

US, EU threaten cut-off of funds to Palestinian Authority following Hamas victory

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The election of Hamas has been met with threats by the United States, Europe and Israel to cut off funds to the Palestinian Authority (PA).

The US, the United Nations, the European Union (EU) and Russia—which make up the quartet backing President Bush’s so-called “Road Map to Peace in the Middle East”—issued a statement calling on Hamas to renounce violence and accept Israel’s right to exist. The Arab League has also insisted that Hamas recognise Israel.

Israeli interim Prime Minister Ehud Olmert, in power following Ariel Sharon’s stroke until the March elections, said there would be no talks with “an armed terror organisation that calls for Israel’s destruction,” while Foreign Minister Tzipi Livni called on the European Union to oppose the creation of a “terrorist government.” She was asking specifically for the EU to end funding to the Palestinian Authority.

The US has already stated that funding to the PA will now be reviewed. Most US aid—\$300 million last year—goes through NGOs. European aid to Palestinian institutions totalled around \$330 million last year, but this does not include figures at least twice as high donated by individual governments.

James Wolfensohn, the former head of the World Bank and the quartet’s special envoy, has warned that cutting off aid would push the Palestinian territories into chaos. “The crunch time is next week,” he said, when the wages of 135,000 security personnel and civil servants are due. Mazen Sinokrot, the present Palestinian economy minister, said the PA’s 135,000 employees were the main breadwinners for 30 percent of Palestinian families: “If these salaries do not come in, this is a message for violence.”

Though immediate action has been rejected, Israel by itself could threaten the continued existence of the PA. Joseph Bachar, the director-general of Israel’s finance ministry, said the PA relies on customs and VAT tax transfers from Israel and money from Saudi Arabia, and warned that it was very difficult to see how his ministry could continue to work with a government committed to the destruction of Israel. If Israel closed all borders, this would deprive the Palestinians of their major markets and their ability to export, as well as deny incomes to many Palestinians who work in Israel. The PA depends on Israel for its electricity and water supply.

There is also a very real possibility of a stepping up of the low-level warfare being conducted by the Israeli Defence Forces (IDF). On January 28, Israeli Defence Minister Shaul Mofaz threatened targeted killings of Hamas leaders if the group did not comply with the terms dictated to it by Tel Aviv and Washington. The IDF arrested at least

15 suspected Palestinian militants, including 8 from Hamas, in overnight raids following the elections.

There can be no clearer exposure of the pretence of the US and the European powers to champion democracy for the Palestinians—or anywhere else in the Middle East—than their dismissal of the results of the election as illegitimate.

The Palestinian people voted massively in support of Hamas in the January 25 elections that were sponsored by the Western powers, giving it 76 of the 132 seats in the PA. But because they had the gall to vote the wrong way, their chosen government is proclaimed to be illegitimate and they are threatened with a siege and mass starvation.

Hamas was elected as a mass protest motivated by the desperation created by Israeli occupation and anger that the so-called peace process has only made things worse for most Palestinians. Beginning under President Clinton in 1993 with the signing of the Oslo Accords and continuing under President Bush’s “Road Map,” the “peace process” has provided a cover behind which Israel has occupied and quarantined entire cities and towns, mounted repeated attacks on the civilian population that have cost thousands of lives, undertaken political assassinations and massively extended its settlement programme. Under the Road Map, Sharon was given carte blanche for the building of his so-called security wall that will permanently annex about half of the West Bank to Israel, including the whole of East Jerusalem.

The experience of more than a decade has exposed to broad masses the cynical claim made by US and Israeli leaders that they have any intention of seeking a just settlement with the Palestinians. The anger this has generated—fuelled by crushed illusions that the creation of the Palestinian Authority would provide a means of realising the democratic and social aspirations of the workers and peasants—was directed against PA President Mahmoud Abbas and the sections of the Fatah leadership. These are the forces most associated with the so-called two states solution, who are now seen as collaborators in a cruel political deception.

The sweeping victory of Hamas has exposed one of the fictions propounded by the US in justifying its policy—of relegating the organisation to the status of merely a terrorist outfit. Hamas is in fact a political movement with considerable popular support, which has employed terrorist methods. Its basic outlook is communalist and it offers no genuine alternative to Fatah or any other strand of Palestinian or Arab nationalism. However, it has been able to successfully appeal to the discontent of a population living under the most impoverished conditions by maintaining a network of social

services and the extensive charity work it carries out.

Above all, it has benefited from the fact that it has formally opposed the peace process and its authors since Oslo.

But this does not translate into popular support for Hamas's overall programme—a fact recognised by the organisation, which emphasised its opposition to the corruption of the bourgeois layers around the Fatah tops and promises to alleviate the lot of the poor. Hamas co-founder Mahmoud Zahhar pledged, “We are going to change every aspect, as regards the economy, as regards industry, as regards agriculture, as regards social aid, as regards health, administration, education.”

The *Financial Times* acknowledged, “The vote reflected more a popular backlash against Fatah than an embrace of Hamas's Islamist and rejectionist ideology. But it also represented frustration with a much talked of, but now moribund, ‘peace process’ that failed to fulfil Palestinian aspirations during a decade of Fatah rule.”

Jibril Rajoub, the former head of the West Bank Preventive Security Service, while defending Fatah, also observed correctly in the *New York Times*: “Israel has done everything to hurt the Palestinian Authority and sabotaged the chances to negotiate and reach an agreement. Hamas has reaped the fruit of this policy.”

Though Hamas was the main beneficiary of popular resentment towards Abbas and his clique, popular anger also finds expression within Fatah. The party was already deeply split before the elections and fielded opposing candidates in some districts. The past days have seen demonstrations by tens of thousands of Fatah militants calling for Abbas to resign. Thousands of protesters in the refugee camp of Nusayrat called for the entire Fatah leadership to go. A thousand protesters stood in front of Abbas's Gaza residence, denouncing him as “an Israeli agent.” They and thousands of others then marched on the legislative council, burning symbols of the regime, demanding an end to corruption and that the party not join a Hamas government. About 15,000 Fatah activists were demonstrating throughout Gaza.

Hamas has made clear that it desires a compromise with Israel. Speaking from exile in Damascus, Hamas leader Khaled Mashal suggested that Hamas was prepared to honour previously signed Palestinian Authority agreements once it assumes office. “We will not recognise Israeli occupation, but we are realistic and we know things are done gradually,” he said. Mahmoud al-Zahar, the top Hamas official in Gaza, told CNN that a “long-term hudna or long-term truce” is possible, while other leaders have mooted leaving foreign policy in the hands of Abbas as per the stated wishes of Washington.

However, there is every chance that things will deteriorate to the point where this is not an option. Sporadic fighting has already taken place between Fatah and Hamas supporters, and Fatah still controls the security services, which voted en bloc for the party. Hamas has proposed creating a Palestinian army and wants a reorganisation of the Palestine Liberation Organisation—both of which will be seen as a threat by all factions of Fatah.

Whatever their intentions, it is Tel Aviv and Washington that bear ultimate political responsibility for the victory of Hamas. It is they who decided to marginalise and ultimately eliminate Arafat—who retained a degree of popular support and authority amongst the Palestinian masses—in order to install a new leadership of Fatah made up of conservative and pliant businessmen led by Abbas. The result was to drive millions into the arms of Hamas, something that Sharon himself welcomed as an excuse to declare negotiations at an end. Immediately Likud came to power in 2001, Sharon declared that PA President Yasser Arafat was not a “partner for peace”—and placed him

under military siege in his Ramallah headquarters with the full support of Washington. After Arafat's death in November 2004, Abbas was also rejected as a “partner for peace” because he would not disarm Hamas for fear of provoking civil war. Sharon then began his so-called unilateral disengagement—imposing new borders favourable to Israel.

Whatever happens, Israel will accelerate its attacks on the Palestinians using the situation it has created as a pretext. The debate within Israeli ruling circles following the election is whether to complete Sharon's land grab or to launch what would have to be a massive military offensive against the Palestinians to retake control of Gaza and yet broader portions of the West Bank.

Kadima, the political vehicle Sharon created before his stroke, favours a completion of “unilateral withdrawal.” This would include completing the separation barrier and determining the final contours of Israel's frontier with the West Bank. In this, it has the full support of the Labour Party and Meretz.

Labour Chairman Amir Peretz told the Knesset (parliament), “If we have to, we will implement unilateral moves. We will not agree to a diplomatic stalemate. The changes in the Palestinian Authority will not hold us hostage.”

Ami Ayalon, a former director of Shin Bet now running for a seat with the Labour Party, added, “There is now a broad consensus, that Israel will go ahead and build our borders to preserve Israel as a democratic Jewish state.” The Palestinian Authority constructed by Fatah “no longer exists,” he said.

Benjamin Netanyahu, who now leads the far-right rump of Likud and has the support of the settler and religious parties, has rechristened the PA “Hamastan...an Iranian satellite state in the image of the Taliban.”

Denouncing Sharon's disengagement, he added, “It was created in close proximity to Jerusalem, Tel Aviv and Ben-Gurion International Airport.... A policy of unilateral withdrawal rewarded Hamas terror.”

Netanyahu and former foreign minister Silvan Shalom have been touring the route of the security fence. Shalom warned ominously, “This will not be the border of the State of Israel.... This current border stands in the range of fire by the terror organisation which took control of the Palestinian Authority a number of days ago.”



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