

**DEMOCRACY AND GOVERNANCE STRATEGY
THE WEST BANK AND GAZA**

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**GLOBAL BUREAU
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ACRONYMS

CA	Israeli Civil Administration
CAC	Joint Civil Affairs Coordination and Cooperation Committee
CEC	Palestinian Central Elections Committee
CPS	Country Program Strategy
DEO	District Election Office
DFLP	Democratic Front for the Liberation of Palestine
DG	Democracy and Governance
DOP	Declaration of Principles
EA	Executive Authority
EU	European Union
Fatah	Palestine Liberation Movement
Hamas	Islamic Resistance Movement
MLA	Ministry of Local Authority
NGO	Non Governmental Organization
PA	Palestinian Authority
PBC	Palestinian Broadcasting Company
PECDAR	Palestinian Economic Council for Development and Reconstruction
PICCR	Palestinian Independent Commission for Citizens' Rights
PFLP	Popular Front for the Liberation of Palestine
PLO	Palestine Liberation Organization
USAID	United States Agency for International Development
USIA	United States Information Agency

EXECUTIVE SUMMARY

A. Background

It is critically important for the Palestinians in the West Bank and Gaza to create effective, democratic, institutions of self-government to ensure sustainable development and the legitimacy of self rule. Failure to do so would not only jeopardize future development, but could threaten the nascent, fragile peace in the region as well.

Perception by Palestinian citizens that their new self-governing institutions are legitimate is both a prerequisite for and a result of their being effective and democratic. To gain popular legitimacy, the leadership of these new institutions must conceptualize, finance, and implement a broad-based economic development plan that covers such domains as infrastructure, education, health, housing, and economic growth. If they fail to do so, they risk losing what legitimacy they now have.

But legitimacy will also require the emergence of institutions and processes that facilitate popular participation and government accountability. Provision of goods and services cannot alone buy legitimacy, especially among highly mobilized populations, such as those in the West Bank and Gaza. Just as important as material advances is the development of democratic institutions and practices that facilitate popular participation in decision making and underpin accountability, without which development is unlikely to be sustained.

The DG strategy thus represents an integral and necessary element of a broader mission strategy to channel assistance to the West Bank and Gaza. Enhancing the legitimacy of Palestinian authorities by helping them perform better and broaden avenues of participation will contribute not only to efforts at Palestinian self government, but to prospects for peace in the region as a whole.

The building of self-government remains a very fluid process that is subject to rapid change. Political processes are only weakly institutionalized, and lines of authority remain vague. Thus to be relevant and effective, a DG Strategy has to be phased in accordance with Palestinian progress towards self-governance.

This report addresses the unique constraints and opportunities confronting Palestinian institution building and the efforts of donors to facilitate that process. It first provides an overview of the enabling environment in which Palestinian self-government institutions are being established. Next it examines the key components of the democracy and governance (DG) sector in the emerging self-rule areas. Finally, it provides a conceptual framework for a phased DG strategy.

B. Constraints and Opportunities

- Major obstacles to the establishment of viable self-government in the West Bank and Gaza include the following:
 - (1) *The uncertainties of the peace process.* Negotiations over various unresolved issues will continuously impact the evolving political environment. The issues under negotiation include relationships with neighboring Jordan and Israel, water rights, the status of Jerusalem, the right of return of Palestinians still outside of the territories, and the issue of Palestinian sovereignty.
 - (2) *The schism between Palestinian "insiders" and "outsiders."* The paradox of emerging Palestinian self-government is that although it was propelled by a sustained uprising of Palestinian residents within the West Bank and Gaza, the terms of this self-government have been negotiated by PLO leaders from Tunis (the "outsiders") who are likely to dominate the new executive branch.
 - (3) *Influence by outside actors,* who may seek to shape the course of political development in this strategically important area in accordance with their own political agendas.
 - (4) *Territorial separation within the West Bank and between the West Bank and Gaza,* which will work against political cohesiveness in this new entity.
 - (5) *Weak institutional capacity* of existing and new self rule institutions. Although the continuation and success of the peace process is vital to Palestinian self-government, that process tends to place priority on economic development and containing militant opposition and to relegate to subordinate status the more protracted task of establishing accountable, democratic government.
- Despite these obstacles, the long-term prospects for Palestinian self-government are favorable because of the following building blocks:
 - (1) The Palestinians' *strong sense of national identity.*
 - (2) *A profusion of self-help associations,* combined with the broad spectrum of existing political organizations.
 - (3) *A rich tradition of localism.*
 - (4) *Popular support* for emerging self-government institutions.
 - (5) *Substantial assistance* from the international donor community.

C. DG Strategy Framework

Palestinian authorities are faced with the challenge of developing institutions while moving rapidly to provide critical services such as health, education, and jobs. On the one hand, the new executive branch must have sufficient power to enable it to govern effectively. On the other hand, were this concentration of power to undermine the legitimacy of the state by reducing accountability, transparency, accessibility, and government responsiveness to popular needs and demands, effective governance would be undermined. The solution to this dilemma lies in balancing power among the key political components. The DG strategy seeks to promote such a balance by both working to develop the potential of each component in the DG sector and by encouraging cooperative linkages between them to leverage their respective strengths.

- Timing and scope of DG assistance.

Timing: Until a final settlement is reached between Israel and the Palestinians and a permanent self-rule constitution or its equivalent is promulgated, emerging government institutions and practices in the West Bank and Gaza will largely reflect an evolving series of compromises. These institutions and practices are likely to continue to change significantly during the next three years. On the other hand, future government institutions and practices will be molded during the interim period. This DG strategy addresses this dilemma through a phased approach.

Scope: Closely related to timing is the issue of scope. During the present, highly fluid transition period, it would be premature to implement a comprehensive DG strategy. However, to wait until a final settlement occurs between Israel and the Palestinians would be to forfeit the opportunity to help shape emerging government institutions and practices. Immediate assistance activities appropriate for this transitional period will take advantage of the evolving situation by fostering a trend towards democratization in each of the key components of the DG sector.

A phased approach with interim activities that set the stage for subsequent implementation of a comprehensive DG strategy resolves the challenges of timing and scope. The phased approach provides a framework to channel DG assistance with recommendations for high impact, self-contained interim interventions to be implemented during the transition period, taking advantage of the present window of opportunity to exert positive influence while the foundations of Palestinian government are being laid.

- Characteristics of appropriate interim activities include the following:
 - (1) The proposed interim activities are designed to be *noncontroversial* to permit flexibility in the transitional period, when major decisions regarding the institutionalization of relations of authority are not likely to be taken until broader issues of state formation are resolved.
 - (2) The interim activities *can be implemented in the short term* to help establish patterns of cooperation between the key political components and to allow the

mission to utilize its rapid response capabilities in maintaining flexibility to best fine tune the long-term interventions.

- (3) The interim activities' *high probability of success* will help to build confidence on the part of the Palestinians in working with donors to achieve concrete results in the governance domain.
- (4) The interim activities *provide a basis for sustainability* by laying the foundations for longer term political development.

This proposed DG strategy employs a two pronged approach that is guided by three underlying principles: (1) harnessing the energy of civil society to emerging government institutions; (2) promoting linkages between the major DG components in the new political entity; and (3) balancing assistance to these components. Its overall objective is to help with the building of *accountable institutions of self-government that provide transparent governance within a participatory, democratic political system*. The rationale for this objective is based on the need to balance effective governance with democratic practices.

Recommended activities for the key DG components are provided. The greatest potential lies in institutional strengthening combined with discrete development-related activities that facilitate partnerships among the executive branch, local government, and NGOs. Such activities, which should enhance the mission's quick response capabilities, are designed both to increase the institutional capacities of each of these partners as well as to demonstrate to each the mutual benefits of cooperation.

SECTION I
THE ENABLING ENVIRONMENT FOR THE ESTABLISHMENT OF
DEMOCRATIC GOVERNMENT IN THE WEST BANK AND GAZA

A. Introduction

A new Palestinian political entity is emerging in the heart of the Middle East. To succeed, politically and economically, this entity must develop effective, democratic, self-government institutions. Success will bolster democratization processes elsewhere in the Arab world. Failure will have a dampening effect on these democratization processes and could jeopardize peace in the region. The Palestinian experiment in state-building is being viewed throughout the region as a test case for contemporary models of secular, democratic systems of governance.

There is an unprecedented opportunity to help establish democratic self-government in the West Bank and Gaza. However, the window of opportunity is narrow. This opportunity must be seized before it disappears due to the natural evolution of the new system, hostile actors, or adverse turns of events. Interventions need to be timely, flexible, and cognizant of political and economic realities in the region.

This section provides essential background on the evolving situation in the West Bank and Gaza. It then presents an overview of the political context in which Palestinian self-government institutions are being established. Both constraints and opportunities, which will respectively hamper and facilitate democratic self-government, are reviewed.

B. Background

The transition towards autonomous rule in the West Bank and Gaza is a culmination of the Palestinian nationalist struggle, which extends back over half a century and has been a major source of instability in the region. This struggle began during the British colonial period and intensified following the creation of Israel and the 1948 Arab-Israeli War, when Palestinians became divided and dispersed. Palestinians who remained in the area covered by the Palestine Mandate fell under Israeli control in Israel, Jordanian control in the West Bank, and Egyptian control in the Gaza Strip. Other Palestinians fled to neighboring Arab countries and beyond, creating a Palestinian diaspora whose present numbers are estimated to be in the same general range as the nearly two million Palestinian residents of the West Bank and Gaza and 800,000 Israeli Arabs. The Arab-Israeli war of 1967 created a new wave of Palestinian refugees from the West Bank as it passed from Jordanian to Israeli control.

At the inception of their nationalist struggle, Palestinians were politically disorganized and looked to other Arab governments to help them win back their homeland. By the early 1960s, however, Palestinian leaders began to seek their own solutions and created a number of political, military, and social institutions. Foremost among these was the broad-based umbrella organization, the Palestine Liberation Organization (PLO), established in 1964. Accepted by the majority of Palestinians as the organizational vehicle of their national aspirations and supported by Arab and other states in material terms, the PLO essentially became a Palestinian government in exile—first in Jordan, then Beirut, then after 1982, in Tunis. Despite being banned from operating legally in the West Bank and Gaza, the PLO maintained an underground political presence there.

Yet it was not the PLO's leadership that brought about the emergence of self-government now in formation in the West Bank and Gaza. Instead, it was pressure resulting from the Palestinian *intifada*, or uprising, which erupted in the occupied territories in 1987—combined with the Israeli government's realization that compromise with the Palestinians was preferable to continued conflict. The *intifada* was primarily a spontaneous uprising of Palestinian civil society in the West Bank and Gaza. Despite its secondary role in the *intifada*, the PLO has become the core of emerging Palestinian self-government because of its organizational sophistication, resources, history as a symbol of Palestinian national aspirations, and its continuing claim to represent the Palestinians of the diaspora.

A principal feature of the Palestinian national movement has been its bifurcation into an "inside" and an "outside." The former refers to Palestinian residents in the West Bank and Gaza during the *intifada*; the latter to Palestinians outside this area. The PLO, which claims to represent all Palestinians, was illegal in the Israeli-occupied West Bank and Gaza. Although most residents of these occupied territories swore allegiance to the PLO, the PLO has been led throughout most of its history by Palestinians from the outside. At the core of the PLO since the late 1960s has been Fatah, the organization founded and headed by Yasser Arafat. Although a substantial force in Palestinian politics within the West Bank and Gaza, Fatah has been primarily an organization of the outside.

The Oslo Accord set in motion the transition towards Palestinian self-government in the West Bank and Gaza (see inset). Signed in Washington D.C. in September 1993 by the Israeli government and the PLO, this historic accord set an agenda for negotiations on Palestinian self-government in the occupied territories and led to the creation of the Palestinian Authority (PA), the body empowered to negotiate the terms of self-government and to undertake construction of self-government institutions. The Oslo Accord was followed two years later by the signing of the Interim Self-Rule Agreement, widely referred to as Oslo II, which is intended to achieve many of the goals set out in the Oslo Accord and which focused on elections, redeployment of Israeli occupying troops, and Palestinian self-rule beyond Gaza and Jericho.

Palestinian elections took place on 20 January 1996. Prior to these elections, the Israeli military withdrew from designated cities on the West Bank with the exception of Hebron, which has a large Jewish settler community. Withdrawal from Hebron is likely to be delayed past the original March deadline, as a result of a halt in redeployment following recent bombings in Israel.

The Oslo Accord

The transition towards Palestinian self-government in the West Bank and Gaza was set in motion by the Oslo Accord, signed in Washington D.C. on September 13, 1993. Known officially as the Declaration of Principles on Interim Self-Governing Arrangements (DOP), the DOP is commonly referred to as the Oslo Accord because it was the product of months of secret diplomatic efforts in the Norwegian capital. This accord has two parts. The first section is comprised of letters of recognition signed by PLO Chairman Yasser Arafat and Israeli Prime Minister Yitzhak Rabin. This mutual recognition was a precondition to the Israeli withdrawal from the West Bank and Gaza. Israel not only recognized the Palestinians as a people with political rights, but also recognized the PLO as their legitimate representative. The PLO, in turn, agreed to give up its rejection of Israel's right to exist, which was enshrined in the PLO National Charter of 1968. The second section, the actual DOP, set an agenda for negotiations on Palestinian self-government in the occupied territories. The DOP can be more accurately characterized as a timetable for negotiations than as a comprehensive agreement. It stipulated that within two months of signing, an agreement on the Israeli military withdrawal from the Gaza Strip and the town of Jericho in the West Bank should be reached, and that within four months the withdrawal should be completed. It was agreed that the Palestinians would establish a police force in Gaza and Jericho, while Israel would have responsibility for external security. Israel also agreed to hand over power in the spheres of education, culture, health, social welfare, direct taxation, and tourism for all of the West Bank. Within nine months, Palestinians in the West Bank were to hold elections for a Palestinian Council to take office and assume responsibility for most government functions. The specifics of the permanent settlement are not given in the DOP, but are left to subsequent stages of negotiations.

Several critical issues have not been addressed in previous rounds of the negotiation process. For example, the sensitive issue of who is to control Jerusalem has been left for the final stage of negotiations. Both sides consider the city as their capital. Water rights are also a contentious issue. Israel has recognized that Palestinians have water rights in the West Bank. However, the definition of these rights will be deferred until the final status negotiations begin. The right of return for Palestinians living outside the West Bank and Gaza and the fate of Jewish settlements will also be decided in the final status talks. Finally, the issue of sovereignty of the self-rule area remains to be resolved. Despite these thorny outstanding issues, agreement has been reached on the basic goal of establishing Palestinian self-government in the West Bank and Gaza.

In sum, the early 1990s were a remarkable period of transition for the Palestinians. From the depths of political despair following Iraq's invasion of Kuwait, the Palestinians by mid-decade have achieved a degree of independence virtually unimaginable only a few years earlier. During the second half of the 1990s, Palestinians will be engaged in the difficult task of creating viable self-government institutions. That they succeed is important not only for the Palestinians, but for the entire region. The peace process could be jeopardized by the emergence of Palestinian self-government that is nondemocratic, ineffective, or militaristic. In addition, democratization processes currently underway in neighboring Arab states will be bolstered if the Palestinians establish an effective, representative government. Conversely, if the West Bank and Gaza slide into arbitrary, authoritarian government, this will have a dampening effect on democratization throughout the Arab world.

C. The Political Context for Palestinian Self-Government

Waging nationalist struggles and building effective, participatory governing institutions are two different tasks. Many peoples who have successfully performed the former have failed in the latter. The particular conditions of the Palestinian struggle provide both obstacles to viable self-government as well as key building blocks that can provide a solid foundation for such government.

C1. Major Constraints

Major constraints include the following:

- **Peace process.** The requirements of the peace accord might not initially be congruent with the immediate building of democracy. The former requires a sense of urgency, large scale financial support, and the containment of militant opposition. Democratization, on the other hand, tends to be a lengthy process that requires protracted negotiations, bargaining, and broad participation in decision making; access to material resources through numerous channels rather than through a central, governmental bureaucracy; and the development of ways and means to induce compromise and avert violence. The single minded pursuit of the peace process without regard to its consequences for Palestinian political institutions and processes could jeopardize their chances of becoming effective and democratic. Furthermore, the fact that several vital issues (including relationships with neighboring Jordan and Israel, and the status of Jerusalem) have not yet been resolved creates an ambiguity that is an obstacle to the establishment of durable self-government institutions in the West Bank and Gaza.

- **Insiders versus outsiders.** The paradox of the Palestinian struggle to establish self-government is that it was propelled primarily by the inside, but culminated in the PLO negotiating the terms of self-rule and being charged with laying the foundations for institutions of self-government. This in turn created two closely related problems. The first is shared by “insiders” and the now returned leaders and members of the PLO, which is to overcome the inevitable difficulties entailed in learning how to work together in mutually beneficial ways. “Insiders” naturally wonder what place there is for them in the self-government institutions which the PLO, working through the PA, has established. For their part “outsiders,” who have now returned to the West Bank and Gaza as a result of the peace process, need to establish their local credentials and connections if they are to be politically effective over the long haul.

The second problem is the question of who will represent those Palestinians still in diaspora. This is particularly germane to the outstanding issues still to be negotiated with Israel, where the right of return is high on the agenda. The successful completion of the general elections in January 1996 means that the principal representative institution of the emerging self-rule government, the Council, has no constituents outside of the territories. Although the Council will not be negotiating with Israel, the legitimacy of the self-rule institutions will in part depend on the success of the PLO in the negotiations. Hence, the problem is that competing priorities could start to emerge between those bodies that just represent residents of the territories and those that continue to be the transnational representatives of the Palestinian peoples.

- **Outside influence.** Another major constraint is the fact that Palestinian politics have long been “penetrated” by powerful outside actors not hesitant to influence those politics for their own purposes. The West Bank and Gaza are in a strategically vital area and both regional and global actors are unlikely to desist in their efforts to shape the course of Palestinian political development, including the establishment of self-government institutions.
- **Noncontiguous territory.** The territorial separation within and between the West Bank and Gaza is a further obstacle to successful government institution building. The difficulties in traveling between them through Israeli checkpoints have compounded this problem.
- **Underdeveloped institutions** At present, Palestinian political institutions are underdeveloped. As the Palestinians gradually assume more self-rule functions, they will have to forge new institutions and strengthen existing ones. However, the incremental granting of self-rule to the Palestinians through negotiations with Israel means that the political context will be in a state of flux for at least two years. Institutions and relations of authority that are established during this interim period will have to adapt according to the evolving political situation.

C2. Key Building Blocks

Establishing effective democratic governance in the West Bank and Gaza will be a daunting task and the environment in which it must be performed is not wholly conducive. The long-term prospects for Palestinian self-government, however, are favorable because of the presence of the following key building blocks:

- **A strong sense of national identity.** The Palestinians' strong sense of national identity will facilitate the emergence of democratic governance. Despite the division of Palestinians between those living inside and outside historic Palestine, and among the former the further division into West Bankers and Gazans; and despite ideological, religious, and other divisions, Palestinians are acutely aware of their shared national identity and the continuity of their struggle. In the past, that awareness prevented divisions from debilitating the national movement. It should provide a solid foundation for the emergence of self-government institutions.
- **A profusion of self-help associations.** Palestinian civil society consists of a rich array of indigenous nongovernmental organizations (NGOs) that have engaged a large percentage of the West Bank and Gaza populations in political, social, and economic activities. This pattern of self-help and civic activism provides a solid complement to the establishment of self-government institutions. Because of the highly politicized nature of Palestinian society, virtually all Palestinian NGOs perform not only service functions, but also engage in advocacy. By so doing, they have created a civil society that is probably the most active and diversified in the Arab world. Related to these associations is an array of political parties that have competed for the support of Palestinians and that are the envy of political activists elsewhere in the Arab world. While NGOs will to a certain degree need to transform themselves to fill their new role as intermediary channels between government and people, there is already in place a network of associations that can be built upon.
- **A long tradition of localism.** Traditions of local social organization are well established in the West Bank and Gaza. During the Ottoman period, Palestinian urban centers and settlements enjoyed a high degree of autonomy. Subsequent British, Jordanian, Egyptian, and Israeli rulers all recognized this tradition of localized self-rule one way or another—not because these occupiers sought to promote democratic governance but because they preferred to territorially fragment national sentiments and organizational structures. Whatever the motives, the end result was to preserve a keen sense of local autonomy and pride in community accomplishments. While local government became moribund during the Israeli occupation, the rich tradition of localism provides another potential building block for democratic governance.

C3. Other Conducive Factors

In addition to these potential building blocks, the popular context within which self-government institutions are being established is conducive to their formation. The peace process has moved with remarkable speed, given the long and bitter history of the conflict between Israelis and Palestinians. While that process has yet to result in a final status agreement and, as noted above, poses challenges for democratization, the overwhelming majority of Palestinians are no longer interested in turning back the clock and renouncing measures of independence that have already been won. The high turnout for the elections of January 1996 attested to the popular support for the establishment of self-rule institutions. As the material benefits of peace progressively become manifest, the context within which self-government institutions are being created will increasingly become more favorable. Every milestone that is passed in the peace process helps to improve the enabling environment for the establishment of democratic governance in the self rule territories.

Assistance from the international donor community is also a conducive factor. In the past, many Palestinians were disappointed by delays in outside assistance and the paucity of such assistance. However, foreign assistance is now rapidly increasing and provides much-needed training, technical expertise, and resources. The impacts of this aid can be maximized and made even more positive through more systematic donor coordination.

In addition, the West Bank and Gaza are blessed by a propitious location in terms of their proximity to regional centers. Situated between the most technically advanced, dynamic economy of the region (Israel) and the Arab state that has had the greatest success in coupling democratization and economic reform (Jordan), the West Bank and Gaza are ideally located to capitalize on their neighbors' successes. Increasing interaction with these neighboring countries, which lead the region in the openness of their political arenas and economic markets, will impact favorably on Palestinian self-government institutions.

D. Conclusion

This chapter has highlighted the Palestinians' incentives to build a self-governing democracy, the strong sense of community fostered by a tradition of local rule, and the vibrant civil society developed despite the years of occupation. However, Palestinian civil society is dynamic but fragmented, and self-government institutions at both the local and national levels remain nonexistent or weak. The energies of civil society need to be channeled and aggregated at the same time that effective, democratic self-government institutions are being developed. This will require a broad-based, flexible strategy that addresses and integrates the multiple components of the DG sector.

SECTION II
KEY COMPONENTS OF THE DG SECTOR

A. Introduction

The key components of the DG sector in the West Bank and Gaza are the executive, legislative, and judicial branches, local government, civil society, and the political processes that link these components. This section provides an overview of the current status of these DG components.

B. The Six DG Components

B1. The Executive Branch

The Palestinian Authority (PA) was established by Article V of the 1994 Gaza-Jericho Agreement between the PLO and the government of Israel. Its basic function was to provide interim self-rule for the Palestinians during the period of transition while more permanent institutions are established. Under the Oslo II Accord, signed in September 1995, the PA is to transfer its powers and responsibilities to the new Council upon its inauguration. The elections of January 20 established the membership of the Council, and the formation of a new Executive Authority (EA) should soon follow. The Council is expected to hold its first session in March. Among its early actions should be the approval of the EA. The ministerial cabinet of the EA is expected to be approved within five weeks after the inauguration of the Council, with the mandate of the PA cabinet continuing in the meantime. The difference between the forthcoming EA and the existing PA is expected to be evolutionary rather than fundamental as the EA absorbs the powers previously invested in the PA and ultimately replaces it. One of the most significant questions regarding this transition is the extent to which powers will be dispersed among the various components of the DG sector rather than remaining concentrated in the national executive.

The fourth draft of the Basic Law, which when ratified is to be used as the self-rule constitution for the interim phase, specifies two five-year terms for the Ra'is, but the term also ends with the expiration of the interim phase, so this clause may become moot. The Ra'is will be given the power to initiate or propose laws to the Council, and has 30 days to sign and promulgate laws after they have been passed by the Council. The draft Basic Law also names the head of the EA as "Commander in Chief of the Palestinian forces."

Since its creation, the PA has progressively been given jurisdiction over the West Bank and Gaza, with the exception of Israeli settlements and military installations. The PA currently controls about a third of the West Bank, with the specifics of further Israeli withdrawals over the next six months still to be negotiated. The PA has executive, legislative, and judicial powers and responsibilities, although the Israeli Civil Administration (CA) retains power over Israeli settlements and matters of external security. The PA is responsible for internal security and public order and has established a police force. Foreign relations remain under Israeli control, although the PA maintains representatives in many foreign capitals.

In order to administer the portions of the West Bank and Gaza under its control before the January 1996 elections, the PA established a cabinet (see following table). The cabinet was

staffed mostly by PLO members appointed by Yasser Arafat. Of the original 18 members, only six were drawn from the West Bank and Gaza, the remainder from the Palestinian diaspora. As of the beginning of 1996, the cabinet had the following composition:

Position	Name	Affiliation
Interior	Yasser Arafat (Acting)	Fatah
Culture and Information	Yasser Abd-Rabbuh	FIDA
Finance	Muhammad Zuhdi Nashashibi	Independent
Agriculture	Muhammad Zuhdi Nashashibi (Acting)	Independent
Labor	Samir Ghawshah	PSF
Health	Riyad al Za'nun	Fatah
Housing	Zakariya al Agha	Fatah
Communications	Abd al Hafiz al Ashab	Independent
Youth and Sports	Azmi al Shu'aybi	FIDA
Tourism and Archeology	Ilyas Frayj	Independent
Local Government	Sa'ib Erekat	Fatah
Economy and Trade	Ahmed Qurai'	Fatah
Social Affairs	Intisar al Wazir	Fatah
Transportation	Abd al Aziz al Haj Ahmed	Fatah
Justice	Frayh Abu Midyan	Independent
International Cooperation and Planning	Nabil Sha'ath	Fatah
Education	Yasser Amr	Independent
Religious Affairs	Hassan Tahboub	n.a.
General Secretary of the PA	Tayib Abd al Rahim	n.a.

Other administrative functions have been performed by eight Administrative Departments: public control, the monetary authority, the office of the Director General, administration, finance, follow-up and control, engineering and infrastructure, and legal affairs. Local affairs have been administered by municipal and village councils. Many of the ministries are divided into separate Gaza and West Bank offices. Continued internal restructuring will occur as more of the West Bank comes under the authority of the EA.

With the Gaza-Jericho Agreement, Israel and the CA renounced all financial responsibility in the spheres of authority transferred to the PA. Upon the transfer of powers, the PA assumed full financial responsibility for its own functioning. One of the immediate challenges of the EA will be to put public finances on a more sustainable footing. Although it has the right to collect value-added and direct taxes from the Palestinian population, most of its revenue comes from international donors, since improved tax administration procedures are still being put in place. Donor funds for the most part are being channeled through the PA's Palestinian Economic Council for Development and Reconstruction (PECDAR), which was established in response to

requests by donors to provide accountability for use of funds. Despite this support, the PA is expected to run a significant deficit in its regular budget.

With regard to powers that were not transferred to the PA, the Palestinian government must coordinate with the Israeli CA. A Joint Civil Affairs Coordination and Cooperation Committee (CAC) was established to facilitate this coordination. This administrative agency has yet to be streamlined to provide effective and efficient responses to problems.

B2. The Legislative Branch

The Council consists of 88 seats, seven of which are set aside for religious minorities, plus the Ra'is (Arabic for leader or president, a term purposely chosen because of its ambiguous connotations). While the exact lines of legislative and executive authority remain somewhat blurred prior to the promulgation of a basic law, the legislative powers are expected to reside in the Council as a whole, while the executive functions are expected to be exercised by the EA. Article III of the Interim Agreement stipulates that immediately upon its inauguration, the Council will elect from among its members a Speaker (Ra'is al-Majlis). The Speaker will preside over meetings of the Council, administer the Council and its committees, set the agenda of each meeting, present proposals to the Council for voting, and declare the results of Council votes. To become fully operational, the Council must elect two deputies and an undersecretary in addition to the Speaker.

The principal task facing the newly formed Council is to develop its own operational infrastructure and to ratify a basic law, which will permit the Council to pass laws relating to matters under Palestinian purview, such as economic affairs, local government, education, and health. The Council's jurisdiction will not extend to foreign relations, with the PLO authorized by the interim agreements to conduct negotiations and sign accords on behalf of the Council, which can neither abrogate nor amend these agreements.

The importance of the Council is heightened by the clear guidelines for succession laid out in the election law. The position of Ra'is will be considered vacant in the event of his/her death, resignation, or loss of legal capacity, as declared by a Palestinian Court and ratified by two thirds of the members of the Council. In this event, the Speaker will take over the office on an interim basis. Election of a new President must take place within 60 days. Hence, in the event the Ra'is position is vacated, the Council becomes an integral part of the succession procedure.

The Council elected on 20 January 1996 consists of 50 members of Fatah and 16 Fatah activists who ran as independents, 16 other independents, four independent Islamists, and two members affiliated with other political parties. Women won five seats. Council allegiances, especially in regards to the independent members, will become clearer over time as the Council begins to interact over specific issues. An important challenge for these new Council members will be to develop constituency services. In order to realize their full potential in a democratic process, political parties will also have to build their ability to aggregate and articulate interests as the Council increasingly becomes an arena for dialogue.

B3. The Judiciary

Palestinian legal structures in the West Bank and Gaza Strip that functioned before 1967 deteriorated dramatically during the extended period of Israeli occupation. Now, after almost 30 years of occupation, the Palestinians are faced with the task of building a functioning and effective legal system. Present institutions are weak, legal procedures and codes are ambiguous and obsolete, a comprehensive legal framework is non-existent, authority is exercised without sufficient accountability or transparency, and adequate protection of human rights has yet to be established.

Courts serve as an example of the current state of Palestinian institutions. The authority under which the courts operate is ambiguous, since it is shared by both the Ministry of Justice and the Chief Justice and further fragmented as a result of the division between Gaza and the West Bank. Separate court systems with overlapping jurisdictions compete with one another. There are civil and criminal courts at the magistrate, district, and appellate levels in both the West Bank and Gaza. Shari'a or Islamic law courts handle personal status matters, while the security courts address security-related offenses. In addition to different court systems, five separate legal codes coexist (see inset). Courts can draw upon a mixture of customary, religious, and post-Ottoman laws, making agreement on the corpus of law governing a particular case extremely difficult. This situation is complicated by the fact that the West Bank and Gaza have no fully functioning and accredited law school, and therefore students of law are trained in other systems.

The Labyrinth of Legal Codes

Five different legal codes are currently in effect in the West Bank and Gaza—Ottoman, British, Jordanian, Egyptian, and Israeli. Even prior to Israeli occupation, legal codes were unclear, so a preference developed to settle disputes and resolve even criminal offenses through informal means. Presently, the legal codes that govern conduct in the Palestinian areas are not always evident. For example, while many of the codes in the West Bank are drawn from Jordanian law, British mandate law still governs court procedure there. In addition, laws from the Palestinian penal code (many of Ottoman origin), which predated occupation, are still in effect. Similarly, legal codes in Gaza are a mixture of British, Egyptian, and Palestinian law. Despite a decree by the PA reinstating laws effective prior to occupation, some Israeli laws are still in effect because, according to the Gaza-Jericho agreement, Israeli laws and military orders issued during occupation remain in effect unless changed in accordance with the agreement.

In addition to confusion surrounding sources of law, there are also functional weaknesses in the courts. These weaknesses impede access to justice for the Palestinian public. There is a severe shortage of judges, prosecutors, court administrators, and other court personnel. In some instances court personnel occupy more than one position simultaneously. Cases frequently have to be postponed due to the absence of judges. Decisions are often slow to be rendered and record keeping is poor, making access to previous decisions and decisions based on precedent difficult. Training of judges and other court personnel is of uneven quality, and although judges and prosecutors must have law degrees, they often have not practiced for a substantial length of time before being appointed to their positions.

Bar associations serve as another example of the condition of Palestinian institutions. Bar associations once existed in both the West Bank and Gaza, but deteriorated dramatically during the Israeli occupation. Many Palestinian lawyers in the West Bank refused to practice during occupation, and the military government did not allow them to form a professional association. Consequently, during a period of almost 30 years, no effective bar associations existed in the West Bank, and few lawyers were active.

Decrees issued by the PA according to the terms of the 1993 Declaration of Principles are the only new source of law. There are as yet no constitutional mechanisms governing legislation.

This gives the impression that the PA is exceeding its authority, calling into question the legality of the decrees that it has issued.

Because Palestinians have lived under occupation and experienced human rights abuses for so long, the issue of human rights is very sensitive. This sensitivity has been heightened by acts committed by the PA in its efforts to ensure security. The PA is not a sovereign government and is not bound by international human rights documents. However, it does have obligations under international law toward those under its authority. In addition, in the agreement of 4 May 1994 between the PLO and Israel, which established the Palestinian Authority, the PA agreed to "administer justice through an independent judiciary" and to exercise its powers with "due regard to internationally accepted norms and principles of human rights and the rule of law." The fourth draft of the Palestinian Authority Basic Law lays out a clear commitment to the protection of fundamental rights and freedoms and provides for the establishment of an independent Commission for Human Rights to monitor and ensure that human rights are protected.

However, the security courts established by a February 1995 PA decree to deal with security-related offenses have been accused of repeatedly violating human rights (see inset). The PA's Justice Minister has criticized the methods of the PA security forces and acknowledged that they violate the law. The PA has allowed the Red Cross to routinely visit prisoners, but not to make its findings public. The freedom of the press to cover such violations has been greatly restricted.

A number of Palestinian human rights groups exist. Some were in operation during Israeli occupation, while others have been formed since the PA gained partial self-rule. The Palestinian Independent Commission for Citizens' Rights (PICCR) was formed to ensure that the PA operates with due regard for human rights. Its findings are presented to the PA, but are not made public. The next two largest groups are al-Haq and the Gaza Center for Rights and Law. The Mandela Institute in Ramallah, the Palestine Human Rights Information Center, and Solidarity International for Human Rights also monitor human rights abuses. Although sometimes harassed, these groups have raised the issue of human rights with the PA and have increased public awareness of the issue among Palestinians.

Recent Human Rights Violations

Security courts established in February 1995 have at times held secret trials in the middle of the night without giving prior notice to defendants, without allowing defendants to be represented by counsel, and without the right of appeal. In addition, members of the security force serve as judges on these courts. Defendants tried by these courts have been arrested without warrants and held without being charged. At least three detainees have died in jail while under interrogation. In one case, the PA acknowledged that the prisoner died of torture and an investigation led to the arrest of four officials. These officials were later released and have yet to be tried. The PA has also interfered with the freedom of the press. It shut down *an-Nahar*, a Palestinian daily, for several weeks for criticizing the PLO. There have also been cases of interference with newspaper distribution and of journalists being arrested for criticizing the PA. For example, the manager of *al-Istiqlal* newspaper was arrested in February 1995 and held for 23 days without being charged. Likewise, in early 1996, the editor of *El Quds* was arrested and held for six days without being charged because he allegedly refused to run a favorable Christmas story about the PA leader on the front page.

B4. Local Government

Palestinians have a long tradition of ordering their political affairs at the local level. Villages and neighborhoods have played a central role in providing basic services, as well as in social and political leadership. This tradition has been strengthened by years of foreign rule, which encouraged localism and municipal government partly to undercut the Palestinian nationalist movement, and partly in recognition of Palestinian traditions of local solidarity. The

municipal system in Palestine was first institutionalized in 1934, when the British Mandate government established laws and regulations for the election of municipal council members and their responsibilities. This system was continued during the subsequent Jordanian and then Egyptian rule of the West Bank and Gaza.

Under Israeli occupation, the role of the municipality was first enhanced, then reduced. The Israeli Civil Administration (CA) initially experimented with the idea of creating its own community leadership to compete with that of the PLO. In 1976, municipal elections were allowed in several West Bank cities, while mayors and city council heads were appointed in others. But Palestinians largely rejected attempts to create an alternative leadership dependent upon Israel. As a result, Israel suspended municipal elections and imposed control locally through a combination of its own military officers, CA employees, and remnants of elected and appointed officials in the municipalities. As a result, municipal governments, whose capacities gradually declined, were generally resented by the Palestinian population of the West Bank and Gaza.

The PA is now attempting to use the municipalities to administer services and order local affairs in Gaza. There are four municipalities and twelve village councils in Gaza. In 1994 the PA appointed a mayor for Gaza City, who in turn appointed the city council. Although it was proposed that all political factions be represented on the council, Hamas and the PFLP refused to participate. As a result, nine independents were selected to be on the council. The council members have a one-year appointment and are responsible for preparing for municipal elections.

Localism is likely to increase as the number of municipalities multiplies in preparation for the local elections. The Minister of Local Authorities has stated that by June 1996, the number of municipal and village councils will have been substantially augmented. The PA inherited 111 municipal and village councils from the Israeli authorities, but within the next few months, that number is expected to increase threefold to around 350.

Although the PA has encouraged the resurgence of the municipal councils and has stated its support for autonomous municipal actions, interactions between the municipal authorities and the PA have been problematic. The difficulties that municipalities have had in obtaining funding from the PA even after the approval of specific grants demonstrate the ambiguities in relationships of authority that currently prevail. The Palestinian Economic Council for Development and Reconstruction (PECDAR), which was created in response to donor requests to channel funds and provide accountability and transparency, now implements some municipal projects unilaterally. While PECDAR's intervention may benefit small municipalities and village councils that lack technical and administrative capacity, it is not welcomed by larger municipalities. Another problem has been with the MLA, which upon its creation assumed that it should continue the direct management of the municipalities and village councils formerly exercised by the CA. This approach was rejected by the Gaza City Council, leading to noncooperation between the two organizations. The Gaza municipality subsequently ceased to receive funding from the MLA. The Gaza City Council maintains that the role of the MLA should be to coordinate on regional matters and provide assistance to municipalities and village councils while preserving the autonomy of individual councils. The role of the MLA, like other national bodies, has yet to be clearly defined. The pervasive uncertainty about relationships of authority has led several different bodies, including PECDAR, the Ministry of Planning and International Cooperation, the Ministry of Local Authorities (MLA), and even some NGOs to compete as the channel for donor funds to local government. This shortage of funds and overlapping funding mechanisms hampers the efficiency and performance of the municipal offices.

In sum, Palestinians have a strong tradition of local politics, but municipal government, having been interrupted by occupation, has yet to be fully reestablished, and relationships of authority between national and local governments remain to be worked out. In the meantime, donor funding for the West Bank and Gaza is concentrated at the national level, primarily on strengthening the executive and legislative branches of government (see Annex). A significant danger is that this will help centralize and concentrate authority at the top—away from local government and civil society—thereby inadvertently hampering democratization and limiting the role of local government.

B5. Civil Society

The single most important aspect of Palestinian NGO life is the strong tradition of localism, sustained by the lack of an effective centralized institutional structure during various occupations. Palestinian society has traditionally been organized into a network of extended families, neighborhoods, villages, and religious groups. Rule by non-Palestinian governments compelled Palestinians to organize their affairs outside the framework of state authority. Support for Palestinian voluntary associations by outside donors has further strengthened those associations.

Various occupiers have sought to constrain the development of Palestinian association life. Under Israeli rule, registration of new NGOs was often difficult, and their activities were limited. In several instances, the Israeli authorities tried to foster their own community groups to compete with Palestinian associations. However, the occupation fostered a spirit of communal action among the Palestinians that facilitated the growth of an active civil society. Perhaps the most powerful example of the effectiveness of local Palestinian organizations was the establishment of the popular committees during the first months of the intifada. These groups proved capable of sustaining a state of insurrection for several years while developing new forms of mobilization and organization.

In terms of the contemporary enabling environment and the formal regulatory context, the future role of NGOs remains unclear. In 1995, the PA drafted a law based on Egypt's restrictive Law 32 that would have greatly confined NGO activities in the West Bank and Gaza. A network of Palestinian organizations with support from their international affiliates applied substantial pressure on the PA and the draft law was quietly dropped. This incident demonstrates the influence of the NGO community when acting in concert on a specific issue. But as resources continue to shift toward central authority and away from the NGOs, their ability to influence the PA is likely to wane.

Associations and other NGOs gained a major role in Palestinian life because of the lack of effective government structures. Although the majority of Palestinians living in the West Bank and Gaza considered the PLO as their "government" during the occupation, the PLO's ability to build strong institutions was severely constrained by Israeli military rule. In many ways, the PLO remained an external actor. During the Israeli occupation, a variety of associations were created by member organizations of the PLO to maintain their political foothold in the West Bank and Gaza. Examples include the federations of women's NGOs (see inset). However, despite the role played by the PLO in establishing and maintaining them, these groups have remained relatively autonomous.

The intifada cemented coordinated cooperative action as a vital part of the association movement in the West Bank and Gaza. Health services were donated by those with medical training, and agricultural cooperatives were formed. Women's organizations were especially

important in providing education and health services at the local level. Typically these small, local organizations were affiliated with larger networks such as the General Union of Charitable Services or the Union of Women's Committees for Social Work. Their members were drawn from various professions, social classes, and religious backgrounds, and frequently had political affiliations. Communal action, stimulated by the intifada, promoted both self-help capacity and political pluralism in the Palestinian communities of the West Bank and Gaza.

Volunteeristic and service oriented, Palestinian civil society remains highly political. During the occupation, Palestinian political parties increased their influence in the territories by funding a variety of institutions and political movements and by lending their support to local politicians. For example, Fatah, the largest party in the PLO, was able to use its substantial funds to develop a large network of associations. Local organizations in the West Bank and Gaza were often divided along party lines based on PLO allegiances. This was especially the case in groups such as labor unions and student associations. Today, many organizations have retained their political allegiance to a particular Palestinian party. Furthermore, during the intifada, local politicians became highly involved in a variety of institutions. Even organizations not directly affiliated with a party often have a political agenda.

Some groups are primarily altruistic, and others provide services as part of a larger political strategy to gain support. Voluntary cooperatives, often based on family and/or neighborhood ties, are commonly formed to pool the resources of their members or to create jobs for them. These associations, whose members usually work in private homes and gardens, focus on the production of marketable goods ranging from food and dairy to consumer products. Voluntary organizations were established to provide basic services to communities as they suffered from the effects of curfews and the disruption of services under military rule. PLO-affiliated groups were active in this kind of work, but many voluntary associations were autonomous. Social-work groups and women's organizations operate at the town, village, and neighborhood levels. The social and service orientation of their work has helped them develop outside both the PLO and Islamist institutional frameworks.

Because the Palestinian political system had no official self-government institutions under occupation, civil society expanded to fill that void. NGOs assumed responsibilities for tasks that governments typically perform. NGOs frequently also reflect the dynamics of community and local politics. The current transition to self-government will require civil society to accommodate the emergence of governing institutions. Since the signing of the Oslo Accord and the establishment of PA rule in Gaza and Jericho, the PLO, through the PA, has increasingly become an internal actor in Palestinian civil society. It now finds itself interacting with many of the

Palestinian Women in Civil Society

Palestinian women began to participate in the nationalist movement in the 1920s. During the Israeli occupation, they became heavily involved in resistance—although they were denied the right to establish national organizations. Most women's organizations were small and provided services to their local communities. Four federations of women's NGOs were established by PLO factions in the West Bank and Gaza during the 1970s to mobilize women politically. But it was not until the intifada that women's organizations became truly energized. The four federations worked separately but coordinated their activities with other groups. Women's NGOs provided day care services, social support networks, literacy campaigns in villages and refugee camps, and community health education. These activities were intended to support the national liberation cause. Recently, more than half a dozen new independent research and training centers have been created that focus on issues such as women's legal rights and domestic violence.

Palestinian women are now seeking to remain a key element of civil society in a rapidly evolving environment. They often reflect on the experience of Algerian women who, after struggling actively for national liberation, were relegated to the confines of "private space" following independence. "We won't go back" is a contemporary slogan of Palestinian women.

independent groups that arose during the occupation. In some cases, these independent groups are being absorbed by PA structures. The PLO, as the core of the PA, has several advantages over more grassroots organizations: it has been recognized internationally as the representative of the Palestinians and is therefore the recipient of donor funds; and it has the underpinnings of a government, with a bureaucracy, access to tax revenue, and a network of institutions through which to exercise political power. Nevertheless, Palestinian civil society retains a strong organizational base rooted in localism, which will persist regardless of initiatives taken by the PA.

B6. Elections and Political Processes

B6a. General Elections

The Oslo II agreement set the requirements for the recent election of Palestinian Council members as well as the Ra'is. Elections took place on 20 January 1996, following the withdrawal of Israeli troops from certain Palestinian-inhabited areas of the West Bank. Palestinians 18 years of age and older who appeared on the population register maintained by the CA were eligible to vote. Voter turnout was extremely high, with a reported three-quarters of a million West Bank and Gaza residents voting in the election. The international observer mission estimated voter turnout at 75% of eligible voters, with a 90% turnout of registered voters in the Gaza Strip and 85% turnout of registered voters in the West Bank.

The elections were administered by the Palestinian Central Election Commission (CEC), appointed by the PA, and its subordinate bodies. A CAC subcommittee was formed with CEC and Israeli representatives to coordinate election issues in Jerusalem. Certain provisions were made to allow Palestinian residents of Jerusalem to vote in the Council election.

All stages of the election process were open to international observation, in accordance with accepted international standards. The agreement limited monitoring activity to observation, reporting, and dialogue with the relevant authorities. The European Union (EU) coordinated the observer delegations, with numerous delegations present from other nations and multilateral organizations. The CEC accredited all observers, international and domestic. According to the Oslo II agreement, all necessary measures were to be taken to ensure freedom of movement in all areas of operation, and observers were not to be accompanied by official CEC or Israeli representatives. Observers were allowed to issue statements and hold press conferences during and after the elections. Journalists were also allowed freedom of the press and

THE 1996 COUNCIL ELECTIONS

- **Requirements for Council candidates:** The candidate was required to be a registered voter at least 30 years old on polling day, and reside in the constituency in which he or she was running. Each candidate paid a \$1,000 registration fee, returned only to winners. The candidate had to be nominated by a "partisan entity" or obtain 500 signatures in his or her district.
- **Number of electoral districts:** 16, of which 11 are in the West Bank and 5 are in the Gaza Strip.
- **Number of Council seats:** 89 (including the Ra'is), of which 51 were elected from the West Bank and 37 were elected from the Gaza Strip.
- **Number of Council seats reserved for minorities:** Seven seats were set aside for religious minorities; six for Christians and one Samaritan seat.
- **Number of candidates for Council seats:** 676, some 75% of whom ran as independents. There were 347 candidates from the West Bank and Jerusalem, and 302 from the Gaza Strip.
- **Average amount spent by each candidate on campaign:** \$6,000.

movement to cover the election process. In short, extensive mechanisms were established to ensure free and open elections, although minority and opposition parties complained that the Arafat-controlled PA manipulated election procedures to favor Fatah.

Originally, the election campaign was to last for 22 days; however, in late December 1995, the PA shortened the period to only 14 days. This action displeased many Palestinians, especially those loyal to minor parties, and was also criticized by the EU unit that monitored the election. Besides the length of the campaign, the PA changed the number of Council seats and the procedures and timetable for registering voters, prompting much confusion and difficulty in implementing the changes. Although the changes were made in the name of fostering greater participation, they came abruptly and with little public explanation. The Palestinian Broadcast Corporation was also accused of a lack of balance in its coverage of the campaign, allowing reports about the success of Arafat's PA to dominate pre-election broadcasts.

Observers called the polling a success, despite several irregularities. Former US President Jimmy Carter, who was part of the observer delegation, said that any irregularities were not of a scale that would have altered the outcome. Among the problems cited were the armed Palestinian police presence outside many polling centers, several instances of Arafat supporters filling in ballots for illiterate voters, and at least one instance, reported by the Japanese observer team, of a voter casting two ballots. Despite the complaints, the head of the EU observer team, Carl Lidbom, said that the voting process had been "reasonably free," and lauded the elections as a first step towards Palestinian democracy.

B6b. Local Elections

Currently scheduled to be held in the summer of 1996, local elections will be no less important than were the January Council elections for establishing effective and accountable governance. While the "national" elections served the broader function of legitimizing the peace process, those who have played key roles in it, and the institutions that the peace process has created, local elections will engage the grassroots of society and have more direct consequences for public policies with immediate impact on community services. Municipal and village councils have in the past had responsibility for the supply of water and electricity, waste disposal, school upkeep, urban planning, and road maintenance.

The MLA has indicated that municipal elections will be held for around 350 municipal and village councils. Each municipal council will have around 11 to 13 members, while village councils will have around seven to nine members. The Ministry expects as many as 20,000 candidates to run in the elections, further evidence of the importance attached to local government by Palestinians. Moreover, since opposition parties that boycotted the Council elections have indicated they will participate in local elections, those contests should be more intense and result in municipal councils that are more politically diverse than the Council. Since the vast majority of candidates for local councils will be "insiders," the elections will provide an opportunity to evaluate the comparative political strength of traditional notables and clans on the one hand, and modernist political organizations on the other. Most observers anticipate that voters will choose those they think best able to deliver services to them, a preference that will favor clan leaders and traditional notables in many constituencies, but more modern political organizations in others. Local elections will not be held before legislation to regulate the structure and activities of municipal councils is drafted.

B6c. Political Parties

The general elections of January 1996 both concealed and revealed much about Palestinian political parties. The overwhelming victory of Fatah, which won 50 seats outright and another 16 through closely allied "independents," masked what in fact were weaknesses of that organization. Some analysts found it surprising that Fatah did not win even more seats, because the electoral code provided for multi-member constituencies, with representatives elected on a first-past-the-post basis, rather than according to proportional representation.

The evidence from the January elections and elsewhere suggests that Palestinian parties, like all other political institutions, are weak if compared to counterparts in developed democracies, and are in a process of transition that is likely to be protracted. Several challenges will have to be met before that transition is completed and parties are capable of sustained contributions to democratization and improved governance.

The ideologies espoused by many of the parties need adjustment to meet present circumstances. The ideology of national liberation is no longer relevant if an agreement has been made that implicitly or explicitly renounces claims formerly made to Palestine. The ideology of radical socialism, espoused by the PFLP and DFLP, is in crisis globally and no more suitable to conditions in the West Bank and Gaza than it has been deemed to be in Eastern Europe, Latin America, or elsewhere. The ideology of Islamism in its radical variants is inconsistent with much of what has been agreed in negotiations between Israel and the Palestinians and is, therefore, unlikely to serve as the basis for legitimate political action.

Political parties will need to change their nature and function to adjust to the new reality. Parties, like NGOs, will need assistance to make the transition to the new democratic system. The present constellation of parties is the legacy of the national liberation movement, which has now almost run its course. As the new phase of state building gathers pace, so will the parties adapt to new realities. Some of the present parties can be expected to become fragmented or to disappear altogether, and new parties will arise. Thus, probably more than any other component of the political system, parties are in a state of flux that renders their future role highly ambiguous and difficult to predict at this stage.

B6d. The Media

The print and electronic media have an important role to play in providing the residents of the West Bank and Gaza with access to information. A vibrant, independent media could be a valuable factor in ensuring transparency in the emerging political system and in improving the levels of accountability and monitoring of that system. While the evolution of the media in this direction is likely to occur only in the long term, the issue of accountability is especially important during this transitional period, when the Palestinian institutions are in a nascent stage and not yet able constitutionally or institutionally to independently monitor the actions of the Council or the Executive Authority. In the meantime, Palestinians will continue to supplement their domestic news coverage with a reliance on regional media services, especially in Jordan and Israel.

Additionally, the media could enhance its role by being more active in the electoral process than they were during the recent Council elections. Article 57 of the election law calls for the National Election Office and the official Palestinian information media to agree on a special program to allow candidates and partisan entities access to the media free of charge. The draft agreement between the CEC and the Palestinian Broadcasting Corporation (PBC) reserved time for candidate spots on the radio and called for balanced coverage in the news, although it was

widely reported that this balance was not achieved. The role played by the media in the upcoming municipal elections will warrant some scrutiny, since opposition parties that boycotted the Council elections plan to participate. In addition it will be revealing to monitor the level of censorship imposed by the PA on the media as controversies arise over the final status talks with Israel and other difficult topics.

C. Conclusion

It would be a significant setback if government institutions were to displace civil society organizations rather than work with them. NGOs can help emerging government institutions become effective and democratic by serving as a two-way channel of communication between government and individuals and by continuing to provide services while also engaging in public-policy advocacy. Harnessing and maintaining the strength of civil society organizations will provide dynamism and a large base of public participation to the new entity.

The strong Palestinian practice of association at the local level is also a resource that can be tapped to ensure the legitimacy and effectiveness of the authorities. In particular, it has considerable potential to strengthen municipalities and other local government units. NGOs can work effectively with municipalities and other lower-order government entities on local development projects, thereby helping to revive the strong Palestinian tradition of local government that atrophied during the Israeli occupation. Such functional relationships will strengthen both civil society and local government and help prevent the concentration of excessive power at the national level.

To the degree that national government institutions can develop effective linkages with civil society organizations and local government, they can benefit from the legitimacy and public support of these more grassroots units. As previously noted, donor funding in the DG sector is currently concentrated at the national level, primarily on establishing the executive and legislative branches of government. This creates the danger that resources will be concentrated at the top and disconnected from civil society and local government, thereby reducing the responsiveness of government agencies while stunting the growth of the most viable channels for grassroots participation. Maintaining the active involvement of civil society and local government is essential for democratization. The municipal elections that are to take place later this year have considerable potential to help anchor local governments more meaningfully in the communities they serve. The judicial branch also needs to be strengthened to help ensure the timely, efficient, and fair administration of justice within the context of the rule of law. In short, it is essential that donors work to develop the capacities of each DG component and, where possible, encourage cooperative linkages between them to leverage their respective strengths. The following section provides a conceptual framework for such a balanced assistance strategy.

SECTION III FRAMEWORK FOR A DG STRATEGY

A. Introduction

The Palestinian political system is in full gestation. The Oslo accords, which led to the establishment of the Palestinian Authority in the West Bank and Gaza, have ushered in a period of state building that is taking place in tandem with final status negotiations with Israel. The success of these state-building efforts will be crucial to the future viability of Palestinian self-governance and to the restoration of political stability in this volatile part of the Middle East.

The magnitude of the task ahead is enormous. Now that elections for the Palestinian Council have been held, a basic law or an interim constitutional framework will need to be finalized and approved; an interim government formed; systems for managing economic and fiscal affairs put in place; executive institutions established at the national and local levels; a comprehensive, unified justice system created; the Council's operational procedures and authority clarified; mechanisms for civil society participation worked out; and municipal councils elected. To be congruent with the imperatives of sustainable development, self-rule institutions must become responsive to the needs of citizens and institute practices of accountability and transparency. The challenge ahead is particularly critical because of its significance to the broader peace process.

Donors have a key role to play in fostering democratic self-government in the West Bank and Gaza. Palestinian authorities need substantial donor assistance to help them overcome the multi-sectoral development challenges they face. However, the window of opportunity for effective intervention in the democracy and governance domain is limited due to the rapid pace of change in that sector. Until a final settlement is reached between Israel and the Palestinians, emerging government institutions and practices in the West Bank and Gaza will largely reflect an evolving series of compromises and will be likely to change significantly during the next few years. On the other hand, future government institutions and practices will be significantly shaped during this formative interim period, presenting a challenge in the provision of DG assistance. During the current, highly fluid transition period, it would be premature to implement a comprehensive DG strategy. However, immediate targeted support is needed to help shape emerging government institutions and practices in the West Bank and Gaza.

USAID democracy and governance assistance should be immediately expanded with discrete activities linked through a phased DG strategy. The first phase of the strategy proposes interim activities designed to assist targeted institutions and lay the foundations for the second phase, which consists of a more comprehensive DG assistance program. The second phase would take effect gradually as sufficient tangible progress is made to allow for interventions designed to develop durable institutions. This progress may be monitored and assessed along three dimensions. First, the promulgation and implementation of a basic law that provides a framework

for the interim government must have succeeded in at least outlining roles and lines of authority within and between government institutions so they be put on a functional footing. Second, the state of institutional development achieved by targeted units of the self-rule government during the interim period must be sufficiently advanced to be able to put in place transparent and routinized procedures for making and implementing policy. Third, significant progress must be made in resolving the major and contentious issues under negotiation before the Palestinian leadership will be able to give priority to state-building activities, such as the delineation of durable relations of authority that are to prevail in the post-negotiation era.

The interim phase of the strategy will significantly enhance the prospects of the second phase activities having a cost effective and sustainable impact. Through these interim activities, the mission will be able to establish ongoing working relationships with key actors in each of the components of the DG sector and will gain a pragmatic familiarity with the obstacles and constraints that the strategy is designed to help the Palestinians overcome. The longer term phase of the strategy is flexible enough to incorporate lessons learned during the interim phase and will provide for adaptation as the transition towards self-rule unfolds. The mission will thus gain from the interim activities a presence in the multifaceted DG sector that will allow it to better determine the precise nature and feasibility of Phase II activities. The interim activities will be self-contained so that resources will not be wasted should the mission determine that the subsequent longer term activities be concentrated elsewhere in the DG sector.

This section first discusses the overall objective and rationale of the proposed DG strategy framework and offers guidelines for the design of activities. Phase I of the strategy consists of interim interventions capable of being implemented in the short term, and with a high probability of success. These activities take into consideration the rapidly evolving nature of the Palestinian political system and will help lay a foundation for the more permanent and sustainable state-building activities that comprise Phase II of the strategy. Due to the transitional state of affairs that will continue to prevail during the interim period, it is expected that some adaptation of the recommended activities will result from in-country observation and monitoring.

B. Objective and Rationale of the DG Strategy Framework

This proposed DG strategy employs a two pronged approach that is guided by three underlying principles: (1) harnessing the energy of civil society to emerging government institutions; (2) promoting linkages between the major DG components in the new political entity; and (3) balancing assistance to these components. Its overall objective is to help with the building of *accountable institutions of self-government that provide transparent governance within a participatory, democratic political system*. The rationale for this objective is based on the need to balance effective governance with democratic practices. This need is especially striking in the West Bank and Gaza. Palestinian authorities are engaged not only in state building, but in addressing critical needs such as establishing adequate infrastructure, providing basic public services such as education and health, creating housing and jobs, and developing a viable economy. However, the imperatives of accelerated development are likely to contribute to a tendency to centralize power in the executive branch. If this tendency is not tempered, there is a

strong risk that such centralization will undermine even well-intentioned democratic initiatives. The region is rife with examples of how the centralization of political power helped accelerate short-term economic growth, but eventually proved inimical to sustainable development.

Finding the proper balance between concentrated and dispersed power will be a major challenge for the Palestinians. Indeed, the potential exists for imbalance in either direction. As the PA assumes control over more territory and governmental functions and grows in organizational complexity, an authoritarian, unaccountable, executive-centered government could emerge, rather than a participatory democracy with multiple political actors providing complementary strengths and contributions. Alternatively, overzealous efforts to decentralize could result in an excessively fragmented and largely immobilized system of self-governance.

Donor funding in the DG sector is currently being concentrated at the national level, primarily on the establishment of the executive and legislative branches, which obviously are essential components of any democratic system of government. This increases the risk that authority will become concentrated at the top—away from civil society and local government. In order to prevent that, assistance needs to be provided to civil society, local government, and to the judicial system, as well as to those processes, such as elections and information dissemination, that mediate relations between and within government and civil society.

Thus Palestinian authorities are faced with a dilemma in structuring relationships of authority and institutionalizing accountability. On the one hand, the executive branch must be given sufficient power to govern effectively. On the other hand, the concentration of power must not undermine the legitimacy of the state by reducing government responsiveness to popular needs and demands. To retain its legitimacy, the nascent government must be accountable and transparent while providing for channels of political participation.

In order to increase the effectiveness and responsiveness of government at all levels, it is essential to establish effective linkages between national and local government, and between government and civil society. Although logic suggests that both civil society and emerging self-government institutions will benefit from cooperation, short-term political interests of various actors may inhibit such cooperation. Furthermore, while Palestinians naturally aspire to create "national" institutions as a manifestation of their new self-government status, they also seek to retain local autonomy. Therefore, assistance should be delivered in a balanced manner that will facilitate the development of relationships between all levels of government and civil society.

The vast donor resources likely to flow through institutions at the national level into the West Bank and Gaza have the potential to skew the evolution of political power away from civil society and other branches of governments. Donor coordination could be key to ensuring the adoption of transparent and participatory practices by the young Palestinian institutions. Donors must take stock of the specific needs and capacities of the various DG components and coordinate their assistance programs accordingly. The proposed DG strategy seeks to facilitate this process by developing the capacities of each DG component and fostering cooperative linkages between them to leverage their respective strengths. The DG strategy thus attempts to complement the

broader mission strategy both by strengthening the targeted institutions through which aid to other sectors will be principally channeled, and by balancing this executive strengthening with assistance to other components of the DG sector.

C. The DG Strategy

The DG strategy employs a phased, two-pronged approach. One element focuses on the individual components of the political system while the other focuses on relationships between those components and the broader political environment. If Palestinian self-government is to be consistent with the requisites of sustainable development, each DG component must develop a greater capacity to provide effective and accountable democratic governance. The establishment of synergistic relationships among the components will both enhance governance and promote sustainable development. The strategy thus aims to build on these synergies. Effective institution building requires attention to both internal capacities and external linkages, i.e., to both the "supply" and "demand" sides.

C1. Tactics

To effectively respond to the challenges of the evolving enabling environment, implementation is being proposed to take place in a phased fashion consisting of short term, self-contained interventions, followed by carefully crafted longer term activities. This approach is guided by three underlying principles: (1) to afford quick adaptation to the changing enabling environment; (2) to provide the mission with quick response, self-contained interventions; and (3) to provide flexibility for longer term programming tailored to the mission's goals and objectives.

While Palestinians over time will develop their own mix of relationships between the key DG components, they can build on the generic strengths of each in the interim period during which the final status negotiations are being carried out. For example, NGOs offer ready-made vehicles for channeling popular participation in the political process at the community level. Local government, while in need of reinvigoration, offers an ideal means to improve the responsiveness of the state by decentralizing executive functions and allowing the building of immediate linkages between citizens and their government. Executive branch institutions need to develop and build their efficiency, financial management techniques, and responsiveness to be more effective at both local and national levels, and to incorporate a certain degree of decentralization. The legislature needs to develop representative mechanisms and institutional strengths to ensure accountability in the executive and to provide a forum for a dialogue on national policies. And the judiciary needs to develop an autonomy and professionalism that will enable appropriate organizations and citizens acting through the courts to prevent illegal abuses of power, as well as to facilitate the resolution of disputes. Elections and other political processes, such as dissemination of information, provide the ways and means for citizen participation, as well as mechanisms for maintaining relationships among components of the political system.

In the Palestinian case, the division of authority and power between national and local government institutions is of special significance because of the established strength of localism

and the evolving nature of the national authorities. The distinction between local and national government risks being accentuated by the "insider-outsider" division of the body politic. If authority becomes concentrated at a given level, it is likely to correspondingly favor insiders or outsiders, thereby inhibiting the rapid and beneficial merger of the two groups, a precondition for effective, democratic self-governance in the West Bank and Gaza. The mix should be more like a marble cake than a layer cake, with a complex pattern of concentrations of authority.

Ensuring executive accountability is particularly important. Palestinian self-governing institutions, especially the legislative and judicial branches, are in their infancy. Developing the oversight capacities of those institutions will be a protracted process, as will the process of developing appropriate relations between them and the executive branch. In the meantime, a considerable burden for oversight and accountability will fall directly on civil society. Palestinian civil society, including NGOs and the media, is comparatively well developed, although its capacities to oversee the executive branch need to be strengthened. However, it has not performed extensive monitoring or oversight functions in the past, and recent incidents demonstrate a reluctance on the part of the emerging authorities to submit to such oversight.

In sum, the DG strategy is predicated on an integrated package of activities directed toward national and local institutions as well as civil society. Executive branch capacities need to be strengthened in tandem with efforts to enhance the operational and oversight capacities of the legislative and judicial branches. Similarly, a nuanced approach to decentralization will allow national and local government institutions to develop the capacity to interact effectively, with participation and oversight by civil society. Finally, NGOs, the media, and political parties all need to be supported to enhance their role in the evolving democracy.

D. Implementation

The first phase of the strategy proposes an Interim Action Plan designed to address the window of opportunity that exists during the transition period. While effectively assisting the PA with its start-up activities, the interim activities provide flexibility for mid-course adjustments to respond quickly to evolving opportunities for longer-term interventions.

The objective of the first phase of activities is to engage the DG components in a series of self-contained, short-term activities that have a high immediate impact, establish patterns of cooperation between the components, and build confidence in their interactions. Phase I activities are designed to assist the PA in improving its ability to incorporate popular initiatives in public policy and to establish the foundations and basic structures of the emerging institutions with emphasis on developing internal capacities and external linkages. The interim activities are designed to enhance the mission's quick response capabilities during the start-up phase of the self-rule institutions and to allow the flexibility needed to craft longer term interventions that are consistent with the mission's objectives.

Phase I activities are distinguished by the following features:

- **They are noncontroversial.** The activities are designed to be noncontroversial and clearly feasible to establish a conducive environment for cooperation among the various components in the West Bank and Gaza. Until relationships of authority are clearly and constitutionally established, key decision makers will not be in a position to absorb or grapple with the more fundamental elements of a DG strategy. In the judicial sector, for example, there is little point in embarking on an ambitious reform program until the Palestinians themselves are in a position to decide how to unify their legal codes and court administration procedures.
- **They can be implemented in the short term.** The activities of the interim action plan are designed to be implemented in the short term to take advantage of the specific windows of opportunity that exist during the transition period and to help establish a pattern of cooperation between the key political components and to demonstrate in an immediate and practical manner the benefits of democratic governance for development.
- **They have a high probability of success.** Interim activities are designed to have a high probability of success to build the confidence of the Palestinians in achieving concrete results in the political domain, to clearly demonstrate the ability of democratic governance to improve the conditions of daily life, and to enhance relationships between citizens and their government.
- **They provide a basis for sustainable development.** Interim activities are designed to facilitate and lay the foundations for the longer-term assistance that is necessary for sustainability. For example, a certain degree of progress must be made in institutional development to enable self-rule structures to move beyond the interim phase.

In addition to providing immediate and effective assistance to the emerging Palestinian institutions, the experience of implementing the interim activities would also provide an in-depth understanding of the constraints and opportunities to be considered in developing a "blueprint" of a phased longer-term DG assistance program.

E. Activities

The greatest potential for impact lies in helping develop institutional capacity and in facilitating partnerships with the executive branch, local government, and NGOs that tackle immediate development problems. These partnerships should be built around the mission's broader portfolio, with the targeted activities increasing the capacities of each partner and enhancing their linkages as well as demonstrating the mutual benefits of cooperation. Activities recommended for the legislature and the judiciary take into consideration the fledgling and rapidly evolving nature of these branches of government. Support for elections and political processes are designed to enhance accountability, transparency, and participation.

E1. Institutional Development Support

One of the most critical tasks facing the newly elected government in establishing political legitimacy will be to build the ability to respond to the formidable development needs of the Palestinian people. Ongoing negotiations with Israel must be complemented by significant and visible improvement in the material conditions of daily life. Substantial donor assistance is currently being provided toward this end. However, the professional capacities of both national and local government need to be strengthened to effectively deliver public goods and services. In addition, mechanisms of participation in the formulation of public policy addressing community issues must be further developed.

The **executive branch**, currently dominated by the Fatah faction of the PLO, needs to develop constructive working relations with the local communities that sustained the intifada. National institutions will play the lead role in channeling substantial donor assistance to the local level. However, these institutions must improve their efficiency and develop better techniques of financial management. The future legitimacy of the PA will in large part depend on its ability to deliver public goods and services in a democratic and accountable fashion.

Immediate support would be in the form of technical assistance, training, and limited commodity assistance to targeted national institutions to help develop the efficiency, financial management techniques, and responsiveness of these executive institutions. Decentralization initiatives should also be supported. Emphasis should be placed on supporting institutions that are involved in implementing the mission's broader portfolio.

Local government needs to be reinvigorated after its decline during the Israeli occupation. Prior to this decline, the various occupying powers tended to encourage active local governments as a means to deliver basic services. A tradition of localism developed whereby municipalities became the locus of political life, with municipal elections often seen as a barometer of Palestinian politics. The DG strategy builds on this strong tradition of localism both by supporting the municipal elections scheduled for later this year and by developing the institutional capacities of local government institutions and their linkages with civil society.

Support to local government can be in the form of basic training and technical assistance to improve the ability of local government to respond to community needs and to interact with NGOs and grassroots groups. Assistance should also be provided to existing entities in financial management systems and in project development, with support expanded to other local governments after the elections.

NGOs provide another target for institutional support. During the period of Israeli occupation, communities were obliged to rely on themselves and not on the state for basic needs. A vibrant NGO sector developed in which various political factions vied for the allegiance of local populations by demonstrating their ability to provide tangible benefits. This role will change

under self-government; NGOs need to develop a new set of skills and capacities, the most important of which will be the ability to serve in an intermediary role between state and society.

Support to NGOs would consist of technical assistance and training to help them develop their capacity to design and implement projects. Fund raising and administrative capacities should also be strengthened to ensure sustainability. In addition, strengthening advocacy NGOs offers a way to build on the existing strengths of civil society to encourage the institutionalization of more democratic and transparent political processes. The enactment of a workable legal framework regulating NGOs should be high on the mission's policy dialogue agenda.

E2. Strengthening linkages

Assistance to the executive branch, local government, and NGOs would benefit from linkages and synergies in the interactions between these components of the DG sector. Synergies could also be maximized by focusing such linkages and interactions on other aspects of the mission's broader portfolio. A close review of the mission's portfolio should be undertaken to establish the most promising areas for these linkages.

Support for **development partnerships** provides USAID with an ideal approach for simultaneously undertaking both demand and supply side activities. By building on the inherent strengths of NGOs, local government, and national institutions, USAID could serve as a catalyst in facilitating constructive interactions among the three actors in the formulation of public policy. These interactive partnerships would draw on synergies among the three DG components in identifying and resolving pressing community needs. By structuring assistance through specific interventions that tie into the broader mission portfolio, USAID would be demonstrating in a concrete fashion how participation and decentralization can improve the responsiveness of government.

The development partnership activities should: (1) Focus on specific development challenges, such as health, education, or housing; (2) Develop the respective capacities of the national institutions, local government, and NGOs; and (3) Foster productive interactions among these different components through their cooperative resolution of development challenges. Meeting daily development needs in the West Bank and Gaza in an efficient, accountable fashion and within a democratic and participatory context would develop the confidence of each of these partners in the benefits and potential of working together.

E3. Legislative Support

The vote of 20 January 1996 led to the election of the first Palestinian Council. This institution will be undergoing substantial change in the near future and should therefore be regarded as a transitional institution, with its eventual role and character yet to be determined. Even the procedures for the internal functioning of the Council have yet to be finalized. Ideally, it will evolve as a means for popular representation with the autonomy and power to exert

effective oversight over the executive. For the moment, however, its greatest potential is to become an arena for dialogue among the multiple factions of the Palestinian polity.

Given the transitional nature of the Council, USAID should adopt an incremental approach that expands as the structure and role of the Council becomes clarified and codified. Yet despite this imminent change, many procedures that are established during the interim period can be retained that favor the development of mechanisms of accountability. Technical assistance should be provided to help the Council establish a workable institutional framework. A first step in this direction would be to sponsor a retreat for the newly elected members. The retreat would seek to enhance their corporate identity and professionalism by exposing them to alternative norms and procedures of parliamentary politics. This can be supplemented by technical assistance in establishing basic parliamentary and administrative procedures and by providing incremental support to the committee systems.

E4. The Judiciary

Palestinians must first make substantial progress in reforming and unifying their judicial system before significant amounts of assistance can be effectively absorbed. Extensive consultations will need to take place and a national consensus established before more permanent institution building can be realistically undertaken. The current system will continue to operate in the meantime. However, until agreement on reform is reached, technical assistance can be absorbed in basic administrative areas, especially the standardization of procedures. A targeted program of technical assistance and training with modest commodity support will help foster linkages between the various elements of the judicial sector and lay out the foundations for eventual merger of the legal systems.

This could be accomplished through sponsoring demonstration projects in specific courts. One activity would be to introduce standardized forms in specific district courts to eliminate time-consuming, error-prone, hand-reporting and recording. Another activity would be to provide a professional archivist to work on systems of information retrieval with the objective of preparing a procedural manual for clerical operations. If the Palestinians are willing to endorse these efforts by transferring new techniques of court administration to other jurisdictions, the Supreme Court could be provided with assistance in inventorying and evaluating existing judicial records. Special care needs to be taken to avoid inadvertently accentuating the existing divisions that hold this DG component back from more rapid development. More ambitious activities should await the realization of greater signs of consensus and political will, as exhibited through the establishment of a judicial reform commission by the Palestinians, or the adoption of an integrated procedural framework.

E5. Political Processes

- **Electoral support.** To maintain the momentum generated by the general elections, support should be provided to developing the capacities of the election commission in preparation for the forthcoming municipal elections. Assistance should build on EU

electoral support. Assistance should involve voter education, candidate training, and political party development in regards to electoral campaigning.

- **Support for an independent media.** The media's ability to monitor government decisions and actions should be enhanced to facilitate the free flow of information and the exercise of accountability. The various organs of the media have not yet achieved the levels of professionalism in news reporting, analysis, or investigative reporting that are necessary to disseminate information and opinion on a large scale. Improving the quality and capacity of the media will not only nourish public knowledge, but will spur greater demand for reform and accountability. During the initial stages of the DG strategy, this contribution is best carried out by USIA.

F. Conclusion

The proposed phased DG strategy is predicated on the present window of opportunity that would allow USAID to help shape viable democratic institutions in the West Bank and Gaza during the present crucial transition period. In addition to institution strengthening, emphasis would be on using current levels of assistance to foster partnerships among national institutions, local government units, and NGOs in addressing development needs at the community level and in developing mechanisms of accountability in a participatory fashion. Phase I activities consist of a series of self-contained, short-term interventions with a high probability of success. In addition to enhancing the mission's quick response capabilities, they are designed to increase the capacities of both civil society and government institutions and to demonstrate the mutual benefits of cooperative ventures that combine and leverage their respective strengths. Experience gained from implementing the interim activities would facilitate the design of more comprehensive DG interventions tailored to meet the mission's long term goals and objectives.

ANNEX

A. Donors

The Palestinian Economic Council for Development and Reconstruction (PECDAR) was created in 1993 to coordinate aid and manage development activities in the West Bank and Gaza. Thus far, PECDAR has not entirely fulfilled the role envisioned for it, so donor activities in the West Bank and Gaza have been disparate and concentrated mainly in the public sector. In 1994, \$250-\$275 million was donated to the Palestinians out of pledges totaling \$670 million. Below is a chart summarizing current democracy and governance donor activity in the West Bank and Gaza.

From this table it is clear that bilateral donors and international agencies have concentrated their support for democracy and governance in the areas of support for elections, rule of law (particularly the administration of justice), and governance (largely in the form of assistance to the civil service). Some of the election support has gone to organizations of civil society, but the bulk of funds have been used in support of the emergence of Palestinian self-government institutions at the national level.

The information contained in this chart is drawn from World Bank and PECDAR sources. It is not intended to be fully comprehensive or entirely up to date. Rather, the chart is provided for illustrative purposes to demonstrate the context of foreign assistance to the DG sector within which the strategy is situated.

Democracy and Governance Donor Activity in the West Bank and Gaza			
Donor/Agency	Dates	Amount	Summary of Program
Elections Assistance			
USAID	9/94-3/96	\$1,900,000	Civic education programs and support for international and domestic elections monitoring, through National Democratic Institute (NDI)
USAID	9/94-3/96	\$1,300,000	Technical assistance to elections commission and civic education programs for women, youth, and political prisoners through International Foundation for Electoral Support (IFES)
USAID	9/94-6/96	\$300,000	Support for public opinion polls by Center for Palestine Research and Studies through the International Republican Institute (IRI)
USIA/USAID	12/94-12/96	\$219,215	Technical assistance to television, radio, and print media in the development of a voter registration campaign
US/NED		\$56,700	Assistance to Jerusalem Film Institute to support an elections coverage training program for television journalists
US/NED		\$199,990	Funding to NDI for civic education programs and the development of election modalities
US/NED		\$77,700	Funding to Nonviolence International to reorganize and restructure Palestinian political movements along democratic lines
US/NED		\$49,097	Funding to Center for Palestine Research and Studies to conduct series of public opinion polls
EU	?-4/96	\$5,000,000	Technical assistance in preparation for Palestinian Council elections; support for 300 international observers
EU/Japan	4/96-4/97	\$3,500,000	Operational support for first year of permanent elections commission
Rule of Law			
USAID	9/94-10/95	\$167,000	Judicial sector analysis and training needs assessment of bar association by AMIDEAST
USAID	9/94-10/95	\$300,000	Commercial law analysis and workshops on doing business in West Bank/Gaza by IRIS/University of Maryland

Democracy and Governance Donor Activity in the West Bank and Gaza			
USAID	9/95-1/96	\$230,000	Short-term judicial training in court administration and analysis of feasibility of establishing a judicial training institute
USIA	9/94-1/96	\$457,856	Legal system and judicial process reform assessment done by Mayo group
USIA	7/94-5/96	\$155,242	Alternative dispute resolution for commercial disputes with Search for Common Ground
USIA	9/95-7/96	\$140,000	Professional standard development for the bar association with AMIDEAST; to begin in 11/95
USIA	9/95-5/96	\$102,968	Criminal justice process assistance through the Mayo group; to begin in 1/96
US/NED		\$183,375	Assistance to Israel/Palestine Center for Research and Information to produce and disseminate three commercial law reports
UN/NED		\$45,000	Assistance to Israel/Palestine Center for Research and Information to provide legal assistance
World Bank	1/95-7/96	\$250,000	Compilation of existing laws in the West Bank and Gaza through Bir Zeit University/PECDAR, with priority on commercial and financial laws
Australia/UNRWA	1/96-1/98	\$750,000	Drafting new legislation/constitution; improving court structure and administration, judicial, legal and police training; development of prosecution procedures; creation of forensic laboratory; establishment of permanent elections commission; establishment of human rights commission; feasibility study to begin within first half of FY 1996; seeking other donor support for infrastructure projects
United Kingdom	1/96-1/98	\$400,000	Provision of two-year training advisor to develop judicial training program, pending funding approval by ODA
France			Technical assistance to Legal Center at BirZeit University
Public Administration/Governance			
USAID	9/94-9/97	\$5,900,000	Technical assistance/training through AMIDEAST to strengthen the Palestinian Authority
United Kingdom	1/96-?	\$1,500,000	Establishment of civil service training secretariat in the Ministry of Planning; to be started within the next three months; has been coordinated with AMIDEAST

Democracy and Governance Donor Activity in the West Bank and Gaza			
UNDP/PECDAR*	5/94-7/94	\$190,000	Aid management information system
PECDAR/Various Donors	1/94-5/94	\$50,000	Establishment of PECDAR accounting system and disbursement procedures
PECDAR/IMF	7/94-6/96	\$2,400,000	Budget, tax, treasury, public investment, and aid coordination advisors
PECDAR/IMF	1994	\$180,000	Training in budget, tax, treasury
PBS**	1994	\$400,000	National Income Accounts
IBRD/ILO	1/94-5/94	\$80,000	Training in international procurement
PBS/UNDP	1994	\$250,000	Organizational Support
PECDAR/Various Donors	1995-1996	\$1,500,000	Training for Palestinian managers in civil administration
EDI/PECDAR	6/94-12/94	\$200,000	Training in project analysis and project management
PDI***	1994	\$200,000	Organizational Support
PECDAR/Various Donors	1994	\$3,000,000	First year organizational support
PECDAR/Various Donors	1/95-12/96	\$880,000	Training of public sector in financial management
PECDAR/Various Donors	7/94-12/94	\$500,000	Training government auditors
PECDAR/Various Donors	9/94-12/94	\$130,000	Upgrading of private sector auditing and accounting profession
PECDAR/Various Donors	1995	\$250,000	Public information strategy
PBS	1995-1996	\$4,700,000	Census implementation
PECDAR/Various Donors	1994	\$400,000	Public administration task force
PECDAR/Various Donors	1994	\$200,000	Civil service task force
PDI	1994-1996	\$600,000	Macroeconomic studies

Democracy and Governance Donor Activity in the West Bank and Gaza			
PBS	1995-1996	\$700,000	Socioeconomic survey: living standards measurement survey
PECDAR/Various Donors	7/94-12/94	\$400,000	Design model structure of central accounting, controls, and standards
PBS	1994	\$300,000	Census preparation
Local Government			
UNDP	7/94-10/94	\$250,000	Uniform accounting system for municipalities and financial situation at 12/93
UNDP	?-6/97		Designed to promote local government self-determination in planning and development and linked to a pilot financing facility for local government capital investments known as the Local Rural Development Fund.
* Palestinian Economic Council for Development and Reconstruction ** Palestinian Bureau of Statistics *** Palestine Development Institute			