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Executive Summary

The eruption of the first Palestinian *Intifada* in 1987 marked a turning point in the evolution of Palestinian civil society. Civil society organisations (CSOs) emerged as an instrument for political mobilisation as well as necessary institutions for providing much needed services for the population. The CSO that emerged during the first *Intifada* were mostly a product of existing political parties and closely associated with them. Accordingly, the elite of these organisations were political activists who were assigned by their political parties to take leading roles within the new institutional infrastructure. With the signing of the Oslo accords and the establishment of the Palestinian Authority, CSOs and their elites started to distance themselves from their political bases and become independent entities. The new era was characterized by a deep crisis of the secular political parties, social polarisation and heavy involvement of donor countries and international organisations. The focus of CSOs shifted from politics to service delivery. A process of CSOs and CSO elite "de-politicisation" took place. Despite this process, the Palestinian National Authority (PNA) saw in civil society a threat to its policy of centralizing power and controlling all aspects of public life. The influx of funds for Non-governmental organisations (NGOs) from donor countries that started during the first *Intifada* and intensified after the establishment of the PNA accelerated the de-politicisation process. The new elite realized that its power derived from its newly gained access to the international arena and the new sources of funding and not from its affiliation with political parties. CSOs not only provided an independent platform for the political elite, they also created new constituencies around them and provided them with access to the international community, the media and to political decision-makers within the PNA. Islamic CSOs were established in the mid-seventies. Their main focus was welfare and providing services to the poor and marginalized in the society. When Hamas was created during the first *Intifada*, it relied on an extensive network of CSOs involved in social services. Islamic civil society elite emerged as a political elite associated with Hamas while the political elite of the national secular factions emerged as civil society elite that gradually disengaged from their political affiliation.

Democracy remains one of the most crucial issues when it comes to discussing the role of civil society. The existence of an active and independent civil society is an important element of any democratic system. CSOs provide a necessary instrument to ensure the participation of people, widening their choices and thus empowering them. Civil society elites have been active in articulating principles of democracy, participation, empowerment, transparency, accountability and gender. They have also been very critical of the performance of the PNA and its inability to provide a model of good governance. This critique is legitimate given the negative record of the PNA in the areas of transparency, accountability and combating corruption. But the question remains regarding the extent to which CSOs provide a better model of governance: Do the structures of these organisations allow for real participation of their constituencies and how accountable are they to their constituencies? And what about internal governance, i.e., the role of the board of directors as opposed to the role of the executive branch, membership basis, internal procedures, and financial accountability? These are questions that need to be addressed by elites, donors and the community at large.

Very little attention has been paid to these issues over the last decade. Donors have been primarily concentrating on the financial accountability and ensuring that the organisations have been able to meet their contractual obligations. Issues of governance have been largely ignored or dealt with in a haphazard way. The lack of good governance within CSOs has allowed a patriarchal trend to evolve. With the absence of internal control mechanisms, leaders, managers and directors have behaved like heads of tribes with almost unlimited powers. However, to be effective and credible in their call for democracy within Palestinian society civil society elites have to abide by democratic principles within their own organisations.

Introduction

CSOs have been major actors in the socio-economic and political development of the Palestinian society. Through their ability to reach out and provide needed services to the population, CSOs managed to attract the attention of the donors' community in the early stages of the first *Intifada*. Since then, Europe has invested many resources in supporting Palestinian civil society. This support took many forms: funding for service

delivery, capacity building programmes and democracy promotion programmes. While the pre-Oslo support was motivated by humanitarian considerations, the post-Oslo support in addition aimed at developing civil society as a necessary component of a democratic society. Within this context, European support for Palestinian CSOs has always been and continues to be essential for their functioning and financial survival. However, for this support to be more efficient, a better understanding of the dynamics of the Palestinian civil society within the wider political and developmental context is necessary.

The establishment of the Palestinian National Authority in 1994 marked the start of a new era in the Palestinian history. For the first time, the Palestinian people established their own authority on parts of their homeland. This led to a process of political and socio-economic transformation that penetrated all aspects of life. New political, social and economic structures emerged. These structures either replaced the old ones or began to exist alongside them in a system of "cohabitation". A by-product of these new structures was the emergence of a new political elite that has struggled since then to define its role and to establish its basis of power.

This paper examines the role of civil society – as part of the existing institutional set up – in the emergence of a new political elite in Palestine. Civil society is defined here in narrow institutional terms, namely as a set of formal institutions, grassroots organisations and political parties that function and operate outside the boundaries of the government. This includes mainly, but not only, all formal NGOs, grassroots organisations, trade unions and professional organisations[1]. The paper focuses on the dynamics of the relationship between civil society and elites: does civil society produce political elites, or do already established elites use or utilize CSOs to establish a power base and gain sustainable influence over the political scene? To what extent can the civil society elite influence political discourse in Palestine?

With regards to civil society, this paper does not engage in a debate about elite theory or the definition of elite. Elite is defined as individuals or groups of individuals who have control over (or access to) material, human or institutional resources which enable them to influence, change or maintain the interests of individuals, social, religious or ethnic groups. These resources are not available to average citizens[2]. As far as the *political* elite is concerned, the concept used here is of a "politically relevant elite" which "comprises those people in a given country who wield political influence and power in that they take strategic decisions or participate in decision-making on a national level, contribute to defining political norms and values (including the definition of "national interests"), and directly influence political discourse on strategic issues"[3].

This paper will focus on the political elite that is institutionally connected to CSOs and has influence on the Palestinian political discourse. It particularly screens elites who may use CSOs for the purpose of establishing a power base and gaining sustained influence on the political scene. In sum, this paper provides an analytical framework to examine the emergence of a "new civil society political elite", and offers policy recommendations for civil society and other players such as the EU and its member states.

Background: From Political Activists to Professionals

The way that civil society emerged in Palestine is unique[4]. Not only did it emerge in the absence of a national state but it also did so in the presence of foreign powers (British, Egyptian, Jordanian and Israeli). Civil society in Palestine was and therefore is still burdened with the dual responsibility of being part of the national struggle for liberation and whilst struggling to position itself in the state building process. For this reason there has always been role confusion within CSOs. This confusion has been reflected in heated debates and discussions at every political juncture[5]. A historical review of the emergence of CSOs in Palestine exceeds the limits of this paper[6], so the analysis focuses on the period from the first *Intifada* to the present.

The beginning of the first *Intifada* marked a turning point for CSOs. For the first time since the occupation of the West Bank, Gaza Strip and East Jerusalem in 1967, the Palestinian occupied territories became the main field of struggle against occupation.

The *Intifada* as a popular resistance movement required different, creative methods. Very soon after it erupted, political parties and organisations realized that traditional resistance (military attacks, violent demonstrations and strikes) was limited in the potential to mobilize large numbers of people so that they would rise up and put an end to colonial occupation. The *Intifada* rapidly developed into a movement of civil disobedience. The response of the Israeli occupation forces was swift and brutal at all levels. Besides employing strong military power against "stone throwers" and political activists, Israel waged war against the civilian population. Schools and universities were shut down for long periods, prolonged curfews were imposed and movement of individuals and goods was restricted.

Political parties reacted by establishing local "popular committees" for the provision of basic services to the population. These committees "mushroomed" in every locality and covered almost every aspect of daily life. They covered education (both school and universities), medical relief, agricultural relief, women's activities, food distribution and even security through committees that were acting as an informal police force. The "popular committees" became the main vehicle for mass mobilisation and service provision and formed the nucleus of an institutional infrastructure that aimed to disengage from the occupation by replacing the institutions of the occupying force (the so called "Israeli civil administration"), which were in charge of providing services in the areas of health, education and economy in the occupied territories. These structures were grassroots oriented, voluntary and non-partisan[7] and were set up in 1989 at a relatively early stage of the *Intifada*. In terms of their organisational structures, these committees were loose, flexible and semi-clandestine. What distinguished the experience of popular committees from the previous experiences of other social movements in the occupied territories were the degree of participation of people from different social *strata* and their strategic political orientation. Political parties considered the provision of services through the committees a means to mobilize the masses in the national liberation struggle. Thus, the committees were born out of pressing social need, but also served a strategic political objective. This experience was further characterized by a community-based approach: activities were designed based on interaction with the community and often implemented in unconventional ways[8]. Although some of the community based organisations were established before the beginning of the *Intifada*, their work was boosted by the urgent needs of the community for social services during the *Intifada*. The phase of grassroots activities of the "popular committees" as described above was followed by gradual institutionalisation. This process was characterized by the following factors:

1. The *Intifada* as a movement that aimed to end the occupation was viewed as a long-term process that required more stable and sustainable organisational structures. The creation of a nucleus of a future institutional social infrastructure required more formal structures capable of providing much needed services to a wide segment of the population in a professional manner. This objective could not be served by the loosely knit popular committees;

2. The decision by the Israeli authorities to outlaw the popular committees led to the establishment of formal and legally registered institutions[9], a protective measure in order to avoid harassment by the occupation authorities;

3. The availability of direct donor funding especially from the European countries and the EU. The second half of the eighties witnessed the beginning of an active financial involvement of the donors in the Palestinian occupied territories. One of the funding requirements was that institutions should be formally registered[10];

4. The attempts of the Palestinian Liberation Organisation (PLO) in Tunis to contain the structures that evolved at the outset of the *Intifada* led other political parties such as the Peoples' Party, the Popular Front and the Democratic Front to establish their own structures. These included service delivery institutions in the areas of health, education and job creation as well as "mass organisations" such as youth, women and students organisations. The latter were used as a tool for political mobilisation, while the first were used to influence different constituencies through service delivery.

1. Literature on the development, functioning and role of Palestinian civil society, see amongst others Ziad Abu Amr, *Civil Society and Democratic Change in Palestinian Society*, Ramallah 1995. Also see Musa Budeiri, Jamil Hilal, George Giacaman, Azmi Bishara, *A Critical Perspective on Palestinian Democracy*, Ramallah 1995.
2. See Jamil Hilal, *The Formation of the Palestinian Elite* (Arabic), Ramallah 2002, p. 69.
3. For more on the "Politically Relevant Elite" and its composition see Volker Perthes (ed.), *Elitenwandel in der Arabischen Welt und Iran* (German), Stiftung Wissenschaft und Politik, Berlin, 2002, pp. 7-18.
4. The role (and existence) of civil society in the Palestinian territories is a debated issue among academics. The debate concentrates on two main aspects: first, whether a civil society exists in Palestine, which Azmi Bishara, among others, questions, and second, what role civil society plays in the national struggle, democracy and sustainable development.
5. Such discussions and debates took place during the first *Intifada* and after the establishment of the PNA and also during the second *Intifada.*
6. For a historical review of CSOs see Rima Hammami, *Palestinian Civil Society Organisation in the West Bank and Gaza Strip: An Analytical Review*, January 1999.
7. Ibid, p. 14.
8. In the health sector, for example, there was an emphasis on prevention and primary health care as opposed to treatment and hospitalisation. In the economic area, home-based economies were promoted as a means towards self reliance and to encourage the boycotting of Israeli products.
9. Many organisations in the occupied territories, particularly in the Gaza Strip, were registered according to the British mandate companies' law of 1929 as non-profit private companies.
10. European funding was focused on service delivery projects during the years of the first *Intifada*. The main aim was to improve the living conditions of the population under occupation and to try to minimize the negative effects of Israeli measures.

The transition from "popular committees" to formal institutions was therefore dictated primarily by political considerations[11]. It constituted an attempt to institutionalise the resistance against occupation and hence make it more sustainable.

Another kind of organisation that emerged during that period was the so-called "developmental" organisation. These were established as professional organisations in different fields such as economics, education, human rights and research[12]. They were also not immune to the influence of political parties despite their efforts to maintain an independent and professional character. A third kind of organisation was the union: trade unions, students unions and other professional associations that existed before the *Intifada* especially in the West Bank. In the seventies the Palestinian Communist Party (PCP) mainly controlled them, as it was the only political power that was not part of the PLO structures in exile and thus focused all its activities in the occupied territories. This situation began to change at the end of the seventies and culminated in the beginning of the eighties after the expulsion of the PLO troops from Lebanon. Fatah, as the dominating power within the PLO, refocused its activities on the West Bank and Gaza realizing the importance of these organisations as an instrument for political mobilisation[13].

In general, CSOs – during the eighties and until the signing of the Oslo Accords – did not reflect the traditional role of acting as "a buffer between the state and the citizen, mediating societal and political cleavages and protecting the citizen from state control"[14]. They aimed to replace the institutional infrastructure of the occupation and adopt a 'state' role in the absence of a nation state. They were the negation of the "occupation state" and not the buffer between it and the citizen. The PLO in the Diaspora was viewed by the civil society as a quasi-government. Leaders of CSOs were mainly political activists who were assigned by their parties to assume management responsibilities in their respective organisations. These activists were highly motivated and strong believers in voluntary work.

The institutionalisation of the popular committees and the strengthening of CSOs in the course of the *Intifada* as well as their increasing influence over political discourse opened new avenues for their leaders. CSOs reached wide social segments, including poor and marginalized people in remote rural areas. This led to the formation of CSO constituencies. What is more, leaders/managers became counterparts for foreign diplomats and international agencies and were invited to participate in international conferences and media events. Gradually, they realized that their power base did not only stem from their political affiliation but also from their access to new resources and their ability to act independently. A new relationship between the political parties and their respective mass organisations was taking shape. As stated by one leader/manager: "we simply stopped taking orders and instructions from them, we wanted to become part of the decision-making process, we were the ones who were in direct contact with the people and not sitting in ivory towers"[15]. A transformation from "political activists" into "professional activists" was taking place. As political activists they were tied to the hierarchy of the political party they belonged to, which was usually highly centralized without internal democratic structures that allowed for participation in the decision-making process. In the new set-up the "professional activists" were establishing their own "fiefdoms". They became financially independent of their parties and had access to resources that were not available to their political patrons. An elite was born, which was characterized by its ambiguous dual role: was it mainly a political or a social-civil society elite? This confusion resulted from the fact that political leaders were gradually taking leading positions in CSOs and becoming identified in the community by their professional positions rather than by their political affiliation. The process of disengagement between CSOs and political parties intensified with the launching of the peace process in Madrid in 1991. Key figures of the new elite were integrated into the different structures of the negotiations with Israel. Many of them became professional experts in the different technical committees of the negotiating team. In many cases, they contradicted the political position of their parties on the peace process. Clearly this elite did not consist of political decision-makers but increasingly influenced the political decision-making process.

11. Examples of such organisations are the Union of Agricultural Relief Committees, Union of Medical Relief Committees (both affiliated with the Palestinian People's Party), Union of Agricultural Work Committees and Union of Health Work Committees (both affiliated with the Popular Front for the Liberation of Palestine - PFLP).

12. Examples are the Economic Development Group (EDG), The Technical Development Company (TDC) and the two human rights organisations Al-Haq and LAW.

13. See Muhammed Muslih, "Palestinian Civil Society", *Middle East Journal* 47 (Spring 1993) pp. 263-264. Backed with huge financial resources, Fatah managed to establish a strong hold within existing CSOs.

14. See Dina Craissati, "Social Movements and Democracy in Palestine: Politicisation of Society or Civilisation of Politics", *Orient, German Journal for Politics and Economics of the Middle East* 37 (March 1996) 1, p. 113.

15. Private communication, Gaza, 15 August 2003.

The Islamic Civil Society and Political Elite

The case of Islamic CSOs is different and deserves some elaboration. The birth of Hamas as a political movement at the outset of the first *Intifada* was preceded by the active involvement of Islamic activists in service delivery to the poor and marginalized in the occupied territories. From the 1970s the Israeli authorities embarked on a policy to create and encourage the emergence of a new alternative to the PLO Palestinian leadership. Islamic political figures who were *de facto* not part of the political scene after the 1967 occupation began to speak out, tackling social and religious issues and preaching Islamic morality against what they described as the 'atheistic' threat to society. By 'atheists' they meant the national factions of the PLO and the Communist Party, which were particularly active in the West Bank and Gaza. This was a welcome new development in the view of Israel, which saw in it an opportunity to facilitate the emergence of a new political power that delivered a social and religious message opposed to the nationalist message of the PLO. Accordingly, Israel facilitated and tolerated the setting up of a network of social institutions in the Gaza Strip by an Islamic NGO called "*Al mujam'a al islami*", the actual predecessor of Hamas. This all happened at a time when Israel was denying the leaders of the PLO any change of creating civil and social institutions. The Islamic organisations at that time maintained a very low political profile, abiding by the rules of the game by not trying to annoy the Israeli authorities. Their activities exceeded the limits of service delivery organisations and started to extend to universities, where they gradually became a major force ranking second after Fatah. The victory of the Iranian revolution and the failure of the national agenda provided the necessary terrain for political Islam to take off.

The elites of Islamic CSOs[16] maintained a low political profile until the eruption of the first *Intifada*, when Hamas was declared a political movement: "…the Palestinian Islamists were for at least a decade, prior to the Intifada, building for themselves religious, social and political infrastructure which enabled them to gain an accumulative influence. When the *Intifada* erupted, the Palestinian Islamists enjoyed a significant quantitative presence in several areas in the Occupied Territories. Their power base relied on an extensive network of social services which helped them expand their power base"[17], Comparing the experiences of secular and Islamic CSOs during the first Intifada, one finds two opposite trends: Islamic civil society elite emerged as a political elite associated with Hamas while the political elite of the national secular factions emerged as civil society elite that gradually disengaged from their political affiliation.

The Oslo Era: A "Professionalised" Political Elite

The signing of the Oslo agreements in 1993, the return of the PLO leadership from exile and the establishment of the Palestinian Authority in 1994 triggered a process of political, economic and social transformation of Palestinian society with far reaching implications. This process had a direct impact on the existing elite and on the formation of a new political elite. The main socio-economic and political factors that shaped the new era and influenced the political elite in the post-Oslo era were:

1. The emergence of a political system with elements of both an authoritarian regime and a liberal democracy. This system is influenced by different determinants: the nature of the interim period and the political agreements signed with Israel, the political structures and culture of the PLO bureaucracy that were brought in and their "clash" with a different political culture that prevailed in the occupied territories, and the complexity of the Palestinian agenda (state-building and the quest for full independence and sovereignty). The newly emerging political leadership viewed civil society as a set of organisations with a purely functional role, namely assisting the PNA in carrying the social and economic burden inherited from the occupation through the provision of social services. However, given its nature, the political system would not allow civil society to act as a vehicle for pluralism, to widen popular choice and enhance citizens' participation.

2. The crisis of the secular opposition parties or the so-called "rejectionists" within the PLO (mainly PFLP, DFLP – Democratic Front for the Liberation of Palestine). Although their crisis started with the collapse of the Soviet Union and the Communist bloc countries, it peaked after the establishment of the PNA. These organisations rejected the Oslo Accords and refused to deal with any political structures emanating

16. The two main known figures were Mahmoud Zahar and Abdel Aziz Rantisi from Gaza. Both were later top Hamas leadership members, and acted as spokespersons for the movement.
17. Ziad Abu Amr, *Emerging Trends in Palestine Strategic Political Thinking and Practice* Palestine Academic Society of International Affairs, Jerusalem, 1992, p 23.

from them. Representatives of these organisations refused to take any senior governmental positions and boycotted the first – and last to date – parliamentary and presidential elections of early 1996. They therefore limited their influence over political discourse and denied themselves access to resources and institutions. As a result, many activists and prominent figures from these organisations in some cases deserted them and became politically "homeless". The Palestinian political map was shaped by a bipolar system: there was Fatah, the party of the Authority, and there was Hamas, the main opposition party. Between the two, there was and still is a great political vacuum[18]. The absence of a third political force representing democratic and secular elements in society and offering an alternative political and social agenda has forced members of the political elite to join different civil society and non-governmental organisations[19]. A leading figure in the DFLP went so far as to accuse NGOs of distorting the national agenda: "The most dangerous thing in our opinion is the functional role that these organisations [NGOs] are playing in harming the structures of the organized mass movement and distorting its priorities. These organisations succeeded in attracting tens and maybe hundreds of the cadres of the national factions, particularly the left wing ones by diverting them from national and social struggle duties…towards duties that are shinier and more modern and imposed on the national agenda by the NGOs and the donors"[20].

3. There was a rapid process of social polarisation. The middle class[21] that had emerged during the years of occupation was rapidly fading, falling into lower social *strata*. On the other hand, a small group of senior officials in the public administration, security apparatus and the elite surrounding the President accumulated wealth through dubious deals, corruption and mismanagement and monopolizing certain economic activities at the expense of the private sector. All this, combined with restrictive Israeli economic and security measures, led to a fast drop in income levels and an increase in unemployment rates as compared to the pre-Oslo period. With the creation of the PNA, the middle class was replaced by a narrow coalition of senior government bureaucrats, senior security officials and governmental economic and business monopolies. The elite representing this coalition was not only economically powerful (thanks to the privileges and facilities provided by Israel), but was also extremely influential in the decision-making process and where public political discourse was concer ned. The lack of business opportunities, the structurally weak private sector and the unattractiveness of the public sector made NGOs the most appealing venue for big parts of the intellectual elite.

4. The flow of financial aid from international donors to the Palestinian territories in the form of aid packages focused on two tracks: first, support for the budget of the PNA so that it could meet its fiscal obligations at the end of each month and, second, support for different "developmental projects" (i.e. physical infrastructure, technical assistance, institution building and social services). Donors used different mechanisms to channel funds, using the UN and international agencies like UNDP, World Bank and the IMF, or sending aid directly to Palestinian NGOs. Most donors avoided direct funding to the PNA for two reasons: direct bilateral funding could be interpreted as *de facto* recognition of the PNA as a sovereign entity and further, by channelling funds through international agencies, donors felt that high standards of accountability and transparency were guaranteed.

In the pre-Oslo period, the political and civil society elite had been one and the same elite; the post-Oslo period witnessed the repositioning and redistribution of the elite between formal political structures (government, PLC – Palestine Telecommunications) and CSOs. This process has been continuous and is still in progress so that figures of the elite "float" constantly between the two sides or in some cases are on both sides at the same time[22].

18. All opinion polls conducted after the establishment of the PNA in 1994, suggest that between 30% and 40% of the Palestinians do not trust any of the existing political parties. Fatah would have the support of 25-30%, Hamas 20-25% and the rest (PFLP, DFLP, FIDA – Palestinian Democratic Union and PP – People's Party) together between 6-8%.

19. See Azmi Bishara, *After the Crisis: The Structural Changes in Palestinian Political Life and the Prospects for a Solution, Proceedings of the Fourth Annual Muwaten Conference* (Arabic); Ramallah, 22-23 October 1998, pp 20.

20. Nihad Abu Ghush, *Palestinian Policy* (in Arabic), 6 (Autumn 1999), 24.

21. This middle class consisted mainly of sub-contractors to Israeli firms, merchants trading with Israel and highly paid skilled labourers employed in Israel. Although it was a fragile and and vulnerable middle class because of the high dependency on Israel it was a source of social stability.

22. There are numerous examples for this new elite: Hannan Ashrawi, member of the PLC and Secretary General of MIFTAH, Ziad Abu Amr, Minister in the Cabinet of Abu Mazen, member of the PLC and Chairman of the Palestinian Council for Foreign Relations and Kamal Sharafi, Minister in the Cabinet of Abu Mazen, member of the PLC and Chairman of Al Mizan Center for Human Rights, are cases in point.

The PNA and CSOs: Conflicting Interests?

The first years of the Oslo era witnessed a frontal collision between CSOs and the PNA. The political culture of the returning leadership would not tolerate the pluralism symbolized by civil society. In their view, CSOs were there either to provide services under the control and supervision of the Authority or to serve as a political reserve for the leadership when and if necessary. While the traditional opposition posed no threat to the PNA, NGOs constituted an independent platform and created breathing space for the new elite. Funding and control of funds were always a key element of the Arafat system of governance. With donors providing direct funding to NGOs outside the control of the PNA, the battle between the PNA and the NGOs surfaced as a battle over the control of funds[23]. For CSOs it was about survival and securing a position within the emerging system of governance. Another source of conflict was the fact that all the organisations that clashed with the Authority were called "left wing" and therefore classified as rejectionist. While Fatah civil society activists found their way into the new structures of the PNA, Islamic organisations relied on their own sources of funding. Their leaders were embedded in the political structures of Hamas and Islamic Jihad.

It should be noted that the fight over funding took place in the absence of a unified Palestinian law to govern and regulate the work of NGOs[24]. The Palestinian NGO law was ratified by the President and published in the official Gazette in January 2000 after a long battle over each and every paragraph of the draft. The most disputed aspect of the law was the registration authority for NGOs: the PNA insisted on the Ministry of Interior while the NGO lobby pushed for the Ministry of Justice. At the end, the position of the PNA on this particular point prevailed. In sum, the process that led to the passage of the law showed that civil society has great potential to lobby for its interests. It succeeded in launching a lobbying and networking campaign at different levels that led to the introduction of major changes to the original draft. Where the PNA is concerned, it showed that the government sees NGOs as opponents that need to be constantly supervised and controlled through the Ministry of Interior.

"De-politicisation" of Civil Society

The process of "de-politicisation" of NGOs, which started towards the end of the first *Intifada*, was completed and cemented in the first years after the establishment of the PNA. Secular opposition parties rapidly lost ground: they failed to address the newly emerging needs of the people and to respond to the new political reality by articulating an alternative social and political vision. As a result, their activists deserted them, as they tried to find their way either through the newly established Authority or civil society.

CSO attempts to redefine the relationship with their political parties to create partnerships rather than continue with patronage were resisted during the years of the first *Intifada*. The NGOs evolved out of this conflict as winners and the political parties were completely marginalized. "Some prominent NGO political activists marginalized the political party and use the NGO as a platform to enter the social and political arena"[25]. Mustafa Barghouti, one of the leading figures of the new civil society elite, argues: "the question that should be asked is not necessarily whether some [Palestinian] NGO leaders were separated from political parties. […] The important question is whether they are separated from the national agenda or from national factions, because you can still be a part of the national agenda without having to be related to a [specific] national factional agenda"[26]. Barghouti is arguing that abandoning political parties does not necessarily translate into an abandonment of a national agenda[27]. While this applies to the elite as individuals, it does not necessarily apply to the institutions that these elites represent. Political parties can be the primary carriers of the national agenda. It is true that CSOs within the Palestinian context played and still play an important political role in the national struggle, but this role has its limits.

Donors had a share in this process. Oslo led funding agencies to step in and promulgate the discourse of post-cold war power[28]. A new 'globalised' terminology entered the Palestinian dictionary. Empowerment, gender and participation replaced steadfastness, resistance and mobilisation. The focus shifted from the national agenda to service delivery and from voluntary work to professional work. NGOs became an industry providing thousands of attractive jobs for the local economy. The Director of the Norwegian Agency for Development Cooperation in the Palestinian Territories openly

23. For the discussion on the relationship between NGOs and the PNA also see: *Palestine Policy*, 6 (Autumn 1999) 24, (Special issue on NGOs and the Palestinian National Authority).
24. NGOs were registered according to different laws. In the West Bank organisations registered according to Jordanian charitable society law while in Gaza they registered either according to Ottoman law or the British mandate law for non-profit private companies of 1929.
25. See Sari Hanafi and Linda Tabar, *NGOs, Elite Formation and the Second Intifada*; in: Between the Lines, October 2002; http://www.between-lines.org/archives/2002/oct/Sari_Hanafi_and_Linda_Tabar.htm.
26. See: "A Critical Self-Evaluation of NGOs, Globalisation, Donors and Elite Formation", in *Between the Lines*, August 2002.
27. A national agenda within this context means the struggle against occupation and to attain Palestinian national goals of independence and statehood.
28. See Ghassan Abu Sitta, *Faces of the Oslo Coin*, unpublished paper, January 2003.

stated this: “Donors are very strong because they have the money so they can set the agenda - both on the governmental level as well as on the NGO level”[29]. The message of donors was separation between the development and political agendas. This approach has failed: the developments of the last three years have proved beyond any doubt that political stability is a necessary pre-condition for sustainable development. Today we have a situation where donors ended up *de facto* funding the occupation by compensating the Palestinians for the losses incurred with the occupation. Further, donors sent conflicting signals to the CSOs: on the one hand, funds were allocated to human rights and democracy projects, but on the other human rights violations by the Palestinian Authority were tolerated and the State Security Court, which violated due process, was sometimes even praised[30].

The financial dependency of the new professionalised elites on foreign funding also harmed their reputation among the public, which saw them as being pro-Western and pro-American, and so they were attacked as “rejectionist” factions and left wing scholars. A left wing Palestinian intellectual living in England wrote: “Despite their criticism of the performance of the PA, [NGOs elites] were miniature versions of it. Politically beholden to western funders, their directors ran them like fiefdoms or “dakakin” (shops). They were no more democratic, transparent or effective than the PA, but just as corrupt and nepotistic. Even the much maligned General Directors in the PA ministries could only dream of the salaries their NGO counterparts awarded themselves.”[31] Although this critique throws all NGOs in one pot, it illustrates the vulnerability of the new elite to attacks from both the left and the ruling elite[32]. Contrary to this is the prestige of Islamic NGOs among the public: they are viewed as highly professional but at the same time as being grassroots oriented and “clean”. Their funding is primarily Arab or from Palestinian or Arab charities in Europe and North America. Although some of the Islamic NGOs received funding from Western donors, they managed to distance themselves from the donors’ NGOs agenda.

CSOs and the Political Elite: Drawbacks for CSO Credibility and Effectiveness

A foreign diplomat in Palestine once said: “Palestine is probably the only place where you give up your job as a minister in order to establish an NGO”. This statement also reflects the public perception of CSOs in Palestine: they are viewed as prestigious and as a source of decent income. For their part, CSOs offer the elite what other organisations cannot, namely an institutional structure that allows a high degree of mobility and flexibility in decision-making and political mobility. A close look at most prominent NGOs shows that directors play a central role and have almost unlimited powers within their organisations. There is a clear process of “personalisation.” Organisations are identified by their directors rather than through their activities. This issue raises questions about internal democracy and the system of governance within the NGOs. Boards of directors, which are meant to make decisions and define strategy, are usually absent or play just a nominal role. The membership base of NGOs is usually very limited, unclear and there are no well-defined procedures governing the organisation internally. For the elite running these organisations this is a very convenient set-up, quite different from the rigid structures of the political parties. This elite is not accountable to anybody, not even to their constituencies. Constituencies are not represented and are dealt with as “clients” or “beneficiaries” and not as partners or stakeholders. There is clearly a patronizing pattern in the relationship between NGOs and their constituencies. As for the donors, their main concern is financial transparency and the fulfilment of contractual obligations. Little consideration is given to promoting democracy within civil society. This issue raises questions as to how democratic this elite is: is it not as authoritarian within its organisations as Arafat within the PNA? Does the public see it as democratic? This elite cannot preach water and drink wine, meaning that its call for the democratisation of the Palestinian political system and society can only gain credibility if they abide by democratic principles within their own organisations.

NGOs are very efficient instruments to create constituencies for the elite through the provision of services and the involvement of the community in different programmes and activities. However, the question remains about the degree to which the elite can influence these constituencies politically. The separation between service delivery and political mobilisation limits the ability of the civil society elite to influence politically their constituencies. The community sees these organisations as service providers without

29. *Between the Lines*, ibid, (see Footnote No. 26).
30. The American Vice-President Al Gore praised the establishment of State Security Courts by the PNA during one of his visits to the Palestinian Territories.
31. Ghassan Abu Sitta. Ibid.
32. PNA protagonists make a similar critique.

a political agenda. The only exceptions are the organisations affiliated with Hamas. These offer a service along with a political and ideological message in the form of religious and political lessons. It is true that many secular NGOs are providing a wide variety of democracy promotion programmes and public awareness projects in human rights, democracy, participation and the rule of law. Nonetheless, the poor and marginalized are not the targets of these activities. There is a clear institutional separation between organisations that provide services and those involved in public education in issues related to democracy and pluralism.

NGOs offer the elite access to the international community, foreign governments, donor organisations and UN agencies. NGO elites are always on the agenda of visiting foreign delegations including high-ranking political delegations. They meet regularly with foreign diplomats and participate in international conferences and events. In this regard, the elite has been successful in using opportunities for political advocacy and lobbying and conveying a political message to the outside world. Palestinians have always suffered from misinformation and stereotyping. Thanks to this new civil society elite the image of Palestinians in the world has begun to change gradually. The members of this elite are mostly Western educated, open-minded and know how to address American and European audiences. "[Palestinian] NGOs have fulfilled an important function, acting as highly professional and competent intermediaries between their society and the international public, by disseminating information, making alternative forms of knowledge available…and receiving foreign delegations."[33]

NGOs provide access to government and a platform through which elite influence governmental policies and lobby for their constituencies. Since the establishment of the PNA, NGOs have been successful in influencing governmental policies in different areas such as the passing of the NGOs law, the Labour law, the preparation of the National Health Plan, launching the national dialogue on economic policies, civil affairs law and many other initiatives through networking, lobbying and other contributions. In addition, members of the civil society elite are usually invited by the government to participate in formal committees dealing with political and national issues (i.e. the National Reform Committee, which was established by the government of Mahmoud Abbas, the Consultative Group for Supporting Decision-making of the Ministry of Foreign Affairs and the Private Sector Consultative Group of the Ministry of National Economy). In all these committees, the presence of the new elite is very strong and visible as compared to the very pale presence of the political parties. NGOs are a key source of information for the media, inquiry and fact-finding missions. The media is playing a growing role in the Arab world, especially satellite TV stations. NGO elites use the media for regional and international image building as they are frequently asked to appear on Arab and international TV programmes. Private local TV stations in the West Bank are gaining in importance and are being used efficiently by the new elite as a means of communication with the wider public.

All of this raises a key question: if NGOs are so powerful and control a wealth of resources for political influence why does all this not translate into political power? The answer is related to the extent to which CSOs and their elites can engage in the public national discourse. While NGOs should be part of the national agenda in terms of participating in the process of resisting occupation, they cannot be involved as organisations in the political debate[34]. The structure of NGOs, their representation and their legal mandate does not qualify them to take such positions. Positions expressed by the NGOs elite on political issues represent their personal opinion and not that of the organisations they lead. NGOs thus provide a platform for the elite to gain a presence in the political arena as individuals but cannot be instruments for a sustainable political role[35]. The two main attempts by civil society elites to establish political platforms emerged with the "Movement for Building Democracy", established by Dr. Haider Abdel Shafi in 1996 and the "National Democratic Initiative" established by Dr. Abdel Shafi in cooperation with Dr. Mustafa Barghouti and Ibrahim Dakak in 2002. The two movements fell short of defining themselves as political parties. Abdel Shafi, head of the Palestinian negotiating team with Israel from the Madrid peace conference in 1991 until the signing of the Oslo agreements in 1993 and currently the Chairman of the Palestinian NGOs Network (PNGO), describes the Movement for Building Democracy as a movement that aims to promote democratic principles within Palestinian society. He argues that the time is not ripe politically for the creation of a new political party

33. Sari Hanafi and Linda Tabar, ibid.

34. The Coordination Committee of the Palestinian NGOs Network in Gaza, for example, refused to adopt a position with regard to the Geneva document because it did not have a mandate from its members to do so. Trade Unions, think tanks and some human rights organisations usually formulate political positions, however.

35. A political presence can take many forms including occupying ministerial positions. Ghassan Khatib, Minister of Labor, has been a member of three cabinets, while other members who joined the cabinet as individuals lost their posts the moment there was a cabinet reshuffle or a change of prime minister. Al Khatib, who is also a civil society activist, became minister as a representative of a political party, the People Party, while the others were individuals without political constituencies supporting them.

because the people are frustrated with existing political parties, which have failed to succeed domestically and internationally[36]. The civil society elite faces a dilemma in positioning itself: on the one hand it realizes the limits of NGOs in the political arena; on the other hand they do not want at this stage at least to commit themselves to any new or existing political structures[37]. In this case NGOs and CSOs are being used by the elite as an interim political instrument pending the establishment of viable and formal political structures.

Types of Civil Society Political Elite

One can differentiate between different kinds of elites according to their position on participation in PNA governmental structures and perception of their future political role. Although the civil society political elite is heterogeneous in terms of social background, political history, education, political position *vis-à-vis* the peace process and political proximity to the PNA, the common denominator is their critical attitude towards the PNA and their support for reforming and democratising the political system. With the exception of the Hamas civil society elite, the members of the civil society elite are mainly former activists of left wing factions or parts of the intellectual elite. One can identify the following three types of civil society political elite:

1. The "*Professional Elite*" [38] : It is well established and embedded in CSOs and structures. It is recognized in the community as influential and participates actively in the political life. It is potentially ready to accept formal political positions, but is not ready and willing under the prevailing political system to sacrifice its position within organisations for the sake of a new role in the political system even at the highest level. Generally, this elite runs institutions that either provide services or are active in the field of human rights. For its members, a leading role within civil society means more sustained influence than a leading role within the PNA.

2. The "*Floating Elite*"[39] : This type of elite shifts between CSOs and the government or maintains a presence in both. CSOs serve a fallback purpose and members of this group the benefit of choosing between alternatives. The members of this type of elite are usually found in the Legislative Council and also in senior governmental positions. Their civil society "connection" gives them a margin of independence and an "insurance" against political blackmailing. They are mainly intellectuals who run think tanks, research institutions and human rights organisations. Mostly they are critical of the PNA, but also maintain strong connections and relationships to the ruling elite. They are sceptical about the idea of forming a new political party but at the same time very open to the idea of creating coalitions or political movements. By this they can perpetuate their political presence without jeopardizing their independent status.

3. The "*Transitional Elite*"[40] : This type of elite is mainly active and visible in the political arena although, institutionally, it is part of civil society. Civil society is not an end for members of this group – in terms of professional career – but rather a transitional step pending the availability of a clear and well defined political structure to identify with. Members of this elite realize the necessity of building a new political power that can fill the political vacuum existing between Fatah and Hamas. Unlike the other two, this kind of elite is more consistent in rejecting any participation in the current structures of the Palestinian Authority. Its priority is to establish a new political movement that could participate in future parliamentary elections. It is a strong advocate of democracy and reform within the Palestinian Authority.

An important question is the popularity of the civil society political elite among Palestinians and whether it has a constituency that supports it politically. Since this elite is composed of individuals with different political agendas and backgrounds, it is difficult to measure its popularity. Popularity can only be assessed on an individual basis. Public opinion polls conducted in the Palestinian territories over the last ten years usually include questions about popular support for a limited number of individuals. With a big gap after Yasser Arafat only people like Sheich Ahmed Yassin, Haider Abdel Shafi and Marwan Barghouti get relatively high ratings. The results of the last parliamentary elections that took place in early 1996 showed that those who ran as individuals without the backing of a political party had, with minor exceptions, a very limited chance of

36. Based on private communications with Abdel Shafi on different occasions.
37. A Statement on the website of the National Democratic Movement (www.almubadara.org) illustrates this conflict: "[The National Democratic] Initiative is intended to be part of a dynamic process and should not be conceived of as a predetermined recipe for action. It should be viewed as a catalyst for the purpose of mobilizing the intellectual, cultural, social and political energies of our people. We are and will remain open to the enrichment of this initiative by the people, so that it might become the means for the development of a wide-scale national democratic movement."
38. Examples of this elite are Eyad Sarraj, Founder and Chairman of the Board of Directors of the Gaza Community Mental Health Program, Raji Sourani, human rights activist and Director General of the Palestinian Center for Human Rights, Khader Shkerat, human rights activist, and Ismail Dukek, Director General of the Palestinian Agricultural Relief Committees.
39. Examples of this elite are Hanan Ashrawi, Member of the PLC and Commissioner General of MIFTAH, Ziad Abu Amr, Member of the PLC and the Director General of the Palestinian Council of Foreign Relations and Kamal Shrafi, Member of the PLC and the Chairman of the Board of the Al Mizan Center for Human Rights.
40. Prominent representatives of this elite are Haider Abdel Shafi, Mustafa Bargouthi and Ibrahim Dakak. In June 2002 the three of them established the "National Democratic Initiative", a movement with a clear political orientation.

winning race as opposed to those who ran on party lists. This leads one to conclude that the civil society political elite will always exert a marginal political influence as long as it does not present itself as a homogenous political force and fails to articulate a clear political programme addressing not only political but also socio-economic issues. The different constituencies formed around CSOs, particularly service-providers, do not necessarily support the elite of these organisations. This is again related to the issue of separation between the provision of services and the delivery of a political message to constituencies. The political message or agenda of the civil society political elite is not the agenda of its organisations – let alone that of the constituencies – simply because these organisations lack such a message.

Policy Recommendations

Recommendations for CSOs

- CSOs should develop democratic internal structures in order to enhance the credibility of the civil society elite. They should contribute to strengthening democracy within civil society and provide a model of good governance. This can be achieved by:

  1. A "separation of powers" within each organisation, namely between the policy making level (board of directors) and the executive branch;

  2. Developing mechanisms for the participation of the constituencies in defining objectives, programmes and activities and in conducting impact evaluations;

  3. Widening the participation of the membership base through the General Assembly;

  4. Developing clear, transparent and well defined internal procedures;

  5. Developing strict systems of financial accountability and reporting;

  6. Reviving the concept of voluntary work in the community.

- CSOs should combine service delivery with clear developmental objectives. Service delivery should not be seen as an end but rather as a means to an end. Civil society's mission is not just the provision of services: CSOs should act as a gents of change enhancing democracy and participation in the society. Service delivery should be combined with civic education and the promotion of principles of democracy, pluralism, respect for human rights and defending women's rights.

- Funding remains a major problem faced by all CSOs. Complete reliance on foreign funding enhances the public perception of parts of the elite as "western agents". Financial sustainability is a pipedream given the severity of existing economic circumstances in the Palestinian Territories as a result of the *Intifada* and the "low intensity war" with Israel. However, no serious efforts have been made in the last decade to obtain funding from local sources, such as from the Palestinian private sector (corporate funding). Local funding – independently of size – has financial but mainly political and social significance: it contributes to limiting the "alienation" of civil society in the eyes of the public, develops a sense of ownership, participation and networking between different segments of the society and strengthens the social fabric through feelings of solidarity and burden-sharing. Local funding would help the civil society political elite to create a necessary link with the middle class and the business community.

Recommendations for the EU and European Donor Countries

- It is necessary to provide assistance to support good governance within NGOs because good governance is fundamental for sustainability. Funding should therefore be made conditional upon the application of the principles of good governance also within each organisation.

- Programmes should combine service delivery and civic education. Donors should support organisations that use service delivery programmes to promote principles of democracy, pluralism and human rights.

- Best practices in good governance should be spread among CSOs on the regional level.
- Supporting and promoting exchange programmes and networking between CSOs on the regional level. The countries of the Middle East face similar challenges in the areas of democracy and human rights. Networking will contribute to empowering them and enhance their influence over public discourse.
- Bureaucratic procedures should be simplified so that grassroots organisations have the chance to access EU funding. Well established organisations with the language and writing know-how usually have the best chance to access European funding, but smaller grassroots organisations are left out.

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