

# AFTERMATH OF THE LEBANESE CRISIS:

## THE PATH TO PALESTINE

Nicolas Pelham, International Crisis Group

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Thank you. It is a great pleasure and a privilege to be with you here at Tepav.

Wars in their crude way clarify trends and trajectories. As the dust settles on the summer war in Lebanon, and the reconstruction begins, we face a region in a state of flux. One thing is clear: the old familiarities – the pillars of nation states which have underpinned governance in the region since the carve-up of the Ottoman Empire – are crumbling, and may no longer hold.

Other players – more powerful than nation states – are shaping the Middle East. In Iraq and in Lebanon the emergence of non-state actors, almost always fired by religious zeal, are now determining the course of events more radically than central authority. In Iraq, the reach of officialdom has receded, often extending no further than the confines of Baghdad's Green Zone. In Lebanon, government ministers wave flags of protest like linesmen while a militia armed with tools that outshine many a state, wages both a cross-border war, as well as the post-war battle for reconstruction. And the phenomenon is spreading. In my own area of work, the Palestinian experiment in statecraft is crumbling. And it is on this Palestinian laboratory that for a moment I would like to dwell, to illustrate the factors at play which are helping to erode central authority.

First to set the scene: The outbreak of the Intifada in September 2000 triggered a war which six years and some 4,500 dead later [there are about 3,700 Palestinians and 700 Israelis] has left Palestinian national infrastructure in tatters, and Palestinian land and authority fragmented beyond recognition. The breakdown continues today, perhaps at an accelerated pace. Over the summer – while the spotlight shifted to Lebanon – Israeli

military bulldozers pulverised – the central government offices in Nablus, long the economic powerhouse of the West Bank. Records – from criminal files and tax revenue data to car license documents – lie buried in the rubble. The Foreign Ministry complex in Gaza was bombarded from the air – repeatedly, as was the prime minister’s office. Since the pinpoint targeting of a power plant – which sharply curtailed supply – many Palestinians can no longer rely on the central electricity authority, and have to make do with their own generators. Police headquarters have been similarly demolished and uniformed police in cities such as Nablus ordered off the streets.

As the capability of the state to provide, govern and police is impaired, so too is its reach. The construction of security or separation barriers – often deep inside its political space – define its outer limits. But within Palestinian territory there is also fragmentation. The expansion of the checkpoint regime – there are currently some 500 military checkpoints in the West Bank in an area smaller than Wales --- and the military siege on Nablus – are jamming state machinery. The bombardment of bridges connecting the south, centre and north of Gaza has clogged its arteries. Much of the core structure of the Palestinian Authority no longer exists.

Military action is compounded by economic sanction. The twenty odd terminals which puncture or will puncture the separation barriers in Gaza and the West Bank determine the flow of official imports and exports and of people like sluice gates: if Israeli demands are not met – currently the handover of an Israeli soldier abducted from a base bordering Gaza – they close. Officials are barred from travelling between the West Bank and Gaza, and even within the West Bank. Israel’s military maintains a blanket ban on the movement of all Palestinian males aged between 16 and 30 in the cities of the northern West Bank from travelling south. And all told the number of military roadblocks in the West Bank has now reached 547, an increase of almost 50 percent in twelve months.

The one Palestinian gate to the outside world which does not go through Israel – the border crossing into Egypt at Rafah – has also for the most part been closed, because its European monitors adhere to Israeli demands to vacate. Beginning last December – that is, before the January parliamentary elections – the main Palestinian donors joined the embargo, withholding aid to the Palestinian Authority, first on the grounds of

mismanagement, and then because of the election of Hamas. Access to international finance and transfers from abroad have been curtailed after the U.S. treasury banned transactions with a terrorist authority. Most crippling of all, Israel has suspended the transfer of customs revenues that provide the bulk – about two-thirds - of the PA's budget. With its sources of funding largely absent and without reserves – or access to reserves – the PA has been starved of the means to pay salaries: seven months into the embargo, police riot, civil servants strike, teachers abandon their classrooms. The functions of statehood are deadlocked, and the economy in dizzying decline.

But it is the ban on political engagement which is perhaps the most damaging. Since the breakdown of talks at Taba in 2001, Israeli leaders have shunned their Palestinian counterparts. The existence of a Palestinian partner has been denied: Yasser Arafat has been demonised; his successor, Mahmoud Abbas, denigrated; and the victors of the 2006 Palestinian elections – whose organisation was in and of itself a major advance in Palestinian national development – denied the tools to govern. In response to the election of Hamas, Israel banned official contacts with the Palestinian government. Whole ministries were powerless to function. The Civil Affairs Ministry – which acted as the interface with the Israeli military administration in the West Bank and coordinated applications for travel beyond the separation barrier – ceased to function. Israeli military administrators simply refused to answer their calls. And over the summer Israel embarked on a wholesale round-up of ministers and parliamentarians, incapacitating executive decision-making and the legislature. More significantly, Hamas' victory helped Israel achieve a goal at least as old as the Sharon government – international reciprocity of its ban on contacts with the Palestinian government, stripping the PA of two prime functions – a payroll for a Palestinian civil service and a diplomatic address. Strategically, it enabled Israel to pursue a policy of unilateral determination of its borders inside the occupied territories without a settlement. Former Prime Minister Ariel Sharon called it disengagement in the Gaza Strip; his successor Ehud Olmert dubbed it “realignment and convergence”. For Israel, the Palestinian Authority – as an authority - had no role. It was an irrelevance.

In sum, there is scant left of the Palestinian Authority to collapse. It is divest of its military authority, its economic authority and its political authority for self-determination. It exists in name only, as a virtual reality – a phrase for international deliberations to maintain the notion of a process towards a two-state solution in the abstract, while measures are taken on the ground to forestall it. Lacking governance capacity, economic purchasing power and political authority, Gaza in particular is in free fall.

In offering this analysis, I am not seeking to absolve Palestinian leaders of all responsibility for their predicament. Clearly mistakes have been made. The desperate inability of Hamas and Fatah to present a united face to the outside world – regardless of the outside pressures to do otherwise - and their squabble over the scraps of authority is clearly a contributing factor of the collapse. What I am seeking to do is to analyse the political decisions that were taken by the international community and also by Israel to deal with their Palestinian dilemma, and to examine the results. They are not unique. To a greater or lesser extent, all three factors – military action, economic sanctions and political isolation – are elements of western problem-solving across much of the Middle East. A combination of all three has reduced powerful highly organised states – such as Iraq – into centres of chaos and playgrounds for the fanatical fringe. After the collapse of Iraqi governance, no state in this brittle region can feel sure of its statehood. And as central government withers, forces from above and below are sucked into the vacuum.

Again I would like to return to the Palestinian stage. From below, local leaders are seeping into the fold. In the besieged townships of the West Bank, a series of local emirs are emerging. Sometimes they are senior established figures, dispensing patronage and enjoying Israeli backing as intermediaries able to intercede with the occupation administration for instance to secure permits for their constituents in an arrangement not dissimilar from the Israel's policy in the 1970s of promoting local mayors. Nablus – a city in the valley surrounded by the Israeli military on all sides and under siege – is emerging as a mini-fiefdom of a local businessman, Munib al-Masri, who has used the economic downturn to invest heavily in business concerns going cheap. It is surprisingly well-run. The streets, for instance, are immaculate. But other cities are falling prey to a criminal class, who benefit from the lawlessness to expand their operations – in a surprising instance of Palestinian-Israeli cooperation, for instance by providing a safe-

haven for stolen cars. Those groups preaching engagement on a political track find their influence waning – less because the public support does not it, than because they have failed to deliver results. The rise of the radical fringe is growing. Exposed as weak, Hamas's own parliamentarians despair of the political process, and pushed into a corner are advocating increasingly violent alternatives. Hizb ut-Tahrir – a group which unlike Hamas opposes elections as western *bida* – can muster rallies even in the West Bank's most cosmopolitan city Ramallah which outshine those of Hamas. And for the first time, statements in the name of a Palestinian branch of al-Qaeda – whether fabricated or not – are circulating in Palestinian streets.

In Gaza, the results are different. The closure of official borders has ensured that non-state actors are the best guarantors of movement. In Gaza, private and political militias operate tunnels burrowing 60 feet under Israel's ramparts. Smugglers control much of the economic activity. Above ground multiple power-brokers from *hammoulas*, or clans, to political factions compete – often bloodily - for their sphere of influence – operating separate payment possibilities, food packages and welfare provisions, often in lieu of paramilitary support.

The outcome of this struggle is as yet unknown. But let me because time is pressing give you one scenario, that is by no means the least likely. Over the past six months, Hamas's military wing – the Ezzedin Qassam Brigades – numbering between three to five thousand paramilitaries – has been incorporated into the interior ministry structure, known as the executive force. They have taken charge of much of its equipment, including new landrovers that the British supplied to the civilian police just before the elections. They guard the key ministries. And by night, they patrol the streets, armed with RPG's in black balaclavas – dominating such contested neighbourhoods as Khan Younis, the powerbase of Mohammed Dahlan, who under Fatah was charged with running the PA's security in Gaza. A series of armed clashes and assassinations have eroded Fatah's security presence, in the sectors which still are constitutionally under its control such as Force 17 and the Presidential Guard. In contrast to Hamas's militiamen, Fatah security forces in Gaza are in disarray: due in part to internal mismanagement, but more because of the beating they have taken from Hamas. Many of Fatah's leading security personnel are either in hiding or have

fled to Ramallah. Hamas in other words is only a whisker away – or perhaps a bit more: the broadcasting authority and the border crossings – from a military takeover in Gaza. There will be no showdown in Gaza.

In government offices, many of the old Fatah cadres have been not sacked but sidelined – eased out of positions of political influence, and stripped of their telephones. A senior European diplomat estimated that eighty percent of the Foreign Ministry was now comprised of Hamas cadres. The likelihood that Gaza will have a separate political authority to that of the West Bank is fast approaching. What will emerge is not a nascent Palestinian state, but a Hamasistan outside the political structure of the Palestinian Authority fostered and nurtured by Western donors.

So what can the international community do? One possibility is to advocate fresh elections. There is increasing data – corroborating our own soundings on the street – that the Palestinian public is tired of the struggle, and seeking any release from its predicament, whoever governs. Cries of Ya Ismail, Ya Haniya, bidna Naoud al Haramiya – O Ismail, O Haniya, We just want the thieves back – or rather better a corrupt government, than none at all. But evidence from elsewhere – not least in Iraq, suggest that elections in a conflict environment may merely serve to inflame rather than cool tempers. There is no guarantee, that in a political battle where one party is perceived as the agent of an international campaign, the loser will accept the results.

It can also try to directly act as a buffer. In recent months, European donors have intervened ever more stridently to open humanitarian corridors to the Palestinians which bypass the central authority. Aid flows directly to hospitals, and may soon flow directly to schools – keeping the institutions solvent, but depriving the government of its control. The exercise is being repeated in the security sector as well. European monitors now supervise the crossing at Rafah, and may soon supervise the goods crossing at Karni – between Gaza and Israel – as well. Proposals are also in the pipeline to provide an international auxiliary force – modelled on that now heading to southern Lebanon, to provide support for the presidential guard along in northern Gaza from where militiamen fire Qassam rockets at Israel's periphery. Similar proposals have also been muted in the West Bank. A handover to western quasi-trusteeship has its attractions. But there are

major flaws. Such efforts to extend influence through parallel delivery systems are for the most part piecemeal and ad hoc. Far from enhancing state power, they undermine – stripping the state of its role as welfare and security provider, and further delaying a two-state settlement.

Nor is there any guarantee of success. From Iraq to Afghanistan, the precedents of international peace-keeping forces seeking to resolve local conflicts in the region is not encouraging. Far from curbing tensions, they may rather exacerbate them. In a region – which increasingly is becoming the theatre for a regional battle for hegemony between western powers led by the United States and a resurgent Iran - those players denied western largesse have every incentive to seek alternative sources of financing. With evermore international forces sucked into the conflict, and without the traditional building-blocks of power able to contain them, the stakes are rising and the dangers of an escalation are great.

Nor is it clear why – other than to extend their own influence in former colonies – western powers should do the job. In the Palestinian territories, European taxpayers with good reason should ask why they are expected to subsidise what is a continuing occupation, or pay for their forces to provide the occupier, or the enforcer of a trade embargo, with security. Indeed, by cushioning the impact of the occupation an international shield may merely delay rather than foster a resolution of the causes of conflict.

A far less costly and risk-prone policy would be to work for the parties themselves to settle the conflict. Apply the Agreement on Movement and Access; Agree a mutual ceasefire; Ensure both sides fulfil previous agreements, and above all ensure that both sides work for a two-state settlement. In other words, apply the Quartet's criteria to both parties to the conflict, not one.

And here one might justifiably draw a leaf from your Ottoman past. The wonder of the Ottoman system in the Middle East was its flexibility in dealing with multiple narratives, one might almost say its tolerance. There was no demand for one community to recognise the legitimacy of the other, or its right to exist. They just did. Instead of insisting on

absolutes, there was a basic acceptance of co-existence between religious communities for mutual gain.

In the Palestinian context what does this mean? My own organisation – International Crisis Group – has long advocated conditional engagement with the Hamas-led Palestinian Authority. First and foremost, the parties should be judged not on their belief systems – what they say – but what they do? Do they enter into ceasefires and if so do they respect them? Do they engage, and do they keep agreements? More important than their multiple and conflict statements is the ability to operate a state, to rein in militias, take control of security, enter the political game and rebuild their defunct national structure in concert rather than in opposition to their neighbours. What matters for regional stability is not the Quartet's demand that Hamas recognise the legitimacy of Israel's existence, but that it act according to the international norms of a neighbour. Indeed, Israel is a prime example of a state which has engaged with many regional states with which it does not have diplomatic relations, from Bahrain to Morocco. Legitimacy comes at the end of negotiations not at the start. Egypt and Jordan only recognised Israel once they had reached peace.

[If the international community did reengage with the Palestinian Authority, how would Israel respond? In the short-term, the outlook is not promising. The Olmert government went to war hoping to graduate with military colours and dispel the image of a state led by mayors. This more than anything explains its punishing rush to war. But it came out of the war wounded, and divided, and with an electorate than no longer had confidence in its leaders. [In this I am reminded of a poem by an eleventh century Spanish – and as it happens, Jewish – poet

War Begins like a pretty girl with whom every man wants to flirt

It ends like an ugly old woman whose visitors suffer and weep.

Israel is not quite donning sackcloth and gnashing its teeth. But there is a crisis of confidence. After the fulsome figure of Sharon, its people feel rudderless, and fearful of trusting the government with further ventures – either of war or peace. It is hard to



imagine Olmert struggling to remain at the helm of a government whose energies are ground down with finger-pointing withdrawing from a single outpost let alone the West Bank.

But there are other results of the war which give greater cause for hope. The death of disengagement on the Lebanese battlefield may well have delayed the day of an Israeli withdrawal from parts of the West Bank, but it has reinforced a message that ultimately peace cannot be determined by one side alone. It takes two to tango, and Israel's domestic weakness may make it more susceptible to international pressure.

There are signs of an opening. After months of ring-fencing relations between Israel and Palestinian with ideological demands, the recent Quartet statement provides a welcome crack in the woodwork. Not only did it welcome attempts to form a national unity government, it also called for international engagement with a Palestinian government whose programme REFLECTED – not endorsed the Quartet's three criteria may have been merely a sop to sideline the Arab League initiative, and retain the Quartet – not the UN - as the engine of peace-making, but it also provides an opportunity for international engagement which was not hitherto present. The word "REFLECT" is deliberately ambiguous. Should it reflect in principle or in practice? If the latter, then the current Palestinian government should be given a chance. If the former, who is the judge? Arguably, Hamas's agreement to recognise previous agreements and accept the Arab League initiative reflects the criteria. It has cited reservations –subjecting acceptance “to the higher interests of the Palestinian people” – but its reservations are certainly no greater than the 14 conditions that Prime Minister Ariel Sharon attached to the Quartet.

I realise I have focussed primarily on the Palestinian theatre, and I apologise. Allow me, if you will, to conclude on some general points regarding the regional as a whole, drawing on the lessons I have learnt from fieldwork in Iraq, Lebanon and Palestine, to suggest the staples for the success of a political rather than military process:

Firstly, Tailor policy according to the actions not belief systems of the players.

Second, include all possible sides in the political process.

And thirdly only act internationally – once agreement has been reached with all parties to the conflict.

The current situation marks an opportunity, but also carries major risks – not least the transformation of another Middle East government into a theatre for non-state actors. There is precious little time to be lost.

Thank you very much.

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