

# The Palestinian Authority: A State Failure?

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The Palestinian Authority (PA) was formed in 1994 by virtue of the Oslo Accords as a semi-state entity. It represents all the Palestinians living in the territories conquered by Israel in 1967 and bears full responsibility for security and civilian matters in 14 percent of the West Bank (Area A) and responsibility for civilian matters only (with security responsibility in Israel's hands) for 26 percent of the West Bank (Areas B and B+); the remaining 60 percent of the West Bank falls under Israeli security and civilian control (Area C). In the reality of 2016, some 95 percent of West Bank residents live under PA control in Areas A, B, and B+; some 100,000 Palestinians live under Israeli control in Area C. Certainly from the Palestinian perspective, the PA, once founded, represented the foundation of a future Palestinian state. Indeed, "The Palestinian Authority (PA), though lacking certain key attributes of sovereignty, has largely functioned as a de facto state since its creation in 1994."<sup>1</sup>

Hamas seized control of the Gaza Strip in June 2007 in an event that split the PA into two. The ensuing divide between the Hamas-controlled Gaza Strip and the West Bank has constituted a severe crisis for Palestinian society and politics. The reality is not only of two separate political, geographical, and, some would say, cultural entities, but also of two rival elements. Hamas, opposed to the PA's presence or any significant role in the Gaza Strip, challenges the PA's legitimacy in the West Bank as well, and is engaged in a systematic effort to expand and entrench its bases in the West Bank in order to topple the PA. Yet already by the time of the Hamas takeover, the PA had failed in some basic state functions. Michael Eisenstadt calls the PA's

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performance since its inception a state failure, and attributes this failure to nine factors. Some of these factors are Israel's responsibility, but his main explanation relates to the "four fs": *fawda* (chaos), *fitna* (extreme, violent internal strife), *falatan* (lawlessness), and *fassad* (corruption). According to Eisenstadt, this state of instability continued to exist in the West Bank under PA control in 2007 after the Hamas takeover of the Gaza Strip, and is typical of the Gaza Strip under Hamas as well.<sup>2</sup>

During the years of the Oslo process, extensive efforts and resources were invested in promoting the political process so as to encourage the establishment of an independent Palestinian state. But too little effort was put into ensuring the foundation for the establishment of a functional Palestinian state in the post-peace agreement period. Despite the resources the international community poured into building Palestinian institutions, civil society, democratization processes, and infrastructure, the PA did not succeed in properly instituting and securing the foundations necessary for the establishment of a viable, democratic,<sup>3</sup> and functional state. Even after Israel's disengagement from the Gaza Strip, the PA failed to build a functional government. While the disengagement was the result of a unilateral Israeli decision, the process of the disengagement and the transfer of the region that was evacuated – including the agricultural infrastructures that remained – took place in coordination with the PA. Israel's disengagement from the Gaza Strip was seen as a sign of success for Hamas's armed resistance to Israel, and helped Hamas achieve its victory in the January 2006 election, effect the takeover of the Gaza Strip, and expel the PA in June 2007.

While the PA is not a state in the full meaning of the word, it has declared itself as such, has adopted state trappings, and has been declared one by a majority of the world's nations and some international institutions. Most state institutions recognized by other states operate in the PA, and in many ways the level of the PA's performance is higher than that of states such as Somalia, Yemen, Libya, and others. Moreover, there are constraints on the PA that make it hard for the PA to realize its sovereignty in full, including Israel's ongoing presence and control in some of the West Bank territories and Israel's disruptions to full PA state performance. Nonetheless, based on the accepted theoretical foundation and practical standards for failing states, the PA remains a failing entity. Despite the difficulties stemming from the reality of an active conflict and a deadlocked political process, the PA had the means to develop a functional state and institutional infrastructure

and significantly improve its state and institutional performance. Instead, however, the conduct of the PA and its leadership for the 22 years of its existence matches the patterns of conduct of failing states, and the attempt to confront these failures resembles what has been applied to failing states. Moreover, unless real change takes place, a Palestinian state – when established – will almost certainly be a failing state.

“Does the world need a weak or failing Palestinian state?” asked Aaron David Miller, when referring to a question posed by Henry Kissinger about the rationale in establishing another failing Arab state, given the state failures and instability of the Arab sphere, the growing strength of Iran, and the rise of the Islamic State.<sup>4</sup> Indeed, the unstable, fragile state of affairs in the region at this time and the threat inherent in the establishment of a failing Palestinian state pose a security and strategy challenge to Israel, Egypt, and Jordan.

The state-related challenge presented by the Palestinian Authority is the subject of this article. After a short description of the failing state phenomenon and its ramifications, the article presents and explains the process by which the PA has developed into a failing entity. It concludes with an attempt at assessing what the future may hold.

### **The International Challenge of a Failing State**

A failing state<sup>5</sup> is defined in terms of its limited or absent governance capability. Weakened governance stems from the central government’s blatant weakness and from the state’s lack of monopoly on the use of power. The concept of governance reflects the quality of performance of state institutions by virtue of stateness,<sup>6</sup> which allows the state to provide security (internal and external), law and order, and health and education services, run an economy, and realize its sovereignty.<sup>7</sup> Charles Call, who distinguishes between a failing state and a weak state and a state in a persistent state of civil war, defines a failing state as one whose institutions and authority, both domestically and vis-à-vis the world at large, have failed miserably, i.e., have suffered a critical collapse.<sup>8</sup>

Viewing the failing state as a challenge to the international system, William Zartman refers to two dimensions of the failing state phenomenon: the institutional-governmental dimension and the social dimension. According to Zartman, a failing state is a state in which the government’s authority is collapsing, and in turn will cause the collapse of the state’s law and political order. This collapse gives other elements (competitors or

enemies) an opportunity to seize total or partial power. A state undergoing collapse is notable for paralysis at decision making nodes and crumbling social unity. The state is incapable of maintaining its authority on matters of security or its sovereignty over state territory, and from the viewpoint of the public stops being relevant on socioeconomic matters. Therefore, a failing state means a collapse of the regime and a collapse of the social foundation of the population.<sup>9</sup> In failing states, ungovernable frontiers expand, allowing the entrance and activity of both state and non-state external actors that further destabilize stateness, multiply chaos, and help export violence and instability to the failing state's neighbors.

Many of the world's nations are somewhere on the failing state continuum.<sup>10</sup> The unique nature and degree of failure of every case is the product of the relationship between the force of threats and challenges at home and from the outside, on the one hand, and the functional level of state institutions, on the other, or in Fukuyama's approach, the "quality of stateness."<sup>11</sup> The lower the level of function of state institutions, the lower the state's level of legitimacy, and the higher the intensity and impact of internal and external conflicts – the higher the level of state failure. The higher the level the state failure, the higher the potential for the proliferation and takeover by non-state and other – usually violent – actors that see themselves as alternatives to the state.<sup>12</sup>

Ethnic and religious rifts and the lack of a unifying national ethos are another salient characteristic of failing states. Michael Hudson defines these elements as political fragmentation of identity, which he considers a variable that in combination with the functional failure of state institutions leads to state failure.<sup>13</sup> Syria and Iraq, as well as Libya and Yemen, and even Lebanon, are all relevant examples. All suffer from ethnic, tribal, or religious schisms, and all lack a unifying national ethos. The PA, too, has similar characteristics, though they are also *sui generis*. This description meshes with Benjamin Miller's assertion on the lack of correspondence between the nation and the state, which he calls the state-to-nation imbalance, as a factor in regional instability and in both internal and regional conflicts.<sup>14</sup>

The failing state phenomenon is not about to disappear from the international arena, says David Reilly, and clashes between functional, well-off nations and failing states are inevitable.<sup>15</sup> Organizations exporting violence and terrorism to well-off, functional nations to generate instability operate in and from failing states even when they lack common borders. Globalization, technology, and access to state weapons arsenals, including

WMD, allow those organizations to use international terrorism to sow chaos with relative ease and at low cost. Therefore, writes Reilly, “weak states, like Afghanistan, can pose as great a danger to our national interests as strong states.”<sup>16</sup> This insight is equally valid for Syria and Iraq, where the Islamic State has become both a regional and international threat, as well as the Gaza Strip controlled by Hamas, from where terrorism is exported to the Sinai Peninsula, Israel, and the West Bank.

Global order and balance rely on states’ ability to preserve law and order within their borders. Therefore, every failing state incapable of enforcing its sovereignty upsets the world order to one degree or another. The results are global terrorism, mass displacement of populations that become refugees,<sup>17</sup> genocide, violations of basic human rights, local and international corruption, and rising crime. Terrorist events such as 9/11 and others made it clear to the international community that it is no longer possible to ignore the failing state phenomenon, as it threatens global security.<sup>18</sup>

### **The PA’s Development as a Failing Entity**

Since its inception in May 1994, the PA has not managed to fashion itself as an independent, functional, stable political entity. Its economy is undeveloped: it continues to rely on moneys donated by the international community, Israel’s economy, and taxes collected for it by Israel, and it is incapable of providing basic social and infrastructure services without external help.<sup>19</sup> The PA has become “a world record holder in terms of salary expenses and transfer payments... Of the \$4 billion it received in recent years for investments, about \$1 billion was used to construct infrastructures and the rest was spent on salaries.” This resulted in prompting foreign donors to reduce or stop their contribution, and “at this rate, the PA will soon hit a debt ceiling that will prevent it from paying its salaries.”<sup>20</sup>

Similar findings appear in the EU’s comptroller report of 2013, which dealt with the ways in which EU aid money was used. The report points to striking structural weaknesses in Palestinian state institutions and in the economy, and calls for significant structural reforms – while also appealing to Israel to ease the movement of people and goods. The report issues a warning about the unreasonable size of the state apparatus and the payment of tens of thousands of salaries to PA personnel living in the Gaza Strip who receive wages for doing no work whatsoever.<sup>21</sup>

The PA's tax collection apparatus is insufficiently developed and its major tax collector (by virtue of the Paris Agreement) is the State of Israel, which transfers VAT and tariffs it collects on the PA's behalf to the PA.<sup>22</sup> Governmental corruption, characterized by blatant nepotism and monopolies controlled by office holders and their cronies, has existed in the PA since its establishment. Even if it tapered off to some extent (primarily thanks to Salaam Fayyad in his terms as finance minister and prime minister), its scope is still large, negatively affecting the PA's economic development.<sup>23</sup>

In December 2013, Middle East Monitor published one of the harshest reports ever on corruption in the PA. It used the EU report on PA corruption and cited a sum of \$2 billion from the total amount of aid transferred to the West Bank and Gaza Strip in 2008-2012 that has basically disappeared without a trace.<sup>24</sup> The report indicated patterns of corruption that have existed in the PA since the day it was established, as senior PA and Fatah personnel have filled their own pockets with money intended as aid. The governmental corruption in the PA became a fixed feature, as the overwhelming majority of senior PA positions were occupied by Fatah members who turned the PA into a source of income for its senior staff and their cronies.<sup>25</sup>

The same report harshly criticizes the security services, especially the Palestinian intelligence apparatus whose members have made themselves into financial and business entrepreneurs and used aid money to develop their private businesses. Page 11 quotes the recommendation issued by the Coalition for Accountability and Integrity, which urged a reestablishment of the PA's institutions and change in its fiscal policy. The concluding paragraph of the report warns of the severity of the corruption, saying: "The corruption filling the PA is not a simple or limited matter and has become a burden suffered by the citizens; corruption will continue to overwork and exhaust the people, as well as weaken the position of the PA in the sight of aid donors."<sup>26</sup>

While the Palestinian security apparatus in the West Bank has developed and improved, it is still incapable of enforcing governing authority throughout PA territory. Although some of the Palestinian refugee camps serve as organizational bases for Hamas and other armed groups, the Palestinian security services are afraid of taking action there and thus avoid operating in them with regularity and resolve.

The Hamas takeover of the Gaza Strip enhanced the already existing political fragmentation in the PA, challenging the PA politically and

ideologically, and also militarily.<sup>27</sup> Some argue that given the deep schism between the sides there is no chance that a Palestinian state will be established.<sup>28</sup> Moreover, the PA and Chairman Mahmoud Abbas do not have a broad base of legitimacy<sup>29</sup> and continue to rule despite the fact that elections intended for 2010 never took place, and there are few indications that new elections will be called any time soon.

Operation Protective Edge in the Gaza Strip in July-August 2014 deepened the rift between the West Bank and the Gaza Strip, and between Hamas and the PA. The ceasefire talks held in Egypt, with the participation of a Palestinian delegation consisting of Hamas and PA representatives, brought all the disagreements and mutual hatred to the surface. Abbas was quick to criticize Hamas leader Khaled Mashal, and became entangled in a very heated confrontation with him at the palace of the Qatari emir.<sup>30</sup> Even the need for reconstruction in the Gaza Strip after Operation Protective Edge failed to serve as an incentive for reconciliation among the rival sides or, at the very least, to agreement on a mechanism of cooperation. Hamas has no intention of conceding its control of the Gaza Strip, which it considers its most important strategic asset and a base for the future takeover of the PA as a whole. Given that Hamas's fundamental motivation and ideology have not changed, the basis for its continued conflict with the PA and its attempts to undermine it are still in place and will have a pejorative effect on the chances for the Palestinian entity to stabilize.

In a comprehensive analysis of the process by which the PA was established, Eistenstadt asserts:

Almost from the outset...the process of Palestinian state formation was accompanied by a parallel process of economic decline and institutional, territorial, and political fragmentation. The latter process was greatly accelerated by the second intifada (2000-2004), the formation of a Hamas government following January 2006 legislative elections (leading to international sanctions on the PA) and then a short-lived national-unity government, and the June 2007 Hamas takeover of Gaza. Today, the PA—hovering between survival and collapse—displays many of the traits of a failed state.<sup>31</sup>

Miller draws similar conclusions, and argues that the history of the Palestinian national movement and the governing style of the PA indicate that nothing has come of them except for distorted politics, making it unreasonable to assume that the PA can transition smoothly to a functional state.<sup>32</sup>

### **Patterns of Functional Failure in the PA as Signs of a Failing State**

An exhaustive report published by Khalil Shikaki in February 2014 summarizing comprehensive work by experts who examined the PA's situation and the implications of its collapse or dissolution<sup>33</sup> presents a fairly abysmal picture. The report stresses that although most Palestinians view the PA as a national achievement, many doubt it is actually fulfilling its two main objectives: a means to gain Palestinian independence and construction of state institutions. In addition, the report indicates rising concern about the PA's ability to survive, sustain legitimacy for its existence, provide services to the Palestinian citizenry, and cope with crises, especially mending the rift between Hamas and Fatah and reuniting the West Bank and the Gaza Strip.<sup>34</sup> Therefore, some are calling on the international community to rid itself of the illusion of the possibility of an independent state being established and warn of the risk of another Syria, Libya, or Yemen emerging on the Middle East scene.<sup>35</sup>

Shikaki's report warns of the immediate results of a failing Palestinian state, including a total collapse of law and order and a loss of income of some \$3 billion paid as salaries to tens of thousands of PA employees. This would be followed by the collapse of the private sector, water and electricity infrastructures, courts, and healthcare and school systems, which would of necessity lead to a dramatic increase in poverty and crime rates. Under such circumstances, armed militias would inevitably take the law into their own hands, leading to a heightened probability of a violent clash between Israel and the Palestinians.<sup>36</sup> The findings of this report also indicate that many Palestinians view the PA as an entity serving the interests of a narrow sector and a small circle of strong elites enjoying political and financial benefits at the expense of the ordinary Palestinian in the street.<sup>37</sup>

A low level of institutional performance and lack of broad legitimacy for the regime (more blatant in the West Bank than in the Gaza Strip), together with a high level of political fragmentation (identity), place the Palestinian entity in the category of fragile, unstable entities as described by Hudson's model, alongside nations such as Syria, Yemen, Libya, and Iraq. This is so according to Fukuyama's model as well, which refers to the quality of governance (the level of institutional function) and the impact of internal and external conflicts, because in this model the PA falls into the category of state failure with a high potential for intervention by external players.

On the other hand, the PA is a unique case: a semi-state entity was established by virtue of an agreement between two sides to a conflict.

The Oslo Accords, essentially an interim agreement, laid the conceptual negotiated foundation for the establishment of the PA and the definition of its territory and realms of responsibility, including its political and organizational structure. From the outset, however, it was clear to both Israel and the PLO that the PA would be incapable of building itself and developing without international help. And, indeed, the international community answered the call and, since the establishment of the PA in May 1994, has injected vast sums into the PA in numerous formats. Most of the assistance was transferred as direct financial aid to the PA; some was transferred as financial support for specific projects managed almost exclusively by the PA; and some was invested in projects meant to train and mentor government workers and the security services, whether in PA territory or beyond.

Some blame the low level of performance of the Palestinian entity on the absence of a political process, the ongoing occupation and the obstacles Israel places before the Palestinians, the natural processes of social construction disrupted by elements external to the Palestinian system, and the non-establishment of a Palestinian state that could function as a state. However, these factors alone cannot explain the persistent failure of the Palestinian entity. Citing these factors only would be to ignore key aspects of the conduct of the Palestinian leadership in the two decades since the Oslo Accords, as well as the endogamous social, cultural, and political features of Palestinian society.

Throughout the years of Arafat's rule, the international community found it difficult to conduct any sort of quality control of how the aid was used. Arafat perpetuated the revolutionary political culture and made the process of institutionalization and the transition from revolution to state very difficult. In fact, since its inception, "the PA has consistently proven unwilling or unable to establish a monopoly over the legitimate use of force in [its] territories—a key defining feature of a successful state."<sup>38</sup> Arafat made sure to maintain several competing mechanisms, especially in the field of security, in order to prevent governance strength from decentralization that in any way would curtail his own influence. As he was wont to do during the days of armed struggle and revolutionary resistance, he made a point of compartmentalizing the organizations and mechanisms he established and keeping them separate. He managed to ensure his control by means of the rivalry he encouraged among them – a form of divide and conquer – and by keeping his hands firmly on the purse strings.<sup>39</sup> Arafat instituted

a rationale intrinsically opposed to the organizing rationale of a state, and in his own conduct perpetuated corruption, inefficiency, and lack of transparency, exacerbating the alienation felt by Palestinians toward the PA and its leaders.

The election of Abu Mazen as president of the PA after Arafat's death did not generate a fundamental change in PA conduct. The first signs of positive change emerged only after the appointment of Salaam Fayyad as finance minister and even more so when he was elected prime minister. But the Hamas takeover of the Gaza Strip in June 2007 completely disrupted any chance the PA government had of exerting influence over events in the Gaza Strip, forced the PA to divert enormous sums to pay former PA employees living in the Gaza Strip and receiving money for doing no work, and took a serious toll on the PA's budget and resources. Moreover, the PA lacks natural resources and its economy is totally dependent on Israel's, whether because of the employment of 150,000 workers (with or without permits) in Israel and the industrial zones in the West Bank settlements, or because the Israeli market is the most important export market for Palestinian goods. The level of unemployment among the educated younger generation is especially high; agriculture is traditional and lacks mechanization, automation, and innovation; and public and national infrastructures are undeveloped.

The international community, which at some point realized that the massive funds it was raising for the PA were sucked into a bottomless pit, decided to change its approach and take a much stricter line with regard to PA use of the aid. The international community found a kindred spirit in Prime Minister Fayyad. During his tenure, a real effort was made to build institutions, train the security services, improve law enforcement mechanisms and tax collection, and more. These were also evident in a basic document the Palestinian administration composed in August 2009 under Fayyad's leadership and guidance.<sup>40</sup> But these efforts distanced senior Fatah and PLO officials away from the sources of influence and money, and turned Fayyad into their sworn enemy. They managed to eliminate him politically and force his resignation.

After 20 years of generous support for the PA (the highest per capita funding ever given to a state or a population),<sup>41</sup> the PA failed to construct the infrastructures required to establish a functional, sustainable state. One of the most blatant weaknesses of the PA is its inability to impose its monopoly on the use of force. Without a monopoly on the use of force and

without an ability to realize its sovereignty over all of state territories, there is no functional state. Abu Mazen and the Palestinian leadership by his side are weak and lack the legitimacy, determination, and capacity to undertake political reforms and disarm the militias, and they will find it difficult to defeat the extremists at the polls. In the absence of these factors, “the rest of the world can do little to spare the Palestinians from a future that looks much like their recent past and that is characterized by more chaos, strife and lawlessness, economic hardship, and conflict with Israel.”<sup>42</sup>

### **A Look Ahead**

The rise in the number of failing states caused by the regional upheavals in the Middle East is a threat to the stability of the region and the international system. Therefore, what at first glance may look like a conflict between armed groups and government forces, as in Syria, Iraq, Libya, Yemen, and the PA, is in fact a struggle between regional and global forces, between Shia and Sunna (or between Iran and Saudi Arabia, the leading nations of the respective camps), and even between moderate Sunnis and Salafi jihadist Sunnis.<sup>43</sup>

While failing and weak states are not new to the Middle East, the problem assumed a new dimension with the outbreak of the Arab Spring. Pessimistic observers such as former US Secretary of State Henry Kissinger speak of “blank spaces denoting lawlessness [that] may come to dominate the map” of the Middle East and North Africa, with Yemen, Somalia, Libya, Iraq, Mali, Syria, and the Sinai Peninsula as case studies of failing or failed states.<sup>44</sup> An analysis of the features of the political and social structures of the PA shows that the PA is gradually becoming another regional “blank space.” Indeed, the reality in the PA’s territories reflects clear symptoms of state failure similar to certain symptoms in failing and collapsing Middle East states in the post-Arab Spring era. It is therefore unrealistic to think that in the case of the PA developments would be very different without the intervention and support of the international community in the process of building the Palestinian state in a way that would ensure a reasonable quality of stateness.

The Palestinian leadership, along with some elements in Israel and the international community, view an agreement and the establishment of a Palestinian state as preconditions for making the necessary improvements to Palestinian state functioning. However, and notwithstanding the importance of reaching a political settlement – and while an agreement would presumably

help – we do not view it as a precondition. Given the fact that the chances of arriving at such an agreement under existing conditions are very low, choosing not to fix the failures and improve the Palestinians' state and institutional infrastructure is liable to be a grievous error that will only lead to further deterioration in the areas under PA control. Such deterioration could be manifested in further worsening of the living conditions and welfare of the local population, an increase in frustration and despair, and a loss of hope and violence, all of which might be translated into escalation and further erosion of the public's faith in its leadership and its legitimacy.

The limited area (even a future area based on the 1967 borders with mutually accepted land swaps) and the high economic dependence on Israel are problematic and restrictive preexisting conditions impacting on the potential viability of the future Palestinian state, whose chances for independent existence are a function of the extent of economic cooperation with Israel and the quality of its state and institutional performance. These two components can develop in the absence of a final settlement; in turn, their development could help establish Palestinian state performance and provide better conditions for accelerating the political process and arriving at an agreement.

The international community will not be able to ignore the need to face the failing state phenomenon because of its direct and indirect influence on regional and global stability. In certain ways, the PA, whose condition is not as severe as that of Syria, Libya, and Yemen, could actually serve as a positive example and success of that kind of intervention, provided it happens soon, without illusions, and with meticulous attention to the lessons of the past 20 years of international aid that have failed to lead to the desired result.

It seems wise to study the insights of Charles Call, who takes issue with the international community's preference for Western thought in the context of the essence of a state and the focus on the effort to effect order in failing states. In his opinion, this prejudice interferes with one's ability to identify the particular characteristics of any given state and shape a solution that matches its unique nature. Call warns of Western paternalism and recommends separating peacemaking efforts from state-building efforts, and focusing on whatever is relevant to the singular characteristics of each nation.<sup>45</sup>

Therefore, in addition to the tremendous effort the international community expends on renewing the political process, whose goal is the

establishment of a Palestinian state, it is also important to invest intellectual effort and the required resources into steps needed to actually build a Palestinian state. The process of Palestinian state building must rest in part on the assumption that the reconstruction of failing states requires great focus also on reconstructing the society in tandem with the reconstruction of the regime and its institutions.<sup>46</sup> An important recipe for successful state building and failing state reconstruction is reshaping the power structure from the bottom up, based on the understanding that a skewed, unrepresentative, illegitimate power structure is part of the underlying problem. Therefore, addressing this in a way that ensures widespread legitimacy requires sharing and a redistribution of state assets and political clout. Cumulative experience proves that foreign involvement even in terms of physical presence for a defined period of time, until the local population finds it possible to run the state on its own, can prove to be necessary and helpful in reconstructing the regime and building the state.<sup>47</sup>

It is doubtful that the international trusteeship model with the physical presence of an international task force can suit the Palestinian case at this time, after 22 year of autonomous existence. This model is liable to be seen by the Palestinians as a form of neocolonialism further postponing the realization of an independent Palestine, but it would do most harm by neutralizing the Palestinians' direct influence on the process, population, territory, and resources. On the other hand, experience shows that if the process is left solely to the PA, there is little hope of developing a functional state, and the chances for the creation of a failing state that would become a center for regional instability and a security risk to Israel, as well as Jordan and probably Egypt, would only grow.

The Palestinian case requires an unflinching, honest look at 22 years of a political process in which the Palestinians failed to build a functioning state entity. The two semi-state Palestinian entities in the Gaza Strip and the West Bank are experiencing a dangerous process of state failure, and the international community is helpless in stopping it. It seems that without an organized, persistent, painstaking, and responsible state building process in which Israel plays an important part, and addressing the entire gamut of reasons for the current state of affairs in the PA in order to ensure that this process [state failure] stops if not changes direction,<sup>48</sup> there is no real hope for the development of these entities into functioning states, whether each on its own or together as one Palestinian state. Furthermore, it is necessary to take a sober look at the regional reality in the wake of the regional upheavals,

which suddenly and explosively exposed the complexity and risk inherent in the failing state phenomenon. The challenge now facing the PA, Israel, and the international community is to dispel the prevailing doubt that the Palestinians will one day be able to build a modern, functioning nation state even with international help.<sup>49</sup>

## Notes

- 1 Michael Eisenstadt, "The Palestinians: Between State Failure and Civil War," *Policy Focus* #78, Washington Institute for Near East Policy, December 2007, p. vii.
- 2 Ibid.
- 3 For an extensive treatment of the problematic nature of the Western/free world's attempt to bestow democratic values on failing states in general and on Middle East societies in particular, see Amitai Etzioni, "The Democratisation Mirage," *Survival* 57, no. 4 (2015): 139-56.
- 4 Aaron David Miller. "Does the World Need a Weak or Failing Palestinian State?" *Wall Street Journal*, November 30, 2015, <http://blogs.wsj.com/washwire/2015/11/30/does-the-world-need-a-weak-or-failing-palestinian-state/tab/print/>.
- 5 In the literature, several alternative terms, such as fragile state, collapsed state, and state failure are all used. It is beyond the scope of this essay to discuss the reasons for the different terms. This essay uses the term "failing state."
- 6 Francis Fukuyama, *State-Building: Governance and World Order in the Twenty-First Century* (London: Profile Books, 2005), pp. 1-3.
- 7 For more, see Fukuyama, *State-Building*, pp. 3-7.
- 8 Charles T. Call, "The Fallacy of the 'Failed State,'" *Third World Quarterly* 29, no. 8 (2008): 1492.
- 9 William, I. Zartman, *Collapsed States: The Disintegration and Restoration of Legitimate Authority* (Colorado: Lynne Rienner), 1995, pp. 1-11.
- 10 See the annual "Fragile States Index," Fund for Peace, 2014, <http://ffp.statesindex.org/>.
- 11 Fukuyama, *State-Building*, p. 5.
- 12 Yoel Guzansky and Amir Kulick, "The Failed State: Ramifications for Israel's Strategic Environment," *Strategic Assessment* 13, no. 2 (2010): 39-54, <http://www.inss.org.il/uploadImages/systemFiles/ADKAN%20-%2013.2993392997.pdf>.
- 13 Michael Hudson, *Arab Politics: The Search for Legitimacy* (New Haven: Yale University Press, 1977), p. 391.
- 14 Benjamin Miller, "When and How Regions Become Peaceful: Potential Theoretical Pathways to Peace," *International Studies Review* 7, no. 2 (2005): 229-67.

- 15 David Reilly, "The Two-Level Game of Failing States: Internal and External Sources of State Failure," *Journal of Conflict Studies* 28 (2008): 17.
- 16 "The National Security Strategy of the United States of America, 2002," <http://www.whitehouse.gov/nsc/nss.pdf>, cited in Reilly, "The Two-Level Game of Failing States."
- 17 For an extensive treatment of the humanitarian significance of the refugee problem and severe implications for regional security, see Benedetta Berti, "Syrian Refugees and Regional Security," *SADA Middle East Analysis*, February 5, 2015.
- 18 Michelle Nicholas, "Exclusive: Iraq tells U.N. that 'Terrorist Groups' Seized Former Chemical Weapons Depot," *Reuters*, July 8, 2014, <http://www.reuters.com/article/2014/07/08/us-iraq-security-chemicalweapons-idUSKBN0FD26K20140708>.
- 19 Steven J. Rosen, "Are Palestinian Offensives Inviting Israeli Reprisals?" January 7, 2015, <http://www.gatestoneinstitute.org/5010/palestinian-offensives-israeli-reprisals>.
- 20 Avihai Snir, "The Budgetary Crisis in the PA: An Ounce of Prevention is Better than a Pound of Cure," *Globes*, August 11, 2014.
- 21 "European Union Direct Financial Support to the Palestinian Authority," Special Report No. 14, Publications Office of the European Union, 2013, p. 6.
- 22 Rosen, "Are Palestinian Offensives Inviting Israeli Reprisals?"
- 23 Nathan J. Brown and Daniel Nerenberg. *Palestine in Flux: From Search for State to Search for Tactics*, Carnegie Endowment for International Peace, January 2016.
- 24 Sawsan Ramahi, *Corruption in the Palestinian Authority*, Middle East Monitor (MEMO), December 2013, p. 4.
- 25 *Ibid*, p. 6.
- 26 *Ibid*, p. 14.
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