

Hamas and Governance in Gaza

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One of the most significant changes in Gaza over the past decade is without a doubt Hamas's rise to power and the group's consolidation of political, social, and military control of the Strip. Although as of late 2017 Hamas's governance project remains in a precarious position, its authority over the Gaza Strip remains fundamentally unchallenged. Any long term policy proposal with respect to Gaza must take this reality into account and weigh the complex balance of power between Hamas and the other political factions and civilian forces in the Strip as well as in the Palestinian political sphere as a whole. Similarly, internal dynamics, including with respect to the balance between the movement's military and political wings, must be analyzed and understood when assessing Hamas's present and future role in Gaza.

The Road to Power: 2005-2007

In the decades after its establishment as the military wing of the Gaza-branch of the Muslim Brotherhood at the outset of the first intifada, Hamas gradually evolved into a complex organization active at the military, social, and political levels.

The group decided to become directly involved in Palestinian institutional politics in 2004, following the death of Yasir Arafat. Recognizing that the death of the Palestinian national movement's historic leader and the overall disappointment with the political process initiated by the Oslo Accords – both in the general public and within Fatah's own ranks – might provide the organization with a chance to increase its political clout, Hamas's leadership decided to participate in local municipal elections in 2004 and 2005.¹ On the heels of a strong electoral performance, the movement's leadership abandoned the strategy of avoiding participation in the national electoral process and instead decided to compete in the Palestinian Legislative Council

(PLC) elections in January 2006. The electoral results rewarded Hamas's new political strategy, with the group's Change and Reform list winning 74 of the 132 available seats in the Legislative Council, which gave it a majority.² In contrast to the internal organizational tension within Fatah that accompanied the electoral campaign and the drafting of electoral lists, Hamas's campaign featured systematic preparations and party discipline. Indeed, strong and sophisticated organizational skills remain one of Hamas's core characteristics and one of the pillars behind the group's ongoing control of the Strip, despite multiple political and military challenges, economic hardships, and popular criticism.

After winning the PLC elections, Hamas initially reached out to Fatah, hoping to create a national unity government. Fatah rejected the overture, reluctant to relinquish the uncontested power it previously held. Specifically, Fatah refused to hand over control of the Palestinian Authority (PA) security agencies to the Interior Ministry in the Hamas-led new government. In addition, Fatah disagreed with Hamas's platform on a number of key foreign policy issues, including its ambivalence regarding preexisting agreements between Israel and the PLO, and more broadly, regarding compliance with the international demands placed by the Quartet.³ Without Fatah on board, Hamas's elected representatives proceeded to elect Gaza leader Ismail Haniyeh as Prime Minister, who formed a Hamas-only cabinet in March 2006.⁴

The political feud between Hamas and Fatah was not resolved in the year that followed, leading the Palestinian political arena to develop into two opposing centers of power: the (officially recognized) Palestinian Authority (PA) / presidency, headed by Mahmoud Abbas and Fatah, and the Hamas-led government. This division was reflected geographically, with the presidency based in the West Bank and the Hamas leadership residing largely in Gaza. More significantly, the division resulted in both severe problems as to coordination and in fierce competition. Even at this early stage of Hamas's rise to power, it was clear that making good on its promise to advance "reform and change" would be a formidable challenge, given the internal as well as international opposition to its authority and strategic guidelines.⁵ As Beverly Milton-Edwards noted:

The authority of Hamas in government was immediately undercut and the growing internal fragmentation of governance further destabilized a system of government that was already weak in

terms of liberal democratic impulses and the necessary institutions for stable governance. Increasingly, the Palestinian context, under Hamas rule, was becoming an example of transitional governance to further conflict (internal and external) rather than peace.⁶

Eventually, after failed attempts at reconciliation and ruling through a national unity government, the political rivalry between the two Palestinian political actors spiraled into violent conflict. The clashes erupted in June 2007, when Fatah-Hamas skirmishes escalated into a full fledged military confrontation between the two parties in the Gaza Strip. Hamas at that point relied on its military superiority to take control of the Strip and establish itself as the sole de facto ruler of Gaza.

Ruling Gaza: 2007-2013

After taking control of Gaza, Hamas's strategic objective became very simple: to preserve its power and control of the Strip. To reach this objective, the group invested in taking control of all institutional aspects of life in Gaza, focusing especially on gaining the monopoly on the use of force, on dealing with the broken economy, and on keeping potential internal challengers at bay.

The Hamas government in Gaza evolved to mirror that of the West Bank: with a Gaza-based legislative body; a Hamas cabinet tasked with executive functions; and a reformed judiciary.⁷ In parallel, the group gradually focused on consolidating bureaucratic control of Gaza by slowly ensuring that the main ministries and government institutions, from the agriculture to the finance ministries, would be run by Hamas loyalists. The same occurred at the local government level.⁸

In part Hamas was able to implement these changes rather swiftly because after the 2007 takeover, public employees on the PA payroll, including policemen, were initially told not to report for duty and not to cooperate with the new Hamas government, creating a vacuum in the public sector at large.⁹ Over time, Hamas took advantage of the vacuum to recruit its own personnel and place Hamas loyalists in key positions of power. It successfully replaced the upper echelons of the public administration, while also managing to downsize the bureaucratic apparatus significantly.¹⁰

In tandem, Hamas developed its own parallel security sector, which was primarily composed of the civil police.¹¹ The new security sector was smaller and better integrated than the one in place in the West Bank, and

it was placed under direct civilian control, through the police commander, reporting directly to the Interior Minister.¹² With this reorganization also came an official separation between the security sector – tasked with security and law enforcement – and the Hamas militants of the Qassam Brigades, dealing mostly with external resistance.¹³ Hamas could of course resort to its Qassam Brigades to support the Gaza security services, but officially the Hamas government preferred to separate between the Hamas military wing and the Gaza security sector.

Overall, Hamas created a public sector staffed with roughly 40,000 employees, with more than 15,000 part of the security sector.¹⁴ This further consolidated the group's power over Gaza, making Hamas the second biggest employer in Gaza after the PA – which from Ramallah continued to pay the salaries of more than 70,000 public employees – and ahead of the international NGOs, led by UNRWA.¹⁵

In addition, international restrictions against Hamas and Gaza inadvertently strengthened Hamas's control. First, the average citizen of Gaza – impoverished by the restrictions and in need of assistance – became more dependent on Hamas, its government, and its welfare system. After the takeover, Hamas preserved its social services infrastructure,¹⁶ and invested in consolidating its control of the other Gaza-based institutions devoted to social assistance.¹⁷ While weakening the private sector, restrictions on Gaza contributed to the flourishing of the Hamas-controlled tunnel economy, further strengthening Hamas's grip on Gaza's economy. With over 1000 tunnels operating between Egypt and Gaza,¹⁸ Hamas profited by regulating the construction and operation of the tunnels, by overseeing the transit of goods, and by collecting revenues.¹⁹ The smuggling activity included all types of goods, from basic commodities to weapons, and by 2009 it was estimated that the majority of all imports into the Strip occurred via underground tunnels.²⁰ The tunnels likewise resulted in additional money and equipment for Hamas's military wing, heavily involved in the smuggling business.²¹ Thus for the next several years and through a combination of economic, social, military, and political tools, Hamas de facto shifted the balance of power in Gaza and emerged as the sole, largely uncontested, ruler.

Following three major rounds of war with Israel (Operations Cast Lead, 2008-2009; Pillar of Defense, 2012; and Protective Edge, 2014) that devastated the civilian infrastructure in the Strip, and the tightening of restrictions

imposed by the Egyptian regime, it is important to assess how much of this system of government survives today.

Hamas in Control: 2013-2017

The system of control and governance established by Hamas after 2007 has been under severe strain since mid-2013.

In the wake of the profound socio-political changes brought forth by the Arab awakening, Hamas was initially particularly hopeful with respect to the winds of change in neighboring Egypt. The rise of the Morsi government – associated with the Muslim Brotherhood movement – represented a welcome new chapter for Hamas from the attitude displayed by Egypt during the Mubarak years, characterized by suspicion if not outright hostility toward Hamas. However, with the ousting of the Morsi government in early July 2013 and with the subsequent rise of the army-backed new political authority, the relationship between Hamas and Egypt went from “excellent” to “disastrous” in a matter of weeks. After 2013, the new political authority in Egypt adopted a restrictive policy with respect to the flow of goods and people, with the Rafah crossing operating under severely limited conditions.²² More importantly, the border restrictions have been accompanied by an ongoing military campaign to disrupt the tunnel economy between Gaza and Egypt. The impact of these policies on Hamas has been severe, with the organization finding it increasingly hard to meet its budgetary needs and provide badly needed goods and services to the Gaza population.

The rising political and financial pressure eventually pushed Hamas to attempt to mend its rift with Fatah by pursuing an agreement with the PLO in April 2014, leading to the creation of a unity government two months later.²³ The Hamas leadership agreed to the establishment of a unity government of individuals who were nominally technocrats that excluded any representative of the movement, agreeing that such a government would extend its control over Gaza while Hamas would retain security control of the Strip. Hamas hoped the unity deal would provide badly needed economic relief for the cash-strapped organization, including by paying the salaries of the public employees on its payroll. Instead, the lack of economic relief and political progress following the June 2014 unity deal further heightened political, military, and financial tensions within Hamas, eventually leading to yet another round of violent confrontation with Israel.

In the months following the 2014 ceasefire, the unity government continued to make little progress on issues such as extending the PA's effective control on Gaza, finding a compromise to reform the public sector in Gaza, and revising the security arrangements in the Strip. Furthermore, the lack of institutional cooperation between Hamas and Fatah, let alone collaboration, on issues related to the post-2014 reconstruction process and the failure to take serious steps toward preparing new legislative and presidential elections eventually led the unity government to collapse in June 2015. Since then, ongoing challenges in the framework of possible reconciliation, combined with the continued financial crisis within Hamas, have consolidated a state of crisis in terms of Hamas's government ability to govern the Strip effectively.

The Future

Without a stable unity government and the implementation of true political reconciliation, Hamas will remain the effective ruler in Gaza. Yet given the multiple economic and political restrictions in place, Hamas will continue to struggle to deliver, thus increasing pressure on the group and on Gaza. This could well be a worst case scenario: one where there is neither stable nor effective governance in Gaza; no reconciliation; and at the same time, no real prospects of challenging Hamas's control. Hamas's government is both entrenched and in crisis, while the Palestinian political sphere remains split and the tension mounts within Hamas's ranks.

This in turn spells trouble because it increases the chances of conflict. It affects the possibility of reaching a comprehensive Israeli-Palestinian political agreement, while also negatively affecting Gaza's development and humanitarian landscape and lowering Hamas's prospect of being recognized, internally and externally, as an integral part in the Palestinian political system.

How likely is reconciliation? Fatah and Hamas have not officially or publicly revoked the reconciliation agreement that was reached in 2014, and by early 2017 the dialogue between the two political rivals had resumed. This last round of negotiations may very well have been motivated by the two sides' mutual weakness: in the case of Fatah due to protracted political deadlock and rising unpopularity, and in the case of Hamas due to its dire financial crisis and lack of feasible alternatives.

Legitimacy is a key issue of concern: Hamas and Fatah, especially when facing challenges to their rule, have over the past years relied on the idea

of reconciliation and national unity to rekindle their popularity, with each pointing a finger at its opponent as the responsible party for destroying prospects of unification for the Palestinian people. In October 2017, however, under the auspices (and pressure) of Egypt, the two rival parties agreed on administrative power sharing in the Strip. As in the two preceding attempts to reach political reconciliation, the sides were driven toward smoothing over at least part of their differences by their quest to preserve and broaden their respective legitimacy bases – necessarily at the expense of one another. The previous attempts failed because both sides refused to accept each other’s prerequisites for collaboration. This time, however, the humanitarian crisis in the Strip, in addition to the deep sense of hopelessness among the local population and increasing economic pressure inflicted on the Strip by the Palestinian Authority and Cairo, appeared to leave Hamas no choice but to concede to some of the demands presented to it in return for moves expected to halt, at least temporarily, the area’s evident slide towards chaos and even popular uprising. Although Hamas rejected any mention of dismantling its military power, the PA exploited Hamas’s weakness and agreed to take responsibility for the civilian management of the Strip and lift sanctions it had imposed on the area, hoping that this would eventually enable it to regain control full overall over the Gaza area.

It is too early to assess the effectiveness of this accommodation move, because it does not mean that Hamas and Fatah/the Palestinian Authority will be able to overcome their fundamental differences and cores of conflict: the ideological, strategic, and political gaps between them remain deep and difficult to bridge. Still, the Palestinian Authority’s involvement in the Strip’s daily civilian affairs appears to present an opportunity to facilitate initiation of rehabilitation projects there, at least by easing transfer of financial resources and goods to the area.

For its part, can Israel overcome its deeply rooted tendency to inflict restrictions on Hamas in an effort to weaken it? Can it desist from objecting to any Fatah-Hamas attempt (albeit half-hearted) to reach institutional collaboration? By encouraging Palestinian national unity and abandoning the policy of driving wedges between the two parties, Israel could well achieve two intertwined goals: facilitating the rise of one legitimate Palestinian partner, and over time, assisting in the reconstruction of the civilian infrastructure in the Strip, thereby reducing the potential for repeated cycles of war with

Hamas. Thus, good and effective Hamas-Fatah joint governance in the Strip should be regarded not only as means to improve the well-being of Gaza's residents, but also a means to encourage moderate tendencies among their political leaders and consequently in the Palestinian arena as a whole.

Notes

- 1 Saud Abu Ramadan, " Hamas Makes Major Election Gains," *UPI*, January 28, 2005, http://www.upi.com/Business_News/Security-Industry/2005/01/28/Hamas-makes-major-election-gains/UPI-89831106924043/.
- 2 The Election Guide, <http://www.electionguide.org/elections/id/1433/>.
- 3 The Quartet is composed of the United States, the European Union, Russia, and the United Nations. "Leading Palestinian Hamas Figure Discusses Post-election Strategy," *BBC Monitoring Middle East*, February 3, 2006; " Hamas Intends to Form National Coalition Cabinet," *Xinhua General News Service*, February 12, 2006, http://english.peopledaily.com.cn/200602/13/eng20060213_242106.html.
- 4 " Hamas Leaders Meet Palestinian President, to Form Government," *BBC Monitoring Middle East*, February 20, 2006; " Hamas Unveils Its Cabinet," *Economist.com*, March 20, 2006, <http://www.economist.com/node/5650433>.
- 5 In the wake of the establishment of the Hamas government, Israel and Western governments boycotted it in an effort to pressure it to accept the Quartet's conditions, which included the recognition of Israel; the acceptance of all PLO preexisting agreements; and the renunciation of violence, or alternatively, to weaken its government and even topple it.
- 6 Beverly Milton-Edwards, "Prepared for Power: Hamas, Governance and Conflict," *Civil Wars* 7, no. 4 (2006): 311-329, <http://dx.doi.org/10.1080/13698280600682940>.
- 7 Are Hovdenak, "The Public Services under Hamas in Gaza: Islamic Revolution or Crisis Management," Peace Research Institute Oslo (PRIO), 2010, pp. 12-13.
- 8 *Ibid.*, p. 15.
- 9 International Crisis Group, "Ruling Palestine I: Gaza under Hamas," *Middle East Report* No. 73, March 19, 2008, p. 3.
- 10 *Ibid.*, p. 14.
- 11 *Ibid.*, pp. 9-11; Yezid Sayigh, "Policing the People, Building the State: Authoritarian Transformation in the West Bank and Gaza," Carnegie Endowment for International Peace, *Middle East Papers*, February 2011, pp. 6, 16-17.
- 12 Sayigh, "Policing the People, Building the State," p. 12.
- 13 *Ibid.*, p. 16.
- 14 Yezid Sayigh, "We Serve the People. Hamas Policing in Gaza," *Crown Paper* 5, Crown Center For Middle East Studies, 2011, p. 8; "Funding Government Proving Tough: Hamas," *a-Sharq al-Awsat*, December 24, 2010.
- 15 Yezid Sayigh, " Hamas Rule in Gaza: Three Years On," *Middle East Brief* 41, Crown Center for Middle East Studies, March 2010, p. 5, <https://www.brandeis>.

- edu/crown/publications/meb/meb41.html; International Crisis Group, "Ruling Palestine I: Gaza Under Hamas," p. 14; United Nations Relief and Works Agency (UNRWA), <http://www.unrwa.org/etemplate.php?id=64>.
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 - 17 Beverly Milton-Edwards, "The Ascendance of Political Islam: Hamas and the Consolidation in the Gaza Strip," *Third World Quarterly* 29, no. 8 (2008): 1585-99, see p. 1595; Sara Roy, *Hamis and Civil Society in Gaza: Engaging the Islamist Social Sector* (Princeton: Princeton University Press, 2011), pp. 214-18.
 - 18 Mohammed Mohsin, "1,200 Tunnels Operating between Egypt and the Gaza Strip-Sinai Tribal Leader," *a-Sharq al-Awsat*, November 12, 2012.
 - 19 "Round Two in Gaza," International Crisis Group, September 11, 2008, p. 14, <https://www.crisisgroup.org/middle-east-north-africa/eastern-mediterranean/israelpalestine/round-two-gaza>.
 - 20 Nicolas Pelham, "Diary: How to Get by in Gaza," *London Review of Books*, October 22, 2009, <http://www.lrb.co.uk/v31/n20/nicolas-pelham/diary>.
 - 21 Ibid.
 - 22 Ibrahim Barzak and Mohammed Daraghmeh, "Egypt Imposes Toughest Gaza Restrictions in Years," *USA Today*, July 24, 2013, <https://www.usatoday.com/story/news/world/2013/07/24/egypt-toughens-gaza-restrictions/2584275/>.
 - 23 This was yet another in a series of such attempts made over the years, to no avail. The first significant effort to reach strategic understandings between Hamas and Fatah was made prior to the general elections of 2006, when the two rival camps shared the interest of making the elections possible.