Yale University Press, 2012.

the West Bank (including East Jerusalem) and Gaza were subject to Jordanian and Egyptian administration, respectively. With their population in disarray, and no clear hierarchical structure or polity to govern their affairs, Palestinians' interests were largely represented by Arab states with conflicting internal and external interests.

1967 was a watershed year for the Palestinians. In the June Six-Day War, Israel decisively defeated the Arab states who had styled themselves as the Palestinians' protectors, seizing East Jerusalem, the West Bank, and the Gaza Strip (as well as the Sinai Peninsula from Egypt and the Golan Heights from Syria). Thus, Israel gained control over the entire area that constituted Palestine under the British Mandate. Israel's territorial gains provided buffer zones between Israel's main Jewish population centers and its traditional Arab state antagonists. These buffer zones remain an important part of the Israeli strategic calculus to this day.

Ultimately Israel only effectively annexed East Jerusalem (as well as the Golan Heights), leaving the West Bank and Gaza under military occupation. However, both territories became increasingly economically interdependent with Israel. Furthermore, Israel presided over the settlement of thousands of Jewish civilians in both territories (although many more in the West Bank than Gaza)—officially initiating some of these projects and assuming security responsibility for all of them. Settlement of the West Bank in particular increased markedly once the Likud Party, with its vision of a "Greater Israel" extending from the Mediterranean Sea to the Jordan River, took power in 1977. This presented some economic and cultural opportunities for Palestinians, but also new challenges to their identity, property rights, civil liberties, morale, political cohesion, and territorial contiguity. These challenges persist and have since intensified.

The Arab states' humiliation in 1967, and Israeli rule and settlement of the West Bank and Gaza, allowed the Palestine Liberation Organization (PLO) to emerge as the representative of Palestinian national aspirations. Founded in 1964 as an umbrella organization of Palestinian factions and militias in exile under the aegis of the League of Arab States (Arab League), the PLO asserted its own identity after the Six-Day War by staging guerrilla raids against Israel from Jordanian territory. The late Yasser Arafat and his Fatah movement gained leadership of the PLO in 1969, and the PLO subsequently achieved international prominence on behalf of the Palestinian national cause—representing both the refugees and those under Israeli rule in the West Bank and Gaza—although often this prominence came infamously from acts of terrorism and militancy.

Although Jordan forced the PLO to relocate to Lebanon in the early 1970s, and Israel forced it to move from Lebanon to Tunisia in 1982, the organization and its influence survived. In 1987, Palestinians inside the West Bank and Gaza rose up in opposition to Israeli occupation (the first *intifada*, or uprising), leading to increased international attention and sympathy for the Palestinians' situation. In December 1988, as the intifada continued, Arafat initiated dialogue with the United States by renouncing violence, promising to recognize Israel's right to exist, and accepting the "land-for-peace" principle embodied in U.N. Security Council Resolution 242.<sup>5</sup> Many analysts believe that Arafat's turn to diplomacy with the United States and Israel was at least partly motivated by concerns that if the PLO's leadership could not be repatriated from

<sup>&</sup>lt;sup>5</sup> UNSCR 242, adopted in 1967 shortly after the Six-Day War, calls for a "just and lasting peace in the Middle East" based on (1) "Withdrawal of Israeli armed forces from territories occupied in the [1967 Six-Day War]" and (2) "Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force."

exile, its legitimacy with Palestinians might be overtaken by local leaders of the intifada in the West Bank and Gaza (which included Hamas). These concerns intensified when Arafat lost much of his Arab state support following his political backing for Saddam Hussein's 1990 invasion of Kuwait.

After direct secret diplomacy with Israel brokered by Norway, the PLO recognized Israel's right to exist in 1993, and through a succession of agreements (known as the "Oslo Accords"), gained limited self-rule for Palestinians in Gaza and parts of the West Bank—complete with democratic mechanisms; security forces; and executive, legislative, and judicial organs of governance under the PA. The Oslo Accords were gradually and partially implemented during the 1990s, but the expectation that they would lead to a final-status peace agreement has not been realized.

Many factors—including violence, leadership changes and shortcomings, rejectionist movements with sizeable popular followings (particularly Hamas on the Palestinian side), a continued Israeli security presence, expanded Israeli settlement of the West Bank and East Jerusalem, and international involvement—have contributed to the failure to complete the Oslo process. A second Palestinian intifada from 2000 to 2005 was marked by intense terrorist violence inside Israeli and actions—asserted by Israel to be necessary to safeguard its citizens' security—by Israeli security forces that rendered much of the PA infrastructure built over the preceding decade unusable. There is a legal proceeding ongoing in a U.S. district court in New York to determine whether the PLO and PA will be civilly liable for allegedly supporting six terrorist attacks that took place in and around Jerusalem from 2002 to 2004.<sup>6</sup>

During the second intifada, U.S.- and internationally supported efforts to restart peace negotiations under various auspices failed to gain traction. After Arafat's death in 2004<sup>7</sup> and his succession by Mahmoud Abbas, Israel unilaterally withdrew its settlers and military forces from Gaza in 2005. However, the limited self-rule regime of the PA was undermined further by Hamas's legislative election victory in 2006, and its takeover of Gaza in 2007. These developments, along with subsequent violence and regional political changes, have since increased confusion regarding questions of Palestinian leadership, territorial contiguity, and prospects for statehood.

<sup>&</sup>lt;sup>6</sup> Joseph Ax, "Bombing victims testify at U.S. trial on PLO role in Israel attacks," *Reuters*, February 2, 2015. The various attacks reportedly killed 33 and wounded more than 450 people. Damages of up to \$3 billion are being sought. Previous liability cases have been brought in U.S. courts against banks allegedly used by Palestinian terrorists. "Dramatic PLO trial gives terror victims stage for redress," *Associated Press*, January 19, 2015.

<sup>&</sup>lt;sup>7</sup> Arafat fell ill in Ramallah, West Bank, in October 2004, was transported to a military hospital in France, and died there. Records indicate that he died of a stroke resulting from a bleeding disorder caused by an unidentified underlying infection. Many Palestinians maintain that he was poisoned, with several theories blaming Israel and/or one or more of his Palestinian rivals or potential successors. Evidence revealed by Arafat's widow Suha indicating the presence of polonium on articles of Arafat's clothing led in August 2012 to French authorities opening an inquiry into his death and in November 2012 to the exhumation and reburial of his remains.

Three parties—the French probe, a Swiss medical laboratory, and a group of Russian experts appointed by the PA—have been involved in conducting tests on samples taken from Arafat's exhumed remains. Reports from these parties came out near the end of 2013, with the French team (reportedly) and the Russian team ruling out the poisoning theory and the Swiss laboratory offering "moderate backing for the theory." Palestinian officials have indicated that they will continue conducting investigations into Arafat's death. "Yasser Arafat died of natural causes - Russian report," *BBC News*, December 26, 2013.

#### **Present and Future Considerations**

Today, Fatah and Hamas are the largest Palestinian political movements (see **Appendix A** and **Appendix B**) for profiles of both groups and some of their leaders). The positions that their leaders express reflect the two basic cleavages in Palestinian society:

- 1. Between those (several in Fatah) who seek to establish a state by nonviolent means—negotiations, international diplomacy, civil disobedience—and those (Hamas) who insist on maintaining violence as an option; and
- 2. Between those (Fatah) who favor a secular model of governance and those (Hamas) who seek a society governed more by Islamic norms.

Many Palestinians assert that U.S. policy reflects a pro-Israel bias and a lack of sensitivity to PA President/PLO Chairman Mahmoud Abbas's domestic political rivalry with Hamas and other groups. During the past few years, lack of progress on the peace process with Israel has led Abbas and his colleagues to consider alternative pathways toward a Palestinian state. This approach was initially based on the strategy of obtaining more widespread international recognition of Palestinian statehood in the West Bank (including East Jerusalem) and the Gaza Strip, and now may also be encouraging or taking advantage of international legal and economic pressure on Israel to improve the Palestinian negotiating position. The Palestinians are also apparently adopting direct economic measures in opposition to Israeli actions.<sup>8</sup> For more information on Israeli-Palestinian issues, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted).

According to reports, Abbas also periodically considers other alternative strategies for the West Bank. Such alternatives include encouraging greater Palestinian nonviolent resistance to Israel and even dissolving the PA altogether.<sup>9</sup> Some Palestinian and international intellectuals continue to advocate the idea of a "binational" or "one-state" idea as an alternative to a negotiated two-state solution, even though polls indicate that sentiment among Israelis and Palestinians leans predominantly toward separate states and national identities.<sup>10</sup>

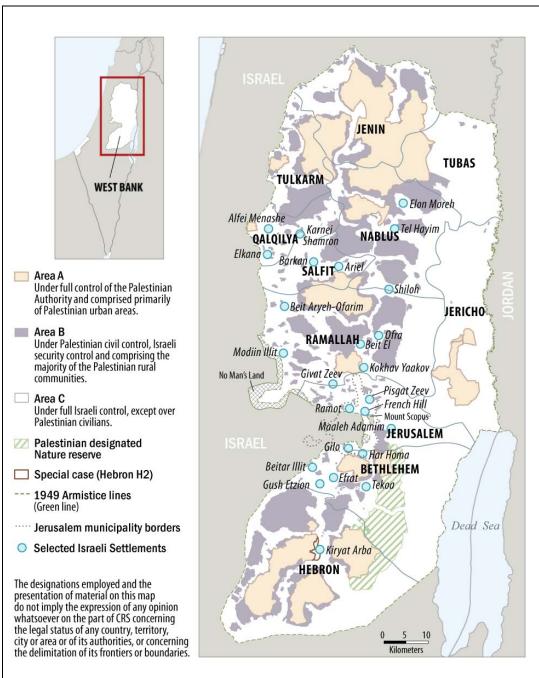
The "Palestinian question" is important not only to Palestinians, Israelis, and their Arab state neighbors, but to many countries and non-state actors in the region and around the world—including the United States—for a variety of religious, cultural, and political reasons. Over the

<sup>&</sup>lt;sup>8</sup> In February 2015, a Fatah Central Committee member announced that the PA would prevent products from six major Israeli companies from entering the West Bank, claiming that the decision came as a result of a "recent surge of Israeli violations, on top of which the takeover of large tracts of Palestinian lands for settlement purposes and Israel's illegal freeze of Palestinian tax revenues, collected on behalf of PA." "PA to Ban Six Israeli Products from West Bank Market," *WAFA – Palestinian News & Info Agency*, February 9, 2015.

<sup>&</sup>lt;sup>9</sup> Those who support the idea of dissolving the PA apparently believe that Israel's motivation for agreeing to Palestinian sovereignty in the West Bank (and possibly Gaza) might increase considerably were it to again shoulder the full burden of governing the territory and its residents. Others dismiss the plausibility of the idea, largely over concerns about possible destabilization given the direct reliance of over 150,000 Palestinians (and their families) on PA employment. The Palestinian Center for Policy and Survey Research published a series of reports in 2013 on the possibility of collapse or dissolution of the PA under the title of *The Day After: How Palestinians Can Cope if the PA Ceases to Function*.

<sup>&</sup>lt;sup>10</sup> See, e.g., Palestinian Center for Policy Survey and Research (PCPSR) Joint Israeli Palestinian Poll – June 2014; PCPSR Palestinian Public Opinion Poll No 54, January 15, 2015. Most scenarios envisioning a binational Israeli-Palestinian state would apparently fundamentally change or abrogate the Zionist nature of Israel's institutional and societal makeup. Such developments would by almost all accounts be unacceptable to a large majority of Israelis.

past 67 years, if not longer, the issue has been one of the most provocative in the international arena. Various global jihadist groups (including Al Qaeda), Iran, and others seeking to garner support for and/or mobilize Arab and Muslim sentiment against the United States, Israel, and/or other Western nations routinely use the Palestinian cause as a touchstone for their grievances. Analysts often debate whether the Palestinian question is truly central to the region's and world's problems, with some contending that more often than not it is used by various actors as a pretext to deflect attention from matters more central to their respective interests.



#### Figure I. Map of West Bank

PA Governorates; Areas A, B, and C; and Selected Israeli Settlements

Source: CRS, adapted from the U.N. Office for the Coordination of Humanitarian Affairs.

**Notes:** All boundaries and depictions are approximate. Israeli settlements are not drawn to scale and do not reflect the full scope of Jewish residential construction in the West Bank and East Jerusalem. Areas A, B, and C were designated pursuant to the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995. H2 was designated pursuant to the Protocol Concerning the Redeployment in Hebron, dated January 17, 1997. Additional Israeli settlements exist within Area C but are not denoted, particularly a group of settlements with small populations located along the Jordanian border (the Jordan Valley).

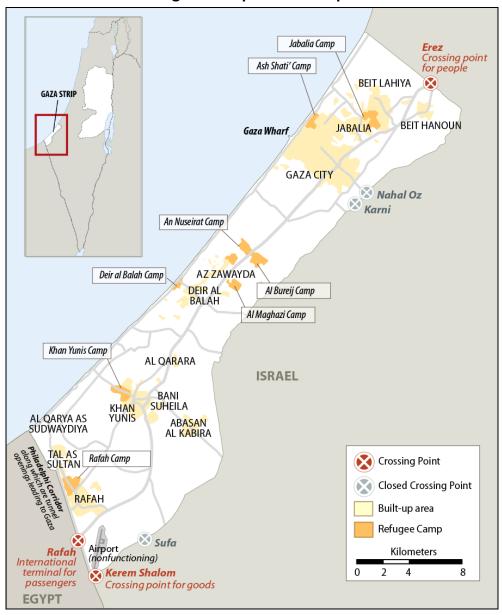


Figure 2. Map of Gaza Strip

**Source:** U.N. Office for the Coordination of Humanitarian Affairs and UNOSAT, with additional data from UNRWA; adapted by CRS.

#### Summer 2014 Gaza Conflict and Other Israeli-Palestinian Unrest

A summer 2014 conflict lasting approximately 50 days between Israel and Hamas (along with other Palestinian militants based in Gaza) was the third major conflict involving those parties in the past six years, with previous conflicts occurring in December 2008-January 2009 and November 2012. Though distinct, each arguably has featured mutual tests of military capability, domestic political cohesion, and deterrence in times of political change. Each of the three conflicts has also featured heated debate over respective culpability and the targeting or reckless endangerment of civilians, who have suffered death, injury, and massive displacement and

property damage. As with the previous conflicts, much international attention in the aftermath has focused on the still largely elusive tasks of:

- Improving humanitarian conditions and economic opportunities for Palestinians in Gaza; and
- Preventing Hamas and other militants from reconstituting arsenals and military infrastructure.

Egypt brokered an August 2014 cease-fire that—similar to the arrangements ending the other conflictscontemplated subsequent talks involving Israel, Fatah, and Hamas to discuss possible ways to ease restrictions on Gaza's commerce and to address Israeli security concerns and concerns from humanitarian suppliers about possible diversion of resources to Hamas. An October 2014 international donor conference in Cairo garnered about \$2.7 billion in pledges specifically for Gaza alongside a similar amount pledged for assistance to the Palestinians more generally.<sup>11</sup> However, reports indicate that importing construction materials remains complicated and is proceeding relatively slowly.<sup>12</sup> By all accounts. Hamas remains the key security provider in Gaza,

#### Major Israel-Hamas Conflicts Since 2008 December 2008-January 2009: Israeli codename "Operation Cast Lead" Three-week duration, first meaningful display of Palestinians' • Iranian-origin rockets, Israeli air strikes and ground offensive Political context: Impending leadership transitions in Israel and United States; struggling Israeli-Palestinian peace talks (Annapolis process) Fatalities: More than 1,100 (possibly more than 1,400) Palestinians; 13 Israelis (three civilians) November 2012: "Operation Pillar of Defense (or Cloud)" Eight-day duration, Palestinian projectiles of greater range and variety, Israeli airstrikes, prominent role for Israel's Iron Dome anti-rocket system Political context: Widespread Arab political change, including rise of Muslim Brotherhood to power in Egypt; three months before Israeli elections Fatalities: More than 100 Palestinians, six Israelis (four civilians) July-August 2014: "Operation Protective Edge/Mighty Cliff" About 50-day duration, Palestinian projectiles of greater range and variety, Israeli air strikes and ground offensive, extensive Palestinian use of and Israeli countermeasures against tunnels within Gaza, prominent role for Iron Dome Political context: Shortly after (1) unsuccessful round of Israeli-Palestinian peace talks, (2) PA consensus government formation and end of Hamas's formal responsibilities for governing Gaza, (3) prominent youth killings Fatalities: More than 2,100 Palestinians, 71 Israelis (five civilians), and one foreign worker

even though it forswears formal responsibility. For more information, see "Gaza: Hamas, PA, Israel, and Egypt (Sinai)" below.

In the fall of 2014, unrest spiked among Palestinians in Jerusalem, the West Bank, and even some Arab communities in Israel for a variety of reasons. Increasingly vigorous and occasionally

<sup>&</sup>lt;sup>11</sup> "Donors pledge \$5.4bn for Palestinians at Cairo summit," *BBC News*, October 12, 2014.

<sup>&</sup>lt;sup>12</sup> Gisha – Legal Center for Freedom of Movement, "The Gaza Cheat Sheet," January 19, 2015. One proposal calculated to help loosen the commerce-security deadlock, facilitating exports from Gaza to the West Bank, has been implemented on a fairly small scale. Ibid.

violent manifestations of Palestinian grievances appear to be connected with lingering resentment and new outrage over developments including

- Efforts by some Israelis to gain greater access to and greater worship permissions on the Temple Mount/Haram al Sharif (Noble Sanctuary) in Jerusalem's Old City.
- The burning to death in July 2014 of a Palestinian teenager in Jerusalem by Israeli extremists, apparently in retaliation for the June 2014 killings of three Israeli teenagers in the West Bank by Hamas-connected Palestinian militants.
- Various indications of direct or tacit Israeli official backing for greater Jewish settlement in East Jerusalem and the West Bank, including via announcements relating to land expropriation and construction of Jewish residential housing that are widely opposed internationally.

Some observers project that unrest and violence could spiral,<sup>13</sup> while others point to joint Israel-PA security efforts to prevent any such escalation in the West Bank.<sup>14</sup> Unlike during the two Palestinian intifadas (1987-1993 and 2000-2005), violent acts appear to occur mainly from individuals' own initiative rather than via direct political coordination.<sup>15</sup> Israel's police chief has said that a lack of apparent organization makes preventing violence more difficult,<sup>16</sup> though Israel is reportedly implementing a number of additional security measures.<sup>17</sup>

#### **International Criminal Court Actions**

#### Overview

Actions by the Palestinians related to the ICC and possible legal proceedings against Israeli nationals are likely to have a number of implications, including for U.S. aid to the Palestinians (see "Palestinian International Initiatives: Effect on U.S. Aid" below). Both Israel (facing national elections in March 2015) and the Palestinians deal with domestic pressure to act outside of negotiations in order to improve their positions vis-à-vis one another. In early January 2015, Palestinian leaders deposited an instrument of accession for the "State of Palestine" to become party to the Rome Statute of the ICC, after declaring acceptance in late December 2014 of ICC jurisdiction over crimes allegedly "committed in the occupied Palestinian territory, including East Jerusalem, since June 13, 2014." For information on the overall international diplomatic context, see "Palestinian Diplomatic Initiatives at the United Nations and Elsewhere" below.

As mentioned above, the ICC Prosecutor has opened a preliminary examination into the "situation in Palestine" to determine "whether there is a reasonable basis to proceed with an investigation" against Israelis, Palestinians, or others, having found that the Palestinians have the

<sup>&</sup>lt;sup>13</sup> See, e.g., Avi Issacharoff, "The Jerusalem Intifada is underway, and it's going to get worse," *Times of Israel*, November 21, 2014.

<sup>&</sup>lt;sup>14</sup> Ahmad Melham, "Despite Jerusalem unrest, West Bank remains quiet," *Al-Monitor Palestine Pulse*, November 26, 2014.

<sup>&</sup>lt;sup>15</sup> William Booth and Ruth Eglash, "Fear of deadly 'religious war' between Jews and Muslims raised after synagogue attack," *Washington Post*, November 19, 2014.

<sup>&</sup>lt;sup>16</sup> "Israel to destroy Jerusalem synagogue killers' homes," CBS News, November 18, 2014.

<sup>&</sup>lt;sup>17</sup> Hazel Ward, "Israel Is Tightening Security After Knife Attacks," Agence France Presse, November 11, 2014.

proper capacity to accept ICC jurisdiction in light of the November 2012 adoption of U.N. General Assembly Resolution 67/19 (see "Palestinian Diplomatic Initiatives at the United Nations and Elsewhere" below).<sup>18</sup> Palestinian leaders publicly anticipate providing information to the ICC on alleged Israeli crimes regarding both the summer 2014 Israel-Gaza conflict and settlement activity in the West Bank. On January 6, 2015, the U.N. Secretary-General, who functions as the depositary for the Rome Statute, stated that the Statute "will enter into force for the State of Palestine on 1 April 2015."

The Obama Administration and some Members of Congress have criticized the Palestinians' ICCrelated actions.<sup>19</sup> The State Department spokesperson has argued that the Palestinians are ineligible to accede to the Rome Statute<sup>20</sup> and has indicated opposition to an apparently retaliatory move by Israel to freeze the transfer of tax and customs revenues to the PA that Israel collects on the PA's behalf.<sup>21</sup>

#### ICC Procedural Considerations<sup>22</sup>

The ICC can exercise jurisdiction over alleged genocide, war crimes, and crimes against humanity ("ICC crimes") that occur on the territory of or are perpetrated by nationals of an entity deemed to be a State

- after the Rome Statute enters into force for a State Party;
- during a period of time in which a non-party State accepts jurisdiction; or
- pursuant to a U.N. Security Council resolution referring the situation in a State to the ICC.

Palestinian accession and acceptance of jurisdiction grant the ICC Prosecutor authority to investigate all alleged ICC crimes committed after June 13, 2014, by any individual—Israeli, Palestinian, or otherwise—on "occupied Palestinian territory."

Palestinian actions do not ensure any formal ICC investigation or prosecution of alleged ICC crimes. A party to the Rome Statute can refer a situation to the Court and is required to cooperate with the Prosecutor in her investigations, but it is the role of the Prosecutor to determine whether to bring charges against and prosecute an individual. In addition, a case is inadmissible before the ICC if it concerns conduct that is the subject of "genuine" legal proceedings (as described in Article 17 of the Statute) brought by a state with jurisdiction, including a state (such as Israel) that is not party to the Statute. In light of this, Israeli military officials are reportedly debating the extent to which they should seek legal accountability for soldiers in connection with the summer 2014 Israel-Gaza conflict.<sup>23</sup>

<sup>&</sup>lt;sup>18</sup> ICC Press Release, op. cit.

<sup>&</sup>lt;sup>19</sup> See, e.g., a January 9, 2015, statement from four Senators at http://www.kirk.senate.gov/?p=press\_release&id=1295.

<sup>&</sup>lt;sup>20</sup> State Department Daily Press Briefing, January 7, 2015.

<sup>&</sup>lt;sup>21</sup> State Department Daily Press Briefing, January 5, 2015.

<sup>&</sup>lt;sup>22</sup> This section was authored by (name redacted), Analyst in Foreign Policy Legislation.

<sup>&</sup>lt;sup>23</sup> "Israeli military divided over whether to probe wartime conduct by soldiers in Gaza," Associated Press, January 6, 2015.

The ICC Prosecutor is required to notify all states with jurisdiction over a potential case, and such states are afforded the opportunity to challenge ICC jurisdiction over a case on inadmissibility grounds. For background information, see archived CRS Report R41116, *The International Criminal Court (ICC): Jurisdiction, Extradition, and U.S. Policy*, by (name redacted).

### Palestinian Leadership and Questions Regarding Succession

#### Mahmoud Abbas (aka "Abu Mazen")

Abbas, by virtue of his status as the current PLO chairman, PA president, and head of Fatah, is generally regarded as the leader of the Palestinian national movement, despite Hamas's large measure of control over Gaza.

Born in 1935 in Safed in what is now northern Israel, Abbas and his family left as refugees for Syria in 1948 when Israel was founded. He earned a B.A. in law from Damascus University and a Ph.D. in history from Moscow's Oriental Institute.<sup>24</sup> Abbas was an early member of Yasser Arafat's Fatah movement, joining in Qatar, and became a top deputy to Arafat and head of the PLO's national and international relations department in 1980. Abbas initiated dialogue with Jewish and pacifist movements as early as the 1970s, and, as the head of the Palestinian negotiating team to the secret Oslo talks in the early 1990s, is widely seen as one of the main architects of the peace process.<sup>25</sup>

Abbas returned to the Palestinian territories in September 1995 and took residences in Gaza and Ramallah. Together with Yossi Beilin (then an Israeli Labor Party government minister), Abbas drafted a controversial "Framework for the Conclusion of a Final Status Agreement Between Israel and the PLO" (better known as the "Abu Mazen-Beilin Plan") in October 1995.<sup>26</sup> In March 2003, Abbas was named the first PA prime minister, but never was given full authority because Arafat (the PA president) insisted that ultimate decision-making authority and control over security services lie with him. Abbas resigned as prime minister in frustration with Arafat, the United States, and Israel in September 2003.

Following the death of Yasser Arafat in November 2004, Abbas succeeded Arafat as chairman of the PLO's Executive Committee, and he won election as Arafat's successor as PA president in January 2005 with 62% of the vote. His presidency has been marked by events that include

• Israel's 2005 unilateral withdrawal from Gaza;

<sup>&</sup>lt;sup>24</sup> Some Jewish groups allege that Abbas's doctoral thesis and a book based on the thesis (entitled *The Other Side: The Secret Relationship Between Nazism and Zionism*) downplayed the number of Holocaust victims and accused Jews of collaborating with the Nazis. Abbas has maintained that his work merely cited differences between other historians on Holocaust victim numbers, and has stated that "The Holocaust was a terrible, unforgivable crime against the Jewish nation, a crime against humanity that cannot be accepted by humankind." "Profile: Mahmoud Abbas," *BBC News*.

<sup>&</sup>lt;sup>25</sup> Yet, one of the Black September assassins involved in the 1972 Munich Olympics terrorist attack that killed 11 Israeli athletes has claimed that Abbas was responsible for financing the attack, even though Abbas "didn't know what the money was being spent for." Alexander Wolff, "The Mastermind," *Sports Illustrated*, August 26, 2002.

<sup>&</sup>lt;sup>26</sup> The Abu Mazen-Beilin plan contemplated a two-state solution that, among other things, would create a special mechanism for governing Jerusalem that would allow it to function as the capital of both Israel and Palestine, and would resolve the Palestinian refugee issue by allowing return to Israel only in special cases and providing for a compensation regime and resettlement elsewhere in most others. Its existence was denied for five years until its text was made public in 2000. Text available at http://www.bitterlemons.org/docs/beilinmazen.html.

- the January 2006 Hamas legislative electoral victory;
- the June 2007 Hamas takeover of Gaza;
- the 2007-2008 U.S.-supported Annapolis negotiating process with Israeli Prime Minister Ehud Olmert; and
- subsequent diplomatic efforts that have alternated between negotiations with Israel and initiatives in various international fora.

Many reports indicate that Abbas has taken several actions and positions reluctantly, and is motivated by a complex combination of factors that include resisting challenges to his personal authority, preventing destabilization and violence, and maintaining as many political and diplomatic options as possible. Some analysts are concerned that, without a functioning Palestinian legislature and with the prospect of future PA elections uncertain, the rule of President Abbas is becoming less legitimate and more authoritarian and corrupt. In late 2014, reports emerged of informal congressional holds on proposed U.S. aid projects for the West Bank, indicating reluctance among some Members of Congress to benefit Abbas politically.<sup>27</sup>

Concerns about maintaining order and stability may have motivated Abbas and his closest associates to increase their personal control over events and public discourse in the West Bank in recent years. Some analysts interpreted the 2013 replacement of long-serving PA Prime Minister Salam Fayyad—generally seen by Western governments as a trusted interlocutor and an exceptionally competent official—with political neophyte Rami Hamdallah as a sign of Abbas's greater consolidation of power. Abbas simultaneously appointed or re-appointed some of his close associates to other key cabinet posts.<sup>28</sup> Various other reports have focused on the establishment of a PA anti-corruption commission and court as a means for Abbas to counter political foes,<sup>29</sup> and on his possible use of patronage to maintain loyalty.<sup>30</sup> Threats of violence against Israeli and PA security personnel in Palestinian refugee camps, as well as the emergence of independent camp leadership committees, may signal challenges to Abbas's domestic control.<sup>31</sup>

#### **Possible Succession Scenarios and Anticipatory Effects**

Abbas's age and the lack of a clear successor to his leadership, as well as questions about the process by which a potential successor would be selected, have contributed to widespread speculation about who might lead the PLO and PA upon the end of his tenure. Abbas may be increasingly mindful of his legacy and how his subsequent statements and actions will impact that legacy. Given the anticipation and uncertainty regarding the timing and nature of a leadership change, rivalry among Abbas and various potential successors for domestic loyalty and support might be contributing to intensified political infighting and more demonstrative assertions of Palestinian national demands on Israel and other international actors.<sup>32</sup> According to one Israeli

<sup>&</sup>lt;sup>27</sup> Julian Pecquet, "Congress (mostly) signs off on Palestinian aid," *Al-Monitor Congress Pulse*, November 26, 2014.

<sup>&</sup>lt;sup>28</sup> These include Shukri Bishara, the finance minister; Muhammad Mustafa, deputy prime minister (who also has responsibility for economic affairs and chairs the Palestine Investment Fund); Ziad Abu Amr, another deputy prime minister; and Riyad al Malki, the foreign minister.

<sup>&</sup>lt;sup>29</sup> See, e.g., "Arafat's moneyman targeted in highest-profile Palestinian corruption probe," *Associated Press*, May 17, 2012; Jonathan Schanzer, "When Palestinian Politics Get Personal," *weeklystandard.com*, January 26, 2012.

<sup>&</sup>lt;sup>30</sup> Khaled Abu Toameh, "PLO: Battle for Succession Has Begun," Gatestone Institute, October 18, 2013.

<sup>&</sup>lt;sup>31</sup> "A new type of settlement," *Economist*, October 12, 2013.

<sup>&</sup>lt;sup>32</sup> See, e.g., Grant Rumley, "In Palestine, Mahmoud Abbas vs. Mohammad Dahlan," *nationalinterest.org*, January 3, (continued...)

journalist's commentary, "the twenty-strong Fatah Central Committee has urged Abbas to introduce the new post of vice president, but he has refused to contemplate that suggestion for fear of jeopardizing his executive control over the PA, since the official in question could be viewed as his de facto heir apparent."<sup>33</sup>Abbas has also indefinitely postponed Fatah's Seventh Conference, originally scheduled for August 2014, which would presumably set forth the faction's platform and elect or reelect its leadership.

It is possible that Abbas could give up either the PLO position or the PA position and retain the other for some period of time. Given that the two entities are structurally and functionally separate (though their roles may overlap in some respects),<sup>34</sup> it is not guaranteed that one person would succeed to both leadership positions.

A succession could present Hamas with opportunities to increase its profile, especially if the succession process is slow and does not definitively concentrate power around one or more non-Hamas figures.<sup>35</sup> Hamas exercises a significant measure of control in Gaza, maintains a majority in the currently suspended Palestinian Legislative Council, and appears to have a significant number of loyal Palestinian supporters. Regional events in the past three years, as described in **Appendix A** below, have dealt some setbacks to Hamas both in its administration of Gaza and in its efforts to gather domestic and regional support for "resistance" against various Israeli activities concerning Palestinians. However, its ability to violently target Israelis and engage Israel's military in high-profile conflict remains an avenue for attracting popular Palestinian and wider Arab support.

Under Article 37 of the Palestinian Basic Law, it appears that if Abbas were to leave office, the speaker of the Palestinian Legislative Council (PLC) would take over his duties as president for a period not to exceed 60 days, by which time elections for a more permanent successor are supposed to take place. Although the PLC has not been in session since Hamas forcibly took control of Gaza in 2007 and Abbas dismissed the Hamas-led PA government in response, the PLC's speaker is Aziz Dweik, a member of Hamas. PA presidential elections only involve residents of the West Bank (including East Jerusalem) and Gaza, not diaspora Palestinians. Though Hamas members have not run in past presidential elections, one or more could potentially run in future elections.

In any case, the extent to which succession to the PA presidency will ultimately be determined by elections and/or under the Palestinian Basic Law is unclear. Abbas's term of office was supposed to be four years, with a new round of elections initially planned for 2009 that would have allowed Abbas to run for a second and (under the Basic Law) final term. However, the split between the Fatah-led PA in the West Bank and Hamas in Gaza has indefinitely postponed PA presidential and

<sup>(...</sup>continued)

<sup>2015.</sup> In January 2015, Abbas reportedly decided to cut off salaries to more than 200 Fatah officials and activities suspected of being affiliated with Muhammad Dahlan (for information on Dahlan, see **Table B-1**), triggering protests in Gaza and criticism from at least one Fatah leader. Khaled Abu Toameh, "Abbas' decision to cut salaries of Dahlan supporters causes revolt within Fatah," *jpost.com*, January 27, 2015.

<sup>&</sup>lt;sup>33</sup> Ehud Yaari, "The Riddle of Succession in the Palestinian Authority," Washington Institute for Near East Policy, PolicyWatch 2252, May 14, 2014.

<sup>&</sup>lt;sup>34</sup> For a description of the PLO, see Appendix A. For a description of the PA see "Palestinian Authority (PA)."

<sup>&</sup>lt;sup>35</sup> In April 2013, Representative Peter Roskam introduced H.Res. 177: "Urging the Palestinian Authority and President Mahmoud Abbas to clarify a presidential succession plan, expand political freedom in the West Bank, and take preventative measures to limit the possibility of a Hamas takeover in the West Bank."

legislative elections. Despite the consensus government's nominal formation in June 2014, elections may remain unlikely absent a change in the nature of Hamas's control over Gaza. In December 2009, the PLO's Central Council voted to extend the terms of both Abbas and the current PLC until elections can be held. It is possible that this precedent could lead to PLO action in selecting or attempting to select a successor to Abbas as PA president if elections are not held shortly after he leaves office.

See Appendix B for information on possible successors to Abbas.

#### **Demographic and Economic Profile**

There are an estimated 4.62 million Palestinians living in the West Bank, Gaza Strip, and East Jerusalem (approximately 2.83 million in the West Bank and East Jerusalem, and 1.79 million in Gaza).<sup>36</sup> Of these, approximately 2 million are registered as refugees (in their own right or as descendants of the original refugees) from the 1947-1948 Arab-Israeli war. (In addition, approximately 540,000 Jewish Israeli citizens live in the West Bank and East Jerusalem.) Another some 3 million Palestinians live as refugees in Jordan, Lebanon, and Syria, in addition to non-refugees living in these states and elsewhere around the world.

| Country or Region                         | Population |
|---|------------|
| West Bank, Gaza Strip, and East Jerusalem | 4,620,000  |
| Israel                                    | 1,460,000  |
| Arab states                               | 5,340,000  |
| Other states                              | 675,000    |
| Total                                     | 12,095,000 |

Table 1. Estimated Palestinian Population Worldwide

Source: Palestinian Central Bureau of Statistics, 2014.

West Bank Palestinians generally are wealthier, better educated, and more secular than their Gazan counterparts. The Palestinian population in the West Bank and Gaza has one of the highest growth rates in the world and is disproportionately young. According to the Palestinian Central Bureau of Statistics, 39.9% of the Palestinians in the territories as of 2013 were less than 15 years old. The youth bulge ensures that the population growth rate will remain high even as fertility rates decline. Possible implications were summarized thusly in a March 2009 Brookings Institution report:

If young people are engaged in productive roles, the Palestinian youth bulge can be a positive factor in economic development. Human capital is the main comparative advantage that Palestinian Territories have over naturally resource-rich countries in the Middle East. Yet, as in any economy, a large cohort of young Palestinians will continue to exert pressure on the education system and labor markets.<sup>37</sup>

<sup>&</sup>lt;sup>36</sup> Palestinian Central Bureau of Statistics (PCBS), 2014. PCBS also reports that an additional 1.46 million Palestinians live as Arab citizens of Israel.

<sup>&</sup>lt;sup>37</sup> Nawtej Dhillon, "Beyond Reconstruction: What Lies Ahead for Young Palestinians," Brookings Institution, March 2009.

Palestinians are relatively well educated among Arab countries, with an adult literacy rate of 95%. (Jordan and Egypt, by comparison, have a 96% and a 74% adult literacy rate, respectively.)<sup>38</sup> The Palestinian population in the West Bank and Gaza is approximately 98% Sunni Muslim; approximately 1% is Christian of various denominations.<sup>39</sup>

| Statistic                          | West Bank  | Gaza Strip                  | Combined   |
|------------------------------------|--|-----------------------------|--|
| Population<br>(2014 est.)          | 2,830,000  | 1,790,000                   | 4,620,000  |
| Refugees<br>(2015 est.)            | 762,000  | 1,259,000                   | 2,021,000  |
| Median age (2014 est.)             | 22.4   | 18.2                        | -  |
| Population growth rate (2014 est.) | 2.0%   | 2.9%                        | -  |
| Real GDP growth rate (2014 est.)   | 5.2% (Q2)  | -10.5% (Q2)                 | 1.0%   |
| GDP per capita (2013<br>est.)      | \$2,200  | \$1,190                     | \$1,790  |
| Unemployment rate<br>(2014 est.)   | 16.0% (Q2)   | 45.1% (Q2)                  | 25.0%  |
| Inflation rate (2014 est.)         | -  | -                           | 2.0%   |
| Exports (2013 est.)                | -  | -                           | \$1.7 bil  |
| Export commodities                 | stone, olives, fruit,<br>vegetables                                      | fruits, vegetables, flowers | -  |
| Export partners<br>(2012 est.)     | -  | -                           | Israel 81.8%, Arab states<br>13.9%, North America 2.2% |
| Imports (2013 est.)                |  |                             | \$6.3 bil  |
| Import commodities                 | food, consumer goods,<br>construction materials,<br>petroleum, chemicals | food, consumer goods        | -  |
| Import partners<br>(2012 est.)     | -  | -                           | lsrael 83.2%, Europe 10.0%,<br>Arab States 4.0%        |

Table 2. Basic Facts for the West Bank and Gaza Strip

**Sources:** Central Intelligence Agency, Palestinian Central Bureau of Statistics, World Bank, *Economist Intelligence Unit*, UNRWA.

Sources: Population figures exclude Israeli settlers.

<sup>&</sup>lt;sup>38</sup> United Nations Children's Fund (UNICEF) data, available at http://www.childinfo.org/education\_literacy.php.

<sup>&</sup>lt;sup>39</sup> State Department International Religious Freedom Report for 2013.

### The Regional and International Context

#### In General

Without sovereignty or a self-sufficient economy, Palestinians' fortunes depend to a large degree on the policies of other countries and international organizations with influence in the surrounding region. Almost every aspect of Palestinian existence has some connection with Israel given Israel's occupation of the West Bank; its effective unilateral annexation of East Jerusalem; and its large measure of control over borders, resources, and trade in both the West Bank and Gaza. Both Israelis and Palestinians continue to acknowledge that the United States helps define both regional and international frameworks within which they and other international actors address their mutual issues. Some observers believe that the Israeli-Palestinian conflict commands less U.S. attention than it deserves because issues in other areas of the region and world distract attention from it. Others suggest that U.S. involvement with and support to the Palestinians demonstrates that the United States does accord the conflict priority status despite many other existing global concerns.

Some observers argue that Arab states have been historically complicit in prolonging the plight of the Palestinians (and Palestinian refugees in particular) because doing so pressures Israel and serves Arab states' domestic interests by deflecting attention from domestic problems and by avoiding difficulties that might result from assimilating the refugees into their societies. It is unclear what effect ongoing political change in Arab states will have on the Palestinian question and its various Israeli and Palestinian stakeholders. Potential effects of political change could include intensified jockeying by powers such as Iran, Turkey, Egypt, and Saudi Arabia to use the Palestinian issue for regional influence, or further destabilization and use of neighboring territory by criminal or terrorist networks in Syria, Iraq, Lebanon, and Egypt's Sinai Peninsula.

#### Palestinian Diplomatic Initiatives at the United Nations and Elsewhere

#### Overview

As mentioned above, the PLO has pursued a number of international initiatives that are part of a broader effort to obtain greater international recognition of Palestinian statehood, and apparently to place international legal or economic pressure on Israel in order to strengthen the PLO's hand in negotiations. Some 130 out of 193 U.N. member states have reportedly formally recognized the state of Palestine that was declared by the PLO in 1988, mostly outside of the group of North American and Western European countries that are the PA's main financial patrons and exercise considerable political influence in the region. In the fall of 2014, Sweden became the first Western European country to formally recognize Palestinian statehood, and nonbinding resolutions in favor of recognition have been passed in houses of parliament in a number of other European countries, including the United Kingdom, France, and Spain. In December 2014, the European Parliament passed a resolution expressing support in principle for Palestinian statehood. Developments in Europe formally or symbolically providing greater recognition of Palestinian statehood.

<sup>&</sup>lt;sup>40</sup> For more details, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted).

On November 29, 2012, the U.N. General Assembly (UNGA) adopted Resolution 67/19 by a vote of 138 member states in favor (including 14 European Union countries—France and Spain among them), 9 against (including the United States and Israel), and 41 abstentions. The resolution changed the permanent U.N. observer status of the PLO (recognized as "Palestine" within the U.N. system) from an "entity" to a "non-member state."<sup>41</sup>

In April 2014, with the most recent round of U.S.-mediated Israeli-Palestinian negotiations on the verge of collapse, Abbas and the PLO applied to join a number of international treaties and conventions. This contributed to ensuring the talks' discontinuation. In late 2014/early 2015, the Palestinians applied to join additional treaties and conventions, including the Rome Statute of the ICC (see "International Criminal Court Actions" above). This took place shortly after a U.N. Security Council vote on December 30, 2014, in which a Palestinian-backed, U.S.-opposed draft resolution regarding some contentious Israeli-Palestinian issues garnered only eight of the required nine votes for adoption.<sup>42</sup>

The United States and Israel have indicated concern that Palestinian recourse to international fora could undermine prospects for U.S.-mediated negotiations or stoke popular unrest. The Palestinians and Arab states are reportedly planning to arrange for the introduction of another U.N. Security Council draft resolution seeking to establish parameters for resuming Israeli-Palestinian talks, amid speculation that the change in composition of the Council from 2014 to 2015 might augur well for the draft resolution's chances at garnering nine votes. This could particularly be the case if the Palestinians accept a document with fewer compulsory terms than the one voted down on December 30. The United States has stated its willingness to veto draft resolutions that seek to dictate the terms of an Israeli-Palestinian final-status agreement outside negotiations. It is unclear whether U.S. officials would veto a document establishing broad parameters governing the negotiations' resumption, scope, and conduct.

#### Efforts to Obtain Membership in the U.N. or U.N. Entities

In September 2011, PLO Chairman Abbas applied for Palestinian membership in the United Nations. The application remains pending in the Security Council's membership committee, whose members did not achieve consensus during 2011 deliberations.<sup>43</sup> The application for

<sup>&</sup>lt;sup>41</sup> The PLO has had permanent observer status at the United Nations since 1974. Following the adoption of Resolution 67/19, "Palestine" maintains many of the capacities it had as an observer entity—including participation in General Assembly debates and the ability to co-sponsor draft resolutions and decisions related to proceedings on Palestinian and Middle East issues. Despite its new designation as a "state," "Palestine" is not a member of the United Nations, and therefore does not have the right to vote or to call for a vote in the General Assembly on resolutions. However, in November 2013, the "State of Palestine" participated in the balloting for a judge for the International Tribunal for the Former Yugoslavia. Article 13, Section 2(d) of the Statute for the Tribunal (Annex to U.N. Doc. S/25704, adopted pursuant to U.N. Security Council Resolution 827 (1993), as subsequently amended) includes "non-Member States maintaining permanent observer missions at United Nations Headquarters" in the election of the tribunal's judges.

<sup>&</sup>lt;sup>42</sup> U.N. Press Release: "Resolution in Security Council to Impose 12-Month Deadline on Negotiated Solution to Israeli-Palestinian Conflict Unable to Secure Nine Votes Needed for Adoption," December 30, 2014. Among other issues, the draft resolution would have affirmed "the urgent need" to attain a negotiated two-state solution within 12 months, and would have "decided" that the solution was to be based on a number of parameters, including "a full and phased withdrawal of the Israeli occupying forces, which will end the occupation that began in 1967 over an agreed transition period in a reasonable timeframe, not to exceed the end of 2017." See the text of the draft resolution at http://unispal.un.org/unispal.nsf/5ba47a5c6cef541b802563e000493b8c/a12252711015996d85257dbf00536b1c? OpenDocument.

<sup>&</sup>lt;sup>43</sup> United Nations Security Council, "Report of the Committee on the Admission of New Members concerning the application of Palestine for admission to membership in the United Nations," S/2011/705, November 11, 2011. (continued...)

Palestinian membership would likely face a U.S. veto if it came to a future vote in the Security Council. In the fall of 2011, the Palestinians obtained membership in the U.N. Educational, Scientific and Cultural Organization (UNESCO).<sup>44</sup>

Under U.S. laws passed in 1990 and 1994,<sup>45</sup> Palestinian admission to membership in UNESCO in 2011 triggered the withholding of U.S. assessed and voluntary financial contributions to the organization.<sup>46</sup> If the Palestinians were to obtain membership in other U.N. entities, the 1990 and 1994 U.S. laws might trigger withholdings of U.S. financial contributions to these entities. Such withholdings could adversely affect these entities' budgets and complicate the conduct of U.S. foreign policy within the U.N. system and other multilateral settings.

For more information on this topic, see CRS Report R43614, *Membership in the United Nations and Its Specialized Agencies*, by (name redacted) and (name redacted).

## **Matters of General Congressional Interest**

### U.S. and International Assistance to the Palestinians

#### Overview

See CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by (name redacted), for a more detailed description of this topic and the particulars of U.S. assistance, the various conditions to which it is subject, and occasional informal congressional holds. The PA's dependence on foreign assistance is acute—largely a result of the distortion of the West Bank/Gaza economy in the 48 years since Israeli occupation began and the bloat of the PA's payroll since its inception about 21 years ago. Facing a regular annual budget deficit of over \$1 billion, PA officials regularly seek aid from the United States and other international sources to meet the PA's financial commitments. Absent major structural changes in revenue and expenses, which do not appear likely in the near term, this dependence will likely continue. The effectiveness of U.S. assistance to the Palestinians in furthering U.S. policy objectives is challenged, logistically and strategically, by the shifting and often conflicting interests of Israel, the PLO, the PA, Fatah, and Hamas. Effectiveness is also challenged by the U.S. interagency process, as well as the need to coordinate activities and

<sup>(...</sup>continued)

Paragraph 19 of this report provides a summary of the varying views that committee members advanced regarding Palestinian membership: "The view was expressed that the Committee should recommend to the Council that Palestine be admitted to membership in the United Nations. A different view was expressed that the membership application could not be supported at this time and an abstention was envisaged in the event of a vote. Yet another view expressed was that there were serious questions about the application, that the applicant did not meet the requirements for membership and that a favourable recommendation to the General Assembly would not be supported."

<sup>&</sup>lt;sup>44</sup> For more information, see CRS Report R42999, *The United Nations Educational, Scientific, and Cultural Organization (UNESCO)*, by (name redacted) and (name redacted).

<sup>&</sup>lt;sup>45</sup> P.L. 101-246 (Foreign Relations Authorization Act, Fiscal Years 1990 and 1991) and P.L. 103-236 (Foreign Relations Authorization Act, Fiscal Years 1994 and 1995).

<sup>&</sup>lt;sup>46</sup> In the Obama Administration's FY2016 budget request, it seeks "legislation that would provide authority to waive" these legislative restrictions. FY2016 Department of State, Foreign Operations, and Related Programs Congressional Budget Justification, p. 41. If Members of Congress sought to lift or modify these restrictions, they could amend the applicable legal provisions or propose stand-alone legislation.

assistance with other donor states and with international organizations and coordinating mechanisms such as the European Union, United Nations,<sup>47</sup> World Bank, the Office of the Quartet Representative, and the Ad Hoc Liaison Committee,<sup>48</sup> among others.

#### Palestinian International Initiatives: Effect on U.S. Aid

The Palestinians have faced reprisals from the United States and Israel for various international initiatives, including informal congressional holds that occasionally delay disbursement of U.S. aid and temporary Israeli unwillingness to transfer tax and customs revenues due the PA.<sup>49</sup> The United States and Israel may be reluctant to adopt drastic or permanent measures because of concerns regarding the PA's financial fragility and a lack of Israeli appetite for stepping in to fill the void or calm the disorder that could result from undermining the self-rule institutions of Palestinians.

#### ICC

Section 7041(i)(2)(A) of the Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235) prohibits U.S. Economic Support Fund (ESF) assistance for the Palestinian Authority (PA) if "the Palestinians initiate an International Criminal Court judicially authorized investigation, or actively support such an investigation, that subjects Israeli nationals to an investigation for alleged crimes against Palestinians." Some ESF assistance spent through private organizations in the West Bank and Gaza Strip would probably not be deemed "for the PA."

Some Members of Congress publicly favor an immediate curtailment of U.S. aid to the Palestinians in response to the ICC-related filings discussed above (see "International Criminal Court Actions"), with Senate (S. 34) and House (H.R. 277 and H.R. 364) proposals introduced in January 2015. Policy makers may debate which Palestinian actions might trigger the existing ICC-related aid restriction. U.S. policies and statements might influence Israel's willingness to resume the transfer of tax and customs revenues due the PA that it has withheld in response to the ICC-related filings.<sup>50</sup>

<sup>&</sup>lt;sup>47</sup> Over the years, U.N. organs have set up a number of bodies or offices, as well as five U.N. peacekeeping operations, which have or had mandates or functions directly related to Palestine or the Arab-Israeli dispute.

<sup>&</sup>lt;sup>48</sup> The Ad Hoc Liaison Committee is a coordinating mechanism for Israel, the PA, and all major international actors providing assistance to the Palestinians that was established in the mid-1990s to facilitate reform and development in the West Bank and Gaza in connection with the Oslo process. Norway permanently chairs the committee, which meets periodically in various international venues and is divided into sectors with their own heads for discrete issue areas such as economic development, security and justice, and civil society.

<sup>&</sup>lt;sup>49</sup> CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by (name redacted). Under the 1994 Paris Protocol, Israel collects various tax and customs revenues on the PA's behalf. These amounts (generally more than \$1 billion annually) make up a sizeable portion of the PA's budget. Jodi Rudoren, "Tensions Mount as Israel Freezes Revenue Meant for Palestinians," *New York Times*, January 3, 2015.

<sup>&</sup>lt;sup>50</sup> In prepared testimony for a congressional hearing before the House Foreign Affairs Subcommittee on the Middle East and North Africa on February 4, 2015, David Makovsky of the Washington Institute for Near East Policy wrote that "One should assume it is unlikely that the tax revenue will be released until a new Israeli government is formed, perhaps sometime in late May. Stopgap moves are required – such as assistance from Europe and the Arabs – until a new government is formed." The PA has reportedly taken out bank loans to finance a portion of its salary payments for January 2015.

In previous public discussions of possible pros and cons of U.S. aid to the Palestinians, some have argued that despite alleged problems with Palestinian leadership, cutting aid could increase other countries' political influence at U.S. expense.<sup>51</sup> According to one media report, "for years, Israel has acted as a brake on efforts by pro-Israel members of Congress to cut off aid to Palestine during periodic flare-ups," presumably to preserve the PA's stability as a West Bank security provider.<sup>52</sup> According to the same report, Israel may be reconsidering its stance,<sup>53</sup> though some analysts have voiced caution about the possible effects of an aid cutoff.<sup>54</sup>

On January 29, 2015, 75 Senators signed a letter addressed to Secretary of State John Kerry opposing Palestinian initiatives respecting the ICC. The letter included the following passage:

Although we believe it is in the interest of the United States for urgent humanitarian assistance to continue to be provided to the Palestinian people, we will not support assistance to the Palestinian Authority while you undertake a review of this matter.<sup>55</sup>

#### United Nations and U.N. Specialized Agencies

In the event that the PLO's status in the United Nations or any U.N. specialized agency other than UNESCO approaches the level of membership, two separate provisions from Section 7041(i)(2) of P.L. 113-235 could be triggered. The first, which is subject to a waiver by the Secretary of State for national security reasons, would prevent Economic Support Fund aid (ESF) for the PA. The second could prohibit the President from permitting the PLO to maintain its representative office in Washington, DC. Every six months since the early days of the peace process in the mid-1990s, each successive President has waived a 1987 legal prohibition against the existence of a PLO representative office.<sup>56</sup>

These two provisions of Section 7041(i)(2) would be triggered if the Palestinians obtain "the same standing as member states or full membership as a state outside an agreement negotiated between Israel and the Palestinians" in the United Nations or any U.N. specialized agency other than UNESCO. If the second provision is triggered, a presidential waiver would only be eligible—after an additional 90 days—if the President certifies to Congress that the Palestinians have entered into "direct and meaningful negotiations with Israel."

<sup>&</sup>lt;sup>51</sup> For example, in May 2014 congressional hearing testimony, Jonathan Schanzer of the Foundation for the Defense of Democracies stated, "You know, if we zero out Palestinian funding, then here is the big problem. You are going to have someone else come in and they are going to be worse. More than likely, you are going to see the Saudis, the Iranians, the Qataris, the Turks. They are all going to come in and they are not even going to hold the Palestinians to account at all." Transcript from hearing of the House Foreign Affairs Subcommittee on the Middle East and North Africa, May 8, 2014.

<sup>&</sup>lt;sup>52</sup> John Hudson, "Defunding Palestine," *foreignpolicy.com*, January 7, 2015.

<sup>&</sup>lt;sup>53</sup> Ibid.

<sup>&</sup>lt;sup>54</sup> For example, in David Makovsky's prepared congressional hearing testimony of February 4, 2015, he wrote that "Withholding funding—over time—will lead to the collapse of the security cooperation and ultimately the PA, creating a vacuum that can be filled by radicalism."

<sup>&</sup>lt;sup>55</sup> Text of letter available at http://www.rubio.senate.gov/public/index.cfm/files/serve/?File\_id=72123469-50ce-4d35-972e-4d8ff013d000.

<sup>&</sup>lt;sup>56</sup> Anti-Terrorism Act of 1987 (P.L. 100-204, §1003).

### **Terrorism and Militancy**

#### Hamas and Other Groups: Rockets and Other Methods

Hamas (see **Appendix A** for an overview of the organization and its ideology, leadership, and external support) and seven other Palestinian groups have been designated Foreign Terrorist Organizations (FTOs) by the State Department: Abu Nidal Organization, Al Aqsa Martyrs' Brigades, Army of Islam, Palestine Liberation Front – Abu Abbas Faction, Palestine Islamic Jihad – Shaqaqi Faction, Popular Front for the Liberation of Palestine, and Popular Front for the Liberation of Palestine-General Command. Most Palestinian militant groups claim that they are opposed to peace with Israel on principle, but some—such as the Fatah-affiliated Al Aqsa Martyrs' Brigades—view militancy and terror as tactics that can be used to improve the Palestinians' negotiating position. Since Oslo in 1993, these groups have engaged in a variety of methods of violence, killing hundreds of Israelis—both military and civilian.<sup>57</sup> Palestinians who insist that they are engaging in asymmetric warfare with a stronger enemy point to the thousands of deaths inflicted on Palestinians by Israelis since 1993,<sup>58</sup> some through acts of terrorism aimed at civilian.<sup>59</sup>

A pronounced trend since Israel's disengagement from Gaza in 2005 has been an increased firing of rockets and mortars from the territory, where security remains controlled by Hamas. The thousands of rockets and mortars fired by Palestinians since 2001 have killed tens of Israelis and wounded hundreds.<sup>60</sup> The persistent threat of rocket fire has by most accounts had a broader negative psychological effect on Israelis living in targeted communities.<sup>61</sup> Because rockets are fired indiscriminately without regard for avoiding these communities, most neutral observers characterize this as tantamount to intentional targeting of civilians.

Over the past decade-plus, tunnels leading from Egypt's Sinai Peninsula have allowed militants to smuggle pre-fabricated rockets (many of which are thought to come from Iran) into Gaza, as well as raw materials for building rockets. Although Egyptian military actions since late 2013 have apparently constrained smuggling activities through Sinai-Gaza tunnels, media reports indicated that during the summer 2014 Israel-Gaza conflict, weapons smugglers continued to operate through the tunnels<sup>62</sup> as part of a wider regional network to supply Gaza-based militants. A July 2014 *New York Times* article stated that rockets are smuggled to Gaza "via ship and tunnel from Iran, Libya, Sudan and Syria and, increasingly, manufactured from water pipes and household

<sup>&</sup>lt;sup>57</sup> Statistics available from B'Tselem (The Israeli Information Center for Human Rights in the Occupied Territories) website at http://www.btselem.org/statistics.

<sup>58</sup> Ibid.

<sup>&</sup>lt;sup>59</sup> The most prominent attack by an Israeli civilian against Palestinians since 1993 was the killing of at least 29 Palestinians (and possibly between 10 to 23 more) and the wounding of about 150 more by Israeli settler Baruch Goldstein (a Brooklyn-born former military doctor) at the Ibrahimi Mosque (Mosque of Abraham) in the Cave of the Patriarchs in Hebron on February 25, 1994 (the Jewish holy day of Purim) while the victims were at prayer. See George J. Church, "When Fury Rules," *Time*, March 7, 1994. This incident has been cited by many analysts as a provocation for the Palestinian suicide bombing campaign that followed.

<sup>&</sup>lt;sup>60</sup> http://www.btselem.org/statistics; "Rocket Threat to Israel: Palestinian Rocket & Mortar Attacks (February 2009-Present)," Jewish Virtual Library; "Q&A: Gaza conflict," *BBC News*, January 18, 2009.

<sup>&</sup>lt;sup>61</sup> See, e.g., Irwin J. Mansdorf, "Unseen Scars of War: Psychological Consequences of the Hamas Attacks on the Israeli Civilian Population," Jerusalem Center for Public Affaris, July 20, 2014.

<sup>&</sup>lt;sup>62</sup> "Exclusive: Militants, weapons transit Gaza tunnels despite Egyptian crackdown," *Reuters*, August 21, 2014;

items in what a senior Israeli intelligence officer called Gaza's 'high-tech' sector—about 70 makeshift factories staffed by 250 men and overseen by a few dozen engineers and chemists."<sup>63</sup> Gaza-manufactured rockets, which are mostly short-range and rudimentary, reportedly include some with ranges of 160 km (nearly 100 miles) or more.<sup>64</sup> Reports indicate that Hamas's rocket production capabilities and other military capacities have been augmented through Iranian technological assistance and training (provided either directly or by proxy through the Lebanese Shiite group Hezbollah).<sup>65</sup>

From the time of Oslo to the end of the second intifada, Palestinian terrorist groups often carried out suicide bombings, claiming approximately 700 Israeli lives (mostly civilians within Israel proper).<sup>66</sup> After peaking between 2001 and 2003, suicide bombings have largely ceased since early 2006. Many observers attribute the drop-off to enhanced Israeli security measures—the Israeli military's withdrawal from Gaza in 2005 and the general closure of its borders, the West Bank separation barrier, and tightening of border checkpoints. Additionally, some analysts have posited, as contributing factors, Hamas's entry into a position of power, the strengthening of PA security forces in the West Bank, and general Palestinian weariness regarding violence.

Isolated attacks still occur within Israel and the West Bank, often perpetrated by Palestinians using small arms or vehicles as weapons. Antipathy between Jewish settlers and Palestinian residents in the West Bank leads to occasional attacks on both sides. Militants also stage attacks and attempt to capture Israeli soldiers, including at or near Gaza border crossings, and since 2011 have engaged in a few instances of cross-border attack from redoubts within Egypt's Sinai Peninsula—an international border less vulnerable to Israeli reprisals.

<sup>66</sup> Suicide bombing figures culled from Israel Ministry of Foreign Affairs website at http://www.mfa.gov.il/MFA/ Terrorism-+Obstacle+to+Peace/Palestinian+terror+before+2000/

Suicide%20and%20Other%20Bombing%20Attacks%20in%20Israel%20Since.

<sup>&</sup>lt;sup>63</sup> Jodi Rudoren, "From Gaza, an Array of Makeshift Rockets Packs a Counterpunch," *New York Times*, July 17, 2014. An Israeli analyst has claimed that some rockets used by Hamas are based on a Chinese design and were made in Syria after being licensed by the Chinese. Alastair Jamieson, "Hamas Firing China-Designed, Syria-Made M-302 Rockets: Israel," *NBC News*, July 10, 2014. One open-source intelligence report has shown Hamas fighters using what appear to be North Korean anti-tank guided missiles. Stijn Mitzer and Joost Oliemans, "North Korean anti-tank missiles in the Middle East," June 25, 2014, http://lewis.armscontrolwonk.com/archive/7370/oryx-blog-on-dprk-arms-exports.

<sup>&</sup>lt;sup>64</sup> See, e.g., Jeremy Binnie, "Analysis: Hamas displays long-range rockets," *Jane's Defence Weekly*, December 17, 2014.

<sup>&</sup>lt;sup>65</sup> See, e.g., Ronen Bergman, "How Hamas Beat Israel in Gaza," *New York Times*, August 10, 2014; Adnan Abu Amer, "With little help from Iran, Hamas fights Israel with homemade rockets," *Al-Monitor Palestine Pulse*, July 16, 2014.

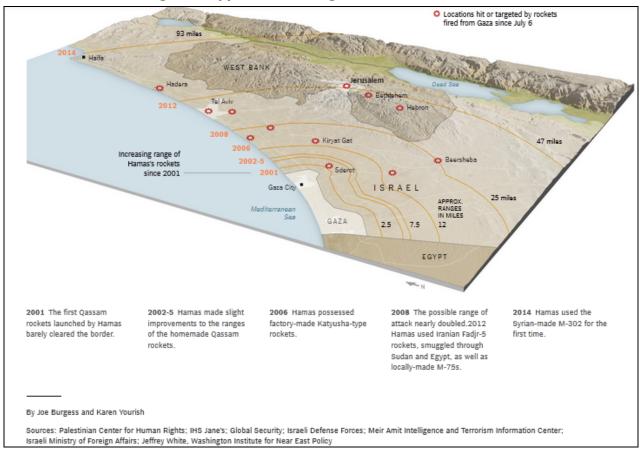


Figure 3. Approximate Range of Rockets from Gaza

Source: New York Times, July 13, 2014.

#### **Assessing and Countering Threats**

Israeli authorities express concern that Palestinian militants might soon acquire longer-range rockets and precision targeting capabilities that would increase the danger to larger population centers such as Tel Aviv. Nevertheless, Israeli Defense Minister Moshe Ya'alon was cited in September 2014 as saying that Hamas depleted 80% of its rocket and mortar arsenal during the summer 2014 Israel-Gaza conflict and that Israel's military efforts during the conflict "will give us quiet for a long time."<sup>67</sup>

The possibility that a more dangerous rocket threat could emerge in the West Bank—especially in light of Iran's apparent transfer of weapons production know-how to Palestinian militants based in Gaza—is one factor underlying Israeli reluctance to consider withdrawal without copious security guarantees. The possibility also exists of a coordinated or simultaneous rocket attack by Palestinian militants from Gaza and by Lebanese Hezbollah.

In addition to developing and deploying the Iron Dome anti-rocket system,<sup>68</sup> Israel also continually seeks U.S. and international help to slow or stop the Gaza smuggling network. These concerns have been heightened by periodic attacks in recent years from Palestinians based in Sinai, including occasional rocket fire aimed at the Israeli Red Sea port of Eilat. As discussed above, Egypt has taken robust measures to disrupt Sinai-Gaza tunnel traffic since late 2013. Egypt has even periodically closed its passenger/commercial crossing with Gaza at Rafah, apparently owing largely to Egyptian allegations of Hamas complicity with an October 2014 attack by the group Ansar Beit al Maqdis (now known as Sinai Province of the Islamic State, or IS-SP), which killed 33 Egyptian soldiers.<sup>69</sup> It is also reportedly in the process of establishing a Sinai-Gaza buffer zone.<sup>70</sup> Although some media reports point to possible links between Gazabased militants and armed groups in Sinai,<sup>71</sup> Hamas leaders deny associating with IS-SP, underscoring possible Hamas disfavor or ambivalence towards the group and its proclaimed global jihadist aspirations, as well as a potentially competitive dynamic between the two groups for influence among militants and potential militants in Gaza.<sup>72</sup>

### **Palestinian Governance**

Achieving effective and transparent governance over the West Bank and Gaza and preventing Israeli-Palestinian violence, while facing a continued Israeli settler and military presence, has proven elusive since the limited self-rule experiment began in 1994. Many observers say that the

<sup>&</sup>lt;sup>67</sup> "Yaalon: Hamas Missile Arsenal Depleted by 80%, Group in Strategic Crisis (VIDEO)," *Algemeiner*, September 29, 2014.

<sup>&</sup>lt;sup>68</sup> For more information on Iron Dome, see CRS Report IN10158, *Israel's Iron Dome Anti-Rocket System: U.S. Assistance and Coproduction*, by (name redacted); CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted); and CRS Report RL33**123**, *Foreign Aid to Israel*, by (name redacted).

<sup>&</sup>lt;sup>69</sup> Yoni Ben Menachem, "Muhammad Dahlan and the Succession Battle for the PA Chairmanship," Jerusalem Center for Public Affairs, January 21, 2015.

<sup>&</sup>lt;sup>70</sup> Ariel Ben Solomon, "Egypt begins expanding Gaza buffer zone," *jpost.com*, January 4, 2015.

<sup>&</sup>lt;sup>71</sup> Adnan Abu Amer, "Islamic State in Sinai poses threat to Hamas," *Al-Monitor Palestine Pulse*, November 20, 2014. For information on IS-SP, see CRS Report IN10199, *The Islamic State in Egypt: Implications for U.S.-Egyptian Relations*, by (name redacted).

<sup>&</sup>lt;sup>72</sup> Abu Amer, "Islamic State in Sinai poses threat to Hamas," op. cit.

task became even more difficult following the split established in 2007 between the Abbas-led PA in the West Bank and Hamas in Gaza.

#### Palestinian Authority (PA)

The Palestinian National Authority (or Palestinian Authority, hereinafter PA) was granted limited rule (under supervening Israeli occupational authority) in the Gaza Strip and parts of the West Bank in the mid-1990s pursuant to the Oslo Accords.<sup>73</sup> Although not a state, the PA is organized like one—complete with democratic mechanisms; security forces; and executive, legislative, and judicial organs of governance. Ramallah is its de facto seat, but is not considered to be the PA capital because of Palestinian determination to make Jerusalem (or at least the part east of the 1967 lines) the capital of a Palestinian state. The executive branch has both a president and a prime minister-led cabinet, the Palestinian Legislative Council (PLC) is its legislature, and the judicial branch has separate high courts to decide substantive disputes and to settle constitutional controversies, as well as a High Judicial Council.<sup>74</sup> The electoral base of the PA is composed of Palestinians from the West Bank, Jerusalem, and the Gaza Strip.

After Hamas won January 2006 PLC elections, a factional standoff between Fatah and Hamas ensued—with Abbas as PA president and Hamas members as government ministers and a majority in the PLC.<sup>75</sup> These tensions ultimately led to armed conflict that led to Hamas's forcible takeover of the Gaza Strip in June 2007. In response to the Hamas takeover, PA President Abbas dissolved the Hamas-led government and appointed a "caretaker" technocratic PA government in the West Bank. The PLC is currently sidelined due to its lack of a quorum caused by the West Bank/Gaza split.

Because some PA leaders hold overlapping leadership roles within the PLO and various factions, it is difficult to gauge the degree to which Palestinians consider the PA truly authoritative or legitimate even within the West Bank. For example, until his death in 2004, Yasser Arafat served as PA president, PLO chairman, and head of Fatah. Following Arafat's death, Mahmoud Abbas has succeeded him in each of these roles. Many observers wonder how the PLO and PA will coordinate their functions and be regarded by the Palestinian people at a future point when the leadership of the two institutions and of Fatah might be different. It is possible that the PA could somehow forge an identity completely independent from (and perhaps in competition with) the PLO. Alternatively, the PLO might attempt to restructure or dissolve the PA (either in concert with Israel or unilaterally) pursuant to the claim that the PA is a constitutional creature of PLO agreements with Israel.<sup>76</sup>

<sup>&</sup>lt;sup>73</sup> The relevant Israel-PLO agreements that created the PA and established its parameters were the Agreement on the Gaza Strip and the Jericho Area, dated May 4, 1994; and the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995.

<sup>&</sup>lt;sup>74</sup> Human rights groups have voiced concern that the PA executive circumvents civilian courts that might check its power by employing military courts on a wider range of matters than the civilian courts deem proper. See, e.g., Report of the United Nations Fact-Finding Mission on the Gaza Conflict (aka "The Goldstone Report"), dated September 25, 2009, pp. 337-338, available at http://www2.ohchr.org/english/bodies/hrcouncil/specialsession/9/ FactFindingMission.htm.

<sup>&</sup>lt;sup>75</sup> This time, the United States and Israel supported increasing the power of the PA presidency at the expense of the Hamas prime minister and cabinet—a turnabout from their 2003 approach to the organs of PA governance when Arafat was PA president and the two countries encouraged the PA to establish the office of prime minister as a hoped-for counterweight to Arafat.

<sup>&</sup>lt;sup>76</sup> The PA was originally intended to be a temporary, transitional mechanism for the five-year period prescribed for (continued...)

#### **Prospects for Economic Self-Sufficiency**

Lacking a self-sufficient private sector, the Palestinians' economic prospects have historically depended on easy entry into and exit out of Israel for their workers and goods. Yet, following the outbreak of the second intifada in 2000, this access largely ceased. Israel constructed a West Bank separation barrier and increased security at crossing points. It now issues permits to control access, and periodically halts the flow of people and goods altogether. Alternatives to Palestinian economic interdependence with Israel would likely be

- to attract investment and build a self-sufficient economy, which is probably years if not decades away;
- to look to neighboring Egypt and Jordan (which struggle with their own political and economic problems) for economic integration; or
- to depend indefinitely upon external assistance.

For the West Bank and Gaza to attract enough long-term investment to become self-sufficient, most observers agree that uncertainties regarding the political and security situation and Israeli movement restrictions would need to be significantly reduced or eliminated.<sup>77</sup> The PA routinely faces crises in finding budgetary funds from donors or lending sources, occasionally even receiving emergency advances from Israel on the tax and customs revenues it regularly collects on the PA's behalf.

In the wake of Israel's tapping of natural gas fields off its coast, the PA has reportedly discussed the prospect of developing the Marine (sometimes known as "Marine A") gas field discovered off Gaza's coast in 2000 with the British-led private venture that controls the rights to the field.<sup>78</sup> Analysts have speculated about the possibility that the field could supply the Gaza Strip's energy-starved power plant.<sup>79</sup> Political and security concerns, particularly Hamas's security control over Gaza since June 2007, have complicated this issue. Uncertainty regarding Israeli-Palestinian relations and the PA's future, as well as an internal Israeli antitrust matter,<sup>80</sup> could affect the shipment of gas from resources off the Israel and Gaza coasts to Palestinians. Before the Israeli antitrust matter emerged in December 2014, the PA had agreed with the companies developing

<sup>(...</sup>continued)

final-status negotiations, not an indefinite administrative authority.

<sup>&</sup>lt;sup>77</sup> See, e.g., World Bank, *Economic Monitoring Report to the Ad Hoc Liaison Committee*, September 22, 2014.

<sup>&</sup>lt;sup>78</sup> Gwen Ackerman and Riad Hamade, "Palestinians Pin Hopes on Gas Project to Counter Donor Fatigue," *Bloomberg News*, January 28, 2014. A venture led by BG Group (formerly British Gas) discovered the Marine field. It has an estimated resource base of 1 tcf. Development of Marine could contribute to greater Palestinian economic and political self-sufficiency, perhaps freeing up Israeli energy resources for domestic consumption or export to other places. Simon Henderson, "Natural Gas in the Palestinian Authority: The Potential of the Gaza Marine Offshore Field," German Marshall Fund of the United States, March 2014. Reduced Palestinian dependence on Israel could either heighten or reduce Israeli-Palestinian tensions.

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<sup>&</sup>lt;sup>80</sup> Stanley Reed, "In Israel, Antitrust Regulator Reviews Natural Gas Development," *New York Times*, December 23, 2014.

Israel's Leviathan field to export gas that would power a new generation plant in the northern West Bank if and when Leviathan comes online.<sup>81</sup> In addition to contemplating cooperation with Israel on energy, the PA agreed in December 2013 with Israel and Jordan on a plan to pursue a version of the Red Sea-Dead Sea canal that would provide discounted freshwater to Palestinians.<sup>82</sup>

#### West Bank: PA and Israel

The PA administers densely populated Palestinian areas in the West Bank subject to supervening Israeli control under the Oslo agreements (see **Figure 1** above for map).<sup>83</sup> Israel Defense Forces (IDF) soldiers regularly mount arrest operations to apprehend wanted Palestinians or foil terrorist plots, and maintain permanent posts throughout the West Bank and along the West Bank's administrative borders with Israel and Jordan to protect Jewish settlers and broader security interests. In defining these security interests and claiming its military prerogatives, the IDF sometimes takes measures that involve the expropriation of West Bank land or dispossession of Palestinians from their homes and communities.

Coordination between Israeli and PA authorities generally takes place discreetly, given the political sensitivity for PA leaders to be seen "collaborating" with Israeli occupiers. In early 2002, at the height of the second intifada, Israel reoccupied PA-controlled areas of the West Bank (known as Operation Defensive Shield)—demolishing many official PA buildings, Palestinian neighborhoods, and other infrastructure; and reinforcing many Palestinians' opinion that Israel retained ultimate control over their lives.

Since 2007, many observers have noted signs of progress with PA security capabilities and West Bank economic development. It is less clear whether the progress they cite can be made self-sustaining absent a broader political solution with Israel, or can fuel a dynamic that could help to bring about such a solution.<sup>84</sup>

#### Gaza: Hamas, PA, Israel, and Egypt (Sinai)<sup>85</sup>

Hamas's security control of Gaza presents a conundrum for the Abbas-led PA, Israel, and the international community. They have been unable to establish a durable political-security framework for Gaza that assists Gaza's population without bolstering Hamas. Breaking the deadlock on Gaza could include one or more of the following: (1) actually implementing a political reunification of Gaza with the West Bank under the current PA consensus governing arrangement, (2) a general opening of Gaza's borders, (3) a formal Hamas-Israel truce. Observers routinely voice concerns that if current arrangements continue, the massive unemployment and

<sup>&</sup>lt;sup>81</sup> "Leviathan Partners Sign Deal with Palestinians," Oil Daily, January 7, 2014.

<sup>&</sup>lt;sup>82</sup> For more details, see CRS Report RL33546, Jordan: Background and U.S. Relations, by (name redacted).

<sup>&</sup>lt;sup>83</sup> The two agreements that define respective Israeli and PA zones of control are (1) the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995; and (2) the Protocol Concerning the Redeployment in Hebron, dated January 17, 1997. East Jerusalem is excluded from these agreements, as Israel has effectively annexed it.

<sup>&</sup>lt;sup>84</sup> See, e.g., Jack Moore, "West Bank Gun Battle Exposes Growing Resentment Towards Palestinian Authority," *Newsweek*, February 5, 2015.

<sup>&</sup>lt;sup>85</sup> For additional details on the Gaza-Sinai dynamic, see CRS Report RL33003, *Egypt: Background and U.S. Relations*, by (name redacted).

dispiriting living conditions that have persisted and at points worsened since Israel's withdrawal in 2005 could contribute to further radicalization of the population, decreasing prospects for peace with Israel and for Palestinian unity and increasing the potential for future violence. Israel disputes the level of legal responsibility for Gaza's residents that some international actors claim it retains—given its continued control of most of Gaza's borders, airspace, maritime access, and various buffer zones within the territory.

Hamas's preeminence in Gaza can be traced to 2006-2007. After victory in the 2006 PA legislative elections, internal Hamas political and military leaders in the West Bank and Gaza gained greater power, and then consolidated this power in Gaza—while losing it in the West Bank—through violent struggle with Fatah in June 2007. Hamas's security forces have maintained power in Gaza ever since, even after its de facto government publicly relinquished responsibility in June 2014 to a PA government formed with Hamas's approval.

Hamas and other Palestinian militant groups used Gaza as a base for their attacks on Israel during the summer 2014 conflict, as they had in the two previous conflicts described above in 2008-2009 and 2012. As described above (see "Hamas and Other Groups: Rockets and Other Methods"), these groups smuggle weapons via ship and tunnel from various sources. See **Figure 2** above for a map of Gaza. Though Hamas has suffered from a measure of regional isolation due to a number of developments since 2011, and may be struggling to adjust to this reality, some observers assert that its abrogation of administrative responsibility in Gaza may serve its purposes—possibly allowing it to retain "veto power" over PLO and PA initiatives while seeking to reduce its accountability.<sup>86</sup>

Since Hamas's 2007 takeover of Gaza, Israeli and Egyptian authorities have maintained strict control over Gaza's border crossings.<sup>87</sup> This is ostensibly meant to deny Hamas materials to reconstitute its military capabilities, but also limits commerce and—in some cases—delays humanitarian assistance for Gaza's largely impoverished population. Hamas had routinely bypassed limitations on the import of construction materials and dual-use items by encouraging and facilitating the expansion of a network of smuggling tunnels leading into Gaza from Egypt's Sinai Peninsula. However, after Egypt's military regained national political control in July 2013, it disrupted Gaza's tunnel-based economy as part of a larger effort to counter Sinai-based insurgents. This contributed to a number of developments—energy shortages, higher prices and unemployment—that may have factored into Hamas's decision to agree to the June 2014 formation of a consensus PA government and to publicly forswear responsibility for Gaza. It may have also factored into Hamas's engagement in conflict against Israel in the summer of 2014.

In the aftermath of the summer 2014 conflict, the United Nations brokered a "Gaza Reconstruction Mechanism" among Israel, the PA, and Hamas. The mechanism is intended to distance Hamas from the reconstruction process by involving the PA and U.N. more directly and advancing the following objectives:

<sup>&</sup>lt;sup>86</sup> See, e.g., Ehud Yaari, "Hamas Opts for the Hezbollah Model," Washington Institute for Near East Policy, Policywatch 2263, June 3, 2014.

<sup>&</sup>lt;sup>87</sup> In November 2005, Israel and the PA signed an Agreement on Movement and Access, featuring U.S. and European Union participation in the travel and commerce regime that was supposed to emerge post-Gaza disengagement, but this agreement was never fully implemented. In September 2007, three months after Hamas's takeover of Gaza, the closure regime was further formalized when Israel declared Gaza to be a "hostile entity." In 2010, Israel eased restrictions on imports and on exports headed to destinations other than Israel and the West Bank, but widespread unemployment and poverty persist.

a. Enable the [PA] to lead the reconstruction effort;

b. Enable the Gazan private sector;

c. Assure donors that their investments in construction work in Gaza will be implemented without delay;

d. Address Israeli security concerns related to the use of construction and other 'dual use' material.  $^{\ensuremath{^{88}}}$ 

There has reportedly been minimal implementation of the mechanism, largely because of continuing stalemate among Israel, the PA, and Hamas regarding a variety of political- and security-related issues that had probably contributed to the summer conflict and, if unresolved, might precipitate future conflict.<sup>89</sup> In remarks made at the October conference in Cairo, Secretary of State John Kerry stated:

This is the third time in less than six years that together with the people of Gaza, we have been forced to confront a reconstruction effort....

Now, I don't think there's any person here who wants to come yet again to rebuild Gaza only to think that two years from now or less we're going to be back at the same table talking about rebuilding Gaza again because the fundamental issues have not been dealt with.... Even the most durable of ceasefires is not a substitute of security for Israel and a state and dignity for the Palestinians.<sup>90</sup>

In many respects, UNRWA and other international organizations and non-governmental organizations take care of the day-to-day humanitarian needs of many of Gaza's residents. They have played more significant roles during and after the summer 2014 conflict in providing temporary shelter, other assistance, and trying to facilitate reconstruction.<sup>91</sup> However, international donations have not kept pace with stated needs,<sup>92</sup> possibly at least partly owing to global economic factors as well as to humanitarian crises in Syria, Iraq, and other places. For more information on Palestinian refugees, see **Appendix A**.

<sup>91</sup> UNRWA Gaza Situation Report 78, February 5, 2015; UNRWA Construction Projects, January 2015 Update.

<sup>&</sup>lt;sup>88</sup> Text of document establishing the mechanism available at http://www.unsco.org/ Gaza%20Reconstruction%20Mechanism%20Fact%20Sheet%209%20October%202014.pdf.

<sup>&</sup>lt;sup>89</sup> Adel Zaanoun, "Gaza ripe for new explosion, analysts warn," Agence France Presse, December 21, 2014.

<sup>&</sup>lt;sup>90</sup> Secretary of State John Kerry, Transcript of Remarks at the Gaza Donors Conference, Cairo, Egypt, October 12, 2014.

<sup>&</sup>lt;sup>92</sup> In December 2014, UNRWA Deputy Commissioner-General Margot Ellis said at UNRWA's 2015 pledging conference that "As we approach the end of 2014, the Agency still confronts a deficit of \$35 million. We have temporarily suspended payments to creditors and already cannot but worry about 2015." UNRWA website, Remarks by Deputy Commissioner-General Margot Ellis at the General Assembly, December 4, 2014. See also UNRWA Gaza Situation Report 78, February 5, 2015, which states that "Due to lack of funding, and as warned since the 4<sup>th</sup> quarter of 2014, UNRWA was forced to suspend its cash assistance programme supporting repairs and providing rental subsidies to Palestine refugee families in Gaza."

## **Appendix A. Key Palestinian Factions and Groups**

### **Palestine Liberation Organization (PLO)**

The Palestine Liberation Organization (PLO) is recognized by the United Nations (including Israel since 1993) as the sole legitimate representative of the Palestinian people, wherever they may reside. It is an umbrella organization that includes 10 Palestinian factions (but not Hamas or other Islamist groups). As described above, the PLO was founded in 1964, and, since 1969, has been dominated by the secular nationalist Fatah movement. Organizationally, the PLO consists of an Executive Committee,<sup>93</sup> the Palestinian National Council (or PNC, its legislature), and a Central Council.<sup>94</sup>

After waging guerrilla warfare against Israel throughout the 1970s and 1980s under the leadership of the late Yasser Arafat from exile in Jordan, Lebanon, and Tunisia, the PNC declared Palestinian independence and statehood in 1988. This came at a point roughly coinciding with the PLO's decision to publicly accept the "land-for-peace" principle of U.N. Security Council Resolution 242 and to contemplate recognizing Israel's right to exist. The declaration had little practical effect, however, because the PLO was in exile in Tunisia and did not define the territorial scope of its state.<sup>95</sup> The PLO recognized the right of Israel to exist in 1993 upon the signing of the Declaration of Principles (Oslo Accord) between the two parties.

While the PA maintains a measure of self-rule over various areas of the West Bank, as well as a legal claim to self-rule over Gaza despite Hamas's security presence,<sup>96</sup> the PLO remains the representative of the Palestinian people in negotiations with Israel and with other international actors. The PLO has a representative in Washington, DC (although it is not considered a formal diplomatic mission). Under the name "Palestine," the PLO is a member of UNESCO, maintains a permanent observer mission to the United Nations in New York and in Geneva as a "non-member state," and has missions and embassies in other countries—some with full diplomatic status. The PLO also is a full member of both the Arab League and the Organization of Islamic Cooperation.

<sup>&</sup>lt;sup>93</sup> In addition to Abbas, the PLO Executive Committee includes such figures as Yasser Abed Rabbo, Saeb Erekat, Ahmed Qurei, and Hanan Ashrawi. A full listing can be found in "Abbas shuffles PLO Executive Committee, ousts Qaddoumi," *Ma'an*, September 14, 2009.

<sup>&</sup>lt;sup>94</sup> The PNC is supposed to meet every two years to conduct business, and consists of approximately 700 members, a majority of whom are from the diaspora. The PNC elects the 18 members of the Executive Committee, who function as a cabinet—with each member assuming discrete responsibilities—and the Executive Committee elects its own chairperson. In August 2009, the PNC convened for the first time since 1998 when Mahmoud Abbas (Chairman of the PLO Executive Committee) called an extraordinary session in Ramallah to hold new Executive Committee elections. The Central Council is chaired by the PNC president and has over 100 members—consisting of the entire Executive Committee, plus (among others) representatives from Fatah and other PLO factions, the Palestinian Legislative Council, and prominent interest groups and professions. The Central Council functions as a link between the Executive Committee and the PNC that makes policy decisions between PNC sessions. See http://www.mideastweb.org/ palestianparties.htm#PLO as a source for much of the PLO organizational information in this paragraph.

<sup>&</sup>lt;sup>95</sup> The declaration included the phrase: "The State of Palestine is the state of Palestinians wherever they may be." The text is available at http://www.mideastweb.org/plc1988.htm.

<sup>&</sup>lt;sup>96</sup> The PA's legal claim to self-rule over Gaza is subject to the original Oslo-era agreements of the 1990s, the agreements between Israel and the PA regarding movement and access that were formalized in November 2005 shortly after Israel's withdrawal from Gaza, and the June 2014 formation of a PA government with formal sway over both the self-rule areas in the West Bank and Gaza.

#### Fatah

Fatah, the secular nationalist movement formerly led by Yasser Arafat, has been the largest and most prominent faction in the PLO for decades. Since the establishment of the PA and limited self-rule in the West Bank and Gaza in 1994, Fatah has dominated the PA, except during the period of Hamas rule in 2006-2007. Yet, problems with internecine violence, widespread disenchantment with Fatah's corruption and poor governance, and the failure to establish a Palestinian state have led to popular disillusionment. The death of Arafat in 2004 removed a major Fatah unifying symbol, further eroding the movement's support as Mahmoud Abbas took over its leadership.

Additionally, the image of Fatah as the embodiment of Palestinian nationalism and resistance to Israeli occupation has gradually faded away. Although he is the head of the movement, Mahmoud Abbas generally carries out his PLO and PA leadership roles without close consultation with his nominal allies in Fatah.

For years, analysts have pointed to a split within Fatah between those of the "old guard" (mainly Arafat's close associates from the period of exile) and those of a "young guard" some believe to be more attuned to on-the-ground realities—personified by leaders such as the imprisoned (by Israel) but popular Marwan Barghouti. Cleavages and overlaps within and among these groups and the political coming-of-age of even younger Fatah partisans, combined with factors mentioned above that have eroded Fatah's support base and credibility, have created doubts regarding Fatah's long-term cohesion and viability.

Fatah's 1960s charter has never been purged of its clauses calling for the destruction of the Zionist state and its economic, political, military, and cultural supports.<sup>97</sup> Abbas routinely expresses support for "legitimate peaceful resistance" to Israeli occupation under international law, complemented by negotiations. However, some of the other Fatah Central Committee members are either less outspoken in their advocacy of nonviolent resistance than Abbas, or reportedly explicitly insist on the need to preserve the option of armed struggle.<sup>98</sup>

<sup>&</sup>lt;sup>97</sup> This is the case even though Fatah is the predominant member faction of the PLO, and the PLO formally recognized Israel's right to exist pursuant to the "Letters of Mutual Recognition" of September 9, 1993 (although controversy remains over whether the PLO charter has been amended to accommodate this recognition).

<sup>&</sup>lt;sup>98</sup> Itamar Marcus and Nan Jacques Zilberdik, Palestinian Media Watch Bulletin (translating and quoting various Arabic-language sources), January 18, 2011; Samuel Sokol, "Senior Palestinian Official Backtracks on 'End' of Israel Remarks," *Algemeiner*, September 26, 2011. The Al Aqsa Martyrs' Brigades is a militant offshoot of Fatah that emerged in the West Bank early in the second intifada and later began operating in Gaza as well. The group initially targeted only Israeli soldiers and settlers, but in 2002 began a spate of attacks on civilians in Israeli cities and in March 2002 was added to the State Department's list of Foreign Terrorist Organizations. According to terrorism experts, the group switched tactics to restore Fatah's standing among Palestinians at a time when Palestinian casualties were mounting, Hamas's popularity was rising, and Fatah was tainted by its cooperation with Israel during the Oslo years. Most of the Brigades' members were believed to have hailed from the Palestinian security forces. In line with the Abbas-led PA's effort to centralize control over West Bank security since Hamas's takeover of Gaza in mid-2007, the Brigades (mainly voluntarily, partly through various amnesty programs) disbanded or at least lowered its profile in the West Bank. However, some reports have recently speculated about a possible resurgence in militant activity by the Brigades. Ola al-Tamimi, "Is the West Bank witnessing a resurgence of Fatah's al-Aqsa Martyr Brigades?," *Al Akhbar English*, July 28, 2014.

#### **Other PLO Factions and Leaders**

Factions other than Fatah within the PLO include secular groups such as the Popular Front for the Liberation of Palestine (PFLP, a U.S.-designated Foreign Terrorist Organization), the Democratic Front for the Liberation of Palestine, and the Palestinian People's Party. All of these factions have minor political support relative to Fatah and Hamas.

A number of Palestinian politicians and other leaders without traditional factional affiliation have successfully gained followings domestically and in the international community under the PLO's umbrella, even some who are not formally affiliated with the PLO. Although these figures—such as Salam Fayyad, Hanan Ashrawi (a female Christian), and Mustafa Barghouti—often have competing agendas, several of them support a negotiated two-state solution, generally oppose violence, and appeal to the Palestinian intellectual elite and to prominent Western governments and organizations.

## Hamas and Other Non-PLO Factions

#### Hamas

#### **Overview** and Ideology

Hamas grew out of the Muslim Brotherhood, a religious and political organization founded in Egypt in 1928 with branches throughout the Arab world. Since Hamas's inception, it has maintained its primary base of support and particularly strong influence in the Gaza Strip, while also having a significant presence in the West Bank and outside these territories in various Arab countries. Hamas's politicization and militarization can be traced to the first Palestinian intifada that began in the Gaza Strip in 1987 in resistance to what it terms the Israeli occupation of Palestinian-populated lands.

Hamas combines Palestinian nationalism with Islamic fundamentalism. Its founding charter commits the group to the destruction of Israel and the establishment of an Islamic state in all of historic Palestine, comprised of present-day Israel, the West Bank, and Gaza.<sup>99</sup> Written in 1988, Hamas's charter is explicit about the struggle for Palestine being a religious obligation. It describes the land as a *waqf*, or religious endowment, saying that no one can "abandon it or part of it." It calls for the elimination of Israel and Jews from Islamic holy land and portrays the Jews in decidedly negative terms, citing anti-Semitic texts. Some Hamas leaders have stated or implied that Hamas might be willing to contemplate a Palestinian state that does not include all of historic Palestine, and then would be open to allowing Palestinians to revisit their stance vis-à-vis Israel.<sup>100</sup> However, some observers maintain that a decisive majority of Hamas members are unwilling to deviate from core principles of the movement—namely, its ability to resort to violence and its unwillingness to agree to a permanent peace or territorial compromise with

<sup>&</sup>lt;sup>99</sup> For the English translation of the 1988 Hamas charter, see http://avalon.law.yale.edu/20th\_century/hamas.asp.

<sup>&</sup>lt;sup>100</sup> Transcript of remarks (accessed in 2010) by Khaled Meshaal, "Charlie Rose," *PBS*, May 28, 2010: "If Israel withdraws to the borders of 1967, and from East Jerusalem, that will become the capital of the Palestinian state with the right of self—with the right of return for the refugees and with a Palestinian state with real sovereignty on the land and on the borders and on the checkpoints. Then we—the Palestinian state will decide the future of the relationship with Israel. And we will respect the decision that will reflect the viewpoint of the majority of the Palestinian people."

Israel.<sup>101</sup> Its leaders generally do not indicate a willingness to disarm and publicly reject suggestions that a future Palestinian state be demilitarized. In July 2014, Hamas political bureau (or politburo) chief Khaled Meshaal made the following comments (via translation) on CBS's *Face the Nation*:

I'm ready to coexist with the Jews, with the Christians and with the Arabs and non-Arabs and with those who agree with my ideas and those who disagree with them. However, I do not coexist with the occupiers, with the settlers.... When we have a Palestinian state, then the Palestinian state will decide on its policies.<sup>102</sup>

Hamas emerged in opposition to Palestinian nationalist leader Yasser Arafat and his secular Fatah movement in the West Bank and Gaza Strip in the 1980s and 1990s—largely by using violence against Israeli civilian and military targets just as Yasser Arafat's Palestine Liberation Organization (PLO) began negotiating with Israel. After Hamas took a leading role in attacks against Israeli targets, including multiple suicide bombings against civilians, during the second intifada between 2000 and 2005, the group decided to directly involve itself in politics shortly following Arafat's death in late 2004. In 2006, a year after the election of Fatah's Mahmoud Abbas to replace Arafat as Palestinian Authority (PA) president, and just a few months after Israel's military withdrawal from the Gaza Strip, Hamas scored a stunning electoral upset of Fatah in Palestinian Legislative Council elections. Subsequent efforts by Israel, the United States, and the international community to neutralize or marginalize Hamas by military, political, and economic means may have changed the outward nature of its influence, but have not squelched it.

Though some fundamental aspects of Hamas's operations and resourcing appear to remain fairly constant, a number of changes in the regional environment since 2011 may have affected them, including the following:

- Hamas's external political leadership's (or politburo's) departure from its longtime headquarters-in-exile in Damascus, Syria, in late 2011/early 2012 in connection with the Asad regime's security and military operations against Syrian Sunni Muslim groups.
- The July 2013 change in Egypt from a Muslim Brotherhood figure as president (who took power in 2012, a year after the removal of the longtime regime of Hosni Mubarak) to a military-backed regime, and the subsequent Egyptian military clampdown on Muslim Brotherhood activities and smuggling tunnels leading from Egypt's Sinai Peninsula to the Gaza Strip.
- Hamas's agreement to the formation of a new PA government for Gaza and parts of the West Bank in June 2014, which, as mentioned above, resulted in the nominal dissolution of a Hamas-led de facto government that had administered Gaza since June 2007.
- Hamas's summer 2014 conflict with Israel.

<sup>&</sup>lt;sup>101</sup> CRS interview in September 2010 with U.S. analyst covering Middle East terrorism at major Washington, DC think tank.

<sup>&</sup>lt;sup>102</sup> CBS *Face the Nation* transcript from July 27, 2014 of interview of Khaled Meshaal by Charlie Rose, available at http://www.cbsnews.com/news/face-the-nation-transcripts-july-27-2013-netanyahu-mashaal-klimkin-rogers-albright/.

#### Leadership

The leadership structure of Hamas is opaque, and much of the open source reporting available on it cannot be independently verified. Hamas has a variety of movement-wide and regional leadership organs, and often seeks to distinguish among its political, military, and social branches. It is not entirely clear who controls overall strategy, policy, and financial decisions. The group's leadership features a range of personalities who apparently share many similarities but also maintain some variation in ideological, strategic, and tactical outlooks.

Overall policy guidance comes from a Shura Council, with reported representation from major constituent areas inside and outside the West Bank and Gaza.<sup>103</sup> Reportedly, Khaled Meshaal (based in Doha, Qatar) remains the overall political leader of Hamas (a position he has held for more than a decade), while Musa Abu Marzouk (based in Gaza), Ismail Haniyeh (based in Gaza), and Saleh al Aruri (based in Turkey) are deputy leaders with responsibility for exiles, Gaza, and the West Bank, respectively.<sup>104</sup> In the past decade, the politburo approved a more direct role for Hamas in Palestinian politics while reportedly maintaining a variety of funding sources (discussed below) and a militia armed largely by Iran. The militia, known as the Izz al Din al Qassam Brigades,<sup>105</sup> is led by Muhammad Deif.<sup>106</sup>

The internal dynamics of Hamas's leadership are unclear. Some reports indicate that Qassam Brigades leaders may have less cautious and more ideologically-driven views regarding costs and benefits of violence than many of Hamas's political leaders, and that they might use whatever publicity and advantages that may come to Hamas from its military capabilities as leverage within the movement to drive or control key decisions.<sup>107</sup> With the de facto Hamas government in Gaza now nominally disbanded, a possible concomitant reduction in the political leaders' prominence and control of funding streams may have reduced their influence somewhat within the movement.

In recent years, reports have indicated that Hamas leaders based outside Gaza might be seeking to move toward more nonviolent resistance in exchange for a significant role in the PLO, which is generally recognized internationally as the representative of the Palestinian national movement. Historically, groups splitting from Palestinian Muslim Brotherhood-inspired movements—such as Palestine Islamic Jihad – Shaqaqi Faction (PIJ) and several of Gaza's other militant groups—have gone in the other direction, seeking a more radical and violent approach.

External Hamas leaders have traditionally used control over funding streams as a means to exercise power within the movement. Given these leaders' lack of an on-the-ground presence in Gaza, if their control over outside funding has flagged, they might face obstacles to presenting themselves effectively as popular alternatives to or bureaucratic checks on Gaza-based leaders. Yet, upon the outbreak of conflict, Hamas's external leaders are probably better positioned to gain publicity than Gaza-based leaders who maintain low profiles for security reasons. Such leadership

<sup>&</sup>lt;sup>103</sup> Hazem Balousha, "Hamas Re-Elects Meshaal for a Fourth Term," *Al-Monitor Palestine Pulse*, April 3, 2013.
<sup>104</sup> Ibid. Meshaal and Haniyeh are profiled in **Table B-1**.

<sup>&</sup>lt;sup>105</sup> Izz al Din al Qassam was a Muslim Brotherhood member, preacher, and leader of an anti-Zionist and anti-colonialist resistance movement in historic Palestine during the British Mandate period. He was killed by British forces on November 19, 1935.

<sup>&</sup>lt;sup>106</sup> For a profile of Deif, see Nidal Al-Mughrabi and Maayan Lubell, "Has Hamas military chief, Mohammed Deif, escaped death again?," *Reuters*, August 20, 2014.

<sup>&</sup>lt;sup>107</sup> Shlomi Eldar, "The delusion of Hamas' military wing," Al-Monitor Israel Pulse, July 17, 2014.

dynamics have the potential to influence critical decisions and their timing. For example, some media reports indicate that, during the summer 2014 Israel-Gaza conflict, Meshaal—ostensibly benefitting from a boost in prestige—had to be pressured to accept the cease-fire by Gaza-based leaders concerned about the risk of additional destruction.<sup>108</sup>

#### **External Support**

Hamas reportedly receives external support from a number of sources, including some states and non-state groups or networks. Along with several other major non-PLO factions that absolutely reject or only conditionally accept the concept of peace with Israel, Hamas has historically received much of its political and material support from Iran. However, Iran apparently significantly decreased its funding of Hamas after 2011 due to Hamas's public break with the Asad regime in Syria, reportedly sending more assistance to PIJ.<sup>109</sup> Nevertheless, some reports indicate that Hamas's military capacities have been augmented through Iranian technological assistance and training (that had been provided either directly or via Lebanese Hezbollah),<sup>110</sup> and there are some indications that Hamas and Iran may be considering renewed closeness in their relations.<sup>111</sup>

Qatar, which hosts Hamas politburo chief Khaled Meshaal, has been identified by various Israeli sources as Hamas's main external source of funding.<sup>112</sup> Qatari officials deny that their government supports Hamas financially and argue that their policy is to support the Palestinian people. The U.S. government does not publicly describe the state of Qatar as providing material support or state sponsorship to Hamas. Qatar has reportedly provided at least one payment to about 24,000 former employees of the Hamas-led administration in Gaza who lost their salaries after the PA regained formal control in June 2014.<sup>113</sup> Turkey, which along with Qatar provides political support to Hamas, <sup>114</sup> has also been named in some reports as a financial backer, though it is unclear whether and to what extent this is the case.

In addition to external assistance from states, Hamas has other sources of support. According to the State Department's profile of Hamas in its Country Reports on Terrorism for 2013:

<sup>&</sup>lt;sup>108</sup> See, e.g., Shlomi Eldar, "Zahar, Haniyeh pressured Meshaal into cease-fire," *Al-Monitor Israel Pulse*, August 27, 2014.

<sup>&</sup>lt;sup>109</sup> Jay Solomon, "U.S., Israel Fear Pickup in Iranian Support of Hamas," *wsj.com*, July 30, 2014. Reportedly, Iran had provided Hamas with as much as \$20-25 million per month. Robert Tait, "Iran cuts Hamas funding over Syria," *Telegraph*, May 31, 2013.

<sup>&</sup>lt;sup>110</sup> See, e.g., Ronen Bergman, "How Hamas Beat Israel in Gaza," New York Times, August 10, 2014.

<sup>&</sup>lt;sup>111</sup> Amira Hass, "Iran official tells Hamas daily: Willing to arm West Bank Palestinians too," *haaretz.com*, December 21, 2014; Adnan Abu Amer, "Hamas begins rapprochement with Hezbollah, Iran," *Al-Monitor Palestine Pulse*, January 27, 2015.

<sup>&</sup>lt;sup>112</sup> Elhanan Miller, "Israel singles out Qatar as key Hamas terror sponsor," *Times of Israel*, July 23, 2014.

<sup>&</sup>lt;sup>113</sup> Fares Akram and Jodi Rudoren, "Qatar Offers Cash to Pay Some Staff in Gaza Strip," *New York, Times*, October 28, 2014. Additionally, since 2013, Qatar has supposedly provided several million dollars for Gaza construction projects. Though Qatar has claimed to maintain control over its Gaza construction projects, some allege that these projects and Qatari-aided shipments of fuel into Gaza aid Hamas's military or logistical efforts, while others deny this. A Qatari official has reportedly indicated that any money it would contribute to Gaza going forward for humanitarian purposes would not go to Hamas. "Palestinian Official: Rebuilding Gaza Will Cost \$6 Billion," *Reuters*, August 4, 2014.

<sup>&</sup>lt;sup>114</sup> For congressional testimony on this subject, see transcript of hearing dated September 9, 2014 before the House Foreign Affairs Subcommittee on Middle East and North Africa.

The group [Hamas] also raises funds in the Gulf countries and receives donations from Palestinian expatriates around the world through its charities, such as the umbrella fundraising organization, the Union of Good. However, recent efforts by the Egyptian military to destroy tunnels connecting Gaza with the Sinai have severely limited Hamas's access to weapons, smuggled goods, and construction materials.<sup>115</sup>

According to one mid-2014 analysis, Hamas may be "stepping up its own fundraising, not only through traditional charitable organizations but also new business ventures," including "tradebased money-laundering schemes."<sup>116</sup> This same analysis stated that "Hamas invests significant energy into its fundraising and lobbying efforts in Europe and sees the region as an important arena to further i[t]s strategic goals: fundraising for Hamas activities in the West Bank and Gaza Strip under the guise of front organizations and lobbying for the repeal of the European Union's designation of Hamas as a terrorist group."<sup>117</sup>

It is possible that one motive, perhaps among others, for Hamas's periodic resort to armed conflict with Israel is to attract external support by

- concentrating regional and international attention on the difficulties Hamas and the people of Gaza apparently face; and
- demonstrating that Hamas can capably use resources committed to it against Israel.

Whether engaging in conflict with Israel is likely to increase Hamas's external support is unclear, as many regional actors are preoccupied with their own situations or those of other countries such as Iraq and Syria, and many (if not most) Arab leaders have been essentially adversarial to Hamas since the Muslim Brotherhood lost power in Egypt in July 2013.<sup>118</sup> Declining global oil prices could also affect support from Gulf states. However, it is possible that some supporters' or potential supporters' calculations—including Iran's—could be affected by their perceptions of Hamas's ability to maintain military capabilities threatening Israel despite Israeli efforts to degrade them, and/or their perceptions of regional popular support for Hamas.<sup>119</sup> Even if Hamas's capacity to directly harm Israel might be limited, it might calculate that its militia deters

<sup>&</sup>lt;sup>115</sup> According to one source, Egypt closed "95% of the tunnels connecting Egypt to Gaza, economically devastating Gaza as over 40% of Hamas's tax revenue came from tariffs on tunnel goods, amounting to a loss of around \$460 million a year." John Hulsman, "Israel and Hamas both think they won in Gaza—This crisis is doomed to fester," *City* AM (London), August 5, 2014.

<sup>&</sup>lt;sup>116</sup> Matthew Levitt, "Kidnapped Israeli Teens Compel Scrutiny of Hamas's International Finances Going after the 'Hamas HQ in Europe,'" *newrepublic.com*, June 24, 2014.

<sup>&</sup>lt;sup>117</sup> Ibid. In December 2014, the General Court of the European Union (EU) ruled that Hamas should be removed from the EU's common list of designated terrorist organizations on procedural grounds related to the decision-making process used in adding the group's military wing to the list in 2001. The EU External Action Service responded that the ruling was not a political or substantive decision made by EU governments, and that restrictive measures against Hamas will remain in place as an appeal process goes forward. The United States and Israel both urged the EU to maintain its sanctions against Hamas. In addition to having listed Hamas's military wing on its common terrorist list since 2001, the EU has listed its political wing since 2003. In addition, the EU common terrorist list includes two charities that are believed to be related to Hamas: the U.S.-based Holy Land Foundation for Relief and Development; and Al-Aqsa, e.V. (or the Al-Aqsa Foundation), located throughout Europe.

<sup>&</sup>lt;sup>118</sup> Richard Engel, "Hamas Learns It Has Few Friends in Latest War with Israel," *NBC News*, August 6, 2014. See also Nathan Thrall, "Faith-Based Diplomacy," *Matter*, September 18, 2014, stating: "Israel's actions in Gaza [during the summer 2014 conflict] were given both tacit and overt support by Egypt, Jordan, Saudi Arabia, and the Fatah-dominated Palestinian Authority."

<sup>&</sup>lt;sup>119</sup> See, e.g., Solomon, op. cit.; Mirren Gidda, "Hamas Still Has Some Friends Left," July 25, 2014.

challenges from other armed groups in Gaza, and that engaging in its own periodic attacks or rocket fire against Israeli targets maintains its "resistance credentials."

#### **Other Rejectionist Groups**

Several other small Palestinian groups continue to reject the PLO's decision to recognize Israel's right to exist and to negotiate a two-state solution. They remain active in the West Bank and Gaza and retain some ability to carry out terrorist attacks and other forms of violence to undermine efforts at cooperation and conciliation. Their activities sometimes complicate the challenges the Abbas-led PA and Hamas, respectively, face in maintaining security and internal order in the West Bank and Gaza—including when Gaza rocket attacks provoke Israeli reprisals. In Gaza, some observers speculate that Hamas permits or even supports some of these groups, including those which have presences in Egypt's Sinai Peninsula, without avowing ties to these groups. Such groups provide Hamas opportunities to tacitly permit or encourage attacks against Israel while avoiding direct responsibility.

#### Palestine Islamic Jihad – Shaqaqi Faction (PIJ)

The largest of these other groups is Palestine Islamic Jihad – Shaqaqi Faction (PIJ), a U.S.designated Foreign Terrorist Organization that, like Hamas, is an offshoot of the Muslim Brotherhood and receives support from Iran. PIJ's secretary-general since 1995 has been Ramadan Abdullah Muhammad Shallah, who is reportedly based in Damascus, Syria. Since 2000, PIJ has conducted several attacks against Israeli targets (including suicide bombings), killing scores of Israelis.<sup>120</sup> PIJ, estimated at a few hundred members, emerged in the 1980s in the Gaza Strip as a rival to Hamas. Inspired by the Iranian revolution, it combined Palestinian nationalism, Sunni Islamic fundamentalism, and Shiite revolutionary thought. PIJ seeks liberation of all of historic Palestine through armed revolt and the establishment of an Islamic state, but unlike Hamas has not established a social services network, formed a political movement, or participated in elections. Perhaps largely for these reasons, PIJ has never approached the same level of support among Palestinians as Hamas.

## Popular Front for the Liberation of Palestine-General Command (PFLP-GC)

Another—though smaller—Iran-sponsored militant group designated as an FTO is the Popular Front for the Liberation of Palestine-General Command (PFLP-GC). PFLP-GC is a splinter group from the PFLP and has a following among Palestinian refugees in Lebanon and Syria. PFLP-GC's founder and secretary-general is Ahmed Jibril. He is reportedly based in Damascus and allied with the Asad regime.

## Salafist Militant Groups

A number of small but potentially growing Palestinian Salafist-Jihadist militant groups evincing affinities toward groups such as Al Qaeda or the Islamic State organization (also known as ISIS or ISIL) have arisen in the Gaza Strip. Some Salafist groups reportedly include several former Hamas militia commanders who have become disaffected with Hamas's informal cease-fires with

<sup>&</sup>lt;sup>120</sup> See footnote 66.

Israel and other actions they perceive as having moderated Hamas's stance. They do not currently appear to threaten Hamas's rule in Gaza. Yet, with enough influential adherents or outside support, these groups could possibly either pressure Hamas to renew active confrontation with Israel or pose a long-term challenge to its rule, either directly or by provoking action from Egypt or Israel.

# **Palestinian Refugees**

#### In General

Of the some 700,000 Palestinians displaced during the 1947-1948 Arab-Israeli war, about one third ended up in the West Bank, one third in the Gaza Strip, and one third in neighboring Arab countries. They and their descendants now number approximately 5 million, with roughly one-third living in refugee camps in the West Bank, Gaza, Jordan, Lebanon, and Syria. Jordan offered Palestinian refugees citizenship, partly owing to its previous unilateral annexation of the West Bank (which ended in 1988), but the other refugees in the region are stateless and therefore limited in their ability to travel. Refugees receive little or no assistance from Arab host governments and many (including those who do not live in camps) remain reliant on the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) for food, health care, and/or education. For additional information on UNRWA (including historical U.S. contributions) and recent congressional action concerning it, see CRS Report RS22967, U.S. Foreign Aid to the Palestinians, by (name redacted).

For many years, Congress has raised concerns about how to ensure that UNRWA funds are used for the programs it supports and not for terrorist activities or corrupt purposes. Refugee camps are not controlled or policed by UNRWA, but by the host countries or governing authorities.<sup>121</sup> Concerns also have been expressed about the content of textbooks and educational materials used by UNRWA, with claims that they promote anti-Semitism and exacerbate tensions between Israelis and Palestinians. UNRWA responds that the host country, not UNRWA, provides the textbooks and determines their content because students must take exams in host country degree programs. Additionally, UNRWA integrates human rights-themed education into its school programs.<sup>122</sup>

For political and economic reasons, Arab host governments generally have not actively supported the assimilation of Palestinian refugees into their societies. Even if able to assimilate, many Palestinian refugees hold out hope of returning to the homes they or their ancestors left behind or possibly to a future Palestinian state. Many assert a deep sense of dispossession and betrayal over never having been allowed to return to their homes, land, and property. Some Palestinian factions have organized followings among refugee populations, and militias have proliferated at various times in some refugee areas in Lebanon and Syria. The refugees exert significant pressure on both their host governments and the Palestinian leadership in the West Bank and Gaza to seek a solution to their claims as part of any final status deal with Israel.

<sup>&</sup>lt;sup>121</sup> UNRWA's responsibilities are limited to providing its services to refugees and administering its own installations.

<sup>&</sup>lt;sup>122</sup> See http://www.unrwa.org/what-we-do/human-rights-education.

#### Summer 2014 Israel-Gaza Conflict

During the summer 2014 Israel-Gaza conflict, a number of incidents took place involving UNRWA schools. These included damage inflicted on some schools sheltering Palestinian civilians that led to a number of deaths and injuries, and also included possible illicit use of vacant UNRWA schools by Palestinian militants to store weapons. The incidents triggered public debate regarding actions both by Israel and by UNRWA.<sup>123</sup> In November 2014, U.N. Secretary-General Ban Ki-moon formed an independent board of inquiry. According to a November 10, 2014, statement attributable to the Spokesman for the Secretary-General:

The Board will be led by Mr. Patrick Cammaert (The Netherlands) and includes, as its other members, Ms. Maria Vicien-Milburn (Argentina), Ms. Lee O'Brien (USA), Mr. Pierre Lemelin (Canada) and Mr. K.C. Reddy (India). It will review and investigate a number of specific incidents in which death or injuries occurred at, and/or damage was done to United Nations premises. The Board will also review and investigate incidents in which weapons were found to be present on United Nations premises. The Secretary-General expects that the Board will enjoy the full cooperation of all parties concerned.

Israel's government has stated its intention to cooperate with this board of inquiry, but has announced that it will not cooperate with a commission appointed by the U.N. Human Rights Council (UNHRC) that is investigating possible violations of international humanitarian and human rights law in Gaza and the West Bank since June 13, 2014.<sup>124</sup> As described above, in January 2015 ICC Prosecutor Fatou Bensouda opened a preliminary examination into the "situation in Palestine" dating from June 13, 2014. Such an examination might cover events from the summer 2014 conflict, and its announcement has triggered vigorous Israeli opposition in response.<sup>125</sup>

## **Effects of Syria Conflict**

The growing endangerment of Palestinian refugees in Syria as its internal conflict continues could have implications both on developments there and for factional politics in the West Bank and Gaza. According to UNRWA Deputy Commissioner-General Margot Ellis, as of December 4, 2014, of about 560,000 Palestinian refugees registered in Syria, more than 60% are displaced.<sup>126</sup>

<sup>&</sup>lt;sup>123</sup> Scott Bobb, "At Least 15 Killed in Israeli Strike on Gaza Market," *Voice of America*, July 30, 2014; Michael Wilner, "Senators want UNRWA investigated over 'troubling' Gaza role," *jpost.com*, August 13, 2014.

<sup>&</sup>lt;sup>124</sup> Maayan Lubell, "Israel to cooperate with U.N. Gaza war inquiry," *Reuters*, September 20, 2014. It is unclear how such an investigation will be similar to or differ from the UNHRC-mandated investigation undertaken following the December 2008-January 2009 Israel-Gaza conflict, known as the "Goldstone Report" and available at http://www2.ohchr.org/english/bodies/hrcouncil/docs/12session/A-HRC-12-48.pdf. Israel's military has opened a number of criminal investigations into incidents during the 2014 conflict in which Palestinian civilians were killed, possibly facilitating potential Israeli efforts to respond to the work of the UNHRC-appointed commission. Jeffrey Heller and Dan Williams, "Israel's military opens eight new probes into its Gaza war conduct," *Reuters*, December 7, 2014. William Schabas, the Canadian law professor who was initially selected to head the commission, resigned his place in February 2015 after Israel provided evidence that he had previously done paid work for the PLO. U.S. jurist Mary McGowan Davis was named to replaced Schabas. "Schabas resigns as head of U.S. Gaza inquiry panel," *JTA*, February 3, 2015.

<sup>&</sup>lt;sup>125</sup> Joel Greenberg, "Netanyahu blasts international court over preliminary probe of war crimes claims," *McClatchyDC*, January 17, 2015.

<sup>&</sup>lt;sup>126</sup> UNRWA website, Remarks by Deputy Commissioner-General Margot Ellis at the General Assembly, December 4, 2014.

In a December 1, 2014, meeting with CRS, Ellis stated that of the tens of thousands who have left Syria, approximately 44,000 are in Lebanon, 15,000 in Jordan,<sup>127</sup> 4,500 in Egypt, and 4,000 in Turkey, with smaller numbers in Gaza and further afield.

<sup>&</sup>lt;sup>127</sup> According to UNRWA's website, Jordan stemmed the flow of Palestinian refugees from Syria over its borders after announcing a policy of non-entry in early 2013.

# Appendix B. Possible Successors to Mahmoud Abbas

There are a number of leading Palestinian figures (see **Table B-1**), including some from Fatah and from Hamas, who might have prospects for succeeding Abbas as PLO chairman and/or PA president, or at least for influencing the process by which a successor or successors might be selected.

| Name                                   | Description   |
|--|---|
| Marwan Barghouti (Fatah)               |   |
| Fource: BDalim                         | Barghouti (born 1959) appears to be very popular among Palestinians. He<br>is generally viewed as a leader independent from the Fatah "old guard" and<br>as pragmatic in dealings with both Israel and Hamas. He consistently<br>outperforms other Fatah and Hamas leaders (including Abbas) in domestic<br>polling regarding presidential preferences. Barghouti has been in an Israeli<br>prison since 2002 for terrorism-related murder allegations (he was<br>convicted in 2004) in connection with the second Palestinian intifada. Thus,<br>it is unclear whether Israeli authorities would permit him to be released<br>from prison, or to have dealings with him, if Palestinians chose him as a<br>main national leader. In part due to Barghouti's imprisonment and resulting<br>absence from public politics for more than a decade, it is also unclear<br>whether the hope he may represent for many Palestinians would translate<br>into effective and unifying national leadership. |
| Muhammad Dahlan (Fatah)                |   |
| Source: Maanlmages/Fadi Arouri         | Dahlan (born 1961) is a former associate of Yasser Arafat's and Mahmoud<br>Abbas's who was reportedly close to U.S. and Israeli officials as Fatah's<br>main security enforcer in Gaza before Hamas's military takeover in 2007.<br>In 2011, reported difficulties between Dahlan and Abbas led to his<br>apparent expulsion from Fatah and exile to the United Arab Emirates.<br>Since then, Dahlan and Abbas—through their respective loyalists—have<br>reportedly feuded for influence and traded blame over past events, such as<br>Yasser Arafat's mysterious death. Media reports speculate about Dahlan's<br>possible use of patronage and supporters in Gaza, the West Bank, and<br>internationally to increase his chances of succeeding or even displacing<br>Abbas. <sup>a</sup> Some reports indicate that Hamas may be facilitating Dahlan's<br>efforts to regain influence, despite past enmity, due to mutual interests in<br>weakening Abbas. <sup>b</sup>                        |
| Salam Fayyad (Independent)             |   |
| Source: http://www.radio-<br>canada.ca | Fayyad (born 1952) served as PA prime minister under Abbas from 2007<br>until 2013, after having served as finance minister under Arafat and Abbas<br>from 2002 until 2005. Though seen by many Western observers as a<br>significant Palestinian leader for his efforts at reform and development, he<br>is generally viewed domestically as a technocrat with an insignificant<br>political base, though he won a parliamentary seat in 2006 as part of a<br>small party. His experience, international reputation, and possible common<br>cause with Dahlan or other popular Palestinian figures could nevertheless<br>make him an attractive candidate to lead Palestinians in a time of<br>transition. <sup>c</sup> Fayyad received multiple graduate degrees in the United States<br>and worked for the International Monetary Fund.  |
|  |   |

#### Table B-I. Various Prominent Palestinian Figures

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#### Name

#### Description

Majid Faraj (Fatah)



Source: MaanImages Saeb Erekat (Fatah)



Source: palestinenote.com Muhammad Shtayyeh (Fatah)



Source: pecdar.ps Nabil Sha'ath (Fatah)



Source: arabi-press.com Jibril Rajoub (Fatah)



Source: Gettylmages

Faraj (born 1962) was a leader of the first intifada, and joined the PA's Preventive Security Organization near the time of its inception in the mid-1990s. He emerged as a top security chief, becoming head of "military intelligence" in the National Security Forces in 2006, and head of the General Intelligence Service in 2009. He has reportedly become "Abbas's right-hand man on many sensitive portfolios," including the most recent round of U.S.-brokered negotiations with Israel,<sup>d</sup> and may be favored as a potential successor by some U.S. officials.<sup>e</sup>

Erekat (born 1955) is one of Abbas's closest associates and has been at the forefront of off-and-on PLO negotiations with Israel since the Madrid conference in 1991. Occasional leaks of his possible willingness to contemplate sensitive concessions in negotiations have led to outcries among the Palestinian public and could complicate efforts to designate him as a national leader. Erekat was educated in the United States and the United Kingdom.

Shtayyeh (born 1958) is another of Abbas's close associates with extensive experience in PLO negotiations with Israel and in PA ministries and a variety of economic development initiatives and educational endeavors in the West Bank. He received a Ph.D. in the UK.

Sha'ath (born 1938) directs Fatah's international relations, and has extensive experience as a PLO negotiator and PA minister. He also has a background in education and public planning and administration, and received multiple graduate degrees in the United States.

Rajoub (born 1953) is a former West Bank security commander from the Arafat era<sup>f</sup> who was elected to Fatah's Central Committee in 2009. Quotes from the media indicate that Rajoub periodically makes remarks about Palestinian empowerment with potentially violent connotations regarding Israel.<sup>g</sup>

#### Name

Description

Yasser Abed Rabbo (Independent)



Source: Issam Ramawi/Flash 90

Khaled Meshaal (Hamas)



Source: Trango Ismail Haniyeh (Hamas)



Abed Rabbo (born 1944) is the general secretary of the PLO Executive Committee and has served as a longtime advisor to Arafat and Abbas. He has belonged to a number of PLO factions. Since Abbas dismissed him from supervising PA media operations in 2012, they have reportedly had a mainly adversarial relationship, and media reports speculate that Abed Rabbo might be aiding the leadership aspirations of Dahlan and/or Fayyad.<sup>h</sup>

Meshaal (born 1956) is the chief of Hamas's political bureau and has lived outside of the West Bank and Gaza in various Arab capitals since 1967.<sup>i</sup> He is currently based in Doha, Qatar. There is little or no indication that Meshaal would seek PA elective office, but his dealings with Abbas since 2011 indicate that he seeks to have Hamas join the PLO, perhaps as a precursor for it to play a controlling or major role.

Haniyeh (born 1963) is reportedly Hamas's main political bureau representative for Gaza. He served as Hamas's designated "prime minister" in Gaza from June 2007 to June 2014, having previously served as PA prime minister from March 2006 to June 2007 following Hamas's victory in 2006 PLC elections. In Palestinian opinion polls for hypothetical PA presidential elections, Haniyeh sometimes runs close to or even ahead of Mahmoud Abbas in head-to-head pairings.

Source: idfblog.com

- a. "A succession crisis," Economist, March 22, 2014.
- b. Yoni Ben Menachem, "Muhammad Dahlan and the Succession Battle for the PA Chairmanship," Jerusalem Center for Public Affairs, January 21, 2015. According to this online post, in the 1980s Dahlan shared an Israeli prison cell with Muhammad Deif, the commander of Hamas's military wing, the Izz al Din al Qassam Brigades. Ibid.
- c. Ibid.
- d. Yaari, "The Riddle of Succession in the Palestinian Authority," op. cit.; Grant Rumley, "Middle East Watchers: Keep Your Eye on Majid Faraj," *nationalinterest.org*, August 20, 2014.
- e. Tzvi Ben-Gedalyahu, "Obama's Hand-Picked Successor to Abbas Could Re-Ignite 'Peace Process," *jewishpress.com*, September 14, 2014.
- f. Rajoub headed the Preventive Security Organization (PSO) until 2002, and was alleged to have used repressive measures against a number of Arafat's opponents. Some reports claim that the PSO has received covert Western (including U.S.) assistance since the late 1990s.
- g. See, e.g., Cheryl K. Chumley, "Palestinian Authority deputy: If we had a nuke, we'd have bombed Israel," Washington Times, May 9, 2013.
- h. Grant Rumley, "In Palestine, Mahmoud Abbas vs. Mohammad Dahlan," nationalinterest.org, January 3, 2015.

i. For a detailed account of a failed Israeli Mossad attempt to assassinate Meshaal in 1997 in Jordan, and Meshaal's rise to power within Hamas, see Paul McGeough, *Kill Khalid: The Failed Mossad Assassination of Khalid Mishal and the Rise of Hamas*, New York: The New Press, 2009.

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