

Social Struggles in Palestine: Organizing without Organizations

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The Palestinian political system is currently at loss of things to offer Palestinians on both the economic and political level. Israeli settlements continue to rise in various areas of the West Bank, gradually weaning Palestinians of chances to build their state. The option of a two-state solution ceases to be logical or feasible. Economically, Palestinians are weighed down by poverty with a current rate of unemployment of up to 27 per cent¹ while Fateh and its president, Mahmoud Abbas are busy managing the party's internal conflicts. Yet, the party is neither able to end its internal division between the West Bank and the Gaza Strip, nor is it able to unite its members: Fateh is now internally divided into two groups: one group led by Mohammed Dahlan who is dismissed from Fateh but backed by some Arab states, and another one led by president Abbas. Meanwhile, the Palestinian left is entirely absent from the political and economic landscapes of power.

All this comes at a time when warnings are heard on a possible collapse of the Palestinian Authority (PA) and its security system. Azzam al-Ahmad, a central figure in Fateh and head of its parliamentary faction, pointed out that the PA "is collapsing", stressing that there was no decision to disband the authority, but that it is "collapsing" due to the failed peace process, the continuous occupation of the West Bank and Palestinian funds withheld by Israel. Al-Ahmad said that the current PA is a "fake authority that only exists on the ground the way Israel wants," adding that "to hell with the authority if Israel controls its fate"². When this discourse was heard by Mahmoud Abbas in a meeting with Israeli newspaper Haaretz, he remarked: "I'm going to disband the Palestinian National Authority unless Israel resumes peace negotiations after our next election on the 22nd of January 2012." Abbas stated that unless Israel resumed negotiations, he would hand over full responsibility of the West Bank to the Israeli government. He continued that "if no

progress is seen after the election, I will call Prime Minister Netanyahu, I will tell him come sit on this chair instead of me, and take my keys"³. In 2014, while meeting with Arab Foreign Ministers Council Abbas talked about moving on with the current situation and leading the PA towards stopping security coordination with Israel⁴.

Yet, the threat to re-occupy the West Bank is just political nonsense, as is the threat to disband the Palestinian Authority. To go back to direct military rule of Palestinian communities and to carry the costs of maintaining the occupied territories is an endeavor Israel would not undertake while it can at any given point conduct a military operation in the Palestinian-controlled cities and withdraw. The Israeli occupation still continues on the ground but no longer bears the costs of maintaining the occupied territories. This role has been reassigned to the PA in order to include a large group of international donors.

Too much aid, too little results

Aid money is slowly decreasing in Palestine after having reached an unprecedented high of \$763 US per capita in 2009. Yet, the figures reflect that it has become as low as \$579 per capita in 2014⁵. This means a 24 per cent decrease, a rate that dropped even further during 2015 and 2016. Particularly, Saudi Arabia reduced its aid to the Palestinians. Also, some of the Gulf States rather supported Hamas' control over Gaza instead of the PA. This coincides with the increase of government debt to more than 60 per cent of the GDP, ranging to around \$5 billion⁶.

Regarding the economy the Palestinian discourse began to pinpoint that concerning the issue of taxes, the occupation has become the most profitable occupation in history. Palestine's net import from Israel is estimated to be \$5 billion per year, half of which are derived from gas and its derivatives. When compared to the Palestinian GDP, which amounts to \$11 billion, one notices that around 50 per cent of the Palestinian GDP is the net import from Israel. In other words, the Israeli market makes a \$5 billion annual profit from Palestinian imports. According to the 1994 Paris Protocol on Economic Relations, the taxes that are pre-paid to Israel for imports must be returned to the PA within a period of 45 days. However, Israel is entitled to keep a percentage of 3 per cent, which amounts to nearly 20 million Shekels per month (approx. 4.9 million €), which means that Palestinians pay a 240 million Shekel (approx. 60 million €) per year as fee in order to retrieve its money that is being operated within the Israeli economy in the meantime.

Each year, Palestinians transfer around \$600 million of profits to Israel, including the liquidities that are being operated within the Israeli market for 45 days. Hence, it becomes obvious that Israel derives a great economic advantage from its occupation of the Palestinians.

Those taxes are often turned into a punishment tool used by Israel in order to exert pressure on the PA by refraining from releasing tax revenues and thus, hindering the PA from

paying the salaries of its employees. The unfair tax system sparked numerous protests against the PA: In 2012, taxi and public transportation drivers protested against the rising fuel value-added tax (VAT), which constituted the first protest of this kind. Traffic stopped for 24-hours in all West Bank cities. Thus, the government was forced to stop increasing the VAT. Social and Economic Policies Monitor (Al Marsad) and other Palestinian non-governmental organizations initiated a similar campaign in an attempt to lower the VAT on basic commodities that are consumed the most by Palestinian citizens, namely rice, flour and sugar. Yet, the government responded that it was bound by the Paris Protocol to enforce a tax rate no less than 2 per cent. The organizations argued that this was not enough of a justification since the difference in tax between Israel and the PA is only one per cent, which is to be considered as highly unjust taking into consideration the high poverty and unemployment rates in Palestine and unequal income levels between Israel and Palestine. Looking at the difference between the minimum wage rates, economic injustice between the two sides is highlighted even more clearly: In Israel, the minimum wage is raised to \$1377 in 2017, while it remains at \$376 for Palestinians; a rate that has not been reviewed nor amended since 2013. Even worse, this rate does still not include more than 130,000 Palestinian domestic workers⁷.

Contrary to expectations, the PA is financing its expenditures by reproducing poverty and impoverishment policies targeting a population that no longer trusts its authority, seeing it further entangling in corruption; a dynamic that has only been inflicting further irreversible internal damage.

The struggle for social and economic rights in Palestine has become more visible in recent years. Yet, it seems that the private sector secretly runs the game through influencing higher levels of the PA. Companies play the magic card at hand: "the threat of private sector investment transfer abroad to receive tax incentives". It should be noted that 466 companies are exempted from tax, most of these being local companies. Some are even registered abroad to receive the so-called foreign company treatment.

The tax law is no better than the investment law: Since 2011, there have been several amendments on the Income Tax Act, more precisely ten amendments in ten years⁸. These amendments have always been in the interest of big businesses and high-income earners. For instance, the Palestinian president amended the income tax law, canceling the 20 per cent tax bracket. Despite the widespread poverty in the Palestinian territories, VAT has been raised, which puts more dramatic pressure on the population. High living costs, a lack of jobs and low purchasing power forces the PA to exhaust its budget and thereby, to reduce government spending on vital sectors such as health and education and to cut social benefits for disadvantaged families. These austerity measures are no longer compelling to people who can see evident manifestations of wasting public money and show-off trials convicting PA officials that are considered as 'the least corrupt'.

Higher spending on Israel's security than on educational system

The current Commissioner for External Relations and long-year member of the negotiating team with Israel, Nabil Shaath said that the PA has been doing its best to prevent a third Intifada by adhering to a violence deterring ideology. However, the PA is unable to guarantee that another Intifada does not happen. During a meeting with Israeli journalists in Ramallah, Shaath stated that the PA is spending a high amount of money in order to prevent violent practices against settlements and Israeli borders. In short, the PA is actually spending more on Israeli security than on the Palestinian educational system⁹. Evidently, the Palestinian educational system is collapsing putting teachers under dire conditions. The system is marred by poor infrastructures. On top, Teachers suffer from low wages and usually have lower chances for promotions compared to those working in the governmental sector. These conditions pushed thousands of teachers to the streets to demonstrate in front of the Council of Ministers building in Ramallah,

completely ignoring the teacher's union official instructions. It should be noted here that the union follows the government and its policies.

Teachers formed an alternative movement known as "*Herak Al-Mu'alemeen*" (teachers mobility movement) that took to the streets. Instead of justly dealing with the teacher's demands by improving their working conditions, the teachers were treated as if they were a national security issue: the protesting teachers were blamed for 'wasting time of the school year' and their dedication towards the national cause was questioned. Later, mass arrest campaigns took place and threats of dismissal from their jobs were issued. These threats were masked behind fiscal issues; poor planning and changing priorities in light of lack of resources when aid money usually comes preconditioned. Thus, spending on settlement security is higher than spending education, as worded by Nabil Shaath. Although the teachers' movement failed, it does not mean their demands will not eventually be fought for sooner or later in the form of protests and strikes.

The PA is no longer able to continue playing its lead role. This comes hand in hand with its inability to open up more job opportunities or spaces for promotion. This crisis is faced with regional challenges present since Arab funding, namely Gulf-based funds, is being split into various Palestinian channels to cover the Authority's financial needs. In terms of taxes for instance, the drivers' strike was the first Palestinian protest against the VAT coinciding with civil society organizations refusing a tax targeting Palestinian farmers, and protests against the social security law draft. Unions had signed the unfair social security draft bill, a bill deemed biased in favor of employers, which led various unions and non-governmental institutions to form, what became known as the National Campaign for Social Security. The campaign faced various accusations of trying to politicize its work. It was also accused with various claims that it was actually working for foreign agendas and being unfamiliar with the law itself and the issue of social security in general.

The tens of thousands of protesters in front of government institutions in Ramallah forced the government to rush into opening a dialogue about the law's articles. This step did not only legitimize the campaign, but also silenced the voices that questioned the patriotism of those in charge of the campaign. The campaign eventually gained great support from workers, employees and some political powers, particularly from the left. This was a success unlike the teachers' campaign that was divided, isolated and did not involve other parts of the civil society. Hence, teachers' demands were not taken seriously. This is part and parcel of the reasons for the teachers' movement's failure to achieve its demands; it lost the Palestinian legislative Council supporting umbrella and the support of civil society organizations.

Some members of the Legislative Council in the West Bank who are involved in a few laws and social and economic issues are those affiliated with Fateh and the left wing parties. None of Hamas members participate in sessions held in Ramallah. While Fateh members sided with the speech of politicizing the teachers' movement. Hamas leaders' calls toward responding to the teachers' demands and respecting their trade unionist rights were explicated to attack the movement and to consider it driven by Hamas¹⁰.

The left attempted to play the role of mediator, but couldn't hide the fact that it is part of the official union, and their representatives preserve their membership despite critiques of the union role and its affiliation with the government. This significantly contributed in maintaining its legitimacy and weakening the teachers' movement as a union which express teachers' interests and rights.

Those external reasons have led to the failure of the teachers' movement, along with internal reasons that are of no less importance. One of the most important reasons is the lack of a unified speech of the movement's leadership, the announcement of union strikes and then regressing in the last moment, and the centralized leadership in certain localities.

The Palestinian left: a crisis from leadership to the bases

The Palestinian left did not succeed in becoming a vital force that promotes the realization of economic and social rights. On the political level, it has failed to push onto both ends, namely Fateh and Hamas, in order to end the internal division. Moreover, all attempts in the course of the past tens years to unite the left failed. Discussions are usually finalized at the higher levels of left parties. Yet, it is a good indicator that the leftist leadership recognizes the importance of forming coalitions regarding certain issues, but it still falls short in initiating debates with its own grassroots that then opined to either ally with other parties or to run elections independently. However, in the recent local elections the situation changed: Leftist and democratic parties decided to form coalitions for local elections, which received approval by the Council of Ministers in May 2016. More than 860 electoral lists ran for the elections as opposed to 670 lists in the 2012 elections. Hamas' participation with its independent lists contributed to this high number of electoral candidates' lists for this election run.

Left parties, namely the Popular Front for the Liberation of Palestine, the Democratic Front for the Liberation of Palestine, the Palestinian People's Party, the Palestinian National Initiative, and the Palestinian Democratic Union (Fida) announced local elections covering all Palestinian territories, i.e. the West Bank, Gaza Strip and East Jerusalem. However, data indicates that the alliance did not last long: There were 21 electoral lists in the West Bank and 22 lists in Gaza (Gaza committed not to run the elections with individual lists, unlike some parties in the West Bank). The number of registered lists in the Alliance (a coalition of leftist forces with Fateh) was 41; the Democratic Front for the Liberation of Palestine made 22 lists, the Popular Front for the Liberation of Palestine made 13 lists, the Palestinian People's Party made six lists and the Palestinian National Initiative made three. This shows that the rejection to form a coalition came from the base that decided on the alliance's shape and form individually for each village

and city. While many formed coalitions with Fateh, others ran within competing families or competed individually. The left did not only fail because of the coalitions but because it had no distinctive characteristic from the Palestinian right: Both did not have women on their lists. Although there are more than 860 rival electoral lists, more than 99 per cent of the candidates were male compared to less than one per cent of female candidates. This was a common feature of all competing lists (Democratic Alliance, Fateh, the coalition and independent candidates), i.e. not even the left was characterized by having women running for the elections. The women quota was the only guarantee for female presence on all lists. There was blunt criticism to hiding women's names and photos from some of the electoral lists that added to the low representation of women. It can then be deduced that female presence was only made possible on partisan and familial lists because of quota laws. This failure of political empowerment programs for women was met with women accepting representation and seats allocated to them by the quota system. More than 70% of the lists only had two female candidates. At the end, the

elections did not take place as the Palestinian High Court of Justice postponed them indefinitely due to constant conflicts between Fateh and Hamas on judicial powers.

The failure of the left parties coalition on the grassroots level in the elections and the huge gap between the left leadership in Ramallah and its grassroots in other cities, were other indicators of the crisis that the left is going through. However, the left has a larger role to play in the reality of the financial crisis and the limited political and economic options of the PA, which will only lead the PA to introduce more austerity measures in major sectors such as health, education and social welfare services, and enhance its inability to create employment opportunities for university graduates. The PA will resort to impose higher taxes on income and basic goods; a procedure that will evoke the most marginalized people to fight for their rights as they are continuously disregarded in the making of social and economic policies. The left has a potential key role to play in this in case it follows up on this dire situation and offers a feasible alternative. However, this requires activating its grassroots and unions.

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NOTES

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