CRITICAL READINGS OF DEVELOPMENT UNDER COLONIALISM

Towards a Political Economy for Liberation in the Occupied Palestinian Territories

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ROSA LUXEMBURG STIFTUNG
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Foreword by RLS

The Rosa Luxemburg Stiftung Regional Office Palestine (RLS) has been partnering with the Center of Development Studies at Birzeit University (CDS) since 2012. Since the beginning of the cooperation, the focus has been to critically analyze the impact of neo-liberal policies, and in particular foreign aid in Palestine. Is development possible under occupation? The premise of the analysis revolves around the question of, do the development and aid industries contradict the Palestinian struggle for liberation and sovereignty? What alternative development approaches could be developed to support this goal? What can be learned from the historical collective means of organization and struggle?

While in the beginning the discussion was mainly limited to small academic circles, the work of the CDS has successfully contributed to widening the discussion beyond academia, including Palestinian civil society and activists. I believe it is safe to say that today the critical development discourse in Palestine has become part of the overall debate of development under colonial settings. Although the search for alternatives remains a challenge, the authors of the five papers collected in this booklet, based on the research program "Alternatives to Neo-Liberal Development in the Occupied Palestinian Territories," have definitely managed to open up broader horizons for rethinking, elaborating, and comprehending development in Palestine. It is worth mentioning that additional four papers that have evolved from the very same research project will be published in the Journal of Palestine Studies (JPS) soon.

On behalf of the RLS, I would like to thank the CDS for this fruitful, inspiring, and important cooperation. I very much hope that these texts will support the understanding that we cannot and should not think development without freedom, sovereignty, and dignity for Palestine and its people.

Dr. Katja Hermann
Director
Rosa Luxemburg Stiftung Regional Office Palestine
August 2015

Foreword by CDS

This book comprises a number of papers that are part of a four-year research program on "Alternatives to Neo-liberal Development in the Occupied Palestinian Territory" that was carried out by Birzeit University's Center for Development Studies (CDS) with the support from the Rosa Luxemburg Stiftung Regional Office Palestine (RLS).

The idea of this research project originated in 2010, when the CDS hosted an international conference on aid interventions in the Occupied Palestinian Territories (OPT). One crucial theme that the conference could not tackle, was how to envisage ways forward, define new strategies for dealing with aid interventions in Palestine and map alternatives to donor driven aid paradigms and neoliberal approaches to development. The difficulty of articulating alternatives without first defining particular visions and new concrete ways of understandings "development, became apparent. As a result, this research project was articulated to think about what is required to begin the process of imagining a 'beyond' and envisaging new types of interventions, collaborations, relationships between local and international actors, and new visions of developments, that move away from the debilitating effects of the aid regime in Palestine, and the disenfranchisement caused by neoliberal economic policies.

Given this perspective, the objective of the research project and these studies is to initiate a critical public dialogue about the rationale behind policy formulation. The research project and papers attempt to achieve this aim by creating debate and generating consensus around pressing areas with an eye towards advancing possibilities for change. In addition, the papers in this volume explore the ways that developmental alternatives may be achieved in practice, through the participation of different actors from the international to the national and local levels.

This book, hence, adds to our knowledge in development through examining the devastating impact of neo-liberal development policies under colonialism by exploring how these policies operate to emphasize individualism and separate the economic from the political under colonial conditions. It provides an alternative way to think about development and tackle policy interventions. It also examines how Palestinians have previously contested colonialism and what lessons can be learned from these past experiences on the path to rebuild an economic and developmental framework that reconnects the struggle for autonomous development to national liberation.

On behalf of CDS, I would like to thank the Rosa Luxemburg Stiftung Regional Office Palestine for its support, which made this publication possible.

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August 2015

After Oslo: Settler Colonialism, Neoliberal Development and Liberation

Linda Tabar and Omar Jabary Salamanca

Introduction

In an essay written in the aftermath of the 1993 Oslo Accords, Edward Said, one of Oslo's fiercest critics, concisely captured the tragedy of this colonial treaty between Israel and the Palestinian Liberation Organization (PLO). Said described the agreement as "an instrument of surrender, a Palestinian Versailles": one that entailed the recasting and consolidation of colonial occupation and the birth of a "Vichy-like authority", the Palestinian Authority (PA) (Said, 1993). Two decades on have confirmed Said premonitions and exposed the bankruptcy of a US-imposed "peace process" that excluded the vast majority of the Palestinian people, indefinitely suspending their inalienable rights. Likewise the illusory hope for "state building" under the grip of settler colonialism has been shattered. The accords, in their own terms, constituted a scaffold for the reproduction of socio-economic inequalities and dependency, the denial of Palestinian sovereignty and territorial integrity, and the outright rejection of self-determination (see Usher, 1999; Massad, 2006; Ahmad, 2006; Said, 2007). In fact, contrary to what it is often assumed, the Oslo accords were not a 'failure', for as Adam Hanieh recently put it, they were an instrument designed to effectively consolidate and deepen the structures of occupation laid down by Israeli colonialism in the preceding decades (Hanieh, 2013:71). Whereas for most Palestinians this agreement inaugurated *two lost decades*, for Zionism it facilitated the expansion of its land base to consolidating a century-old settler colonial endeavor. In effect, this "peace of the weak", as Eqbal Ahmad put it, relieved Israel from its duties towards the occupied population, enabled the entrenchment of Zionist settler colonialism, and institutionalized an apartheid regime that transformed the West Bank and the Gaza Strip into Bantustans (Ahmad, 1998). Today, the enduring violence of Oslo and settler colonialism is best reflected in the growing material and symbolic fragmentation of the Palestinian body politic: that is the Diaspora, the Palestinian 'citizens' of Israel, and the residents of the occupied territories. For Said, the PLO's capitulation, and the consequences this entailed, as well as the endorsement of Israel's designation of Palestinians to those confined in isolated and walled reserves, were ultimately Oslo's "tragic mishap" (Imseis, 2010:266).

To this day, and in spite of these contradictions, the PA, Palestinian and foreign capitalists, and the cohort of international development organizations, humanitarian agencies, and financial institutions which were called upon to finance, sustain and oversee the settlement of the Palestinian question, have kept Oslo's development model at all costs. These actors remain stubbornly committed to the main rhetorical claims of the accords: namely that the endless rounds of futile negotiations must continue and that economic development will bring 'peace' to the region. In fact, as the Middle East advisor to the World Bank Ambassador Abdallah Bouhabib put it in a 1994 interview, "how often does

it happen that world peace depends on an economic development program?" (Bouhabib, 1994:74). Two decades and more than US$8 billions later, the neoliberal development experiment that accompanied Oslo, and its technocratic and depoliticizing framework, remains largely unchallenged. If politically, through the accords, Zionism achieved the long sought "legitimation of its settler-colony" from the "representatives" of the indigenous population (Massad, 1994: 85). Economically, the entire Oslo project was founded upon neoliberal policies, and the free market orthodoxy of the "Washington Consensus" (Khalidi and Samour, 2011), which has gone as far as to become codified in article 21 of the Palestinian basic law. In effect, capitalist development became law in the territories. This religious-like belief in the mirage of economic growth was grounded in the "unsophisticated but common assumption about linear progress between peace, security and development" (Le More, 2008:7), which, in turn, served to hide the interwoven Zionist settler colonial and global capitalist structures of subordination that structured the Oslo experiment from the outset.

This book proposes a critical lens through which we can begin to unsettle and rethink the foundations for development theory and practice in Palestine. It steams from a concern with the fundamental flaws of the development apparatus that accompanied Oslo's 'false decolonization'. An apparatus that has persistently silenced and neglected the political realities on the ground and, most problematically, has contributed to sustaining and exacerbating the structures of settler colonialism and apartheid while enforcing rapacious neoliberal policies. The papers in book, rather than venturing into a facile evaluation of development's successes and failures, seek to understand what development does, who does it, and whom it actually benefits (Ferguson, 1990). They use political economy and settler colonial perspectives to revisit and relocate development theory and practice in relation to liberation, while recognizing the internal divisions and class interests that splinter the national struggle. In doing so, this book examines the entangled nature of development and settler colonialism – their shared genealogy (Kothari, 2002) – and how this relationship is being contested today. For in spite of the harm Oslo has caused in terms of fragmenting the Palestinian national movement, the loss of land, the endurance of humiliation, etc., this process has been unable to neutralize the Palestinian people and their struggle for their rights and liberation.

This issue therefore asks, how has the development experiment shaped by Oslo reconfigured Palestine and Palestinians and vice versa? Which are the broader historical and structural processes and global and regional power dynamics that have shaped the history and present condition of Palestine? Or how does a conceptualization of development that goes beyond the prevalent and entrenched exceptionalism that characterizes Palestine might look like? This book however not only takes stock of one of the most protracted anti-colonial struggles of our

time, but it speaks much more broadly to the condition of people throughout the global south, and equally in the north, who are returning to the notion of "people's power" and struggling to rebuild mass movements against capitalist and imperialist domination, from the Arab uprisings and the socialist movements in Latin America, to the occupy movements in Europe and North America.

1. Missing links in the Palestinian development literature

While Oslo has become a subject of considerable debate during the last two decades, there has been little dialogue between the development model advanced since the early 1990s and the settler colonial nature of this 'conflict'. The papers in this book contribute to bridging this gap and to exposing some of the limits of the prevailing assumptions that exist in the development literature on Palestine. By and large, research on development aid has tended to focus on the structural role that occupation plays in undermining and weakening the possibilities of Palestinian development, and in showing how this has effectively shaped development policies on the ground (see Roy, 1995; Brynen, 2000; Keating et al, 2005; Le More, 2008). In these studies however, as important as they are, the symbolic and material neoliberal underpinnings of development policy, its effects and mediating actors have often been overlooked. This is crucial as neoliberalism is at the core of the Oslo project and as Adam Hanieh puts it, "a central corollary to the political direction promoted by the Israeli government, the PA, and their US and European Union supporters" (2008). Despite recent studies (see Hanieh, 2008; Turner, 2009; Hever, 2010; Khalidi and Samour, 2011), neoliberalism's relationship to the Palestinian development model has yet to be fully scrutinized.

Indeed, part of the problem in the literature is the tendency to assume that reforming the current neoliberal development model can have any significant impacts on the ground. This perspective fails to acknowledge the existing structural conditions imposed by Oslo, and donor's imperial alignment with Zionism's political agenda. In fact, as Mushtaq H. Khan argues, talk on reform seems to have "jumped the gun" in a society that ultimately does not have sovereignty, rights or a state and that is engaged in a liberation struggle: reforms cannot achieve efficient development but rather small improvements in the efficiency of aid delivery (Khan, 2010:5). Taghdisi-Rad affirms this position and argues that since the inception of Oslo "the political agendas of donors and their associated governments, and not the needs of the Palestinian population, have determined the donor behavior in the territories", and this implies that "aid can hardly be expected to act as a tool of economic development in the first place" (Taghdisi-Rad, 2011:5-6). Few studies, however take this conclusion as their starting point. This book intervenes here and shows that development aid was used to conceal the absence of a real political process; and as such, development not only became complicit in the Israel's colonial project, it subsidized the occupation,

sustained and reproduced settler colonial structures of power and oppression. Development and humanitarian aid intervention in Palestine, like elsewhere in the world, have been used as bandage-aid, a substitute for politics, or politics by other means.

While many of the above mentioned studies have undeniably advanced our critical understanding of the Oslo development model, they also do not go far enough to acknowledge and incorporating a settler colonial analysis that explores how development theories and practices are *regulative* and *productive*, and the ways they produce their own effects on the colonized native population in relation to the larger Israeli settler colonial project. This is not surprising considering that settler colonial analyses has largely fallen into disuse in Palestine studies. Today research on development, like much scholarship on Palestine, tends to incorporate the exceptionalism and fragmentary logics of settler colonialism[1]. As a result, different Palestinian populations, in different local contexts –either inside Israel, in exile, or in the West Bank—often come to be represented as isolated, analytically separate, and distinct from the larger structures of Israeli settler colonialism (Jabary Salamanca et al, 2011:3). These problems are however far from simply the result of shifts in knowledge and practice: "the Palestinian liberation movement has seen a series of ruptures and changes in emphasis, and in many ways scholarly production accurately mirrors the dynamics of incoherent contemporary Palestinian politics." (Idem). Whereas in recent years, and important and welcome shift in the scholarly literature has opened the door for a more global and comparative approach (see Veracini, 2006; Collins, 2011), the literature on development in Palestine is yet to come to terms with a full understanding of how development interacts with settler colonial policies and designs vis-à-vis the fragmentation of the native populations and their territories. Or how acknowledging the actually existing settler colonial context in which contemporary theory and practices of development are reworked, through different interventions, whether alternative grassroots practices, indigenous knowledge, or national and global resistance movements. Palestine might be alone in being subjected to a contemporary form of settler colonialism has solicited a cohort of international development actors and financial institutions, to effectively sustain and reproduce itself. Yet, when looked through a comparative analytic lens that situates this case in relation to what Collins calls the global and settler colonial turn in Palestine studies (Collins, 2011), Palestine looses much of its exceptional allure.

In seeking to unpack and rethink the tangled and complex relationship between settler colonialism, development and liberation, this book builds on Palestinian

1 Some of the notable exceptions in development studies include an edited volume by George T. Abed, *The Palestinian economy: studies in development under prolonged occupation* being an exception.

literature that for decades has reflected on the impossibilities of mainstream development in the face of ongoing settler colonial induced economic pauperization and dispossession. Economist Yusif Sayigh long concluded that "meaningful and far-reaching development cannot be achieved, or even sought, under the conditions of dependence-cum-dispossession" (1988: 279). Yet, rather than understanding Sayigh's assertion as a call for "anti-development" amid the realities of prolonged colonialism; we should see it as a challenge to think about forms of development that can provide the necessary material needs for Palestinians to resist Israel's enduring settler colonialism. For, as Joel Wainwright boldly puts it, "we cannot not want development" (2008:10). If development's stubborn 'will to improve' (Li, 2007) the indigenous population has not produced the benevolent and utopian goals it claims, the development literature on Palestine has nevertheless looked at what it has produced. These studies explore how the development apparatus has, as in other global south contexts, persistently and consciously transformed politically active Palestinian social and political movements into depoliticized, professionalized civil society organizations (Hammami, 1995; Kuttab, 2007). But also the ways it has created new globalized actors and discourses that are de-linked from the national anti-colonial struggle (Hanafi and Tabar, 2005). In other words, it has produced a 'moderate,' pacified and dependent class. More recently, studies suggest that development assistance has created an axis of interests that span local Palestinian capitalists, political elite, local NGOs and international development actors, who are re-colonizing and privatizing the Palestinian struggle (Nakhleh, 2012).

This book proposes alternatives ways through which to examine these realities and investigate the interlocking structures of power that have created these conditions. It explores the overlooked ways aid, development, and capitalism intersect, interact with and reinforce structures of power, and particularly Zionist settler colonial exploitation and subjugation. In writing back from the settler colony, this book, therefore, investigates how dominant development interventions and neoliberalism have been territorialized, experienced and resisted– across both sides of the green line and beyond in the diaspora. The essays look at how capitalist, settler colonial and racist structures of dominance have been reconfigured, and are being produced and reproduced within and through development. They explore how international development organizations, humanitarian agencies and neoliberalism introduced new forms of governmentality that have reshaped the subjectivities and identities of the colonized. And they trace how development apparatus has contributed to pacifying the national movement, transforming the political, by often refracting and replacing the arenas and modes through which politics is conducted. At the same time, these essays also rethink development in relation to the project of liberation, and the situated ways Palestinians are reclaiming and rearticulating development in the struggle for liberation. They also go beyond Zionism's attempt to fragment the Palestinian people through Oslo, and analytically reconnect the Palestinian communities together under the framework of the liberation struggle.

2. Rethinking development in the settler colonial present

This book draws upon existing critiques of development and use political economy, and settler colonial studies in order to deepen these problematizations, while bringing overlapping race, class and gender structures of domination back into view. In what follows we lay out the theoretical perspectives that inform this set of essays and illustrate what it means to draw on these different disciplines in order to unsettle development and open a space to explore struggles for alternatives forms of development.

To be clear "development" is as an elusive and contested idea, with a variety of meanings in different times and places, profoundly marked by tensions and contradictions; if development conjures an image of a universal and seducing project of growth and improvement, in practice it can be thought of as a battlefield, a continuous intellectual project and a profoundly material process (Apter, 1987:7). In their seminal book, Cowen and Shenton differentiate between two often-confused meanings of development: development as an immanent and unintentional process such as the development of capitalism, and development as an intentional activity such as the deliberate plan to 'develop' and remake the 'Third World' in the context of decolonization (1998: 50). This crucial distinction between development as intervention and development as structural change, rest nevertheless on the premise that the two are fundamentally related in historically specific ways, if not inextricably intertwined (Bebbington, 2003). Indeed, as Wainwright sustains "development is a supplement to capitalism, a historical-geographical process taken to be outside of capitalism, and yet something always already included, to make it whole, to allow capital to assume a sense of historical purpose and directionality" (2008:12). It is in line with these conceptions, that the research in this issue explores development as it materializes in the Palestinian context.

Settler colonial studies provide a necessary corrective to the "conflict" lens, which has long been the consensus on the question of Palestine, and that informs development interventions vis-à-vis Palestine and Palestinians. This "conflict" approach distorts the foundational violence and nature of the settler colonial encounter in Palestine, the asymmetric power relations that define it, and the political, economical and social structures that it puts in place. Unlike classic colonialism, which aims to control the "natives" from a metropolitan center –like in the case of Britain's rule in India— settler colonialism seeks to

"erase indigenous peoples in order to replacing them with another socio-political body" –as in the case of the United States or Algeria (Veracini, 2013). As Patrick Wolfe puts it, settler colonialism involves a "logic of elimination" that "strives for the dissolution of native societies" in order to erect "a new colonial society on the expropriated land base" (2006: 387-388). This logic of elimination proceeds through different technologies of violence; from the "erasure of indigeneity" and the negation of the native society's status as a national group, to the physically, temporal and spatial fragmentation of the colonized, and domination over them through strategies of "spatial sequestration" and the repression of their economy (ibid: 389-404). In the final analysis, "settler colonizers come to stay: invasion is a structure not an event." (ibid: 388). The specificities of the settler colonial encounter, therefore, have direct implications for development in Palestine, which cannot continue to be ignored. The economic development and the privileges accorded to the settler society necessarily come at the expense of the native society. Laying out what is at stake, Wolfe summarizes the expansion of the settler economy through agricultural production as a:

> "ceaseless expansion" that "progressively eats into Indigenous territory … and curtails the reproduction of Indigenous modes of production. In the event, Indigenous people are either rendered dependent on the introduced economy or reduced to the stock-raids that provide the classic colonial pretext for colonial death-squads" (ibid: 395).

By repositioning Palestine back within the folds of settler colonial studies, this book aims to bring these particular dynamics back to the forefront in order to reorient the debate on development around these unavoidable realities of subjugation.

In addition to drawing on settler colonial studies, this issue focuses attention to another structure of dominance, that of race hierarchies. This postcolonial lens exposes both the global "unequal relations" (Kothari, 2002: 38) and the hierarchy between the western subject and the third world other (Baaz, 2005) that are produced and produced through development theories and practices. It thus provides "a powerful critique of 'development' and an increasingly important challenge to dominant ways of apprehending North–South relations" (McEwan 2001:94). However, this book goes beyond postcolonial scholarship's overriding focus on discourse analysis, and draws on its insights to analyze material structures of power, their spatial formations and geographies. Though postcolonial studies have been critiqued for its historical focus on discourse analysis, it poses a powerful tool when used to analyze material structures of power, their spatial formations and geographies. In using this approach we

also emphasize that "rather than signaling an epochal shift from colonialism to after-colonialism, postcolonialism refers to ways of criticizing the material and discursive legacies of colonialism" (Radcliffe, 1999: 84). This is rather clear in the Palestinian case where settler colonialism has far from cease to exist. Indeed, as Joseph Massad argues, "settler colonialism … present us with different spatialities and temporalities as regards a diachronic schema of colonialism, then postcolonialism. (Massad in Afzal-Khan, 2007)" Though it is beyond the scope of this introduction to explore these debates, suffice to say that during the last decade postcolonial thinking has been called upon to explore the complexities of development resulting in a productive, robust and material understanding of development paradigms and geographies (see Kappor, 2008; McEwan, 2009; Mitchell, 1995, 2002; Wainwright, 2008).

The importance of using insights from postcolonial studies lies in that it allows us to reposition Palestine within the broader dynamics of the global south, and destabilize the dominant discourses of imperial Europe, including that of 'development,' through which racial and other forms of dominance are exercised. Global theories and practices of development continue to function as a central site where third world peoples are defined and demarcated by a temporal and spatial distance, which consign them to the past, define them as inherently different, and in doing so legitimate their subordination in the present (Kothari, 2011). By using a postcolonial lens to problematize development in this manner, this book opens a space to think about what this means for the Palestinian people and considers how racism intersects with, shapes and is re-embedded in and through development interventions and humanitarian operations, and often also mediating how the Palestinian anti-colonial struggle is perceived globally.

If postcolonial studies has opened up development studies to questions of race hierarchies and inequality, no less important is the scholarship breaking down borders between political economy and postcolonial studies. This approach "has enabled deeper integration of critical approaches to race and culture with political economic analyses of class politics and imperialism, as well as more embracing theorizations of violence within capitalist development" (Glassman, 2010:1). As Franz Fanon has shown, the relationship between internal class politics and imperialism imprints itself on and tangles third world liberation struggles (1963). The role of the bourgeoisie and the colonized intellectual elite in invariably acting as conduits for western capital or assimilating imperial discourses problematizes the (untenable) image of a seamless internally homogenous colonized society, uniformly juxtaposed against global imperial and colonial structures of power. Political economy problematizes the economism that underlies development, which has long defined development as economic growth and integration into the global capitalist system. It provides a necessary rejoinder to liberal development economics' "promise of prosperity from an unbridled world market" (McMichael,

2008: 4). Using class analysis, a Marxist inspired political economy exposes the harsh realities of neoliberal restructuring in the third world, pushed by the IFI's, and reveals the true face of deregulation, privatization, and the unleashing of new predatory forms of accumulation by dispossession (Harvey, 2005: 151). Political economy, thus, disturbs conventional notions of "development" and concepts like "civil society," which conceal class relations (Petras, 1999; Trabulsi, 2011). It gives us the tools to analyzes these processes in terms of class divisions, stratification and trace the new forms immiseration and generalized states of precarity that are being created by neoliberal restructuring. This book draws on political economy perspectives to attend to both the everyday micro-politics in the colony, and the broader global economic and political structures and ideologies of capitalism that shape this everyday realm (Mohanty, 2002). The essays in this issue use political economy perspectives to paint a picture of what neoliberalism will mean for a population that is already facing ravages of settler colonialism, while exploring the ways in which development is implicated in these processes.

In bringing these different theoretical perspectives together to unsettle development, this book also opens spaces to explore the struggle for alternative forms of development. Historically, the Palestinian liberation struggle produced its own alternative notions of development, discussed below, which were equally rooted in the particularities of the Palestinian struggle, while representing a local insurrection against the global development apparatus, and its framing of non-western societies' as objects on the receiving end of western defined ends. Today, people in the global south and equally in the north continue to struggle to create alternative forms of development that often center on the search for social justice. Whether through urban informal economies in Durban, South Africa which reorganize economic life and "have the potential to provide an alternative to capitalist development, drawing as they do on longstanding social and moral practices" (Willis et al, 2008: 11). Or through indigenous peoples' struggles to restore their inherited collective rights to the land, resisting both bourgeois private property rights and settler colonial strategies of assimilation (Stewart-Harwira, 2005). David Harvey describes these movements as "pointing away from capitalism and privatization towards radically different forms of social and communal organization" (2005: 162). More broadly, neoliberal projects have helped create conditions in which histories, memories, and the meanings of specifically racialized forms of dispossession have erupted in the present, crystallizing around struggles over the control of natural resources. Working in another region of Bolivia, Goodale (2009) shows how marginalized *campesinos* appropriate and vernacularize expectations of modernity. In so doing, he argues, they do not simply become conscripts of the very episteme that would apparently liberate them. Instead, they combine "the grandeur of human rights discourse with indigenist imagery from selected moments in Bolivian history, gestures toward redistributive modes of production, and direct democracy" (2009: 170). In

opening a space to explore these struggles for alternative forms of development, this book remains mindful of the embedded, emerging imaginaries that exist in these interstices, and their struggle to create a different politics and a different way of organizing social and economic life.

3. Bringing back history, power and politics

In bringing these theoretical approaches together, this book recovers and explores some of the intersections between the settler colonial rational and neoliberal logics that inform development in Palestine, as well as the how this works to gradually erode the possibilities for imagining national liberation and crafting people centered development strategies. The papers as a whole develop a number of crucial arguments about the prevalent and fundamental contradictions that infuse the material and symbolic aspects of development and the impossibilities of the current model to challenge settler colonialism, which are summarized herein.

The papers contest the recurrent exceptionalism that frames Palestine, in both scholarly and popular accounts, which attempt to abstract development from its global and regional setting. Instead, they provide a dialectical reading of development that situates it in broader historical and structural forces, as well as global and regional power dynamics, and examines how these relationships and tensions shape the present condition of Palestine. The papers underscore thus the relevance of bringing history back in order to understand the ideological context in which development takes place, while attending to the macro-global structures and forces that shape everyday life. This approach opens up the possibility of taking into account the growing inequalities and uneven development geographies resulting from the simultaneous consolidation of predatory forms of global capitalism and the inexorable territorial desire of Zionist settler colonialism.

Part of ending the claims of exceptionalism that set Palestine apart from the pervasive development logics in the global south is recognizing the indispensability of settler colonialism as an interpretative framework that illuminates the specificities of this encounter. This means examining the ongoing development policies in Palestine in relation to cases such as South Africa, North America and French-Algeria, rather than contemporary European liberal democracies to which Israel seeks comparison, and aligning Palestine scholarship with indigenous and native studies (see Collins, 2011; Jabary Salamanca et al, 2012).

This literature underscores the eliminatory, and therefore, genocidal logics of settler colonialism (Abdel-Jawad, 1998; Wolfe, 2006; Shaw, 2010). One clearly sees the way this is at stake in the Palestine today where Zionist settler colonialism domination is increasingly exercised at "the level of life" (Foucault, 1990: 137), producing unlivable conditions and abject ghettos like Gaza (UN Country Team, 2012). The ominous revelation that the Israeli government has been calculating

the minimum calorie intact needed to keep the Palestinians in Gaza at the verge of starvation – and then restricting import levels well below these levels – is a stark manifestation of this logic (Hass, 2012; Seikaly, 2012).

Ending the exceptionalism surrounding Palestine also means recognizing that Israeli settler colonialism is not detached from the global economic and political structures of power, particularly global capitalism. As indicated from the outset, neoliberalism, as an ideology that revolve around expanding free market capitalism, removing protections on labor, cutting social welfare programmes and reducing the role of the state, the neoliberal doctrine was an intrinsic part of the development apparatus that was institutionalized with Oslo. Indeed, contrary to critical analyses that tend to focus solely on the political aspects of the struggle, the political transition that lead to the Oslo accords must be understood in relation to the simultaneous neoliberal restructuring of the Israeli economy and the broader regional and global economic and political liberalization of the 1990s (see Shafir and Peled, 2000; Samara, 2000, 2001; Honing-Parnass and Haddad, 2007; Clarno, 2009).

This book therefore looks at what these overlapping capitalist and settler colonial structures of power have translated into intersecting and interlocking forms of domination. The Oslo process institutionalized a new policy shape where the native administration –the "Palestinian National Authority"– is just one actor shaping "national" policies, while a coalition of 'trustees' –including donors, international organizations, international financial institutions (IFIs)—and their political interests are increasingly determining Palestinian policies (Giacaman et al, 1995). In this sense, the PA emerged as a neoliberal laboratory designed from scratch by the policies and prescriptions of globalizing institutions under a refashioning settler colonial project[2]. These influences became clearer with Salam Fayyad's further neoliberalization drive laid out in the Palestinian Reform Development Plan (PRDP) 2008-2010. The PRDP's headline reform, it's plans to reduce the "wage bill" (PNA, 2007: 14) has been described by Adam Hanieh as "probably the harshest attack on any public sector in the Middle East in recent history" (quoted in Khalidi and Samour, 2011: 13). Following the prescriptions of the World Bank and other international development agencies[3], ending 'net lending' and the 'culture of non-payment', the commodification of essential services –such as electricity and water— transferred to the hands of the private sector have been the trademarks of this neoliberal drive against notions of social entitlements and the commons in the colony (Maan, 2012). Indeed, under this

2 Adel Samara notes however that current ideological economic thinking are bitter fruit of a larger history of PLO liberal policies. Epidemic of Globalization. Ventures in World Order, Arab Nation and Zionism, 2001.

3 The PRDP was "generated in conjunction with the World Bank, the British Department for International Development (DFID) and other international development agencies" (STW, 2008: 7).

haze, the PA's free market capitalist policies, unable to secure a state to protect capital's interests, have to a large extent substituted strategies of economic resistance for private enrichment, in ways that reinforce dependency on the colonial economy and external actors.

A second argument advanced by the contributions to this book is that the current inter/national development model internalizes, sustains and reinforces the structures of power, dependency and hegemonies through which settler colonialism is exercised and reproduced. The essays trace how this has contributed to introducing a critical shift from the PLO's anti-colonial tradition of struggle to overturn structures of colonial dominance to working within oppression. The development apparatus in the occupied territories, as elsewhere, conceives and frames development as a technical intervention. In its unwillingness to contend with the material realities of power that underlie and confine development operations, it produces decontextualized spatial and temporal formations of development that are disconnected from and often render the power that settler colonialism exercises over the Palestinian people invisible.

In doing so, the studies in this book shed new light on the intended and unintended "political effects" of development interventions (Ferguson, 1994: 20), and their colonizing logics. In his seminal study, Ferguson describes the development apparatus as an "anti-politics machine" that reinforces and expands "the exercise of bureaucratic state power" (ibid: 255, 21). Studies by Timothy Mitchell and others echo Ferguson critique, and show how these technocratic and depoliticizing perspectives exclude power relations (see Mitchell, 2002; Li, 2007).

From the outset of the Oslo process the international development assistance to the Palestinian people adopted a post-conflict lens that dissociated Zionist settler colonialism's system of subjugation from development and the "state-building" process, while being conditioned by the logics of settler colonialism. This dominant conception of development contributed to shifting the focus and activities of NGO projects and social movements towards the "civic," replacing the "national" and the "political" (Hanafi and Tabar, 2003). This in turn played a role in disconnecting women's organizations and other social movements from the national struggle (Hammami and Kuttab, 1999).

In writing contra Oslo, and its attempts to settle the Palestinian question by dividing up and fragmenting the Palestinian native inhabitants, the research in this book develops a third argument. That is, the necessity of reaffirming the integrity of the Palestinian people as a single totality within their differentiated political locations, whether within the 1967 occupied territories, inside 1948 occupied Palestine and in the diaspora. These essays bring the segments of the Palestinian

people that were excluded by Oslo, namely the Palestinian community inside 1948 and the refugees in the diaspora back into view. The imperative here is not only political, but also and crucially an analytical one, for all Palestinians, including refugees, are ultimately subjected in various ways to the violence of Zionist settler colonialism.

The Oslo process, and its accompanying discourses and formations of development, furthered the Zionist goal of fragmenting the Palestinian people. As Haddad argues in this issue, the intertwining logics of neoliberalism and the Oslo state-building project intended from the outset to domesticate the Palestinian question according to Israeli colonial and American imperial plans for a "new Middle East." As a discursive regime, the Oslo accords recolonized the question of Palestine according to a colonial schematization of history and time, in an effort to erase the original violence of the 1948 dispossession, and therefore exclude the legitimate right of the Palestinians return to their homes and lands from which they were expelled by the Zionist movement (Pappe, 2002). In trying to reduce the question to Israel's military occupation over the West Bank and Gaza, Oslo divided and fragmented the Palestinians. It excluded the vast majority of the Palestinians (over 7 million refugees in exile and 1.5 million Palestinian citizens of Israel) from this political process, which also resulted in their exclusion from political program of the Palestine Liberation Organization (PLO) (Gassner, 2000).

Finally, this book highlights how global discourses and practices of development have played a role in marginalizing radical politics and liberatory struggles in the global south and in Palestine more specifically. Fawwaz Traboulsi has argued that western development discourses are tied to a colonizing liberal imperial discourse that has reshaped the terrain and forms through which politics in the third world is conducted. He argues that these development discourses have not only collapsed society into a depoliticizing "state/civil society" binary, but he suggests that NGOs have promoted a hegemonic fragmented, post-modern vision of society that isolates class, women's and other struggles from one another (2011: 15-16). These political struggles are repackaged and framed in liberal micro-narratives, such that "women's rights", "sustainable development" and "human rights" are no longer understand as situated within a single integrated system of power (ibid: 16). James Petras echoes this critique and argues that NGOs have served the interests of imperialism by replacing a critical consciousness of the "the nature of imperialism, class basis of neoliberalism (and) class struggle" NGOs have exerted hegemonic influence in discussing, "the poor," "excluded," "gender discrimination," while concealing "the social system that produces these conditions" (1999). In doing so, he argues that NGOs represent a conservative force that goes along with "international and national structures of power" (ibid). Yet, it is crucial to recognize that this system of power is not unidirectional. This hegemonic framework and its depoliticization of politics are currently being contested.

The essays in this issue make a compelling and urgent call to recover the idea of liberation as the driving force of national development policies. They explore the impact that development's uneasy and antagonistic relationship to radical, liberatory politics has had on the Palestinian national liberation struggle and vice versa. In returning to the imperatives of the national liberation project, this set of essays recognizes what Fanon calls 'the trials and tribulations of national consciousness,' and the differentiated gendered and classed locations and interests that mediate and shape the national project. Fanon's entire theorization of the national liberation project rests on the possibility of anti-colonial nationalism transforming itself into what he describes as a new internationalism, and a new humanism, which also strives for a global redistribution of wealth (1963: 143-144). Yet, this potentiality is fraught with internal contradictions and paradoxes. Not only is it the case that the colonized intellectual often assimilates the "colonizer's culture" (ibid: 158-159). But, as Fanon forcefully maintains the weakness of national consciousness and its diminished liberatory potentialities is often due to the self-interests and the "apathy of the national bourgeoisie" which act as an agent "conveyor belt for (global) capitalism" and mediate new forms subordination (ibid: 98, 100-101). These tensions, antagonisms and potentialities are an inherent part of the struggle for liberation, and also frame indigenous attempts to fashion alternative forms of development.

The issue opens up a space to think about such popular and indigenous struggles for alternative forms of development. In looking beyond dominant paradigms it is useful to briefly look back at how Palestinians historically re-defined development in the course of the liberation struggle. Beyond the iconic image of the *intifada* (uprising) of 1987 as the uprising of 'the children of the stones', the 1970-80's gave birth to a popular people's struggle for liberation, which linked the struggle against settler colonialism to struggles against capitalism and patriarchal domination. The popular mass-based mobilizing that began in the early 1970's (Taraki, 1989) sought in a two-fold manner to delink from the structures of direct settler colonial rule – taxation, municipal services (or lack thereof) repression of agriculture, economic dependency, etc. – and replace them with popular alternatives, people centered attempts to rebuild roads, reclaim the land, build a popular inward oriented economy (Samara, 2005), and informal popular education. This movement both redefined development as a praxis that advances the national struggle, and creatively fashioned its own indigenous popular forms of development, such as cooperatives, which reorganized economic life according to the principle of equality, and thus sought to provide a more just order to capitalist exploitation and patriarchal domination.

Conclusion

This book reflects a particular moment where political forces and critical currents of thought, both internally in all of Palestine and externally in the diaspora and beyond, are fracturing the Oslo development hegemony in its economic, social, political and spatial guises. As such, the book provides new empirical insights and theoretical reflections that thoroughly problematize the material and discursive foundations of development in Palestine. At a moment when the popular Arab uprisings have ruptured dominant frameworks of thought, including global development discourses, and opened up new possibilities for anti-imperialist, anti-capitalist and anti-colonial struggles in the region, this book seeks to radically call into question the Oslo neoliberal development experiment in Palestine, and move political and intellectual discussions beyond the Oslo colonial order.

Whereas depictions of Palestine –mainly by economists, mainstream political scientists and development policy makers more broadly—have often turned development into an empty signifier, a self-contained category separate from the global and regional context and forces that shape it, and of which it is an integral part, in this introduction we argue for a nuanced and situated analyses that takes into consideration the entangled and complex relationship between settler colonialism, neoliberal development, and anti-colonial struggle. We suggest that bringing power, politics, and history back into a reading of development helps to unsettle existing development approaches in Palestine. In this respect the book highlights and challenges four crucial points: the recurrent exceptionalism that frames Palestine and ignores how the existing development trajectory in Palestine is shaped and produced in relation to settler colonialism and global capitalism; a development rational that is intrinsically geared towards internalizing, obscuring and reinforcing structures of power and dependency; the gradual fragmentation of the Palestinian body politic; and the persistent marginalization of liberatory politics and resistance from development. In doing so, the papers in this issue make an important contribution to the process of unsettling traditional development approaches that came along Oslo and also to envisaging alternatives that bring Palestinian communities back together and contribute to reconsolidating a shared political national imaginary.

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Neoliberalism and Palestinian Development: Assessment and Alternatives

Toufic Haddad

Abstract

Neoliberalism is a broad term denoting a set of ideas and practices that have emerged in the wake of the demise of Keynesian economics, the collapse of the Eastern bloc, and the emergence of a unipolar world order dominated by the United States, its allies and their affiliated international financial institutions.

On one level it incorporates a combination of conceptual visions vis-à-vis a given economic, political and social order, while on another, it comprises lived policies and practices, implemented through agents, and based in institutions which transform the material and immaterial organization of production, framing and pre-existing modalities of life.

Ultimately neoliberal practice, as an advanced predatory form of contemporary capitalism, functions as a mechanism of economic and social reordering that extracts forms of rent according to the dominant interests and sub-interests of its adherents and agents.

This research will explore the infiltration of neoliberal conceptualizations within the contemporary Palestinian political regime and its adopted developmental plan. It will problematize the implications of these ideas upon the national liberation movement and its historical goals, while further refracting this analysis to the economic, political, social level.

Alternatively, this paper will attempt to trace what an alternative developmental approach might look like, by challenging the overarching framework, the underlying pre-assumptions and general policies and priorities of the current Palestinian developmental paradigm.

Part One: Political Economy of Neoliberalism

Introduction

The Palestinian experience with neoliberalism is complicated to explain, but at the same time very necessary given the advanced and almost experimental manner in which it is taking form in the OPT, particularly the West Bank beneath the Fayyad/Abu Mazen political trajectory. Its simultaneous imposition and overlapping with the national liberation agenda of the Palestine Liberation Organization (PLO), as implemented in the limited autonomous areas beneath nominal Palestinian Authority (PA) jurisdiction, makes is a particularly unique context of study. In most arenas where neoliberal policies have been implemented, political independence and geographic sovereignty forms the fundamental pre-requisite for implementation of these policies to begin with, even if these policies are criticised for hollowing out such sovereignty. But this does not exist in the OPT. The occupied colonial context Palestinians in the OPT live beneath attests to a more complicated set of dynamics. That is to say, the actual neoliberal policies at play regarding the economic policies, governance structures and institutions etc. realized through the PA apparatus, forms a unique dimension to neoliberal praxis in general, which at the same time cannot be separated from broader political and political-economic dynamics in motion locally (Palestine/Israel) and regionally (MENA region).

Untangling how neoliberalism has penetrated Palestine's economic arena, and attempting to lay the theoretical and practical policy orientations that might compose an alternative to these policies, entails a patient disclosure of theoretical, historical, political and policy-oriented explanations, which are as of yet undocumented or undisclosed in any comprehensive manner by any particular field of research. Indeed discussions of neoliberalism in general as it pertains to the MENA region has tended to lag behind much scholarly discourse, despite the fact that it has been a particularly vibrant theatre for the application of these ideas. The explosion of the "Arab Spring" in the winter of 2010/2011, continuing into the present has helped to raise interest in this analysis, and shed light on its application across MENA. Nonetheless, there is a paucity of serious research in general, while the Palestinian context is equally neglected, despite the existence of helpful contributions here and there. (See Khalidi and Samour

2010, Hanieh 2008, Samara 2000 &2001, Nakhleh 2011) In this regard, this study must be seen as wading into largely untested waters, both in its analytical and in its propositionary role.

This study will attempt to survey how neoliberal ideas have penetrated the Palestinian developmental policy paradigm.

It will then attempt to pose alternatives to this paradigm by counter-modelling its assumptive basis and practical implementation, in so far as this is conceptually possible and advisable.

Both endeavours are admittedly large and unruly, with questions of time and resources necessarily limiting this study. For its very composition, there has been no alternative but to move quickly across a chosen set of working definitions, used to build and structure the analysis and arguments herewith. This is what is responsible for the study's tone, as well as its admitted inattention to armouring itself against potential criticisms, which would weigh down its argumentative alacrity. In this respect, the author apologizes in advance. In so far as a study of this sort is designed to provide answers, any true research must really begin by understanding what the actual questions are. One hopes at least some of these questions have been raised here.

Neoliberalism and Development

In order to understand neoliberal praxis in Palestine, and to pose alternatives to this agenda, there is no avoiding grounding oneself in a solid definition of what we mean when we actually use the term "neoliberalism". Because the term itself has dual ideational and policy relevance, and is already situated along a weighted epistemological and discursive trajectory, this section will focus on attempting to gain a command for what we say when we refer to the term. It will further attempt to define the, relevant political and historical context that forms the meta framework that creates the stage upon which these ideas come to life in the Palestinian theatre.

"Neoliberalism" and its associated developmental agenda can be identified as a body of ideas and practices rooted in neoclassical economic theories, which began to take form in policies of Western governments and international financial institutions (IFIs) throughout the mid-1970s to the present. High debt; inflation; the oil crises of the 1970s; the crisis of over accumulation; the failure of import substitution industrialization (ISI); the power of organized labour; and the end of the gold standard - all contributed to the demise of the post World War II Keynesian economic model, and the rise of a political milieu favourable to neoclassical ideas amongst Western governments, IFIs and business elites. Keynesianism emphasized governmental intervention in the economy as a regulatory force ensuring certain protections in social welfare. Neo-classicists saw these policies as invasive and stultifying for the growth of "free markets" which were argued as necessary for development, freedom and equal opportunity. The economists and practitioners who embraced neoclassical ideas came to be (critically) referred to as "neoliberals" for their advocacy and reinvention of liberalizing tendencies towards markets as opposed to regulation.

Ten core policies of the neoliberal agenda were identified by John Williamson that have come to be known as the "Washington Consensus" (Williamson. J, 1990). They include fiscal discipline; public expenditure redirection; taxation reform; interest rate liberalization; exchange rate management; trade liberalization; liberalization of foreign direct investment (FDI); privatization of state owned enterprise; deregulation of the economy and; securing and enforcement of property rights. (Van Waeyenberge, E. 2006: 26)

These policies were advocated on a global scale by powerful western states and IFIs, which argued they could enable developing economies to grow and 'take-off.' Beyond the policies themselves however lay a deeper core assumption

revolving around the role and agency of markets in human life: markets held the key to solving a wide range of human problems – primarily economic, but ultimately political and social as well:

> "The widespread use of the market reduces the strain on the social fabric by rendering conformity unnecessary with respect to any activities it encompasses. The wider the range of activities covered by the market, the fewer are the issues on which explicitly political decisions are required and hence on which it is necessary to achieve agreement. (Friedman, M. 1962: 24)

Milton Friedman's emphasis on "rendering conformity unnecessary" identifies a particular perceived relation between markets, social organization and political consciousness: Economics is seen as inherently separate from politics; by opening markets, pre-existent modes of organization and interdependence seen as less efficient to accumulation can be broken down; and the need for political practise and decision-making can be greatly reduced by initiating a process of market selectivity that is said to be ultimately 'technical'. *Markets allow for the disaggregation of political and social problems into micro-issues that can be addressed individually and purportedly void of political determination*.

At the base of neoliberal logic lies the pre-assumptive existence of an autonomous, utilitarian, self-maximizing subject who acts as the individual agent that participates in markets, drives them forward, and ensures, on a collective level, their auto-regulation. *Neoliberalism sees the individualistic imperative in the pursuit of "economic freedom" as forming a core basis of "total freedom."* As such, the role of government is to determine the "rules of the game" and to act as "umpire to interpret and enforce the rules decided on" - but should have no say upon what those decisions are. (Ibid: 15) Governance is to take place "as far as possible through the promotion of certain kinds of free activity and the cultivation among the governed of suitable habits of self-regulation." (Hindness 2002, in Williams, 2008:11).

The Post-Washington Consensus

The disappointing experience of various countries that embraced the neoliberal doctrine throughout the 1980s and '90s gave rise to the revision of strict neoliberal doctrine, in favor of what is now referred to as the 'post-Washington consensus' (PWC). The PWC was inspired by new institutionalist economics, which argued that institutional composition played a critical role in economic performance (Harriss, J. 1995). Dependable, transparent, accountable governmental and

institutional practices were necessary as prerequisites if the 'inherently correct' neoclassical ideas were to succeed and lead to economic 'take off.'

The PWC took neoliberalism's core concepts and developed them for the purpose of achieving what was believed to be more stable path to growth: one supposedly less dependent on the diktats of International Financial Institutes (IFIs), and more in favor of policies rooted and embraced by stable social/ class adherents. Local adherents were to "own" their development processes through the institutionalization of adequate incentivization regimes. In such a manner, a society and its government could be oriented toward the collective project of development and growth.

Organizations like the World Bank began seeing the imposition of institutional adjustments and the post-Washington consensus as entailing the "complete transformation of every aspect of societal organization", and not just that of government practice. The latter was nonetheless necessary to ensure efficiency of process, with the ultimate heart of any developmental policy striving to "create and enforce efficient property rights." (Fukuyama: 22-25)

Joseph Stiglitz', head economist at the World Bank from 1997 to 2000 argued for the subjects of development to participate in and own their developmental processes such that markets can work better, and a new society can be brought into being through market selectivity. By thickening the ownership and participation of recipient communities at least amongst a stable strata of the recipient society, a state's 'social capital' is strengthened and "development" is seen as more sustainable. (Stiglitz, J. 1998)

The private sector, the state (the public sector), the community, the family and even the individual all become the target of development policy incentives, with its concomitant reliance upon market selectivity. The private sector, as in its previous Washington consensus formulation, remains the main agent of change, however the state's role is more enhanced, seen as a complementary, regulatory force to facilitate lowered transaction costs. Finally, the PWC envisions the integration of all strata of development, while the whole system is integrated within global capital: "At each level, the strategy must be consistent with the environment within which it is embedded, at levels above and below. And all of the strategies are embedded within an ever-changing global environment." (Stiglitz, 1998)

Criticism

Substantial scholarly literature deals with a wide range of negative effects produced by these policies both generally, and especially in third world contexts. Cammack argue that IFI policies, particularly in regards to poverty reduction, strive toward

"the reshaping of social relations and institutions" in the developing world, in order to "generalise and facilitate proletarianization and capitalist accumulation on a global scale, and build specifically capitalist hegemony through the promotion of legitimating schemes of community participation and country ownership." (Cammack, P. 2004: 190). Donor intention is argued to be "disciplinary rather than empowering," with other scholars concurring. (Ibid:190; Williams, D. 1996) Saad-Filho shares a similar analysis, but frames this process of proletarianization in terms of "asserting the rule of capital on five levels": domestic resource allocation, international economic integration, the reproduction of the state, ideology and the reproduction of the working class. (Saad-Filho, A. 2011)

David Harvey reads the machinations of neoliberalism as an advanced form of capitalist accumulation asserted on behalf of powerful western states constantly engaged in attempting to stabilize the inherent instability of capitalism itself (the crisis of over-accumulation and decreasing rates of profits). This leads capital to seek or manufacture new means of accumulation that can take on various forms including the commodification and privatization of public assets, resources and labor; the monetization of exchange; taxation and; the promotion of the credit system. Pre-existing economic, social and even political structures must be violently repressed or co-opted such that new terrains of capitalist development can be prepared, exploited and integrated into the capital accumulation process. Here the state plays a crucial disciplinary, regulative and institutional role, backed by its "monopoly of violence and definitions of legality." (Harvey, 2003: 145)

Timothy Mitchell draws attention to how neoliberal development practise affects regions like the Middle East where economic and political power are closely intertwined. (Mitchell, T. 2002) The policies, advice and practices of IFIs and western governments obfuscate and ignore the "rent circuit" of the private sector and their connection to military and political elites. Free market economic reform in practise is really more of a "complicated readjustment of the networks connecting and combining a variety of property assets, legal powers, information sources and income flows", favouring elites. (Ibid: 281) This contributes to capital and its associated neopatriarchal social formations seeking avenues to turn quick profits, centring economies around sectors like tourism, real estate, food and beverages - a form of development often termed "casino capitalism" (Strange, S. 1986).

Jamie Peck and Adam Tickell focus on how the neoliberal development agenda works on redefining the 'rules' of interlocal competition, shaping "the very metrics by which regional competitiveness, public policy, corporate performance, or social productivity are measure[d.]" (Peck, J and Tickell, A. 2002: 387) This ability to act upon the metaframework by which interlocal relations are mediated inevitably influences the political and economic balance of its environment. Social

relations are reconstituted "in the image of a brutal reading of competitive-market imperatives," (Ibid: 384-5) while at the same time, "the neoliberal rule systems are perplexingly elusive." (Ibid: 400) This seemingly invisible power exerted by the neoliberal agenda over its subjects, results in social and political differentiation, fragmentation and anomie, which can only be understood by reweaving these fragments back onto the holistic logic of neoliberalism and the driving political, economic and geostrategic agendas behind it.

Political Economy of Neoliberalism in the OPT

The driving notions of neoliberalism, in its Washington consensus and post-Washington consensus formulations, together with the critiques levelled against them, have significant relevance to the case of the OPT during the peace process' rise (1993-2000), fall (2000-2004), and attempted revival (2005 to the present) beneath the Fayyad/ Abu Mazen government. That is to say that the peace process as a whole was structured in a manner consistent with the neoliberal developmental notions both in its macro and micro approaches to the 'conflict's' resolution.

The OPT has become a "laboratory of technologies of control" (Weizman, E. 2007), not only where advanced military technologies are tested, but where technologies of governance, social engineering and embedded institutionalization are tested and advanced by the highest-level practitioners of this agenda. In this respect, "[t]he architecture of Israeli occupation can thus be seen as an acceleration of other global political processes, as worst case scenario of capitalist globalization and its spatial fall-out." (Ibid:9-10) The current political order in which Palestinians in the OPT operate, was created as a function of a broader U.S. neoliberal global agenda, which saw to the utilization of neoliberal conceptions at every level of their policy and aid, as well as the aid provided by other elements of the donor community towards the region. Understanding how this situation emerged, and to what effect is crucial for the purposes of comprehending how and why development in the OPT appears as it does. Only by understanding the essential political economy of neoliberalism in the OPT can potential alternatives to the neoliberal developmental paradigm in operation be proposed.

Political Economy of Neoliberal Emergence in the OPT

Neoliberalism does not exist in a vacuum. It operates through agents, with powerful Western states driving these policies, and with subsequent local subagents acting as the conduits through which this policy takes form on the ground and through institutions and their related practices and networks. Understanding the OPT context in so far as neoliberalism is concerned entails understanding where the OPT fits into the broader balance of powers vis-à-vis the interests of global capital. Only then can we understand how the neoliberal practices taking place throughout the OPT through the Fayyad/ Abu Mazen government measure up, and what alternatives can be proposed.

Achcar, Amin and Harvey have already sufficiently described how the Middle East is part of the "dominated periphery" of the "triad" (the U.S. western and central Europe, and Japan) which is of particular geostrategic interest to these powers because of "its oil wealth; its geographical position in the heart of the Old World; and the fact that it constitutes the soft underbelly of the world system." (Amin) Harvey captures the overbearing importance of this region in terms of capital accumulation with his proposition that "whoever controls the Middle East controls the global oil spigot and whoever controls the global oil spigot can control the global economy, at least for the near future." (Harvey: 19) Achcar adds that the recycling of petrodollars back into Western coffers through military purchases, construction projects, bank deposits, investments in treasury, and securities, also plays an important role in subsidizing and stabilizing Western economies. (Achcar: 33-34)

Consolidating and extending hegemony throughout the Middle East has hence been a chief post-WWII objective for the U.S. entailing suppressing the emergence of any political tendencies that would threaten this (USSR communism, Arab/ Iranian nationalism, pan-Islamism etc.). "A rich, powerful, and modernized Arab world would call into question the right of the West to plunder its oil resources, which are necessary for the continuation of the waste associated with capitalist accumulation." (Amin)

Israel emerged as "a strategic trump card" to this agenda after its 1967 defeat of Pan-Arabist leader Nasser, and the creeping Soviet influence in the region this accelerated. (Achcar) Israel was able to play "a military role as watchdog of imperialist interests in the region", while "Washington derived political benefits in Arab countries eyes by showing that it had a grip on the watchdog's leash." (Ibid: 19)

After the 1991 Gulf War, the U.S. sought to consolidate the dominant position it had carved out for itself in the Middle East throughout the course of the previous 50 years, at the Madrid conference (the regional conflict resolution framework for Arab-Israeli peace), and the Oslo peace process (for Palestinian-Israeli conflict resolution). The latter's structure and content were consistent with Israel's post-1967 strategic plans for the OPT (known as the Allon plan), which was devised to preserve ideological (Zionist "Jewish democratic" identity), and geostrategic interests (dominating the land and resources of the OPT). (Achcar, 2004) The peace process allowed for a new phase in Zionist colonial expansion to open up with a tacit U.S. approval, resulting in Israel doubling the number of Jewish settlers in the OPT in just seven years (1993-2000). In this manner, "Israel and the Western powers supporting its project, have imposed a state of permanent war in the region", all the while supporting the peace process. (Amin, 2004)

At the same time the U.S. saw the long-term prospects of the Arab/Palestinian – Israeli peace process, as an opportunity to eventually work towards the creation of a "New Middle East" through the striking of a Middle East Free Trade Agreement (MEFTA) between different regional Arab players. (Hanieh, A, 2008) A "New Middle East" was the initial slogan of former Israeli Prime Minister Shimon Peres (Peres, S. 1993) and played an important role in Israeli capitalists backing the peace process in its early stages. (Hanieh, A. 2003; Peled, Y. 2008; Bichler, S and J. Nitzan, 2002) Gulf countries were to supply the capital, while poorer Arab countries, the labor. Though these plans never came to fruition, the OPT was envisioned as a transitional, normalizing space between Israel and the Arab world. (Hanieh, A. 2008)

Israel had its own neoliberal interests at stake in the Oslo accords and their framing, particularly in the Paris Protocol of 1994. Nitzan and Bichler have described how Israeli capital formations sought to break from their nurtured cocoon of the protectionist Israeli economy and state, and integrate within dominant capital. The Oslo Accords provided the "political front window" for this shift to take place, as it allowed for breaking the primary and secondary Arab boycotts, and the removal of Israel's own capital controls. "Profits were to come from open markets in both goods and people instead of war and conflict."

The breakdown of the peace process in 2000 beneath the weight of its many contradictions, led to the opening of a new era of violence and destruction that would last for much of the next five years. The impetus for Israeli capital to accumulate based upon refocusing itself on its traditional specializations in military technologies and conflict, strengthened, especially beneath the onset of the U.S. global 'war on terror' post-9/11, 2001. Already oriented and increasingly integrated with dominant capital thanks to the Oslo process, the Israeli elite had no interest in pursuing an end to conflict with the Palestinians or the rest of the Arab world, as it neither conformed with its perceived geostrategic and economic interests, nor with ideological Zionism - the latter increasingly servicing the redressing of social cohesion problems in Israel due to the effects of neoliberalism locally, and the charged political/national environment of the second Intifada. (Honig-Parnass, T. 2007)

The collapse of the "peace process", combined with the continued Western support for its client regime Israel, entailed Western governments and IFIs accelerating Palestinian statebuilding plans. Statebuilding was seen as a way to pacify Palestinian national liberation demands, while aiding in the creation of an institutional regime that integrated with the economic, political and social role Palestinians were supposed to play within the region (dis)order.

"Statebuilding" became the common space where Western governments, IFIs and the PLO leadership could find common ground. At the same time however, Western governments and IFIs refrained from applying any real political pressure on Israel for the purpose of achieving a genuine independent Palestinian state, and instead backed Israel's rejectionist policies by failing to censure its settlement policies, and its frequent war crimes. This highlighted the divergence of understanding between how Palestinians and Western governments understood statehood. For the former, a Palestinian state meant the first step in ending the occupation, and implementing national self-determination. For the latter, statehood meant establishing the institutional, security and incentive regimes need to create security for Israel, economic security for the Palestinians (at least amongst the "private sector"), with the hope that this could lead to political stability. Support of the Abu Mazen/ Fayyad political trajectory, at the expense of the democratically elected Hamas government, was seen as a way for western powers to ally themselves with a wing of the nationalist movement, that saw no contradiction ideologically or politically with these objectives, given that the Abu Mazen/ Fayyad wing also believed in a neoliberal regional development, had already recognized Israel in the framework of a two state solution, and rejected a resistance oriented approach to liberation.

In this sense, neoliberalism in the OPT must be seen as having dual use: On the one hand, the macro and geostrategic importance of the Palestinian question vis-a-vis the West lies in its political significance, as a de/stabilizatory force towards Israel and the region. Western backed neoliberal interventions therefore aim at servicing what ultimately is a *political rent* albeit a negative one - de-radicalization. On the other hand, this political rent is managed through the provision of economic rents (donor aid to the OPT), in the hopes that a longer term aspiration for the extraction of economic rents can be brought about - if not in Palestine directly, then most importantly in the region overall.

Part Two: Neoliberalism in Practice

The PA and "National Development"

Delineating the contours of neoliberalism in the OPT is complicated by epistemological questions to do with ones frame of reference. In what respect are we to analyze neoliberal policies? Is it as simple as taking, for example, John Williamson's list of ten key neoliberal policies and comparing Fayyadist government plans to see if we can note similarities? Is it a question of looking at what the World Bank does in terms of implementing and promoting PWC ideas of good governance and transparency, through functioning governmental institutions?

While these are no doubt important aspects to exposing the traces of neoliberal praxis, without understanding and internalizing the political-economic dimension outlined above, such an approach can provide only insufficient explanations. This is because, as previously explained, *the driving intentionality of neoliberal praxis in the Palestinian context is one of political rent extraction. Western governments and IFIs are primarily investing in a political project – not solely an economic project, which though significant, is secondary as far as the near and middle term objectives of the powers backing and facilitating these policies to begin wit*h. Western aid to the OPT is not primarily centered around natural resource extraction, labor exploitation, or deregulation for export-let economies, as is 'classically' associated with neoliberal praxis throughout Africa, Asia, or Latin America. There is no particularly large consumer market in the West Bank or Gaza Strip, many of whose residents are too poor any way to buy U.S. manufactured products. *Neoliberalism in the OPT is about politics: securing the western ally of Israel, pacifying the rebellious Palestinian question (economically, and militarily if need be, via Israel) and allowing for "business as usual" throughout the rest of the Arab world (mainly oil extraction, and smooth passage along trade routes), and if possible expanding across the region into Arab markets (MEFTA).*

With this understanding, the PA and its policies must be seen in a different light. As the direct product of Western government financial aid, technical advice and political sanctioning, and with the approval of the occupying Israeli power, the PA was erected in 1994 from the remnants of a greatly weakened PLO apparatus,

and funded and empowered with a fixed mandate of operation that serviced the neoliberal objectives of Israel and its western backers. Edward Said long ago described and critiqued how the Oslo Accords were about "self-governance", with the PA acting as a sub-contracted apparatus for the Israeli occupation on two main levels: "security" (of Israeli citizens, settlers, army etc.) and administrative, (be it with regards to health, education, basic services etc.) (Said 1995) What remained to be said was that subcontracting an occupation - in this case, militarily and administratively – must be read as consistent with a neoliberal praxis, *because it results in the extraction of the very (political) rent seen as necessary for the other macro processes of neoliberal economic accumulation and rent extraction to take place, regionally and indeed globally. Such an understanding is based upon the re-union between the economic and the political, which is artificially divided by the mainstream economic discipline. It is also based upon the notion that powerful western states use different tools to further their strategic interests. This includes economic policies (neoliberalism), military policies (war), subcontracted military policies (military policies of client states), and subcontracted economic policies (IFI neoliberalism). All however must be seen as expressions of the same determining capitalist interests of the states themselves, tailored to particular conditions.*

The use of the PLO leadership, which takes 'ownership' over this project, as opposed to an exogenous subcontracted partner, adds echoes of the "ownership" imperative of the PWC. Successful maintenance of an economic and political order is seen, and indeed may be, more stable when economic policies are managed through domestic/ indigenous forces who see their interests tied to the projects success overall. All this while real power - and real colonialism – continue concurrent to this regime.

When viewed in this light, as long as the PA observes the tenets, limitations and jurisdictions of its founding mandatory basis (the Declaration of Principles, the Paris Protocol etc.), it cannot avoid embodying a neoliberal apparatus, because of its structural positioning between the occupying colonial power, and the occupied, colonized population. Without breaking from the fixed geographic (Areas A, B, C; the separation of the WB and Gaza); security ("security coordination") and economic (the Paris protocol) parameters which structure and lock-in the PAs basic functionality, the essentially subcontracted neoliberal nature of this apparatus remains in place.

Only once this structural nature of the PA is comprehended does it become relevant to examine the particular orientation of the PA developmental approach. Analyzing the developmental paradigm of the PA in isolation from an understanding of its structural positioning is the equivalent of analyzing the managerial and administrative functions of slaves in the pre-civil war U.S. economy – how to

purchase, expend, feed, clothe, discipline, manage them etc. – without assessing their role in the structure of production. In a word, it misses the forest from the trees.

For this reason, it is crucial to keep in mind that any Palestinian developmental model operates within this framework. This means that it is also necessary to recognize that because of this meta-framework, the basic instruments required for the adoption of a comprehensive developmental plan, simply do not exist in Palestinian hands.

As Mushtaq Khan has noted, "[W]hile the [Palestinian] Authority acquired the power to police its population, it lacked powers to police its borders and negotiate independent trade agreements; it did not have its own currency and it could not define citizenship. As a result, its economic survival and its relationship with the outside world were controlled by Israel in ways that often worsened the already vulnerable situation of many Palestinians." (Khan and Giacaman 2004)

Khalidi and Samour have equally identified this precarious delimited positioning, describing it in terms of the absence of adequate "policy space" – in this case, for implementing neoliberal policies:

> "[T]he PA is deprived of policy tools needed to actually implement the full package of the most conventional neoliberal policies. […] Without an independent central bank, the PA has no means to reduce interest rates and inflation or to set a competitive currency exchange rate in support of export-led economic growth—measures that a conventional neoliberal program would prescribe. Similarly, its commitment to the Economic Protocol with Israel means that it cannot independently reduce tariff rates or Value Added Taxes, so its own trade liberalization must track that of Israel.[…] The realities of Israel's occupation and ongoing land expropriation, combined with the PA's limited jurisdiction, also inhibit the full pursuit of yet another [IFI] policy prescription, namely the protection and enforcement of well-defined property rights, which are prerequisites for an investment-friendly environment as conceived by neoliberal economic policy. In other words, no matter how much effort the PA invests in showcasing the West Bank as an attractive destination for investment, and no matter how hard Tony Blair tries to obtain Israeli approval for this or that permit or project, Israel still calls the shots."

Palestinian Developmental Plans

In this context, how beneficial is it to speak of developmental plans, and their respective adherence to neoliberal logic?

This question cannot be answered speculatively. The structural positioning of the PA as a neoliberal apparatus does not preclude the relevance of analyzing the more specific policy implications of Palestinian developmental plans. Indeed knowing the more specific geography and composition of neoliberal praxis in play throughout OPT development policies can provide additional bases to both question and counter its logic. It also provides a comparative basis of information and analysis with other geographic contexts, which has additional added value for awareness raising and campaigns. At the same time this must always be done within the framework of understanding the structural positioning of the OPT, vis-à-vis the interest of neoliberalism's Western and Israeli backers overall.

There are other justifications for engaging in such an inquiry. From an academic and policy oriented perspective, the need to enquire into contemporary developmental models being devised and implemented by the PA is necessary because the thrust of contemporary energy supporting neoliberalism is actually being directed there. The structural dimensions, which established the basic neoliberal functionality of the PA apparatus, were erected years ago. What can be said as to what has taken place since then? And how does it relate to the functionality of the structural composition of the PA previously described?

Perhaps it is suitable to recognize that the World Bank, as the beating heart of neoliberal advocacy in the world today, has been extremely active in the OPT, engaging in at least 74 projects between 1994 and the present, investing US$2.86 billion. (WB website.) The pace of its projects has furthermore accelerated in recent years, with at least 40 projects launched since the death of PLO Chairman Arafat (Nov. 2004). The scope of these projects are far reaching comprising infrastructure, water, health, legal reform, pension reform, utility management, finance, and NGO development among others – attesting to an extremely diverse set of issues. Indeed, judging from its performance throughout the OPT, the World Bank has not been shy to engage in PWC's call for the holistic transformation of society.

At the same time, this heavy presence also needs to be contextualized in terms of the political environment in which these policies were adopted. Roughly 30 World Bank projects have been approved since PA president Mahmoud Abbas used a presidential decree to designate Salam Fayyad as the prime minister of a caretaker government (mid 2007). This questionable democratic step, surely raises questions about the democratic mandate of Fayyad, and his government's

right to implement such significant developmental plans in coordination with IFIs and Western governments, when there is no parliamentary oversight to these policies. Major infrastructure, fiscal, and governance "reforms" which 'lock-in' key factors of the future orientation of the Palestinian economy and its corresponding social order and fall out, are being embedded without democratic accountability and oversight – a matter which would appear to give credence to pre-existent criticisms of these institutions, and of neoliberalism in general, as undemocratic.

Of course, and as in other contexts, all this would not be possible were it not for willing local partners who facilitate this praxis on the ground. The Fayyad government, its Reform and Development Plan 2008-2010 (PRDP) and its subsequent National Development Plan 2011-2013, all written in close coordination with the World Bank and other international donor agencies and governments, have become key policy tools through which a neoliberal approach to development is activated throughout the OPT. Though it is not the goal of this study to comprehensively describe how the PRDP and subsequent development frameworks ascribe or diverge from neoliberal praxis as seen in other theatres where this agenda has been implemented by the Bretton Woods Institutions, it is nonetheless necessary to articulate some of the key neoliberal features of this self-described "strategic policy and expenditure framework."

Here the Fayyad/ Abu Mazen development model explicitly endorses neoliberal approaches to development, despite known criticisms of these approaches when implemented in developing countries. For example, the PRDP describes the "eventual Palestinian state" as:

> "creat[ing] an enabling environment for a free and open market economy." The Palestinian state is to be "responsive to citizens' needs, deliver[] basic services effectively, and create[] an enabling environment for a thriving private sector. […] The Palestinian economy is open to other markets around the world and strives to produce high value-added, competitive goods and services, and, over the long term, to be a knowledge-based economy."

Open markets and export led growth is seen as the path to development, despite the less than adequate track record of these policies in countless countries throughout Asia, Africa and Latin America. The experience of developed countries has consistently shown the need for government to protect and incubate nascent industries at least in the early stages of independence. Yet in the OPT context, where independence does not even exist, open markets and export led growth are adopted even before there is a significant productive basis to the economy, let alone control of borders.

The refrain that the "Palestinian private sector must be the engine of sustainable economic growth" is also heard consistently throughout the Fayyad development model, based upon the sound belief that these policies "generate productive employment, produce high value-added goods and services, and [..] enhance national prosperity." But such statements provide no explanation for why the private sector must act as the engine of growth, nor adequately defines what "national prosperity" actually is. There appears to be an implicit equation between "private sector growth" and "national prosperity" which conflates private benefit with public good. In this respect, the discourse is noticeably class effacing, refusing to see that profit and growth can be stratified, uneven and differentiated under unregulated economic development, with the weakest and most disadvantaged sectors of a society failing to prosper the way those with power, education, and capital.

"Fiscal discipline" has also been central to Fayyad government development, not only because it is consistent with neoliberal approaches endorsing "austerity" but also because it is one of the few areas where the PA has a sufficient level of 'policy space.' The PRDP explicitly called for "slimming down" the PA "leading to a reduction in costs and especially in the wage bill, as an essential prerequisite for the achievement of fiscal stability." Fiscal reforms were implemented to tighten recurrent expenditures from 50.3% to 41.2% of GDP; no general public salary increases were made over three years at the start of the PRDP, while the overall wage bill was projected to decrease from 27% of GDP to about 22% thanks to retrenchment of the public sector and hiring freezes.

Reducing the subsidization of utility fees ("net lending") also became another area whereby the PA enforced "fiscal discipline." Throughout the course of implementation, the Ministry of Finance enforced its plan to progressively reduce net lending from 10.6% of GDP in 2007 to 7.8% of GDP in 2010. It did this based upon a belief that "utility provision will be based on economic principles and will be provided under a full cost-recovery basis." This was made possible by incorporating an enforcement mechanism that required citizens to present a 'certificate of payment' of utility bills in order to receive public services.

Ironically the PA's developmental paradigm appears aware that such policies are quite problematic in practice, especially when utility subsidization, for example, is particularly relevant to the sectors of the OPT population most economically vulnerable - often refugee camp populations. For this reason, the PRDP, and other development literature frequently feature caveats that read: the " 'poorest of the poor' will be identified through an objective and transparent process implemented by the Ministry of Social Affairs, whereby a specific 'lifeline' level of electricity will be provided to ensure that poor and vulnerable families are not deprived of access." Elsewhere it stresses how the government "will safeguard the welfare

of vulnerable groups while pursuing a private sector-led approach to economic growth." It believes it can do this by "invest[ing] in social development and [by] continu[ing] to build effective mechanisms for social assistance and protection," as means to safeguard the social and economic differentiation known to arise from unbridled capitalism.

The irony of such statements of course is that they come concomitantly as austerity measures are put in place, be it in terms of freezing expenditure, hiring, wage bills or retrenchment. Is this really 'investing in social development', said to insulate weaker sectors and encourage social assistance and protection?

A deeper criticism also needs to be raised on the level of principle. While individual cases can certainly benefit from such interventions, one wonders whether allowing for private sector development is the best approach to tackle the serious condition of unemployment and poverty that already exist in the OPT, and that are likely to worsen in the context of the unleashing of free market capitalism? Or whether export led growth is the answer, when the Palestinian productive base is so weak, and cannot compete with the cheap competitors. Saving 'the poorest of the poor' may indeed 'save' these populations from starvation or give them electricity, but it avoids addressing the fact that under such a system, *social welfare is treated as a privilege not a right*.

This raises the larger question of where Palestinian rights – national, economic, human - fit in regards to the PA development strategy. The Fayyad framework however avoids the question of rights over all. Instead, it establishes a set of national policy goals strikingly similar to PWC visions for neoliberal development, and aspects of which equally echo the demands of Israel and the international community upon the Palestinian leadership. Palestinian "national policy goals" are described by the Fayyad government in terms of "safety and security", "good governance", "increased national prosperity" and "enhanced quality of life". Notice how the framing of these national policies absences a rights-based terminology, substituting it for goals-based one. This slight reformulation shifts the edifice upon which Palestinian claims are made – from one which conjures up questions of unresolved human and national rights, and obligations of the international community, in favor of a goal-oriented framework equivalent to any independent country's developmental policy goals. *It is a paradigmatic shift that ignores the historical rights and struggle of the national movement, and elevates new institutionalist practices as national goals in and of themselves*.

In this way, Fayyadist development is consistent in effacing the occupied colonial nature Palestinians preside within. With a form of tunnel vision, it repeatedly describes its intension to "create a secure and stable internal environment in which social and economic development can take place, and in which the

institutional infrastructure of a Palestinian state can develop and thrive", without explaining the actual mechanism for how service-related institutional and governance reforms, combined with private sector growth and security, actually lead to national liberation.

The fear is of course, that these features - set as national goals moreover - actually entrench the self-governing features of the PA, making it a more efficient neoliberal apparatus, and functioning de facto as a form of occupation by remote control. While the Fayyad paradigm certainly uses the catchphrases where Palestinian rights are implied – calling for "sustained and serious political dialogue, and concrete steps and commitments by all parties towards a lasting peace" - the inexistence of a functional mechanism for how such 'serious political dialogue and obligations' will be realized remains its largest weakness. *This renders the Fayyad government's success susceptible to setting up the conditions for its own failure: the more efficient Palestinians become with their self-governance, the less Israel and the international community will feel obliged to actually create a state, given that the desired political rent – self-management, stability – has already been extracted*.

Part Three

Alternatives to Neoliberal Development in Palestine

What has surveying neoliberalism in the Palestinian theatre shown us, and how is it possible to bring such an understanding into constructing a vision for an alternative Palestinian developmental plan?

Neoliberal praxis is a *composite* of ideas and practices that influence both the framing and content of the way people and societies construct and relate to one other and the world at large. In the OPT we have seen this play out on several levels:

On what might be described as the "meta-framework" level, we see the construction of the PA, in its Oslo formulation, existing as an actual apparatus of neoliberal design. Its essential neoliberal composition derives from its articulation of security, administrative, economic and political regimes, which are mandated by powerful institutions of global capital and Israel, realizing themselves over fixed geographical areas.

In addition to the meta-framework, exists more macro and even micro dimensions to the neoliberal project. We see these in the specific economic and governance policies of the Fayyad government, which restructure the very fabric of a wide array of norms and practices across the OPT – from inter-social relations and space usage, to job markets, civil society and gender relations.

In toto, these policies can be said to aim towards political rent extraction for the more general purpose of asserting the rule of capital internationally, regionally, and locally according to the interests of its major (Western states, Israel) and subagent (Palestinian capital) actors.

With this clear articulation of the current structure of neoliberal development in the OPT at hand, allow us to consider what an alternative approach would need to comprise to both challenge and subvert the existing model.

Here supremacy must be given to addressing the political dimension first, as no developmental plan can exist without the articulation of its political worldview that will form the basis for an alternative Palestinian development model:

The basis of an alternative Palestinian developmental framework must be rooted in a conceptualization that seeks to end Western/Israeli political rent extraction; challenge and subvert the rule of capital as the driving force of Palestinian development; and unleash the individual and collective potential of the Palestinian people based upon a primary commitment to individual and collective Palestinian rights.

Here it is worth noting that it is meaningless to articulate the fundamental basis of Palestinian development in terms of "reasserting national interests" or "rights" counterposed to those of neoliberalism. Why? Because there is no avoiding the fact that nationalism means different things to different people, while different social classes embrace and prioritize different meanings to what are essentially malleable concepts. While certain aspects of the Palestinian elite represented in the Fayyad government may prioritize Palestinian interests and rights by asserting the need for Palestinian statehood via neoliberal praxis, Palestinian refugees may articulate their conceptualization of national right in terms of the need for immediate implementation of the right of return. Both dimensions can be argued to fall within a legitimate interpretation of the historical national objectives of the Palestinian people, and its quest for national self-determination. What differentiate them are questions of strategy, tactics, and priorities.

Clearly elements of the Palestinian economic and political elite are wedded to investing in the "neoliberalism as liberation" model we see articulated in the Fayyad government policies. While this certainly can and should be critique, what needs to be avoided is a critique which strictly frames issues in nationalist terms, as this immediately creates a dynamic of what is 'more' or 'less' nationalist. This begins a process of reification of the national cause and its ideals, which inverts what Palestinian national liberation should be about – liberation of people and their land from those forces, which subjugate and exploit them. Instead it is far more valuable to assert an alternative vision to development, which itself becomes a motivating theme of ones vision and project of liberation.

What then do we mean by our founding guiding principles of an alternative Palestinian developmental framework?

Rejecting/ ending the political rent extraction

Rejecting/ ending Western and Israeli political rent extraction entails the endorsement of a political project that quite simply rejects or denies the valued political stability that forms the essence of what the neoliberal project and design for the OPT is all about – the modicum of stability created by the erecting of a self-governing body (the PA) as a sub-contacted arm of the Israeli occupation. This means at the very least, withdrawing the legitimacy of the project, which

oppresses and displaces Palestinians and denies them their fundamental rights.

In practice, this would minimally entail withdrawing recognition of the state of Israel; framing Zionism as a criminal, racist settler colonial project; and clearly opposing U.S. and Western government foreign policy, which supports and facilitates Israeli policies, and is the ultimate benefactor of the rent extraction to begin with.

Without defining a framework that articulates a value system that recognizes an oppressor and an oppressed, a colonizer and a colonized – the basis for erecting a developmental project, let alone a liberatory one, will be lost.

In sum, this basic tenet of the alternative development model is a statement of rejection of the status quo, based upon an understanding of ones oppression, and the need to resist it. *It is a line in the sand – development and liberation based upon the concept of resistance. How, where, using which strategies and tactics – these remain to be determined by its adherents and agents*. But establishing an alternative development model upon a resistance footing is the first and most important dimension to the project overall. Through its declaration, the notion of "development under occupation" as professed and endorsed by the neoliberal project, is forthrightly rejected. Thereafter, "development" – if indeed the term still bears relevance and has continued utility for employment – becomes inseparable from the project of resistance.

Challenging and subverting the rule of capital

Challenging the rule of capital injects a particular character to the nature of this essentially resistance-oriented project. It upholds a vision that does not prioritize the rights of capital over those who lack capital, particularly labor. *It is a way of saying that the priorities of the developmental and liberationist project will not be ruled by financial profit motives or incentives, but by a set of priorities determined by its adherents – the Palestinian people - and their perceived needs for what it would take to activate in practice a resistance oriented development project to realize their rights to national self-determination, liberty and return.*

Here capital is without national ascription – be it Western, Israeli or Palestinian. This is crucial to assert as an increasingly important vehicle for accelerating Palestinian fragmentation in recent years has been through the unleashing of Palestinian capital on the captive economic conditions of the OPT, via the Oslo framework and Fayyadist neoliberalism overall. *By removing the power of capital, and the priority status of profit, as the enshrined value of "free market" creation – by removing these, the assertion of the need for a more even playing field is created amongst the agents and benefactors of the project to begin with*.

Extrapolating upon this dimension within the form of particular economic projects, investments, and sectoral approaches has many potential formulations, but at this point, it is sufficient to assert that *the influence of individual profit motives, market selectivity, and entrenched capital need to be contained and ended as incentivizing elements of a development/ resistance program. In their place, projects need to be structured such that their incentive regimes prioritize collective participation, while their benefits are equally socialized*.

Subverting the Neoliberal Apparatus Nature of the PA

Having outlined the guiding principles of an alternative developmental approach, we now arrive at attempting to subvert the subcontracted apparatus role of the PA, which makes it a neoliberal appendage of the occupation and international capital.

There are two main components of this subcontracting role: the security and the administrative.

Preceding and framing the possibility for such a subcontracting role to begin with are two additional dimensions: the geographic map and the economic dimension. Both elements ensure that a fixed framework exists a priori within which a subcontracting role can be undertaken.

All four elements that enable and compose the subcontracted apparatus-like nature of the PA must be challenged if a genuine alternative developmental approach can be created.

The Security Dimension

This is perhaps the easiest dimension to address. Under the Oslo framework, the security apparatuses were clearly envisioned as subcontracted arms of the Israeli military occupation designed to ensure the security of Israeli citizens, settlers and army personnel, and to discipline the Palestinian population domestically. The heart of neoliberalism's political rent extraction relied upon this, and was always the starting priority of the neoliberal agenda, with disproportionate resources expended towards this end.

Under an alternative conceptualization, this role would no longer exist for Palestinian security forces. Security would be redefined in terms of safeguarding the Palestinian people, rights and property from internal and external transgression. On a basic level, this would minimally entail ending security coordination with the Israeli occupation army, American military personnel (Dayton and the CIA)

and EUROCOPS. It would also entail acknowledging up front that resistance against Israel would be legitimized, with people encouraged and empowered to fulfill this mandate in the form they or their elected leadership saw fit. Protecting Palestinians from the Israeli army and settlers would be important. Palestinian abuses of public resources or collective rights would also need to be addressed.

Outlining the tactics or strategy for such an approach is not the responsibility of this author. To do so would be undemocratic while equally subverting the crucial dialectical and debate-based nature of what arriving at such a plan entails. In this regard, under this alternative development/ resistance program, securing sufficiently democratic methods of organizing and arriving at collective decisions abided and enforced by the population, would be almost as critical as the decisions made. For without a methodology of communication, information gathering, processing, decision making, and enforcement, collective energy and resources are likely to be squandered, and mass self-interest has the potential to reign. It thus becomes the role of political leaders and a healthful political/ discursive sphere to foster and deepen the existing political currents such that conditions for a development/resistant project emerge.

The Administrative Dimension

The creation of the PA lifted an enormous administrative burden from the Israeli occupation. Is it reasonable to attempt to reverse this, and to return these functions to the occupation until genuine liberation or independence is achieved? Is there a third alternative?

While the thought seems radical, the prospect of returning the administrative functions handed over to the Palestinians under the Oslo accords must be considered seriously, and may in fact be the shortest way to begin a process of constructing genuine Palestinian development, resistance and liberation.

The structural problem with the current framework is that it allows for Palestinian control over limited aspects of their social services (education, health, fulfilling a delimited set of rights), but which are given at the expense of broader, political rights - rights to independence, self-determination, return etc. The failure to be able to enjoy any genuine political rights – including the right to control ones borders, natural resources, and the right to issue citizenship, which in effect is the right to have and determine all other rights – essentially means that Palestinian development is impossible unless these tools are in Palestinian hands. Oslo clearly divided between the matters that Israel wished to maintain control over, and those it wished to subcontract out to the PA. International donor aid to the latter financially subsidized these latter functions, while Fayyadism works to lessen the overall cost through proper budgeting, taxation, austerity etc.

What to do? Arguments against returning back administrative responsibilities are based upon the notion that it would only hurt the Palestinians. Schools, hospitals, day-to-day bureaucratic necessities would no longer be under Palestinian control, and may not function at all. While one can understand these concerns, it might not be as apocalyptic a scenario as it sounds, and it is worth articulating what the positive attributes of such a stance would be:

Abdicating power and stepping back from the reins of self-governance, would realign the political element of the Palestinian struggle, placing the legal administrative burden at its correct address – the Israeli occupation and the international community. This would have an enormously *clarifying* role to the international community –on the governance level, civil society, and amongst popular forces. By declaring that Israel legally bears the responsibility of the Palestinian population's wellbeing, and by Palestinians showing that they abstain from the trap of self governance and endless negotiations – the bulk of the contradictions currently carried by the Palestinian leadership and people would be thrown back out to the Israeli occupation, the Israeli state and people, and the international community at large - financially, politically, morally. The convenient and comfortable abandonment of the Palestinian cause, which took place after the Oslo accords, would be over. The withdrawal of consent over practical matters would powerfully illustrate the end to political rent extraction, and immediately externalize the problem for the international forces driving the neoliberal project.

On the Palestinian level, such a step would also play an important mobilizing and unifying role. The myth of genuine statehood through neoliberal development and negotiations with a Zionist Israel, would definitively end, placing the Palestinians at a crossroads – strategically creating the conditions for Palestinians to collectively seek a solution to their problem. *A major problem with the neoliberal development/ Oslo model is that it raises and mobilizes individual interests and resources at the expense of collective ones. At the same time, it empowers those who are already positioned to take advantage of such conditions (Palestinian capital, elites), while abandoning the great majority who cannot. In sum, there is no real "trickle down" from these policies, while social solidarities –essential for running a resistance program – are eroded*. Abdicating power would provide a clear orientation for the Palestinian project, by politically rejecting the notion of autonomy instead of sovereignty and the disaggregation of Palestinian rights over all. This would emphasize the need for collective solidarities, as opposed to individual interests, creating the material and political basis for organizing a development/ resistance paradigm.

At the same time, Palestinians would clearly need to prepare contingency plans to mobilize and organize society to avoid chaos, plan resistance, maintain a modicum of continued service provision and provide the conditions for economic

self-sufficiency – at least within a format that the current balance of forces will permit. Clearly Israel will attempt to take repressive action, and use key tools at its disposal to make such actions as harmful and counter productive as possible. The imperative of leadership, resourcefulness, and management would hence be elevated, while the participation of the widest level of social sectors and the unity of those participating, would play key roles in the project's strength and efficacy.

Some critics may argue that handing power back, while preparing contingency plans could simply reproduce the PA in another form. *While on the one had, elements of this might appear to be true, what such a process would do would unmoor the basis of legitimacy of Palestinian governance from its current PA/ Oslo/ neoliberal framework, and set in motion a dynamic whereby an alternative framework of legitimacy, unbounded by the Oslo trajectory, invigorates this project. Rather than markets, new institutionalism, the World Bank and the Israeli army 'selecting' the course of Palestinian development, Palestinians would be forced to rely upon themselves and their resourcefulness and alliance building – amongst each other and with external solidarity networks - to meet their needs and rights. A process of natural political and organizational selection rather than market selection would begin to dominate*.

The Geography and Trade Dimension

This begins to dovetail with the issue of the geographic dimension and trade regimes, which form a crucial part of the neoliberal straightjacket Palestinians in the OPT live beneath. The separation Palestinians in the OPT experience from one another (between Gaza and the West Bank, and within the West Bank); between the OPT and 1948 Palestinians; and between the OPT and the diaspora) is a deliberate creation of Israel, the Oslo accords and the neoliberal order it represents. The Paris Economic protocol likewise is superimposed upon this geography, ensuring the nature of Palestinian trade and its submissiveness to the needs of Israeli capital. Can anything really be done about this as long as Israel still holds the keys in the form of the intricate 'matrix of control' it has erected over the years – be it in the form of control over "borders", the apartheid wall, checkpoints, by-pass roads, settlements, military outposts, and the overall archipelago classification of the OPT into Areas A, B, C etc.?

While Israel's physical domination over Palestinians is apparent, there are contradictions to the current architecture that might be exploited. That is to say, pending the specific demands or needs of a resistance/development project, angles of entrance into the problem may be found in the structure that Oslo created, as well as in the achievements of Palestinian resistance to date.

For example, at present, accessing the West Bank from the '48 Palestinian side remains open. Accessing Gaza via Sinai, is also somewhat possible. Palestinians with international passports have forms of freedom of movement at least in the West Bank. International and Israeli allies also enjoy similar rights.

In addition to this, the role of the internet, satellite television stations and the speed of communication that is made possible through sites like Facebook and Twitter – all create channels of connectivity amongst Palestinians and between Palestinians and the world that are difficult to target in real time. There are even Israeli networks that can be used as last ditch means of communication.

While there may indeed be limits to what can be achieved in the geographic and trade sphere while Israel still holds the prison gate keys, the point here is to emphasize the following:

Necessity is the mother invention. If there is a political will based on legitimate needs and rights; if sufficient research and planning are conducted, and resources and investments channeled – solution, be they partial or full, to the variegated geographic and economic problems created by the Oslo map and the Paris accords may be found. At the very least, if solutions cannot be found, the basis for mobilizing solidarity campaigns around such impediments will be created and can be highlighted.

Furthermore, in order to break out of the neoliberal straightjacket that the Oslo process created, there is a determined need to think 'outside of the box', and to consciously reassert linkages between the Palestinian body politic (the OPT, '48 and the diaspora) to counter the processes of fragmentation it has undergone at the hands of Israel and the neoliberal market. Likewise, forming and deepening strategic alliances between Palestinians and the Arab and Muslim world, as well as the Western world – consciously targeting the latter's civil society and working class as opposed to its governmental or corporate elite – would also appear to be key toward unleashing the resources and networks which can help sustain a Palestinian development / resistance project, from an anticipated Israeli crackdown.

In any case, it should be clarified from the outset that the resistance/ development discussed here, will have little to do with financial profitability, or classical GDP growth, as quantified by mainstream economic modeling. Expectations will likewise need to be calibrated as such. The emphasis instead will be upon attempting to create Palestinian self sufficiency by organizing and socializing resources and alliances; drawing in as wide a circle of participating Palestinians into their development and resistance projects/ program; and quite crucially, ensuring that the messaging of these efforts is communicated effectively and consistently.

The Case of Gaza

Much of the above discussion relates to the issue of the West Bank, where the machinations of neoliberalism continues to fundamentally structure and manage the unfolding of daily life. At the same time, the experience that the Gaza Strip has undergone throughout the course of the past five years is telling and beneficial for the West Bank, given that two largely separate development models have been in evolution during this time period, as framed by distinct political visions - those of Fateh and Hamas.

In a nutshell, the Hamas government that came to administer the Gaza Strip after the events of the summer of 2007, has demonstrated that significant aspects of the neoliberal order can be subverted if there is sufficient political resolve. The Hamas government was able to reject the political recognition of Israel, Zionism and the U.S. guided peace process (political rent extraction); reject the subcontracting of security roles; create a political, military and social project based upon an explicit conceptualization of resistance; develop alternative channels of supply which broke the Paris Protocol; and reorganize production, public resource use, taxation, agriculture, and many other aspects of social and economic life along a model that at the very least, was not in alignment with neoliberal economic regional designs. Whether it has been more redistributive or inclusive is difficult to fully determine, although there is evidence to speculate that it has been.

None of this is to ignore either the heavy toll that the residents of the Gaza strip paid at the hands of the Israeli occupation's siege, which deliberately targeted both Hamas and the Gaza population, and was designed to punish both for attempting to break the confines of the Oslo model. Nor is it to overlook problematic questions to do with democratic praxis, labor conditions, or predatory aspects of the new economic system being created beneath the new Gaza economy. In all respects, it is equally difficult to determine whether either model is closer or farther to liberation, without the question of national unity being resolved.

In any respect, the issue of the Hamas oriented development project is raised not so much as to declare it the model of emulation. Rather it is to illustrate that an existing alternative development model exists in the OPT, which already nominally challenges basic tents of the neoliberal order in important respects. Further study clearly needs to be undertaken to see in what respect this model can be built upon, and how such ideas can be integrated into a broader development/ resistance project that includes not only the West Bank, but the broader Palestinian community – where a great deal of the people and resources of the Palestinian cause reside, but so far have largely been ignored or marginalized. What lessons can be learned from the Hamas experiment? How can we not

repeat its mistakes? How can we broaden and deepen the resistant aspects of Palestinian development, by drawing in wider circles of participants and socializing the benefits of participation in this project? How can these resistant efforts lay the basis of economic self-sufficiency, social protections, and communal solidarities, which can attract political and material support internationally and regionally for the aim of breaking the alliance of forces which oppress, colonize and forcibly dispossess Palestinians?

Concluding Remarks

The contemporary Palestinian development model operates beneath a core assumption that the Oslo framework provides sufficient maneuverability for economic prosperity and national liberation. Yet despite almost 20 years of experience beneath this model, little prosperity or liberation can be pointed to as evidence of this. The basic power imbalance between Palestinians and the Israel-Western Europe/ U.S alliance has sufficiently and consistently impeded any genuine advancement in negotiations beyond a proscribed limit – a result that can only be described after such a passage of time, as by design.

This research has attempted to describe how the Oslo process was a creation of the neoliberal mindset prevalent in the early 1990s, when the US attempted to consolidate its unipolar position on the world stage. As part of this thinking, the PA was operatively created as a subcontracted apparatus of the Israeli occupation. But its role did not end there. Not only would it intermediate between the two, conducting the impossible task of managing the expectations and administration of the colonized population seeking development and liberation. As conceptions of neoliberalism advanced internationally, and as Palestinian rejection of full submission became apparent locally, the Israeli-Western alliance sought ways of addressing these 'obstacles'. First came the physical repression of the Palestinian people, in Israel's scorched earth policies during the second intifada. Then came the institutional pacification in the form of the "reformed PA". Neoliberal development policies became the common meeting ground for Western powers and IFIs, to join up with the Palestinian capitalist class to seek economic, institutional and political stability for mutual benefit. As always is the case with neoliberalism, a certain strata of the local society benefits from these policies, while the majority do not. Moreover, these policies tend to rip apart communities along preexistent fault lines because they set into motion market dynamics of inter-local competition which advantage the powerful, privatize the public, and reframe rights as privileges.

Today neoliberalism is consciously used as a tool by powerful states in the OPT to reap political rewards – a reward which at the end of the day can only be

characterized as a form of liquidation of the Palestinian cause and the socio-political formations that continue to demand Palestinian rights.

In this context, what does a "buzzword" like development really mean? Palestinians have no alternative under such conditions but to entrench themselves in an ethos and praxis of resistance which attempts to organize and consolidate their material, immaterial and human resources for the purpose of surviving the daily machinations of Israeli colonialism, and pushing back for the purpose of winning their rights. The clearer their vision of the forces that oppress them, the clearer their answers will be in attempting to resist them.

In this regard, Palestinians have the unenviable position of being oppressed by the forces of settler-colonial Zionism, U.S. imperialism and neoliberal tinkering. An alternative development plan must take up the task of resisting the fragmentational effect of all three.

Under such conditions, the highest priority must be given to ensuring that the common good and public interest are vigilantly protected at the expense of individualistic gains and profits which corrode social solidarities and the overall strength of the Palestinian cause. As Khalidi and Samour have noted, "public ownership, public services, public investment, and public welfare seem to be the key policy innovations of the coming period." In so far as this general approach to policies can be implemented in the context of an overall resistance oriented framework, so be it. The more Palestinians prepare, strengthen and organize their communities and resources, the better positioned they will be to resist the predictable onslaught against them, and win adherents to their cause, and their rights in general.

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Development under Colonialism?

Nithya Nagarajan

1. Introduction

"We have sewers but no sovereignty" goes the joke in Ramallah as a way for Palestinians to represent the disjuncture between the neoliberal development project being applied in Palestine and the reality of settler-colonialism that they confront on a daily basis.[1] This disjuncture can be highlighted with numerous examples, which illustrate a hegemonic pattern, that of a pacifying – albeit only illusory - material progress aimed at compensating Palestinians for the absence of sovereignty and the frustration of their political aspirations. For example, a brand-new customs police car in the streets of Ramallah can hardly hide the fact that Palestinians do not control any borders; the increasingly rhetorical references to the rule of law and Palestinian institutional building does not mask the international boycott of the democratically elected government (2006-2007), or the subsequent collapse of the constitutional regime, and the current authoritarian reality. Indeed, while Slate magazine lauds Ramallah as the burgeoning new microcosm of Tel Aviv,[2] and the PA undertakes the task of beautifying its streets, the Israeli territorial expansion in the West Bank goes unabated. Meanwhile, Palestinians continue to be dispossessed of their land, face increasing restrictions on their civil and political rights, and the prospects for political independence and freedom are slimmer than ever. These dynamics tellingly speak of the rift in the assessment of the development project in Palestine – Slate hailing its success evidenced by the fact that Ramallah is well on its path towards "modernity", on a continuum in which even Tel Aviv is not so far away, while the Palestinian joke on the streets, renders visible –with blatant irony- the highly reductionist scope of the development project in Palestine, one which can deliver sewers but not sovereignty, new Customs police cars but not borders, and democratic rhetoric but not political freedom.

Seemingly, the project of development in Palestine operates in a parallel reality from the urgent political aspirations of Palestinians. On the one hand, the World Bank elaborating its mandate in the West Bank and Gaza notes "if we are to meet our primary development objective -- supporting the development of systems that can provide sustained delivery of high quality services to the Palestinian people -- we must focus on actions that facilitate the establishment of a fiscally stable Palestinian State, underpinned by robust and well governed institutions of state

1 Nu'man Kanafani, "As If There Was No Occupation: Limits of Palestinian Authority Strategy", *Middle East Research and Information Project*, September 2011, http://www.merip.org/mero/mero092211.

2 Michael Weiss, "Palestine's Great Hope", Slate, June 2010, http://www.slate.com/articles/news_and_politics/foreigners/2010/06/palestines_great_hope.html.

and civil society."[3] The Palestinian Authority's National Development Plan echoes these objectives. On the other hand, the daily life of Palestinians - subjected to settler colonialism and military occupation - speaks of an altogether different reality. Capturing the predicament of the villagers in Battir near Bethlehem, The Nation magazine writes: "Sitting on his porch in Battir overlooking the valley where the train connecting Jerusalem to Tel Aviv runs, Awaineh points to the now defunct Battir station, where trains used to stop during Ottoman and British rule. Since then, Battir has had nearly half its land confiscated by Israel, and Palestinian activity there is forbidden. Awaineh leans forward, the sun reflecting off his white hair, and sighs. "In the end they will make life difficult for students going to school, labourers going to work and farmers going to their fields," he says. "People will be forced to move to Bethlehem." "[4]

What Palestinians articulate and summarize in the form of irony or despair is a complex political phenomenon progressively taking place in Palestine since Oslo: the pre-eminence of the Post-Washington Consensus (PWC) development paradigm, which in the Palestinian arena has entirely shifted the debate from a frame of liberation struggle to one centred around the ideals of "economic growth", "institution building", and "good governance." While in the cases of countries coming to independence in the 1950's and 1960's, the shift in priorities from anti-colonial struggle to economic development seemed to be a "natural" transition, in the case of Palestine it reveals to be especially problematic for it has taken place at a disconcerting moment, namely, before the end of the colonial conflict and without Palestinians having attained any political independence.

This paper seeks to examine the significance of the shift and specifically the idea of pursuing "development" as framed by the current PWC orthodoxy in a settler-colonial context. I examine the rationality of this paradigm, and the effects of its logic vis-à-vis Palestinian anti-colonial struggle. Three primary arguments are developed in the paper: First, a historical de-construction of international assistance to Palestine shows that, ever since Oslo, development programs have had a very political agenda: the 'de facto' accommodation to the imperatives of Israeli colonial rule in Palestine, that is, Israeli security and territorial expansion, and the reinforcement and bolstering of its necessary complement, namely, social and political control of the Palestinian population. Second, though this politics is apparent, developmental actors sustain a technical discourse – allegedly "objective" and "neutral"- which represents their problematic in an approach that is largely devoid of any recognition of the political context. As such, donors have

3 World Bank, "A Unique Challenge: Commitment in an Uncertain Environment", June 2010. http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/WESTBANKGAZAEXTN/0,,contentMDK:22626587~pagePK:141137~piPK:141127~theSitePK:294365,00.html

4 Nadia Hijab and Jesse Rosenfeld, "Palestinian Roads: Cementing Statehood, or Israeli Annexation?", *The Nation*, April 2010, http://www.thenation.com/article/palestinian-roads-cementing-statehood-or-israeli-annexation.

shifted the gaze from Palestinian political aspirations (condition sine qua non for any meaningful developmental plan) to a neoliberal substitute: a "free-market" economy-centric and institutional focus, regardless of its effects vis-à-vis political struggle. Since this discourse obscures underlying structural power asymmetries and colonial processes that give rise to material deprivation and subjugation, it re-positions inherently political problems as technical ones and accordingly frames solutions. Third, by taking this approach, the dominant development paradigm in Palestine facilitates subordination to colonial control, and fragmentation and pacification of the population.

The paper follows with a discussion of the political history of aid intervention in Palestine (section 2), and proceeds to critically examine the construction of a supposedly 'political-neutral' development apparatus (section 3). The paper then examines the implications of the dominant neoliberal development logic on Palestinian society today and the ways in which it produces deleterious consequences for shared political struggle (section 4).

2. The Politics of International Assistance - Securing the Colonial Order

Despite opposition to the Oslo process from prominent circles within Palestinian society, the "international community" was quick to embrace the "peace process". Development assistance to the Palestinians has been ever since intimately bound to the Oslo political imperatives: 'de facto' accommodation to the imperatives of Israeli colonial rule, that is, Israeli security and territorial expansion, and the bolstering of its corollary, social and political control of the Palestinian population through the PA apparatus. Donor reform agenda has been linked to serving these objectives.

The conditioning of Oslo to Israeli imperatives was clear from the beginning of the process. On the one hand, the agreements maintained the possibility for growing colonization, consolidated Israeli legal extraterritoriality for settlers, and preserved all military orders since 1967, while simultaneously focusing on Israeli security. As early as September 1993 Prime Minister Rabin expressed what he expected from the Palestinian interim government: "The Palestinians will be better at it (fighting resistance) than we were because they will allow no appeals to the Supreme Court and will prevent the Israeli Association of Civil Rights from criticizing the conditions there by denying it access to the area. They will rule by their own methods, freeing, and this is most important, the Israeli soldiers from having to do what they will do."[5]

In turn, donor countries made explicit their political commitment with the Oslo framework soon after the agreements were signed in September 1993. The intention, simply put, was to buttress the "peace process" by promoting its economic dividends. Within weeks of the signing of the agreements, the first donor pledging conference was held. Then US Secretary of State Warren Christopher announced unambiguously: "The purpose…is to mobilize resources needed to make the agreement work. The international community must move immediately to see that the agreement produces tangible results in the security and daily lives of Palestinians and Israelis. If peace is to be achieved, this must be translated directly and visibly – vividly into real progress on the ground…"[6] In

5 Glenn Robinson, *Building a Palestinian State: The Incomplete Revolution*, Bloomington: Indiana University Press, 1997, p. 189.

6 Address by Warren Christopher at Columbia University, New York, September 20, 1993

turn, EU governments openly declared that a top priority for the Common Foreign and Security Policy was "accompanying the peace process with the mobilization of all political, economic, and financial resources of the Union."[7]

Several key objectives of Oslo have framed donor efforts. On the one hand, Israel's 'security first' imperative took precedence in the donor 'reform' agenda. International actors were aware that fulfilling Israeli security concerns without ending the colonial conflict was untenable without strong Palestinian security forces. The importance attributed to the PA's policing capacity is evidenced by the fact that after the establishment of the Ad-Hoc Liaison Committee and the Consultative Group to coordinate international aid effort, the very first local coordinating mechanism established was the Coordinating Committee for International Assistance to the Palestinian People (COPP).[8] Its primary aim was to establish a funded and trained police force.[9] Over time, the security sector itself became one of the cornerstones of the development program in Palestine, under the good governance rubric of "rule of law", one that has been championed by the PA itself. For instance, in 2008-2010 the PA allocated $228 million to the Security Sector Reform and Transformation Program.[10] This security-development platform not only lead to the entry of the EU Police Coordinating Office for Palestinian Police Support (EUPOL- COPPS) and U.S. Lieutenant General Keith Dayton, both of whom become key players in Palestinian security service reform and training, but has also lead to unprecedented levels of cooperation between PA forces and Israeli security.

Second, international actors have worked to support the establishment of a strong, centralized political regime – the PA apparatus – that would adhere to Oslo's political framework. Beyond direct monetary assistance towards this end, the donor "reform agenda" has also been pushed in highly political ways to support a PA leadership that complied with the Oslo agenda and to discourage or simply exclude any kind of institutional political opposition to Israeli demands. In the 1990s, for example, despite the knowledge of mismanagement and corruption related to public funds and calls for reform by domestic constituents, donors were unwilling to press the PA to adhere to certain reform commitments as long as the PA leadership was maintaining the "right" politics.[11] Though the Palestinian Legislative Council came out with a powerful indictment of the PA

7 Francois d'Alancon, "The EC Looks to a New Middle East," *Journal of Palestine Studies* 23, no. 2, Winter 1994:41

8 Rex Brynen, *A Very Political Economy: Peacebuilding and Foreign Aid in West Bank and Gaza*, United States Institute of Peace, Washington DC, 2000

9 Coordinating Committee for International Assistance to a Palestinian Police Force, 'Terms of Reference', March 25, 1994.

10 Raja Khalidi and Sobhi Samour, "Neoliberalism as Liberation: The Statehood Program and the Remaking of the Palestinian National Movement", *Journal Of Palestine Studies*, Vol. 40, No. 2, Winter 2011.

11 Palestinian Legislative Council, Corruption Report, 1997

through their 1997 corruption report, donors, nevertheless, renewed their commitments in support of the "peace process" in November 1998 with a pledge of $3.4 billion for the next five years.[12] However, following Arafat's rejection of the Camp David negotiations, a shift in the international cooperation policy began since Arafat was now positioned as an 'obstacle to peace'. International economic assistance became conditioned on the implementation of major reforms in the PA, culminating in the PA's "100 Day Reform Plan" in 2002 and calls were made by the United States, Israel and much of the international community to elect a new leadership.[13]

The boycott of the Hamas-led PA by the international community in 2006 is another case in point of the highly politicized deployment of development assistance. Following Hamas's rejection of the Quartet and Israeli political conditions post election, all major Western and Arab funding to the PA Ministry of Economy ceased. The elected Hamas government was bypassed and an alternative arrangement through the Temporary International Mechanism was established to channel funds via the President's Office in 2006-2007.[14] By doing this, donors backtracked on their so-called "best practices" in public financial management, and reversed multiple reforms (i.e. de-concentration of power and security) that had been undertaken between 2002 and 2005. However, with the creation of the Fatah "caretaker government" in 2007 in the West Bank that championed the application of a neoliberal approach, monetary and technical assistance resumed despite questions about the constitutional legality of the new authority.[15]

12 Rex Brynen, op. cit.

13 George Bush's Rose Garden Speech, June 24, 2002 ; http://georgewbush-whitehouse.archives.gov/news/releases/2002/06/20020624-3.html

14 http://eeas.europa.eu/palestine/tim/factsheet_tim_en.pdf

15 http://www.un.org/news/dh/infocus/middle_east/quartet-17dec2007.htm

3. Shifting the Gaze – From Liberation to Post Washington Consensus

Though the politics of donor aid is explicit, developmental actors nevertheless sustain a technical discourse – "objective" and "neutral"- in an approach that is largely devoid of recognition of the colonial fact, obscuring underlying structural conditions, power asymmetries, and political processes that generate deprivation and subjugation. Instead, the dominant neoliberal paradigm basically represents Palestine as any other "developing country" aspiring towards 'universally desirable' goals of individual well-being through consumption, economic prosperity, 'good governance' and 'empowerment', defined within a liberal frame. The logic goes that these aspirations can be attained through 'politically neutral' technocratic interventions encapsulated in the PWC prescriptions. By so doing, this paradigm has shifted the gaze from Palestinian political aspirations (condition sine qua non for any meaningful developmental plan) to a neoliberal substitute: an "economy-centric" focus, one in which the economy is conceived as a sphere distinct from politics.

This discourse has acquired such primacy that it has become equated as Palestinian development strategy. The Palestinian Reform and Development Plan (PRDP) and the subsequent National Development plans of the PA exemplify this trend. The PRDP and more recent documents of the current West Bank government are premised on the idea that building well-functioning state institutions is a precursor to national liberation. Mirroring the PWC orthodoxy, the new national development plans identify a market economy, private sector based model of economic growth, transformed role of the state, and institution building as core elements of the new 'national' goals.[16]

This discourse and representation of the development problem shifts the gaze away from political struggle in two ways: *First*, by replacing political aspirations with a (neo) liberal, economic and institutionalist rationality. The development spotlight is moved away from the colonial reality, and instead focused on some discrete objects called the "economy", "the market", "institutions", or "the poor", objects that are treated as if they were disconnected from structures of power, and political and social relations; objects that can be intervened upon through

16 http://www.mopad.pna.ps/en/index.php?option=com_content&view=article&id=331:national20142016&catid=10:outlines&Itemid=137; http://www.mopad.pna.ps/en/index.php?option=com_content&view=article&id=2:palestinian-reform-and-development-plan-prdp-2008-2010&catid=10&Itemid=137

a variety of "best practice" techniques, which are to be found in the post-Washington consensus; *Second*, by erasing the settler colonial context, relations of power and patterns of control in its analysis. For the most part, development interventions are situated within existing relations of power, taken as external constraints to work within, rather than relations that need to be contested.[17]

The representation and associated production of knowledge, largely devoid of any recognition of the Palestinian political context, re-positions a political problem as a technical issue and offers technical solutions for problems that require political action. Three examples are discussed below, which illustrate how the rationality of the PWC development paradigm applied in Palestine fundamentally elides the colonial problem, and equally significantly, the political collective action required to confront and contest the colonial order.

The first example of a recent World Bank report on poverty shows how elliptical and partial references to colonial realities obfuscate the underlying settler-colonial context and instead re-position the problem as one amenable to standard neoliberal solutions. The report argues that poverty in Palestine is a result of labour market outcomes or lack of jobs, which in turn it explains by the fact that the economy is highly dependent on the Israeli economy and subject to volatility as a result of Israeli policies of closure, and trade disruptions.[18] While the initial reading suggests that important colonial realities are brought into the fold, i.e. Palestinian dependency and Israeli restrictions, in fact, the analysis is partial leaving out crucial factors such as expropriation of Palestinian resources, de-institutionalization, and the multi-faceted legal and institutional mechanisms of colonial control.[19] It is only when these constitutive dimensions are brought together that the representation is complete, that is, a picture of de-development of an economy and its colonial origins. However, the report acknowledges a partial set of issues that lend themselves very easily to ready-made neoliberal prescriptions – namely, removing external and internal trade and movement restrictions, expanding trade channels, and private sector development for economic growth and job creation. Once the problematic is represented along these buzzwords, it paves the way for a set of 'investment and market friendly' neoliberal solutions, obfuscating the fundamental political origins of the problem at hand and the political solutions that it necessitates. It is this rationality at work, which explains the common place prescriptions emphasized in the donor reform agenda as 'rule of law', 'political stability', "effective regulatory environment" captured by USAID's BizCLIR analysis, a "reform diagnostic" conducted by

17 Adam Hanieh, "Development as Struggle: Confronting the Reality of Power in Palestine", Working Paper, Center for Development Studies, June 2011.

18 World Bank, "Coping With Conflict: Poverty and Inclusion in the West Bank and Gaza", October 2011

19 Sara Roy, *The Gaza Strip: The Political Economy of De-development*, Washington D.C: Institute for Palestine Studies, 1995

the management consulting firm Booz-Allen Hamilton.[20] Within this rationality, primacy is given to the market's need for conditions of 'social peace' and stability – along which the PA is judged vis-à-vis internal 'governance' - while ironically acts of political activism and popular mobilization are de-legitimized as running counter to economic progress.

The second example illustrates how the contemporary development approach constructs discrete objects of study and spheres of intervention such as "the poor", dis-embedded from structural relations of domination. The example of World Bank analysis in Masafer Yatta shows how poverty in Palestine is dealt with in terms of studying "the poor" and addressed through the provision of material humanitarian assistance, as opposed to an approach that examines material deprivation as a consequence of "historically developed economic and political relations"[21] and accordingly provides support for political processes that help to contest these relations. In 2004, the World Bank undertook a profile of "cave-dwelling" communities in Masafer Yatta, an area comprising 20 hamlets in the south-eastern hills of Hebron with more than 1000 Palestinian inhabitants.[22] Residents of Masafer Yatta were embroiled in a legal case with the Israeli government over Israeli Defense Force (IDF) plans to evict the residents in the "seam zone" for the construction of the Separation Wall. This eviction was part of a longer process of dispossession – the IDF had converted part of the area into a military firing range in the 1970s, the area was designated Area C post-Oslo, and a number of settlements were build in and around the lands of these communities. IDF closure policies, house demolitions, razing of agricultural lands, freeze on local infrastructure development including roads, water systems, schools, and growing settler violence meant that the inhabitants lived in a very precarious state and forced the evacuation of a number of hamlets.[23]

Interestingly, the World Bank's representation of this community, in which Israeli measures were described as one of many factors thwarting development in the area, called for interventions that could have applied to any other 'developing country' context, i.e. the "vulnerable" group was in need of tremendous humanitarian and development assistance, in the form of social service provision, water networks, schools, livelihood opportunities, and local governance and capacity building. While the report has to be commended in so far as it called for interventions in Area C typically neglected by many donors, it still falls within a

20 Booz Allen Hamilton, "BizClir: For the Palestinian Economy", March 2010. http://bizclir.com/galleries/country-assessments/West%20Bank%20BizCLIR.pdf

21 David Mosse, "Power and the Durability of Poverty: A Critical Exploration of the Links between Culture, Marginality, and Chronic Poverty", Chronic Poverty Research Center Working Paper 107, December 2007

22 World Bank, Unpublished report, 2004.

23 Author fieldwork, 2004

rationality in which the analysis of poverty focuses on the individual (or group in this case) who is left deprived, as opposed to the structural context and processes of violence and dispossession that are at the root cause of the subjugation of the residents of Masafer Yatta. While a shelter or water tank would be welcome by the residents, the cycle of subjugation and destruction of property continues for the residents without the political means to confront the power of the Israeli state. Donor assistance ends up serving as a short-term stopgap measure, while the systemic political causes of deprivation go unchallenged.

The third example pertains to a general feature of the development approach that has been particularly determinant in masking power asymmetries and Palestinian dependency, and that is the role attributed to the Palestinian Authority as the conduit of development assistance. In the dominant development paradigm, the PA is in essence treated as if it were a sovereign entity, though the Palestinian authority is deprived of the features normally belonging to modern nation-states by the fact that the Oslo agreements reined in the jurisdictional powers of the PA and by the extreme political and economic dependence of the PA vis-à-vis external actors. The PA is imagined as a 'neutral' and 'effective' national government, representing the interests and development aspirations of the Palestinian population, and conceived as an equal partner alongside Israel and the donor community. Donor analysis often concluding with tripartite recommendations for the PA, Israel, and the donor community essentially treats "the Palestinian Authority and Israel as two distinct and autonomous spheres, and treats Israeli settler-colonialism as merely a set of administrative regulations that may (or may not) 'hinder' Palestinian development, rather than a form of power that necessarily penetrates all aspects of Palestinian society. In doing so, the focus is placed on encouraging Israel to modify certain limited aspects of its policy so as to allow the Palestinian Authority to operate effectively. Israel is thus incorporated as a partner to Palestinian development, rather than viewed as its antithesis."[24] Ironically, in the name of improving governance, accountability, and transparency, the contemporary development approach essentially ignores the "structural relationship of exploitation and domination" and the PA's extreme external dependency, and instead focuses its efforts on technocratic measures towards 'institution' and 'state' building. In so doing, the gaze is shifted from means to contest the core relationship of domination and subordination to implementation of institutional "best practices."

24 Adam Hanieh, op.cit.

4. Development Paradigm vis-à-vis Anti-Colonial Struggle: Reflecting on Impacts

What are the effects of this rationality in a settler colonial context? Before turning to this question, it is useful to further detail what we mean by the dominant paradigm. It essentially refers to a rationality that equates the concept of development to a market-based economy supported by "good governance" and institution building within a liberal frame. The very concept of development and associated interventions are separated from structural power relations and political processes that underlie observed deprivations and oppression. This rationality gives centrality to the economy as the marker for national development, and represents the economy and market society as ahistorical phenomenon, socially dis-embedded and operating according to universal and trans-historical logic.[25] Central to this paradigm is the conception of the economy as a sphere distinct and apart from politics: hence, in Palestine, 'the economy' is represented and acted upon as falling outside the frame of colonial power relations and emancipatory political struggle.

Given that most aspects of life in Palestine are shaped by Israeli colonial policies and practices, this rationality acts to reify the colonial order, by perpetuating economic subordination and dependency, fragmenting Palestinian society through old and new social divisions, tightening political control, and enabling pacification of the population. It thereby shapes social reality in ways that are detrimental to Palestinian collective political struggle.

"Economic Growth" as "Economic Peace": Entrenching Subordination to Colonial Control

Economic dependency and de-development through policies of expropriation and dispossession, economic asphyxiation, and de-institutionalization have long been part of Israel's strategy of control over the Palestinian population, emanating from the 'land over people' imperative formalized during the British mandate.[26] Sara Roy details how Israeli economic policies even from the time of the British Mandate

25 Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Times*, Boston: Beacon Press, 1944.

26 Sara Roy, op.cit.

have been determined by and circumscribed within overarching Zionist political objectives. Part and parcel of this strategy was to promote structural dependence of the Palestinians on the Israeli economy through measures that prevented the development of Palestinian industrial base, policies of integration that attracted a large Palestinian work force, and through trading relations whereby Israeli products became the primary imports into West Bank and Gaza. Revitalization of the Palestinian economy - often undertaken through normalization policies of "open bridges" and policies of integration - were also part of a broader strategy to promote pacification of the population, and as long as Israel's control and colonial ambitions were not undermined.[27]

The Oslo customs union arrangement far from creating any sort of "separation" between the Palestinian economy and Israel towards the supposed objective of a two-state solution, only further cemented this relation of dependency.[28] By the protocols of the agreements, the PA has no autonomy over macroeconomic and trade policy instruments, and in effect, its decision-making capacity over the economy relates almost purely to fiscal matters.[29] The PA cannot control interest rates and inflation without an independent central bank, nor can it set independent currency exchange rates or tariffs. The asymmetrical power relations between the PA and Israeli government are also evident through the workings of various Joint Committees established under the agreements that give Israel veto and decision-making powers over 'internal' Palestinian matters as well as Israeli direct control over trade, customs, and natural resources. Moreover, immediately after Oslo, industrial co-operation, trade and joint venture projects were undertaken between Israeli big businesses, PA political-economic elite, and the PA and Israeli security establishment, resulting in the establishment of petroleum and cement monopolies, large businesses as the Jericho casino, and joint industrial estates.[30] These Israeli-Palestinian joint venture schemes were developed as part of "economic peace", which intimately tied an elite Palestinian business class with Israel's economic and settler-colonial interests.

I argue that the contemporary logic of "economic growth" is completely compatible with this notion of "economic peace," that is attempting to find the pockets of growth in the Palestinian economy without challenging Palestinian economic subordination and dependency and Israel's regime of control. The PA's stated program to deliver economic prosperity within the existing colonial parameters and in lieu of serious strategies towards resistance, indeed, helps to

27 Sara Roy, op. cit.

28 Leila Farsakh, "Independence, Cantons, or Bantustans: Whither the Palestinian State?", *Middle East Journal*, 59, 2, Spring 2005

29 Khalidi and Samour, op. cit.

30 Markus E. Bouillon, *The Peace Business: Money and Power in the Palestine Israel Conflict*, I.B. Taurus, May 2004; Peter Lagerquist, "Privatizing the Occupation: Political Economy of an Oslo Development Project", *Journal of Palestine Studies*, Vol. 32, No. 2, Winter 2003

consolidate colonial control. The mono-focus logic on economic growth gives rise to a rationality of economic pragmatism, which sees development interventions by donors and the PA acquiescing to a whole range of controls and relations of subordination, which entrench Israel's power over Palestinian society. It is in essence the "Palestinian mirror" of Israel's pacification strategies.[31] For instance, donor and PA support for joint venture and economic cooperation projects, road rehabilitation projects that accommodate Israel's segregated road schemes, proposed interventions to improve "efficiency" along the Separation Wall crossing points, and acquiescence to Israeli restrictions on Area C interventions are some examples illustrating this dynamic.

Donor and PA support for the joint venture schemes and cooperation projects in effect normalize Israeli presence in the Palestinian territory. Promoted as potentially important sources of employment creation for the Palestinian labour force, a number of joint industrial estates projects will be entirely subordinate to Israeli authority on planning, movement and access, service provision, and labour relations. For example, the Jenin Industrial Estate (JIE) is built on private land confiscated by the Israelis to build the Separation Wall. The operational plan accepts and strengthens the Oslo division of the Palestinian Territory into Areas A, B, and C and reinforces the subordination of the development plan to the Israeli colonial facts on the ground: "the Jenin Industrial Estate is located on "Area B" land, which means that it is still under Israeli jurisdiction with regard to military and security matters, planning and zoning, and labour relations. It is, therefore, imperative that appropriate agreements be concluded between the PNA and the Israeli Government concerning the JIE covering, in particular, secure access of goods and people, the provision of electric power, the use of water resources, and the environmental impacts of the project."[32] Ultimately, what this project envisages is cheap Palestinian labour force working to produce goods that will, in all likelihood, be destined for the Israeli market, given the internal scale and Israeli movement restriction constraints on the Palestinian economy. Moreover, acquiescence to Israel's jurisdiction and reliance on the Israeli market render the enterprise and, therefore, Palestinian workers highly vulnerable to Israeli political dictates. This was the case, for instance, with the Erez Industrial Estate near Gaza that was forced to close due to Israel measures and resulted in the termination of tens of thousands of jobs. Similarly, another proposal is the "Corridor for Peace and Prosperity", through which the Japanese International Cooperation Agency (JICA) has sponsored a free trade agricultural zone in the Jordan Valley in the name of promoting local economic development. This proposal endorsed by former Quartet envoy, Tony Blair, calls for technological and marketing support to

31 Khalidi and Samour, op.cit.

32 Palestinian Grassroots Anti Apartheid Wall Campaign, "Development or Normalization?: A Critique of West Bank Development Approaches and Projects", undated, pg. 25.

"Israeli migrant firms" operating in the Jordan Valley. Stop the Wall clarifies that these "migrant firms" refer to Israeli companies engaged in settlement product trade, which is considered illegal."[33]

The strategy of economic pragmatism has even led the PA to support the establishment of a segregated road transport system in the West Bank, thereby, furthering Israel's aims of annexing Palestinian land and rendering impossible contiguous Palestinian territory. The "Wadi Nar" (Valley of Fire/Hell) road rehabilitation between Ramallah and Bethlehem captures the dilemma facing the PA. Restricted from accessing Jerusalem, which is the most direct route between Ramallah and Bethlehem, Palestinians instead have to travel across the much longer and dangerous "Wadi Nar" mountain road. The PA decided to go ahead with rehabilitation efforts of the road. While "improving the road would make it safer, bringing obvious economic benefits, [it] could also be taken to imply that the PA accepts Israel's decree that Jerusalem is a no-go zone for West Bankers."[34] Undoubtedly this tension between resisting colonial practices and finding ways of survival and sustenance within existing colonial realities is a profound one that the Palestinians have had to confront since the beginning of the colonial project. However, the current approach that gives primacy to private sector based economic growth patently seems to favour a pragmatism that also implies acquiescence to colonial control. A second example, the USAID-PA cooperation on road rehabilitation, illustrates this dynamic. In 2004, the Israeli Civil Administration presented to donors a proposal for the latter to fund 500 km of an alternative road network, one that essentially supported Israel's strategy of territorial fragmentation of the West Bank. The network was designed to complement Israel's bypass road system keeping Palestinians off the main road networks.[35] While undoubtedly recognizing the political implications of their plans, the PA nevertheless accepted USAID funding for development of road networks that are in line with Israel's proposals, and the PA and USAID together have implemented 22% of Israeli plan since 2004.[36] One segment of this plan in the Bethlehem governorate consists of a tunnel to connect the villagers of Battir to the town of Bethlehem, while they are cut off from access to Route 60, the main highway running through the West Bank. This tunnel project in effect accommodates Israel's annexation plans through the nearby Gush Etzion settlement bloc and allows the IDF to easily control movement between the village and Bethlehem. A former Palestinian public works minister pragmatically and dryly noted "All these efforts have improved Palestinian infrastructure and

33 Palestinian Grassroots Anti Apartheid Wall Campaign, ibid, pg. 35

34 Nu'man Kanafani, op. cit.

35 For discussion of segregated road networks, see MA'AN Development Center, "Apartheid Roads: Promoting Settlements Punishing Palestinans", December 2008

36 Nadia Hijab and Jesse Rosenfeld, op. cit.

fit into the plans of the government."[37] He made no reference to its political implications; he did not need to, as the dominant neoliberal rationality at work recognizes only a hard 'economic' pragmatism.

More broadly, the contemporary development logic facilitates Palestinian subjugation to whole range of Israeli controls. For the most part, donors are shy to finance projects in Area C or in East Jerusalem, implicitly accepting Israel's project of fragmentation and classification of the Palestinian space and people.[38] The authority and jurisdiction of Israeli institutional controls, for example in the form of joint economic committees, joint water committees, as well as customs and trade control, are incorporated in the technical recommendations made by development agencies. For example, the World Bank notes that Israel's "security concerns can be addressed through the introduction of processes and procedures which lower the chances of security breaches, along with the proper use of inspection technology" along "border crossings."[39] Meanwhile the Palestine Trade Center (PalTrade) goes so far as to write "It is obvious that Israel has a legitimate right to defend its citizens from attack. However, there is room for a more open debate on whether certain aspects of closure policies are unnecessarily strict in that they exceed the required measures to protect Israeli security."[40] As this example illustrates, the discourse of Israeli security concerns circumscribes the parameters of the possible – at best there is room for "more open debate."

Beyond subjugation and dependency, neoliberal development and its associated patterns of 'economic progress' have also created growing social inequality and class cleavages/divisions in Palestinian society, which have exacerbated political fractures. The post-Oslo period has witnessed the emergence of a few conglomerates that control large sectors of the economy, and has thereby, led to concentration of economic and political capital in the hands of some elite groups with close links to the PA order. There is an increasing separation of classes and a political elite able to exploit the material opportunities created by the colonial status quo.[41] These dynamics have been facilitated by PLO-PA patrimonial politics and further entrenched by neoliberal practices. While significant segments of the population face deteriorating conditions of life, social elite with new consumption possibilities have become a defining feature of the Ramallah 'bantustan'.[42]

37 Nadia Hijab and Jesse Rosenfeld, op. cit.

38 Adam Hanieh, op. cit.

39 World Bank, "The Door to Door Movement of Goods", July 2005, http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/Door_to_Door.pdf

40 PalTrade, "The Untapped Potential: Palestinian Israeli Economic Relations – Policy Options and Recommendations", October 2006, http://www.paltrade.org/en/publications/other/Untapped%20Potential%20-%20Dec%202006%20PRINTED%20(Arabic-English).pdf

41 Mushtaq Khan and I. Amundsen (eds), *State Formation in Palestine: Viability and Governance During a Social Transformation*, Routledge, 2004

42 Nasser Abourahme, "The Bantustan Sublime: Reframing the Colonial in Ramallah", *City*, Vol. 12, No.3, December 2009

PA "State Building": Facilitating Political Pacification

With Oslo's promise of a two state solution, building the provisory PA to function as a government apparatus became a major arena of donor intervention. Donor assistance not only includes monetary assistance through direct budget support to the PA, but also encompasses a host of 'good governance' projects aimed at 'capacity-building', improving "transparency" and 'rule of law', and making government more "accountable". However, far from rendering a more democratic and politically representative government apparatus, the PA state building agenda has facilitated political division and pacification of the population.

First, the entire structure and mandate of donor aid has been framed to support a key political objective of Oslo, namely the establishment and consolidation of a "moderate" Palestinian Authority that could contain the opposition and comply with Israel's security imperatives. Development assistance -which has centred on the state-building project-, has helped to propel the PA as the hegemonic arena of Palestinian politics, an objective that suited the PLO-PA leadership's own political aspirations. On the one hand, the PA itself became the primary target of development assistance, with significant resources channelled to establish and consolidate its bureaucracy. Speaking of the Holst Fund, a donor funding mechanism overseen by the World Bank, and the emergency job creation program in 1996-1997, Rex Brynen observed that it did not fit "into the traditional framework of development assistance, and indeed from the perspective of most aid agencies they ordinarily would have been seen as wasteful or ineffective expenditures that encouraged dependency and did little to encourage sustainable growth. In the West Bank and Gaza, however, the more pressing imperative of political and social stability prevailed."[43] On the other hand, the PA became the central conduit through which development assistance was directed.

This "state building" focus has helped to bolster the powers of the new authority. On the one hand, direct aid and budget support has facilitated the reach of the "proto-state" body through its capacity to provide social services and public sector employment, and in so doing, augment the PA's capacity for political and social control. On the other hand, this focus has legitimized the extension of bureaucratic power, which tends to be a natural by-product of the orthodox development project that identifies multiple entry points for state intervention.[44] One of the main implications is that the state has powers to legitimate and formally sanction which "civil society" actors can participate in the project of development. Whereas prior to Oslo, the bases of power and legitimacy were dispersed and held by multiple groups, including political factions inside the

43 Rex Brynen, op. cit., pg. 200.

44 James Ferguson, *The Anti-Politics Machine*, Minneapolis: University of Minnesota Press, 1994

PLO, Islamic movements, local government, popular committees, trade unions, student movements, women's groups, and other mass based organizations, the PA apparatus through its bureaucratic reach and centralization of power has restricted the space for political mobilization outside the PA order. The bolstering of the new authority has, in political terms, disempowered other avenues of political participation and social action that fall out of the Oslo/PA political framework.

Second, by eliding underlying power relations PWC practices and prescriptions around "institution building" and "good governance" have transformed the meaning of political participation and empowerment, and thereby, progressively lead to the de-politicization of NGOs and other donor funded "civil society" groups. The emphasis of the institution building agenda on formulaic conceptions of "empowerment", "accountability" has transformed the role of 'developmental actors' from one of activism to one of so-called politically neutral 'professionalism'.[45] In place of popular mobilization and activism, political programs characterizing the 1970s and 1980s, the PA and NGOs are involved in "participatory" focus-group sessions, stakeholder workshops, budget preparation, capacity building seminars, leadership training, and proposal writing in the name of "good governance". Political programs have been replaced with the PRDP, a document officially guided by Ministry of Planning and International Cooperation (MoPIC) though in reality produced by a team of consultants from DFID and the World Bank, and one that reflects PWC orthodoxy advocated in any other 'developing country' context.

Within this frame, civil society bodies are treated as apolitical entities in the service of and complementary to the 'state'. Their role is conceived either in terms of service provision or advocacy to promote 'good governance' through technical activities such as monitoring, polls, and scorecards. NGO legitimacy, funding, and prospects of participation in the contemporary development scene are contingent on the ability of actors to operate within this dominant model. When critical actors attempt to re-shift the frame to political realities, they are dismissed as 'too political' and 'radical', i.e. producers of 'noise' in the margins. These pressures have led to a progressive adoption of the state-building narrative, both by institutions as well as individual actors, whereby the dominant technical approach has supplanted wider social mobilization and has forced civil society actors to "recoil from the national agenda."[46] Political de-mobilization of the population in post-Oslo Palestine has to be understood in light of this history.

45 For a discussion on "instrumental" versus resistance based conception of empowerment, see article by Eileen Kuttab, "Empowerment as Resistance: Conceptualizing Palestinian Women's Empowerment", *Development* 53 (2), 2010

46 Sari Hanafi and Linda Tabar, *The Emergence of a Palestinian Globalized Elite,* Muwatin and the Institute for Jerusalem Studies, 2005

Conclusion

The 19th century Indian economist Mahadev Govind Ranade, advocating against the de-contextualized application of liberal economic measures in colonial India noted:

"If in politics or social sciences, time and place and circumstances, the endowment and aptitudes of men, their habits and customs, their Laws and Institutions, and their previous history, have to be taken into account, it must be strange indeed, that in the economic aspect of our life, one set of general principles should hold good everywhere for all times and places…"[47]

These words remain valid in the contemporary moment with the hegemony of neoliberalism and its model of 'development', world-over and in Palestine. Prosperity and well being through consumption made possible by the guiding hand of the "market" is considered sine qua non for 'progress' and 'development'. Indeed, consumption as a marker for well being is represented as trans-historical, universal, and therefore, natural. In this logic, Palestinian emancipation is to found not through a path of collective political struggle, but through the realization of the 'homo-economicus' self. Premised on an ahistorical representation of the social world, the neoliberal development frame masks history, relations of power, and represents the sphere of the "economy" apart form the "social" or "political". In the Palestinian context, this imaginary produces an erasure of colonial relations of domination, the non-sovereign status of the Palestinian Authority, and the fragmentation of Palestinian people and territory.

This paper sought to highlight how the contemporary processes unfolding in the name of a politically "neutral" development in Palestine are anything but that. They have important implications for consolidation of Israeli control, placing Palestinian workers and the economy highly vulnerable not only to the dictates of Israeli but international capital more broadly, and contributing to colonial practices of fragmentation – social and political. In essence, they are cementing the material foundations that are giving rise to sharp social cleavages and inequalities and undermining the prospects for collective political struggle.

An alternative paradigm that seeks to challenge these dynamics requires a re-appropriation of the very notion of 'development' as one of struggle against sources of subjugation, and a conceptual frame that embeds the dislocated

47 Mahadev Govind Ranade, 'Indian Political Economy' (1891), in Bipan Chandra, *Ranade's Economic Writings*, Delhi: Gyan Books Pvt. Ltd, 1990, pg. 324-325.

'economy' of the (neo) liberal rationality back in the social. One does not need to look far to find alternative formulations - for example, strategies that came to the fore during the first Palestinian intifada epitomized the idea that economic life was not divorced from the collective political project.[48] This is a crucial reminder in the current juncture, where the divide between economy and politics is not only imposed directly through political means and aid conditionality, but has infiltrated at a deeper level as both rational and natural. Revisiting the dynamics of past periods does not imply the (impossible) attempt to re-create conditions and processes, which were part of a specific historical moment, and to uncritically reclaim their strategies. Rather, it is about learning from the potentialities of a historical stage in which the economy was given a collective social signification and important political and social actions were articulated in accordance with a shared political vision. In the contemporary moment, where chasms between Palestinians inside and outside the territory and between segments of society within Palestine are deepening and shared politics fracturing, it is more urgent than ever to imagine new arenas of collective struggle.

48 Ibrahim Dakkak, "Development From Within: A Strategy for Survival", in George Abed (editor), *The Palestinian Economy: Studies in Development Under Prolonged Occupation*, Routledge, 1998, pg. 288.

Beyond Fragmentation

The ties that bind Palestinians in the 1967 and 1948 territories

Guy Burton

Introduction

The Centre for Development Studies (CDS) at Birzeit University is undertaking research on alternatives to current models of development, aid and neoliberalism. This paper seeks to contribute to that process by focusing on a relatively understudied dimension of the Palestinian experience, namely connections, ties and interactions between Palestinians based on either side of the Green Line. The subject has been largely understudied by both scholars and practitioners. In part this may reflect the influence of the Oslo 'peace' process (1993 onwards) which has framed analysis of the Palestinian question, whereby the occupied Palestinian territory (OPT) is conceived as the site of a future Palestinian national self-determination and state on the one hand, and the extent to which Palestinians living in Israel have been integrated into that state (see Stav 2001, Rouhana and Sabbagh-Khoury 2011), on the other.

Given this context, this paper therefore aims to do two things. One is to bring the relationships between Palestinian citizens of Israel and the OPT into the foreground. Another is to survey the current configuration of those connections and examine the extent to which they present an alternative model for Palestinian development. To answer this, it is necessary to understand the mainstream form of development which is being currently pursued in relation to Palestinians on either side of the Green Line. Essentially, the latter can be summarised along two lines which are intertwined: on the one hand, politically development policies predicate the establishment of two states as set out in the Oslo process; on the other hand, economically the prevailing paradigm seeks the construction of neo-liberalism in both states.

These complementary processes – two states for two peoples and the advance of neo-liberalism for all – have arguably limited Palestinians' perception and expression of themselves as a united people. Oslo does this most starkly through its pursuit of a Palestinian state in the OPT and leaving aside the status of Palestinians who are resident in Israel – and who constitute a quarter of that state's population. Oslo has also received international legitimacy for its objectives, reflected in the emergence of a third actor in the Israel/Palestine conflict, that is the (largely Western) donor community, which provides financial assistance towards these goals (Le More 2004). At the same time, donors' support is conditional, with assistance largely based on (or congruent with) a neo-liberal model. Neo-liberalism may be understood as a largely reductive form of capitalism, one in which there is limited role for government against a greater one for the private sector. In the Palestinian context, both domestic and international actors have worked to implement the neo-liberal vision of privatisation, deregulation and

liberalisation, alongside Palestinian economists and institutions since the 1990s to realise this (Khalidi and Samour 2011).

The outcome of this neoliberal alliance has been felt in the uneven development and inequalities between Palestinians within OPT, most recently in the existence of a real estate, credit and conspicuous consumption 'bubble' in Ramallah as compared to limited economic opportunities elsewhere in the West Bank, not to mention the Gaza Strip. At the same time, Palestinians living in Israel have also been indirectly affected by neo-liberal measures, where liberalisation began in the late 1980s and accelerated since the 1990s. This included cuts in government spending, cutbacks in the public sector and a reduction in state subsidies to industry and much of agriculture, reducing social benefits for Palestinians and creating new market structures and models of "private-public partnerships" from which they were largely excluded or disqualified (Elizur 2007, Falk 1990). These policies fell especially hard on Palestinians working in Israel – both those resident in Israel and those who lived in the West Bank and Gaza – through cutbacks in those previously subsidised Israeli productive sectors associated with greater levels of Palestinian labour, especially agriculture, construction and manufacturing sub-contracting. The implication of less income and safety nets for such workers meant sharp disparities between Palestinians and Israeli Jews (Weisskoff 1990).

This paper is therefore concerned with examining whether alternatives to this exclusionary form of political and economic development have endured or emerged in response to two decades of neoliberalism and the peace process. In doing so we aim to explore the prospects for overcoming the fragmentation which has resulted in separation between Palestinians and efforts to (re)constitute ties between Palestinians who are based on either side of the Green Line in the political, economic and cultural fields. To this end we examine especially the nature of political ties within the broader fabric of socio-economic linkages. The two main sections address the prevailing structure in which Palestinians find themselves and operate as well as current efforts at (re)configuration by Palestinians in their joint political and economic life.

Several historical periods are noted which are common to both the political and economic spheres in relation to the Palestinian experience: a period of separation between 1948 and 1967 when Palestinians were separated by an international border down the Green Line; between 1967 and the early 1990s when Israel's occupation of the OPT made it possible for more and greater contact to occur between the Palestinians based in Israel and those resident in the OPT; and from the early 1990s on. The latter period may be divided into three phases: the Oslo period (1993-2000), the second Intifada (2000-05) and the period since (after 2005). Oslo effectively marked the Palestinian leadership through the Palestinian Liberation Organisation (PLO) of a two state vision in which two states – Israel

and Palestine – were expected to operate on either side of the Green Line within a few years. However, at the same time that the Israeli and Palestinian leaderships were seeking separation, Oslo permitted growing political, economic and social interaction between Palestinians across the Green Line. Israel sought to undermine those ties during the second Intifada following the introduction of physical barriers including the "Separation Barrier"[1] and other obstacles designed to severely restrict movement between Israel and the OPT. Following the end of the second Intifada there has been a revival of these non-elite links between Palestinians, although they have to operate within the constraints put in place by Israel, in particular limits on West Bank Palestinians' ability to pass beyond the Barrier. In addition to the separation barrier, this has since included Israel's siege of Gaza after 2005.

Following a presentation of some of the ways that Palestinians are engaging across the Green Line, the paper concludes with a few observations about potential directions for the future. Specifically it notes that while these connections have contributed to a collective sense of Palestinian identity and resistance against Israel's colonial practices against them within society, they may not be sufficient enough in themselves to challenge the structure of oppression and dispossession which Palestinians presently face. Ongoing pressures which include Israel's efforts to separate the Palestinian people, the risk of Palestinians settling for the current arrangements (especially when compared against the disruption of the second Intifada), the challenges involved in scaling up these forms of connection (and resistance), the risks they may present, and the extent to which such activity can retain its present form of horizontal and fluid organisation are all considered.

Finally, before analysing these (re)connections, a statement on nomenclature is perhaps needed. Many different terms are ascribed to Palestinians who live on either side of the Green Line, which is perhaps most pronounced in the case of those who are residents and/or citizens of Israel. They have been called Palestinian Israelis, Israeli Palestinians, Israeli Arabs, the Arabs of Israel or just Arabs. It is important to recognise that which term is used implies a statement of political commitment; indeed, it is not uncommon for Israeli Jews to classify the Palestinian population as 'Arab.' This is often done as a means to deny Palestinians

1 There is no ideal term to describe the structure which Israel has been steadily building since 2002. Israeli statements downplay its significance by claiming it to be a 'security' measure and 'fence' while the Palestinian Stop the Wall movement calls it the 'apartheid wall' (see, for example, Nigel Parry, 'Is it a Fence? Is it a Wall? No, it's a Separation Barrier,' *Electronic Intifada*, 1 August 2003, http://electronicIntifada.net/content/it-fence-it-wall-no-its-separation-barrier/4715 and 'Semantics on the Internet,' *Electronic Intifada*, 4 March 2004, http://electronicIntifada.net/content/israels-west-bank-barrier-semantics-internet/5005). Neither 'fence' nor 'wall' is entirely accurate since the structure consists of different components along its length: wall-like features such as concrete in places and the use of electrified chain fencing in other areas. At the same time, although Israel claims it to be a 'security' measures, this does not reflect the reality faced by the Palestinians who live with it. Much of the structure's route lies within the Green Line, effectively bringing much West Bank territory onto Israel's side and cutting it off from the surrounding Palestinian population. The effect is therefore more colonial, seeking to 'separate' the Palestinians from the land. Because of the differences associated with the structure's composition and its role as a means of realizing Palestinians' dispossession with the land, the term 'separation barrier' is used here.

their claim as the indigenous people of the land and therefore worthy of self-determination, while it also harks back to the British colonial era framing of the conflict in terms of Arabs and Jews (and an Arab and Jewish State). In this paper, the terms '48 Palestinians' and '67 Palestinians' are mainly used. Often used among Palestinians themselves, '48 Palestinians' are those who are based in Israel (resident or citizen) while '67 Palestinians' are those living in the territories occupied by Israel after 1967, in the West Bank and Gaza. Despite its origin among Palestinians, there are limitations with the terms. They include refugees who may identify themselves as 48 because their families fled their homes and sought refuge in the West Bank and Gaza – what became known as 67 – during the 1948-49 conflict. Similarly, Israel has imposed differences between West Bankers resident in Jerusalem and the rest of the West Bank, the former included 'inside' Israel as a result of Israel's unilateral – and internationally unrecognised 1980 annexation – of East Jerusalem and the latter 'outside' in the rest of the West Bank.

1. Political (re)connections between Palestinians

The dominant political discourse associated with the Israel's domination of the Palestinians is that of two states for two peoples. It was institutionalised through the Oslo process and the establishment of the Palestinian Authority (PA) in the OPT which is meant to work on behalf of Palestinians in the West Bank and Gaza. The vision has been given international legitimacy through the donor community which effectively bankrolls the PA. In contrast, the PA does not represent the Palestinians in Israel. Instead they are viewed by the PA and the international community as Israeli citizens, despite their frequent demands to be recognised as a distinct national group with collective rights. Adopting the perspective of this paper constitutes a challenge to the hegemonic two-state discourse. In other words, it means emphasising the unity of the Palestinian people and land and disregarding the artificial imposition of division upon them. That division began with the process of Zionist settler colonialism and resulted in the physical separation of Palestine along the Green Line after 1948. Our analysis is rooted in a view which rejects the separation imposed on Palestinians, whether from without - through Israel and the international community - or from within - by its own leadership in the form of the Palestinian National Council of the PLO which agreed to the two state division in its Declaration of Independence in Algiers in November 1988.

The following sections examine the nature of this contrary perspective, by emphasising the nature and extent of Palestinian connection, disconnection and reconnection across the Green Line over several periods: prior to 1967, between 1967 and 1993 (which included the emergence of solidarity activism during the first Intifada), during the Oslo period (1993-2000), the second Intifada (2000-05), and the period since. Throughout a distinction can be drawn between the objectives of the elite and broader social – or national - goals. It is especially notable that the forms of interaction which have taken place – whether symbolic or substantive – have tended to occur beyond the elite, apparent in several ways, including: infiltration across the Green Line before 1967; protests in support of Land Day and the first Intifada; and in increasing common social engagement and reconnection, especially since Oslo. The period since 2005 is particularly important since it has coincided with the emergence of new and horizontally organised social movements on the one hand, which operate generally outside the more traditional and hierarchically organised elites of the PLO, political factions and the PA.

1.1 Political connections in the pre-1967 period

Palestinians have consistently been denied the right to national self-determination. The nature of Palestinian politics and its composition during the British-rule mandate period before 1948 is especially relevant since it was then that modern Palestinian national identity and nationalism first emerged. During this period a few important families, the 'notables,' were dominant and politics entailed factional disputes between them (Khalaf 1991, Qumsiyeh 2011). Political ties tended to be vertical, being based on kinship and clan ties. At the same time, Palestinian society was experiencing various social and economic changes, including urbanisation, the creation of a labour movement and organisations to represent them, mainly in the port city of Haifa. However, these developments did not lead to any significant change within the political system (Khalaf 1991). As a result, the Palestinian notables were caught unawares by grassroots uprisings during 1930s against Jewish settler colonisation and British rule (Steppanbacker 2009, Matthews 2006, Qumsiyeh 2011).

In November 1947 the UN voted for partition of Palestine which heightened tensions. Britain did little to dampen them, standing aside as the Zionist leadership initiated a policy of expulsion and ethnic cleansing against the Palestinians in the months before leaving Palestine. This process continued during the war between Israel (the existence of which had been declared by the Jewish leadership in May 1948) and several Arab States, including Palestinians (Finkelstein, 1992).

By 1949, Israel had managed to expand considerably its borders outlined in the Partition scheme and to evict around 800,000 Palestinians, who became refugees in several of the neighbouring Arab states. The creation of Israel as a self-defined Jewish state entailed the denial of Palestinian self-determination and the fragmentation of the Palestinian people across several international borders. Of the 150,000 Palestinians who had been able to remain on their land within Israel, they now comprised a minority of Israel's population (estimated at around 18% in 1948, see Central Bureau of Statistics 2009) while those Palestinians living in the West Bank and Gaza came under the direct control of Jordan and Egypt respectively. This was the situation until 1967 when Israel fought and defeated Egypt, Jordan and Syria and occupied the West Bank and Gaza, which have become known as the OPT.

The period between 1948 and 1967 tends to be seen as a low point for Palestinian nationalism and especially for those Palestinians remaining inside Israel. Bishara (1997) notes that Palestinian society in Israel was divided between three main groups in this early period: between (1) those who had been co-opted by the Israeli government; (2) those that supported coexistence and equality between Palestinians and Israeli Jews (e.g. the Communists); and (3) a loosely organised

Arab nationalist movement (e.g. Al-Ard Movement). As a result, before 1967 there was not a strong expressly nationalist organisation among 48 Palestinians. Although the PLO had been established as the representative body of the Palestinian people in 1964, it faced a number of challenges in embracing all Palestinians, including those in Israel. The efforts by Arab leaders like Gamal Abdel Nasser of Egypt emphasised pan-Arab unity over particular nationalist sentiment, while the PLO's traditional notable leadership largely acquiesced with this vision. Only after 1967 and the Arab defeat by Israel did pan-Arabism begin to lose its lustre and distinct Palestinian nationalist movements begin to take the lead (Sela 1997, Sahliyeh 1997).

However, against this conventional perspective, a more revisionist view emphasises Palestinian resistance during this period before 1967, both inside Israel and across the Green Line. In Israel Palestinian national identity was sustained, however discretely, mainly through the work of the Communist Party as a mass mobiliser of 48 Palestinians. It did this through organising demonstrations and protests, encouraging refugees to return without permits and challenging collaborators. Arab observers have criticised the party for being 'insufficiently nationalist' (Cohen 2010); Fattah (2012a) notes that the Communist party's historic commitment to 'Arab-Jewish' brotherhood meant that it never challenged the underlying Zionist nature of the state and its inherent discrimination of Palestinian collective rights.

Against this may be argued that in this period the 48 Palestinian leadership and movement was extremely fractured and fragmented following the establishment of Israel and the imposition of a military government which sought to prevent Palestinian nationalism. Consequently, the space for 48 Palestinian political activism was relatively limited, with the result that the communist movement naturally served at the forefront of 48 Palestinian opposition during the 1950s (Cohen 2010). In addition to communist activity were the actions of more than 20,000 Palestinians themselves who disregarded the 'border' established in 1948-49, moving back and forth across the Green Line between 1948 and 1953. Eventually Israel recognised the difficulty of preventing such 'infiltration' and granted them Israeli citizenship (Cohen 2010).

In addition, there were significant 'cultural' developments which arguably helped contribute towards a more overtly Palestinian nationalist stance from the late 1960s. This included the role of various illustrious 48 Palestinian poets and writers such as Mahmoud Darwish, Tawfiq Zayyad and Emile Habibi, and following them Sameeh Al-Qassem, the so-called "resistance poets". Although literary, their work had an essential political dimension, apparent in their maintenance of a sense of Palestinian identity on the one hand and their own more overtly political activism through the Communist Party in support of Palestinian self-determination and

civil rights, as well as their engagement with nationalist organisations, especially after 1967.[2]

1.2 Building solidarity, 1967-1993

After 1967 there was less subterfuge involved in crossing the Green Line. Israel's occupation of the OPT meant that historic Palestine was physically 'reunified.' This enabled easier movement across the Green Line and the construction of more and deeper connections between Palestinians living on either side. Although both 48 and 67 Palestinians faced discrimination and marginalisation, there were differences between the two groups as a result of their legal status imposed on them by Israel. While 48 Palestinians were classified as Israeli citizens and therefore supposedly subject to civilian law after the end of the military government in 1966, Palestinians newly under occupation were non-citizens and were governed according to the same military laws applied until 196 inside Israel. This distinction had implications for Palestinian resistance in the decades that followed: in the case of 48 Palestinians, the struggle concentrated on ending discrimination and achieving full citizenship and equal rights in a state which defined itself as both Jewish and democratic. Part of this process meant growing demands for collective national rights alongside the individual ones which they theoretically enjoyed (Lustick 1980, Rekhess 1991, Rouhana 1991, Pappé 2011, Zureik 1993, Al-Haj 2005, Ghanem 2002). By contrast, Palestinians under occupation in the West Bank and Gaza did not have the same recourse to civil justice as Israeli citizens. Partly as a result, this denial of the rights of Palestinians in Israel meant that their struggle was less about inclusion in Israel as full citizens, but rather a rejection of the system, including the occupation (Rouhana 1989, 1990, 1991).

Despite the differences in strategies between 48 and 67 Palestinians, the two groups did – and continue to – share many common purposes. Forms of solidarity between 48 and 67 Palestinians began to take place with greater frequency and visibility during the 1970s and 1980s. Several examples are worth noting in this regard. One was the rise and prestige of the PLO on the international stage and growing diplomatic recognition as a result. The PLO's rise coincide with a shift in the Palestinian national leadership: whereas before it had been dominated by the traditional notables who had largely acquiesced to wider pan-Arabism over Palestinian nationalism, after 1969 it was taken over by a more dynamic Palestinian nationalist movement, Fatah (Sela 1997). This contributed towards a sense of shared national pride and identity across the Green Line – although this resulted in different expressions of support.

2 This overlap between 'cultural' activity and political action is a continuing theme in Palestinian nationalist activity, as shown by the involvement of contemporary youth activists who shun the 'traditional' political structures of Fatah and Hamas in favor of undertaking more 'cultural' activities. This may also be a way of avoiding drawing unwanted attention by the authorities to themselves.

After 1967 the PLO had initially focused on mobilising Palestinians in the refugee camps and the occupied territories (Sahliyeh 1997). This achieved expression in the West Bank and Gaza through the election of many self-identified PLO individuals as mayors in Palestinian towns and villages during the 1970s. However, the PLO's relationship with the 48 Palestinian population was more ambivalent. Bishara (1997) has noted that the relationship between the 48 Palestinians and the PLO was relatively weak until the 1970s, when ties began to strengthen. Sahliyeh (1997) has argued that the PLO saw relations with the 48 Palestinians as 'useful and desirable, but not essential'; as a result, PLO policy tended to be more reactive.

Given the political disconnect between the agendas of dominant Palestinian formations in Israel and that of the PLO, persistent Palestinian nationalism was reflected in the emergence of other organisations within Israel. Among the most notable of these was the new political organisation in the early 1970s, *Abnaa al-Balad* (Sons of the Village). Composed of left-leaning intellectuals and university graduates initially in Umm-al Fahm, including remnants of the Al-Ard nationalist movement, Abnaa al-Balad certainly identified with the PLO and supported the establishment of a secular state, implicitly rejecting religious (and therefore Jewish) exclusivity (Yishai 1981, Fattah 2012b). Abnaa al-Balad allied with other local groups to build and organise the Palestinian national movement during the 1970s and 1980s. It became increasingly prominent in the activities around Land Day in 1976 and the various protests and demonstrations organised by 48 Palestinians against Israel's decision to expropriate land in the Galilee region.

After Israeli soldiers and police shot and killed six protestors, similar demonstrations in support and sympathy began to take place in the OPT, eventually reaching the refugee camps in exile. Just over a decade later the 48 Palestinians' experience was officially recognised as part of the national struggle by the PLO through its adoption of Land Day in 1988 (Kimmerling and Migdal 2003, Pappé 2011, Al-Haj 2005, Fattah 2012b) and the emergence of a common rallying slogan: *One People, Inseparable*. Also during the 1970s, local elections in Israel led to the rise of mayors such as Tawfiq Zayyad in Nazareth and other leaders from the Communist Party who were identified as supporters of the Palestinian nationalist and liberation cause. Because of their commitment to Palestinian nationalism and pursuit of a secular state Israel sought to punish them by withholding funding for municipal services. In response, voluntary work camps were instigated in Nazareth and other cities to ensure sufficient infrastructure construction and other services were realised. In addition to the involvement of the local community, 67 Palestinians were also prominent in their participation in these new grass roots efforts (Atawil, interview, 2012).

In the 1980s, the first Intifada also contributed towards solidarity between 48 and 67 Palestinians. It initially broke out in the OPT in 1987 as a spontaneous and grassroots uprising, leading towards a process of civil disobedience against the military occupation. The first Intifada caught the PLO leadership in exile in Tunis by surprise. Various forms of direct action were advocated by the ad hoc Unified National Leadership of the Uprising which had first emerged in the months following the Intifada's outbreak. They included demonstrations, protests, and tax and labour boycotts. Eventually, the PLO was able to gain influence within the movement, leading to greater control and coordination by the Palestinian leadership inside and outside the OPT. Specifically, Rekhess (1991) argues that differences between Palestinian objectives were narrowed as a result of the first Intifada; the actions enabled all Palestinians to unite behind the PLO's national liberation struggle. Meanwhile, among 48 Palestinians there were measures to provide solidarity with the 67 Palestinians. These were expressed both symbolically and practically, including the use of demonstrations on the one hand and the provision of material assistance such as food and medical supplies on the other (Rekhess 1991). However, such activity did not tend to be unified between 48 and 67 Palestinians; rather it was coordinated through separate bodies, in the case of the 48 Palestinians, through the Follow Up Committee, which had been established during the early 1980s to provide a voice for Palestinian beyond the political parties.

Despite the growing sense of collective awareness between 48 and 67 Palestinians, the first Intifada also crystallised differences between each. This became increasingly apparent given the different context in which 48 and 67 Palestinians operated, that is as citizens and non-citizens (Pappé 2011, Rouhana 1989, 1990, 1991). Specifically, these differences were articulated by elements of the Palestinian leadership towards the end of the Intifada's first year in 1988. At the Palestinian National Council meeting in Algiers, the PLO in its capacity as the "sole legitimate representative of the Palestinian people" and including all its factions, explicitly stated its commitment to a two state solution to the conflict with Israel. According to Hammami and Tamari (2001), the impetus for the decision reflected the PLO's relatively disconnection from events on the ground within the OPT and its largely scattered organisation following its removal from Lebanon after Israel's 1982 invasion. It was also the logical step forward in a trajectory that had been first embarked upon by the PLO in 1974 when it adopted the "10-point Programme" which envisaged the establishment of a Palestinian state/entity/authority in the (liberated) OPT. However, the 1988 position had direct implications and repercussions for the Palestinian population in historic Palestine, not to mention those in exile: while the PLO would seek a Palestinian state in the OPT, it would mean that 48 Palestinians' future struggle could only be for citizenship inside Israel. To underscore the point, the PLO encouraged 48 Palestinians to exercise their political power in the 1988 elections (Kimmerling

and Migdal 2003), and more explicitly, in the 1992 election which brought the Labour Party back to power.

1.3 Moving beyond solidarity, 1993-2000

The period 1993-2000 presented two contradictory dynamics arising from the Oslo process which was launched in 1993. As noted above, on the one hand Oslo was an explicit move by the Palestinian leadership and Israel towards establishing "two states for two peoples", at least that was the PLO perspective and rationale for the conceding to the so-called "interim period". On the other hand, Oslo enabled a context of deepening relationships between Palestinians, through the open borders, political solidarity and greater interaction between Palestinians across the Green Line.

The PLO's decision to adopt the borders of the OPT as the geographic limit for realising the project of Palestinian national self-determination arose from several considerations. By the early 1990s the PLO was in a relatively weak financial and geo-political position; the first Intifada had not resulted in sufficient costs to Israel, whose economy began to recover after the end of the 1991 Gulf War. Instead it had begun to harden its campaign in the OPT and replaced Palestinian labour with migrant labour from eastern Europe and southeast Asia. In addition, the PLO lost credibility from the Arab states as a result of Yasser Arafat's backing for Iraq's Saddam Hussein and his invasion of Kuwait. As a result many Palestinian workers were ejected from the Gulf, thereby reducing much of the remittances to the OPT (Roy 1999, Freedman 1991). As a result, by the early 1990s, PLO was readier than it had ever been to reach an accommodation with Israel on more flexible terms than envisaged in 1988, much less than those of 1974 which accepted the "establishment of a struggling national authority on every inch of liberated Palestine".

However, the Oslo accords did not stipulate the implementation of a two-state solution, whatever the PLO leadership believed (or however much it demanded a suspension of belief from its critics); rather it provided a possible framework for negotiations to that end. The accords committed the two sides to a completing the process within five years, during which time Israel would withdraw from parts of the OPT and by which time "permanent status" negotiations on postponed issues, including settlements, Jerusalem, refugees, borders and (only implicitly) Palestinian statehood, were supposed to be resolved through bi-lateral negotiations. Israeli withdrawal was subsequently based on a three-division of the OPT into so-called Areas A, B and C. Area A was based around the towns with the highest concentration of Palestinians (558,000 on 2.7% of the land) while Areas B (25.1% of the land) and C (72.2% of the land) were where Palestinian population were respectively thinner and thinnest. In both Areas B and C Israel

would continue to hold control over security matters (as well as administration in Area C). Despite expectations of steady Israeli withdrawal, by July 2011 Area C still accounted for more than 60% of the OPT (OCHA 2011).

In addition to Israeli withdrawal, Oslo introduced a Palestinian Authority (PA) to serve the Palestinians living in Areas A and B. However, it had no sovereignty over the territory or its borders while at the same time it relieved Israel from its responsibility to provide services and security as the occupying power. In Israel's place was the emergence of a new third party: the international donor community which provided financial assistance to the PA and the Palestinians to sustain the Oslo process and support Palestinian institution building and socio-economic development (Le More 2004). By 1999 no Palestinian state had been realised. In hindsight it may be suggested that it was never Israel's intention to completely withdraw from the OPT; rather it provided cover for Israel to continue the construction and expansion of its settlements (Abunimah 2006).

But Oslo's impact was also felt beyond the 67 Palestinians. It effectively marked a separation – at least in the Palestinian leadership – between Palestinians living in Israel and in the OPT. The two state vision implied different paths for 48 and 67 Palestinians: while 67 Palestinians were to be the eventual beneficiaries of a Palestinian state located in the OPT, 48 Palestinians' fate was to be tied to their Israeli citizenship. As with the refugees, the Oslo accords and process offered no vision for the future arrangements of 48 Palestinians and their national goals, other than to class them as a minority group in Israel and their struggle to be one for full citizenship and equal rights within a Jewish-defined and Jewish majority state (Pappé 2011, Al-Haj 2005, Weingrod and Manna 1998, Zreik 2003).

Within this context the role of the National Democratic Assembly (NDA) came to the fore, contesting and winning a significant number of 48 Palestinian votes in the 1996 elections. For its leader, Azmi Bishara, the period between Oslo and the elections had prompted 48 Palestinians to adopt 'new political thinking that combines both the national and the civil aspects of the Arab identity in Israel… [to be] both citizens of Israel and Arabs, i.e., that they were an ethno-national minority. It remains to find some kind of balance between being Israeli nationals demanding equality with the Jews within the State of Israel and being members of the Arab ummah and the Palestinian people' (Bishara, 1997) More recently, the NDA's younger leader Awad Abdel Fattah (2012a) has pointed out that the Oslo process forced Palestinians in Israel and the OPT to reassess their position as a minority in Israel. Despite their individual rights, 48 Palestinians suffered from the Zionist character of the state which disregarded any sense of Palestinian national identity; there was therefore a need to advocate for collective rights, which was the rallying point of the NDA and before them the Communist Party.

In addition to the NDA another political grouping became increasingly prominent within the 48 Palestinian community: the Islamic movement, particularly the northern branch associated with Sheikh Raed Saleh. Its influence has grown since the 1990s through its support for collective rights on the one hand and the pursuit of self-reliance on the other hand. Though its northern Branch has consistently boycotted Israeli national elections it has performed strongly in local authority politics. Just as Hamas built its credibility with the 67 Palestinians in the OPT, the Islamic movement has developed a network of locally based organisations which provide 48 Palestinians with public services (Rosmer 2012). This assistance is designed to overcome the discrimination that 48 Palestinians face in Israel, as well as separating and insulating the community from Israel.

Just as the two state separation of 48 and 67 Palestinians contributed to the emergence of new political groupings among 48 Palestinians, so did new forms of solidarity develop between 48 and 67 Palestinians. Ironically, the Oslo period provided space for greater opportunities for interaction and exchange, including among those who opposed the Oslo process. Moreover, not only did these connections not originate from above, but rather from within society and between different individuals, groups and social movements and crossing a wide range of particular issues and concerns. This included both the continuing debate on the fate of the Palestinian national movement, as well as political mobilisation which directly challenged the Oslo process and viewed its function primarily as advancing Israeli colonialism and dividing the Palestinian people. The National Democratic Assembly's advocated for a bi-national state "of all its citizens". According to Bishara (1997), this would consist of

> … a Jewish political unit and a Palestinian-Arab political unit, which together will constitute a Jewish-Arab polity with two separate legislative chambers as well as a common parliament. … I am not referring to a democratic secular state but to a binational state, a federal or confederal system comprising two ethno-national communities. Only in such a context will it be possible to resolve such problems as the refugees and the settlements. Settlements no longer will pose an insurmountable obstacle within the context of a single binational state: If the Israelis should choose to settle in the West Bank, then so be it; we, too, will have the right to set up residence in Jaffa, for instance.

In addition to the new bi-nationalism, the emergence of an independent and grassroots-based movement to defend refugees' rights in both the 48 and 67 Palestinian communities also challenged Oslo's two-state discourse. These groups were motivated by the realisation that the Oslo process had relegated the

role of refugees' right of return on the political agenda, resulting in the formation of new advocacy organisations on both sides of the Green Line. Moreover, since the late 1990s these organisations have developed joint strategies to challenge the Oslo process and promote refugee solidarity, public awareness and defend refugees' rights (BADIL 2000).

Beyond these anti-Oslo programmes and actions, others focus on individual wellbeing. An example of this concerns Palestinian women's groups from inside Israel and from the West Bank and Gaza. Previously such contact had been based on expressions of solidarity, but during the Oslo period the relationship became deeper and based on comparative learning. Combined with growing separation and independence of various 48 Palestinian women's groups from Israeli women's groups, this concentrated attention on various new, common issues such reform of personal family law, domestic violence and provision of shelters and hotlines (Rouhana, interview, 2012).

1.4 The second Intifada and the disruption of ties

Connections across the Green Line were disrupted as result of the second Intifada which began in September 2000, largely rooted in the frustration associated with the deadlocked Oslo process. Although the latter half of 1990s had resulted in a more stable political environment at one level, on another level there was growing dissatisfaction. While opponents to the Oslo process on both the Israeli and Palestinian sides existed from the outset, the situation was exacerbated by the 1996 elections which brought back to power the Likud Party, hostile to the peace process and Oslo from the outset. Following its replacement by a new Labour government in 1999, Israel and its international allies believed it was being generous in making a comprehensive 'final offer' to the Palestinian leader, Yasser Arafat, at the 2000 Camp David talks. However, this envisaged strict limits on Palestinian sovereignty, with Israel offering the initial formation of a Palestinian state on 73% of the West Bank and the continuing existence of the largest Israeli settlements. No agreement was reached. A couple of months later, then Israeli opposition leader Ariel Sharon undertook a provocative visit to the Dome of the Rock, leading to protests by Palestinians and several deaths. At the initial stage of the second Intifada, a large number of 48 Palestinians were killed by Israeli security forces in response to their own October 2000 solidarity "upheaval" (*Habbeh*), although several developments took place which caused difficulties for subsequent cross-Green Line action.

First, the second Intifada differed from the first in the degree of violence. While both Intifadas had occurred spontaneously, the two differ in public perception. While the second Intifada brought about Palestinian bomb attacks ("martyrdom operations") in Israeli cities and direct targeting and effective destruction by

Israel of the PA's security infrastructure (Esposito 2005), the first Intifada was remembered as a collective social effort which with hindsight has been seen as both positive and successful (Azzam 2012). Between 2000 and 2004 three times as many Palestinians suffered casualties as did Israeli: 2800 to 3600 Palestinians were killed compared to 1000 Israelis while 3700 Palestinians homes were destroyed and 11,5000 damaged; the resulting financial cost was put between $3.2bn and $10bn (Esposito 2005).

Second, Israel moved to completely contain Palestinians during the second Intifada. This took the form of direct military action and fragmentation of the West Bank on the one hand and a 'unilateral disengagement' from Gaza (and siege) after 2005 on the other. In contrast to the first Intifada this meant a direct Israeli presence in many of the Palestinian towns and villages within the OPT and the creation of the "Separation Barrier" after 2002. The presence of Israeli military in the OPT meant greater restrictions on movement for 67 Palestinians, who found themselves cut off from each other as Israel created cordons around Palestinian towns and villages (Bishara 2000). Alongside the "Separation Barrier" was officially claimed to be a security measure to present Palestinian infiltration, it was also designed to create facts on the ground through the effective annexation of territory beyond the Green Line.

The Barrier and Israel's control of territory meant that the scope for physical interaction between 48 Palestinians and those living in the West Bank as Gaza became harder. What contact there was tended to be one way, since 48 Palestinians faced less restrictions on their ability to move around, including into the West Bank. In her study of Israel's ID and permit system, Tawil-Souri (2012a) has studied how discrimination is imposed on 48 Palestinians as second class citizens and 67 Palestinians as non-citizens, restricting their movement while at the same time allowing unimpeded passage for Israeli Jews. The system creates barriers between people (i.e. Israeli Jews and Palestinians) rather than territory (i.e. between Israel and Palestinian land). In addition to the impositions forced on the Palestinians, Israel has undertaken other unilateral efforts to achieve separation, including its withdrawal of Israeli Jewish settlers from Gaza after mid-2005. While settlers and settlements were removed from Gaza and direct occupation was replaced with a siege, Israel has continued to control entry into the territory and has waged a land, sea and air blockade combined with occasional incursions, most notoriously during the 2008-09 conflict (UN General Assembly 2009).

Furthermore, the second Intifada arguably led to a coarsening of Israeli social attitudes towards Palestinians generally. This was felt through greater Israeli intolerance and discrimination. The situation was compounded by 48 Palestinians' relative vulnerability and marginalisation in Israeli society. Examples of this included the perception of 48 Palestinians as an internal security threat by Israelis and the dramatic Jewish boycott of 48 Palestinians' business, labour and villages

for several years after the October 2000 upheaval. This threatened to weaken 48 Palestinians economically and to discourage them from adopting more active forms of participation in support of the 67 Palestinians (Bishara 2000).

Alongside Israel's measures to impose separation on Palestinians, internal political rivalry at the elite level further compounded matters. In the years following the second Intifada, the dominant faction in the PLO, Fatah, and the main opposition to the PA, the Islamist party, Hamas, clashed. Their differences were amplified by the international donor community's contribution, when it imposed sanctions on the 'terrorist' Hamas government which was formed after the 2006 PA Legislative Council elections. By mid-2007 the OPT was politically split, with Fatah and the PA in control of the West Bank and Hamas in control of Gaza. Donors flocked to support the Hamas-free PA in the West Bank within the framework of pursuit of a neo-liberal development programme associated with a limited state role and greater involvement by the private sector. Arguably, this reflected concern by the international community to promote a 'West Bank first' strategy, which would use financial assistance to build up the West Bank and serve as a more attractive model to Palestinians than that promoted by Hamas in Gaza (Brown 2010).

1.5 After the second Intifada: reconnecting at the grassroots

At the same time that elite politics was fragmenting, wider changes were taking place within Palestinian society, both inside Israel and in the OPT. In the OPT there was a growing disconnect between the PA and the broader Palestinian public. This was evident in several ways. First, there was a lack of societal input into the political process. Another is that wider Palestinian society has tended not to be involved in or partisan to the factional differences between Fatah and Hamas which resulted in the 2007 political split. Meanwhile, what activists claim to be non-partisan and largely apolitical social movements have emerged over past half decade (Nasser, Rouhana, El-Baker, El Khoudary, interviews, 2012). This reflects a general disenchantment with the established political parties and leadership and their rejection of 'traditional' political involvement (e.g. through participation in the PLO or Hamas youth movements).[3] Their activities take place on a relatively ad hoc and unorganised basis, bringing together civil society activists on a range of issues, including on cultural issues relating to Gaza, the plight of Palestinian prisoners in Israeli jails and local issues among 48 Palestinians.

In addition to these non-hierarchical forms of 'non-political' mobilisation the

3 It is striking how a number of the respondents interviewed for this working paper did not see their activity as explicitly political. Nader Al Khuzundar, for example, explicitly stated that he was a 'social activist' rather a political activist which was reflected in his blogging about day-to-day life in Gaza. In addition he pointed out that there were risks in carrying out more conventional forms of political activity (e.g. public demonstrations and protests) since the authorities might respond adversely.

Boycott, Divestment and Sanction (BDS) movement has also emerged, and includes over 170 established Palestinian institutions and prominent individuals, from the OPT, Israel and abroad. Inspired by and modelled on the anti-apartheid movement in South Africa, the BDS movement rejects Israel's colonialism, including the occupation of the West Bank and Gaza, discrimination against 48 Palestinians and the denial of the refugees' right of return. To bring an end to these policies, the movement advocates for measures to pressure Israel to comply with international legality (e.g. on the separation barrier, the right of return). Such measures include academic, cultural and consumer boycotts, in addition to the imposition of sanctions and divestment.

More recently, during the 2011 Arab Spring a non-partisan 15 March youth movement came to the surface of protests among 67 Palestinians, demanding national unity between Fatah and Hamas. At the same time, youth activists have been expanding their individual and joint actions further, to include social and cultural issues (Nasser, Hilwi, El-Baker, El Khoudary, interviews, 2012). Given their concern with documenting Palestinians' history, music and heritage, such engagements arguably constitute a form of resistance against the occupation and support for Palestinian steadfastness if nothing else. In Israel, Palestinians have also engaged in non-partisan activities, involving both established and new groups. Among the former has included the rise of a more visible Islamic movement since the 1990s and its 'Al Aqsa is in Danger' campaign. Meanwhile, 48 Palestinians have sought to outline a direction for their community as a whole. In 2006, the head of the Supreme Follow-Up Committee of the Arabs in Israel and the National Committee of the Heads of the Arab Local Councils, Shawqi Khatib, brought together around 40 intellectuals and party politicians from across the 48 Palestinian community. Their consultations resulted in the publication of 'The Future Vision of the Palestinians in Israel' (Ghanem 2007). The document demanded that Israel recognise Palestinian identity as distinct and guarantee equal rights to all Palestinians, both individual and collective. Specifically this would be achieved through full acceptance of Palestinians' rights as citizens for the former and through the introduction of Palestinian autonomy in educational, religious, cultural and media affairs for the later (National Committee for the Heads of the Arab Local Authorities in Israel 2006). At the same time, the document presented an acceptance of the present two state consensus. It did so in order to reflect the different opinions which exist among Palestinians, expressing support for Palestinian self-determination, and enabling the participants to concentrate on the concerns of 48 Palestinians (Ghanem 2007). To date, however, the document remains a statement of intent, like other such "vision" documents, and has yet to be taken up actively by any of the Palestinian political parties in Israel (Zreik, interview, 2012). The Haifa Declaration, for example, proposed an even more elaborate model for future equality of Palestinians in Israel, entailing an effective de-Zionisation of the State.

The shift from the narrow elite circles to the mass arena is also the level at which reconstituted ties between Palestinians in Israel and the OPT appear to be emerging. There are several ways that this is being expressed: in ideational, symbolic, practical and organisational terms. There is an increasing deliberation between Palestinians – albeit those in a minority including activists and in parts of the elite (most especially those in intellectual circles) – around the idea of a bi-national state. Central to this development have been the ideas associated with those in the 48 Palestinian community over several decades and their explicit calls for equal rights and citizenship on the one hand and the pursuit of refugees' right of return. These Universalist calls have been echoed since in an increasingly coherent and public fashion since the 1990s through the advocacy of the National Democratic Assembly towards a binational state as well as those independent 48 and 67 Palestinian groups who work to defend refugee rights.

This reflects the perceived failure of the two-state solution associated with Oslo and a general impression that the PA is no longer working in the interests of the Palestinian national struggle. Instead, it is seen by many as a proxy for Israel's occupation, especially in the field of security cooperation. Critics point to the PA's opposition to a grassroots uprising against the occupation and its heavy-handed policing of protestors (O'Ceallaigh 2012, Alsaafin 2012, Thrall 2012). Older and especially younger intellectuals are playing an important role at the forefront of this process, aided in part by the involvement of 48 Palestinians employed at universities, institutes and NGOs in the West Bank (Ghanem, Zreik, interviews, 2012). However, such deliberations have not yet coalesced; polling suggests that public opinion fluctuates over the years and between pollster. In 2006 around 40% of 67 Palestinians reported in one poll expressed some degree of support for one state (Farsakh 2011). In November 2007 the figure was 46.5% (14.7% in favour of a bi-national state and 31.8% in favour of a Palestinian state on all of historic Palestine); but in April 2012 more than three quarters of those polled (76%) rejected the idea of one state (Near East Consulting 2007a, 2007b, 2012).[4]

Alongside the bi-national state idea, discussion is taking place around the BDS movement and its strategies. Awareness of the issue is beginning to grow, but activists and intellectuals note the greater challenge for 48 Palestinians to engage with it practically, given the fact that they live and work in an environment dominated by Israeli laws (Nasser, interview, 2012)

4 There are considerable challenges when it comes to assessing the depth of support (let alone intensity) for Palestinians' support for various options regarding statehood. This is due to the way that the question may be asked, as shown by the way that Near Easy Consulting has covered the issue. In February 2007 Near East Consulting asked survey respondents if they were in 'Support or opposition to a one-state solution in historic Palestine where Muslims, Christians and Jews have equal rights and responsibilities.' In November 2007 this approach had changed, with respondents being asked to say whether their view was in line with 'Two states for two people' (53.5%), 'A one bi-national state in historic Palestine' (14.7%) or 'A Palestinian state on all historic Palestine' (31.8%). The 2012 figure is based on Near East Consulting's own summary of its polling and does not specify how the question was asked.

The symbolism in the reconnections between 48 and 67 Palestinians is evident in the joint activity which occurs against different manifestations of the occupation. They may be either direct in the form of confrontational demonstrations and protests on the one hand or indirect through the use of the Internet and social media on the other. Direct action has included those against the separation barrier, including the Stop the Wall campaign and the popular resistance committees in those villages and communities affected by it such as Bilin and Nilin. In addition, it has occurred where settlement activity denies Palestinians access to their resources, as in the case of Nabi Saleh. More recently there have been demonstrations in support of imprisoned hunger strikers objecting to administrative detention since late 2011 (Nasser, interview, 2012).

Indirect activity has been used to enable as many Palestinians as possible to participate, especially if their physical presence is not possible. To this end social media has been particularly useful, enabling activists to alert each other and share information, to agree joint actions and their forms (Shuaibi, Quran, Ghanem, interviews, 2012). This has been especially useful in the case of Gaza, where Palestinians there are unable to engage in face-to-face contact with other Palestinians from Israel or the West Bank. At the same time, the growth of online activism has revealed increasing technological sophistication as activists manipulate algorithms to increase exposure of their actions through coverage and trending (Al Khuzundar, interview, 2012). However, it is also important to note limitations associated with such technology. One, technology is a medium and requires interaction between individuals, groups and material. Consequently, these interactions need to already be in place and cannot be manufactured artificially. They tend to reflect pre-existing social connections, based on family and friendships (Shuaibi, interview, 2012). Two, the use of technology is not secure. It requires energy which is intermittent in Gaza on account of regular power shortages (Al Khuzundar, interview, 2012). In addition, Israel controls the infrastructure on which online technology is based, which means that it is both able to undertake surveillance as well as switch off the system when it sees fit (Tawil-Souri 2011, 2012b).

As for practical engagement between 48 and 67 Palestinians, joint action has had significant impact beyond the symbolic. It has contributed to the wellbeing and livelihoods of affected Palestinians. Working at the local level, Stop the Wall, agricultural groups and human rights organisations on both sides of the "Separation Barrier" have worked together to carry out joint voluntary actions to assist with weeding and harvesting of crops (Hammoudeh, interview, 2012). This has ensured that agricultural life has not been disrupted and that productive activity is still carried out, resulting in produce and income for famers and greater political and collective identification by all concerned.

In terms of organisation, much of the interaction which takes place between 48 and 67 Palestinians has benefited by not following a traditional form of organisation. In contrast to organisations which have institutionalised their structures, usually along a vertical arrangement between leadership and supporters, today's social movements operate in a more horizontal fashion; although the extent to which this remains the case varies from one mobilising issue to the next. In the case of the youth movement, the structure has been extremely organic. For those involved in it, this is seen as a strength since the physical separation of people in Gaza, the West Bank and in Israel requires interaction to be both fluid and flexible. Given the use of online social media as well, this has resulted in a format which is perceived to be more responsive than the slow and cumbersome nature of established organisations (Quran, interview, 2012). This view seems to reflect a decision by youth activists to work outside the structures associated with the political factions. In practice, this has resulted in the youth movement adopting different campaigns which affect different groups, with 48 Palestinians mobilising against the proposed civil service law (in place of military service) and 67 Palestinians taking a position of support (Abu Hilal, interview, 2012). The use of horizontal relationships and shared endeavour is also played out among other social movements, including the popular committees against the separation wall. Like the youth movement after it, the committees were initially constituted at a local level by individuals in the affected villages and following public meetings where anyone who wished to participate could (Azzam 2012).

2. Economic (re) connections between Palestinians

Any analysis of economic ties between 48 and 67 Palestinians must take into account the asymmetrical relationship between the Israeli and Palestinian economies in Israel, the West Bank and Gaza. Because of the greater strength and resources in the Israeli economy, what relations exist between the 48 and 67 economies has meant that they have not tended to be studied in any great depth. To redress this balance, this section attempts to identify the nature of these connections, mainly at a regional level and especially drawing on interviews conducted with the directors of the chambers of commerce in four sites: Nablus, Hebron, Jenin and Gaza in the OPT and Nazareth in Israel. The focus on chambers of commerce in the OPT is relevant since they represent a cross-section of the private sector in the West Bank and Gaza, especially its SME component. Around 6500 and 7000 businesses based in Jenin and Hebron respectively are members of the chamber in each location (Atyani, Sayyedh, interviews, 2012). Similarly, the Nazareth chamber is also important as it is the only Palestinian-run and Palestinian-dominated chamber of commerce in Israel; its membership extends beyond its geographic region in the surrounding Galilee region to include Palestinian business people in Haifa, Jaffa and Jerusalem as well (El-Fahr, interview, 2012). Therefore, although firms are not required to join the chamber in Israel as they are according to PA legislation in the OPT, the breadth of the Nazareth chamber means that it too is broadly reflective of the Palestinian private sector in Israel.

2.1 Between core and periphery

A superficial reading of current economic development in the OPT suggests that the stability and peace is a positive environment for Palestinian economic growth and rising prosperity. During the Oslo period in the 1990s, GDP growth averaged 8.7% per year. This was at a time when relations between Israel and the OPT were relatively relaxed. By contrast, prosperity fell during the 2000s. This reflected Israel's tightening of movement restrictions through its ID card, permit, checkpoint and separation barrier policies following the outbreak of the second Intifada. Between 2000 and 2009 the economy contracted by -6% on average each year (World Bank 2011). However, the change in economic fortune requires a more detailed appreciation of the underlining dynamics of the Israeli-Palestinian economic relationship. Indeed, as long as the Palestinian private sector is obliged to tolerate Israel's colonialist occupation of the West Bank, military siege of Gaza and discrimination against 48 Palestinians, an alternative development strategy

which is more egalitarian and socially just (to the benefits of a wide swath of Palestinians rather than an economic elite) remains an elusive goal. It is therefore necessary to consider other aspects of the economic relationship, in order to appreciate whether the extent to which Palestinians have been economically marginalised precludes capitalising on potential strengths in the fabric of Palestinian economic relations across the Green Line.

At the outset, it is notable that in both Israel and the OPT, the Palestinian economies have been in a subordinate position in their relation with the Israeli/Jewish economy. Much of the literature on the subject tends to address the relationship between the Israeli occupier and the oppressed Palestinians, especially in relation to the occupied West Bank and besieged Gaza or the discriminated 48 Palestinians within Israel (see van Arkadie 1977, Arnon 2007, Elmusa and El-Jafari 1995, Farsakh 2005, Frykberg 2007, Haidar 1995, Khalidi, 1988, Khouri 1980, Malkawi 2009, Naqib 2000). As such there is almost no attention given to the relationship between Palestinians on either side of the Green Line themselves. The peripheral status of the Palestinians was especially reflected in the limited economic opportunities available to them, with the majority of Palestinians being employed in jobs that were largely low-status, low income and low-skilled (Haidar 1995, Arnon 2007, Bulmer 2003, Farsakh 2005, Khalidi 1984, Yonay and Kraus 2001). This may be starting to change, but only for a very select few who operate in more well paid and highly skilled sectors (e.g. the software industry or parts of the service sector such as banking in the OPT), the general trend in the literature points in the opposite direction. Hence, analysis of the economic relationship between 48 and 67 Palestinians is rendered especially problematic, mainly because it has not been directly addressed in the past. Moreover, when it has happened, it has been through subordinate-subordinate relations, in which neither side has sufficient opportunity to achieve a more significant change to their collective wellbeing. Indeed, when 48 and 67 Palestinians have engaged economically, it has been not been to any significant end: 48 Palestinians have tended to serve as middlemen between Israel and 67 Palestinians (Bishara 1997).

The origins of Palestinian economic subordination and marginalisation may be found in the Mandate period. The construction of two economies, Jewish and Palestinian, began with support from the British authorities after 1920. This was in contrast to earlier unsuccessful efforts by Jews to establish economic separation under the Ottomans, with the effect that a Jewish economy was superimposed onto the native one. By 1930 a dual economy existed (Smith 1993), in which a growing Jewish capitalist sector was aided by British taxation of the Palestinian peasantry. Although there was economic exchange taking place within the Arab economy as a result of growing urbanisation, changes in land tenure and growth in wage labour (Khalaf 1991), it was unable to keep pace with the more value-added Jewish economy. Only after the 1936-39 riots and the outbreak of Second

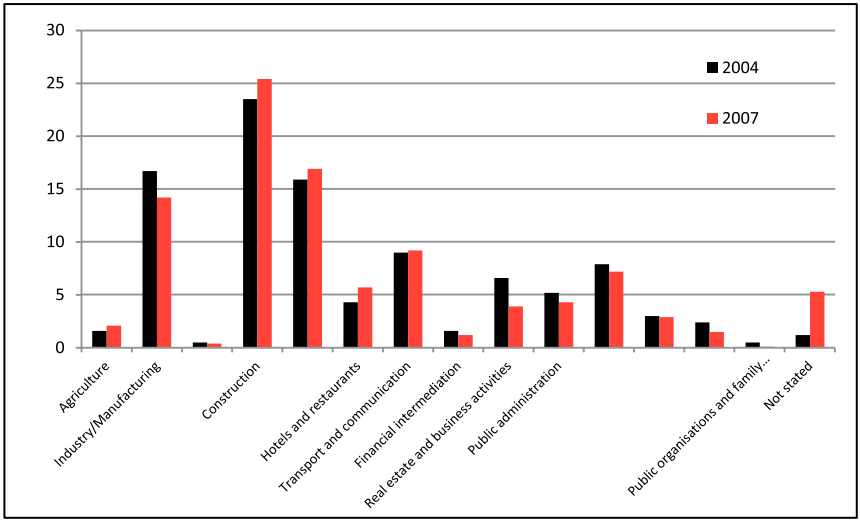
World War did the tide begin to turn, with growing demand for local goods and job prospects for urban migrants prompting growth in the Arab economy (Nadan 2006). Furthermore, as Khalaf (1991) noted, despite socio-economic changes, Palestinian politics did not change with it; the traditional, notable-led model of factional politics based on vertical cleavages remained in place. This had implications in terms of economic policy: despite the emergence of the first Arab trades unions on the railroads and the port at Haifa, they did not have the same level of shared endeavour with the Palestinian leadership as there was between the Jewish Agency and the Jewish trades unions, which collectively defended Jewish "national" interests through support for workers and for greater Jewish immigration (Power 1998).

The difference in the two economies meant that while the Jewish economy grew and diversified, it generated greater amounts of capital; the same could not be said of the Arab economy. Consolidated resources and unity of purpose by the Jewish community meant it was able to realise economic dominance over the Palestinians, first in Israel after 1948 and then in the OPT after 1967. In Israel, Haidar (1995) observed that Israeli development plans have not typically taken 48 Palestinian concerns into account. Its state industrial and agricultural policies has kept the Palestinians in a relative weak position, which has come to rely on its own resources, including a less advanced agricultural sector. In the OPT, Israel has concentrated on economic opportunities at the individual level while overlooking the wider problem of collective impoverishment. Following the establishment of the Oslo accords, Israel and the PLO agreed to the Paris Protocol on Economic Relations which formalised the customs union existing since the 1967 occupation. However, Israel has been selective in its application of the Protocol; as a result, the PA has been unable to establish any independent economic policy (Khalidi and Taghdisi-Rad 2009). In its application in Gaza, this model has been described as 'de-development', which according to Roy (1987) involved Israel's denial of the necessary inputs into the Palestinian economy for it to grow beyond its structural limits. In this model, the Palestinian economy is unable to accumulate sufficient capital or the appropriate structure and policies to support its population.

Data on the structure of Palestinian labour and sources of income in Israel and the OPT provide further insight into Palestinian economic marginalisation and dependence. For Palestinians on both sides of the Green Line, economic opportunity has been largely concentrated in the low skilled and low remunerated sectors of the economy (Figures 1, 2, 3, 4). The proportion of those working and not working varies across the different Palestinian populations. On the one hand there is similarity in the proportionally higher share of males in employment than females in Israel, the West Bank and Gaza; similarly, the bulk of male labour tends to be in construction, manufacturing and trade sectors. Females, meanwhile,

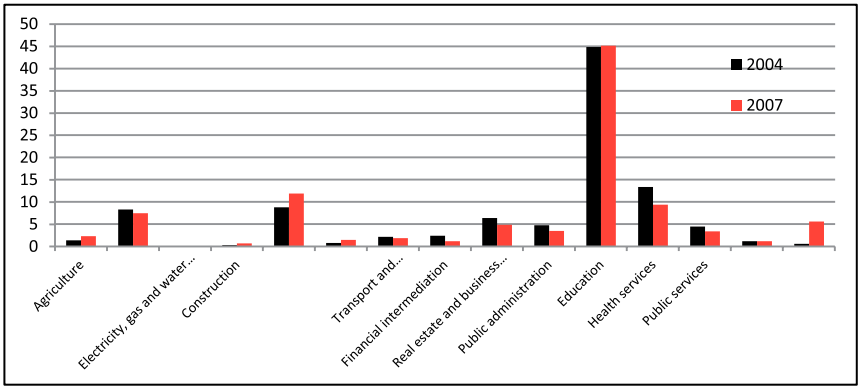
have tended to be employed in service jobs, including education (PCBS 1995-2011, Galilee Society, 2005, 2008).

Figure 1: Distribution of employed Palestinian males in Israel by economic sector



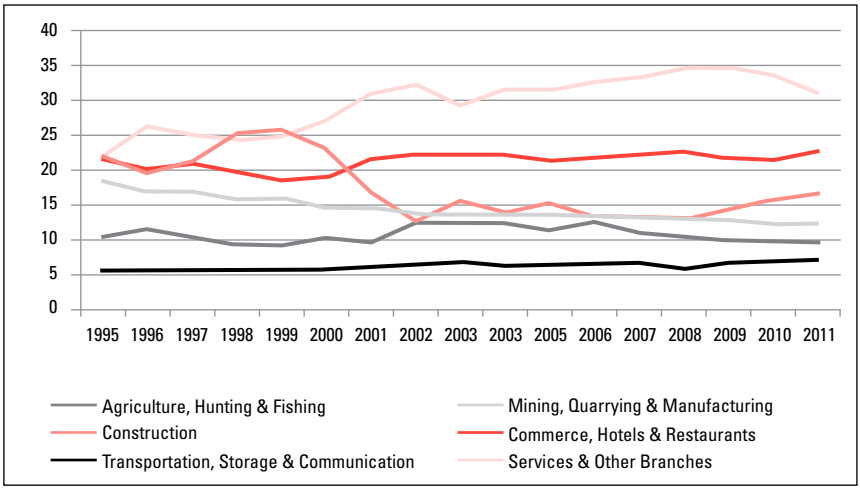
Source: Galilee Society 2005, 2008

Figure 2: Distribution of employed Palestinian females in Israel by economic sector



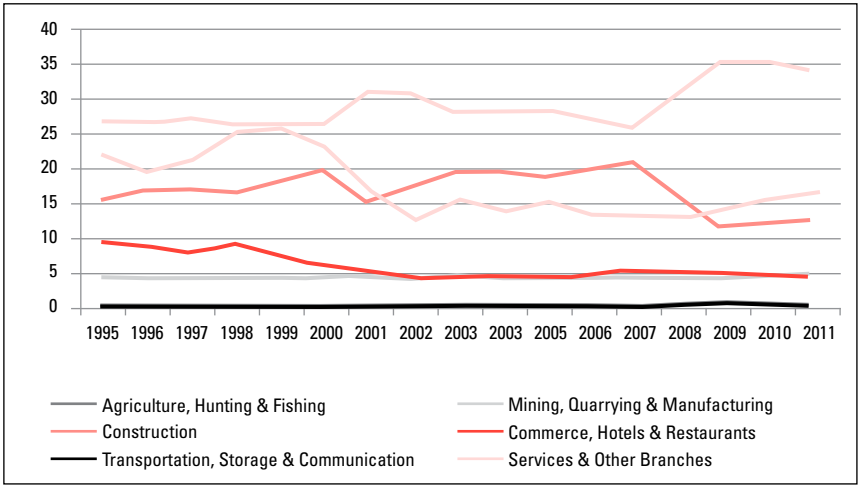
Source: Galilee Society 2005, 2008

Figure 3: Distribution of employed males in the West Bank and Gaza by economic sector



Source: PCBS 1995-2011

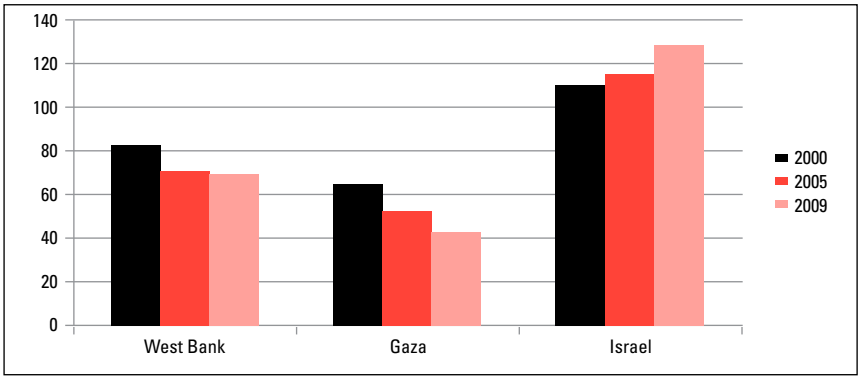
Figure 4: Distribution of employed females in the West Bank and Gaza by economic sector



Source: PCBS 1995-2011

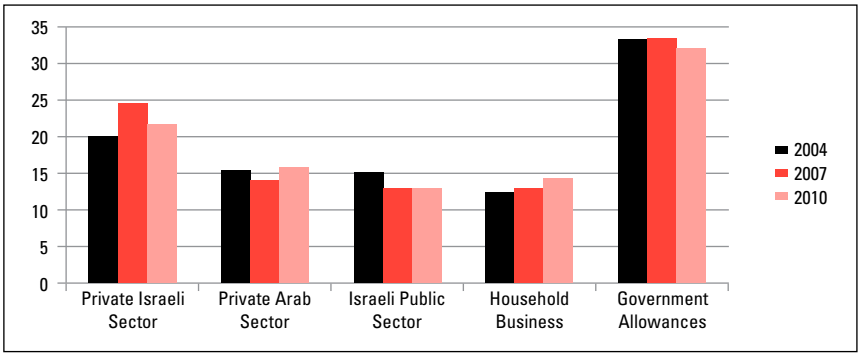
The low skilled nature of the jobs available is reflected in the level of income, and especially Palestinians' dependence on Israel (Figures 5 and 6). For 67 Palestinians, real wages are not only higher in Israel and the settlements than in the OPT, they have also increased over the last decade while those in the West Bank and Gaza have fallen. The effect of this has served as an incentive for many 67 Palestinians (mainly from the West Bank), who have sought work in Israel and the settlements. For 48 Palestinians, a majority of households – more than two-thirds – report relying on Israeli sources – i.e. the Israeli private sector and public sector or government allowances – for their main source of income (see Figure 6). This arguably places 48 Palestinians in a vulnerable position when seeking to develop alternative economic relationships. The experience at the start of the second Intifada illustrates this point, when 48 Palestinians saw their income drastically reduced with few options in the face of a boycott of their services and employment by Israelis. Such a reminder of the limits on Palestinian nationalist activism in Israel may have contributed to a more cautious approach by 48 Palestinians with regard to the development of their economic relationship and solidarity with 67 Palestinians.

Figure 5: Average Daily Real Wage for Palestinians in the West Bank and Gaza (constant NIS)



Sources: Author's calculations from PCBS not dated and UN Data not dated1 and not dated2

Figure 6: Main source of income for Palestinian households in Israel (%)



Source: Galilee Society 2005, 2008, not dated

2.2 The main features of Palestinian economic experience: labour, trade and neo-liberalism

Despite the economic limitations and challenges faced by Palestinians on either side of the Green Line, opportunities to re-connect have been evident ever since Israel's occupation of the OPT through two main channels: in the form of labour and through consumption. However, the direction of these processes has tended to be one-way, that is from the OPT to Israel in terms of labour and 48 Palestinians' purchases of goods and services from the OPT.

There has always been Palestinian labour migration into Israel. Along with infiltration by Palestinians to re-join their families between 1948 and 1967, there was also widespread smuggling of goods (Cohen 2010). After 1967 the occupation made it easier for 67 Palestinians to publicly seek employment in Israel; by the time of the first Intifada around 155,000 such individuals were working in Israel (Samara 2005). Many of these workers took over the low paid and low skilled jobs which 48 Palestinians had performed after Israeli Jews abandoned them (Haidar 1995). While some of them worked for Palestinian employers in Israel, the mass worked for Israeli employers. Data on such differentiation is hard to come by, as currently available statistical figures do not distinguish between the nature or locality of employers. Nevertheless, despite the low value of 67 Palestinians' labour, it provided both a significant contribution to their incomes as well as providing them with an important source of influence over Israeli domestic politics. This became apparent during the first Intifada: a short-lived boycott of Israeli products and employers helped incentivise Palestinian manufacturing and agricultural production (Samara 2005). At the same time, although the withdrawal

of Palestinian labour caused some transitory problems for Israel, it soon overcame them through rising Jewish migration from the former Soviet Union (Roy 1999) and a reduction in the number of working permits granted to Palestinian labour. Combined with a fall in labour and remittances from the Gulf during the 1990s, 67 Palestinians' average incomes remained largely static, only rising from $925 to $936 per capita in current dollars between 1987 and 1993 (UN, not dated).

Retail trade channels have also provided an important mode for interaction between 48 and 67 Palestinians. This has tended to occur in one of two ways: either through direct sales to 48 Palestinians shoppers in nearby Palestinian towns across the Green Line (especially in the northern West Bank) or through the export of West Bank products across the Green Line to consumers in Palestinian markets in Israel (Sayyedh, interview, 2012). Much of the trade between 48 and 67 Palestinians is based on comparative advantage in terms of cheaper prices in the OPT. Incomes are higher in Israel than in the OPT, encouraging 48 Palestinians (and Israelis until the second Intifada) to travel to the OPT to do much of their household shopping there.

Many of these connections were based on pre-existing relationships, including those as a result of marriage or between families. An example of this may be found in the Jenin area, where many such family ties exist (Atyani, interview, 2012). Similarly, Nablus businesses benefited from trade and markets which attracted 48 Palestinians prior to the first Intifada, these similarly being based on previously known contacts (Khayyat, interview, 2012). The Islamic movement also provides economic opportunity, through the encouragement of 48 Palestinians to carry out their shopping (and Friday prayers) in beleaguered East Jerusalem (and until 2000, to Gaza). More recently, the liberal social and cultural scene in the Ramallah-Jerusalem-Bethlehem metropolitan area and a variety of employment opportunities has provided an attractive magnet for young professionals from "the North" and upwardly mobile or politically activist 48 Palestinians. By contrast, though, other areas of the OPT have not had the same degree or depth of contact with 48 Palestinians; as a result, such economic ties are more insignificant in other regions.

The employment and consumption patterns across the Green Line have been largely concentrated at the level of the individual rather than the community or markets. This has therefore arguably limited the establishment of an alternative model of economic development which might transform the collective experience of Palestinians as a whole and undermine the core-periphery relationship between Israel and the two Palestinian economies. Indeed, the present economic policy looks set to compound this situation further through the pursuit of neo-liberalism by both the Israeli and Palestinian political leaderships. The features of neo-liberalism are several, including: a smaller role for government and a greater

emphasis on the private sector as the engine for economic growth; privatisation of state enterprises and deregulation; and a commitment to free trade. For neo-liberals the removal of barriers will result in comparative advantages and greater competition, with wealth supposedly 'trickling down' from the initially enriched to the rest of society as a result.

No part of the world was unaffected by the wind of neo-liberal change, including Israel and the PA. Since 1948 Israel had encouraged state expansionism, including public subsidies to support the creation and protection of (Jewish Israeli) industries and provide public welfare. This continued into the 1970s but costs began to rise between 1978 and 1985 as a result of those associated with its occupation of both the West Bank (where it funded the construction of settlements) and Lebanon (after the 1982 invasion). In response the Israeli government introduced an Economic Stabilisation Plan in 1985 which led to public spending cuts in the construction, agriculture and manufacturing – the sectors where many Palestinians were employed (Weisskoff 1990). The contraction of Palestinians' incomes prompted many to return to their villages both in Israel and the West Bank.

Meanwhile, in the PA neo-liberalism was a result of interaction between Palestinian economists and the World Bank beginning from the time of the Oslo accords. These shared ideas and contacts continued into the 2000s, but gained a greater impetus following the end of the second Intifada with the publication of the PA's development plans. These plans have received general approval from the international donor community and include the Palestine Reform and Development Plan in 2008-2010, Ending the Occupation, Establishing the State in 2009 and the National Development Plan in 2011-2013. In each plan there is an emphasis on structural readjustment and liberalisation, including limits on the role of the government and an emphasis on encouraging a more vibrant private sector to promote economic growth (Turner 2011, Khalidi and Samour 2011). While the PA has pursued neo-liberalism with international support, Hamas-run Gaza has been largely neglected, though there is no evidence that the Hamas economic ideology to the extent that it exists, precludes the same liberal economics adopted by the PA. Nevertheless, both the PA and its international sponsors have effectively adopted a 'West Bank first' strategy, which has sought to demonstrate to the Palestinian population the implications and perils of Hamas rule (Brown 2010). One result is that the Gaza economy remains largely survival-based, with markets distorted by the impact of Israeli siege and reliance on the smuggling of up to $700 million of goods in 2012 (Pelham, JPS, 2012) through the formally illegal but officially sanctioned tunnels which operate between Gaza and Egypt.

2.3 Economic connections from Oslo through the second Intifada

The emergence of neo-liberalism in the Palestinian context coincided with three main periods: the Oslo process, the second Intifada and the present post-Intifada period after 2005. For business representatives, each period had a singular quality. During the Oslo period the consensus was that it was a good time for economic exchange across the Green Line – especially at individual level. The business representatives interviewed for this study claimed that the Oslo period was one where 48 and 67 Palestinians were most able to undertake joint economic activity, largely as a result of relative political stability which enabled such interaction to flourish (Khayyat, Sayyedh, Atyani, El-Fahr, interviews, 2012). Generally this interaction involved engagement in already established sectors, such as light manufacturing (e.g. clothing, shoes, furniture and stone quarrying) rather than the development of new industry. This was felt financially, with GDP per capita in the OPT rising from $936 to $1332 between 1993 and 2000, with knock-on effect on local businesses in the OPT, almost all of which may be categorised as small or medium-sized (SME), that is with 20 employees or less (Khayyat, Sayyedh, Atyani, interviews, 2012). Economic growth rose, although it is not yet apparent whether the emergence of a capitalist class in both the 48 and 67 Palestinian populations has led to any significant rise in investment, either within Israel or the OPT or between the two (Khalidi 2008, Khalidi, interview, 2012).

The period during the second Intifada (2000-05), was judged by the interviewed business representatives as damaging for Palestinian economic interests. As noted previously, Israel increased its level of intrusion into the daily life of the OPT, through restrictions on movement and access (Sayyedh, interviews, 2012). In addition, the period meant a rise in political uncertainty and therefore greater risk which discouraged investors – both 48 and 67 Palestinians – in the OPT (Atyani, interview, 2012). This led to a reduction in various forms of economic exchange. First – and most visibly – the markets in Jenin and Nablus attracted fewer 48 Palestinian victors, reflecting the greater difficulty they had in entering (Atyani, Khayyat, interviews, 2012).

Furthermore, trade between 48 and 67 Palestinians fell. For example around 80 factories in the Jenin area that had sub-contracted work from 67 Palestinian firms in the clothing and textile sectors saw that trade effectively collapse between 2000 and 2009 (Atyani, interview, 2012). In Nablus, where production in stone, marble and furniture was important, production fell by around half in some factories. The situation was exacerbated by the uncertainties imposed on trade, through the presence of one checkpoint which required the manual transfer of goods from one truck to another, employed scanning equipment which was deteriorating, and was subject to Israel's whims of arbitrarily closing the barrier when it suited (Khayyat, interview, 2012). Finally, there was a steep fall in 67 Palestinian labour

working in Israel following the start of the Intifada, declining from 21% to 14% of West Bank workers between 2000 and 2011. By contrast, among Gaza workers, the proportion fell even more significantly, from nearly 13% in 2000 to less than 0.5% in 2005, since when the numbers reduced to an insignificant trickle, and zero since 2007 (Figure 7).

Despite the decline in 67 Palestinians working in Israel after 2000, there was no complete break. Indeed, the numbers in Figure 7 may be an underestimate, since many 67 Palestinians have continued to find a way across the separation barrier and the Green Line to find work (Amiry 2010), as well as in Israeli settlements in the OPT. This reflects an ongoing disregard by Palestinians of the Green Line which dates back to the partition of the country and the persistence of Palestinians to cross "borders" after 1948. This form of action is also relevant in two similarly undocumented and intangible ways that Palestinian resistance has been pursued until now. One is the interaction between 48 and 67 Palestinians on either side of the separation barrier to support one another in avoiding and evading the Israeli authorities along the separation barrier; this includes alerting each other to the presence or absence of the military and border police (Ghanem, interview, 2012). Another is reflected in the emergence of 'checkpoint economies.' An example of this is Qalandiya, where despite the presence of Israeli military and technological control, the checkpoint has opened up new forms of economic activity and exchange (e.g. street vendors, unlicensed service taxis, etc) (Tawil-Souri 2009).

Figure 7: Percentage of employed persons in the Palestinian Territory working n Israel and the settlements, 2000-2011

Source: PCBS 2000-2011

2.4 Rediscovering economic connections after the second Intifada

Following the end of the second Intifada, the perception has been mixed. From one perspective, there is a general sense among business representatives of greater peace and stability. This is evident in the partially easing of restrictions on movement, thereby enabling the reconstitution of contacts between 48 and 67 Palestinians – although in the case of the latter, on among those of the West Bank. As with the Oslo period, the emphasis of those connections is based on existing consumption-patterns rather than an alternative development strategy. It is one which is reliant on the cheaper cost of particular goods and services in the West Bank compared to those in Israel, as well as shared tastes and cultural preferences. The result is that market days in Jenin, Nablus and Hebron have seen an increase in the number of 48 Palestinians visiting, whether independently or through organised tours laid on by private companies, since 2008 to Nablus and since 2010 to Hebron (Atyani, Sayyedh, Khayyat, interviews, 2012).

Viewed from another angle, it seems apparent that the current period has meant insufficient economic development on the one hand and a failure to recover to a similar level prior to the second Intifada on the other. With regard to the former, there appears to be insufficient capacity to develop economic activity and exchange beyond the dominant mode of comparative cost advantage (i.e. cheaper prices in the West Bank). This is supported by the relative absence of any significant large-scale private sector investment in joint Palestinian economic activities and exchanges between 48 and 67 Palestinians. In part this may be due to the structure of the 48 and 67 Palestinian economies, both of which are dominated by largely family-owned SMEs. As a result, they have limited capital available, which makes it difficult either to invest directly or to raise the collateral needed to take out a bank loan to do so. Another problem has been the problem of political uncertainty. This is especially notable in Area C where Israel retains complete control over planning decisions (Atyani, interview, 2012). Meanwhile, Palestinian business face challenges in raising themselves out of the low-value end of the economy. The stone and marble industry is important in this regard. It is one of Hebron's most important markets. Around 70% of Hebron stone and marble is exported to Israel at around $20 per item. While some 48 Palestinian firms are the purchasers, the bulk ends up with Israeli firms. Of this quantity around 50-60% is re-exported as an Israeli product at between $35-40 (Sayyedh, interview, 2012).

Economic exchange in a neo-liberal setting generally and in the case of the 48 and 67 Palestinians is ad hoc and largely oriented by individual self-interest. Arguably it could be said to be more so now as a result of the distinction between two states as presented by Israel and the PA – even if the latter lacks many of the attributes of statehood. The willingness to embrace a two state distinction is

apparent in several anecdotes relayed by business representatives. For example, 48 Palestinian traders in Nazareth and the Galilee have protested the organised market trips making the journey to the West Bank to their chamber of commerce, claiming that pursuit of low prices means loss of trade for themselves. At the same time, West Bank firms have opposed business awarded to 48 Palestinians. An example of this was a 48 Palestinian businessman from the Galilee region who won a PA contract to supply doors to municipal buildings in Tulkaram, Nablus and Ramallah. The contract was opposed by several firms in the OPT who claimed that the businessman was 'Israeli' on account of his firm not being Palestinian majority-owned (i.e. within the PA). In the other direction, despite arrangements between 48 Palestinians and a Nablus ice cream/sweet firm to operate in Israel, it has been denied from doing so on the grounds that the firm does not fulfil Israeli regulations (El-Fahr, Khayyat, interviews, 2012).

Above all this, Gaza continues to be isolated. Following Israel's unilateral withdrawal from the territory and its replacement with the present siege, Gaza merchandise and labour exports to Israel (and the West Bank) have all but collapsed. In 2005 Gaza exported goods of which half constituted agricultural products and the remainder furniture and clothing. This amounted to around $110m. By 2007 it had fallen to $80m while today that trade is almost non-existent. Whereas before 1994 three-quarters of Gaza's exports went to Israel (and 25% to Jordan), current arrangements have meant that the Gaza private sector is increasingly looking towards Egypt as its main market (Mourtaja, interview, 2012).

3. Ways forward: looking to the future

This paper has sought to examine the evidence on political and economic connections between Palestinians across the Green Line. The paper therefore adopted an approach which was historical in scope, in order to understand how those connections have expanded and contracted over time. It is notable that even when official contact denied between Palestinians was restricted, interaction still continued to take place. Examples of this include Palestinians' infiltration across the borders into Israel during the 1948-67 period and 67 Palestinians' movement over and around the separation wall in search of work over the past decade, not to mention 48 Palestinians routine access to PA-areas for business, employment, consumption or social engagements that formally are not off-bounds to Israeli citizens.

Despite these aims and findings, it is important to acknowledge that the paper provides only an initial presentation of these political links and economic ties, within the constraints of time and data availability. That said, the paper is intended to encourage the pursuit of further research which will open up this area of study further. Consequently, it is necessary to acknowledge the partial and organic nature of these connections. To a large extent they are not highly organised in a formal sense and have largely come from the initiative of wider society rather than the Palestinians leadership. As a result, they face several challenges. In addition to them, some recommendations are suggested alongside.

First, the persistent separation between Palestinians is clear. The paper acknowledges this through the distinction between two groups of Palestinians: that is, those based in Israel (48) and those in the OPT (67). However, it is a distinction towards which Palestinians themselves have also contributed, along with other factors outside of their control. On the one hand, both the Palestinian leadership and the international community have adopted the two state model associated with Oslo which separated not only two states, but also the Palestinian Arab people between those two states. The problem is exacerbated by the fact that Oslo and the two-state strategy has become the hegemonic discourse, at the expense of the political ideas, goals and movements associated with the Palestinian national movement. This includes not only the one state and binational project but also those movements associated with BDS, defending refugee rights on either side of the Green Line and the various particular issue campaigns.

In particular, because Oslo is silent on the status of Palestinians in Israel, it has formalised a split between Palestinian national objectives: in the case of 48

Palestinians this has meant a search for full citizenship within Israel while for 67 Palestinians, there has been a struggle for independence outside of Israel. All of this did not start with Oslo, but rather the PLO's acceptance of two states in Algiers in 1988 paved the way towards this, as the formal culmination of a PLO consensus building process that began in the mid-1970s. The PA born in 1994 was viewed by the PLO as an implementation step, however diminished and stunted, along the same trajectory.

One way *to overcome this separation would be a rejection of the two-state model and its replacement with one state as the dominant paradigm* in the Palestinian national liberation movement – arguably requiring a revolutionary shift to an ideology that was abandoned some 40 years ago. However, while some Palestinians are becoming increasingly favourable to this position, polling data suggests that attitudes vary to a considerable extent. At the same time, the Palestinian leadership is unlikely to support it, given its life-long investment in the two-state solution and its current financial dependence on the international donor community which is in favour of the Oslo process. Indeed, even if the two-state model appears to be discredited or at best, unrealistic, and even were the PA to be dismantled, there may not be a change in the vision of the Palestinian national project, especially along the lines of one state (Zreik, interview, 2012).

For such a shift to take place this would require, according to Farsakh (2011), a transformation in the Palestinian political project for self-determination away from a focus on a Palestinian state and towards one that concentrates on the protection of Palestinian rights. For Fattah, (2012a), this would entail rebuilding Palestinian national unity on both sides of the Green Line behind a common project which rejects Zionism. However, such a project will not be easy: it requires overcoming differences which exist among Palestinians and the persistence of the two-state discourse among many key actors, as well as a public which remains broadly committed to the two-state model.

Additionally, the current absence of widespread violent conflict with Israel may be perceived as sufficient for many Palestinians, who acquiesce in the status quo since it provides for the least costly means of interaction across the Green Line (with Israelis and Palestinians). Especially relevant in this regard is the business community as reflected in the respondents interviewed for this working paper. While they acknowledge the injustice and illegitimacy of Israel's colonialism, they judge the present situation to be 'better' for business than before. This is largely due to the relative easing of movement restrictions (e.g. around Nablus) when compared to the early to mid-2000s during the second Intifada. It is therefore important for those involved in resistance and struggle to end the occupation, to *recognise that greater contact between 48 and 67 Palestinians by itself is not enough*.

This is apparent in several ways. At one level, the Oslo process arguably opened up space for greater dialogue and interaction to take place between Palestinians on either side of the Green Line. Indeed, the establishment of new forms of political organisation and activity emerged, including the NDA and the Islamic movement which rejected cooperation with Zionism and pressed for collective rights for the 48 Palestinian community while engaging with Palestinians in the OPT. At the same time though, Oslo created a false sense of indefinite peace. Indeed, as interviews with business representatives reveal, political stability and security has enabled contacts to re-emerge across the Green Line, while also contributing towards greater economic growth and development (El-Fahr, Sayyedh, interviews, 2012). In other words, as the paper has sought to show, there have been a wide range of growing connections between Palestinians across the Green Line: some economic channels directed towards improving life under the occupation while political solidarity has focused on a more ambitious goal, to end Israel's colonial practices and occupation. Therefore, *advocates should be explicit in their campaigns, to ensure that an end to the occupation, rather than its amelioration, should be the main objective*.

Third, an important challenge in relation to 48-67 Palestinian ties is concerned with how to scale them up. The paper has presented a number of cases where collective engagement has ranged from the symbolic to the substantial, much of which has contributed to resistance on the ground. However, none have yet reached a critical mass. Such actions help provide exposure for Palestinians' concerns and demands on the one hand and seek to expose Israel's colonialist and military approach on the other, but it is not yet evident that they are sufficiently capable of realising them. This is recognised to some extent by the movements themselves, encouraging them to link up with other groups and struggles.

Farsakh (2011) notes the relative capacity of different Palestinian constituencies (i.e. 48 and 67 Palestinians, the diaspora and refugees) to advocate for and promote the one-state option. Of these the 48 Palestinians are best placed to lead the project, given their own experience of discrimination in Israel and their struggle for equal rights (by contrast the 67 Palestinians have been primarily concerned with throwing off the Israeli occupation). However, in pursuing these goals, both the 48 Palestinians generally and the social movements and emerging groups across the Green Line need to be aware that pursuing an end to occupation and colonialism places them on a collision course with two powerful actors: the Palestinian elite and its security services (i.e. both the PA in the West Bank and Hamas in Gaza) on the one hand and Israel on the other. Both *Palestinian and Israeli authorities are liable to crack down on those individual protestors and groups should they begin to fear that their demands reach a point of challenging them and the status quo* (El-Baker, interview, 2012). Such concern is not misplaced, especially given the growing division between the Palestinian leadership and wider society (Alsafin 2012, ICG 2012).

As for Israel, it may be argued that despite present activism and joint activity, the current situation is containable since it has yet to inflict sufficient cost on Israel's discrimination of Palestinians in Israel and its colonisation and occupation of the OPT. However, should it eventually do so, there are ways that Israel, as the stronger party, may be able to inflict suffering on Palestinians, including in other, non-military ways. Consequently, social movements and groups associated with the anti-occupation and anti-colonialist struggle need to consider responses to potential action by Israel. It will be necessary to factor in consideration of Israel and its capacity for action in a range of spheres into discussions regarding all aspects of Palestinian life, from the social and political to the economic and cultural (Khalidi, Zreik, interviews, 2012). Ultimately, *there is a need for activists to address how they can overcome the power of both the PA and Israel in a way that moves their resistance strategies beyond that of mere survival and which can both directly move the Palestinian leadership to adopt greater resistance on the one hand and which undermines Israel's occupation and colonial policies on the other*.

Fourth, there is a need to reflect on the structure of the connections which are developing between 48 and 67 Palestinians. At present these ties are highly organic, illustrating their bottom-up nature. In part this reflects a self-conscious decision by these social movements to present an alternative to the more formally organised Palestinian elite. One advantage of this approach is that they are therefore extremely inclusive, allowing anyone to join and participate. Another is that they enable overlapping memberships to participate without distinguishing between one group over another. Indeed, this seems apparent in the different social movements which have emerged over the past decade, which share common objectives to end the occupation and involve people from across the Green Line. At the same time though, this organisational approach has limits. A dependence on individual connections can mean a lack of coordination and institutionalisation between individuals and groups within the movement. The removal of a few key individuals may be sufficient to weaken a movement's scope for action. Similarly, a lack of structure can undermine legitimacy in the eyes of some, who may question who certain individuals speak for (Shuaibi, Quran, interviews, 2012). Some activists appear aware of this and note that while the current mode operates well, *there is a need to review current arrangements and ensure that a balance is struck: enabling flexibility and inclusion while also providing legitimacy and structure*.

In sum, while engaging with these challenges and adopting some of the ways forward are important, they will not be enough to end Israeli colonialism and occupation, however much they might point to a path towards that end. Ultimately, this paper is intended as enabling wider public dialogue and further research on an overlooked phenomenon – namely the organic, disrupted, yet still

pulsating, ties between 48 and 67 Palestinians. There is considerable scope for further research in this area and providing a more comprehensive breakdown of the nature of political and economic connections between 48 and 67 Palestinians, including at the local level and across different sectors and groups. As part of this process, there are bound to be a range of views regarding the most appropriate way forward, for which despite its limitations, this paper has hopefully served as a small contribution.

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People's Power: Lessons from the First *Intifada*

Linda Tabar

People's Power: Lessons from the First *Intifada*

> *Colonialism denies human rights to human beings whom it has subdued by violence, and keeps them by force in a state of misery and ignorance that Marx would rightly call a subhuman condition. Racism is ingrained in actions, institutions, and in the nature of the colonialist methods of production and exchange. Political and social regulation reinforce one another. Since the native is subhuman…he is abandoned without protection to inhuman forces – brought in with the colonialist praxis, engendered every moment by the colonialist apparatus, and sustained by relations of production that define two sorts of individuals – one for whom privilege and humanity are one…and the other, for whom a denial of rights sanctions misery, chronic hunger…or, in general, "subhumanity" (Sartre, 1965: xxiv-xxv).*

Introduction

Systems of domination, colonialism, racism and capitalism, transform subjects into objects of inhuman ends, exploiting and degrading individuals, or in the case of settler colonialism applying "spatial forms of sequestration" and strategies designed to slowly eliminate the unwanted native population (Wolfe, 2006). These systems of oppression require the perpetual submission of individuals to the structural forces, ideologies and modes of production that perpetuate domination. Neoliberalism and the "matrix" it has imposed on social, political life and our collective imagination (Munck, 2005) has restructured politics in a way that has made the exercise of domination smoother and more efficient, by depoliticizing politics and trying to erode collectives that can resist domination.

However, today we are witnessing a shift in the global balance of forces in favour of people's struggles against overlapping systems of power and domination. The Arab uprisings, and the new political horizons they have opened up, have shattered the neoliberal concepts and framework that have colonized our imagination, restoring the concept of al shab "the people," and with that notions like "people's

power" and "people's democracy" long excised from our vocabulary.[1] In *Tahrir* square, a new form of people's power brought down a dictator and liberated the public square, which had been "depopulated" under Mubarak (Elshahed, 2011). In the liberated space, the people's movement not only symbolically restored the people to the "public," but the revolutionary praxis in Tahrir enacted new radical democratic horizons, articulated demands for social justice and restructuring economic and political power so as to make it accountable to the people. All of which reflect the potentiality of the revolutionary struggle now underway in Egypt.

Yet, long before the current Arab uprisings, the Palestinian people organized their own mass-based, popular anti-colonial movement that was centered on notions of "people's power" (Gaza Communique, 1988) and building an alternative "people's authority" which culminated in the first *intifada* of 1987. The first Palestinian uprising was a rich experience in building a popular people's struggle for liberation that linked the struggle against national oppression to the struggles against capitalist and patriarchal domination. The *intifada* was the outcome of at least fourteen years of grassroots organizing which created a framework for mass politicization and mobilization (Taraki, 1989) that tried to create a space to disengage from the colonial system, its modes of production and enable individuals to exercise power as a collective to liberate themselves from settler colonialism. At the same time, the whole idea of Palestinian people's power centered on creating new structures that could provide an alternative to capitalist economic exploitation and patriarchal domination.

As the tide shifts towards global people's struggles, and as Palestinians struggle to build a new framework to reconstitute the Palestinian national liberation movement (Sayigh, 2010) that re-links all of the Palestinian people in their struggle against Israeli settler colonialism,[2] it is necessary to look back at Palestinian popular organizing in 1970-80's. What lessons can be derived from this rich experiment in popular struggle against political domination and economic subordination? What does it reveal about the conditions and factors that enable a people to coalesce into a counter-power, *organize* and *sustain* a long-term struggle to transform structures of oppression? What does it tell us about the significance and the unique potentialities of a people's movement as compared to other modes of struggle?

1 The Arab uprisings and ongoing revolutionary struggles are directed at both ruthless authoritarian regimes, the US's compliant imperial allies in the region, and predatory free market capitalism that has enriched the few and forced the majority in Egypt and elsewhere into "humiliating poverty" (Beydoun, 2011: 26).

2 Zionist settler colonialism aims to pacify and control the Palestinian indigenous people in order to ultimately replace them, or permanently confine them to segregated ghettos as it colonizes their land. One of the ways it tries to achieve this aim is by fragmenting and attempting break up the Palestinian people. The Oslo process institutionalized this colonial fragmentation by attempted to restrict "Palestine" and "Palestinian people" to the population and the territories occupied by Israel in 1967, excluding the Palestinians in 1948 occupied Palestine and the Palestinian refugees, thus fragmenting the Palestinian people.

This inquiry is all the more important today as the same overlapping, interlocking forms of

settler colonialist and capitalist domination, which were resisted in the first uprising, have become more integrated into an overlapping system of oppression, mediated by the compliant Palestinian Authority (PA). Dangerously accelerating Zionist settler colonial strategies to fragment and confine the unwanted Palestinian natives in sequestered ghettos and Bantustans, while destroying their economic productive capacities, are being reinforced and exacerbated by neoliberal capitalism that promotes private capital enrichment for the few, while causing immiseration and insecurity for the majority. In the 1970's, Palestinians also faced similar colonial efforts to atomize, degrade and control the population, and subordinate their economy to serve Israeli capitalist and colonialist interests. At the time, the national movement and the political parties responded by organizing society through popular committees, building self-reliance and modes of power outside of colonial structures in order to wage a struggle against colonialism. The popular organizing that was initiated and led by the communists, regarded the people as the site of power. As Eileen Kuttab explains, the people were regarded as the *means* for exercising power, but they were also regarded as the ends and the *goals of the struggle* (1989: 137). Building on Kuttab's insights, one can suggest that this popular struggle was also about re-humanizing the oppressed in the Paolo Freire sense of creating a new "human" beyond what is defined as possible by imperial colonialist, and capitalist worldviews and systems of domination. Moreover, the popular organizing was rooted in a mode of *direct action* that territorialized its own alternative as part of its struggle against colonialism. That is to say, it created its own alternatives to the colonial order, constructing new non-dominating horizontal social relations, and ways of organizing social, political and economic life, that were simultaneously part of the infrastructure used to resist colonialism.

This paper returns to this period with the aim of identifying lessons and insights that can assist in reactivating the Palestinian liberation struggle today. Starting from an acknowledgement of the defeat of the Palestinian national liberation project and consciousness with the signing of the Oslo accords, and neoliberalism's role in further eroding this struggle, the paper asks; what conditions and determinants enabled the rise of this people's struggle for liberation? What is peoples' power, how is it invested in and transformed into a mass movement for liberation? How was the Palestinian popular movement of the 1970-80's organized and sustained? Finally, what key concepts, and theories, philosophies of resistance did it rely upon and ground itself within. How might these theories and this experience as a whole assist us today?

1. History of the Present: The Neoliberal Restructuring of the Political and the Assault on Collective Struggles

Before turning to the Palestinian first *intifada* it is necessary to begin this paper with a brief history of the present in order to identify the forces that are undermining collective movements in the present, supporting efforts to resist and look beyond these conditions. I will start by quickly surveying the transformations that have accompanied the rise of global neoliberal capitalism, focusing specifically on neoliberalism's restructuring of the political; its efforts to depoliticize politics, fragment and atomize societies, leaving them unable to exercise collective power and resistance. These transformations have radically altered the terrain in which the Palestinian liberation struggle is waged, and have reshaped the modes of organizing, the horizon of change and understandings of oppression within and through which the Palestinian struggle is articulated. I will begin, therefore, by deepening the rupture caused by the Arab revolutionary struggles and critically discuss the neoliberal frameworks and hegemonies that are undermining collective struggles in the present, in order to be able identify ways to move beyond this by looking at the Palestinian popular anti-colonial movement of the first *intifada*.

The ascent of global neoliberal capitalism dates back to the 1970's. It began with the economic policies that were introduced by right-wing ruling forces in the UK and the US, backed by the transnational capital class, who responded to crisis in global capitalism by introducing a turn towards neoclassical liberal economics and its free market orthodoxy. The first phase of the push towards unregulated global capitalism started in the 1970's with efforts to dismantle the transformative role and regulative capacity of the state, privatize state industries, public resources and "deregulate" labor and market activity, that is allow the market to operate without social control or accountability to social goals (MacEwan, 2005). In the 1990's, the "neoliberal project extended to the social domain" targeting the "recalcitrant (social forces)...that needed to be brought under control" and promoting new regulative roles for the state, as needed to enhance free market capitalism (Munck, 2005: 63).

The logic underlying neoliberalism's expansion is best captured by what Karl Polanyi explains is a process that is disembedding the economy from social relations and *embedding social relations in the market* in order to produce a "market society" through which unregulated capitalism can function (ibid: 61). In other words, one can describe neoliberalism, therefore, as attempting to remake society, politics and government *in the image of the market*, colonizing these

spheres with logic, relations and ultimately profit-driven motive that mirror the market and secure its dominance over society and political life.[3]

The collapse of the former Soviet Union in the 1990's, and the west's attempt to declare the global triumph of liberalism and free market capitalism and the failure of communist and socialist alternatives, embodied in Francis Fukuyama's "end of history" thesis (1992), accelerated the above processes. Backed by the power and resources of the international financial institutions (IFIs), neoliberalism has become a ruling ideology that has gradually assailed our imagination and made it difficult to imagine an alternative to capitalism. Neoliberalism's pervasive reach is heightened by the way that it is territorialized, particularly in the global south through the apparatuses of the IFIs, through Foucauldian disciplinary forms of power that invasively reshape the self and produce new subjectivities (Barry et al, 1996), alongside efforts to reconfigure "the nature of economy-politics- society relationships" (Munck, 2005: 64).

In terms of the impact on political movements and struggles in the third world, and specifically the Palestinian liberation struggle against Zionist settler colonialism, I want to suggest that neoliberalism has not only undermined the idea and organized existence of collectives, but its matrix has colonized and usurped the terrain in which movements operate. In what follows, I will explain these claims further, and discuss the way neoliberalism has reorganized societies in way that not only attempts to depoliticize politics, but also attempts to replace progressive political worldviews, which name and oppose structures of oppression, with a micro, fragmented vision of society.

One observes these processes at work in what Pierre Bourdieu calls the neoliberal utopia of a "pure, perfect market" (1998: 96). This neoliberal utopia masks the exploitation of the market, and the actual misery, impoverishment and despair working class people and others have been subjected to by unregulated capitalism. Neoliberal market absolutism rests upon and is enacted through two associated offensives. The first is the neoliberal campaign to de-legitimate the state as the "main locus of national aspirations" and site of resistance to transnational imperial and capitalist subordination (Beckman, 1993: 21-23). The second is the attempt to collapse the notion of freedom into the narrow liberal conception of the individual pursuing her own self interests. Individualism is thus promoted at the expense of "national liberation ideas of socialism and the collective good" (Prashad, 2012: 47), and the concept of the citizen and the rights associated with it, is gradually replaced with consumerism (Munck, 2005: 65-66).

3 The invasion of market relations into social life is evident in advanced forms of the consumer society (Bauman, 2007) as well as in the privatization of public goods water, utilities. Here, the market logic of pure economic exchange and the "profit-driven" decision of the market (MacEwan, 2005: 172) begins to erode and replace the notion of public goods, social rights, principles, and even the fabric of social relations.

If neo-classical economics only recognizes individuals, than the neoliberal utopia of a perfect, self- regulating market proceeds through what Bourdieu calls "a program of methodological destruction of collectives" (1998: 96). He directs our attention to range of measures, including multilateral trade agreements, repression of unions, aimed at calling "into question all the collective structures capable of obstructing the logic of the pure market," the state, unions, cooperatives, political parties, even the family (ibid: 96). If neoliberalism promotes liberal individualism and free market capitalism as "the *one true path*," it does so by radically precluding and foreclosing other horizons and possibilities (Munck, 2005: 64). As privatization and deregulation have concentrated power in the hands of private corporations and removed their actions from social oversight and democratic accountability (MacEwan, 2005), the neoliberal assault on collectives has heightened the weakness and disarray of movements and struggles in the face of these forces, and predatory forms of capitalism.

These transformations have debilitated liberation struggles and movements against imperialist and capitalist domination in the global south at a number of levels. They have created a powerful hegemony that undermines our ability to see ourselves as collectives and has attacked this organizing framework. Neoliberal market orthodoxy has contributed to delegitimizing and marginalizing collective structures (unions, parties) in the global south, particularly in the Palestinian settler colonial context where IFI's have contributed to breaking up movements. At the same time, new invasive forms of consumption and consumerism have been promoted, which encourage the individual to seek fulfilment through an endless cycle of consuming and discarding goods, replacing collective goals and struggles.

The Arab uprisings radically and powerfully ruptured these forces and dealt a blow to the neoliberal imaginary, for the uprisings reclaimed the category of the "people" and thus the collective as site of agency and resistance. Yet, the neoliberal assault on collectives has not just happened at the level of ideas and the imaginary. It operates through with two disciplinary frameworks that have altered the very grounds in which movements organize; these frameworks are the de-politicization of politics, on the one hand, and attempts to replace progressive political worldviews with a fragmented vision of society, on the other. A discussion of each will illuminate these constraints.

Depoliticizing Politics and Replacing Radical Political Visions

The neoliberal project fundamentally recast the relationships within society in a way that has "depoliticized politics" (Munck, 2005: 64). The most obvious way this has happened is through the imposition of a new classificatory grid that divides and collapses society into two domains "state" and "civil society"

(Traboulsi, 2011), flattening out society into "civic associations," and therefore erasing classes, political forces, and movements. Amal Khreisheh, former PFLP activist, argues that the term "civil society" entered Palestinian national movement in the early 1990's at the time when the Oslo agreements were signed. She suggests that this discursive category arrived as part of a broader global trend in which political movements were marginalized and transformed into civil society; NGOs and civic organizations were promoted at the expense of political parties and movements, and began to replace the latter.[4] Fadwa Labadi, former DFLP activist, sheds light on how this happened, explaining that grants and donor funding contributed to breaking up the Palestinian women's committees' relationship to the grassroots. Instead of collective work with women, ties to the grassroots became individualized, organized through paid employees, as opposed to volunteers, militant activists and leaders: *individualized relationships to the grassroots, replaced collectivism* and direct involvement in both feminist and nationalist political struggles.[5]

These feminist leaders' observations direct our attention to a process whereby "civil society" was elevated as *the sphere of action* not only at the expense of politics and political struggles, but where the notion of political action, as well as democratic and once radical notions like "empowerment" were co-opted and colonized. The very *concept of action* was transformed and became "individualized and depoliticized" (Cleaver, 2001: 37). Thus, instead of civil society becoming a sphere to contest power and hegemony as in the Gramscian theorization of the term, "civil society" *appropriated the political*, and institutionalized a depoliticized politics that has redefined our imagination, and eroded possibility of peoples' struggles. Through the hegemonic praxis of civil society organizations, class and women's struggles have been displaced from the political field onto a bureaucratic realm where they are repackages though terms like "poverty" and addressed by finding the "right policy." This separates political questions from power, distribution of resources and structures of domination. The de-politicization of politics has made it harder for people to envision the tireless work involved in daily grassroots political organizing, collective mass action, what Munir Fasheh describes as:

> the time, tedious work, self-discipline, organizing, feelings of solidarity that are (created and) needed for the transformation of self, and society, of consciousness of the structure (1989: 558).

4 She also maintains that the weakness of the Palestinian political parties on the left and the absence of strong democratic structures within the parties hastened their downfall and led a series of transformation whereby party leaders and activists became heads of NGOs. Interview with Amal Khreisheh, former PFLP activist and Director of the Palestinian Working Women's Society for Development, April 5, 2012.

5 Interview with Dr Fadwa Labadi, former DFLP activist and Professor of Women's and Development Studies, Al Quds University, April 16, 2012.

Our understanding of politics, struggles and grassroots organizing has been colonized by the neoliberal reconfiguration of relations within society, where notions like "social capital," which once stood for grassroots community organizing, have been codified "in neoliberal economic terms" (Munck, 2005: 66) and mobilized to serve and legitimate the market. This reflects the underlying way neoliberalism attempts to promote market enhancing or "market friendly" roles for civil society (Mohan and Stokke, 2000: 251).

The depoliticisation of politics has been accompanied by another disciplinary framework that attempts to replace holistic progressive political worldviews with a fragmented, micro vision of society. Fawwaz Traboulsi argues that this fragmented vision of society has proliferated through the discourse and conduct of NGOs "that have worked to separate society's sectors and issues from one another – typical of "post-modern" micro-narratives" (Traboulsi, 2011: 16). This fragmented vision has further atomized societies, fragmented and isolated class, gender, and national struggles from one another. At the same time, radical liberatory politics that seek to transform structures of oppression have been replaced by the NGO modus operandi – that integrates actors into the prevailing systems of power. Civil society's ascribed role is often to oversee state or worse legitimate market, replacing the radical impetus to overturn structures of oppression. This modus operandi be described as one in which depoliticized civil society organizations work within isolated "sectors" in line with a "new managerialism" (Desai and Imrie, 1998, quoted in Mohan and Stokke, 2000: 250). These organizations devise state policies and laws, or promote the inclusion of marginalized groups in prevailing structures and decision-making processes, integrating subordinated groups into the dominant economic and political order. The result is a hegemonic gaze and fragmented praxis where "women," "sustainable development," "poverty," "human rights" are conceptualized as separated sectors; they are not seen and understood as an integrated totality, located in structures of power and a system of domination (Traboulsi, 2011). This fragmented vision, therefore, separates these issues out from the macro structures and power relations at the national and international level that have determined and are responsible for deprivation and subordination along class, gender and national lines (Mohan and Stokke, 2000).

In the Palestinian settler colonial context this fragmented vision of society has had a devastating impact for it separates social and economic conditions out from the national level and the overarching settler colonial system of oppression. Donor civil society funding for Palestinian organizations has focused on internal social issues of "state-building" and has been completely severed from the national struggle. Moreover, this has contributed to severing the linkages between struggles for social and economic equality and the national liberation struggle, and contributed to delinking movements, such as the women's movement, from the national movement (Hammami and Kuttab, 1999).

The neoliberal project, therefore, has severely undermined political movements and liberation struggles in the global south. Neoliberalism has not only undermined collectives that can resist the market but has worked to depoliticize politics and replace radical oppositional worldviews that seek to transform systems of domination.

2. Rebuilding People's Power: Palestinian Popular Organizing in 1970-80's - Oppositional Liberation Consciousness

> "a successful action is only as effective as the radical imagination that preceded it" (Rira, 2011).

What lessons can be learnt from the Palestinian popular organizing in the 1970-80's to rebuild a Palestinian people's movements for liberation? As the above quote suggests, a struggle is only effective as the consciousness that preceded it. One of the first lessons from the Palestinian popular struggle is that one of the underlying conditions for a collective movement against oppression is the cohesion and vision offered by an oppositional political worldview, or what can be describe as a liberatory consciousness that understands how systems of domination work. By definition a liberatory consciousness not only seeks to transform structures of domination, but it seeks to *replace* these structures with alternative relations, identities, and ways of organizing society.[6]

In the aftermath of the neoliberal restructure of political life and its colonization of the political, it is this holistic critical consciousness that needs to be reclaimed. In terms of the present, we need to learn from the radical emancipatory worldviews articulated by these third world liberation struggles, in order to reclaim a holistic critical conceptualization of systems of oppression in order to be able to look beyond and define alternatives to systems of domination. In learning from the Palestinian popular struggle, it is clear that this oppositional political consciousness is predicated on a process whereby the colonized break away from the colonial worldview, its binary division of the world, reclaiming the power that resides in the colonized, and the creative potential modes of power that can be actualized through the people. However, it is clear that a liberatory consciousness on its own is not enough; it requires a structure and framework through this critical consciousness can spread and can be translates into a daily praxis of resistance and modes of struggle, consolidating a people's mass movement.

6 The notion of a liberatory consciousness and some of the theoretical concepts and discussion in this paper are based on a forthcoming study by Linda Tabar and Ala Al-Azzeh on popular resistance in Palestine which will be published by the Institute of Palestine Studies.

In the 1970's, it was the Palestinian Liberation Organization (PLO) and the broader third world anti-imperial liberation struggles that provided an emancipatory political worldview through which an oppositional liberation project consciousness was articulated. The Palestinian political parties, particularly the communists, were the carriers of this consciousness and began to organize Palestinians under Israeli colonial rule in the West Bank and Gaza, to create their own forms of power outside of colonial structures of control. The parties created a framework through which a people's struggle for national, economic and social liberation could be waged. In what follows, I will return to the 1970's and begin by examining the way the parties, specifically the left, created the conditions that enabled the formation of a mass people's movement, in order to learn from this experience.

This inquiry is all the more important given the impact that the Oslo agreements have had on the Palestinian national movement. The signing of the Oslo accords in 1993 both signaled and brought with it the defeat of the liberation project and the oppositional radical consciousness that had defined the Palestinian struggle for decades. By signing the Oslo agreements, the PLO agreed to confer legitimacy on the Zionist settler colony even as it continues to oppress the Palestinian indigenous population (Massad, 1994). The Israeli state became a "negotiating partner" as opposed to a racialist settler colonial state established through the dispossession of the Palestinian people in 1948. The Palestinian liberation struggle's interrogation of Zionist settler colonialism, its denial of the legitimate presence and rights of native Palestinians in the entirety of their homeland was displaced. Moreover, Palestinian progressive visions of liberation, such as a secular democratic state in all of Palestine, were fully excised from the official nationalist project.

The Oslo agreements were the outcome of the rise of "realist-pragmatic" wing of the PLO (Massad, 1997). Joseph Massad decodes the Palestinian leadership's realism not only as "moderation" and but as willingness to accommodate to Palestinians "reality" (Massad, 1997: 24). Behind this realism, and the Palestinian leadership's new desire to yield to colonial realities and the colonial terms of Oslo, is a bid for external western recognition. This points to a type of a defeated consciousness that has internalized the colonial worldview and seeks to assimilate itself to the western state project, discarding the anti-colonial struggle for the liberation of Palestine. This consciousness has therefore lost sight of anti-colonial agency and power available and can be actualized by the colonized.

2.1 The Palestinian People's Movement and Its Conditions of Possibility

Turning to examine the 1970-80's, I will begin by reviewing the role of the political parties in creating the foundation for a people's movement for liberation. The leftist parties performed three important roles; the parties were the carriers of a political

consciousness that had a vision for how to transform oppressive structures; they invested in building people's power, and they created decentralized, fluid structures to translate resistance into a daily praxis and transform it into a movement. By reviewing each in turn I will identify important insights for the present and lessons for political organizing and rebuilding a people's liberation movement.

Looking back at the 1970-80's, an activist from the PFLP in Dheisheh refugee camp summarizes the nature of the Palestinian popular movement that culminated in the first *intifada* as follows:

> We struggled to create the conditions for a dignified life and a humane existence in inhuman conditions. We did this through direct action and the collective ties and bonds that the movement created.[7]

The process of grassroots organizing that led to the first uprising traces back to 1972, and began with the formation of the voluntary work movement that was established by the communists. Rooted in principles of collective solidarity, voluntarism and direct political action, the movement set out to provide a popular people's alternative to the services and institutions (i.e. such as the municipalities) that were linked to the colonial apparatus. The communists set up voluntary work committees, led by urban middle class activists, which began to perform "community work and mostly manual labor" in marginalized areas and in refugee camps (Taraki, 1989: 59). Voluntary work became a way of intervening and working in solidarity with peasants and other marginalized groups. This created a form of direct action that built popular alternatives to address people's needs, *delinking* from the colonial apparatus. These popular interventions ranged from working with farmers to reclaim and work the land, protecting it from colonization, to paving roads, fixing sewage and improving conditions in marginalized peripheries and in the camps.[8] The decentralized, democratic formations that were set up by the voluntary movement inspired and became the basis for the popular committees that led the first *intifada* (Bargouti, 1990: 108).[9] Popular alternative formations expanded following the eruption of the *intifada* and ranged from alternative popular education, to a popular economy, neighborhood committees, women committees and a range of other popular structures.

7 Focus group with activists from Bethlehem, Dheisheh refugee camp, April 27, 2012.

8 Interview with Muharram Barghouti, former leader of the voluntary movement and General Director of the Palestinian Youth Union, February 14, 2012.

9 number of coalescing factors reinforced the grassroots organizing, including the establishment of Palestinian National Front in 1973, which was formally linked to the PLO and promoted popular mobilization. This was followed by the elections of nationalist mayors in 1976, which introduced measures to support the voluntary work movement (Taraki, 1989: 58-59).

Scholars have described this moment in the Palestinian national struggle as one which marked a shift from the "military bureaucratic apparatus" of the PLO in exile to grassroots political mobilization to meet "the needs of concrete social groups" (Tamari, 1991: 13). Yet, what is distinct about this moment, and marks it off as a rich example of an indigenous people's struggle, is the double way it sought to delink from the structures of direct colonial Israel rule – taxation, services, employment in colonial civil administration etc. – and create a popular alternative, an alternative power, what was described in the *bayanat* (leaflets) of the uprising as a "people's authority" (Ibid).

This directs our attention to a double process of resistance which, on the one hand, worked to disrupt and destroy colonial patterns and structures of control, and on the other, create popular alternatives, which could enable society to sustain a struggle to transform the structures that perpetuate national, as well as social and economic oppression. For instance as explained below, popular measures like the call to return to the land and the cooperative movement, were meant to replace economic subordination and dependency on the colonizer, and give Palestinians autonomy and therefore the power to confront colonial rule and directly resist the colonization of land. The leaflets issued by the Unified National Leadership of the Uprising (UNLU), which directed the first popular uprising are replete with evidence of this anti-colonial emancipatory vision and praxis. For instance, Leaflet No 16 salutes the popular committees for building "alternatives to the crumbling apparatus of the occupier," leading the people in civil disobedience and creating the foundation for a "people's authority" (UNLU Communique 16, 1988: 112).

This double process of shaking off structures of oppression, and the militant "civil insurrection" that accompanied it, succeed in demonstrating that Palestinians "could not be governed by colonial rule" (Hammami and Tamari, 2001: 6). Yet it also did more than this, it created a framework for a progressive alternative to the colonial order. The mass resistance, in the first instance, opposed the Israel colonial political domination over Palestinian lives, and efforts to integrate and subordinate the economy to Israeli colonial interests. It was a mass revolt against these processes of domination and that sought to overthrow colonial rule. Yet, at same time, this people's struggle also created the infrastructure for an alternative to capitalist exploitation and patriarchal subjugation. The popular people's alternatives, the cooperative movement and the popular economy, were not only a basis for resistance, but they laid down the basis for a different order and organized social and economic life according to principles of social and economic equality (Abdul Hadi et al, 1992: 171).

The Palestinian people's struggle of the 1970-80's, therefore, typifies what Freire describes as a humanizing struggle for liberation where the oppressed "rename the world" as defined and imagined by the oppressor – by colonial and

imperial worldviews – in order "to change it" (quoted in Fasheh, 1989: 554). It reflects the revolutionary potentiality Fanon associates with national liberation movements and their struggle to create "a new concept of man" (1963: 143), a "new form of consciousness and way of life" (Pieterse and Parekh, 1995: 3) that transcends the colonial and imperial worldviews, their racial hierarchies and Eurocentric paradigms. Fanon also insisted that the third world project to build a new human requires a global "redistribution of wealth" and liberation from capitalism and imperialist forces that have caused the material deprivation and economic subordination of the third world (1963: 143). These overlapping notions of liberation underpinned and informed Palestinian popular organizing in the 1970-80's. The leftist parties worked to organize people against interlocking forces of oppression, national oppression, and economic exploitation, and patriarchal dominance and invest them with an understanding of their overlapping rights.[10] Moreover, Eileen Kuttab suggests that at the time the understanding of these structures of domination and the relationship between them was much more sophisticated than today; unlike the present, at the time it was very clear for the popular movement that "economic liberation was necessary for national liberation."[11]

In order to learn from this rich experiment in building a people's struggle for liberation it is crucial to understand that the popular organizing of the 1970-80's was a microcosm of a broader vision of liberation. As the agents organizing the people, the parties, specifically left, were the carriers of an oppositional consciousness and a vision of liberation that guided grassroots organizing. It is this holistic critique of systems of domination and the ability to offer an alternative vision which we need to reclaim today. In order to learn from this experience, it is important to look at the constitutive determinants of this liberation consciousness.

2.2 The PLO, Third World Liberation Movements and an Alternative Worldview

In contrast to the confines of the present, where neoliberal capitalism has eroded our ability to imagine alternatives, and the where Oslo process has defeated the liberation project and consciousness of the PLO, in the 1970's the factions of the PLO articulated a progressive anti- colonial, anti-imperial and anti-racist vision of liberation that addressed the root causes of domination. The mainstream faction Fatah located the causes of national oppression in the Zionist settler colonial ideology, its colonial racism and its dehumanizing denial of the presence and rights of the native Palestinians. The PLO's program to establish a secular democratic

10 Interview with Dr Fadwa Labadi, ibid.

11 Interview with Eileen Kuttab, Professor Institute of Women's Studies, Birzeit University, May 21, 2012.

state in a liberated Palestine, initially proposed by Fatah in 1968 (Gresh, 1988: 17), was meant to provide a framework for liberation and decolonization where settler and native could live together in equality as conditioned on the decolonization of Zionism. Locating the source of domination in Zionist settler colonial racist ideology, the PLO maintained that the secular democratic state was predicated on Jews renouncing Zionism, colonial racism and their colonial privileges (Abu Iyad, 1969). By critically diagnosing structures of oppression, the political parties were able to clearly define an alternative and invest people with a liberatory consciousness that understood both the causes of domination and could see beyond to a just order.

Surveying some of the new movements today, one can see why this is so important. Emerging new movements such as the youth movement are not rooted in the same holistic understand of systems of domination. These movements suffer at times from an inability to offer solutions, ways forward or a long-term strategic vision because these actors have lost sight of an understand of structures of oppression. They lack a liberatory consciousness that has a clear vision for how to transform structures of domination. This is not to deny that a critical consciousness is created in the course of praxis and struggle. Indeed, one of the most powerful ways in which consciousness shifts is during the course of struggle, as one directly confronts systems of domination and one begins to understand how they confine and restrict peoples' lives. That said, my aim here is to draw attention to the need to learn from this historical experience and underscore the need to reclaim a critical conceptualization of systems of power and oppression. At the same time, other movements such the Palestinian movement for Boycott Divestments and Sanctions (BDS) against Israel are trying to restore and rebuild the oppositional political consciousness that was defeated by Oslo and transcend distorted political visions. The movement is reinvesting people with a critical understanding of the nature of the Israeli settler colonial oppression, and analyses it as a three tier system of oppression made up of a military occupation, apartheid and settler colonialism.[12]

In addition to the mainstream party's role in diagnosing national oppression, in the 1970's the leftist parties offered a broader comprehensive analysis of the interlocking and mutually reinforcing nature of the relationships between Zionist settler colonialism, western capitalism and imperialism. For the PFLP and the DFLP, the liberation of Palestine was tied a broader anti-imperial struggle for the political and economic liberation of the Arab periphery as a whole. The left, as Arab nationalists, were part of the broader third world project, its struggle against

12 The Unified BDS Call asks movements and individuals throughout the world to impose boycotts and sanctions until Israel end its system of "colonialism, apartheid and occupation," and end its oppression of all of the Palestinian people, not just those in the occupied territories. http://www.bdsmovement.net/apartheid-colonisation-occupation.

imperial political domination, and economic subordination of the third world by the core capitalist economies and western capital. The Palestinian left, therefore, defined the "national war of liberation [as] our starting point on the road to progress" (PFLP, 1969: 225-226) where progress was no longer predicated on non-western nations being subordinated to western capitalist interests. Instead, *progress was redefined as the right of third world peoples to control their own resources*, and use them to develop their societies on equalitarian lines, according to *socialist and democratic principles*.

This is why the Palestinian leftist factions that were leading the grassroots organizing in the 1970-80's regarded economic liberation as necessary for national liberation. Like other Marxists, third world liberation movements, they were conscious of the need to liberate the economy from the grip of western capitalist interests in *order to use it as an instrument for the betterment of their own people*. Moreover, the grassroots modes of organizing and the critical modes of consciousness the left tried to invest in people were a reflection of this emancipatory worldview, and its critical conceptualization of power. This once again underscores the need for movements in the present to reclaim such a critical holistic diagnosis of structures of domination in order to be able to provide a clear vision for how to transform structures of oppression. Khitam Saafin head of the women's committee of the PFLP affirms this and explains that the party's emancipatory worldview determined the forms that grassroots organizing took. She explains that when the PFLP's women's committee was first established it studied other revolutionary experiences looking for a mode of organizing which could strengthen people's *sumud* and provide a framework to resist both national and economic domination in line with their critical understanding of these systems of power.[13]

2.3 People as Power

The second way that the political parties created the conditions for a popular people's liberation struggle was by reclaiming the people as a site of power. In doing so, the parties threw off colonial ideologies designed to keep people in a state of passive submission, surrendering their power to the colonial system. The left took the lead in this process. As Fadwa Labadi explains, the left prioritized working with the grassroots, politicizing them and supporting them in their daily struggles because the left "recognizes that *the people are a source of power*. Liberation needs mass mobilization, collective action where peoples' collective energies are channeled towards this goal."[14] Affirming the people as the *means*

13 Interview with Khitam Saafin, Head Union of Palestinian Women's Work Committee, April 19, 2012.

14 Interview with Dr Fadwa Labadi, ibid.

and the *goals* of the struggle, the movement "invested in people's potential, abilities" and their belief in their own agency (Kuttab, 1989: 137). In doing so, the movement released peoples' energies and tried to enable them to reclaim the power they had surrendered to the colonial system (Anteant, 2011). At one level, organizing the people was strategic, as Lisa Taraki explains, for the mass organizations and popular committees that were set up by the parties in the 1970's were harder for the Israeli colonizer to "target and destroy" and could protect political work because of their "informal and amorphous" character (1989: 61). Yet at another level, the left saw the people as a space in which to build autonomous forms of power that could buttress the struggle to create alternative realities.

The significance of this attempt to reclaim the people as the locus of power, and its relevance for today lies in the way it overturns the colonial hegemony through which the domination over the colonized is exercised. The colonial system seeks to justify its oppression by dehumanizing the colonized indigenous society; it depicts the colonized as without values or agency, as a "corrosive element," and tries to convince them that must be "saved" from themselves by the colonizer (Fanon, 1963: 6, 149). It locates power in the symbols of colonial authority, the police, the barracks, and the state. The colonial hegemony leaves one option for the oppressed to submit to domination and "adopt the ways of the master" (ibid: 7). This racist colonial worldview denies the agency, creative thought and potentiality of the colonized. As Aime Cesaire maintains this racist colonial discourse debases the colonized and propagates the view that "these negroes can't even imagine what freedom is... It is the white agitators who put that into their heads" (1955: 60). This colonial discourse prevents colonized intellectuals and leaders from linking with own people and developing other creative forms of power that are not based on domination.

Today, it is precisely the internalization of this colonial worldview which explains the conduct of the PA, its "realist" politics and its ongoing efforts to beseech the west and prove that Palestinians are "worthy" of a state. This colonized consciousness seeks to assimilate itself to the values and modes of power of the oppressor; it internalizes the view that the oppressed are devoid of agency. In contrast to this, in the 1970's the communists and the left as a whole radically rejected this colonial worldview, its attempt to instill powerlessness in the colonized and associate power with colonial symbols and modes of domination. Popular organizing sought to dislodge Palestinian from a state of submission, restore their power and their ability to build alternative democratic, equalitarian alternative formations of power. Salim Tamari reminds us of the total nature of the power that Israeli settler colonialism exercised over Palestinians at the time, through its efforts to integrate an all-encompassing system of domination:

> Every seam of Palestinian daily life has been embedded over the years with the consequences of this integration... Israeli rule should not be seen only as a system of control, but also as the totalitarian adaption of Palestinian life to the conditions of this control in every person's consciousness – or rather in the Palestinian unconscious (1991: 15).

In opposition to this system, this left tried to take back people's power and build autonomous counter formations of power in two ways. Firstly, the parties did this by organizing people through the popular committees and the mass organizations which mobilized youth, women and workers. Through these structures the left "spread Marxist thinking" and worked with the oppressed in their daily struggles to make them aware of how national oppression, economic exploitation and patriarchal domination work and repress people in their daily lives.[15] They were trying to build the consciousness of the oppressed and create militant subjects who could reclaim their power and use it to confront overlapping systems of domination. Labadi explains how this worked in practice, recounting how the DFLP worked with teachers in the late 1970's to organize a series of strike to struggle against these overlapping forces. She explains that strikes were used to demand an increase in wages for Palestinian teachers, comparable to what Israeli teachers were receiving at the time, and at the same time fight for a national curriculum.[16] Likewise, the women's committees worked with women to help them understand the nature of patriarchal domination and "challenge patriarchal structures and male control over their lives,"[17] while mobilizing women to resist Israeli settler colonialism. In other words, the committees worked with the grassroots to shift peoples' consciousness and empower them in the sense of enabling them to shake off structures of oppression (Fasheh, 1989: 557-560).

The committees' attempts to restore power to the people sought to actualize individuals as agents in an ongoing struggle for liberation, which would bring with it forms of emancipation on way, reclamation of dignity, new forms of social equality and workers' rights and a more human economic order. This all-encompassing form of people struggle casts critical light on the present and makes clear how narrow and confined our conception of struggle, and ability to see our own power, has become. Unlike today therefore, where neoliberal hegemony has succeeded in depoliticizing action, where people have become separated from power and struggle, people's power was about recognizing that each system of domination perpetuates itself by virtue of the power we surrender to it. It was about realizing

15 Interview with Dr Fadwa Labadi, ibid; Interview with Eileen Kuttab, ibid.

16 Interview with Dr Fadwa Labadi, ibid.

17 Interview with Khitam Saafin, ibid.

the possibility of people creating alternative humane, non-dominating egalitarian forms of power, *by first and foremost restoring power to themselves*. Today we have lost sight of the various manifold forms of power the colonized can reclaim – that begin firstly by refusing to give legitimacy to a system of oppression by engaging with it. The wide calls today for boycotting and therefore disengaging with the Israeli colonial system in all its forms, from the BDS movement to similar calls made by Marwan Barghouti (Abu Saada, 2012), are about reclaiming our power from this system, disengaging again from colonial apparatus and stripping it of legitimacy. Yet, as I shall now turn to explain, the Palestinian movement people's power went further than this. It was also buttressed by a theorization of resistance that sought to build modes of autonomy that could enable and sustain a collective long term struggle.

The second way the parties invested in the power of the people was by trying to build autonomous forms of power, pillars that could help sustain a long-term struggle for liberation. Much of this was grounded in local theorizations of resistance by intellectuals and activists in the occupied territories, particularly the notion of *sumud muqawim* developed by Ibrahim Dakkak and the *Arab Thought Forum*. This locally articulated concept, which reflected wider local theories of popular struggle, such as Adel Samara's notion of strengthening *sumud* by building a popular, protected economy (2005), represents the underlying philosophy that informed the work of the popular committees.

Dakkak and others developed the concept *sumud muqawim* as a critique of the PLO's vision of "passive *sumud*". This latter informed the work of Palestinian-Jordanian Joint Committee, which distributed funds for static *sumud* that just sustained the "physical existence of the Palestinians" (Dakkak, 1988: 288-289).[18] Dakkak critiqued passive *sumud* as highly detrimental for the Palestinian struggle, and regarded it as promoting pacification and accommodation to oppression by replacing resistance to colonialism with dependence on the funds distributed by the Joint Committee. Recognizing the nature of Zionist settler colonialism as bent on colonizing the land and permanently subjugating the Palestinian natives or replacing them altogether, he theorized the need to link *sumud* (steadfastness) and *muqawami* (resistance) together into a single praxis. He envisaged the single praxis of *sumud muqawim* as giving people autonomy through independent power, such as economic self- reliance, which would enable them to resist oppressive conditions and engage in a long-term struggle for liberation (ibid: 306-307). Dakkak applauded the way the voluntary movement sought to create what the Higher Committee for Voluntary Work described as "a new human" and "a new ethics" (quoted in ibid: 305) rooted in independence, self-reliance from the

18 Following the Baghdad Summit in 1978, the PLO-Jordanian Joint Committee began distributing Arab *sumud* funds to the Palestinians in the occupied territories. For more details see (Dakkak, 1988; Tamari, 1991).

colonial system, where the together the colonized would reclaim their collective power and redirect it towards struggle.

Thus *sumud muqawim* was about moving from defensive forms of survival to offensive modes of struggle: a continues process of confrontation and resistance that meant not only confronting the colonial political apparatus, but expanding agriculture, reclaiming resources and creating a resisting economy that could sustain people and enable daily conquests in a cumulative struggle for liberation (de Carvalho, 2006). The whole idea of giving people autonomy and independent power to sustain a continuous process of struggle was rooted in a theory of the economy and its relationship to the political, which I will explain below. In terms of lessons for today, this reminds us that struggle is a holistic process. Today our conception of political struggle has become radical diminished and reduced to the colonized participating in isolated protects, whether organized by the Palestinian youth movement or isolated direct actions organized by the popular committees against the apartheid wall. It is necessary to reclaim the vision and the spirit of confrontation, as grounded and buttressed by counter modes of power that can fortify, anchor and sustain a process of struggle.

2.4 Organizing Structure

The final way the parties created the condition of possibility for a people's struggle for liberation was by establishing a structure to organize people, which enabled the vision and consciousness of liberation to spread and be translated into a daily praxis. In the mid 1970's to early 1980's, the political parties created mass organizations, popular committees, women's committees, workers unions and student organizations, inspired by the voluntary work committees that were set up by the voluntary movement. The communists were not only the main force behind the voluntary movement, but they also prioritized popular organizing, and set up workers' unions and student organizations in mid 1970's as part of an attempt to rebuild the movement and locate it in a popular base after many of its leaders and members were arrested by the Israeli colonial state.[19] The DFLP, were women played a strong central role in the party, took the lead in setting up organizations for women, the female members of the party set up the first women's committee in 1978 (Hasso, 1998).

Most of the mass organizations described themselves as "mass democratic frameworks" (Taraki, 1989: 62). This reflected both the decentralized, democratic and often collective run nature of these formations, as modelled along the example set by the voluntary committees (Bargouti, 1989). Moreover, although the mass

19 Interview with Bassam Salhi, Head of the People's Party, March 21, 2012.

organizations were part of the parties, they were not fully subordinated to a central party apparatus; rather they were much more fluid and popular run entities that were linked to a higher national committee, as inspired by the voluntary movement. Later, cooperatives and home economic projects were also set up and run by the popular committees, and directly linked to the parties and their political worldview. The self-designation of the mass organizations as "democratic frameworks" directs our attention to another dimension of the movement. The label reflects the progressive outlook of the mass organizations, specifically, the democratic as well as equalitarian principles along which the committees sought to organize people, build alternative non- dominating relations, and in the process a liberated "new human."[20] I will explain this further below. For now, it is important to explain why these structures were so important.

The structures were significant as they created an infrastructure for resistance which transformed grassroots organizing into a daily praxis and a mass based movement. These structures were a crucial factor as the provided a framework for mass based politicization and mobilization; this incorporated a wide alliance of classes and previously excluded social groups into the movement, from workers, urban intellectuals to peasants and refugees, consolidating actions into a coordinated collective struggle (Taraki, 1989). Tamari takes this further and describes the popular committees as the "organizational crucible for the uprising" (1991: 22). He explains that the committees "succeeded in creating a vast organisational network" and "mobilized thousands of people" (ibid: 25). But more crucially, the committees were the framework through which daily organizing was coordinated and proceed. This enabled the liberation struggle to translate into a routine daily praxis, or in the words of deported UNLU leader Ghasan al Masri it allowed "revolt to become a patterned activity" (quoted in ibid: 23).

The relevance of this model of struggle for today lies in the way it radically disrupts the depoliticized individualized notion of action that has now exerts a hegemonic hold over our imagination, and is a part of the neoliberal reconfiguration of the political. *It is a reminder that structures are necessary not only to mobilize the people but to transform spontaneous collective resistance into daily praxis and struggle for liberation*. In other words, structures are needed to enable the potentiality of people's power to be transformed into praxis and continuous modes of struggle. The revolutions underway in the Arab world confirm this view. Today, activists in Egypt attribute the weakness and incomplete nature of the revolution to the absence of a structure capable of mobilizing social forces and workers in a way to bring their full power to bear on the regime (Hamalawy, 2011). One can learn a lot from organic grassroots committees that the Palestinian national movement created in the 1970's in order to imagine new modes of political organizing.

20 Interview with Bassam Salhi, ibid.

As Traboulsi argues, the traditional model of the vanguard party, which was characterized by a rigid hierarchy and patronizing attitudes towards the grassroots failed, and as such, we are at a juncture where the parties need to rebuild themselves, while learning from the failures of the past (2012). Moving beyond the neoliberal framework of state/civil society and rebuilding political struggles requires a new model and framework for political organizing that can avoid the limitations of the vanguard party (ibid). The decentralized, democratic popular committees of the 1970-80's illustrate the possibility of a different model. This decentralized, flexible mode of organizing managed to combine economic projects to meet peoples' daily needs with the struggle for social and political liberation. These popular formations were run by party members and activists at the grassroots level, *as guided by the party*, its ideology and directives, and were not subordinated to a vanguard elite as in the traditional model of the party.

3. Sustaining a People's Movement for Liberation

3.1 Linking the Individual to the Collective through Alternative Horizontal Relations

The Palestinian grassroots movement of the 1970-80's also offers important lessons for how to sustain a people's struggle for liberation. In delinking from the colonial apparatus and seeking to reclaim the power surrendered to the colonial system, one of the important aspects of this movement is the way that it replaced Israeli settler colonial attempts to atomize and control Palestinian society with alternative non-dominating horizontal relations. Mutual forms of support, the practice of solidarity and voluntary work enabled subjects to overcome atomization, build horizontal relations rooted in national principles that allowed the colonized to actualize and sustain power in collective action and struggle. At the same time, in weaving a broad class and social alliance together in this manner, the leftist parties created a progressive national consciousness that tried to replace submission to colonial domination with democratic and equalitarian relations, establishing the contours of an alternative to the colonial order.

Much of the foundation for the first *intifada*, the infrastructures for resistance, the organisational framework, the popular theories of resistance and the horizontal national social relations, were all laid down in the 1970's, largely through the work of the voluntary work movement. If the voluntary movement sought to "build a new human," it strived to transform the oppressed into autonomous self-reliant subjects who could rely on themselves and each other, where their very bodies and basic manual labor were the means used to build popular alternatives and strategies to combat settler colonialism. This new performative praxis gave rise to new "national ethics," new forms of mutuality and the principle of not

just standing in solidarity with their fellow oppressed in the face of colonial apparatus, but intervening through physical work to overturn these oppressive conditions together through direct action. The Higher Committee for Voluntary Work describes their philosophy as follows:

> We do not only build a wall or pave a road. We build a new human being... Working on the land voluntarily and extending help to the village and institutions is an exercise of the first degree. *It helped in the crystallization of a new set of ethics*, dearly nurtured by the Higher Committee. Our purpose is to turn voluntary work... into a workshop and a school, both able to provide our Palestinian people with *pioneering individuals abiding by national ethics*, firmly anchored to the land and highly dedicated to the national cause, *(proving themselves) through their sweat and labor*" (emphasis added, quoted in Dakkak, 1988: 305).

As indicated in this quote, voluntary work consecrated new ethics. Leaders of the movement describe this as a process wherein the local tradition of *awneeh*, a traditional form of solidarity and mutual support where peasant communities assisted one another during the harvest, was extended from level of the community to the nation as a whole.[21] Salhi suggests it was reconstituted as an anti- colonial national praxis where one worked for the *balad*, the homeland and the collective good, out of political commitment not an expectation of profit or material gain.[22] It not only unified people, it shaped a collective political consciousness in which the colonized affirmed as themselves as a collective, saw themselves as both working to help each other, particularly those facing immediate colonial aggression, and working for the overarching goal of national liberation.[23] There was no contradiction between individual, groups and the collective as a whole – individual, group, women's, workers' empowerment were seen as integrally linked to collective empowerment.

The Israeli settler colonial attempts to pacify and control the Palestinian natives were therefore replaced with alternative horizontal bonds and collective solidarity that wove people together in resistance to domination. This created "an opposing hegemony" and normative infrastructure through which collective action and struggle could be organized and sustained (Farsoun and Landis, 1990: 18). The committees, the new social relations they established succeeded in:

21 Interview with Muharram Barghouti, ibid.

22 Interview with Bassam Salhi, ibid.

23 Interview with Muharram Barghouti, ibid.

> knitting the people together in a web of reciprocal relations, mutual cooperation, and solid, politically conscious bonds, creating a "woven fabric" of hegemony that could unite many threads of Palestinian society which traditionally were separated by conflicting objectives (ibid: 27).

The woven relations and the new national ethics that promoted the colonized pooling their bodies and power together against the colonial apparatus, enabled individuals to "exercise power in collective action for liberation" (Kuttab, 2010: 248). It consolidated a sense of collective responsibility towards one another, towards the different parts of the nation, and the collective as a whole, in the course of the struggle for liberation. An activist describes this as the secret of first *intifada*, which enabled resistance and collective struggle to be sustained in the face of Israeli colonial repression and violence:

> It was not like today, in which there are link between the social groups and sectors of the colonized society. If one was hurt by the colonizer, i.e. Gaza was hit, all feel it, and others respond to mitigate and counter effects. UNLU addressed social groups and classes directly, with directives, ways to support others and outlining collective solution that helped sustain the movement.[24]

Taking this further, Fadwa Shaer summarizes the way these horizontal alternative relations broke the colonial system of fragmentation and unified the oppressed into a counter-power around a commitment to the struggle for liberation. The voluntary work and the horizontal relations it was based upon:

> built a praxis in which people worked for collective goals... It tied the individual to the national level, the family and neighborhood were organized by popular committees.... Voluntary work created a collective sense of responsibility. People saw themselves as part of a collective and were willing to work for collective national goals; they did not just see themselves as individuals. This means that any action, political or developmental they were ready to go, without funding, and act out of their own sense of commitment. Unlike today.[25]

24 Interview with Sameer Khraishi, youth activist, Assistant Credit Manager, ACAD, May 7, 2012. Scholars remind us that during the first *intifada* communal solidarity manifested itself in the mobilization of ongoing support to overcome Israeli punitive measures against the uprising, enabling people to withstand such aggressions. For instance, workers would volunteer to repair merchants' shops damaged and broken open by the Israeli army in an attempt to break commercial strikes, promoting the steadfastness of the merchants (Tamari, 1990: 164). This highlights crucial ways society develops its own ways of overcoming Israeli colonial attempts to assault the collective.

25 Interview with Fadwa Shaer, former Fatah activist, General Director NGOs in Ramallah, Ministry of Interior, April 3, 2012.

This rich model offers many important lessons for today. The entire neoliberal order of the present is, as explained above, predicated on an assault on collectives and a new paradigm of modernity that seeks to reproduce liberal individualism, negating collective held goals, including the collective good and national liberation. In the Palestinian colonial context today, the neoliberal drive to produce atomized individuals has worked hand in hand with settler colonial efforts to fragment and break up the indigenous society. The horizontal relations of the 1970's that unified and sustained the people into a body and counter force, underscore the need to rebuild collectivism, and re-establish the overlapping forms of identification that re-link individuals to the overlapping collective project and the national aspirations that bind them all together. Transcending individualism and the fragmentation of society requires reclaiming the basic premise that neoliberal individualistic notions "empowerment" have worked to undo, namely *that individual or group empowerment is incomplete and unsustainable without collective empowerment and national liberation*. Moreover, the experience of the 1970-80's also reveals the importance of alternative relations rooted in principles, such as solidarity and the valorisation of voluntary work, according to which one acts on the basis of commitment. This normative political infrastructure links the collective around a shared emancipatory worldview.

3.2 Progressive National Consciousness

At the same time, in building these horizontal relations and organizing the people into a movement, the left also shaped a progressive nationalist consciousness. Specifically, as the communists intervened through the voluntary movement to activate the oppressed and transform their individual agency into a collective power, they worked to breakdown social divisions as well as gender and class hierarchies. In other words, the movement not only strived to unify the nation through alterative horizontal bonds, but worked to build democratic and equalitarian relations. Fanon explains the significance of this type of organizing as one that transcends model of the hero or charismatic leader and invests in the people as the agents of change and does so what he describes as "elevating their minds" through political education and praxis (1963: 138). The importance of this lies in the way that it transforms nationalism from empty symbols valorizing an "authentic" national cultural and traditions into social and political consciousness and progressive vision of society (ibid: 142). As Fanon asserts:

> If nationalism is not explained, enriched, and deepened, if it does not very quickly turn into social and political consciousness, into humanism, then it leads to a dead end... Only massive commitment by men and women to judicious and productive tasks gives form and substance to this consciousness (ibid: 144).

In mobilizing the grassroots and trying to build a people's movement, the communists linked people in "productive tasks" that worked to break down social hierarchies and unify people across class and social divisions. According to Muharram Barghouti one of the leaders of the voluntary movement:

> Voluntary work tried to overcome class division and differentiation. Professionals, intellectuals etc. all went and volunteered in the same capacity. All participated in cleaning the streets, for instance. There was no hierarchy.[26]

In a similar manner, the movement also strived to challenge social hierarchies and patriarchal subordination of women. Salhi explains that voluntary work:

> Challenged social norms, gender divisions and female seclusion. Women's work was promoted and women's role was valued. This sent a progressive message to society; it encouraged change in rural areas, it increased women's participation in political work and promoted gender equality.[27]

The horizontal relations that the movement created, therefore, sought to establish new equalitarian relations, which incorporated people into a progressive national consciousness that sought to replace colonial realities with inclusive and egalitarian vision of society. Salhi describes the relations created inside of the voluntary work as follows:

> We were all equals inside of the committees. There was no hierarchy until the Higher Committee for Voluntary Work was set up. We organized on equalitarian principles. Inside the committee, a professor from Birzeit and me, for instance, had the same equal weight and an equal voice... The vision of building a new human, therefore, entailed promoting the equality of all human beings, and respect for all. We practiced this by promoting democratic principles and consolidating democratic decision making process in our work.[28]

26 Interview with Muharram Barghouti, ibid.

27 Interview with Bassam Salhi, ibid.

28 Interview with Bassam Salhi, ibid.

The progressive national consciousness and project that the left fashioned, therefore, was rooted in direct democratic practices and culture that promoted relating to others as equals.[29] In organizing the people around these ideals and embedding this new consciousness in their daily lives, the movement did not do so by homogenizing the nation as a monolithic whole. Rather, the left and the parties as a whole differentiated between workers, classes, students, women etc. and separately mobilized through committees, unions and mass organizations. This is not just due to a broad based class and social alliance that included workers, peasants, women and other forces. Rather, as indicated from the outset, this people's movement for liberation integrated overlapping struggles against capitalist, patriarchal and nationalist oppression and sought to provide an inclusive framework in which overlapping resistance to these forces could be organized.

This popular movement therefore represents a unique attempt to "liberate the collective consciousness of every sector of society to challenge the ruling institution, and replace them with civilized, horizontal, and human alternatives" (Rira, 2011). Moreover, what defines this struggle as a people's movement for liberation is the way *it sought to harmonize and realize the overlapping rights and the liberation of social groups, classes and the collective as a whole*. Therefore, it promoted the idea that the rights and the liberation of workers, women and the nation as whole were not mutually exclusive or antagonistic, but were overlapping and necessary components of a holistic and progressive movement for liberation. This created linkages between class struggles, movements for workers' rights and economic equality, on the one hand, as well as struggle for social rights and women's liberation, on the other, and the struggle for national liberation.

Nonetheless, while this is the case, it also true that the national movement incorporated women's movement and class based struggles into the national liberation struggle through a form of subordinate inclusion. Moreover, women's activists argue that the relationship between feminism and nationalism at the time was much more titled towards national resistance and liberation over social liberation.[30] although important gains were made in terms of promoting progressive social norms and creating women's feminist consciousness (Hasso, 2001). Moreover, eventually the women's movement came up against the limits of the secular nationalist movement and the patriarchal nature of the male dominated movement (Hamammi, 1990). This was one of the factors behind the women movement's decision to separate itself from the national movement at

29 Activists in Dheisheh camp describe how the democratic culture created in the spaces of the popular committees and grassroots organizing shaped them: "we married individuals of our own choice and married other members of the party (breaking out of traditional arrange marriages). It reflected the democratic culture in the movement, and we lived democratic lives in our marriages." Focus group with activists from Bethlehem, ibid.

30 Interview with Amal Khreisheh, ibid.

the time of Oslo and use newly available donor funding to attempt to set up an autonomous women's movement (Johnson and Kuttab, 2001).

One of the central lessons from this period, and one of the issues that movements like the women's movement are struggling with today, is the need to re-link the now severed ties between feminist, class based struggles and the national liberation struggle (Hammami and Kuttab, 1999). Women's activists are aware that the replacement of a mass based movement with the "NGO model of lobbying, advocacy and workshop-style education... activities" has weakened the women's movement and uprooted it "from the real locus of political power" (Johnson and Kuttab, 2001: 26). Moreover, in seeking to reconstitute the relationship between the women's movement and the national movement, feminist activists affirm that social liberation is meaningless without national rights and liberation, thus reclaiming the inclusive overlapping sense of empowerment and vision of liberation of the past.

The women's movement's strategic vision for re-linking with the national struggle provides important insights and possible ways forward for other movements in the present. Palestinian feminists regard the national struggle as a necessary terrain in which to negotiate women's rights and re-link feminism to national goals. Palestinian feminist envisages the process of re-linking these movements together as a dialogical process where the women's movement builds alliances with nationalist forces breaking "the political siege around the women's movement" (Hammami and Kuttab, 1999: 7). Thus, building alliances, coalitions and joining forces with nationalist movement and actors around issues critical to the Palestinian national struggle such as refugee rights, prisoners' rights and colonization of land (ibid: 9) is conceived as a way to negotiate a new relationship to the national movement. This model provides an example that other class based struggles or the prisoner's movement can follow, working to advance social or economic struggles against oppressive structures while re-linking to the national movement.

The women's movement and the popular people's movement of the 1970-80's remind us of the need to reinvest the national struggle with overlapping progressive social and economic vision and program for liberation. The popular movement of the past also alerts us to the power of grounding this progressive national consciousness in new equalitarian social relationships, embedded through daily grassroots organizing.

3.3 Economic Liberation is Necessary for National Liberation

Finally, the last and most important lesson the popular struggle of the 1970-1980's offers for the present lies in the way the movement placed the economy

at the center of its vision of building alternative people's power, and specifically the way it theorized economic self-reliance and economic liberation as necessary for national liberation. At the time, the popular committees and the movement as a whole sought to build people's economic self-reliance outside of colonial power through household economy, cooperatives and the return to the land. This was tied to a broader vision of building a national economy that could escape dependency and subordination to Israeli settler colonial control and logics of dispossession (Kuttab, 1989). An independent national economy was regarded as necessary to help sustain political struggle and move from economic survival into a resisting economy or a type of "development for liberation" (Abdul Hadi et al, 1992: 171). At the same time, the whole idea of building an autonomous and liberated economy was linked to the vision of establishing a more humane social and economic alternative to capitalism (ibid: 171).

The philosophy and theorization of the relationship between economy and politics that was behind the first *intifada* is extremely relevant for today. It represents an antidote to the neoliberal hegemony and its free market orthodoxy, which seeks to subordinate society and abandon collective well being to the market and unrestricted private capitalist enrichment. The neoliberal dream of an unregulated market has produced impoverishment and misery for the majority of people in the world today. In contrast to this, the Palestinian people's struggle affirmed the economy as instrument in the hands of society, accountable to social and national goals. It was rooted in an alternative philosophy that *defined the economy* as an instrument through which to realize collective national goals and, therefore, *as a transformative tool at the service of society and the collective good*, as opposed to *serving private gain. A review of this vision offers important insights for the present*.

Popular Theory of the Economy

The economic philosophy that underpinned the grassroots organizing of the 1970'-80's was a combination of two elements, local theorizations of resistance, on the one hand, and Marxist thought, on the other. Dakkak's local theory of *sumud muqawim* explained above rested on the premise that the economy and the political are inextricably intertwined. He argued that to focus on the economy, i.e. promoting a market economy as the PA is doing today, in isolation from the struggle against colonial oppression, and therefore separating the economy from national goals, will lead to "a dead end" and the normalization of colonial realities (Dakkak, 1989: 295). At the time, USAID programs to "improve the quality of life" under the Israeli colonial system, were sharply rebuked as integrating Palestinians into the Israeli settler colonial system, increasing their dependency and accommodating them to oppression (ibid: 291; Kuttab, 1989: 133). In contrast to this, Dakkak's notion of *sumud muqawim* and his vision of

resisting development rested on the premise that economic development is not an end in itself, but it is a means and it is a tool to achieve long- term social and political goals (ibid: 294). As Kuttab explains, the popular organizing of the 1970's and the associated popular economy it produced rested on an understanding of the "dialectical relationship between political struggle and development as a tool for liberation." Economic self- reliance through small scale economic projects was not only seen as enabling people to engage in a long-term struggle against colonialism, but development was also seen as tool of struggle against oppression.

Crucial notions such as *development for liberation* and a *resisting national economy* centered on enabling people to return to the land and developing economic productive capacities, and therefore, building a national economy that could enable the colonized to withstand and contest colonial structures. It was envisaged as:

> creating an economy of resistance whose aim would be to transform the Palestinians from consumers and passive receivers of foreign aid to producers who are resistant to any attempts to remove them from their land (Abdul Hadi et al, 1992: 170).

Harold Dicks similarly explains that national economic power would give the indigenous society independent resources and means through which to "stand fast under occupation" and develop their own "offensive strategies" to contest colonization and throw off colonial controls and structures of oppression (1988: 311-13). These authors advocated building a national economy through an inward oriented system of import substitution that would meet "local consumption patterns" (Dakkak, 1988: 298; Dicks, 1988: 326). However and in relation to the present, this resisting model is also predicated on the national bourgeoisie "fulfilling its historic role," becoming agents of transformation and producing a "dynamic national economy," instead of being subordinate vehicles for external capital (Fanon, 1963: 100-101). Or it requires a system, structures and linkages to coordinate and manage a popular economy.

In addition to the local theorization of resistance, Marxist and broader third world liberation theories also shaped the economic philosophy that buttressed the Palestinian popular struggle. As explained above, the Palestinian left were conscious of the articulations and interlocking relationships between settler colonialism, capitalism and imperialism. These parties therefore were not just concerned with working class struggles, but saw the economy as needing to be liberated from external domination, and its resources reclaimed by the peoples' of the third world for the betterment of their societies. At the same time, in

building popular economic formations, such as cooperatives, the leftist parties also used many of these spaces to build alternative economic and social modes of life to capitalism. Cooperatives were decentralized economic entities that were run collectively through democratic decision making processes and equalitarian structures (Kuttab, 1989: 133-134). They reorganized economic life according to the principles of social and economic equality, dignity, and economic self-reliance (Abdul Hadi et al, 1992: 172). The cooperatives were part of a drive to create alternatives to political and economic subordination through grassroots: projects which would lead to the mobilization of the people in transforming their own society, with emphasis on the equal development of all members of society through the enhancement of co-operative relations and democratic exchange (Kuttab, 1989: 134).

In serving collective national goals, resisting political and economic subordination, and reorganizing economic life according to equalitarian and democratic principles the cooperative movement created the basis for alternative national economy while waging "development for liberation" (Abdul Hadi et al, 1992: 171).

The Dialectical Relationship between Economic and Political Liberation

One can see how the above economic philosophy and dialectical relationship between political and economic struggles for liberation played out in practice. The popular committees' and the UNLU's vision of development focused on building people's economic self-sufficiency, with an emphasis on returning to the land, building agricultural development and attaining food self-sufficiency. Again this served a dual function, it gave people autonomous power and it contributed to building independent economic structures. The leaflets of the first *intifada* include calls to increase the home economy, cultivate the land and intensify the boycott of Israeli goods (UNLU Communique 13, 1988: 104). Some of the leaflets salute the committees for supporting this process and having "created a new way of life based on cooperation and self-reliance" (UNLU Communique 23, 1988: 133). Moreover, this process of building self-reliance was understood as tied to a larger processes that of building alternative structures "our people are beginning to establish a new national system and to consolidate their authority" (UNLU Communique 13, 1988: 103).

Thus economic self-reliance through small scale projects was a means to empower the colonized and work towards the creation of a national economy. As Barghouti explains:

> cooperatives were a tool to build self-reliance... The household economy was also a response to poverty and hunger. People were given the means to grow their own food items; instead of purchasing goods, they could consume what they didn't sell. It was a very simple lifestyle but people were convinced because it was a way to build autonomy and contribute to building independent economic structures.[31]

The home economy, small scale projects and cooperatives were means to strengthen people's steadfastness but were also envisaged as part of a larger, more lasting project, that of an alternative popular economy. Suha Barghouti elaborates:

> Our objective in setting up cooperatives was not profit. We wanted to help families, provide them with an income and strengthen their sumud. Moreover, under the curfews and the sieges that existed at the time, these small centers of production would enable localities to survive and would become a source for meeting local needs...The cooperatives therefore had three objectives: firstly, strengthen family's economic independence, secondly, contribute to building local products and a national economy, and thirdly, enable the *sumud* of local communities and became a source for meeting local consumption needs.[32]

The emerging popular economy that Barghouti points to directs our attention to the alternative structures that were created by the grassroots committees. The entire popular struggle of the 1970-80's carried with it the potentiality of consolidating alternative economic, social and political structures (Tamari, 1991), alternative people's structures to replace colonial system.

Yet, despite this potentiality, over a decade of grassroots organizing failed to consolidate these structures into an alternative popular system. One of the main reasons behind the collapse of the system was the absence of a long-term vision for building alternative indigenous structures on the part of the PLO. Many activists and intellectuals argue that the exiled PLO did not grasp the strategic significance of the alternative popular formations that were created by the grassroots movement

31 Interview with Muharam Barghouti, ibid

32 Interview with Suha Barghouti, PFLP activist, March 27, 2012.

under Israeli colonial rule. Or it is also likely that these alternative formations threatened the interests of the Fatah dominated PLO in exile. According to Fadwa Shaer "they did not have a long-term vision to invest in what was happening on the ground, otherwise what we had created could have continued,"[33] and been consolidated into alternative economic structures, empowering Palestinian society as a whole. Omar 'Asaf former member of the UNLU argues:

> The popular committees and the general vision that existed at the time was not enough to create an alternative economy, broader support and strategic planning was needed....But the PLO did not have a plan to support what was happening. The PLO and the Joint Committee with Jordan focused on services and investing in housing projects, they did not invest in production, agriculture and land reclamation. If money had been sent for these purposes people could have relied on the land in a much more systemic manner.[34]

Others echo this and critique the PLO for not having a long-term vision and for failing to build productive centers and agricultural production.[35]

At the same time, another factor that aborted the emerging structures was the way in which the cooperatives – as well as the popular committees – were targeted and closed down the Israeli colonizer. This raises the question how alternative structures, if attempted today, could be protected from the settler colonial system?

Despite the eventual collapse of the popular economy and the attempt to create a resisting national economy, this experience is an important reference and model for today. First and foremost it shatters the neoliberal hegemony and the tyranny of its unregulated ruthless form of capitalism that seeks to make the economy unaccountable to social and political concerns. It reminds us that an alternative model is not only possible but is necessary, particularly for a colonized people. The notion that the economy and development are transformational tools that should not just serve society and people's welling but can serve as instruments for liberation must be reclaimed today. It is true that the possibility of a development for liberation is harder to realize today given the creation of a capitalist class with

33 Interview with Fadwa Shaer, ibid.

34 Interview with Omar 'Asaf, former member of the UNLU, April 18, 2012.

35 Interview with Eileen Kuttab, ibid.

its own class interests.[36] Yet, today many organizations including the women's movement are returning to the cooperatives as a way to rebuild economic autonomy and self-reliance. Economic autonomy remains a crucial requirement for rebuilding the national liberation struggle today. The sophisticated philosophy that underpinned the people's struggle of the 1970-80's provides crucial insights for the present by underscoring the centrality of liberating the economy from subordination and turning it into a transformative agent in support of the national struggle. The vision of building a popular national economy to sustain and fortify the ability of the indigenous society to withstand settler colonialism and wage its own struggle is still relevant today. Equally the notion of a development for liberation that confronts and resists the colonization of land and contests other colonial measures and modes of repression is necessary and can be reclaimed today, but it requires political will and a commitment to struggle. Finally, it is crucial to reclaim and recreate the emancipatory vision of the 1970's. The popular committees' attempts to build a popular economy which could provide an alternative to capitalism and create more humane social and economic modes of life are an important reference for today. It illustrates the possibility of building an alternative economy model that provides social justice and equality.

36 Interview with Eileen Kuttab, ibid.

Conclusion

This paper examined the grassroots organizing that laid the foundation for the first *intifada*. This movement is distinct in its attempt to consolidate a people's struggle for liberation in which the people were both the means and the goals of the struggle – the purpose of which was liberate them from overlapping national oppression, economic exploitation, and social domination. It was a unique instance in which the popular committees tied to political parties, through their involvement in daily grassroots organizing, tried to "liberate the collective consciousness of every sector of society" (Rira, 2011) to challenge the structures of oppression. This people's power movement struggled to break colonial patterns of rule and replace them with popular alternatives to the colonial system, which also sought to free people from capitalism exploitation and patriarchal domination.

The grassroots movement was organized and sustained on the basis of a number of principle. The movement affirmed the people as the locus of power and worked to get them to reclaim the power they had surrendered to the colonial system, by delinking from the colonial apparatus, its structures and building counter forms of power to sustain the struggle for liberation. Decentralized, local structures, in the form of the popular committees, which linked to the parties yet were also relatively autonomous and run by grassroots activists and party members, provided the necessary framework which enabled this vision to spread. This structure also allowed resistance to become a daily practice, on a mass scale, consolidating the real power of the people. New national ethics and principles, such as solidarity, voluntarism and mutual support in direct action, linked segmented social forces and classes together in horizontal relations that sustained collective struggle. At the same time, grassroots organizing was underpinned by an economic philosophy that regarded the economy as a central pillar in the struggle and sought to create resisting forms of development to further the goals of liberation.

The popular movement of the 1970-80's was a holistic movement that was organically tied to the PLO and its alternative emancipatory worldview. This sophisticated movement cannot be replicated in the same form today. But the principles and modes of organizing that guided it are relevant for the present and can help direct the struggle to reconstitute the Palestinian liberation movement today. A few concluding observations are needed. Before proceeding it is necessary to emphasize as others stress that efforts to rebuild the Palestinian national liberation movement must be predicated on breaking the fragmentation of the Palestinian people and the Zionist settler colonial strategies of divide and rule, which have sought to sever the connections between Palestinians in the occupied territories, 1948 occupied Palestine and the diaspora. This includes

economic strategies of integration and "inventing mechanisms to restore economic cohesion across the green line" (Khalidi, 2012: 4).

Firstly, movements struggling to rebuild a framework for the Palestinian liberation movement that re-links all of the parts of the Palestinian people in a struggle against Zionist settler colonialism must reclaim a critical understanding of overlapping colonialist, capitalist and patriarchal domination. Today, before we can rebuild a liberation consciousness that can envisage an alternative just order, we must become conscious of the way these structures intersect and work together within a single framework, namely the Oslo architecture. Specifically, it is crucial to develop a holistic diagnosis that understands the way new economic forms of dependency, subjugation and new neoliberal predatory forms of capitalism, which were enabled by the single Oslo architecture, reinforce settler colonial political domination. Just as the committees, particularly the women's movement, worked with people in their daily struggles to make them conscious of the way systems of domination work in their daily lives, it is necessary to help people seek how the above structures produce daily conditions of economic deprivation, dependency on food aid, repression of agricultural development, expulsion of labor and spatial confinement.

Secondly, movements trying to rebuild a framework for the Palestinian struggle must rebuild a progressive national consciousness, one that goes beyond static symbols, claims of cultural authenticity and link people together through a progressive social and political consciousness that affirms social and economic equality and the overlapping goal of national liberation. In addition to this, it is clear that while there new movement are emerging many remain captive to the neoliberal logic its colonization of political life and its repackaging of resistance as an isolated protest or individualized activity, replacing drawn out struggles to transform and overthrow structures of oppression. Notions of power, resistance and collective struggle need to be reclaimed today. One of the main obstacles preventing the emergence of organized new movement today is the way this neoliberal way of thinking reduces struggle to episodic protests and demonstrations, severed from an imaginary capable of reclaiming people's power and creating a framework for a people's movement for liberation rooted in people's daily lives. Not only do we need to reaffirm and reclaim a sense of the creative forms of counter power that people are capable of fashioning. But this in turn requires flexible, decentralized structure to organize people in their daily struggles, and coordinate their resistance against oppression.

Thirdly and finally, today as the settler colonization of land advances at furious pace, and processes of ghettoization, confinement, repression of agricultural development and destruction of the economy's productive base continue unabatedly, the economic philosophy that informed the movement of the

1970's-80's needs to be reclaimed. The idea of building a national economy, a popular based national economy that can fulfil the requirements of both *sumud* and resistance is crucial today. To advance this project, it is necessary that motion like a resisting economy, development for liberation be revived, translated into a rigorous vision, and promoted discursively, practically, politically by intellectuals, the political parties and movements, such that it is translated into a counter-hegemony capable of imposing itself on the PA and its neoliberal orientation.

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This book comprises a number of papers that are part of a four-year research program on "Alternatives to Neo-liberal Development in the Occupied Palestinian Territory" that was carried out by Birzeit University's Center for Development Studies (CDS).

The objective of the research project and these studies is to initiate a critical public dialogue about the rationale behind policy formulation. The research project and papers attempt to achieve this aim by creating debate and generating consensus around pressing areas with an eye towards advancing possibilities for change.

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