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The Electronic Intifada

الانتفاضة الإلكترونية

Opinion/Editorial

Why PA's new prime minister heads a papier-mâché government

Alaa Tartir

The Electronic Intifada

19 June 2013



There is no doubt that Hamdallah's government will be under the thumb of Abbas.

(Issam Rimawi / APA images)

"Welcome to my new page and I wish I will be able to rescue you from the abyss." This was the first Facebook post of Dr. Rami Hamdallah, appointed as prime minister of the Ramallah-based Palestinian Authority by its leader, Mahmoud Abbas, earlier this month.

Hamdallah is to head an ostensibly transitional government that will expire in September.

An academic and president of An-Najah University in Nablus, Hamdallah signaled that he understood the need to be in touch with the people, even virtually, in order to build his local legitimacy.

By turning to social media he was following the example of his predecessor Salam Fayyad.

But Hamdallah also seemed to be admitting that, despite the glowing reports of a flourishing West Bank economy as a result of Fayyad's much vaunted "state-building" efforts, Palestinians are, in fact, still living in an abyss.

There have been 14 Palestinian Authority governments in Ramallah, including that of the internationally-celebrated Fayyad who held the prime minister post for six years. All of these governments not only failed to pull Palestinians out of the abyss, but have arguably only made life even worse.

Hamdallah would have to be a miracle worker to do any better, and in only three months.

Impossible to rescue?

These persistent failures suggest that it is the existing framework, rather than the individuals concerned, that make it impossible for the "Palestinian leadership" to rescue itself, let alone the Palestinian people. And this context is, of course, the 1993 Oslo accords and the accompanying economic agreements. It is safe to conclude, after two decades, that these agreements will not permit any Palestinian leadership to fulfill the aspirations and demands of and pursue the rights of the Palestinian people.

The appointment of Hamdallah must also be understood within this landscape in order to tamp down the sort of wishful thinking and lofty expectations that were attached to Fayyad.

So given these constraints, what is the significance of Hamdallah's appointment and what implications will it have for the system of Palestinian governance? What will change and what will remain the same? Will it have any impact on the internal Palestinian division between the internationally-supported Fatah-ruled PA in Ramallah, and the Hamas-run wing isolated in the Gaza Strip? And what, if anything, can this new PA government offer the Palestinian people?

No surprise

Hamdallah's appointment did not surprise seasoned observers, given the long-standing and increasingly desperate wish of the PA leadership, particularly the Fatah central committee, to get rid of Fayyad.

Hamdallah's nomination and appointment was supported by many of Abbas' political advisors and economic elites such as the tycoon Munib Masri, who was the Palestinian godfather of the recent Dead Sea "economic peace" initiative in May.

What was new was the appointment of two deputy prime ministers: one, Ziad Abu Amr, a pragmatic liberal Gazan, for political affairs; and the other, Muhammad Mustafa, a clone of Salam Fayyad, for economic affairs. Abu Amr is respected by and has good relations with Hamas, and served as the foreign minister in the short-lived unity government in 2007.

Mustafa is the chief executive officer of the Palestine Investment Fund (PIF), which, though formally independent, is close to the PA's Mahmoud Abbas, and which supposedly manages the Palestinian people's wealth.

Mustafa is, according to some reports, the Palestinian counterpart for the \$4 billion “development plan” for the Palestinian economy announced by US Secretary of State John Kerry at the World Economic Forum in Jordan last month.

Mustafa is also economic advisor to Mahmoud Abbas. Shukri Bishara, who briefly chaired the PIF, has now been named finance minister.

Elite domination

These appointments underscore that the PA remains dominated by the same small elite who cut across the political and economic spheres, with all the implications this has for fostering cronyism, corruption, self-dealing and authoritarianism.

Yet, as political analyst Hani Masri has observed, the creation of what seem to be empowered deputy prime ministers may indicate an effort to diffuse power away from the prime minister's office and return to a system where the PA president is the only holder of power, in the style of the late Yasser Arafat. This is undoubtedly an effort by Abbas to consolidate his control.

The irony here is that the position of prime minister was created for Abbas in 2003 with the backing of George W. Bush's administration and other foreign powers, to act as a check on Arafat. Now that Abbas occupies the post of PA president, he found having an externally-baked prime minister, Fayyad, competing with him, was quite an inconvenience.

Under Abbas' thumb

There is no doubt, then, that this government is under the thumb of Abbas. Hamdallah has been president of An-Najah University for 16 years, a job he will keep, and has ruled his “empire” with an iron fist (“The empire Hamdallah built,” Haaretz, 9 June 2013).

He has also expanded it with the assistance of Arab and Islamic aid.

Hamdallah is also the secretary-general of the Central Elections Commission, chairperson of the Palestine Exchange and a trustee of Al-Istiqlal University (formerly the Palestinian Academy for Security Sciences in Jericho).

On paper, at least, he is well positioned at the intersection of economic, political and security spheres. But the question remains how much power he will have and what his real mandate is.

Although he leans toward Fatah, Hamdallah's religious orientation means he is well-liked by Hamas leaders. Indeed, Hamas has not objected to Hamdallah as a person, but perceives his government and his appointment, as it did those of his predecessors, as illegal.

Though this could slightly improve the chances of achieving Palestinian unity, bridging the divide between Fatah and Hamas will remain beyond Hamdallah's reach. That matter stands firmly with Abbas and his international sponsors on the one hand, and Hamas leader Khaled Meshaal, his political bureau and their calculations on the other.

It is also commonly believed that Hamdallah has strong relations with Arab donors, particularly from the Gulf, which would be an asset given the PA's chronic budget crises and might help if Palestinian unity is to be achieved.

Yet running a university is not the same as running the affairs of a society under occupation. While Hamdallah has no reputation for corruption, it remains to be seen whether he is ready, willing or able to deal with the complex networks of corruption and cronyism that are embedded in Oslo framework.

Hamdallah has received strong backing from influential Palestinian tycoon Munib Masri, who gave him the nickname "Dameer" — the conscience — in a largely sympathetic *New York Times* profile (["Palestinian Authority's new premier admired as 'conscience.'" 3 June 2013](#)).

This positive coverage reflected that of local media stressing Hamdallah's "human" side.

However, these emotional appeals aside, the prime minister's position is a political position and by definition it is about political stances, economic policies and the style of governance. Being kind and "full of humanity" is certainly a good thing, but those attributes, however real they may be, are not sufficient.

Hamdallah's appointment — whatever genuine qualities he may have — will reveal once again that what matters are the realities on the ground and the practices of those who hold the power, especially Israel and its international backers.

Illegal appointment?

Notwithstanding the formal ceremonies of Hamdallah's swearing in, the legitimacy of the government — or lack of it — is another crucial dimension.

The Palestinian Basic Law requires that a new government be approved by the [Palestinian Legislative Council](#). Fayyad's governments never obtained such approval, and Hamdallah's is not likely to either.

As a consequence of the split between the Ramallah and Gaza wings of the PA, the Palestinian Legislative Council elected in 2006, in which Hamas has a majority, has rarely met and several of its members remain imprisoned by Israel.

The executive committee of the [Palestine Liberation Organization](#), chaired by Abbas, has lent its support to the Hamdallah government. Dr. Hanan Ashrawi, one the executive committee members, told the media that what she cared about was local legitimacy and how the Palestinian people perceive themselves, not what Kerry, British Foreign Secretary [William Hague](#), or the [European Union's](#) foreign policy chief [Catherine Ashton](#) might say.

But in reality, these external powers, who were the main backers of Fayyad, would be unlikely to object to Hamdallah on the grounds that he lacks approval by the Palestinian Legislative Council. As long as the fundamental political issues that led to the Palestinian divide remain, the crisis of

internal legitimacy will not go away either.

Mounting bills

Bassam Zakarneh, head of a union for public sector workers, warmly welcomed Hamdallah's appointment, [telling the Ma'an news agency](#) that the "era of targeting the pockets of people will stop." This was a reference to the economic policies of Fayyad.

It remains to be seen how warm this welcome will remain, given that Hamdallah will face the same challenges as Fayyad, but might even have fewer tools with which to tackle them. Indeed, as the new cabinet met for the first time, Muhammad Mustafa, deputy prime minister for economic affairs, declared that "there is a major financial crisis and the PA is \$4.2 billion in internal and external debt" [PA official warns of worsening financial crisis](#), Ma'an, 17 June 2013).

In a press conference on the West Bank economy, Mustafa also warned that [unemployment](#) has soared to 40 percent. Young people comprise most of the 250,000 jobless.

But perhaps one advantage Hamdallah has is that, unlike Fayyad, he is not perceived by the public as someone imposed by the West, or whose appointment was a condition of international aid. Fayyad, by contrast, was seen as a figure with international backing parachuted in to carry out the demands of external donors. Whether this takes Hamdallah very far remains to be seen.

Hamdallah's first day on the job indicated how great the challenges he faces are likely to be.

In [Hebron, protesters demanded](#) the appointment of a minister from the city since they felt marginalized. Hamdallah reacted immediately, and in an attempt to co-opt the protest, appointed a minister of culture from Hebron.

On the same day, the minister of national economy [was forced to flee from strong criticism](#) and questioning at the national conference on [boycott, divestment and sanctions in Bethlehem](#). The minister's imperious response to the questioning prompted the audience to chant for him to leave, which he did.

The audience member who had posed the questions was badly beaten afterwards by a group of men which he alleged included members of minister's entourage.

A week later, a [protest](#) was organized in [Nablus](#) urging the new government to bring an end the skyrocketing cost of living by reducing value added tax on basic goods. The protesters also demanded that the PA reconsider or even disavow the [Paris Protocols](#), the economic agreement that gives Israel continued control over key aspects of the Palestinian economy, including external trade.

A protest organizer argued that it was a "message to the Hamdallah government telling him we were disappointed by his comments highlighting that he will follow in the former government's footsteps" ("[Protests in Nablus against high cost of living](#)," Ma'an, 15 June 2013).

These three incidents reflect part of the anger directed toward the Palestinian Authority and its policies, particularly “economic peace” and normalization with Israel.

The previous governments over the last six years had created structural changes and transformations, largely negative, in the West Bank. The current government needs to deal with their consequences or face the possibility of even more open protest and opposition.

Ritual restatement of dogma

Notwithstanding Abbas' declarations that the new government would follow his program and directives, the rules for the PA have already been laid out by Kerry and Tony Blair, the former British prime minister who now works as a “special representative” for the Middle East “Quartet” (the US, EU, UN and Russia).

Again, the international “representatives” are emphasizing an economic approach, because they have no political horizon to offer Palestinians with the peace process effectively dead.

Blair in his congratulation letter to Hamdallah declared, “I look forward to working closely with him on expanding the Palestinian economy, and boosting the institution-building agenda of the PA in preparation for independence and the establishment of a sovereign Palestinian state.

“I believe that the viability of the future Palestinian state will depend on a strong and sustainable economy, and I believe that we need to continue to grow the economy in parallel with the resumption of political talks.”

For his part, Kerry said, “Together, we can choose the path of a negotiated two-state settlement that will allow Palestinians to fulfill their legitimate aspirations, and continue building the institutions of a sovereign and independent Palestinian state that will live in peace, security, and economic strength alongside Israel.”

The focus on the economic dimension and the sacred commitment to the two-state solution are nothing but a ritual restatement of dogma that is as far as ever from translating into a positive reality for Palestinians. That is a reality that Hamdallah will be unable to change.

Finally, while this government is supposed to be transitional and last only until September, initial signs are that it will last much longer.

Deputy Prime Minister Mustafa told Ma'an that “the government is working to prepare a three-year plan. This will start with a plan for the next 100 days. The government plans as if it will stay forever and therefore we need to develop a long term plan for the next three years and a team has already start working on this plan.”

But this statement isn't the only reason to believe Hamdallah may be there for a while: there is very little chance of Hamas and Fatah patching up their differences and forming an alternative, unity government in the next three months.

The bottom line is clear: the trappings of sovereignty of what amount to *papier-mâché* governments under occupation will never liberate a nation. What they have done, and what this government will certainly contribute to further, is transforming a national liberation movement into a big bureaucratic body — one that is a burden on the Palestinian people and that sustains the military occupation directly and indirectly.

Palestinians, meanwhile, yearn for a legitimate and capable leadership, accountable to them, and which is able to put forward a vision and plan to realize their collective and individual rights — and to put it into action.

Alaa Tartir is program director of Al-Shabaka, the Palestinian Policy Network. He is the author of The Role of International Aid in Development: The Case of Palestine 1994-2008 (Lambert 2011).

Editor's note: This article previously stated that the Palestine Investment Fund (PIF) is owned by the Palestinian Authority. While close to the Palestinian Authority, PIF is formally independent.

Tags: [Rami Hamdallah](#) [Mahmoud Abbas](#) [Salam Fayyad](#) [Palestinian Authority](#) [Fatah](#) [Hamas](#) [Munib Masri](#) [Muhammad Mustafa](#) [Palestine Investment Fund](#) [PLO](#) [PLC](#) [Bassam Zakarneh](#) [Tony Blair](#) [John Kerry](#)

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Palestinian support free markets

[Permalink](#) Submitted by anan (not verified) on Sat, 07/06/2013 - 21:07

Palestinians are pro business and pro free market. For example see this 2009 Pew survey:

--"There is as much support for the free market in the Middle East as there is in Western Europe. And a higher percentage of Palestinians (82%) than any Western European public agrees that people are better off in a free market economy, even though some are rich and some are poor."

www.pewglobal.org/2009/07/23/c...

Issa Smeirat's research has demonstrated that Palestinians who live in the West Bank (non Israeli citizens) own twice as much in assets domiciled in Israel versus assets domiciled in the West Bank and Gaza.

<http://www.haaretz.com/print-e...>

Palestinians admire and respect Palestinian entrepreneurs, business people, inventors, scientists, ideation leaders, knowledge workers. Palestinians are likely to vote accordingly.

There are many models of resistance. One of these models is how Hong Kong resisted harsh English occupation by becoming richer, more powerful and more influential than the occupier. Hong Kong created a powerful lobby in England that greatly affected the House of Commons and English politics.

Every time a Palestinian helps a shut-in, that is resistance. Every time a Palestinian helps a grandmother cross a street, that is resistance. Every time a Palestinian serves someone else or a cause greater than themselves, that is resistance. Every time a Palestinian does something kind, studies, prays, or makes money, that is resistance.

BDS is not the only model for noble, and values driven resistance.

Viva Palestinian resistance!

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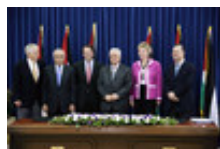


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