



U.S.-Palestinian Authority Relations

Michał Wojnarowicz

U.S. President Donald Trump's announcement in December that the U.S. recognises Jerusalem as the capital of Israel and will relocate the U.S. embassy to the city caused a deep crisis in Palestinian-American relations. It has lessened the likelihood of a renewal of Israeli-Palestinian peace negotiations and complicated the internal political situation in the Palestinian Authority (PA). The Palestinian government has turned to other entities, including the EU, to attempt to revive the peace process and increase support for the Palestinians.

Crisis in Political Relations. At the beginning of Trump's presidency, U.S. relations with the PA were good. Mahmoud Abbas, PA president, leader of the Palestine Liberation Organisation (PLO) and the head of the Fatah political party, met Trump four times (most recently at the UN during the General Assembly session in September) and promised full support for the peace process despite Trump's and his administration's pro-Israel declarations. The situation worsened in the second half of 2017, though.

Then, the U.S. threatened to close the PLO office in Washington after Abbas announced the PA wanted the International Criminal Court (ICC) to examine Israeli actions in the West Bank. The U.S. also initiated its withdrawal from UNESCO, accusing the organisation of anti-Israel bias (e.g., recognition of Hebron as a Palestinian threatened world heritage site). The crisis in relations escalated after Trump's announcement about Jerusalem.¹ Palestinian leaders then announced that as a result, the U.S. could no longer serve as an impartial mediator in the peace process. Bilateral political contacts were frozen and the Palestinian government boycotted Vice President Mike Pence's visit to the Middle East in January.

The deterioration of relations with the PA was anticipated in the Jerusalem decision, but when the Palestinian position stiffened, the U.S. increased its pressure on the Abbas government. In January, the U.S. withheld \$65 million in aid for the Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). The U.S. federal budget that passed in March includes a provision allowing a 5% cut in funds transferred to UN agencies determined to be acting against U.S. and Israeli security interests. That same month, President Trump signed the Taylor Force Act, which limits financial support for the PA as long as it maintains stipends for Palestinian terrorists and their families. The PA does not recognise attacks on Israel as terrorism and rejects abolishing these benefits.

Although the U.S. has declared interest in renewing the Israeli-Palestinian peace process, the Trump administration has not provided a date for the official submission of a peace plan. According to media reports, Abbas rejected proposals for a deal despite pressure from countries in the region, including Saudi Arabia and Egypt. At the same time, despite the harsh rhetoric (including the PLO's threats to withdraw from the Oslo Agreement), Abbas has not ruled out diplomatic means to resolving the conflict with Israel.

Palestinian Internal Context. The crisis in relations with the U.S. overlaps the difficult political situation in the Palestinian Territories. The reconciliation process between Fatah and Hamas in 2017 has been seriously

¹ M. Wojnarowicz, "Consequences of the U.S. Decision Regarding Jerusalem," *PISM Spotlight*, no. 77/2017, 8 December 2017.

endangered.² The PA has not regained full control of the Gaza Strip nor eased its sanctions. Hamas still has not disarmed its military wing. The situation was aggravated by an unsuccessful attack on Prime Minister Rami Hamdallah during a visit to the Gaza Strip. President Abbas singled out Hamas as the perpetrators and threatened to cut funds transferred from the PA to the Gaza Strip (about \$100 million per month). Fatah hopes that a further deterioration of the internal situation in the Gaza Strip will force Hamas to make concessions in the reconciliation process. In turn, Hamas is trying to channel internal social pressure in the Gaza Strip towards a confrontation with Israel.

Although most Palestinians (65% in recent polls) support the PA's policy and oppose the return to negotiations with the U.S., this does not translate into an increase in support for Abbas. More than two-thirds of Palestinians demand his resignation. Social attitudes may be further aggravated by plans to raise taxes to offset the reduction of the overall U.S. financial contribution to the PA budget. The stability of the Palestinian leadership is adversely affected by reports of Abbas' deteriorating health and speculation about his potential successor. The meeting in 22 years of the Palestinian National Council, the highest organ of the PLO, will be held at the end of April, an indication of preparation for succession.

The political instability is accompanied by a deteriorating security situation and increased tensions with Israel. These have included clashes on the Israel-Gaza Strip border, in which more than 30 Palestinians were killed, and a series of terrorist attacks in the West Bank. The culmination of the unrest and demonstrations is expected in May when the U.S. embassy transfer to Jerusalem is planned and the 70th anniversary of Nakba, the flight of the Palestinian population because of the Israeli-Arab war in 1948.

International Aspects. In the diplomatic sphere, the Palestinian response to the U.S. actions have been attempts to more widely internationalise the peace process. Declarations on this subject were made during Abbas' meetings with Russian President Vladimir Putin, the head of EU diplomacy, Federica Mogherini, and the UN Security Council, where Abbas called for an international peace conference. Among the options considered are the "P5+1" format (the five permanent members of the UN Security Council plus Germany) or an extension of the "Middle East Quartet" to include China and the Arab League. Increasing the international pressure on Israel also includes the ICC request.

Abbas' government also seeks to strengthen the international legitimacy of Palestinian statehood. This includes applying for the status of a full UN member and submitting applications for the accession of Palestine to international organisations and agreements, including the *Nuclear Non-Proliferation Treaty*. Palestinian diplomacy also has taken steps to extend the recognition of statehood to more EU countries. Nine Member States, including Sweden, Malta, and the V4 countries (Czech Republic, Hungary, Poland, Slovakia), recognise Palestine, with Slovenia and others considering it. The attitude of Middle East states remains a challenge for the Palestinians. Despite criticism of Trump over individual actions, these countries maintain support for the U.S. administration. For example, Jordan declared it did not see an alternative to the U.S. as a mediator in the peace process.

Prospects. The conflict between the Palestinian authorities and the U.S. will deepen. This lessens the chances of initiating peace negotiations, especially given the political instability in both the PA and Israel. For Abbas, concessions to the U.S. would be politically dangerous, especially in its conflict with Hamas and apparent preparations for succession. The PA president conditioned the possible return to talks with the Americans on official support of the two-state solution and the recognition of Jerusalem as the capital of the Palestinian state. Maintaining this tough stance may result in a stronger reaction from the Trump administration, which is supported for now by Congress. Additional sanctions, however, may worsen the socio-economic situation in the Palestinian Territories and, as a result, affect their stability. The U.S. is counting on the possibility of a change in PA leadership as a chance for a new opening. It also will continue to actively block Palestinian diplomatic initiatives and attempts to more widely internationalise the peace process.

Stronger U.S. policy in effect against the Palestinians will generate challenges for the international community, in particular for the EU and Middle East countries. EU states should consider an increase in financial aid for the Palestinians if the U.S. cuts funds or withholds them like in the UNRWA case. A political dialogue with all parties involved, especially the U.S., could help contain any further escalation. Poland can play an important role through its presidency of the UN Security Council in May, when the likely exacerbation of the conflict is expected. The priority should not be so much an attempt to mediate the conflict but rather to make sure that, despite heated rhetoric, it does not escalate further.

² M. Wojnarowicz, "Reconciliation Agreement between Fatah and Hamas," *PISM Spotlight*, no. 58/2017, 13 October 2017.