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AFTER GAZA

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Stein Room

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C O N T E N T S

Welcome and Introduction:

MARTIN S. INDYK, Director
Saban Center for Middle East Policy

Presentation:

RAFIQ HAYDAR AL-HUSSEINI, Chief of Staff
Palestinian Authority

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P R O C E E D I N G S

MR. INDYK: Good afternoon, ladies and gentlemen. Welcome to the Saban Center at Brookings. Please start your lunch. For those of you not eating for Ramadan, first of all let me bring you Ramadan greetings. If you wouldn't mind just putting your plate aside, just somehow indicate that you're not eating and we'll have all the food taken away from you.

I wanted to get straight into the discussion and presentation so we have plenty of time for discussion because we are very pleased and honored to have the opportunity to meet with Rafiq Haydar al-Husseini today. Rafiq is not I think well known in Washington, and we're very glad to have the opportunity to engage with him here.

Those of us who have had a chance to meet him in his current capacity as Chief of Staff to the President of the Palestinian Authority, Mahmoud Abbas, I think it's fair to say have been mightily impressed with his seriousness and intelligence and organizational capabilities. Some of us I should say are also mightily relieved that President Mahmoud

Abbas has appointed somebody who is such a professional to this position.

I said that Rafiq is not well known in Washington and that's because before taking up this position his focus of activities has all been in the health and welfare field, and the reason for that is that he is in fact a medical doctor. He has served as Assistant Deputy Minister of Health in the Palestinian Authority. He was the Director General of the Palestine Council of Health in Jerusalem. He set up his own private health care service called Arab Care Medical Services. I've just been told that you could get the cheapest MRI in the Middle East in your operation.

DR. AL-HUSSEINI: I had to compete with the Israelis.

[Laughter.]

MR. INDYK: It sounds like you did very well.

Then he was Deputy Director General and Director of Operations of the Welfare Association in Jerusalem and Amman. And finally, in May 2005, he was appointed to head up the Office of Mahmoud Abbas, the President of the Palestinian Authority.

So we're delighted to have a chance to talk to you, Rafiq, and listen to you. He is here in advance of Abu Mazen's visit to Washington which will come October the 19th or 20th, I believe. Rafiq would appreciate if his opening remarks were treated as on the record, but after that the discussion would be treated as strictly off the record so we can have a frank exchange.

Rafiq, the floor is yours, and we're very glad to have you here.

DR. AL-HUSSEINI: Thank you, Martin. It's a pleasure to be in Washington. I have been here maybe a couple of times but in different capacities. I'm not known in Washington and I'm not known anywhere, so let's face it.

[Laughter.]

DR. AL-HUSSEINI: Somehow I got this important position of being Chief of Staff to a new President that has been elected by a mere 63 percent of the population which started the new trend in the Arab world whereby everybody knew the 99.1 percent, and when Abu Mazen scored 63 percent, I think people were shocked. So people have to settle now for lesser than that and hopefully we'll see Arab elections with

landslides of 63 percent as landslides are in the West. In the Arab world it has to be 99.9, otherwise your people don't like you.

So it was a pleasure to be working with this elected President. I have to be frank with you. I don't know the guy very well. How many Presidents will appoint a Chief of Staff that they don't know very well and only just on reputation? And how many Chiefs of Staff will work with a President that they also don't know very well and have to put their neck on the line for them? But it has worked so far and that is a credit to the new leader of Palestine who is so open, who has nothing to hide and nothing to fear- and that is something that is definitely new in any politics, let alone Palestinian politics.

The title here is "After Gaza." I wanted to give a talk starting with where are we now and where we want to be and how you're going to get there and so on. But I'm not going to do that exactly because I'll tell you a story. When I was working with the Welfare Association, we had a program with setting up IT centers in villages. One of the villages was a village called Vahad Nejenin [ph]. We were working with an American organization based in Baltimore

called the International--Foundation and they've sent us somebody with a Texan hat to try to help us with the planning.

So Jack came, took off his Texan hat, and started talking to the audience- saying I want to start by asking the question, "Where are we now?" Somebody shouted, "We are in the city of Vahad NeJenin." He ignored the answer and went to the second question, "And where do you want to be?" And somebody shouted, "We want to be in Washington, D.C." So he ignored the answer again and went on to say, "And how are you going to get there?" And somebody said, "We can take a BA flight." Then he ignored the third answer and said, "And how do you verify that you got there?" And somebody said, "We will be fingerprinted by the time we arrive."

[Laughter.]

DR. AL-HUSSEINI: So I think Jack realized that in the city of Vahar they know all what happens in the world, especially in D.C. and in American airports where you have to be fingerprinted. But it's not so bad an experience after all. It's only the left and the right and your eyes and then you are released very quickly.

MR. INDYK: Unless you're a former Palestinian security chief.

DR. AL-HUSSEINI: I don't know what happens to former security chiefs, but I'll not ask the question now.

But in any case, so where are we now? I think that we are at a cross-roads of trying to go forward with our dream, our vision, the Palestinian vision, of setting up a Palestinian state that is viable, contiguous, and living side-by-side with Israel in security and peace, and that the borders are the pre-1967 borders. And we want to do this through democracy, through negotiations- taking us forward by peaceful means.

So this is the vision of this President, and it's not very different from the vision of your President, almost word for word: Viable, contiguous Palestinian state, the West Bank connected to Gaza and not like as the President himself described it, like Swiss cheese where the West Bank is cut off into little cantons and with 24 tunnels creating the contiguity by creating 24 tunnels. This is not an idea of contiguity. But having said all of this, we have to continue with the means that we have put out

for ourselves and that President Mahmoud Abbas has put to achieve his hope and his dream, his vision, of independence and freedom through negotiations.

We're one of those few countries, probably the only country in the world, that has been asked to be democratic before it's free. Every country in the world is free first and then becomes democratic, whereas we have been asked to become democratic first and then we'll become free. And even to that we're responding, and that's an achievement, in my opinion, that this President has brought with him; this democracy has always been within the Palestinian domain, within the Palestinian activities. We have always been democratic, but now the democracy is getting even better, even more.

So we had his election with 63 percent of the vote, purely very democratic, and he was elected on the vision that I have just stated to you. He didn't say to the people we want to liberate the whole of Palestine, we want to do this, we want to do that. He has just exactly said what he believes in, what he has said over the years. This is not a new agenda for Abu Mazen. Abu Mazen has continuously said that for tens of years and continuously debated with everybody

on that platform. So that was the first democratic elections we had.

We have had now three phases of municipal elections. The fourth is in December. Then, we're going to have the Legislative Council elections - which is our Parliament, our Senate - on January 25, 2006. There are so many elections taking place that the country is just in this election fever and this is democracy, and I think those who are sending monitors are having a heyday because just as one election monitor group goes another one comes. Everybody is there, and when you talk, 1 out of 3 people in Palestine now is an election monitor, either local or international. This is very important. This is one achievement that this Palestinian has been able to do, and it adds to his many achievements.

Of course, to start with, there has been an attack on Abu Mazen. The moment he took office he was being attacked as a weak President, as a good-meaning President but very weak, incapable, unable. All of these stories circulated, and we had to really work very hard to ensure that these stories remain as just rumors and stories and his actual achievements are clear.

So he achieved a truce with the Palestinian factions that has not been achieved before, except when he was Prime Minister. This is the second time. It didn't hold very well, not 100 percent, but then the control of these things is not in his hands 100 percent. But even if 80 percent of the truce holds, then that is good enough.

He worked on the security apparatus. He first of all retired about a thousand officers and he was told if you retire one officer, there will be a coup against you. Nobody will accept that. He retired them by the dozen, and he retired the most senior officers, the generals, who were in control, and he managed to do that and nothing happened, no fear on his behalf, and the generals were retired. New generals are there, but maybe the new generals have to be retired until we find a group of people who can do their job professionally and without mingling politics and military duties.

He then went on to what we call the financial reforms. He made sure that there was one account in the Authority and this account is transparent. All the accounts are and the financial statements of the Authority are published, are on the

website. He made sure that everybody knew what was coming in and what was going out and where it was going out. This was done of course through our Financial Minister that you probably all know Salam Fayyad.

But nevertheless, he has not only done that, but he has stopped any money going out that was going out for any dubious activity. If he didn't know where the money was going, he stopped it. Here's what he did. He just got a list out of where the money was going and he looked. If it was not a one hundred percent bona fide place that the money was going to, he stopped it and asked the people to complain later. But he did that and that was a very good way of saving \$50 or \$60 million a year by just stopping funds from going to accounts that he did not know much about. Some of them were of course bona fide and fine, so they came and complained, and some of them were not, and they did not complain.

Anticorruption. He asked this particular general to take over some of the files, the Auditor General surrendered a few files to him, and he has transferred all these files to the Prosecutor General who has been recently appointed. There was a

Prosecutor General who had been working, but he has even changed him and put a new one so that new activities are taking place against those who are corrupt and against those who have misused or abused their positions in the Authority.

The issue of the rule of law has been very important to him, and he has made sure that the Parliament enacted several legislations and still are enacting many, many legislations, although he is not in control of the Legislative Council. The Legislative Council is a power of its own as is the Judiciary, as is the Executive Branch which he leads. But nevertheless, as the President, he made sure that everybody was trying to do their job. And the Judiciary was also shaken and new judges have been brought in and new district attorneys have been appointed, and hopefully many more will be appointed. He has tried to put the right person in the right place, and that has been very important.

Of course, in all of these respects he has been very close to what President Bush's vision was- which is this viable, contiguous Palestinian state living side-by-side with Israel in safety and security. And the negotiations will be starting from

the Armistice Lines of 1949, and then negotiations can take place to resolve the main issues which I will talk a little bit about.

But as you know, last year, suddenly Mr. Sharon decided he was going to unilaterally disengage from Gaza. I think it was a very wise decision for the Israelis and a very good decision for the Palestinians because, as you know, the Gaza Strip has about 1.3 million Palestinians living on about 70 percent of the land, and we have 6- or 7,000 settlers taking 30 percent of the land.

Of course, the disruption in Gaza, not only the land and the water, but the disruption of the settlers being in Gaza and blocking the roads in front of the Palestinians was horrible. The one checkpoint that I have stopped many a time at was called Abu Holi, named after a sheikh who lived in that area, and you could stay at Abu Holi checkpoint for 2 hours, 5, 10 hours, one day, and not be able to cross from the north to the south. Why? Because the Israelis have to bring in and out their settlers across Gaza and, therefore, everything else stopped.

So it was an excellent decision at least from the point of view of just being able to move from

the north to the south in 45 minutes. Gaza is a very small area. Forty-five minutes takes you from Rafah to the north of Gaza, and so this was a very good decision. The land, this was all of course very fertile, very good land, a beach of about 10 miles, one of the best beaches in Gaza, and so on and so forth. So this Sharon step was very welcome by the Palestinians and it was very important.

It was very important for us, but nevertheless this was taken unilaterally and all the world, including the U.S. Administration, wanted to make sure that we coordinated with the Israelis on this, that this coordination would happen, especially after Abu Mazen came to power.

And we have tried very much to do a lot of coordination. There were a lot of meetings. If I'm not wrong, maybe hundreds of meetings, on the issue of coordination, civil and security coordination. The Americans sent two people, or the Quartet sent two people, General Ward who was involved with the security coordination, and this guy has done a magnificent job in our opinion. He was a frank, honest, straightforward person who never understood what diplomacy meant, he said what he thought was

right, and I've told him that he was one of the very few people that ever came to that area and got promoted.

[Laughter.]

DR. AL-HUSSEINI: The rest are usually demoted or disappear out of the world altogether. So we were helpful to General Ward in a way.

Then he also sent Mr. Wolfensohn who also has been doing very great work. He has been ill in the last few weeks and that has created a bit of a problem, but he was in charge of what we call economic revival of the Palestinian area, especially Gaza, and also of civil coordination.

As I say, many, many hundreds of meetings took place. I have attended maybe one or two, and I found them very frustrating because they were actually the last few meetings before disengagement. They were frustrating because on the security coordination, things went very well. The Israelis were worried that there will be fire as they leave, there will be shooting, there will be problems, and on that respect there wasn't, and the Israelis left without any problems to be mentioned.

However, on the civil coordination, things went very badly because suddenly the Israelis were not giving anything on Rafah, nothing on the safe passage between the West Bank and Gaza, refusing to deal with the issue of door-to-door movement of goods between Gaza and the West Bank, and wanted to keep [inaudible] I have always said that if you take a container from Washington to Ashdod in Israel, it'll cost you \$1,000. If you take a container from Ashdod in Israel to Gaza, which is less than 25 miles, it costs you \$2,000. So any economic revival has to be taken into consideration that can be afforded and it should be dealt with.

So all of these issues really weren't resolved. And by the time that we came to the last day or two, we refused to have this hand-over ceremony because we thought there's nothing to be handed over-the Israelis move out of Gaza, but we're still in this big prison because there is no free access of people or goods to the outside, which means you cannot have any economic revival. Economic revival depends on the free movement, free trade, free movement of goods and people. That was something we could not achieve, although this has not given us any loss of hope, and

as you know, the President is planning to meet with Mr. Sharon very soon if the agenda is agreed and if there is something substantial to be talked about in that meeting.

Because as you know, the last meeting was not been very successful and it put the Palestinians in a very difficult position and negative light. The Israeli media used the meeting to impress that President Abbas was weak and, therefore, the meeting did not come up with any tangible results. So hopefully this meeting will be coming up with more tangible results.

What are the next steps from our point of view for a successful implementation of the vision? I think there are two areas that we want to tackle and that are very important to us. There are the internal issues and there are the external issues, internal issues mean we should be working on more democratization, instilling the democratic culture within our people, and more reform, showing the people that we are still on the right track for putting the right people in the right places for ending corruption, ending nepotism, creating institutions that can govern the new State of Palestine.

Of course, we want to make sure that the security of the citizens in the areas we control is also paramount and important, and that meant that we had to deal with all the issues of weapons that we call illegal. The President came up with a slogan in Palestine: "Under the Palestinian Authority there will be one Authority, one law, one legal weapon, and diversity in political affiliation" - and that is exactly what he is trying to achieve.

So of course to achieve that, the most important thing, and to dismantle the militias which are not only Hamas and Jihad - because these are the militias that we know of and probably are easier to control than the militias of Fatah itself or the President's party which he has to deal with and it was very important he says and does something on his militia so that he cleans his house first and then everybody takes him seriously.

When it came to infringement on state land, the first thing he did was when they found that he was taking 1 meter from the pavement of the street, he demolished his own house, the wall of his own house, to give back the 1 meter because that was very important. Then he dealt with the houses of the

security people and demolished their houses, those who had in Gaza swimming pools and nice gardens. These were all demolished so that then he could tackle people and say I've done my bit on my own house and, therefore, I'm going to tackle others.

So his plan is at the moment that he needs to tackle the Fatah militias and bring them back to the fold, disarm them, and then put them back into civil or security jobs that they used to have 5 or 6 years back. But the main issue is that they should be disarmed and there should be no arms displayed in the streets of Gaza by anybody, especially Gaza because in Gaza now there are no Israelis so we can't really complain that anybody should carry and weapons in the streets of Gaza to defend the Motherland. There are no Israelis in Gaza and, therefore, there is no need for weapons, and anybody who wants to compete with the Authority has to go through the ballot box and win the hearts and minds of the people.

Of course, the President is trying also to make sure that he wins the hearts and minds of his people. Therefore, the first thing, as I said, he will do is to tackle, and he has agreed with everybody on, no armed displays, no armed parades anymore in

Gaza, and especially after the last armed parade where 20 people were killed as a result of a Hamas rocket exploding amidst the population. And Hamas tried to say that this was an Israeli rocket, and of course it was the President who came immediately and said this is not true and we will not accept that.

Of course, you all know about the consequences of what has happened with that, but in fact this has made Hamas lose a lot of its popularity amongst the Palestinian street, and that is very important because if you want to dismantle the infrastructure of terror as the Roadmap perceives and states, then you either go into civil war today and start a battle, and if you start the battle probably the PA will lose it because, first, it has not won the hearts and minds of its people and second, it is not very well equipped and the other groups are better equipped.

But what the President wants to do is to ensure that his people understand that there is no need for weapons on the streets and, therefore, elections cannot take place with armed militias walking and roaming in the streets. This has now been understood because the latest poll will tell you that

the President's rating has gone up to around 64 percent from 60 percent last month and from 48 percent a few months back. So people are listening to his message and over 60 percent, maybe 60 to 65 percent, are saying that there should be no armed parades, there's no need for this, and that brandishing weapons in Gaza is not acceptable.

So he's winning the hearts and minds of his people and in the end, once you do that, then you can actually clear the way to take anybody on and there will then be no civil war and the people will be stripped of their claims that they are there for the liberation or for the resistance, et cetera. So this is very important to do.

So his next step will be after Parliamentary elections and hopefully the moderates will win a majority, hopefully a sizable majority in the Parliament, then the Parliament will enact the law that states that you cannot be a political party and a militia at the same time, and then the Palestinian can act and collect all the weapons on the streets of Gaza and in any other area that he is in total control of, and that is his plan, if you want his plan, for that.

Of course, that is on the security issue, but we have to do a lot of economic revival in Gaza, and that's where Wolfensohn and his team have come in. It is very important that we start a quick impact, creating jobs for people. Gaza has around a 50 to 60 percent unemployment rate. This is very high indeed and, therefore, if you create the jobs, if people see that there is money in their pockets that they can feed their families, then people will become more hopeful, more full of hope, and, therefore, the statements of despair given by the older groups that are working to continue the resistance against Israel, all this despair will go away from at least the hearts of many of these people. It has been very important to do that, and it is very important to show that peace has dividends and should have dividends.

Of course we will have to continue building the security forces and strengthening them and uniting them. The forces have been improved after the debacle of 4 or 5 years of *intifada* and the destruction of these forces, so therefore this improvement is taking place. But I think there is still much more to be done, much more work to be done. This is not only about rifles and ammunition, which is very important

to us, but it is also important that these people have the will, have the courage, have the commitment, to have the pride in themselves to do what the President wants them to do and to instill law and order on the streets of the Palestinian Authority.

It is very important as well that when once this is all done on the internal side, to continue with the reforms and look at the external issues, and these are the issues that we have to deal mainly with Israel. So the President has to very quickly solve the issues of the crossings, Rafah, as I say the goods, the crossing and the safe passage to the West Bank- these are very important issues. Otherwise people will think these small prisons have become one big prison and that doesn't really take us very far with our electorate in our democratic process. So we have to really resolve these issues very quickly, and we hope that the meeting with Sharon will resolve a lot of these issues in the coming few days.

We have to then restart talking about the West Bank because there is talk that after this disengagement the Israeli government will do nothing now until the elections. Some people are talking about 1 year, some people are talking about 2 years,

and that there is no need to do anything else, that everything has been done now and, therefore, we will sit tight until the election comes because of the issues of dealing with the internal politics of Israel and the challenges to Mr. Sharon by his people on his right.

I didn't imagine there could be anybody on the right of Mr. Sharon, but there is obviously, and Mr. Netanyahu seems to be now on his right. But we know that Mr. Sharon has won the first battle but there could be other battles.

Having said so, we also have to win a battle, the moderates in Palestine, have to win a battle if everybody is interested in getting rid of fundamentalism and radicalism in Palestine, then everybody should help towards achieving that goal. And that goal is very important- then start talking about the West Bank and doing things to show from now to the Palestinian Election Day to show that Gaza is not first and last, and Gaza is not an open prison, and the West Bank is going to be part of this viable and contiguous Palestinian state.

So the Sharm Agreement has to be dealt with. In the Sharm Agreement there is some release of

prisoners and, of course, as you know, Israel holds about 10,000 prisoners of which 4,000 or 5,000 are detained without trial. Therefore, Israel can easily release some of those prisoners. We are a village community. We have about 500 villages. If 500 people out of the 10,000 each from one village are released, then there will be joy and happiness in this village and people feel that there is hope instead of the despair they're facing.

There is the issue of some of the fugitives who have to be returned. There are the issues of the easing of the restrictions on movement in the West Bank. In the West Bank there are 6 to 700 checkpoints and roadblocks of which, in my humble opinion because I pass most of them, two-thirds of them have no security purpose whatsoever. They are there for others reasons than security. Therefore, some of them can be easily removed, making life easier for the Palestinian population, giving a better chance for the moderates to win the elections.

There is also a high importance to freezing settlements. This is not something that the Palestinians are asking for, it's something that the international community is asking for, the Roadmap is

asking for and, therefore, there has to be some freezing of settlements. There is no point in continuing to build the settlements and saying yes, yes, yes, a contiguous, viable Palestinian state in the West Bank. It is obvious that these two things don't go together and you cannot just demolish 1,200 houses in Gaza and build 20,000 in the West Bank because that means that your intentions of leaving Gaza are not the right intentions. Therefore, one has to work on this freezing of building of settlements.

Also trying to do some freezing on the wall which, if it were for security reasons we would have welcomed the wall to be on the Green Line of 1967, but since the wall is snaking into the West Bank, as President Bush has once said, and since actually the snake is now giving birth to many other little snakes surrounding little other enclaves and areas as the E1 area in the West Bank, then this cannot be seen by the Palestinian people as hopeful or as going towards peace or getting into a resolution of the conflict. Therefore, all of these are very important steps to be taken.

I think we should be going back to the Roadmap and putting an action plan on the Roadmap with

time lines and milestones and so on, so that we translate this plan into something that is viable and something that is meaningful. Then we go towards this achievement of this elusive goal of the two states living side-by-side in peace and security together as neighbors rather than as enemies.

Meanwhile, of course to achieve this, we need to discuss what we call the Final Status issues that are very, very important for us, and these are of course related to the borders, to the refugees, security, water, settlements, Jerusalem. These are difficult issues, but we have to be innovative when we talk about these and creative, and we have to start talking about this from now, not wait until later because every day we lose on these issues we are losing valuable time.

And it is also important to go into these and bypass this issue of a state with provisional borders because we know that when we deal with Israel, anything that is with provisional borders becomes something with borders forever. Therefore, this is an idea that is an option in the Roadmap and this is an option we do not want to take. We want to go immediately to talks about the future, and let's

resolve this issue once and for all as quickly as possible.

Now maybe President Abbas is demanding too much too quickly, but that is basically what his people are asking him and demanding from him, and in a democratic process he has to respond to his people as every other elected President in the world has to. So we feel that regardless of the problems that we have, the problems we face, we are very optimistic that we are going to go forward and get quickly on the agenda the issue of peace in the Middle East. And I think with this President, with the new President of the Palestinian state, people will find that he is capable, that he is ready to negotiate and ready to talk, and he wants to do all of this without military means.

Therefore, there is no excuse for anybody not to deal with him. We welcome that the U.S. Administration is dealing openly with him and supporting him as much as it can.