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Palestinian President Mahmoud Abbas: Overview of Internal and External Challenges

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Summary

On January 15, 2005, Mahmoud Abbas (a.k.a. Abu Mazen) was sworn in as President of the Palestinian Authority (PA). Many believe that the Abbas victory marks the end of an autocratic era dominated by the late Yasir Arafat and the increased possibility of improved prospects for Israeli-Palestinian peace. This report details Abbas's policy platform and potential challenges he may face from within and without the Palestinian political landscape as power-sharing becomes a reality. Domestically, Abbas must address violent anti-occupation elements, calls for economic, judicial, and security reform, as well as a paralyzed economy. Externally, Abbas faces multiple obstacles in creating a viable Palestinian state based on a secure peace with Israel. To accomplish this, Abbas must address the requirements of the 'Road Map,' Palestinian violence toward Israel, and final status issues, such as Jerusalem, refugees, and political borders. For a more detailed analysis see CRS Report RS21965, *Arafat's Succession*, by Clyde Mark and CRS Report RS21235, *The PLO and its Factions*, by Kenneth Katzman. This report will be updated as necessary.

Palestinian Centers of Power

Fatah. Under Arafat, Fatah became the most prominent political party in the Palestinian territories. The leading political body within Fatah is the Central Committee (CC), elected by the general membership. Fatah's Revolutionary Council (RC) parallels the CC as a decision-making body and does not exclude armed resistance as an option. On November 21, 2004, Fatah nominated Mahmoud Abbas as its presidential candidate. Some analysts claim any credibility that a moderate Abbas may have within Fatah hinges on a compromise between "old-guard" CC Members and the RC "young-guard".¹

¹ The "old-guard" are founding members of the PLO and Fatah, and the "young-guard" are generally comprised of key actors in the first Intifada (uprising), who seek an increased role in deciding the orientation of the national movement.

Palestinian Liberation Organization (PLO). The PLO describes itself as “the embodiment of the Palestinian national movement”, and for four decades it was dominated by Arafat.² The PLO is organized into three political bodies: Palestine National Council, a parliamentary body; the Central Council, a 124 member decision-making body; and the 18-member Executive Committee, which elects the Chairman of the PLO. After the death of Arafat, the Executive Committee elected Mahmoud Abbas as Chairman of the PLO.

Palestinian Authority (PA). The PA, created by the 1993 Declaration of Principles, is an autonomous body charged with administrating the West Bank and Gaza. On January 9, 2005, the PA held Presidential elections and Mahmoud Abbas was certified as winner and President-elect. On December 23, 2004, in West Bank municipalities that completed local elections, Fatah defeated Hamas; on January 27, 2005, Gazan municipal elections were held with Hamas winning substantial victories (77 out of 118 seats). Hamas boycotted the Presidential elections. The first six months of 2005 will see local and municipal elections in the West Bank, Gaza Strip, and portions of East Jerusalem. In the summer of 2005, legislative and party elections are expected.

Palestinian Presidential Elections

<i>Candidates</i>	<i>Votes (%)</i>	<i>Votes (total)</i>
Mahmoud Abbas	65.52	501,448
Mustufa Barghouti	19.48	156,227
Tayseer Khaled	3.35	26,848
Abd Alhalim Ashqar	2.76	22,171
Basam Al Salhi	2.67	21,429
Assayed Barakeh	1.30	10,406
Abd Al-Karim Shbair	0.71	5,717

Source Palestinian Central Elections Commission

Positions on Internal Security and Reform Challenges

Security Services. Most analysts agree that the PA security apparatus must be reformed in order to halt violence directed against Israel and provide stability for a future Palestinian state. Recently, the PA National Security Council (NSC) was formed as a first step in consolidating security elements.³ According to the legislation, as President, Abbas is supreme commander of three institutions which consolidate dozens of security services: General Security (civil and preventive services), General Intelligence (unifies PA intelligence organs), and the National Security Council (the basis of a possible armed force). Recently, Secretary of State Rice has stated that the “United States is prepared to help train Palestinian security forces.”⁴ Egypt has also offered to train Palestinian security forces in Gaza. Many view the new PA cabinet as part of continued reform. On February 22, 2005, the Palestinian Prime Minister announced the appointment of Nasser Yousef

² Available at [<http://www.palestine-un.org/plo/frindex.html>].

³ Arnon Regular, “PA Security Council to Oversee Armed Forces,” *Ha’aretz*, January 11, 2005.

⁴ “Rice: U.S. Prepared to Train Palestinian Security Forces,” *Ha’aretz*, February 4, 2005.

as head of internal security.⁵ The previous head of security, Mohammad Dahlan, will head the civil affairs ministry. Nabil Shaath, the former Minister of Foreign Affairs, is now the Deputy PM, and Dr. Naser al Qidweh (former head of PA Mission to the UN) now heads the foreign affairs ministry. Many feel that the retention of Salem Fayyad as Finance Minister is a positive step. Over half of the twenty-four member cabinet are new Members.

Corruption. The PA has been criticized repeatedly for non-transparency, corruption, and cronyism and Palestinian opinion surveys consistently reveal public displeasure over corruption.⁶ However, recent international assessments have acknowledged progress in Palestinian judicial, economic, and political reforms.⁷ Abbas stated the need to “continue to implement and develop its reform plan.”⁸ On March 1, 2005, Britain hosted a conference on Palestinian reform. At the conference, the European Union pledged to assist with the establishment of new Palestinian institutions; the United States committed to setting up a security coordinating group; and the World Bank stated its desire to play a crucial role in economic development.

Economic Conditions. One of the most pressing domestic issues Abbas faces is economic stagnation. A recent World Bank report warns of “the potential disintegration of the Palestinian economy under the sustained pressure of conflict and Israeli closure policies.”⁹ Many analysts agree that openly contested, free elections, and ongoing reforms may increase the likelihood of international aid to Palestinians, particularly from the United States.¹⁰ According to one report, “people voted for Abbas because they believed that he would be able to bring them jobs, and improve their living conditions.”¹¹ Abbas ties economic well-being to judicial reform, transparency, and an end to the Israeli closure regime. [see below]

The Palestinian Opposition. Nationalist groups and some Islamists such as Hamas, Islamic Jihad, and the Al-Aksa Martyrs Brigade oppose many PA bilateral agreements with Israel with some continuing to advocate violent resistance to the

⁵ Arnon Regular, “Qureia to revamp cabinet with reform-minded ministers.” *Ha’aretz*, February 22, 2005.

⁶ Dan Diker and Khaled Abu Toameh, *Jerusalem Issue Brief*, Vol. 3, No. 20, March 3, 2004.

⁷ The Ad Hoc Liaison Committee for the West Bank and Gaza was established to ensure the efficient use of development assistance in support of the peace process and contribute to the development of Palestinian society. On December 10, 2004 the AHLC concluded meetings with the U.S. and 14 other donor countries. At the meeting, the PA was commended for its budgetary, economic, and political reforms and additional meetings are slated for spring, 2005.

⁸ Palestinian PM Mahmoud Abbas’s speech before Palestinian Legislative Council, April 29, 2003. Negotiations Affairs Department, PLO available at [<http://www.nad-plo.org>].

⁹ The World Bank, *Stagnation or Revival? Israeli Disengagement and Palestinian Economic Prospects*, December 2, 2004.

¹⁰ President Bush recently his intention to provide \$350 million in assistance to the Palestinians, of which \$200 million will be included in the FY2005 Supplemental Request.

¹¹ “Palestinians Expect Abbas to Bring Economic Prosperity,” *Palestine Chronicle*, January 9, 2005.

occupation. Yet, some groups, most notably Hamas, have indicated pragmatism and flexibility in recent statements vis-a-vis the PA and Israel. For example, a leading figure within Hamas recently stated Hamas's interest in joining the Palestinian national political process.¹² Secular groups like the Popular Front for the Liberation of Palestine (PFLP), Democratic Front for the Liberation of Palestine (DFLP), and the People's Party (formerly Palestine Communist Party) are often critical of PA policies but work alongside the PLO in a loose political coalition, voicing dissent within the body politic. On January 3, 2005, Abbas called on Hamas to stop firing rockets and mortars at Israeli targets. By condemning violent resistance to the occupation, many analysts assert Abbas may alienate militant portions of the opposition. One Hamas leader characterized Abbas's comments as "a knife in the back of Palestinian resistance."¹³

Peace and the 'Road Map'

Violence. The sustained violence since September 2000 has greatly affected both Palestinians and Israelis.¹⁴ At the June 2003 Aqaba Summit, Abbas stated, "there will be no military solution for this conflict, so we repeat our renunciation of terrorism against the Israelis wherever they might be."¹⁵ Since then, Abbas has continually denounced violence as a means to achieve independence, instead calling for popular and social means to end the Israeli occupation.

Congress has noted President Abbas's denunciation of terror as a means of securing a Palestinian state.¹⁶ Israel briefly ended talks with Abbas (January 14-19, 2005) after a bombing occurred at a crossing point between Israel and Gaza. This was seen, by some, as indicative of Prime Minister Sharon's mistrust of Abbas's commitment to ending violence and as an effort to push Abbas to act rapidly. Still others see Abbas as a fully committed partner for peace, as evidenced by his deployment of security forces in Gaza to halt attacks on Israeli settlements and military personnel. On February 8, 2005, President Abbas and Prime Minister Sharon discussed Israeli-Palestinian security measures to decrease armed violence. As a result of the meeting, Prime Minister Sharon and President Abbas agreed, in principle, to a unilateral cease-fire.¹⁷ On February 25,

¹² Arnon Regular, "Top Hamas Man Says Group May Accept Truce with Israel," *Ha'aretz*, December 4, 2004.

¹³ "HAMAS, Fatah Exchange Threats Over Abu-Mazin's Censure of Attacks," *Ha'aretz*, January 10, 2005.

¹⁴ Since 2000 over 3,000 Palestinians and nearly 1000 Israelis have been killed. The total number of Palestinians injured ranges between 20-35,000 and between 5- 6,000 Israelis. Available at [<http://www.un.org/News/Press/docs/2004/sc8166.doc.htm>].

¹⁵ "Abbas Says Armed Intifada Has to Stop," *Al-Sharq al-Awsat* (London), December 14, 2004.

¹⁶ H.Res. 56 (passed on February 2, 2005) acknowledged that President Abbas disavows terrorism. S.Res27 (passed on February 1, 2005) recognized Abbas's commitments to peaceful coexistence with Israel.

¹⁷ Steven R. Weisman and Terence Neilan, "Israeli and Palestinian Leaders Meet for 1st Time in 4 Years," *New York Times*, February 8, 2005.

2005, a bomb killed at least five Israelis in Tel Aviv. Secretary of State Rice cited firm evidence that Islamic Jihad, headquartered in Syria, were involved in the attack.¹⁸

Israeli Closures. In the spring of 2002, Israel implemented a series of village, town, and city closures and curfews. Many claim that restricting the flow of Palestinian goods and people within and between the West Bank, Gaza, and Israel, hampers Palestinian economic activity and may increase militancy. Others cite Israel's need to ensure its citizens protection by drastically limiting the movement and supplies of Palestinian militants. In his presidential inaugural address, Abbas stated "our hand is outstretched to the Israeli partner to make peace, not with words but with deeds, and put an end to closures, arrests and the building of the fence."¹⁹ [see below]

Israeli Separation Barrier. In April 2002, in reaction to Palestinian suicide-bombings, Israel approved the construction of a barrier between Israeli and Palestinian-held territory, largely built inside the Palestinian side of the "Green Line" (the 1967 cease-fire line separating the West Bank from Israel).²⁰ Some Israelis contend their security depends on the construction of the barrier, noting decreased suicide bombings in Israel since the barrier's construction. Critics of the barrier see it as *de facto* Israeli annexation of portions of the occupied West Bank. President Abbas claims "the removal of the wall will be among the first issues that our government will address because, without its removal, Israel will effectively destroy the Roadmap."²¹

Israeli-Palestinian Mutual Commitments. Released on April 30, 2003, the framework (or "Road Map") envisions a three-stage process comprising reciprocal steps leading to a viable Palestinian state alongside a secure Israel by 2009.²² President Abbas has expressed support for the Road Map and its implementation.

Prisoner Release. A core domestic issue for Abbas is the release of Palestinian political prisoners. Abbas has publicly stated "in principle we work for every prisoner to be released, but what we are looking for is the release of those who have spent many long years in jail."²³ On December 27, 2004, an agreement between Egypt, Israel, and the PA culminated with the release of 159 Palestinian political prisoners; on January 3, 2005, Israeli Cabinet ministers approved the release of an additional 900 Palestinian prisoners and on February 21, 2005 the first 500 prisoners were released. Some experts see this

¹⁸ Ha'aretz Service, "Rice: Evidence Shows TA Bombing Planned in Syria," *Ha'aretz*, March 1, 2005.

¹⁹ Arnon Regular, "Abbas Says Wants Road Map Implemented in Full," *Ha'aretz*, January 16, 2005.

²⁰ The half-way finished barrier (or wall/fence) is comprised of twenty-five-foot-high concrete slabs, razor wire, earthen berms, towers, electrified fencing, and military roads.

²¹ Palestinian Prime Minister Mahmoud Abbas's speech before Palestinian Legislative Council, April 29, 2003. Negotiations Affairs Department, PLO, available at [<http://www.nad-plo.org>].

²² Available at [<http://www.state.gov/r/pa/prs/ps/2003/20062.htm>]

²³ "Abbas, Qurei Urge Release of All Palestinian Detainees," *Palestine Media Watch*, December 28, 2004.

development merely as an Israeli gesture of goodwill towards Abbas; others, view the release as a first step toward the release of the estimated 7,000 political prisoners.

East Jerusalem. Israel claims Jerusalem as its undivided capital, while Palestinians seek to establish a capital for their state in East Jerusalem. Abbas repeatedly has called for the capital of any Palestinian state be located in the eastern portion of Jerusalem.

Refugees. President Abbas, himself a refugee, has made several unequivocal statements in support of the right of return for Palestinian refugees, claiming Palestinian refugees and their descendants from the war that followed Israel's creation in 1948 have the right to return to their original homes.²⁴ Some have suggested that Abbas may concede portions of the refugee issue.²⁵

Issues for Congress

U.S. aid to Palestine.²⁶ Since the Oslo Accord of 1993, Congress has authorized over \$1.5 billion in assistance to the Palestinians, generally distributed via third parties such as the U.S. Agency for International Development and private voluntary organizations. Funds are also distributed to Palestinians through the U.N. Refugee Works Agency. The Executive Branch has granted assistance directly to the PA on three occasions: in 1994 \$10million was distributed to the PA through the Holst Fund at the World Bank; on July 8, 2003, \$20 million was granted to the PA for infrastructure projects; and on December 8, 2004, President Bush approved \$20 million for Palestinian utility payments to Israel.²⁷

Israeli-Palestinian Peace.²⁸ Some analysts suggest the Bush Administration initially sought a less visible role than the Clinton Administration in Israeli-Palestinian affairs. Recent developments such as the death of Arafat and election of Abbas, Israeli plan for unilateral withdrawal from the Gaza Strip, and U.S. commitments to broader Middle East democratization are often cited as factors for renewed U.S. emphasis on the peace process. After his successful re-election, President Bush stated that the establishment of a Palestinian state, living next to a secure Israel, is a top priority.²⁹

²⁴ "Abbas: Refugees Will Return to Israel," *Associated Press*, January 4, 2005.

²⁵ David Remnick, "Checkpoint," *The New Yorker*, February 7, 2005.

²⁶ For a more detailed analysis of U.S.-Palestinian aid See, CRS Report RL32260, *U.S. Foreign Assistance to the Middle East: Historical Background, Recent Trends, and FY2005 Funding*, by Jeremy M. Sharp.

²⁷ Congress prohibits direct funding for the PA, but provides for a Presidential waiver if the President finds such aid is in US national interest. See H.R. 4818 (P.L. 108-447), Consolidated Appropriations Act, FY2005, Limitation on Assistance to the Palestinian Authority, sec. 550.

²⁸ See CRS Issue Brief IB91137, *The Middle East Peace Talks*, by Carol Migdalovitz.

²⁹ "Bush Vows to Work for Palestinian State," *CNN*, November 12, 2004.