The Role of Palestinian National Authority Institutions in Society Building and Empowerment of the Palestinian People

This chapter analyzes the role and performance of PNA institutions in terms of their ability to empower the Palestinian people and to rebuild Palestinian society, which has suffered considerable damage during the past four years. The analysis will address the separate areas of institutional operations, characteristics and performance. This chapter will also examine empowerment as a concept, as well as its function as a tool for the reinforcement of institution-building. Finally, it explores the role of empowerment in the facilitation of internal capacity-building within society, and its potential to bolster sustainable and balanced development.
Introduction

This chapter analyzes the role and performance of PNA institutions in terms of their ability to empower the Palestinian people. It also looks at the impact they have had on the process of rebuilding Palestinian society, which has weakened and deteriorated significantly during the past four years.

In the context of the PHDR, the term “empowerment” refers to all aspects of social activity and interaction including: political, legal, administrative, financial and institutional reform; effective political participation; assurance of freedom of speech, pluralism and organization; the development of effective antipoverty strategies; and the acceptance of common visions and agreed upon goals in confronting Israeli policies of occupation. It also refers to the development of a strategy unified in both content and implementation method. This strategy must incorporate political and resistance-related processes, and must be followed by all members of PNA institutions, NGOs and the private sector in order to achieve Palestinian aspirations and goals and to reinforce the capacity to strive for liberation.

Institutional empowerment – the focus of this chapter – is an important component of development. Strong institutions are critical to Palestinian society, especially in view of the relentless effort to destroy the Palestinian will. A sense of determination is required to construct an institutional framework that will prove to the entire world that the Palestinian people can build and lead a democratic state based on effective participation and rational governance. Therefore, each time the Palestinians come close to achieving any level of institutional empowerment and democratic governance, it is expected that the Israeli occupation forces will redouble their efforts to destabilize Palestinian society.

Understanding the nature of the challenges that impede development and empowerment initiatives increases the potential for overcoming those obstacles. Institutions can expand and intensify social problems and crises as easily as they can help overcome them. In other words, institutions can reinforce the status quo or challenge it, depending on the conditions present.

Because institutions are so influential in either reinforcing or destabilizing society’s beliefs, values and behavioral patterns, those in the Palestinian territories are increasingly the focus of attention for foreign governments, political parties and civil society, as well as regional and international organizations and forums. This increased level of attention from the outside is shown in a number of ways, including the current demands for reform – a condition put forward by donor countries, the World Bank, the International Monetary Fund and various international agencies which provide the PNA the support and assistance needed to implement its developmental programs. In the Arab region (including the Palestinian territories), calls for reform (particularly those from the United States) have gained considerable strength and can exert a powerful influence not only on politics, social welfare and the economy but also on cultural values.

In the Palestinian case, the relationship between efforts to produce sustainable development and the need for reform has become clearer. Any work to address one area automatically impacts and influences the other area. Therefore, if Palestinians proactively address the case for reform, their aspirations for sovereignty and independence might still continue to face numerous obstacles and challenges.
In order to prevent this, maximum mobilization of Palestinian resources is needed. Within this idea, the need to identify the role of PNA institutions within the empowerment process becomes obvious, as well as the need to advance an understanding of the role of the empowerment process itself in institution-building and creating comprehensive, balanced and sustainable development within Palestinian society.

Box 3-1: Arab Reform – Conceptions and Visions

The Alexandria Document issued by the Conference on Arab Reform Issues: Vision and Implementation (March 2004) identified the resources needed to advance reform within Arab societies. Participating governmental and civil society organizations concluded that advancing reform efforts is important, urgent, and fundamental to all aspects of national development, including:

- **Political reform**: Democratization of all aspects of political life within a pluralistic system that includes rotation of power and leadership. Steps required to achieve political reform include ratification of constitutional and legislative amendments to ensure the following: separation of powers, conducting periodic elections that prevent monopoly over power, revamping of political institutions and structures, and ensuring public freedoms, such as formation of parties and an independent news media.

- **Economic reform**: Building an infrastructure that provides an environment conducive to the efficient functioning of the public and private sectors, encouraging privatization, improving the quality of production and upgrading the output of underperforming economic sectors.

- **Social reform**: Enhancing familial relations and reconsidering certain traditional values, promoting the creation of a well-informed society by focusing on education and providing a conducive atmosphere for building such society, ensuring social stability through the equal distribution of resources and ensuring the full participation of all levels and classes of society, such as ethnic and religious minorities, children, youth, women, poor and marginalized social groups.

- **Cultural reform**: Laying the grounds for rational thinking, safeguarding intellectual and religious freedoms, and providing an environment conducive to the strengthening the foundation of a democratic culture. Reforming cultural institutions and encouraging cultural exchange with other nations.

Cultural reform requires laying the grounds for rational thinking, safeguarding intellectual and religious freedoms, and providing an environment conducive to the strengthening the foundation of a democratic culture.

If Palestinians proactively address the case for reform, their aspirations for sovereignty and independence might still continue to face numerous obstacles and challenges.

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1 See also: papers issued by the Conference on Reform Priorities and Mechanisms in the Arab World, Cairo 5-7 July 2004, and the text of Tunisia Declaration, 22-23 May 2004.
Ten years after the establishment of PNA and its institutions and four years after the outbreak of the Al-Aqsa Intifada, the Palestinian situation is defined by several important and complex attributes that greatly impact the role and performance of Palestinian institutions in terms of empowerment. These characteristics influence in turn the overall Palestinian political, economic and social situation. Some of the major attributes include:

- **Serious but inadequate efforts to build and reform institutions:** The Palestinians have made significant progress in the area of reform. Several organizations have exerted effort to sustain progress made in institution-building and to improve performance within those institutions. Certain ministries were abolished and some were merged with other structures, while new ministries were created (such as the Ministry of Women’s Affairs). In addition, specialized committees now handle the task of reforming the operational functions of PNA institutions. Significant advances have been achieved in promoting transparency and accountability in the area of national finance.

- **Continuous but uncoordinated attempts to build institutions:** Most attempts to promote institution-building within the PNA depend on personal commitments of the respective institutions’ leadership or the availability of international financial support. Regrettably, few or none of these attempts are coordinated or linked with other efforts in order to create a unified vision towards comprehensive reform.

- **Ambiguity and contradiction of constitutional bases governing the Palestinian political system:** There have been serious attempts to develop a Palestinian constitution that agrees with and complements the Palestinian Basic Law and the Declaration of Independence, which serve as a constitutional framework in the absence of a constitution. However, a succession of disparate and often conflicting legal systems and regional variations in both interpretation and enforcement result in widespread ambiguity and confusion in a number of crucial areas, including: the freedoms and rights of individuals; the legitimacy and scope of the governing authority; common objectives, and the nature of the relationship between the government and the society it governs on both an individual and collective level.

- **Maintaining the heritage, traditions, values, culture, methods and approach of the Palestine Liberation Organization (PLO) in managing the public domain has lead to the dominance of political, factional and personal factors over professional considerations and competence. Consequently, systems of accountability, modern management and the rule of law have been weakened. The incentive to create institutions designed to empower society remain weak and efforts to modernize Palestinian life are symbolic and/or superficial. True decision-making power was never vested in and remained outside official institutions and structures, such as the PLO National and Central Councils, the Legislative Council, even the PNA Council of Ministers or the Prime Minister.

- **Traditional structure of the political system:** The Palestinian political system is based on an alliance of political elites, security apparatuses and traditional social structures and on a network of relations of loyalty and personal and interest-oriented connections with people in power at all levels. The system of personal alliances...
Box 3-2: Excerpts from the Proposed Palestinian Constitution (Third Revised Draft, 15 May 2003):

Although Palestinian society is not yet ready to create a comprehensive constitution, which requires that the conditions of independence and liberty exist, this situation does not preclude discussion of the development of a constitution. Two separate areas of public discussion exist on the constitution issue. The first represents a view held by a large number of Palestinians believing that discussion of the constitution is important at this time so as to advance the formulation of a vision for the future. The second area deals with the international pressures on the PNA to develop a constitution that incorporates the reforms demanded by external parties. Nevertheless, some of the draft articles in the new constitution are irrefutable and should be included in any final document.

Article 1: Palestine is an independent state enjoying full sovereignty with a republic system of government. Its territory represents an integral unit with borders as of the fourth of June 1967 without breach of international resolutions related to Palestine. All those living in this territory are subject to the Palestinian law solely.

Article 3: Palestine is a peace-loving state that denounces terrorism, occupation and aggression, calls for solving international and regional problems by peaceful means, and adheres to the Charter of the United Nations.

Article 19: All Palestinians are equal before the law, enjoy civil and political rights and assume public duties without any discrimination based on race, gender, color, religion, political opinion or disability.

Article 23: Women have the right to full participation in social, political, cultural and economic life. The law seeks to remove obstacles that prevent women from participating in building the family and society.

Weak legislative and judicial authorities: The legislative authority faces numerous challenges, including: the absence of clear constitutional and legal references, restrictions imposed by agreements with Israel that limit legislative powers, marginalization of its role by the executive authority and submission to the influence of political sphere, and the lack of information and documents required to decide directions for developing, implementing and evaluating public policies. The judiciary authority also suffered similar challenges, examples of which are: prior agreements which impose restrictions on its powers, absence of a constitution governing relationship...
between the branches of power, the patchwork legal heritage in Palestine, the reluctance of the executive authority to establish the Higher Judicial Council, interventions by the executive authority in the judiciary system and usurping a number of its functions, such as appointing, promoting and transferring judges, rationalizing inconsistent salary scales, dismissing and retiring judges, establishing courts, and extensive and persistent intervention in the affairs of the Justice Ministry.

- **Large number of fragmented security apparatuses:** At the time of the writing of the Human Development Report, nine separate security organizations exist, each employing a large number of forces, with each branch reporting directly to the PNA chairman. The functions and powers of these organizations overlap and are often contradictory. Within the organization, the hierarchy of power is ill-defined, and procedures, rules and regulations are unclear or nonexistent. The unsurprising result is a state of confusion and chaos and a total absence of discipline.

In July 2004, this state of chaos resulted in a serious confrontation in the Gaza Strip, with a number of people wounded and killed. The seriousness of this issue becomes more pressing in view of the pressures on the Palestinians and

## Point of Light 30:
### Reforming the Palestinian Security Apparatuses – Initial Steps Requiring More Reinforcement

Following the establishment of PNA and the subsequent creation of its various security apparatuses, several positive developments were made in terms of improving the organizational function of the security forces. A number of upgrades were made in the areas of human resources (training courses for security personnel in human rights and proper civil procedures) and the structure and functionality of individual departments. However, these developments were reversed when the security personnel and their operations centers became the targets of Israeli army forces.

The targeting of Palestinian security forces led to a complete disintegration of the security situation for Palestinian citizens. Internal and external calls for reforms within the security apparatus were renewed, and especially for the reinstatement of the rule of law. From the Mitchell Report to the Road Map, all agreements called for security reforms designed to effectively fight terrorism and for the merger of the nine security apparatuses in three organizations reporting to the authorized Minister of Interior.

Major steps achieved in relation to the security apparatuses include:

- **Merging three security apparatuses within the Ministry of Interior and creating a Council for National Security.** The Council coordinates and supervises reforms in the security apparatuses and monitors all security-related issues in the PNA-controlled areas.

- **Work is underway to train the security personnel and reorganize the security forces to enable them to carry out their functions.** Several projects have been proposed in this regard. Jordan and Egypt would be responsible for developing and implementing the training program for these forces, in addition to providing institutional and NGO-directed training for security personnel on principles of human rights and democracy.

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Competition for donor funds sidelines prioritization of the Palestinian domestic agenda.
demands for reform that come from several international parties with distinct political agendas. Recently, many powers related to the security apparatuses were transferred to the Prime Minister following the death of the Palestinian President Arafat.

- **Scarcity of internal resources:** Palestinian resources are scarce. The impact of such scarcity intensifies when combined with habits of extravagance and wastefulness, poor planning, lack of transparency, poor participation and the spread of a cultural acceptance of illegal gains.

- **Great dependency on external assistance:** In spite of the well-known positive implications of external aid, there have been negative repercussions associated with it as well in Palestine. As Palestinian institutions compete for donor funds, prioritization of the domestic agenda is sidelined, and those agencies lacking the personnel and expertise to secure donor funding are further marginalized. In addition, foreign aid negatively affects PNA legitimacy, sovereignty and independent decision-making processes and, consequently, affects the concept and understanding of financial reforms.

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**Point of Light 31: Financial Reforms in the PNA—A Step in the Right Direction**

The issue of financial reform was first addressed in a Presidential Decree issued on 15 January 2000, as well as in a number of issues brought before the Higher Council for Development. These issues include unifying all budgetary resources in a central account and promoting transparency of the public financial system in order to facilitate the systematic implementation of a budget. Major issues discussed at that time include transferring the department responsible for salaries to the Ministry of Finance (MOF) in order to control the scope of public sector employment. These measures are expected to ensure PNA financial stability in the short and intermediate terms.

Major deficiencies in PNA financial performance prior to the initiation of the current reforms include: PNA involvement in non-transparent commercial activities, insufficient operating funds at the MOF, a rapid increase in current spending levels as result of the enormous expansion in government jobs, and the management of most PNA assets and commercial activities in a covert manner. Significant financial reform efforts since mid-2002 include:

**The Palestinian Investment Fund:** The bylaws of the fund were approved on 14 August 2002, merging all PNA commercial activities and investments into the Palestinian Investment Fund (PIF). The establishment of the PIF codified national investment policy and the management of public revenue, whether inside the country or outside. In addition, profits from these investments of public funds are directed to a unified account in the PNA treasury.

**The government’s economic role:** The new reform vision is based on the notion that trade is a matter for the private sector and the role of the government is limited to the provision of the required basic services—a sound infrastructure and modern regulatory and legal environment. The government must also create a social security network to address the needs of the underprivileged social groups. The role of government in the economy should focus on the responsible collection of tax revenue rather than profit-making.
The principle of a unified treasury: Unifying revenues and depositing them in a unified treasury account is considered the biggest achievement of the PNA. Continued adherence to this practice will improve the management of public revenue and public expenditure in accordance with the general budget approved by the Legislative Council. Public expenditures will be subjected to internal and external audits, and financial observers from MOF maintain a presence within government ministries to audit transactions and ensure their validity.

Management of public revenue: The financial reform program has focused on the management of public revenue with the intention of creating highest possible level of accountability. Achieving an organic link between revenues from investments and the budget and channeling the revenues to a unified central treasury is considered a major step towards consolidating public revenues and reinforcing the principle of placing all public funds under the direct control of MOF.

General budget: The statement of general budget for 2003 has been received with an unprecedented level of acceptance by the Legislative Council compared to previous PNA budgets and was seen as a professional effort that deserves implementation. The 2003 budget met international standards and included an objective presentation of conditions it was expected to reflect. The budget was based on realistic assumptions and included a monitoring mechanism not present in previous budgets. Therefore, this draft budget represents a major step forward compared to previous budgets, although it was largely linked to collecting revenues due from taxes taken by Israel.

Total revenues in the draft budget were estimated at NIS 6.392 billion, whereas expenditure was also estimated at NIS 6.392 billions, which means that there would be no budget deficit in the event the revenues are channeled to the public treasury as expected. The total revenue figure included local revenues of NIS 2657 million and grants and aid to the public treasury at NIS 2675 million, whereas revenues from grants to fund development projects reached NIS 1060 million. The total expenditure included current costs at NIS 5.222 billion, development expenditures funded by the treasury at NIS 110 million, and development expenditures funded by donor countries at NIS 1.06 billion.

Civil service law: Early in 2003, the MOF developed a timetable for gradual implementation of the financial aspects of the civil service law promulgated in 1998 according to the financial resources available to the PNA. It emphasized that all new government employment within the PNA should be completely halted until organizational structures are developed and endorsed in accordance with the provisions of Article 4 of the civil service law and the housing and transport of employees enrolled in the civil service are completed. In light of the above, $2 million was to be allocated per month in the draft overall budget law for the fiscal year 2002, in addition to the line item "salaries and wages". In its session on 17 May 2003, the Council of Ministers decided to terminate the services of employees in the civil service whose ages exceeded 60 years with the disbursement of a pension equaling 75 percent of their original salaries and the profession's allowance. No extensions are to be granted to any employee without a decree by the Council of Ministers until the new retirement law is issued.
practice of Palestinian citizenship. Widespread reliance on donor aid within the PNA, the political opposition and the NGO community makes it very easy to disregard the need for domestic accountability to the Palestinian community.

Section Two: Palestinian Institutions – Role and Performance

Official Palestinian institutions fall into three main categories: political institutions, operational institutions (including security apparatuses) and local councils. Political institutions are those deciding the goals, programs and policies of the government in general, in addition to determining the budget and the nature and direction of organizational management. Political institutions include the Office of the President, the Office of the Prime Minister, the Legislative Council and the Judiciary Authority. Operational institutions are the providers of services, including ministries, councils, centers, bureaus and authorities. Finally, local councils are composed of municipal and village councils.

Some representative PNA institutions reflect to a certain extent the overall pattern of Palestinian governance and provide significant indications as to the status of other institutions. These institutions vary in terms of history, physical and human resources, quality of leadership and types of service they provide. The rules and regulations that govern their structure, functions, and relationships are often ambiguous. Institutions are frequently bureaucratic in nature, and many deliver substandard services. Inadequate attention is paid to the functions of strategic planning, goal-setting and prioritization. Their development resources are limited, and those resources that do exist are often mismanaged.

3-2-1 Political Institutions:

This category of institutions consists of: the executive authority comprised of the Office of the President, the Office of the Prime Minister and the executive staff, the legislative authority (the Legislative Council) and the judiciary authority.

3-2-2 Executive Authority:

The Office of the President is linked to several departments, bureaus, offices and apparatuses and a large number of consultants and directors general, in addition to numerous institutions and councils. In general, these institutions share a common ambiguity of employment standards, bases for promotions, and enforcement of laws and court rulings. Effective monitoring of these institutions and councils at the operational level is difficult, especially in the absence of clearly stated professional standards to evaluate performance.

Close examination of the general budget presents a clear picture of gaps in the performance of PNA institutions, which prevent them from positively contributing to the required development and empowerment processes. In spite of technical and essential improvements in many aspects of the budget, several practices remain unchanged.

More than 3000 new jobs were added in 2003, mostly in governmental institutions that already suffer from inflated numbers of employees. Public funds were also allocated for several public institutions and structures without identifying the person...
Box 3-3: Palestinians’ Assessment of the Executive Authority

Opinion polls indicate that the Palestinian public holds a variety of opinions as to the performance of the executive authority. Various perspectives differentiate between the individual governing bodies in terms of function and performance, as well as in strength of criticism leveled at the organization and calls for public accountability. Although 70 percent of the Palestinians acknowledge corruption is present in executive institutions, the institutions themselves are not viewed as uniformly corrupt. Up to 80 percent believe corruption exists in ministries and government bureaus, 75 percent believe it is present in the security apparatuses and police, but only 41 percent believe it is present in the presidential office. Respondents apparently differentiate between the top executive post and all the other governing bodies and institutions. The conviction that corruption is absent at the highest levels of authority might be an indication of public fear and/or respect of this institution, in which case people would hesitate to openly question the integrity of the presidential office. Whatever the reason, this institution is viewed as less corrupt in comparison to other institutions.

In addition, executive institutions are frequently mentioned by the public when asked about means to confront corruption, with 92.5 percent stating that this task would require control over the role, performance and practices of these institutions. The Prime Minister’s office is viewed by the public in a comparable way. For example, 60 percent believe that Ahmed Qurei’s cabinet is unable to eliminate corruption, 54 percent believe it is unable to control the internal situation and 57 percent think it does not possess the ability to improve people’s economic situation.4

In addition, due to the enormous size of employment in the public sector, expenditure on wages and salaries and other related aspects has consumed about 60 percent of the budget, leaving only a small proportion for production sectors, as low as 1 percent, for example, for the agricultural sector. The increased percentage of public debt, exceeding 15 percent of the GNP and Israel’s failure to transfer clearance tax amounts to the Palestinians, caused further disruption to the integrity of the general budget.

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4 See, Bassem Ezbidi, Corruption and the Palestinian Political System in Corruption in Palestine, edited by Bassem Ezbidi, Palestinian Research and Studies Center, Nablus, 2001. See also public polls issued by the Palestinian Research and Studies Center, Nablus, Jerusalem Media and Communication Center (JMCC) and Birzeit University Development Studies Programme, all of which have shown comparable figures and classifications.

5 See, in particular, Poll No. 4, January 2004, issued by the Polls and Survey Research Center, Najah National University, Nablus.

6 For example, allocations for social services ($52.6 million) were only a little higher than those for security and public order ($43.3 million). See Ministry of Finance, Comparison of the Total Current and Capital Expenditures for Fiscal Years 2002-2004 at http://www.mof.gov.ps/comparison3-dollar.htm.
The different data and analyses of the PNA budget indicate the need to reallocate the budget in order to include the following:

1. Elimination of debts and loans, especially those spent in non-production areas which do not produce developmental outputs.

2. Giving more weight to social development programs to replace the numerous unwarranted, non-productive expenditures.

3. Inclusion of basic line items in the budget that take into consideration the difficult living conditions of people affected by the prevailing situation, including those affected by the Separation Wall.

4. Linking the general budget to considerations of population growth and the interests of future generations and their rights to education, health, adequate civil services, job opportunities and a decent life.

5. Reevaluating the budget law as a legal framework for the Palestinian development plan in order to make it more compatible with empowerment-related goals.

Legislative Authority:

The legislative authority is composed of the Palestinian Legislative Council (PLC) elected in early 1996 during a period of political negotiations between the Palestinians and Israelis. Its mandate, responsibilities and authority were delineated in the agreements signed by the two parties and in the Palestinian elections law. The PLC has been facing great difficulty in executing its functions and tasks, such as legislation, representation, debate, supervision, monitoring, investigation and constitution amendment. The difficulty arises in part due to constraints and limitations imposed by agreements signed with the Israelis; the marginalization of the role and position of the PLC has been a significant challenge.

Box 3-5: Palestinians’ Assessment of the Legislative Authority

Palestinian public confidence in the Palestinian Legislative Council (PLC) is low. A public opinion poll indicated that only 28 percent of the Palestinian public trust the PLC, compared to a similar figure of 31 percent of people who have confidence in PNA institutions and ministries. In addition, 48 percent believe that corruption is present in the PLC, putting the PLC in an intermediate position between ministries (80 percent) and security apparatuses (75 percent) on one side and the executive (41%) and the judiciary (45%) on the other.

Only 28 percent of the Palestinian public trusts the PLC.

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7 See the proceedings of the first conference on the PNA general budget, 17-18 December 2003, Towards a Wider Participation, issued by Al-Mezan Center for Human Rights, pp. 51-52.
8 Birzeit University Development Studies Programme, Public Poll No. 16, 4-6 June 2004.
of the PLC by the executive authority; the ambiguous constitutional relationship with the executive authority, the predominance of a single faction (Fatah movement); a lack of sound qualitative and quantitative data needed to make decisions and to shape the general political atmosphere, and the relative inexperience of PLC members.

Judiciary Authority:

There are a great number of internal and external difficulties and challenges facing the judiciary authority, effectively preventing it from carrying out its duties. The result is increased power and status in the executive authority and the violation and endangerment of the rights and freedoms of individuals. These difficulties and challenges include: the executive authority's tendency to dominate and control; the absence of a governing constitution; the patchwork quality of the legal system; the existence of multiple court systems; an undefined power structure with no clearly established responsibilities; the shortage of trained independent judges, legal materials and funds; poor facilities and services. These internal shortcomings combine with constraints imposed by agreements signed with Israel on the mandate and powers of the three branches of authority, including the judiciary.

Operational Institutions:

These institutions include several ministries, councils, departments and bureaus providing civil services. These institutions were established and developed very rapidly, without a clear work plan and strategy for expansion and creation of new units, departments, activities and initiatives. Presently there are 63 operational institutions, and these include 27 ministries and a large number of councils, institutions, bureaus, centers, offices, authorities, and committees functioning in dependently from ministries, such as the PCBS, PEC DAR, the Palestinian Broadcasting Corporation, the Civil Aviation Authority, the Ports Authority, the Energy Authority, the Water Authority, General Petroleum Corporation and others. Employment figures and organizational structures vary between the different governmental units. Some ministries, such as Education and Health, employ thousands of staff, while others have only few employees. In addition, communications and organizational breakdowns are common between bureaus, authorities and ministries that are supposed to cooperate and coordinate. Clear organizational and management directives are generally absent. These operational institutions

Box 3-6: Palestinians' Assessment of the Judiciary Authority:

A public opinion poll published by the DSP indicated that 43 percent of the Palestinian public has confidence in the judicial system and a comparable proportion of the public believe that the judiciary in Palestine is corrupt. In addition, 89.2 percent of the respondents believed that the absence of a strong judicial system is an important or very important reason for the existence of and the increase in corruption. Nevertheless, citizens believed that the judicial system is an important tool for conflict resolution and maintenance of the social order, including combating of corruption. The same poll indicates that confidence in tribal reconciliation committees has reached 57 percent.

89 percent of the respondents believed that the absence of a strong judicial system explains the presence and increase of corruption.

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9 The judiciary authority has a great importance in terms of empowerment. It has the responsibility of ensuring justice in the country by setting criteria for the resolution of disputes between individuals, protection of their freedoms and rights, application of the law and judicial review, and judgment of the constitutionality of laws and regulations. The judicial authority decides in disputes over law enforcement and rights to be approved, amended or revoked in order to ensure harmony of interests and stability of relations in the society. Therefore, this authority must be kept away from the daily political practice and struggle of powers and interests, although it stands at an even level with the two other authorities. At least theoretically, it possesses power that enables it to subjugate both of them to its control and trial. In order for the judicial authority to properly carry out its role, it should remain independent from the two other authorities and from public opinion in order to avoid being included in the struggle of powers and interests and to maintain its ability to administer justice effectively. The judicial authority includes trial courts, courts of appeal, the Supreme Court and the Constitutional Court.

10 Birzeit University Development Studies Programme, Public Poll No. 17, 4-6 June 2004

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include direct civil service providers as well as other organizations that do not provide civil services directly to the public, but rather support in some way the provider network.

There is a large gap between the level of services provided today and people’s actual needs. The Human Development Report presents below a number of illustrative examples to demonstrate the mechanisms, obstacles and opportunities related to the work of these institutions.

**Ministry of Health (MOH):**

In almost every society, the ministry of health functions as a key civil service provider. In Palestine, the MOH is one of the few ministries which adapted its functions to accommodate the chronic state of emergency within Palestinian society. At the same time the ministry faced multiple obstacles preventing it from delivering the needed level of performance including mobility restrictions, border closures, very large numbers of injuries within the population, medical equipment and medicine shortages and an inadequate budget. The MOH was forced to halt implementation of its five-year strategic development plan in order to focus on the delivery of emergency services to the Palestinian population.

An opinion poll was conducted to determine the public’s assessment of the performance of health institutions and the quality and quantity of the services they provide under current conditions. Poll data indicate that 65.5 percent of the respondents view services provided as inadequate, 81.7 percent believe that the number of hospitals is insufficient and 81.3 percent believe there are too few physicians in various fields of specialty within the Palestinian healthcare system.

In addition, 43.6 percent of the population polled reported they did not benefit personally from the services offered, 66 percent believed that health institutions discriminate to varying degrees between citizens seeking healthcare. Another 61 percent believed that health institutions do not provide special places for patients with chronic diseases, 72.1 percent believed health care centers are not equipped with the necessary tools and training to handle emergency cases, and 72 percent perceived the quantity of Palestinian health care services available inadequate given the population size. Generally speaking, this opinion is more commonly held among residents of poor, densely populated or remote areas - reaching a high 81.5 percent among camp residents, 71.9 percent among village residents and 69.3 percent of the urban population. Only 13.4 percent believe that health institutions provide adequate health education programs within local communities.

Eighty-two percent believe healthcare institutions need internal restructuring of human resources in order to improve their performance. However, 81.6 percent of the respondents have never offered suggestions or constructive criticism regarding the quality of services offered to them and 66.7 percent have never submitted any complaint regarding instances of improper behavior by a health staff member. Although 33.3 percent did submit complaints, 62.6 percent of those who complained report that their complaints were not acted upon by the health institution. Finally, 31.2 percent reported that they are not covered by any type of health insurance for various reasons; 44 percent because they believe the services are inadequate, 37 percent because they can not afford to pay the premiums, and 19 percent because they believe they do not need the insurance.11

Although important, these perceptions require verification in terms of their...
compatibility with the actual needs based on a realistic assessment.

**Ministry of Social Affairs (MOSA):**

MOSA provides a number of permanent programs in addition to temporary programs and projects implemented within emergency initiatives, such as poverty alleviation measures, psycho-social support services for children and families victimized by Israeli violence, and support to families of the killed and the wounded. Due to the difficult situation, MOSA developmental initiatives have been cut back in favor of additional relief services due to increasing poverty and unemployment rates.

At the same time, the increasing poverty rate has increased demand for MOSA services even as its budget is reduced. Social aid services are modest and often barely address the

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**Box 3-7: Summary of MOSA Staff’s Appraisal of its Role in the Development Process**

- MOSA’s vision and goals range from relief-centered goals for the direct provision of aid and services to developmental goals designed to build capacity within targeted groups. Relief services predominate over developmental services, particularly as the developmental plans initiated by MOSA prior to the Al-Aqsa Intifada have declined in favor of emergency aid plans targeting groups adversely affected by the Intifada. MOSA employees believe that its goals and plans are not communicated well internally and that it has achieved only limited success in reaching its goals due to a number of internal and external challenges.

- MOSA developed a number of internal rules and regulations, but according to staff, the regulations are inconsistent and unclear, leading to numerous breaches and violations, especially at higher levels of management. The regulations are highly centralized in nature, particularly those that deal with financial procedures. The regulations themselves are often amended without those changes being clearly communicated to staff.

- Staff recruitment is conducted in a variety of ways, including free competition through the personnel department or appointments by a presidential decree, which are often of a political nature. The same inconsistencies apply to job descriptions, which are unclear and often not implemented. Procedures for delegation of authority also occur based on a combination of old rules and regulations; often procedures are communicated orally, with no written follow-up.

- Needs and programs: MOSA identifies the needs of the target population through its staff (general directorates and field offices). There is no mechanism for periodic review, with the exception of a few ambiguous provisions in the rules and regulations. In addition, these needs are seldom subjected to critical examination, and often programs are designed according to the availability of funds, with no clear link to MOSA plans and strategies.

- Major constraints obstructing the work of the MOSA, according to its employees, are first financial constraints; second, the poor (or lack of) coordination between the different directorates and between the West Bank and Gaza Strip; and third, various political, factional and personal hindrances that prevent professional advancement.
most basic needs of the recipients. In some instances, checks are issued to needy individuals by MOSA, but they cannot be cashed because the MOF failed to transfer the required funds. The following box provides more information on the MOSA role and its performance by summarizing the majority viewpoints of MOSA employees.

**Ministry of Education and Higher Education (MOEHE):**

Educational services have also suffered under the adverse conditions afflicting Palestinian society. MOEHE was forced to halt implementation of a number of its programs and projects, such as building new schools, maintenance of the existing educational infrastructure, and programs to improve the quality of education overall.

The current conditions have also resulted in delay or halt to the implementation of educational developmental programs, training and certification workshops, and the procurement of educational technology, such as science labs, libraries, computer facilities, sports and cultural facilities. Implementation and oversight of programs in the areas of inclusive education, integrated education, special education, parallel education, self-administered schools, literacy and adult education programs have also suffered.

**Ministry of Labor (MOL):**

The MOL has made significant strides in the alleviation of suffering in the working sectors in Palestine. It created the General Directorate of Employment which actively coordinates with other institutions, including PECDAR and local councils, to implement job creation programs and to distribute unemployment checks. Nevertheless, the MOL has failed to create sustainable, long-term solutions for the inevitable challenges that will be created by a continually declining labor market and increasing unemployment levels.

Like other Palestinian institutions, the MOL has had to limit its efforts to the provision of modest relief assistance in the form of food supplies and cash to very needy cases seriously affected by the Israeli policies. The MOL tried to develop a set of criteria and distribution mechanisms to address the increasing and chronic unemployment levels in the private sector, ministries and NGOs. In spite of improved performance, cases of confusion have still occurred, when names of employed and persons not in need were included on lists of persons seeking work, resulting in the elimination of names of many unemployed people who are in real need.12

**Point of Light 32: Temporary Employment Program**

The MOL seeks to accommodate unemployed workers in public institutions and NGOs within the temporary employment program. In 2004 the number of beneficiaries totaled 54,048 persons out of 235,395 persons registered at MOL employment offices as actively seeking work. In order to solve problems related to selection and to ensure the delivery of services only to those most in need, selection criteria were developed taking in consideration the age, marital status, gender, number of children, educational level, health status and date of registration at the employment offices.

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On several occasions, workers have publicly rejected the principle of welfare or handouts and demanded instead full-time employment or legitimate compensation for work performed. This position was evident in demonstrations organized in Gaza in front of the PLC on 1 May 2004, where workers demanded that the PNA provide them with a social security fund and job opportunities instead of temporary relief assistance. They also demonstrated for the holding of elections, indicating a clear linkage in the public mindset between the reduction in unemployment and poverty and active participation in the civic affairs.

Point of Light 33: Bread Protests – Workers’ Spontaneous Mobilizations in the Gaza Strip

The first instances of the mobilization of the Palestinian work force took the form of stay-in-strikes and demonstrations known as the Bread Protests. These mobilizations started (in mid-2002 and recurring in May 2004) spontaneously without a central directive by trade unions or labor organizations. The workers sent messages to decision-makers, stating: *In order to reinforce our determination, sustain our dignity and protect our children from illness and despair, we ask you to ensure us permanent job opportunities. Enough with poverty and hunger! We are not beggars! We need jobs in order to ensure a decent livelihood. We demand measures to limit unemployment and provide a social security fund.*

Perhaps the factor that makes these spontaneous labor mobilizations a point of light in Palestinian life is recognition of the workers’ awareness and demand of their civil and human rights. They spontaneously created a link between the Palestinian struggle for liberation and the larger social struggle for attainment of human rights and dignity. The demonstrations occurred against a background of deteriorating economic conditions and unprecedented unemployment rates, especially for workers who lost jobs in the Israeli labor market. They occurred in response to ineffective employment programs and inadequate reaction to the crisis by labor unions and other labor representation organizations.

The MOL did not pay sufficient attention to development of long-term strategies, especially in areas related to collection of labor market data. In contrast, they focused on immediate and short-range plans and initiatives and remained too long in crisis management mode, at the expense of comprehensive strategic and long-term planning.

**Non-service Institutions and Ministries:**

This category refers to institutions and ministries that do not provide services directly to the public. These non-service institutions also face constraints that negatively impact their performance. A major impediment is the lack of a clear strategic objective, causing confusion in terms of areas of jurisdiction, programs, and work plans to cope with the difficult conditions resulting from the Israeli occupation. Therefore, institutional response to community needs and to the challenges resulting from the Al-Aqsa Intifada remains weak and limited. The following are some contributions made by these non-service institutions:

- **Creating emergency programs.** Examples include: programs by the Ministry of Energy to address energy shortages, repair damages inflicted on the electricity network, and provide assistance to citizens unable to pay their electricity bills. The Ministry of Housing offers temporary residences for families who lost their homes due to demolition or shelling.
Adapting existing programs to emergency conditions. For example, PEC DAR converted a number of its developmental programs to emergency and rehabilitation programs and subdivided some of its large-scale programs into a series of small-scale programs in order to deliver maximum benefit across the highest possible number of target groups and service areas.

Providing targeted aid to specific groups most heavily impacted by Israeli aggression. For example, the Ministry of Supply food allocation program distributes food supplies to those in need, assures a constant supply of basic foodstuffs to the marketplace and reallocates food supplies to besieged areas. The Ministry of Waqf contacts local and foreign donors to provide assistance to poor Palestinian families and to raise funds to cover the costs of Hajj for relatives of those killed during the Intifada.

Assessment of community needs. For example, the Ministry of Supply conducted a study on the effectiveness of boycotting Israeli goods. The Ministry of Housing and Public Works prepared an inventory of buildings, establishments and infrastructure facilities damaged or destroyed by the Israeli army. The Ministry of Planning and Ministry of National Economy studied and quantified economic losses and recommended measures to alleviate the scope of those losses. The Monetary Authority is working to safeguard the interests of local banks through management consultations and guidance, including the recommendation of development of emergency committees to address the issues of clearance taxes, currency and monitoring of bank activities.

Local Councils:

During the Al-Aqsa Intifada, local councils faced multiple and extraordinary challenges stemming from the weakness of the PNA and its institutions and the scarcity of resources. Some local councils were forced to close doors. Emergency plans were created in response to conditions resulting from closure and siege. These plans included: repairing damaged roads, creating municipal tax relief programs for families affected by the Intifada, job creation, providing assistance to owners of demolished and damaged houses, and exempting a large number of families from paying water and electricity bills.

There are 412 local councils\textsuperscript{14} supervised by the Ministry of Local Government (MOLG), which have significant collective impact in terms of empowerment. Some of the ways in which local councils impact the empower process include:

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Point of Light 34: A Project for Training Islamic Community Leaders in Development and Economy

The Nablus District Department of Waqf and Religious Affairs initiated this project in order to train imams and female preachers on communication, dialogue, and mutual respect. The impetus for this project is recognition of the wide role and broad scope of social influence that imams and female preachers wield within the society through the mosque and religious television broadcasts. This training project is unique in that it was both conceived and funded locally, reflecting the importance of tolerance as a religious and national priority in the Palestinian conscience. Within this project, 60 imams and female preachers were trained on\textsuperscript{13} different topics related to development, human rights and the economy.

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\textsuperscript{13} Palestinian National Authority, Ministry of Planning, \textit{A Framework for the Palestinian Mid-term Development Plan 2005-2007}.

**Box 3-8: Ministry of Planning and the Palestinian Mid-term Development Plan 2005-2007**

The decline in the humanitarian situation in Palestine, as evidenced in by numerous social, economic and other indicators, prompted the PNA to develop a new strategy to adapt to the prevailing conditions. A major element of this strategy is to link emergency relief programs to development plans (within a mid-term development plan 2005-2007). This plan emphasizes projects and programs and promotes economic and social stability, focusing on job creation to combat unemployment and other strategies to mitigate the adverse economic impact of the Separation Wall. Main objectives of this plan include:

- To address humanitarian and social needs resulting from increased population growth.
- To respond to the special needs of the marginalized social groups.
- To alleviate the impact of physical destruction in both the public and private sectors.
- To improve the effectiveness of services provided by PNA institutions and local councils.

A number of mechanisms were developed to achieve these goals. Some of them can be implemented immediately; others will be put into effect when current conditions stabilize. These mechanisms include:

- Investment in the infrastructure as a tool for job creation.
- Encouraging private sector investment and job creation by giving priority to those production sectors with high employment capacity and which serve the local market, such as agriculture, housing and construction.
- Promoting the systems of education, health care and social services.
- Acceleration of reform processes and rehabilitation of public institutions.

- **Change of roles:** Siege conditions have increased levels of self-reliance within local communities. In several cases, local councils were able to achieve unprecedented examples of infrastructure rehabilitation and community participation. Many small towns made remarkable progress at the economic, social and environmental levels, while advances in large urban areas were comparatively slower, due to overcrowding, environmental pollution, declining standards of public health (especially in the area of hygiene services), shrinking green space and deterioration in levels of new construction and infrastructure expansion.

- **Creation of common service councils:** Several common service councils have been created through active coordination between the local councils of adjacent geographical locations. The joint or shared approach to the provision of key municipal services has effectively reduced costs and improved the quality of services rendered. There have been several successes in this regard, although some councils have not made significant progress in this regard due to internal conflict or lack of resources. In addition, common councils have not yet been created in many other areas.

- **Appointing rather than electing:** Membership on a large number of councils was based on appointment by the MOLG, as elections have not been
Conducted recently. This practice has weakened the democratic nature of the councils and kept municipalities subjugated to the control of central government. In response to objections, officials claimed that council members were not “appointed” but rather “selected” due to extraordinary conditions in order to enable citizens to self-manage their affairs. In their opinion, the “selection” is a compromise between elections and appointment. This system of appointments revives tribal traditions within Palestinian society, obstructing empowerment processes needed to create solidarity and cohesion within society. However, this situation started to change by the end of 2004, with the launching of election processes in several local councils in the West Bank and Gaza Strip.

- **Strict supervision by the central government:** In general, local councils are subjected to the control of a powerful central authority which controls decision-making on many local issues. This style of governance, although appropriate for many aspects of public affairs management, can have the effect of restricting local initiative and inhibiting the natural development and advancement of governing expertise within the local councils.

- **Scarce tax revenues:** Taxes represent only 25 percent of the total revenues of Palestinian local councils, compared to 80 percent in developed countries and 71 percent in the other developing countries. The situation is further complicated by the existence of multiple tax structures, which vary from one local council to another.

- **Low budget allocations for development:** Development allocations include the construction of schools, health centers and public facilities, purchase of government vehicles and property, development of commercial areas and industrial zones. The percentage of local council budgets allocated to development is often as low as 10-20 percent, generating excessive reliance on external grants and other forms of assistance.

- **The absence of local council representation in 25 percent of the West Bank:** Development status varies by area, particularly in terms of coverage by water and electricity services. The areas served by local councils...
councils tend to be more highly developed that those areas without councils.

- **Poor adherence to constitutional provisions relevant to local councils:** In this regard, councils are restricted from participation in the planning, prioritization, budgeting and budget allocation processes.
- **Traditional perspectives within the local councils themselves:** Most local council leaders still perceive the council's role in a traditional way, i.e. limited to the provision of customary services, such as water, electricity and public sanitation. In the absence of a clearly defined role for local government in day-to-day life, the role of local councils will remain limited to individual interpretations of their leaders and members, and will depend on the availability of material and human resources. In addition, the impetus for local councils to embrace the concepts of empowerment and human development and to integrate those concepts into the functions of local councils will remain limited to individual interpretations of their leaders and members, and will depend on the availability of material and human resources.

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### Point of Light 36: Children's Municipal Councils

Children’s municipal councils grew out of the Child-Friendly Cities initiative implemented in the Palestinian territories during 2002. The idea was born of the collective vision and effort of UNICEF, the municipal councils, parents and teachers, who were concerned by the limited opportunities for the participation, development and interaction of children in community life.

Proactive participation in civic life through mechanisms such as children’s municipal councils provides early instruction and promotes progressive thought and widespread awareness in areas such as community conflict resolution. These councils have improved the status of young people in a variety of ways, including providing them with opportunities to influence decisions that will affect their lives, encouraging them to become partners in the decision-making process, creating an environment conducive to the development and implementation of supportive children's policies, and changing adult perceptions of the children’s capability and potential to contribute in a meaningful way to civic life.

Currently, children's municipal councils exist in the following cities: Jericho, Gaza, Jenin, Nablus, Rafah, Hebron and Tubas. Each council has a membership of 30-40 young people with equal representation of males and females, as well as representation for children with disabilities. Members of these councils are selected through a democratic election process in their schools. Children independently develop programs that reflect issues of concern to them, prioritize them, and adapt them to accommodate the input and advice of their parents and from other local community institutions.

It is hoped that these councils will mobilize governmental and non-governmental partners, such as religious leaders, local community leaders and school administrations, to work on achieving the following: support for children’s participation, increased attention to children’s issues, and assistance with designing, implementing and evaluating the children’s small-scale projects through increased awareness of their unique needs. However, this hope has to withstand the challenges and difficulties that face children’s municipal councils and children in general, in view of the current security situation and the obstacles imposed by the prevailing system of values and perceptions within Palestinian society.
councils remains limited, especially in the areas of gender equality, early childhood and youth programs, and environmental awareness.

In spite of an impressive roster of services and the support and relief activity administered by the local councils, the public still believes they do not provide services adequate to the demand. In fact, the failure of the scope of services to meet local demand is due to scarce financial resources, the ever-increasing needs of a growing population, and the damages inflicted on existing programs and service infrastructure by Israeli occupation forces. The public criticizes local councils for not providing more opportunity for consistent community involvement in decisions on local projects of concern to the public. They are also criticized for a lack of rules and regulations for the delegation of authority and for follow-up on issues and complaints, non-adherence to transparency and accountability practices, and for the ambiguous power-sharing relationship between the local councils and the governorate office. The following box provides some details on the role, performance and conditions of local councils.

Box 3-9: Overview of Councils in the West Bank and Gaza Strip

- **Legitimacy:** In the absence of elections, the legitimacy of local councils may be seen from two opposing perspectives. The first perspective is that appointments and political nepotism preclude true representation of community residents, while the opposing view holds that legitimacy derives from community participation in council activities, not from the manner in which the leadership of the councils is appointed. There are also two opinions regarding the encouragement of community participation. The first opinion holds that people’s participation in identifying their needs and priorities contributes to the success of the councils and reinforces their legitimacy. The second opinion claims that community participation should be limited in order to avoid confusion that may result from excess input from multiple sources.

- **Coordination between local councils:** The strength and degree of inter-council relationships vary. On one hand, there are instances of fully-coordinated relationships that include the implementation and administration of joint municipal projects. Coordination is also manifested in the existence of the common service councils, particularly in the area of infrastructure. On the other hand, many local councils make little or no effort to coordinate with counterparts or logical service partners. However, it is generally agreed that developing active bilateral and multilateral coordination schemes between the different municipalities is desirable and important.

- **Relation with PNA institutions:** Relationships between municipalities and ministries take different forms. The MOLG plays the role of supervisor and coordinator of local councils, which includes monitoring, financial control, planning and implementation of local council programs. The Ministry of Planning interacts with local councils on allocations of funds for public works at the municipal level. Municipalities receive funding from the MOF either directly or through the MOLG. There is no evidence that these two ministries coordinate on needs identification. The Ministry of Labor coordinates with local councils to provide job opportunities for the unemployed. The Ministry of Public Works (MPW) provides assistance for projects to rehabilitate municipal infrastructure and provides a degree of technical assistance. Some local councils rate their coordination with the MPW highly, while others think that levels of coordination are inadequate. Local councils are subject to monitoring and control by multiple bodies and multiple levels. In addition to the internal control mechanisms, external control is exerted from two sources: the MOLG and the General Control Institution.

- **Limited resources:** Municipal resources are limited, especially financial resources. Councils must seek grants and aid from external donors, which increases their dependency on outside funding and contributes to the deterioration of self-reliance. Limited resources have greatly reduced the amount of social spending (on health, education and public security) by local councils.

15 This analysis is derived from information and interviews with representatives of a number of local councils, including: Habla Municipality, Al-Ram Local Council, Jenin Camp Services Popular Committee, Beit Hanoun Municipality, Wadi Al-Salqa Municipality and Rafah Municipality.
Section Three: Overall Evaluation

In the light of the above, the question to ask is: Do Palestinian institutions operate with a collective vision and programs designed to facilitate empowerment? Is there a common perception or interpretation of empowerment and a set of harmonized goals and strategies in order to achieve empowerment at multiple levels of Palestinian society? In order to answer this question, a number of institutions (service providing and non-service oriented) were approached and asked to identify their visions and assess that vision in terms of its ability to achieve empowerment. Different population segments were also approached in order to obtain their assessments and appraisal of programs, activities and services offered by these institutions. A number of conclusions were reached, mainly:

- The majority of institutional officials believe their departments do possess clear visions, although they were not able to expound on the content of those visions.
- Confusion exists between having an organizational vision in professional terms and slogans based on national and ethical sentiments, such as saying that the vision of the Ministry is "embodied in the principle of democracy and accountability" or that it strives to "create a Palestinian generation characterized by consciousness and pride in their homeland, people and cause and prepare them to confront life challenges and contribute to the building of their state and homeland, etc."
- Visions are dominated by an abstract and generalized tone, such as saying that the future vision of the Ministry is related to reaching "social well-being through a future comprehensive perspective of the Palestinian society."
- Visions, goals and development plans range between the over-generalized and the too specific, as reflected in one statement by an institution that the features of its development plan are "basically derived from the national development plan" and by another institution that its plan is "to ensure one hospital bed per 600 citizens and provide adequate health services in order to avoid the need for referrals abroad."
- Although visions were often unclear and sometimes nonexistent, institutions were more readily able to define their goals, since it is probably easier to quantify a concrete goal than to formulate a vision. However, clear relationships between institutional goals and institutional vision were again missing.
- Most visions lack clearly defined implementation strategies and fail to identify target groups and/or beneficiaries.
- Often visions, goals and strategies were not differentiated, although some institutions were successful in formulating their goals clearly and accurately. A good example is MOEHE, which stated its goals as providing students with opportunities to enroll in basic education, improving the quality of education, and upgrading education in order to develop human resources.
- There was clear disagreement between personnel at different levels regarding the existence of an institutional vision. Some staff members believed their institutions had multiple visions, which underscores the lack of an internal communication and coordination within institutions.
- Recipients of public services are apparently unsatisfied with the quality, quantity and method of distribution of
The level of public confidence in certain service providers, such as education and health, is higher than confidence in the output of other political, social and economic institutions.

A total of 58 percent of people believe that PNA institutions are not able to meet the day-to-day living requirements.