ISPI Policy Brief

ISTITUTO PER GLI STUDI DI POLITICA INTERNAZIONALE

Paolo Napolitano

What State in Palestine?
Palestinian institutional reform and the limits of the State-building approach[(*)]

Abstract

The process of Palestinian institutional reform goes alongside direct negotiations with Israel, and is supposed to lead to the creation of a Palestinian State by the end of 2011. A functioning, accountable and democratic Palestinian State would, in fact, constitute the best guarantee for any future relations with Israel. Yet the stalemate in the peace talks is likely to have negative effects on this process, making such a consistent effort fruitless in the medium and long term.

However, a close look at the Palestinian institutional reform raises many doubts around the real effects of this process, that on one hand – namely security apparatus and public administration - has evidenced major successes, but on the other - civic engagement – highlights a dangerous lack of social legitimacy. The Policy Brief investigates the main issues of the Palestinian reform, questioning the state-building approach in an ongoing conflict alongside the reshaping idea of a Palestinian State.

In the Palestinian context the State-building process, that is the complex set of measures to create and improve the functioning of a State, deals with a founding paradox: generally speaking such a process – that concerns institution building as well as economic and social development – starts at the end of a conflict, while in Palestine the reforming process has been set out before the formal independence of the State. Moreover, in this specific case the state-building strategy is generally conceived to be conducive to the peace agreement: reforming Palestinian institutions would contribute to the end of the Israeli occupation and the gaining of international and mutual trust. In this perspective the future Palestinian State, that is supposed to born by the end of 2011 after the direct negotiations with Israel, would be practicable and sustainable in the long run. The current stalemate in negotiations renders this aim quite far from being achieved, and reveals how the reform process alone is inadequate to sustain the road map to statehood. In fact, as the perspective of achieving a Palestinian State by the road map fixed by reform has turned away, the Palestinian leadership is insisting on the necessity to keep up on the reform, denying now a direct link between reform and statehood. Nevertheless this process discloses relevant elements for an understanding of the Palestinian political system and the more general attitude to the peace process.

The process of Palestinian Reform dates back to 2003 when Yasser Arafat was still alive, and coincides with the political rupture between that historical Palestinian leader and Abu Mazen, Prime Minister at that time[1].

---

[1] Criticism of the first stage of reform can be examined in N. BROWN, *Requiem for Palestinian Reform. Clear Lessons from a Troubled Record*, in «Carnegie Endowment for International Peace», no. 81, 2007, available on the web site: http://www.carnegieen dowment. org/files/cp_81_ palestine_final.pdf; N. BROWN, *Evaluating Palestinian Reform*, in «Carnegie Endowment

Paolo Napolitano is Ph D Political Science and International Relations, University of Turin.

It continued under the Abu Mazen presidency in 2005, gaining renewed support in the last two years with Prime Minister Salam Fayyad. After the Paris donors Conference in December 2007, the 13th Palestinian government started one of the vastest and most ambitious reform plans in recent history.

The reform aims to provide the Palestinian Authority with all the features of a State, ranging from improvement of public administration sector, and reform of the security apparatus, to the enhancement of civic engagement and the private sector in order to give the future Palestinian State stability. Instead, the hidden aim of the reform consists of detaching political movements from the institutions in order to avoid the neo-patrimonial drift that has occurred in recent years, giving financial stability to the Authority as well as determining a considerable shift of the Palestinian issue away from the political sphere to the technical sphere.

Moreover, the Palestinian reform tests the engagement of the international community in providing technical assistance to the process, however such assistance purports to not touch on the "political issues" of the conflict. Yet a thorough analysis will reveal how this process remains highly "political" and

has much to do with internal political dynamics.

Then, the main purpose of the present Policy Brief is to question the main pillars of the reform process, its criticalities and the contrast between "technical tools" and "political aims" to achieve statehood and how this affects the idea itself of a Palestinian State.

The technical assistance and the reform process: challenging the limits of the State-building approach in the Palestinian case

The state-building approach affirms that raising the integrity and efficiency of institutions of the State will have positive effects on the economy, society and politics[2]. This approach focuses on technocratic elements able to determine the functioning of the State: in this framework the State is considered as an independent variable that generates desirable outcomes, and detachment from the political context and local processes is assumed. Only transparent and efficient institutions will produce sound political behaviour, whereas State efficiency determines State legitimacy. Attempts at state-building throughout the world have received much criticism in recent years: imprinting of western values, disputable results, highly aid-driven and dependent, tech-

nocratic formulas detached from the context and society, and highly normative processes etc[3].

Indeed, the Palestinian case gathers together all the doubts related to the state-building process: will good and efficient institutions be able to achieve an efficient State and put an end to the occupation or will the political process still be decisive?

Following the Palestinian Reform and Development Plan of 2008, based on the results of the Paris donors conference of December 2007[4], in August 2009 the 13th Palestinian cabinet presented an ambitious reform programme as its title suggests: "*Palestine. Ending the Occupation, Establishing the State*"[5]. More recently, in August 2010 another pretentious title "*Homestretch to Freedom*" was issued by Prime Minister Salam Fayyad, presenting the results of the first year of the cabinet programme and launching challenges to achieve a Palestinian State by the end of 2011[6]. Homestretch to Freedom conveys the idea that

---

2005, available on the web site: http://www.carnegieen dowment.org /files/cp59.brown.final.pdf.

[2] M. WESLEY, *The State of Art on the Art of State Building*, in «Global Governance», no. 14, 2008, pp. 369-385.

[3] M.H. KHAN - G. GIACAMAN - I. AMUNDSE (eds.), *State Formation in Palestine: Viability and Governance During a Social Transformation*, Routledge, London 2004.
[4] http://www.mop-gov.ps/web_file s/issues_file/PRDP-en.pdf.
[5] http://www.mop-gov.ps/new/web _files/issues_file/090825%20Endin g%20Occupation, %20 Establishing%20the%20State%20-%20Pro gram%20of%20the%2013%20gov ernment.pdf.
[6] http://www.miftah.org/Doc/Report s/2010/Second_year_of_the_gover nment_program_English.pdf.

very little is lacking in order to reach freedom i.e. the birth of the Palestinian State, and it is indeed undeniable that some improvements have been made in a number of fields.

The reform plan is structured around four main linchpins: Governance, Social Development, Economic Development and Infrastructure. Amongst these, the international technical assistance programme, primarily funded by the United Nations Development Program (UNDP), is based on five sectors of intervention and their relevant criticalities:

- **Public administration**: the reorganization of public sector capacities in order to improve the quality of services delivered to the population. Much progress has been made in this sector, ranging from new infrastructures to the rationalization of resources, but many doubts remain regarding the real commitment of the new civil servants. Theoretically speaking, the separation of members sponsored by political movements from the reformed institutions can be judged as a positive element in the light of the general process of reform, but the commitment of this new class of civil servants must be tested in the long run: in the case of general elections and a real alternation of power, they will have the opportunity to be more loyal to the institutions than to their political affiliation.

- **Rule of law and security apparatus**: reforming the judiciary, granting independence and impartiality, and raising the level of security among citizens. This is the only sector in which major changes and effects are visible on the ground and cooperation with Israel is reaching unprecedented levels. In government intention terms, the security reform will win international trust for Palestinians and will end one of the main biases pertaining to the Palestinian camp i.e. incapacity to control the territory. Although deeply connected to the stability paradigm, the security reform is likely to fail if it is not matched in the long-run to other interventions at a political level, giving the future Palestinian State the features of an authoritarian rather than a democratic regime.

- **Economic development**: this is probably the most challenging sector to reform, as it is highly associated with the end of the occupation. Only the end of the occupation could, in fact, could guarantee a minimum operational level for the private sector. At the same time the reform aims to give financial stability to the Authority, depending largely on external aid and suffering from low domestic revenues. This latter point casts more shadows than light on the whole process of reform: external financial aid will drive economic development in the short and medium term, while in the long run the Palestinian private sector will be able to attract foreign investment and reactivate domestic demand. Yet all these supposed outcomes depend on political and security relations with Israel, so it will be difficult to achieve the whole process of reform as Israel or a political impasse could block the reform at any time.

- **Civil society**: strengthening the role of civil society organizations to monitor and report the work of public institutions and to reactivate grassroots ties [7]. Many doubts pertain to this field: looking at the political programme, the role of civil society is conceived as the guardian of the integrity of the new institutions, but the civic dynamics are increasingly taking the form of a top-down process in which even the possibility to contest the PA is becoming strictly prescribed, rather than being a purely bottom-up process.

- **Local governance**: reforming the system of local governance by achieving broad decentralization and merging several local government units in new municipalities. Redrawing the administrative map of the Territories (in this case

---

[7] http://www.miftah.org/Doc/Reports/2010/Second_year_of_the_government_program_English.pdf.

limited to the West Bank) requires a high level of social legitimacy of the project, in a situation where municipal elections have been postponed and an agreement between all the political parties is far from being reached.

In general, some improvements have been achieved in the rule of law and security apparatus sectors, and uncertainties remain confined to the public administration and economic development, while the civil society and local governance sectors may be reworked again.

These last two sectors of intervention – civil society and local governance – reveal how the reform process requires a step ahead at the internal political level. As mentioned above, the main problem regarding the state-building approach remains the exclusion of the political context from the reform; the only field able to give social legitimacy to the process. Prime Minister Salam Fayyad seems to be aware of this, calling for a threefold level of action: the political process and the activities led by the PLO, state-building, and peaceful resistance to the occupation[8], as much as he is aware that holding elections now would mean putting the whole process of reform in trouble.

The assistance programme and the reform are seen as a top-down process that is poorly connected to society. In this perspective, the postponement of the municipal elections shows that the political issue is an independent variable in the state-building approach, while support for strong and efficient institutions goes hand in hand with a national programme or a shared feeling of belonging, in order to make the institutions acceptable to the whole population.

But what Palestinian State?

Many different levels of interpretation are required to answer this question: at the moment an official position of the future Palestinian State might be sought in the Palestinian Reform and Development Plan (PRDP), in which it is pointed out that the future Palestinian State «is an independent Arab State with sovereignty over the West Bank and the Gaza Strip on the pre June 1967 occupation borders and with East Jerusalem as its capital. Palestine is a stable democratic state that respects human rights and guarantees equal rights and duties for all citizens»[9]. This commitment applies to the entire homeland on the West Bank, including East Jerusalem and the Gaza Strip, without regard to their designation as "Area A", "Area B" or "Area C". This is a single political and geographic en-

tity on which the State of Palestine will enjoy full sovereignty[10]. According to these statements, which take up again the articles of Palestinian Basic Law approved in 2003, the future Palestinian State will be established following the pattern of a two-state solution, with a democratic State based on the division of powers, but the practical display of this will depend on direct talks and political agreement with Israel. In any case, the level of public engagement, the efforts made by the international community regarding the Palestinian Reform and Development Plan, and the negotiations stalemate situation suggest that only a unilateral declaration of independence would result in the formal constitution of a Palestinian State by the end of 2011, as many observers have pointed out clearly[11].

However, the lack of social and political legitimacy, the division between the governments of Gaza and the West Bank, and the recent friction between the Palestinian Authority and Fatah make these statements quite weak in the eyes of the Palestinian population. Indeed,

---

[8]   «Fayyad press release», http://www.americantaskforce.org/resources/ 2010/08/30/ 1283 14 08 00_0.

[9]   http://www.mop-gov.ps/web_files/issues_file/PRDP-en.pdf.

[10] «Fayyad press release», Area A, B and C refer to the administrative and military divisions of the West Bank and the Gaza Strip according to the Oslo framework. http://www.america ntaskforce.org/resources/ 2010/08/30/ 1283 14 08 00_0.
[11] See G. KHATIB for bitterlemons, available at www.bitterlemons.org/previous/http://www.bitterlemons.org/previous/bl251010ed20.html.

among the people the perception is more one of disillusion, with the awareness «that in Palestine, a tangible power able to decide does not exist, and that any future decision or agreement with Israel would dramatically fall on the Jerusalem issue»[12].

The Palestinians always agree to the general statement of a two-states solution: several surveys can be cited on this topic, ranging from 43.9% to 54.8% support[13], while the option of a one state solution is gaining new consensus (33.8% versus 20.6% in 2009). But the issue of the two-states solution does not concern only the institutional formula or the settings as the real meaning: which contents are needed to fill that statement? Looking at the facts on the ground, for example the lack of territorial continuity for any future Palestinian State, and to the practice of direct talks between the Israelis and the Palestinians, the answer to this question seems very far out of reach. The two-states solution has just become a blurry political horizon that the reform and development efforts attempt to veil.

Conclusions and recommendations

The Palestinian case includes many state-building

process contradictions and paradoxes: it tests strong, and to some extent effective, technical assistance, while the "political level" seems to be completely excluded or confined to the more general peace process. Obviously, while the achieving of an autonomous and functioning Palestinian State will depend on the end of the occupation and a negotiated agreement with Israel, the protraction of the occupation raises the costs of international assistance, with limited progress being made towards political statehood. However, the reform process has shown how the political level is involved in a very considerable way: the detachment of political movements from the Palestinian renovated institutions does, in fact, interfere directly with the political field and poses many challenges for future State stability.

A set of recommendations targeting the International Community, the Palestinians and Israel may be set out as follows:

- Only supported and convinced diplomatic efforts can result in a viable and sustainable Palestinian State in the long run. The high technical assistance costs borne by the international community can be used as a way to push both the Israelis and the Palestinians to reach an agreement.

- The lack of social and political legitimacy is the main problem for the Palestinian reform and po-

tentially a risk for the future: holding elections – both municipal and general – would be the desirable outcome for all parties involved in the process, to revitalize the ties with the social context. Otherwise, the reform will continue to resemble a top-down process able to sustain a Palestinian entity through a strong security apparatus.

- The previous point concerns the more general issue of national reconciliation: the West Bank is still divided from the Gaza Strip in territory and government terms, and any future agreement on Palestine must consider that division. This appears difficult in the light of the new reform process; considering the security reform for example, in order to show Israel and the international community the Palestinian Authority's ability to ensure order in the streets of the West Bank, the Palestinian police continue to arrest members of Hamas, thus jeopardizing any possible settlement with their Islamist counterpart. Thus, the internal political process becomes an independent variable of the reform process. The creation of a special committee or chamber for national reconciliation within the Territories, to be responsible for carrying on a normal everyday political life, would therefore be quite desirable in this

---

[12] Interview with Omran Risheq, political analyst, conducted by the author, 4/10/2010.
[13] The first data refers to http://www.jmcc.org/documentsand maps.aspx?id=749, the second to http://www.pcpo.ps/pol ls.htm.

- context as well as the need for establishing a new vision or idea for a Palestinian State.

- The type of reformed institutions resulting from the Development Plan is a more sensitive subject: are the new institutions providing and setting up power-sharing mechanisms that are able to guarantee an alternation of powers and political forces in the future? On these lines it would be interesting to pay attention to the political background of the senior, middle and lower levels of civil servants included in the public administration reform, to attempt to test their commitment to the institutions in order to guarantee an effective succession of power.

- The institutions need to be reformed in a way that will give all the political forces a stable political life in the future. Building stable and effective institutions is directly connected to the practice of those institutions, in order to build social legitimacy based on mutual trust.