Introduction to the Report and the Environment Constraining Development and Independence

This chapter presents an in-depth analysis of the general characteristics of the environment constraining Palestinian development and independence. It is an environment in which scenes of the systematic destruction and deterioration of a society exist side-by-side with examples of the hope, determination, and perseverance found within its people. It presents a conceptual adaptation of what is meant by empowerment in the specific Palestinian context, offering a starting point for a new role of the Palestinian people, one in which they are full participants in carrying out the tasks of national liberation and development. This chapter also presents the report message and methodology.
Section One: Introduction and Background to the Report

The Palestinian people are looking toward the future. They endeavor, both individually and collectively through their institutions, to secure better opportunities for coming generations, even as they are confronted by extraordinary challenges. Perhaps Palestinian society’s extraordinary skills and human resources in all areas have boosted their capacity to endure, persist, and resist in the face of attempts to deny the justice of their cause. The Palestinians continue to demand recognition and implementation of international resolutions related to a peaceful resolution of the ongoing conflict. Foremost among those resolutions are those that affirm the right of self-determination for the Palestinian people that offer solutions to the issues of borders, refugees, settlements, and Jerusalem as the basis for arriving at peaceful coexistence.

The Palestinian case is a particular and unique example of the empowerment experience. The Palestinian society and its formal and informal institutions have a singular capacity to deal with crises and find creative solutions to problems, as well as the ability to continue to adhere to high personal standards without forsaking the quest for national liberation.

The exceptional character of the Palestinian case is heightened when one takes into account the magnitude of the assault to which Palestinian society is exposed, along with the systematic destruction of its capacities and the efforts to destroy its foundations. This assault would have led any less capable society into greater social, economic, and political deterioration. But the fabric of Palestinian society and the depth of its experience in the area of resistance—meaning the humanitarian and peaceful approach to resistance espoused by the overwhelming majority of Palestinian citizens, characterized by continued endurance, efforts to halt deterioration and to rebuild - have together contributed to a strengthened determination to overcome all hardships and attain legitimate human rights. Given the need to place emphasis on all positive aspects of Palestinian action, the report offers a “Points of Light” series, representing shining examples of successes achieved on the path to human development.

Point of Light 1: The Palestinian People are a Peace-Loving People

Excerpts from speeches of the late President Yasser Arafat before the Palestinian Legislative Council on 29 April 2003, and before the Special Session of the Legislative Council on 18 August 2004:

- “Ladies and gentlemen, people of the world: The Palestinian people are a people who love just and comprehensive peace and struggle on its behalf. A people striving for security, stability, and prosperity and working to attain them. A people longing to see its country, its neighbors, and the region learn to coexist, build, and cooperate. But, at the same time, they are a people who know how to stand fast. They cherish their rights and not relinquish any of them. So help them to help you.”

- “[There] were wrong and detestable practices within some institutions. Some people have abused their positions and were unfaithful in their jobs. The process of building up our institutions was not as carefully monitored as it should have been. Inadequate efforts were exerted towards the establishment of the rule of law, the activation of the judicial system and consecration of the principles of accountability. Therefore, I would like, officially, to call upon you to launch together today nationwide effort for comprehensive reforms, an effort that incorporates all aspects of the work of our Authority, an effort that seeks, through a concrete program of action, to achieve all that can be achieved under continued occupation, siege, and aggression.”
Continuation of illegal occupation of the land subjects the process of development to systematic destruction.

In the Palestinian consciousness, olive trees are more than just a source of nourishment or profit. The olive tree is a symbol of Palestinian perseverance and Palestinians holding fast to the ground in the face of efforts to uproot them. It is also an image of their past, rooted deep in the history of human civilizations, as well as an embodiment of their present resistance and the revival of their hope for a free, peaceful future. So it is perhaps unsurprising that the Israeli occupation targets olive trees—cutting them down, bulldozing them, and burning them as both symbolic and systematic destruction of all that represents the Palestinian national identity. The occupation forces and settlers uprooted 500,000 trees (80 percent of which were olive trees) during the first Palestinian Intifada. The Israeli practice of targeting the agricultural sector, farmers and their lands has continued during the second Intifada, (referred to as the “Al-Aqsa” Intifada). The following statistics demonstrate that the occupation endeavors to destroy both dreams and hope:

- In the West Bank, approximately 750,000 dunams of land are planted with olive trees, comprising about 50 percent of all cultivated agricultural land in Palestine (and about 80 percent of the orchard lands). Further, there are an estimated 10 million olive trees, producing on average 18,000 tons of olives per year, comprising 12 percent of the total value of agricultural output.

- Access to approximately 19,000 dunams of Palestinian agricultural land has been cut off by the Separation Wall, preventing their proprietors from reaching them. During the years of the Intifada, approximately 10,000 dunams of land were bulldozed in order to construct the Wall, or to build bypass roads and expand Israeli settlements, or as a form of collective punishment.

- Approximately 15,000 dunams of Palestinian land planted with olive trees are located within areas categorized as Israeli “security zones”, meaning they are located near settlements or along settlement roads, making it difficult, if not impossible, for the Palestinian olive farmers to tend to their trees. These security zones are concentrated in the suburban areas of the cities of Nablus, Salfit, and Tulkarem.

- A staggering total of approximately 42,000 dunams (or about 6 percent of the land dedicated to olive production in Palestine) has been damaged, confiscated, restricted, or destroyed.

- As a result of the above violations, the lost olive yield this season is estimated at approximately 2,100 tons of olives. The monetary value of this loss is approximately $8.4 million, without taking into account future losses from the trees permanently damaged or destroyed.

1-1 Empowerment in the Midst of Deterioration

The processes of empowerment continue in spite of the continuing deterioration on virtually every political, economic, social, and institutional level. This is in addition to the ongoing illegal occupation of Palestinian land, which seeks to systematically destroy all efforts to achieve sustainable development. Quantitative data and qualitative...
analysis confirm that the current state of deterioration threatens the future of the fabric of Palestinian society at its most fundamental level— the level of basic daily needs, which are crucial to the attainment of any acceptable level of human development. All that has occurred during the current Intifada clearly reflects an intent to deliberately destroy all amenities of Palestinian life, using the pretext of “security” and operating under the guise of “combating terrorism” to carry out this planned destruction. The institutional infrastructure of the Palestinian National Authority (PNA) has been targeted in order to impede its work and destroy its effectiveness. Citizens’

**Point of Light 3: International Law against the Wall**

On 9 July 2004, the High Court of Justice at The Hague issued its advisory opinion with regards to the Separation Wall Israel is constructing on Palestinian territory. The most important points of this opinion are as follows:

- “The construction of such a Wall accordingly constitutes breaches by Israel of several of its obligations under the applicable international humanitarian law and human rights instruments.”

- “Israel is under an obligation to cease forthwith the works of construction on the Wall being built in the occupied Palestinian territories, including in and around East Jerusalem, to dismantle forthwith the structure therein situated…”

- “The Wall, along the route chosen, and its associated regime gravely infringe a number of rights of Palestinians residing in the territories occupied by Israel, and the infringements resulting from that route cannot be justified by military exigencies or by the requirements of national security or public order.”

- “Israel is under an obligation to make reparation for all damage caused by the construction of the Wall in the Occupied Palestinian Territory, including in and around East Jerusalem.”

- “All States are under an obligation not to recognize the illegal situation resulting from the construction of the Wall and not to render aid or assistance in maintaining the situation created by such construction.”

- “The United Nations, and especially the General Assembly and the Security Council, should consider what further action is required to bring to an end the illegal situation resulting from the construction of the Wall and the associated regime.”

On 20 July 2004, the United Nations General Assembly endorsed the advisory opinion issued by the Court at The Hague and affirmed what was contained therein, calling on all states party to the Fourth Geneva Convention of 1949 to ensure respect by Israel for the Convention.

Moreover, on 30 June 2004 (i.e., nine days before the Court at The Hague issued its decision), the Israeli High Court ruled that a 30-kilometer stretch of a 40-kilometer section of the Wall around the occupied city of Jerusalem is illegal and harms the Palestinian inhabitants. However, despite its principal ruling on the illegality of that section of the Wall, the Israeli military leadership has the authority to erect the Wall so long as it alters the current route.

External factors influence the various political, economic, and social realities as evidenced in the political pressure that is brought to bear via donor funding. As a result, the operations of government and nongovernmental Palestinian institutions have come to depend almost entirely on outside funding. This situation has increased Palestinian society’s vulnerability to these external powers and has in turn weakened their own internal capacities, which are crucial to sustainable development and empowerment. Palestinians are completely at the mercy of outside powers, particularly the occupying forces, which have created a relationship based on the logic of force and autocracy. External forces have played a pivotal role in the Palestinian experience from the outset of the peace process, which continues through all subsequent negotiations and agreements, including the establishment of the Palestinian National Authority on the lands occupied as of 1967.
homes are demolished, municipal infrastructures damaged, residential centers are cut off from one another, Palestinian workers prevented from reaching jobs inside Israel, settlements are continually expanded, and more and more Palestinian land is seized. And yet all of these daily measures—in spite of their impact—seem inconsequential compared with the effects of the Separation Wall being built by Israel and the devastating long-term implications of its continued construction.

Box 1-1: Resistance to the Separation Wall

The grassroots campaign against the Separation Wall started with an initiative by the Palestinian Environmental Nongovernmental Organizations Network (PENGON), which began working against construction of the wall in October 2002. The campaign was launched in an attempt to halt the Wall’s construction and to expose the true objectives of the Israeli government. This campaign relies on the work of grassroots committees that organized themselves to oppose the construction of the Separation Wall. PENGON coordinates with them on activities and agendas.

The campaign has made great strides since its founding, becoming the central resource for information and activities related to the subject. Pressed by need, it began expanding its activities, extending beyond its original launch site to include additional sites that the Wall reaches and threatens. The campaign established emergency centers in affected villages to collect information and document developments on the ground in addition to coordinating grassroots committee activities. The campaign currently has operational centers in Juyous, Qalqielya, Tulkarem, Jenin, Ramallah, Jerusalem, and Salfit.

Campaign members include affected farmers, NGOs, local council and municipal representatives, members of the local Land Defense Committees, and political activists from the country’s different governorates. The campaign’s primary objective is to focus media attention on its work and to mobilize the international community in solidarity against the Separation Wall and the Palestinian occupation. The campaign has succeeded in this regard. It now serves as the primary source of information for the media and the center for activities on the ground – working to mobilize world opinion in opposition to the Wall. The campaign has not neglected the role of active national political groups, but considers them an important part of resistance efforts.

The campaign is still actively rallying behind its central mission: a complete halt to further construction of the Separation Wall, a dismantling of sections already built, return of the land to its rightful owners and financial compensation for losses incurred during construction of the Wall.
The past years have seen quantitative and qualitative deterioration in the degree of institutionalization achieved by the Palestinians. Some infrastructure advancements have been deferred, without taking into consideration the specifics of the existing Palestinian situation, in which the tasks of national liberation and institution-building are intertwined. This deterioration has caused a retreat in the process of internal construction and made haphazard, scattered activity the rule rather than the exception. This comes as an extension of what occurred during the years following the establishment of the PNA. During that time its institutions were managed with a mindset which created detrimental consequences on two levels: the structural level and the cultural values level. On the structural level, it furthered the entrenchment of individualism and authoritarianism within the Palestinian political system, and slowed transformation of the political system’s foundations. On the level of cultural values, it fragmented established elements of cultural and social values, and instead promoted individualistic, selfish value patterns at odds and in conflict with goal of developing Palestinian society’s own capacity to undertake the tasks of liberation and economic advancement.

The current Intifada exposed infrastructural weaknesses in Palestinian public institutions, especially the institutions of the PNA — their methods for coping with the current conditions and the responsible stewardship of public interests. It also revealed the lack of vision and the absence of a clear methodology for confronting challenges inherent in many Palestinian institutions. These deficiencies significantly contributed to a general sense of malaise and a gradual destabilization of Palestinian society as a whole. Consequently, the social structure and its newly built foundations came disastrously close to the point of collapse — incapable, at least for the time being, of mounting any serious resistance to the internal and external challenges it faced. Other key social institutions: the family, the religious establishment, civil society institutions, and political parties — were each affected by the slow deterioration.

Slowly, a gulf opened and widened between the PNA and its political institutions and the society it purported to serve. A growing state of chaos, 1-1-2 The Weakness of Institutionalization is Anti-Empowerment

Point of Light 4: Demands for Reform through Peaceful Means Alone

Despite the Palestinian public’s doubts about the seriousness of many leadership figures who call for reform (particularly within the Authority leadership), popular support for reform is high. Among those polled, 72 percent supported the calls for reform made by leaders within the Palestinian Authority, as compared to 21 percent who do not think reforms are needed.

Likewise, a significant percentage of the Palestinian public finds the Authority’s calls for reform lacking in credibility: 38 percent of those polled viewed the calls for reform as serious, 40 percent did not, and 22 percent of those polled had no opinion. This distrust might be explained by the fact that 57 percent of those polled thought that personal motives lay behind the recent calls for reform.

In the same context, 40 percent of those polled believed President Arafat to be serious in the promises he made before the Legislative Council in August 2004 to implement comprehensive reforms, whereas 27 percent considered him somewhat serious, and 28 percent of those polled believed he was not serious. Further, 52 percent of those polled regarded the PNA as not serious about reform, whereas 37 percent had confidence in reform efforts.

As for the position of the Palestinian public with regards to the means used to bring about social change, it was clear that the overwhelming majority (90 percent) support peaceful means of demanding reform, and a similarly high percentage of the public (ranging from 77 to 85 percent) reject violent forms of resistance, such as the abduction of foreigners or figures within the Authority, or armed marches.¹

security lapses, and the perception that no institutional protection existed for Palestinian citizens led to the fragmentation and decline of popular resistance.

This decline led to a rise in internal conflicts within Palestinian society. Calls for internal reform came from all sides and with multiple agendas, but no coherent outlines of goals or methods of reform were forthcoming. For example, as the formal judiciary system and its processes broke down, calls for system-wide reform came from all quarters. With no guiding authority or central plan for reform, application of the rule of law continued to disintegrate. Instances of civilians “taking the law into their own hands” became more and more commonplace, with the resulting deterioration of the Palestinian social fabric and the loss of a sense of security and order.

1-1-3 Empowerment: A Human – Universal State

The Palestinian situation may be described as one of general or collective poverty. The whole society is subject to poverty, impoverishment, and loss of individual and collective rights, and is held hostage to the needs and interests of another people through an occupying government. Indeed, improvement in individual income levels or economic averages that seem high compared with undeveloped or neighboring nations is not coupled with actions to build up a sustainable development foundation or any internal development mechanisms. Thus, traditional development indicators, whether quantitative or qualitative, cannot fully depict the Palestinian situation, especially in the present period which exhibits unprecedented reversals in economic, education, and health indicators.

At the same time, a state of collective empowerment exists, based on human capital and social organization, along with a deepening of practical experience in the area of emancipatory development. This duality is accompanied by another, related duality that is equally important: micro-empowerment and macro-empowerment. On the one hand, Palestinian society provides exceptional examples in the areas of civil society, institutional, democratic, and human rights development—on both the individual and institutional levels. However, these initiatives have not been systematically implemented, and therefore have failed to bring about a measurable result as a whole. Empowerment on the macro level requires fundamental changes in the state of general poverty; an eradication of the factors that create systemic impoverishment and that prevent society from building the stable and wide-reaching foundations it needs for sustainable growth. Transformation of individual and group initiatives into a comprehensive plan for nation-building, in every sense of the term, requires changes to the surrounding environment. Successful nation-building institutions must possess at their core a sincere vision, an action plan and carefully chosen priorities. Nation-building institutions are expected to address a set of essential questions, including the following:

- How will it serve to empower Palestinian society to attain the legitimate rights stipulated by United Nations conventions?
How will it strengthen the fabric of Palestinian society and help it to unite in the face of challenges?

How will it serve to advance the genuine empowerment of the individual and groups that represent the individual and seek the preservation of human rights?

How will it increase levels of participation from marginalized groups—such as the unemployed, women, persons with disabilities, and others—so as to include them in society and allow them to fully partake in the development process and its rewards?

These core questions will require Palestinian institutions to adopt a new perspective in how they view their past and future contributions to society.

### Box 1-2: The Internal Priorities of the Palestinian Public

In April 2004, a survey of the views of Palestinian residents toward current economic and social conditions showed that 38 percent of Palestinian families regard obtaining food as their foremost priority. Another twenty-one percent of families rank work as their first priority, and 20 percent rank financial support as their first priority. Another 8 percent rank educational services first, and the same percentage rank health services first. Moreover, the results of Poll No. 19, issued by the Development Studies Programme (2004), showed that improvement of the economic situation and provision of internal security are among the most important priorities:

**Distribution of Palestinian Priorities by Areas of Concern and Region**

<table>
<thead>
<tr>
<th>Areas</th>
<th>West Bank &amp; Gaza Strip</th>
<th>West Bank</th>
<th>Gaza Strip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improving the economic situation</td>
<td>35%</td>
<td>33%</td>
<td>37%</td>
</tr>
<tr>
<td>Providing internal security</td>
<td>18%</td>
<td>19%</td>
<td>16%</td>
</tr>
<tr>
<td>Reducing the unemployment problem</td>
<td>10%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Combating corruption</td>
<td>8%</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Supporting the cause of persons with disabilities</td>
<td>7%</td>
<td>8%</td>
<td>6%</td>
</tr>
<tr>
<td>Strengthening rule of law</td>
<td>3%</td>
<td>2%</td>
<td>4%</td>
</tr>
</tbody>
</table>

In terms of occupation-related issues, ending the occupation, removal of the occupation forces from Palestinian areas, and halting construction of the Separation Wall have come to occupy a permanent place on the list of Palestinian priorities.

**Section Two: Report Theme**

**1-2-1 Empowering the Palestinian People: the Individual, the Group, and Society**

The Human Development Report 2004 focuses on promoting the role of the Palestinian people in carrying out the tasks of national liberation and development. The report provides an examination of the primary structural, institutional (external and internal), and societal obstacles that prevent wider and more effective participation in social development and hinder progress toward the goal of creating a decent life for the Palestinian people. The report recognizes that the Palestinian situation has always depended on people’s willingness and ability to create solutions to life’s dilemmas. Our institutional infrastructure (government and community-based) organizes the activities of Palestinian individuals and groups and serves to aggregate individual initiatives into a comprehensive plan for nation-building requires changes to the surrounding environment.

The 2004 PHDR focuses on promoting the role of the Palestinian people in carrying out the tasks of national liberation and development.

Despite the uniqueness of the Palestinian case, it nonetheless exists within the general framework of universal human experience.

---

working whole. However, our institutional infrastructure has not as yet been able to fully mobilize the Palestinian people’s untapped potential, enabling them to become pioneers in the development process and to benefit from it as citizens with full citizenship rights.

Despite the uniqueness of the Palestinian case, it nonetheless exists within the general framework of universal human experience. Any discussion of Palestinian development and empowerment would be incomplete without the support from the vast body of human development literature and empirical experiences. These theoretical and practical historical perspectives offer a starting point for what must be done in Palestine.

However, it is necessary to take into account the cultivation of concepts of development, with the associated indicators and mechanisms, which accord with the specifics of the Palestinian context. The development literature is in agreement that the concept of empowerment defines a set of processes and relationships designed to activate the role of the people and strengthen them. Empowerment seeks to promote the ability of marginalized groups, especially the oppressed, to gain and enjoy sovereignty over their lives. Sovereignty is gained through involvement in matters directly affecting the individual. Empowerment fosters self-governance by engaging an individual’s abilities, not with the goal of directing them against others, but rather to bring about social change through positive interaction with others and with an awareness of the nature of the community-based structure.

1-2-2 The Concept of Empowerment within the Specific Palestinian Context

Since “a person cannot live on bread alone,” a comprehensive understanding of empowerment necessitates recognition of the following intertwined and interdependent dimensions:

1. The provision of basic needs in terms of food, water, housing, education, and health, along with what that requires in establishing needed levels of social expenditure and allocating the necessary funding for these needs through the relevant institutions and programs.

2. The presence of institutions to generate and restore the abilities and skills of members of society on two levels: The first level is related to increasing individual abilities or individual intellectual capital, primarily through educational institutions of various levels; training institutes, technical skill development programs, and centers for the various vocational trades; and academic research institutes, preserving the close relationship between the consumption and production of knowledge. The second level is related to improving social capital through all types of social groups: political parties, unions, cooperatives, syndicates, associations, and clubs.

3. Expansion of the boundaries for participation and decision-making on various levels, beginning with the family, moving on to the market and civil society, and ending with the state. Participation is regarded as a fundamental component of citizenship, with all of its rights and duties, including those that strengthen institutionalized participation that is direct, at the level of the individual, or indirect, through elected representatives and proxies. These components include: participation in election and nomination; respect for the rights and freedoms of others; participation in decision-making that impacts the life and future of society; helping to build a society of solidarity, with all that means in terms of participating in volunteer activities and works; and belonging to institutions, organizations,
parties, and syndicates. At the same time, citizenship implies various duties, such as paying taxes, which go toward cultivating and restoring social capacity, developing a social security network, and other areas.

4. Awareness of and working to possess basic rights and freedoms, which are the rights set forth in international conventions and agreements, including both the rights of the individual and the rights of the group. Individual rights include citizenship rights; a person’s right to life, education, suitable housing, work, a clean environment, a healthy life, and social security; the right to organize; and the right to express opinions and beliefs. Collective rights include the rights of minorities (i.e. women, ethnic, religious, the disabled or others with special needs or interests).

---

**Box 1-3: Excerpts from United Nations Resolutions on the Right to Self-Determination, Statehood, and Development**

Palestinians derive the strength of support for their case from numerous sources, including the belief in the legitimacy of international resolutions. These resolutions serve as a credible reference for settlement of the Palestinian-Israeli conflict in a manner that balances Palestinian aspirations for liberation, independence, and sovereignty and Israeli aspirations for a state that enjoys security and good relations with its neighbors, along with both sides’ need for equality and peaceful coexistence. These resolutions include the following:

- **General Assembly Resolution 194 (December 1948):** “The General Assembly, having considered further the situation in Palestine… Resolves that the refugees wishing to return to their homes and live at peace with their neighbors should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return and for loss of or damage to property…”

- **Security Council Resolution 242 (November 1967):** “The Security Council, expressing its continuing concern with the grave situation in the Middle East, emphasizing the inadmissibility of the acquisition of territory by war and the need to work for a just and lasting peace in which every State in the area can live in security… 1. Affirms that the fulfillment of Charter principles requires the establishment of a just and lasting peace in the Middle East which should include the application of both the following principles: (i) Withdrawal of Israel armed forces from territories occupied in the recent conflict; (ii) Termination of all claims or states of belligerency and respect for and acknowledgment of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force; 2. Affirms further the necessity… (b) for achieving a just settlement of the refugee problem; (c) for guaranteeing the territorial inviolability and political independence of every State in the area…”

- **Security Council Resolution 338 (October 1973):** “The Security Council 1. Calls upon all parties to the present fighting to cease all firing and terminate all military activity immediately… 2. Calls upon the parties concerned to start immediately after the cease-fire the implementation of Security Council resolution 242 (1967) in all of its parts; 3. Decides that, immediately and concurrently with the cease-fire, negotiations shall start between the parties concerned under appropriate auspices aimed at establishing a just and durable peace in the Middle East.”

- **Declaration on the Right to Development (United Nations General Assembly Resolution 41/128/41, 4 December 1986):** 1. The right to development is an inalienable human right by virtue of which every human person and all peoples are entitled to participate in, contribute to, and enjoy economic, social, cultural and political development, in which all human rights and fundamental freedoms can be fully realized. 2. The human right to development also implies the full realization of the right of peoples to self-determination…”

- **Security Council Resolution 1397 (March 2002):** “The Security Council… Affirming a vision of a region where two States, Israel and Palestine, live side by side within secure and recognized borders… Demands immediate cessation of all acts of violence, including all acts of terror, provocation, incitement and destruction…”

---

Palestine - Human Development Report 2004 15
the right to exercise self-determination and liberation from external control, and the right to development.

5. The development of a national economy capable of employing the labor force, contributing to its training and the acquisition of needed skills, and upgrading those skills to develop the economy’s capacity to support and sustain society and to generate adequate revenue to cover basic social expenditures; education, health, and social services.

In the Palestinian context, the comprehensive concept of empowerment is expanded to mean:

- A set of linked and continuous processes of challenge and resistance designed to bring about change in the substance, trends, and relationships of power through the ability to act, control, and challenge undesirable conditions.
- At the personal level, empowerment refers to acquiring knowledge, awareness, and confidence and experiencing and exercising power within a clearly defined and agreed upon social contract.

- At a group relations level, empowerment means the ability to negotiate and effect change. Therefore, empowerment includes the establishment of relationships between people as individuals and groups, regardless of social strata, in a fair and equal manner, in terms of both economic capacity and political power.
- Added to this are independence and societal sovereignty, which refer to the ability of individuals and groups to live in a stable society that enjoys freedom and independence and has the inherent ability to preserve its fabric and reasonably control its fate in its interaction with the global system.

Box 1-4: The Relationship between Human Development and Knowledge

The attainment of knowledge is one of the basic human rights to which a person is entitled simply by being human. The attainment of knowledge is also a means of furthering all areas of human development. At its core, human development is a sustained desire to liberate people from unacceptable conditions within a specific context and to create access to higher states of human existence, which lead to an increase in the acquisition of knowledge.

Thus, in the present era of human progress, it may be said that knowledge is a means of attaining our highest social and ethical objectives: freedom, justice, and human dignity for all. In Palestinian society, and Arab society generally, promotion of cultural and intellectual awareness as well as the need for free public discourse on political, social and economic issues is required in order to effect social action and advancement. However, it is also necessary to acknowledge the existence of two interconnected problems hindering this advance: The first is the prevailing intellectual mindset, which is based on a culture of being mired in the past. The second is the ineffectiveness of knowledge transfer and acquisition systems in Arab societies generally.³

Thus, in the present era of human progress, it may be said that knowledge is a means of attaining our highest social and ethical objectives: freedom, justice, and human dignity for all. In Palestinian society, and Arab society generally, promotion of cultural and intellectual awareness as well as the need for free public discourse on political, social and economic issues is required in order to effect social action and advancement. However, it is also necessary to acknowledge the existence of two interconnected problems hindering this advance: The first is the prevailing intellectual mindset, which is based on a culture of being mired in the past. The second is the ineffectiveness of knowledge transfer and acquisition systems in Arab societies generally.³

1-2-3 Investment in the Palestinian People and the Dialectic of Development and Resistance

Any effort to rebuild Palestinian society must begin with investment in the Palestinian people as individuals and groups and with correction of all structural conditions that limit their ability to enjoy their rights. A society built on these foundations will be able to further its struggle for emancipation from occupation, injustice, and oppression.


Chapter one: Introduction to the Report
Therefore, the Palestinian people must possess a certain set of moral traits and values if they are to regenerate their abilities and their creativity. These traits and values include awareness of self and others, self-confidence, and a commitment to human rights, along with the ability to exercise these rights through legitimate, appropriate opportunities, gained through possession of and participation in the utilization of society’s natural and human resources.

Thus, empowerment has comprehensive aspects with material, moral, cultural, political, economic, and social implications which work to eliminate all relationships based on dependence, vulnerability, and alienation. These are the traits which currently characterize Palestinians’ interactions with the outside world and with Israel as well as the authoritarian and alienating characteristics relationships present within Palestinian society today.

Given that the tasks of national liberation and society building are linked, emancipatory development must serve as the starting point for the reconstruction of Palestinian society, as articulated in Palestinian literature (and as was pointed out in the 2002 Palestinian Human Development Report), along with securing the inalienable right to self-determination and the right to sustainable human development. For if empowerment means—which it does—expanding people’s options so as to expand their participation in the decisions that affect their fates, then the right to self-determination on the collective and individual level is the starting point for the reconstruction of society, as well as the basis for confronting the challenges and obstacles on the path toward liberation and development.

Palestinian empowerment is integrally linked to collective resistance of basic negative realities, primarily the continuing occupation. Likewise, it is linked to changes in the nature of the Palestinian economy and its capacity to attain relative independence and generate job opportunities for the tens of thousands of unemployed. Efforts in this area are tied to rebuilding institutions so as to arrive at true statehood as relates to these vital issues. Despite the importance of continuing the processes of reforming the agencies and institutions of the PNA, lasting success will not occur without a comprehensive political program on the Palestinian issue. Expanding the concept of empowerment requires incorporating a number of components, including:

- Firmly integrating the processes of legitimate, popular resistance and striving toward peace for all peoples of the region.
- Managing resources so as to strike a balance between relief and development needs.
- Halting the decline of PNA institutions and empowering them.
- Providing basic social services, such as education, health care, and poverty alleviation programs.
- Strengthening the Palestinian economy to the greatest extent possible and preventing its paralysis and degradation.

This adaptation of the concept of empowerment within the specific Palestinian context means bringing together the aforementioned elements to formulate three integrated strategies: a strategy of determination and steadfastness, a strategy of resistance, and a strategy of negotiation. While these strategies are distinct, they are all necessary for realization of the full range of human rights within the changing circumstances dictated by local, regional, and international conditions.
Section Three: The Message and Methodology of the Report

1-3-1 The Message of the Report

- The fourth PHDR, covering the years 2003 and 2004, addresses the present state of Palestinian political, economic, social, and institutional conditions and their impact on Palestinian national goals — development goals and goals of liberation alike.
- The report comes at a critical juncture in the history of the Palestinian people, providing data, analyses, and recommendations that lay the foundation for community-based discussion of the future of the Palestinian people and the type of society it strives to build. The report can play a pivotal role in steering Palestinian efforts if governmental and nongovernmental institutions adopt and activate the concepts, guidelines, and recommendations that it offers as a starting point for working toward the society that Palestinians are striving to achieve.
- The report presents general and specific guidelines and recommendations. Their adoption may help push the Palestinian debate forward in its striving for independence, a just peace, and development toward modernization. Although the report offers a critical, in-depth analysis of the previous period, it takes an optimistic view of the future. Palestinian society, with the resolve of its members, can serve as a model for human development, justice, social equity, freedom and preservation of the environment, as they work to achieve full equality through respect for the rights of all sectors of society, including women, young adults, children, persons with disabilities, and the working classes.

1-3-2 Report Methodology

- The current report is entitled “Hope for the Future: Toward Empowering Palestinian Society through Investment in Social Capital.” Thus, its principal endeavor is setting down the quantitative and qualitative indicators concerned with strengthening the social fabric in order to develop a fundamental assessment (bringing the theoretical, academic and research aspects of the public debate together with practical experience grounded in reality) of what may be done — indeed, what must be done—withing the Palestinian context.

The current report is entitled “Hope for the Future: Toward Empowering Palestinian Society through Investment in Social Capital.” Thus, its principal endeavor is setting down the quantitative and qualitative indicators concerned with strengthening the social fabric in order to develop a fundamental assessment (bringing the theoretical, academic and research aspects of the public debate together with practical experience grounded in reality) of what may be done — indeed, what must be done—within the Palestinian context.

1-3-2 Report Methodology

- The 2004 PHDR was prepared using a participatory approach based on the involvement of all actors in Palestinian society, including PNA institutions, political groups, NGOs, professional and grassroots organizations and unions. The report methodology helped to raise awareness of the gravity of the Palestinian situation. It also impressed on representatives of these groups the collective responsibility for awakening the individual and collective energies of Palestinian society to work toward refortification of the components of Palestinian society to stave off imminent threats.

Point of Light 5: Public Opinion Polling and Participation

Public opinion studies and polls in Palestine hold a special significance since they facilitate measurement and analysis of the views of Palestinian society toward social, political, and economic issues. The history of these studies is tied to the early 1990s and the Palestinian-Israeli peace process. With the signing of the Oslo Accords in September 1993, Palestinian public polling was first undertaken by approximately ten Palestinian organizations in June 2004. The work of these organizations and centers expanded, along with the subjects they addressed, according to political and informational developments, until they came to include: political and social views; electoral conduct; issues of reform, accountability, and transparency; and evaluation of the public and civil society sectors and their services.
The report was prepared by two advisory committees, a technical committee and a ministerial committee (whose work was coordinated by the Ministry of Planning), and a research team composed of elite Palestinian researchers. It also involved cooperation with the staffs of many Palestinian institutions, which helped in writing background papers and supplying the work team with information necessary for the report.

A large body of background papers and research studies were prepared for the report, and scores of Palestinian experts contributed to their preparation.

Focus groups and workshops were held in throughout the West Bank and Gaza Strip to discuss the report’s theme and methodology, as well as the issues it addresses. Participants in these workshops included women, men, young adults, refugees, workers, children, and representatives of governmental organizations and NGOs.

The present report is a scientific Palestinian effort to study the subject of empowerment as a basis for advancing development in Palestine. What distinguishes this effort is that it does not offer ready-made prescriptions or ‘magic’.

Point of Light 6: The Continuing Work of the Palestinian Central Bureau of Statistics

The PCBS was founded with the establishment of the PNA in 1994, is the official source of Palestinian social statistics and is responsible for building a comprehensive national statistics system, relying on international standards to produce official figures.

Since the PCBS’s founding, it has issued more than 700 statistical publications and carried out scores of field surveys in various population, social, economic, and geographical areas. The most widely distributed publications were issued in the period prior to the current Intifada: the Establishment Census of 1994, the first Demographic Survey of 1995, the General Population and Housing Census of 1997, and the National Conference on Statistics and Policies of 1999.

Since the outbreak of the Al-Aqsa Intifada, along with the accompanying Israeli hostilities, the PCBS has faced numerous hardships and obstacles, most importantly: the policy of closures and siege, the general security situation, the extremely heavy workload, and the demands of that workload in terms of finding access to adequate financial and qualified human resources. On top of this, at the end of 2001, the Israeli forces occupied the PCBS headquarters and deliberately destroyed everything inside.

The PCBS thus redoubled its efforts to ensure continued provision of statistical data—that which is routine and that which reflects the new situation. For this purpose, the PCBS established a specialized unit called the Statistical Monitoring Unit. Additional measures taken to adapt to the conditions of the Intifada and ensure continuation of its work include:

- Applying a flexible (decentralized) work system, allowing employees to work in the governorates where they live.
- Putting in place a system of compensation for work hours lost as a result of closures or curfew.
- Coordinating with national organizations and NGOs to obtain assistance for the employees.
- Holding training courses for field researchers in the governorates, and using video-conferencing systems between Ramallah, Gaza, and Nablus.

The most important routine surveys that the PCBS prepared during the Intifada include: a series of annual economic surveys, a monthly consumer price index, the demographic health survey, the youth survey, and the child labor survey. Statistical activities developed in response to the conditions of the Intifada include: a weekly field survey of the impact of Israeli measures on the Palestinian economy, a survey of the impact of Israeli measures on the family and Palestinian children, and four rounds of a survey of the impact of the Separation Wall on economic and social conditions.

The 2004 PHDR was prepared using a participatory approach based on the involvement of all actors in Palestinian society.
Despite all of the efforts to strip the Palestinian people of their resolve and crush their potential and abilities— which were limited from the outset—the Palestinian people provide living examples of individual and collective ability and creativity, which preserve their capacity to resist and endure. Within this framework, the 101 Points of Light project was conceived as part of the participatory approach to preparing the present PHDR.

This project highlights development experiences, including individual, group, and institutional initiatives focused on local development and empowerment. The process of collecting information on such initiatives has strengthened the ability of the research team to examine and analyze real-life efforts of individuals and groups within local society in order to better understand their mechanisms of coping and overcoming challenges. Also, examining people’s real-life experiences helps policymakers and planners stay in touch with local realities and to develop and adopt plans based on actual local experiences.

In selecting initiatives to publish in the report, consideration was given to the diversity of projects, including: individual and group initiatives; local, national, and international efforts; institutional and non-institutional projects; and governmental and non-governmental activities. A range of spheres of activity are included: politics, health, education, agriculture, social solidarity, culture and arts, media and technology, human rights, marginalized groups, and others.

A committee from the PHDR team selected the initiatives to be included. Objective selection criteria were devised to ensure that these initiatives represent different fields, exhibit creativity and novelty in their concepts and goals, and demonstrate community participation and activate local resources. The initiatives also needed to be compatible with the goals of human development by targeting marginalized groups, with special attention to underprivileged individuals, institutions, and groups.

Initiatives presented in the 2004 PHDR were nominated directly by Palestinian individuals and institutions that are connected with or knew about these initiatives. These initiatives do not include all of those received by the Development Studies Programme (DSP). Rather, a number of initiatives were selected as representative of a multitude of fields and various levels of action. There are certainly thousands of exemplary, beneficial initiatives within Palestinian society, and the report could not include all of them. Those initiatives that did not reach us or were not included in the report are hereby applauded.
Box 1-6: Summary of “The Poor Speak Out: National Report on Participatory Poverty Assessment (Voice of the Palestinian Poor)\textsuperscript{4}

Poverty is defined as the inability to meet basic needs of individuals and families. These needs include healthy food, clothing, housing, adequate education for family members, and the capacity to fulfill social obligations.

According to those living in poverty, it is a condition associated with different groups and is the result of various influences, such as unemployment, the inability of earned income to cover a family’s needs, seasonal employment, low-wage employment, subsistence farming, widowed and divorced women supporting children, wives of unemployed persons, and various other groups. Moreover, the poor linked poverty to various conditions, including the absence of work opportunities, illness and physical disability, advanced age, lack of job qualifications and education, and traditional restrictions, especially those imposed on women.

Suggestions by the poor to challenge poverty focus on three main aspects:

- Expanding and creating employment opportunities within the local economy.
- Providing an improved infrastructure of public services.
- Creating a social safety net.

The poor evaluate the institutions they deal with in the following ways:

**Health services:** In government clinics and hospitals, the poor complained of a shortage of services, treatment options, and medicines; a lack of physician specialists, and a lack of necessary equipment. In regards to the United Nations Relief Works Agency (UNRWA) clinics, the poor residing in the camps thought that these clinics help to alleviate their suffering, but problems arose when there was a need for advanced treatment.

**Educational services:** The poor (especially in remote areas) complained of the shortage of schools and classrooms and the problems of overcrowding, which force many students to travel to schools in other localities.

**Social assistance:** The poor said that social assistance is limited, irregular, and excludes a large proportion of the poor.

**Agricultural assistance:** Farmers complained of the ineffectiveness of the Ministry of Agriculture’s services. There is a shortage of agricultural inputs (such as cuttings and fertilizers) provided by the ministry as well as poor monitoring of the use of pesticides and agricultural chemicals and additives.

**Local government institutions:** The poor criticized the level of services provided to the municipalities. They said that garbage collection is the only regular service provided and that municipalities pay inadequate attention to infrastructure construction and rehabilitation.

**NGOs that deal with the poor:** Large numbers of the poor praised the regular assistance and medical services provided by the Zakat Committees. The poor complained about credit and lending institutions, some of which require collateral or a guarantor as a pre-condition for loans. Moreover, loan amounts are insufficient for setting up projects that generate adequate levels of income, and interest is high and the payment periods are short.

The value of participatory approach was strengthened through study and analysis of a number of local and national initiatives in the various areas of development. The study and analysis of such initiatives (the “Points of Light”) helped to deepen the applied and practical dimensions of the report.

Israel began to build the Separation Wall, which is approximately 750 kilometers in length.

Section Four: The Environment Constraining Development and Independence

1-4-1 Israeli Occupation and Systematic Destruction of the Potential of Palestinian Society

Israeli military aggression continued and reached dangerous heights after the full-scale invasion of the West Bank in April 2002. During this invasion, Israel destroyed Palestinian infrastructure and institutions, besieged the headquarters of the late president Yasser Arafat, and declared the absence of a Palestinian peace partner. Israel created conditions designed to alter the structure of the PNA in accordance with American and Israeli objectives, couched in the language of reform. It also began to build the Separation Wall, which is approximately 750 kilometers in length, and will annex 58 percent of West Bank land and establish new facts on the ground to advance the Israeli agenda for the desired contours of the final resolution. Numerous local and international reports provide relevant data, clearly showing the systematic destruction of Palestinian society during the past four years.

1-4-2 The Impact of International and Regional Changes

The peace process between the Palestinians and Israelis came during a period marked by dramatic global changes. Indeed, it may be said that the peace process was an offshoot of these changes on the regional level. Most important among these changes was the collapse of the Soviet Union and consequent consolidation of a new, unipolar world order, and the first Gulf War and deepening crises within official Arab establishments overall. Without delving into the details of political twists and turns, the peace process has taken since establishment of the PNA, it may be said that peace negotiations were the result of underlying regional changes, which pushed the parties toward negotiation of a new formula for settling the conflict. In reality, however, these negotiations were in response to pressure by the United States to realize its vision—which went beyond merely settling the conflict in the Middle East.

To an equal degree, Israel has never worked towards a principled, peaceful resolution to their conflict with the Palestinians. The Israeli vision of settlement was limited to concessions by neighboring nations in return for normalization of Israeli-Arab relations. Exploiting its undisputed superiority, Israel rejected peace based on recognition of the occupied people’s right to self-determination and the concessions it would require of Israel.

Within this general framework, Israel was able to turn its back on the signed agreements, and it continued to act as an occupying power even after the establishment of the PNA, particularly given the favorable American treatment of Israel in the peace process. The Israeli occupation plan centers on preserving most of the occupied land while getting rid of the Palestinian demographic burden by transferring authority for overseeing the Palestinians to another party.

Thus, the failure of the peace effort was part of the general atmosphere of negative developments in the Palestinian situation, a scene completed by the weak performance of the PNA. The PNA failed to keep a minimum level of its promises to build a Palestinian government founded on institutionalization, development, and attainment of economic prosperity so
as to pave the way for its eventual sovereignty over the land and success in the Palestinian national endeavor—the establishment of an independent Palestinian state with East Jerusalem as its capital.

The changes cited above exacerbated the overall repression of the Palestinian people. Perhaps the failure of the Camp David talks gave the Palestinians and Israelis renewed justification for opening a new chapter in the conflict. On the Palestinian side, among the people at least, the idea of negotiating with the Israeli government became an absurd notion. The Palestinians grew certain that attainment of national independence would require creative modes of resistance, and an active approach to managing the conflict that went well beyond sitting on opposite sides of a negotiating table. On the Israeli side, they deduced that Palestinians would grant no concessions in the absence of the use of military force.

---

<table>
<thead>
<tr>
<th>Governorate</th>
<th>Area of Confiscated Land (dunams)</th>
<th>Displaced Persons</th>
<th>Persons Isolated West of the Wall</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Government</td>
<td>Private</td>
<td>Total</td>
</tr>
<tr>
<td>Jenin</td>
<td>37143</td>
<td>20261</td>
<td>57404</td>
</tr>
<tr>
<td>Tulkarem</td>
<td>2465</td>
<td>37395</td>
<td>39860</td>
</tr>
<tr>
<td>Qalqilya</td>
<td>800</td>
<td>49077</td>
<td>49877</td>
</tr>
<tr>
<td>Salfit</td>
<td>40</td>
<td>6000</td>
<td>6040</td>
</tr>
<tr>
<td>Jerusalem</td>
<td>12</td>
<td>7934</td>
<td>7946</td>
</tr>
<tr>
<td>Bethlehem</td>
<td>0</td>
<td>3656</td>
<td>3656</td>
</tr>
<tr>
<td>Total</td>
<td>40460</td>
<td>124323</td>
<td>164783</td>
</tr>
</tbody>
</table>

**Box 1-7: Siege of the Holy City of Bethlehem**

Since the beginning of the Palestinian Intifada, Bethlehem has been subjected to intense Israeli siege, cutting the city off from the rest of the West Bank, especially the city of Jerusalem. As a result, Bethlehem’s economic base was totally destroyed, since it had hitherto been greatly dependent on tourism (and religious tourism in particular). In 2002 alone, the city was under curfew for 156 days.

At present, Bethlehem is encircled by nine Israeli settlements and more than 10 kilometers of the Separation Wall (whose length around Bethlehem is expected to extend 63 kilometers), in addition to approximately 78 barriers (checkpoints, cement and earthen blockades, and iron gates).

These measures have led to increased restrictions on freedom of access to the holy sites in Bethlehem and Jerusalem, in contravention of Article 12 of the International Convention on Civil and Political Rights, which includes the freedom of movement, and in contravention of the advisory opinion issued by the International High Court on 9 July 2004, which mandated that Israel endure freedom of access to the holy places that came under its control after 1967.

---

5 The Palestinian Central Bureau of Statistics, Survey on the Consequences of the Separation Wall on Residential Centers in the Path of the Wall, August 2003.
Thus, the Intifada set the stage for retrenchment by the warring parties. The Israeli government found the conditions favorable to commence tearing down the recently built foundations of the Palestinian national endeavor—both its liberation and state-building components. Israeli policies unequivocally target the abilities and potential of the Palestinian people for systematic destruction, through such measures as demolition of homes and institutions, bulldozing farmland, urban siege, ethnic cleansing, and starving people out. The Israeli occupation aims to reduce all of the Palestinians’ viable options to a bare minimum, and so to bring about their eventual collapse and surrender.

Internal and external pressures have required the PNA to change the structure of the executive branch. The office of prime minister was created on 17 March 2003, and Mahmoud Abbas (then Secretary-General of the Executive Committee of the Palestinian Liberation Organization) was charged with the responsibilities of forming the government, whose structure had been ratified by the Palestinian Legislative Council at the end of April 2003.

Perhaps the collapse of the Iraqi regime and redoubled international and regional efforts to end the freeze in the Israeli-Palestinian peace process pushed the Israeli government to engage in the process of implementing the Road Map. The first steps were shaky however, beginning with the failure of the Aqaba summit between the Palestinians and Israelis attended by the US President George Bush and Jordan’s King Abdullah II. The summit failed when the Israelis

---

**Box 1-8: Excerpt from the Arab Peace Initiative**

- There will be no success for peace in the Middle East unless it is just and comprehensive, in implementation of Security Council Resolutions 242, 338, and 425 and the principle of land for peace, and affirming the necessity of the Syrian and Lebanese issues and their integral connection to the Palestinian issue in achieving the Arab goals for a comprehensive resolution.

- The Council of the Arab League further calls for full Israeli withdrawal from all the Arab territories occupied since 1967, including the Syrian Golan Heights, to the June 4, 1967 lines as well as the remaining occupied territories in the south of Lebanon.

- Achievement of a just solution to the Palestinian refugee problem to be agreed upon in accordance with U.N. General Assembly Resolution 194, and the acceptance of the establishment of a sovereign independent Palestinian state on the Palestinian territories occupied since June 4, 1967 in the West Bank and Gaza Strip, with East Jerusalem as its capital.

- Consequently, the Arab countries shall undertake the following: Consider the Arab-Israeli conflict ended, enter into a peace agreement with Israel, and achieve security for all the states of the region; establish normal relations with Israel in the context of this comprehensive peace; assure the rejection of all forms of Palestinian repatriation in the Arab host countries.

---

6 Clauses from the Arab Peace Initiative, which was announced at the conclusion of the 14th Arab Summit, held in Beirut on 28 March 2002.
Box 1-9: Isolation of Jerusalem

The issue of Jerusalem is among the most important and the most complex issues in the history of the Arab-Israeli conflict, and is central to the framework of the current peace process and negotiations. Since first occupying Jerusalem, Israel has tried to isolate the city from its Palestinian surrounds and erase the evidence of the city's Palestinian heritage on material and nonmaterial levels. It has done so by applying pressure to the city's Palestinian residents through various means, such as preventing any new residential or commercial construction, seizing property, closing institutions in East Jerusalem (the most prominent example being the closure of the Orient House), strangling the city with a settlement belt and the Separation Wall, and confiscating the identity cards of Palestinian residents under various pretexts.

Added to these actions are Israeli attempts to elicit international recognition of Jerusalem as the capital of the State of Israel, without taking into account the applicability of the description “occupied land” to East Jerusalem and the international resolutions on Jerusalem that affirm this fact.7

The government of Mahmoud Abbas lasted a total of 130 days,8 but it did succeed in effecting a few real changes in the structure of PNA institutions and their modes of operation. Significant financial and administrative reforms took place, including repatriating returns from the national investment fund back into the Palestinian treasury, abolishing price controls on oil and cement and breaking up those monopolies, and enforcing some aspects of the Civil Service Law. The most significant achievement was on the political-security level: Prime Minister Abbas brokered a truce in which the Palestinian government fulfilled the security conditions stipulated in the Road Map without affecting Palestinian solidarity or conceding the right to legitimate resistance against the occupation.

1-4-3 The Disengagement Plan

Israeli Prime Minister Sharon first announced the disengagement plan on 18 December 2003. This plan represented the first step towards the Israeli version of a long-term, phased settlement of the conflict. The core objectives of the Israeli plan are guaranteed Israeli security and postponement of any final solution for years to come. Prime Minister Sharon stated on 23 February 2004 his intentions to bolster security through continued construction of the Separation Wall, withdrawal of the Israeli army from the Gaza Strip, and rejection of any further pressure on Israel to move...
Israeli Prime Minister Sharon announced the disengagement plan as a first step in the Israeli version of a long-term, phased settlement of the conflict.

A close reading of the disengagement plan, or the plan for unilateral withdrawal from the Gaza Strip, reveals a number of implicit dangers that underscore the expansionist settlement mentality of the Israeli occupation. According to the Israeli plan, withdrawal from the Gaza Strip will take place in exchange for annexation of large portions of the West Bank (specifically the largest settlement blocs and the land west of the Separation Wall). This plan rids the Israelis of the largest portion of the Palestinian population—what Israelis refer to as the demographic burden—while still preserving the largest portion of occupied land. Further, unilateral Israeli withdrawal places no obligations on the Israeli government, which will continue to control the crossings, borders, water, and airspace and, indeed, may invade the Gaza Strip as it wishes. Moreover, such unilateral steps create new facts on the ground, forward in negotiations with the Palestinians, which will likely ensure that most settlements remain under Israeli sovereignty.

The failure of the Camp David talks gave the Palestinians and Israelis renewed justification for opening a new chapter in the conflict.

In December 2002, the Quartet (made up of the United States, the European Union, Russia, and the United Nations) prepared a peace settlement initiative that forms the basis for resumption of negotiations between the Palestinians and Israelis. This plan, called the “Road Map,” includes three stages, with the first stage lasting from October 2002 to May 2003, during which time the two sides were to fulfill a number of obligations.

In the first stage, the Palestinian obligations were specified as follows: the Palestinian Authority must bring to a halt all forms of Palestinian resistance, including incitement against Israel; restoration of Palestinian-Israeli security coordination; and preparation for electoral and constitutional appointment of a Palestinian government, including creation of the office of prime minister with wide executive powers. The first tasks of this government would be to implement the security provisions, achieve actual separation of powers, reconstitute the Palestinian security agencies under a unified central leadership, and implement the reform plans set down by the international work team.

The Israeli obligations during the first stage consisted of: halting attacks on Palestinian civilians and their property, freezing settlement activity, and withdrawing Israeli forces from the areas occupied since 28 September 2000, concurrent with increasing security cooperation with the Palestinians.

The second stage, which was to end in October 2003, includes staging an international conference to initiate negotiations to establish a Palestinian state with temporary borders until the end of 2003. The third and final stage, which was to end in 2005, includes an international conference to establish permanent, final agreements on the issues of Jerusalem, the settlements, and establishment of normal relations between the Arabs and Israel. Many people maintain that the Road Map ended with the end of the commitment of the main party—the United States—to work toward the plan’s implementation. However, the United States maintains that it may be implemented if there is an end to “acts of violence,” and it holds the two sides responsible for the plan’s failure. By contrast, other parties, such as the United Nations representative, hold Israel responsible for killing the plan.

Box 1-10: The Road Map

In December 2002, the Quartet (made up of the United States, the European Union, Russia, and the United Nations) prepared a peace settlement initiative that forms the basis for resumption of negotiations between the Palestinians and Israelis. This plan, called the “Road Map,” includes three stages, with the first stage lasting from October 2002 to May 2003, during which time the two sides were to fulfill a number of obligations.

In the first stage, the Palestinian obligations were specified as follows: the Palestinian Authority must bring to a halt all forms of Palestinian resistance, including incitement against Israel; restoration of Palestinian-Israeli security coordination; and preparation for electoral and constitutional appointment of a Palestinian government, including creation of the office of prime minister with wide executive powers. The first tasks of this government would be to implement the security provisions, achieve actual separation of powers, reconstitute the Palestinian security agencies under a unified central leadership, and implement the reform plans set down by the international work team.

The Israeli obligations during the first stage consisted of: halting attacks on Palestinian civilians and their property, freezing settlement activity, and withdrawing Israeli forces from the areas occupied since 28 September 2000, concurrent with increasing security cooperation with the Palestinians.

The second stage, which was to end in October 2003, includes staging an international conference to initiate negotiations to establish a Palestinian state with temporary borders until the end of 2003. The third and final stage, which was to end in 2005, includes an international conference to establish permanent, final agreements on the issues of Jerusalem, the settlements, and establishment of normal relations between the Arabs and Israel. Many people maintain that the Road Map ended with the end of the commitment of the main party—the United States—to work toward the plan’s implementation. However, the United States maintains that it may be implemented if there is an end to “acts of violence,” and it holds the two sides responsible for the plan’s failure. By contrast, other parties, such as the United Nations representative, hold Israel responsible for killing the plan.
making it more difficult to move to the final status issues or even implement the agreements previously ratified with the Palestinians.

1-4-4 The Institutional Environment and Reform

Since the establishment of the PNA, there have been calls for adherence to the standards of institutionalization and transparency in forming and managing the Authority’s institutions.9 During the years prior to the outbreak of the Intifada, however, the experience of the Palestinian Authority confirmed that the general direction of Palestinian Authority work would not be based on establishing a state of institutions. This was due primarily to its general lack of governing experience and because much of the institutional legacy of the Palestinian Liberation Organization carried over to the newly established PNA. Moreover, the values of institutionalization run counter to the authoritarian, individualistic nature of the Palestinian political system.

The following chapter will analyze the performance of PNA institutions in detail. Here, it will suffice to say that the performance of the Authority institutions overall, given the wide variations in their performance and the extent of their responsiveness to demands for reform and effectiveness, remains far removed from what the Palestinian public expects and needs. The questions that the report subsequently poses focus on:

- How can they empower the Palestinian public if they are not empowered themselves?

The varying degrees of vulnerability of PNA institutions and their generally inadequate response to the challenges imposed by the Intifada confirmed the need for institutional reform. International pressure on the PNA to restructure its institutions has escalated. As a result, a few substantive changes in Palestinian Authority operations have occurred, especially in the following areas: the constitution, the rule of law, the independence of the judiciary, finance, the security agencies, the legislative branch, local government, and corruption issues.

International pressure on the PNA reached its height when the U.S. administration tied the continuation of the peace process to comprehensive reform of the Palestinian Authority and its modes of operation10, and the installation of a new Palestinian leadership. In early July 2002, the Quartet Committee for the Middle East Peace Process was established. In September 2002, the Quartet publicly affirmed that political, economic, and security reforms in the PNA were a central and integral component of the peace process, a position which was reiterated in the three-stage Road Map officially presented to the Palestinians and Israelis in April 2003.

1-4-5 The Internal Security Situation

The absence of a central vision or strategy and unified resolve has been

---

9 On the Palestinian level, the General Oversight Report for 1996 was issued and published in 1997. On the international level, a work team of international and local experts was formed under international auspices and headed by former French Prime Minister Michel Rocard, known as the “Independent Working Group for Empowerment of the Palestinian Authority Institutions.” In 1999 it issued the report “Empowerment of the Palestinian Authority Institutions.”

reflected in the legal, societal, and
development situation. This situation is
evidenced in continuing transgression
of the law, a deepening entrenchment
of tribalism, and the erosion of national
unity through factionalism, especially
between the main political groups within
Palestinian society. This potential for
conflict goes beyond threats of a clash
between various partisan groups within

Point of Light 7: Tireless Work in Government Institutions

Despite the external and internal challenges, earnest efforts toward institutionalization and development are visible in some agencies. This is seen in some ministries’ serious, persistent efforts to provide services to the Palestinian public. Despite criticisms of their shortcomings on quantitative and qualitative levels, it must be acknowledged that these ministries fill critical public service gaps in the areas of education, health, social affairs, and labor.

In addition, some ministries do engage in comprehensive strategic planning in terms of poverty alleviation, human development, and capacity building. Numerous ministries have formulated short-term plans, and others have formulated medium-term plans, in an attempt to connect their aid-based performance to the development needs of the Palestinian people. Further, the financial performance of PNA institutions has improved, wherein the Ministry of Finance has cooperated with partners in setting budgets and delineating payment and financial inquiry mechanisms. Finally, the unification of the security agencies has gotten underway.

the Palestinian Authority, its security agencies, and its main party (Fatah).

Often, rulings of the Palestinian Supreme Court were transgressed (whether in political or civil cases), promoting infractions against citizens and their property. These transgressions and infractions occurred due to the absence of a firmly established legal structure for promoting citizens’ rights and protecting their freedoms regardless of standing, rank, or political or social influence. Various infractions occurred against media professionals and journalists, such as the assassination of one Palestinian journalist, the abduction of foreign journalists, and attacks on local and foreign media headquarters. Moreover, on more than one occasion there were tensions between national and political activities, and the rulings of civil and other courts were not upheld.\textsuperscript{11}


1-4-6 The Performance of the Legislative Branch

The legislative branch has been widely criticized by political and social groups and the public in general since the expiration of its legally mandated term and for its ineffectiveness in terms of oversight and legislative performance. On 11 April 2004, the Improvement of Status Law sparked discontent among citizens, especially in light of the daily hardships to which citizens are exposed and which have led to record increases in rates of poverty, unemployment and malnutrition. This law stipulated that ministers, Legislative Council representatives, and governors are to be paid $15,000 in bonus compensation. It also outlines the salary scale for ministers, governors, and Legislative Council representatives. This was done under the pretext of reform while the
Drafting a modern Palestinian constitution requires harmonizing all community-based efforts which lay the constitution’s foundation and ensure that all needs specific to the Palestinian context are fulfilled. This task will take place on two levels. The first level is to achieve a balance between the demands of development-based progress on the one hand, and national political liberation as a vision of comprehensive emancipation on the other. The second level is achieving equilibrium among the various special interest groups within Palestinian society.

To accomplish this task, on 27-28 September 2003, Birzeit University’s DSP held a conference on the Palestinian constitution to broaden the horizons of rational, responsible debate. Its purpose was to bring together the various visions and agendas for the proposed constitution and to provide an open and inclusive environment for internal Palestinian dialogue, especially on the controversial issues of refugees and borders. The desired outcome of the conference was to help form a comprehensive, integrated document which both identified and addressed the myriad social and national issues.

It also aimed to ensure the broadest representation of the different Palestinian groups and to give expression to their perspectives, visions, and needs in the process of drafting the constitution. The backgrounds of conference participants varied. They included academics, specialists in the fields of media, development, economics, and refugees, representatives of economic sectors and trade unions, private sector professionals, labor representatives, and youth groups, in addition to delegates from all mainstream political groups and parties. The concluding recommendations of the conference were:

- To recognize the conference, along with its working papers and recommendations, as a starting point for forming a broad coalition to lead the call to action for drafting a modern, democratic constitution and to offer a national democratic vision based on fulfilling the dual tasks of national liberation and nation building.

- To provide institutional and popular grassroots support for the preparation of the constitution, through public awareness activities, education, and mobilization, to ensure inclusion of wide sectors of society in the process. Inclusion in the process will best ensure expression of the needs of the myriad groups, whose legitimate and rational proposals will be incorporated within the proposed constitution.

- To affirm the need for mechanisms (such as the Constitutional Court) that will ensure respect for the constitution and guarantee the objective application of its provisions.

Continuing the discussion on the constitution, a forum on the proposed Palestinian constitution was held in Birzeit on 10 October 2003, through the cooperation of Birzeit University’s Development Studies Programme and the Committee of Civil Society Organizations in Lebanon. The forum emphasized that the entire Palestinian community possesses a shared perspective and a common fate, wherever they may reside. It also affirmed that any proposed Palestinian constitution must include the same rights for Palestinians of the Diaspora as for Palestinians residing in Palestine.

Civil Service Law remains unratified, even though its provisions apply to the largest sector of public employees.

This critical view of the performance of the Legislative Council does not invalidate some of the positive steps it has undertaken. A number of laws were ratified between 2002 and 2004, and the text of those laws was published in the official gazette of the PNA. The laws that were passed and published in the official gazette include: Judiciary Branch Law No. 1 of 2002, Law No. 6 of 2001 amending certain provisions of

Point of Light 9: Registration for the Palestinian Elections

The Central Elections Committee succeeded in registering 72 percent of Palestinians for the elections in spite of numerous external and internal obstacles. One thousand seven (1007) voter registration centers were established throughout the West Bank and Gaza Strip. The centers opened to Palestinian citizens on Saturday morning 4 September 2004, and registered voters daily until 7 October 2004. To bolster the integrity of the election registration process and its oversight, approximately 82 local bodies and three international bodies monitored voter registration and the elections, utilizing roughly 5,500 observers. A total of eight Palestinian political parties and organizations also took part in monitoring the registration process.

Box 1-11: The 100 Days Plan

The Ministerial Reform Committee was formed by presidential decree on 12 June 2002. It prepared, in cooperation with the international donors, a reform plan for Palestinian Authority institutions known as the “100 Days Plan.” This plan contained the donors’ views of required steps for the Authority to undertake on the path to reform. The most prominent components of this plan include:

1. Firmly establishing the principles of separation of powers, rule of law, independence of the judiciary, and strengthening the judiciary system.

2. Restructuring ministries and Palestinian governmental bodies; issuing, in this framework, a review of the Civil Service Law; and preparing a modernized retirement system.

3. Preparing for presidential, legislative, and local elections.

4. Restructuring the Palestinian security agencies and unifying the police, Preventive Security, and Civil Defense agencies under the authority of the Ministry of Interior.

5. Consolidating the Authority's financial revenues, establishing a Palestinian investment fund to manage all of the Palestinian Authority’s commercial and investment activities, regulating the relationship between the Ministry of Finance and local bodies, and amending the process of preparing the General Budget.

International pressure reached its height when the U.S. administration tied the continuation of the peace process to comprehensive reform of the Palestinian Authority.

13 There are also many laws awaiting the president’s approval following passage by the Legislative Council on the third reading, most important among them the Law of the Palestinian Child, the Illicit Earnings Law, and the Amendment to the Monetary Authority Law. Further, some important laws have completed the second reading, most importantly the Compensation Fund for Removing the Effects of Israeli Aggression. Some bills have also been approved on the first reading, most importantly those for the Prisoners and Ex-Detainees, and the Administrative and Financial Oversight Bureau. Some other laws have been accepted for general debate, most importantly those for Public Electricity; the Judicial Clerk; the Supreme Constitutional Court; the Social Security Fund; Income Tax; Insurance; and Commercial, Industrial, and Agricultural Chambers of Commerce. Some laws were referred to special committees for their opinion, most importantly the laws for the Elections, Care for Youth, Lands, and Workers’ Unions.

(See: the items issued by the Legislative Council, entitled “Draft Laws in the Legislative Council, 1 June 2004.”)
Transgressions and infractions occurred due to the absence of a firmly established legal structure for promoting citizens’ rights and protecting their freedoms.

The number of laws promulgated in one year is approximately 5-6 per year with amendments, and 48 laws have been approved thus far. Some of the detailed laws adopted by the legislative branch, such as the Independence of the Judiciary Law and the Basic Law, were ratified only after intense pressure was brought to bear from the international community. Further, the abolition of the State Security Court occurred for the same reasons, sparking debate and controversy about the need to address national and civil demands first, rather than to respond to the pressure of outside influences.

1-4-7 Chapter Conclusion

As seen above, the environment constraining development and independence in Palestine involves a process of push-and-pull between groups’ disparate visions, goals, and methodologies. It is a complex and dynamic mix of contradiction and coexistence, confrontation and vulnerability, liberation and construction. Yet the empowerment that Palestinians seek has become dynamic and lasting, rather than a mere starting point for development. For empowerment—any empowerment—in situations such as ours, constitutes creative action that preserves the presence of the Palestinian individual and society, applying and refining individuals’ innate energies in order to achieve emancipation from all forces that deny their freedoms and right to action, change, and initiative.

Point of Light 10: The Supreme Follow-up Committee of National and Islamic Forces

Political groups formed a coordination framework, known since the beginning of the current Intifada as the Supreme Follow-up Committee of National and Islamic Forces (this is in the Gaza Strip, whereas the equivalent in the West Bank is known as the Factional Coordination Committee). The committee controls the pace of resistance against the occupation, in addition to playing a role in resolving internal disputes resulting from differences in vision and approaches among the political factions and their resistance wings. The committee included 13 political groups in addition to some national figures. Much of the time, it was able to forge agreement to resolve internal Palestinian disputes, although its role remained restricted due to the lack of a unified national approach constituting a framework for joint Palestinian action.

This committee was formed out of an awareness of the need for holding fast to points of Palestinian national consensus to confront challenges posed by the occupation and reduce possibilities for internal repression, which could translate into tensions or conflicts between political groups or between them and the Palestinian Authority. This awareness transcended political competition and differences in main goals and approaches and the resulting lack of consensus among the numerous Palestinian political groups regarding modes of resistance.

Box 1-12: The Absence of Law Creates an Environment Ripe for Corruption – The Cement Scandal

In the “cement scandal,” Palestinian companies surreptitiously sent large quantities of Egyptian cement to Israeli companies for use in construction of the Separation Wall and settlement activity (approximately 420,000 tons, according to Legislative Council estimates). This scandal was a distinctive chapter in the saga of corruption. It reminded people that fighting corruption is a fundamental component of reorganizing the internal Palestinian situation and shoring up the development process in combating the challenges of occupation. It also affirmed that corruption is a disease-like obstacle to development, progress, reform, and the realization of national goals.
Point of Light 11: We Love Life Whenever We Can

Just as Palestinians make sacrifices to defend their freedoms and their right to independence, they also exert efforts, to the extent possible, to contribute to the creative human endeavor—despite the difficult circumstances in which they live. Perhaps this dialectical relationship between sacrifice for the sake of freedom and love of life for the sake of creativity is reflected in the expression of Palestinian poet Mahmoud Darwish: “We love life whenever we can.”

Additional shining examples of Palestinian creativity that have extended beyond the local framework to achieve recognition in the global arena are: Edward Said, as a prominent thinker and musician whose books are read worldwide; Sahar Khalifa, as a novelist whose works have been translated into various languages; Ahmed Jadallah, a photojournalist who won a World Press Photo first prize in 2003, Bader Zama’rah, the young person who won the United Nations Appreciation Award for his role in combating poverty through development and activating the role of Palestinian youth as a representative of the Arab world; and Reim Al-Khatib, as the youngest person in the world to earn the UNESCO International Computer Driving License.

Points of Light 12-15: Models of Cultural Events in Palestine

- **Point of Light 12:** The Khalil Sakakini Center: The center has hosted scores of exemplary art exhibitions and musical productions, bringing in art and music from Palestine and all over the world.

- **Point of Light 13:** The Wednesday Meeting: There is a weekly meeting for culture and development in Gaza organized by the Kanan Institute, and another to discuss political and strategic developments organized by the Dar Al-Karama Institute. The importance of these two gatherings stems from their continuing treatment of contemporary new issues in the Palestinian arena in the spheres of politics, development, and culture.

- **Point of Light 14:** The Cultural Palace: This is a Palestinian and international venture, bringing together local efforts with funding from the government of Japan and the United Nations Development Programme in order to construct and launch the largest cultural structure for theater and the arts.

- **Point of Light 15:** The Abdel Muhsen Al-Qattan Foundation: It has organized numerous cultural and art competitions to encourage a new generation of Palestinian artists and innovators.