

# The Palestinian Unity Government: What Next?

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When the Palestinian unity government was established on March 17 on the basis of the Mecca agreement between the Fatah and Hamas movements, the Palestinian public and the Arab world saw an opportunity to end the Palestinians' internal crisis and to progress along the Israeli-Palestinian track. Israel primarily viewed the creation of the new government both as a risk to the sanctions imposed on the Hamas government and as a risk to the diplomatic boycott – i.e., given the possibility that Hamas as a ruling party would gain international legitimacy without making any substantial changes in its position towards Israel. International parties were essentially divided between those that shared Israel's position (the US) and those that saw the creation of the new government as an opportunity that should be explored and whose potential should be realized in full (several European countries).

The aim of this article is to examine whether the new government has a chance of surviving, and whether the hopes placed in it, or alternately, the dangers ascribed to it are grounded in the reality that has emerged in the Palestinian Authority since the creation of the government. In addition, the article questions how this new reality might impact on Israel's policy and the policies of the major international players. The few months that have elapsed since the government was established makes it difficult to provide definite answers to these questions. However, as with other governments, the first months of the Palestinian government provide a reasonable indication of its conduct and allow initial answers to be formed to these questions.

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## The Prevalent Disorder

The Mecca agreement was made possible when Fatah and Hamas consented to defer discussion of several major issues, including the future of the security apparatuses controlled by the two movements and changes in the Palestinian Liberation Organization (PLO), which would allow Hamas to join the organization. This means that they did not, in fact, agree on a division of control between them. Such a division is the fundamental basis for establishing a unity government and yet barring agreement, competition and confrontation between Fatah and Hamas have continued within the unity government. In effect, the emergent reality is the continuation of a two-headed Palestinian Authority in which there is a power struggle between the office of the president and the government. The result is that the government itself is paralyzed because it is split between the two movements.

Not only has there emerged no agreement between the two movements on the two main issues of the security apparatuses and the PLO, but contacts are frozen due to overriding mutual mistrust. The two sides were supposed to agree on the creation of a national security council as a vehicle for deciding on the future of the security apparatuses. This in turn would allow the government and the president's office to agree on a security policy that would achieve the primary objective of restoring internal security in the Palestinian Authority. There is, however, no agreement over the composition of the council. Mahmoud Abbas (Abu Mazen) and Fatah want the council to be headed by Muhammad Dahlan, who would be given the title of national security advisor, while Hamas does not agree that its bitterest Fatah rival serve in this capacity. Consequently

the government's control of the various security mechanisms has diminished even further, compared with the control enjoyed by the Hamas government it replaced. The previous minister of the interior controlled at least the Hamas executive force, created as a rival to the security mechanisms controlled by Fatah. Yet after the creation of the unity government, this force, though ostensibly answerable to the Ministry of the Interior, in fact heeds the instructions of the military arm of Hamas and not the instructions of the ministry. The preventive security organ and the civilian police force that were to be subordinate to the Ministry of the Interior are, in fact, controlled by Fatah operatives. This situation has already prompted the new minister of the interior, Qawasmeh, to resign.

The integration of Hamas into the PLO has also stalled. A committee of unaligned experts was supposed to meet in Damascus and recommend practical steps for Hamas and Islamic Jihad to join the PLO, but Fatah thwarted the convening of the committee. The committee, in an expanded assembly of representatives of all the organizations, was subsequently due to convene in Cairo and make decisions based on the recommendations that were to have been formulated in Damascus. The executive committee of the PLO controlled by Abu Mazen notified the Hamas leadership that the meeting in Cairo was postponed due to technical problems, and no new date has been set for the meeting. It is unclear if another meeting scheduled for Amman will take place.

Meanwhile, Abu Mazen, who is also the PLO chairman, has initiated reforms in the PLO designed to weaken the PLO by means of reexamination of the organization's different departments, with a view to either canceling them or merging them with existing

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Palestinian Authority organizations. This is underway without any input from Hamas. The committee is headed by former finance minister Muhammad Nashashibi and Abu Mazen's advisor Nimer Hamad. The main issues addressed by the committee are reducing the PLO's diplomatic corps in the various countries, retiring many PLO personnel, and closing the PLO's offices in a number of Arab capitals, first of all, Tunis. The latter move is designed to impinge on the strength of Farouq Qadoumi, who opposes Abu Mazen within the PLO and cooperates closely with the Hamas leadership in Damascus. One important mechanism that is slated to be transferred from the PLO to the Palestinian Authority is the "National Fund," the PLO's economic branch, whose institutions are due to be directly answerable to the PA's Ministry of Finance. It is unclear if these activities, designed to weaken Abu Mazen's enemies within the PLO, will not ultimately damage Fatah, though control of the PLO is one of its few remaining assets.

The government does not function like an entity with collective responsibility, and the new ministers within the government are busy with ousting members of the rival movement from their ministries. Few ministers attempt to administer their offices properly and act in the overall interests of the Palestinian Authority, rather than in the interests of their political party. This situation damages day to day functioning and does not allow the government to work towards achieving the two stated objectives – lifting the political and economic embargo, and restoring law and order – in other words, taking care of internal security. At the same time, the ministers not formally aligned with the two rival organizations are noticeable exceptions. They are Finance Minister Salaam

Fayyad, Foreign Minister Ziad Abu Amr, and Information Minister Mustafa al-Barghouti.

Despite the basic willingness of European countries to give the unity government a chance, they are for the most part not prepared to maintain direct contacts with Hamas members as long as the government does not accept the terms of the Quartet (recognition of Israel, commitment to non-violence, and honoring previous agreements with Israel). Most of the European governments, together with the United States, maintain a policy of contact only with ministers who do not belong to Hamas, although cracks appear to be emerging in this policy, reflected for example in the Norwegian deputy foreign minister's meeting with Palestinian prime minister Ismail Haniyeh, and in contacts of international organizations that operate in the territories (including the World Bank and the UN Development Programme) with Hamas ministers. The international parties are not willing to transfer economic aid directly to the government, and aid for the Palestinians continues to be channeled through the special mechanism established following the creation of the Hamas government that functions out of the president's office. In addition, no tangible progress has been achieved in transferring the monies promised by Arab countries, and according to Finance Minister Fayyad, funds from previous commitments totaling \$1.46 billion have also not been transferred. Some of the money was transferred from Arab countries to the Arab League and did not progress further due to difficulties in executing bank transfers to the Palestinians, given the steps taken by the United States and Israel after the establishment of the Hamas government. Another large portion of the funds was not transferred at all. It appears that the Arab states, in association

with discussions held by the Arab summit committee, also undertook to transfer a sum of \$55 million each month for the Palestinian government's ongoing activities. However this commitment too has yet to be fulfilled. The result is the Palestinian government's continued inability to renew payment of salaries in an orderly fashion.

The failure of the unity government to stabilize the internal security situation is dramatized by three issues: the Shalit affair, the kidnapping of the BBC reporter Alan Johnston, and the continued firing of Qassam rockets. The continuation of the Shalit affair is partly due to the inability of the Palestinian Authority's institutions, the presidency and the government, to impose their authority on the kidnappers. It is also unclear if the Hamas leadership has full control over them. The operation in which Shalit was captured was a joint effort by the military arm of Hamas and independent groups that collaborated with them (the Popular Resistance Committees). In Gazan reality, loyalties metamorphose quickly (for example, the Mumtaz Daghmoush faction that previously operated from within the Popular Resistance Committees under the name of the Army of Islam and cooperated with Hamas now operates in collaboration with the preventive security force controlled by Fatah). This means that all deals have to be approved by all the elements involved and be acceptable to the extreme element. As such, it is not surprising that while it is in the basic interest of Hamas to cut a deal, which would improve its image with the Palestinian public and might also generate a more conducive atmosphere for improved international relations, it has made far-reaching demands that are difficult, if not impossible, for Israel to meet.

The Johnston affair is an even more ex-

treme case. The reporter was apparently kidnapped by an element from within the Daghmoush tribe, possibly by the aforementioned Mumtaz Daghmoush faction. This tribe represents the disintegration of authority in the Gaza Strip. The family members live in a closed and fortified compound in the Sabra neighborhood of Gaza City that is surrounded by fences, landmines, and explosives, and is heavily guarded and monitored around the clock. No government element has access to the site. Neither Hamas nor Fatah has a wish to confront the members of the tribe, and both fear the tribe might join the opposing camp. Fatah accuses a faction within Hamas of responsibility for the kidnapping, while Hamas links Dahlan and his associates to the Mumtaz Daghmoush faction. In any case, the government and the PA are considered helpless, and the kidnappers continue to demand a high ransom from the Palestinian Authority in return for Johnston's release.

The ongoing Qassam rocket fire also be-speaks the Palestinian government's inability to control the territory, although in this case the picture may be more complex. There are signs that Hamas may be interested in continuing terrorist attacks against Israel on a low level, in order to emphasize – as it did in the basic principles of the new government – that resistance is legitimate as long the occupation continues. It might also seek to differentiate between itself as a movement and the government, and to stress that despite what might seem a shift in certain positions, it continues to adhere to ideological authenticity in this important area.

## **What Lies Ahead**

In view of the predicament of the unity government, both movements believe that the open and violent conflicts between them

may be renewed at any time, and they are preparing for it. The sense within Fatah is that the nature of the government entraps Hamas, which cannot thus revert to its previous mode of operation and does not have genuine leverage to force Fatah to implement a true division of authority. The sense within Hamas is that it is indeed in a trap and that the cessation of internal military confrontations only grants Fatah an important interval to redeploy and build up its strength ahead of the next round. A meeting of the “Security Quartet” (security representatives of Israel, Egypt, Jordan, and the United States) held recently in Cairo, attended by Dahlan, strengthened Hamas’s suspicions. Thus it is understandable why even Haniyeh, the Hamas prime minister, threatens to dismantle the government and revert to extensive Hamas terror.

Fatah has started to operate along two main channels. On the one hand, it is making an effort to strengthen its hold in the West Bank. Its security apparatuses initiated a wide operation to enforce law and order, particularly in Nablus and Jenin. In addition to bolstering their control on the ground, the campaign allows them to display their effectiveness compared with the Hamas government’s lack of effectiveness in Gaza. On the other hand, along with bolstering the existing mechanisms in Gaza, Fatah created a new force, the “Fatah Executive Force” which is designed to operate as a counter force to the Hamas executive force. The idea is to create a militia to confront the Hamas force and Hamas activists on the streets of Gaza.

Hamas is preparing to fight on two fronts simultaneously, against Fatah and against Israel. Its preparations are focusing mainly on Gaza and include extensive weapons smuggling from Sinai and the construction of fortifications, based on insights drawn from the Second Lebanon War. At this stage Hamas is unable to bolster its principal weak point, its military weakness in the West Bank. Alongside these preparations for a confrontation there are periodic violent clashes between members of Hamas and Fatah, which result in fatalities. Often the clashes are the result of a localized issue and the need to “settle accounts” and take revenge for a fatality, and not due to the movements’ defined policies. In mid-May a larger scale violent confrontation, which included Hamas’s launching rockets at Israel, broke out. In the meantime the internal clashes subsided under the pressure of Israeli reprisals, probably to be resumed at a later stage.

The reality that emerged following the creation of the unity government, indicating the dysfunction of the new government, does not augur well for the government, and the scenario of its early collapse and the renewal of a full-fledged confrontation between Hamas and Fatah appears reasonable. At the same time, past experience with the Palestinian Authority indicates that dysfunctional arrangements tend to last if the alternatives are less inviting. The alternative of a full renewal of the violent confrontation – civil war – is not convenient for either side and each would prefer this situation only if the current one becomes intolerable. Hamas might reach this conclusion if it feels that the hope it attached to the new government is not within reach and the continuation of the status quo is severely damaging to its image within the Palestinian public. And indeed, the current situation contains a number of elements that are liable to generate such a feeling in Hamas. First, its hope that the establishment of the unity government would lift the political and economic embargo and allow its govern-

ment to function is not materializing: the political achievements are very limited. Hamas is gradually realizing that the international players are not rushing to lift the economic sanctions, that the transfer of funds from Israel is an important element in the Palestinian government's ability to function, and that the promises of Arab aid are only partly bearing fruit and do not constitute a suitable alternative. Second, its hope that the Mecca agreement and the creation of the unity government would allow it to strengthen its political position in the Palestinian Authority and initiate a similar process within the PLO is not materializing.

At the same time, there are indications that Palestinian public opinion views both Hamas and Fatah as to blame for the current situation. For the first time, Hamas finds itself in an unfamiliar position of being attacked by public opinion, as is Fatah. If the situation continues Hamas may conclude that it has no choice and even though the alternative is not good, it is preferable to end the status quo. The Qassam rocket barrage and mortar missiles initiated by Hamas on Israel's Independence Day and its declarations concerning the end of the ceasefire are largely a message that Hamas is running out of patience. The launch of rockets at Israel during the internal clashes delivers the same message. At the same time the continued survival of the unity government is still convenient for Fatah and it is doubtful whether it has an interest in initiating its collapse.

### **External Actors**

This analysis suggests that should the present situation continue, there is little chance that the threats that Israel and the US administration considered as possible outcomes of the establishment of the unity government

will be realized. However, the possibility that the internal Palestinian crisis will be resolved and there will be renewed progress along the Israeli-Palestinians track is also minimal. It is difficult to assume that there can be an effective Israeli-Palestinian channel when a weak Israeli government has to reach understandings with a Palestinian Authority that does not function and is mired in an ongoing internal crisis. Thus, Israel and the international actors are faced with two basic modes of action. One is to work towards bringing the unity government down by encouraging confrontation between Fatah and Hamas, with Fatah emerging victorious and renewing its control over the Palestinian Authority, thereby creating a trustworthy Palestinian partner. Another approach is to take measures to strengthen the Palestinian government and stabilize the internal situation in the Palestinian Authority in the hope that this will generate a partner for an Israeli-Palestinian process.

The first option has few realistic prospects. While it is possible to increase the financial and political pressures on the unity government to bring about its collapse and continue supporting Fatah in its efforts to boost its military strength ahead of the confrontation that will take place after the unity government collapses, it is highly doubtful whether the reality that follows the confrontation will be one of a stable Palestinian Authority with a functioning government that can act as a reliable partner. There is also a strong possibility that even after Fatah is strengthened Hamas would still win a military confrontation in Gaza. In the West Bank it appears that Fatah would be victorious. Even if Fatah manages to assemble a new government it is doubtful whether it would gain legitimacy from the public, and it would have to continue bat-

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tling with a strong and violent opposition. Hamas will not disappear and instead will return as an organization that largely operates through terror. The result will be a very weak government and increasing anarchy. In such a situation Israel and the international community would not have a reliable Palestinian partner.

Nor does the second option lack for difficulties. First, it is possible that the process of disintegration of the Palestinian Authority and the escalation of the confrontation between the various political components of the government have reached such proportions that it is questionable whether they can be contained and the situation redirected to a process of cohesion and strengthening the government. Second, this option would require creating a situation whereby both sides understand that they have no interest in bringing about the government's collapse and renewing the confrontation. This necessitates taking measures that would allow the government to function, including the Hamas elements in it. This means at least partial renewal of aid to the government, and engaging the government. The risk involved in a policy of this sort is that lifting the pressure from Hamas will give it the impression that it can achieve its political objectives without changing its positions and accepting the basic idea of two states for the two nations. It is possible that the Palestinian internal situation would then be more stable, but this would perpetuate the control of a movement that does not accept Israel's existence and aims to annihilate it. Such a situation certainly does not generate a Palestinian partner in an Israel-Palestinian political process and is opposed to Israeli interests.

It may be possible to avoid such a result if, on the one hand, Israel and the United

States do not give Fatah the impression that they are trying to bring down the unity government and to generate a confrontation in which they would support Fatah. On the other hand, working with the Palestinian government will be based on the principle of "no free lunch." The willingness to renew transfer of part of the aid funds and the tax money to the government and to work with its ministers would not be made contingent on full acceptance of the Quartet's terms but would be conditional on actual steps being made, such as advancing the Shalit deal, stopping the Qassam rocket fire, keeping the ceasefire, and implementing specific agreements with Israel. Also important is the clarification that the more the Quartet's terms are met the more the sanctions will be lifted. However, there is some willingness to start the process with the unity government even in return for only partial measures. The idea is to create a process that will help Hamas change its positions and gradually reach full acceptance of the principle of two states for the two nations, which would be implemented through negotiations between the two sides. This process would require ongoing dialogue between Israel and the Palestinians. At first it will be convenient for both sides, Fatah and Hamas on one side and Israel on the other, for the dialogue to be with Abu Mazen. This dialogue will clarify whether the terms for renewal of negotiations between the sides exist, and what types of agreements are on the table.

Renewal of an Israeli-Palestinian ceasefire is an essential element of any policy that aims to engage the Palestinian unity government. The main obstacle for the resumption of the ceasefire is the Hamas demand that it be extended to the West Bank. Israel will not agree to stop its preventive activities in the West

Bank if it means that Hamas is allowed to reconstruct its terror and armed infrastructure in the West Bank without interruption. Any genuine attempt to extend the ceasefire to the West Bank demands a system of guarantees and monitoring arrangements that will prevent Hamas's armed reconstruction.

The current situation is a result of internal processes in the Palestinian Authority, but also of the lack of a clear decision by Israel and its allies regarding a choice of one of the alternatives. On the one hand there is no decision and determined action to bring down the Palestinian unity government. In practice, the decision is not to talk to the Palestinian government and to maintain the sanctions, but it is also accompanied by declarations that Israel will formulate its opinion of the government based on the latter's actions,

in other words, this indicates that Israel still has expectations of the government. On the other hand, there is certainly no decision regarding action to stabilize and work with the Palestinian government.

There is always, it seems, the possibility of desisting from involvement, observing developments on the Palestinian side, and then deciding accordingly. The problem is that in the Israeli-Palestinian reality there is no situation in which Israel is not involved. Palestinian dependency on Israeli actions is so great that any act or non-act by Israel means involvement and impact on what ensues on the Palestinian side. Since the situation is such, Israel's steps should be based on clear goals with a strategy designed to achieve them.

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