



**FPC Briefing: Above all, a Prime Minister for Palestinian Unity?
Dr. Stephen Royle¹**

On Friday 25th April 2014, Palestinian Prime Minister, Rami Hamdallah offered his resignation to President Mahmoud Abbas in order to facilitate the creation of a unity government as preordained under the Doha Agreement of 2012. The irony being that this decision comes at the end of an eleven month period where amidst a faltering peace process, continued Israeli settlement building, the burden of public debt and several sporadic moments of internal turbulence, both the President and Prime Minister have managed to show a considerable degree of cohesiveness and therefore adaptability in seeking a permanent solution. The situation is of course far from perfect and criticisms of the Palestinian Authority are never too far away, but by maintaining focus on the bigger picture the executive branches have managed to respond accordingly. If unity is to prevail in respect of international norms, then the Palestinian negotiation position will have been strengthened and therefore the political sacrifices justified.

In June 2013, the Foreign Policy Centre published an article titled '*A Prime Minister for Peace and the Unity of Palestine?*'², presenting the then incumbent Prime Minister as an ideal choice given his untold experience in the areas of politics, economics and diplomacy. It is then useful to review the role that the PM has undertaken over the past year as a way of better understanding the emergence of this cohesion. This will be done in respect of three areas; executive cohesion, international relations and domestic unity.

Executive Power and Cohesion

During Dr. Salam Fayyad's tenure as Prime Minister, relations with President Abbas, Fatah, Hamas and even parts of the business community became so strained that his position became untenable. He was a man for the international community, a former World Bank employee who was able to utilise his political and economic connections to strengthen his position. However, for right or wrong, in perpetuating his agenda it increased the friction between the executive offices. In attempting to avoid a repeat of these circumstances, the appointment of Hamdallah by Abbas, a well respected figure amongst domestic and international communities, was done so with the addition of two assistant Prime Ministers loyal to Abbas, Mohammad Mustafa and Ziad Abu Amr, in an attempt to impose greater control over the PM office's operations. Of course, periods of tension have emerged. On one occasion, Hamdallah submitted his resignation due to the lack of control he was having over his ministers³. Further to this, an internal spat with the Minister of Awqaf (Islamic endowments), Mahmoud al-Habash who is known as a confidant to Abbas, escalated due to Hamdallah's concerns regarding the economic transparency of al-Habash's office. However, a gradual process of improved dialogue and trust with Abbas has allowed Hamdallah to assert more control over his office. This included him winning his political struggle with al-Habash and inserting a comptroller into the Ministry of Awqaf.

Nevertheless, despite such incidences there has been a commitment to the overall goal which is the pursuance of an independent Palestinian state. In this regard, in this author's view, the quiet but astute manner in which the current PM has gone about his work should not be underestimated given the

¹ Stephen Royle worked as a consultant to the Palestinian Authority's Prime Minister's Office. He is an associate of An Najah University and a fellow of the Richardson Institute.

² S. Royle, June 2013, <http://fpc.org.uk/articles/619>

³ Ma'an News, June 6 2013, 'Abbas accepts resignation of Rami Hamdallah' <http://www.maannews.net/eng/ViewDetails.aspx?ID=607549>



difficult circumstances. From the onset, he inherited the task of negating an economic situation that had created a burgeoning public debt of over US\$4 billion, with an estimated deficit in 2013 of US\$1.3 billion. The financial circumstances have inevitably constrained public expenditure and as a consequence increased social dissension and calls for industrial action amongst public sector workers⁴.

Nonetheless, management of the situation thus far has proved successful in that internal divisions have at least been minimised. Reducing internal disharmony has therefore more recently been less about enforcing a security framework under occupation, and more about preserving a harmonious front in forging a legitimate and permanent solution. This was further epitomised by Hamdallah's role in resolving the sixty-five day strike undertaken by UNRWA staff⁵, not a government issue but one which needed addressing due to the levels of instability already existing within densely populated areas, particularly the refugee camps in the territories and within the region. The Prime Minister even provided a timely reminder in addressing attendees at the Cooperation among East Asian Countries for Palestinian Development forum (CEAPAD) in March 2014, requesting continued *"humanitarian efforts through support for organisations such as the United Nations Relief and Works Agency (UNRWA), ensuring safety and stability for Palestinians across the region."*⁶

Economically, there have also been significant improvements. From the first quarter of 2013 to the first quarter of 2014, the deficit was reduced by 28% while over the past year debt was cut by US\$400 million. Through greater efficiency and a concerted effort towards establishing fiscal discipline, domestic tax collection has increased by 21%, and tax collected from Israel under regulations designed in the Paris protocol have increased by approximately 25-28%⁷. As a result of these gains, the PA has managed to pay public salaries over the past eleven months without fault.

The role of the Prime Minister, although constrained, has therefore contributed significantly towards creating a more stable and cohesive Palestinian response to the political circumstances under occupation. In essence, by attending to social and economic issues and avoiding internal disputes at the executive level in particular, the Palestinian Authority has been able to present itself as a unified actor which has enabled it to respond to issues confronting the Palestinian quest for independence.

International Relations

Internal schisms, notably between Fatah and Hamas, have for some time affected international engagement and with that the cohesiveness of a Palestinian strategy, often pitting the foreign policies of international governments against one another. For example, the U.S. and EU do not recognise Hamas as a legitimate party, while more recently Egypt has sought to reduce its influence by targeting tunnel trade, removing a significant source of income from the authority in Gaza. Alternatively, Qatar and Turkey have maintained their economic support for Gaza, which to some extent has strengthened the political standing of Hamas. In turn, Abbas recognises the need to gain the trust of all international actors as to gain support for independence and not least his position, particularly when being confronted by political rivals such as one time Fatah compatriot Mohammad Dahlan⁸. Hamdallah is a

⁴ D. Kuttab, Dec 3 2013, 'Palestinian teachers strike over pay dispute', <http://www.al-monitor.com/pulse/originals/2013/12/teachers-union-strike-palestine-west-bank.html#>

⁵ Ma'an News, Feb 9 2014, 'PM brokers deal to end UNRWA strike', <http://www.maannews.net/eng/ViewDetails.aspx?ID=671287>

⁶ Speech on the occasion of CEAPAD II, Jakarta- Indonesia, 1-2 March 2014.

⁷ Information obtained from the Prime Minister's Office.

⁸ R. Baroud, March 31 2014, Mahmoud Abbas vs Mohammed Dahlan: The showdown begins, <http://mondoweiss.net/2014/03/mahmoud-mohammed-showdown.html>



useful ally in this regard. His transparency has served the purpose of maintaining donor support while his relations with the Gulf states, notably Kuwait, Saudi Arabia and Qatar, have done much to remove internal political tensions.

For example, in November 2013 Hamdallah secured US\$150 million from Qatar for the Palestinian Authority, which included the purchase of fuel for Gaza. However, the issue regarding Gaza's fuel limitations presented a far more complicated process. In November and December of 2013, Gaza was facing a humanitarian crisis due to regional floods and an inability to respond appropriately given that its power plant could not function without fuel. Qatar and Turkey had pledged relief but while the latter required time and coordination, the former had an initial shipment held in Egypt. In a complex process that involved Robert Serry (UN Special Coordinator for Middle East Peace Process), the U.S. government, Israel, Turkey, Qatar and the Palestinian Prime Minister, monetisation of Qatar's shipment held in Egypt provided relief while the swift transfer of finances from Turkey to UNRWA, via the negotiations of the PM, averted a crisis.

These difficult situations have required diplomacy and the building of trust mechanisms, a role Hamdallah has embraced over the past year. By doing so, it has created stable foundations for increased interaction between the international community, the Palestinian Authority and the Hamas authority in Gaza. Once again, this has allowed the PA greater flexibility in seeking support for its legitimate actions against the occupation.

Palestinian Unity

A moment of ripeness has occurred which has presented the PA with the option of unity. Under increasingly difficult circumstances and the restrictions applied by both Israel and Egypt, Hamas has essentially opted to negotiate a new position for itself rather than lose its political powerbase. Given Hamas' predicament and having already benefited from improved internal coordination within the ranks of the PA plus the development of external communication and trust mechanisms, Abbas has been provided with sufficient flexibility to respond to the failing peace talks. As part of this, Hamdallah has shown his commitment to the larger cause and respect for previous agreements. His actions are to be replicated by the Hamas authority, as senior leader Sheikh Hassan Youssef told the media "*Ismail Haniyeh is ready to hand in his resignation in Gaza*".⁹ These actions form part of Doha Agreement which was signed in 2012. Amongst its objectives it stated; *Forming the Palestinian National Reconciliation Government of independent technocrats under President Mahmoud Abbas and which will be in charge of facilitating the presidential and legislative elections and starting the reconstruction of Gaza*¹⁰.

There are of course concerns. Firstly, Hamas affiliation is likely to intensify Israel's resolve and its actions against the PA, which will include the withholding of revenues (tax collections owed to the PA) and increased restrictions on movement, internally and externally. Nevertheless, financial shortfalls could be abated by international donors, notably Qatar, Saudi Arabia and Turkey, who have now found trust in the Palestinian movement during the government of Abbas and Hamdallah.

⁹ Al Bawaba News, April 27th, 2014, <http://www.albawaba.com/news/palestine-unity-government-571725>

¹⁰ Middle East Monitor, Feb 8 2012, 'Full text of the Doha Declaration signed between Hamas and Fatah', <https://www.middleeastmonitor.com/news/middle-east/3397-full-text-of-the-doha-declaration-signed-between-hamas-and-fatah>



Secondly, in an ideal scenario a unity government will at the very least obtain acquiescence from the United States. However, if they choose to support Israel and withdraw funding from the Palestinian Authority, they potentially run the risk of increasing instability while simultaneously removing themselves from the lead position in negotiations, an occurrence they would try to avoid. Similarly, this would go for European countries such as the UK, Germany and France.

Thirdly, the creation of a unity government does not mean that peace or Palestinian sovereignty will emerge in the short term. However, as long as the PA is able to convince the international community of its legitimacy, while making itself accountable to its people through elections and respect for the rule of law for example, then in the long term a stronger Palestinian entity will emerge, giving it more leverage within any prospective negotiation process.

Conclusion

The situation for Palestinians is still uncertain and there are many internal issues that need to be confronted in respect of legal and ethical boundaries. However, under the government of Abbas and Hamdallah a path has been chosen which reflects the greater aim of obtaining a permanent solution and independence. Due to the emergence of this cohesive response, it has increased the legitimacy of the Palestinian Authority and strengthened its position within the international community. This allows it greater flexibility to respond to the occupation and more specifically failed negotiations by pushing for unity. Because of this, there is a growing confidence amongst Palestinians which is reflected in the mounting support for Abbas and Hamdallah.

For the one time reluctant Prime Minister then, his resignation and the potential formation of a unity government means he could leave with his head held high. However, given the knowledge and experience he has, it is likely that his services will be called upon both during the establishing of a unity government and after, whether it is in a technocratic or an advisory capacity. Even Hamas deputy, Abu Marzuq stated to the media that his party would be happy to form a technocratic government under the guidance of Hamdallah¹¹, a proposition not lost on both international and local actors, including Abbas himself.

May 2014

¹¹ Al-Quds, April 28 2014, 'Abu Marzuq: I do not mind taking Hamdallah Government', <http://www.alquds.com/news/article/view/id/501612> (Arabic).