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Hamas and the Quest for Palestinian Statehood

Are Knudsen
Basem Ezbidi

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Introduction¹

The Islamic Resistance Movement's (Hamas) landslide victory in the January 2006 elections has made it one of the most prominent Islamist movements in Middle East and it now holds the key to the political future of Palestinian statehood.² The election victory ended the political hegemony of the Fatah-led Palestinian Liberation Organisation (PLO). More importantly, the election victory and the formation of a Hamas-cabinet (sworn in on 30 March) plunged the Palestinian Authority (PA) into a political and economic crisis. As a listed terror organisation, both by the EU and USA, Hamas's election victory put an immediate pressure on the organisation to 1) acknowledge the right of Israeli state to exist, 2) renounce violence (i.e., resistance in all its forms), 3) disarm and 4) complete the transition to a political party. Accepting conditions 1) and 2) are preconditions for a restarting of the stalled "Roadmap" process (U.S. Dep. of State 2003), including bilateral talks with Israel and for the continuation of international aid to the PA. Knowing that it took the PLO about 30 years to amend its charter and acknowledge the State of Israel, it can be expected that Hamas will not comply with any of the international community's demands in the short term, even when faced with the threat Jerusalem as its capital. There are no signs that Israel would even worthy such an offer with a reply.

There is now an extensive scholarship dealing with several aspects of Hamas as an organisation (see overview in, Knudsen 2005), but as of yet no attempts have been made to analyse the choices before the organisation following its election victory (but see, ICG 2006; Malka 2005). In this paper we attempt to analyse the challenges and pitfalls before the new Hamas government and the implications for a "two-state" solution to the Israel-Palestine conflict. Due to the deepening political and economic crisis in the occupied Palestinian Territories, a more nuanced understanding of Hamas's quest for Palestinian statehood is now urgently needed. .

Election victory

In 1994, the Oslo Accords led to the establishment of the Palestinian Authority (PA), at the time the most visible success of the PLO and the highpoint of Yasser Arafat's secular nationalism. The same year, Hamas carried out its first suicide attack, killing several Israeli civilians. A decade later, the Palestinian Authority was in ruins and the PA losing ground. During the same period Hamas had grown from a fringe Gaza-based group to a mainstream Islamist movement and presented itself as the mouthpiece for dispossessed Palestinians. In 2004, both Hamas and the PLO lost their long-time leaders and founders: Sheikh Yasin and Yasser Arafat. Hamas quickly recovered but Fatah began to show clear fractures. One reason for Hamas's popular appeal is its social outreach programmes and its duality as "worshippers" and "warmongers" (*mujahedeen* to use Hamas's own term), which made the organisation extraordinarily popular among dispossessed Palestinians and a political challenge to the secular nationalism of the PLO (Knudsen 2005).

¹ Acknowledgements: This paper has been prepared under a long-term collaborative agreement between the Chr. Michelsen Institute (CMI) and the Palestinian Institute for the Study of Democracy (Muwatin) funded by the Norwegian Agency for Development Co-operation (NORAD). An earlier version of this paper was presented to a joint CMI-Muwatin panel at the Wocmes2 conference in Amman, 11-16 June 2006. A revised version of this paper is forthcoming in: Jamil Hilal (ed.). 2007. *Where Now for Palestine? The Demise of the Two-State Solution*. London: Zed Books. The authors' would like to thank Jamil Hilal for useful editorial comments. The usual disclaimer applies.

² Hamas ("zeal") is the Arabic acronym for "Haraket al-Muqawama al-Islamiya," or Islamic Resistance Movement.

In 1996 Hamas boycotted the elections to the Palestinian Legislative Council (PLC), primarily due to the organisation's opposition to the Oslo Accords. In the decade since, the large majority of the 88 seats in the old parliament were controlled by Fatah. Nonetheless, in the same decade, Hamas won several university elections and even trumped Fatah at the student elections to Birzeit University in Ramallah, traditionally a PLO bastion. In the 2005 local elections in Gaza, Hamas won 75 out of 118 seats. The latter showed that Hamas could beat Fatah in open elections and in mid-2005, Hamas announced that they would participate in the upcoming parliamentary elections slated for January 2006, the first of its kind since 1996 where Hamas did not participate. The January 2006 elections to the Palestinian Legislative Council (PLC) proved a watershed in Palestinian politics: Hamas obtained 42.9 per cent of the votes and won 74 of the 132 seats in the new parliament.³ The Hamas victory in the elections to the PLC, ended the political hegemony of the Palestinian Liberation Organisation (PLO) and there was now an emerging two-party system in Palestine (Hilal 2006).

Factors leading to Hamas's electoral victory

Hamas was hoping to achieve a significant, but not a sweeping success in the legislative elections. It was eager simply to reach the legislative council in order to enjoy enough power to influence decisions and policies articulated by the government.⁴ This situation would have been ideal for Hamas since it would be held accountable only for achievements, while avoiding blame for failures. Instead, Hamas won a sweeping election victory. This strong showing was due to a number of factors: popular discontent with the lack of meaningful and tangible results in the political "peace process". Hamas rise in popularity is also due to the support that armed struggle against the Israeli occupation has among Palestinians, and which has become one of Hamas's trademarks. It was also a popular protest against Fatah's poor performance and misrule of the PA, a body widely seen as inefficient and corrupt. Fatah failed to meet not only the Palestinian people's national aspirations, but also their daily needs.⁵ By comparison, Hamas benefited from its strong social programmes and its coherent performance in the election campaign as compared to the disorganised approach by Fatah (Usher 2006a).

However, the view that considers the vote for Hamas as mainly a rejection of corruption fails to grasp the full picture, because Palestinians have much less tolerance for occupation than for corruption. In fact, corruption has always been considered a phenomenon that is profoundly related to the conditions triggered by the absence of statehood (i.e. the Israeli occupation). To most Palestinians, corruption is an outcome of the practices that limit their abilities to realize independence and statehood. The vote for Hamas therefore, should not necessarily be understood as a support of its platform per se, rather it should be understood as an expression of resentment towards the "Oslo Process", which started in 1994, achieved very little, and virtually converted Palestinians into helpless actors in the political process. This view has been articulated by Hamas's spokesman in the West Bank who saw in the election results an indication of popular support for Hamas' line of resistance and not only as a cry against the PA's corruption and inefficiencies.⁶ In sum, the vote for Hamas can be seen as an "act of self-determination" (Agha and Malley 2006).

³ Note that the difference between votes cast for Hamas and Fatah was slim. Fatah's inordinate loss in the elections was due to the mixed electoral system, combining a majority system (districts) and a system of proportional representation (lists). Hamas's fielded only one candidate in the district elections, while Fatah fielded several. Dispersing the votes, Fatah lost several seats to Hamas.

⁴ Interview with Khaled Sulayman, conducted by Basem Ezbidi on 30 May, 2006, in Ramallah.

⁵ Interview with Mahmoud Ramahi, conducted by Basem Ezbidi on 25 May 2006, in Ramallah.

⁶ Interview with Adnan Asfour, conducted by Basem Ezbidi on 6 July 2006, in Ramallah.

Thus, Hamas feels a deep – although challenging – sense of pride regarding its achievement and it is unlikely that the Hamas-led government would comply with the demands imposed by the international community in the short term, even when faced with the threat of bankruptcy.

Economic collapse

The PA needs, every month, about USD 170 million to meet its financial obligations (CFR 2005). The paying the salaries of government employees requires USD 115 million per month (CFR 2005).⁷ In 2005, the total budget of the PA totalled about USD 1.7 billion, with an accumulated debt of about the same amount (CFR 2005). About half of the PA's annual budget came from aid, and amounted to USD 1 billion, shared between the EU (USD 600 mill) and USA (USD 400 mill).⁸ There was also substantial aid coming from non-EU member states. In 2004, Norway's bilateral aid to the Palestinian Territories amounted to about USD 60 million (NOK 368 million) (MFA 2005).⁹ Israel's decision to withhold about USD 55 million in monthly tax revenues it collects on behalf of the PA, adds to the acute shortage of funds. At the same time, there is a consensus that the major recipient of this aid, the Palestinian Authority (PA), badly needs reform and concerted efforts to root out corruption. President Abbas has recently made repeated calls for a resumption of aid to the beleaguered PA. The lack of money, for example, exacerbates the security problem since the PA cannot pay the salaries of its security personnel (ICG 2006: 31).

But more urgently, the weakness of the Palestinian economy and its strong aid-dependence mean that the current political stalemate will have serious repercussions for the Palestinians in the West Bank and Gaza Strip who are sinking deeper into poverty. At present, a large number of poverty-stricken Palestinian families – two-thirds of Palestinians are now below the “poverty line” – survive on a mix of informal assistance (remittances, local credit facilities and religious charity, *zakat*) and formal aid (food distribution, cash assistance, donations) administered by UNRWA (providing to refugees), Palestinian NGOs and the PA's Ministry of Social Affairs (Knudsen 2005). Following the economic boycott imposed on the new Hamas-cabinet, the social situation has worsened dramatically. In the summer of 2006 an acute shortage of everything, from petrol to medicines to even basic food supplies dominated the situation in the West Bank and Gaza Strip. This situation is aggravated by the fact that most public servants were not paid their salaries for several consecutive months with all the imagined repercussions of such a state of affairs.

A leading international think-tank, the International Crisis Group (ICG 2006: 32-33) has argued that an economic boycott of Hamas will have a number of unwanted consequences. First, it will strengthen Hamas but weaken the population. It will also estrange Palestinians from Western donors and provoke inter-Palestinian tensions. Ultimately, a boycott would stop vital projects at the municipal level, reduce Hamas's accountability and reduce the Western countries influence with the movement. “Historically,” claims the ICG, “the more isolated the movement has been, the more radical” (ibid.: 37). If the ICG-analysis is correct, the current aid-embargo will not have the intended effect of forcing Hamas to accept the international community's terms but will isolate and radicalise it instead. In order to resolve the looming economic crisis, the Quartet (US, EU, Russia

⁷ In the public and civil sector, the PA employs about 165,000 persons and is the major employer in the West Bank and Gaza. Assuming that each employee is the sole breadwinner for an average sized family of 6.37 persons (Sletten and Pedersen 2003: 57), about one million persons depend directly on the PA for their livelihoods.

⁸ The EU itself contributes about USD 300 million, with an additional 300 million coming from the member states (ICG 2006: 31).

⁹ This means that the international community pays the costs of the Israeli occupation. Under international law Israel is responsible for the welfare of those under occupation (Usher 2006b: 19).

and the UN) have looked for ways to bypass the Hamas-government by routing aid-money through the office of the president (Mahmoud Abbas). This solution, officially termed a “temporary mechanism”, would avert the impending social crisis and solve the immediate economic shortages. However, it would also give a boost to the corruption and nepotism that characterised the PA under Fatah’s rule which was to some extent due to the fact that the PA was in part a client entity that encouraged illegal rent-seeking (Khan et al. 2004).

Reforming the Palestinian Authority

In the public and civil sector, the PA employs about a quarter of the labour force in the West Bank and Gaza Strip and is thus the major employer of Palestinians there. The salaries of government employees amount to USD 115 million per month (CFR 2005). Fatah’s control of the PA made it a bastion of political patronage, which was used to bolster political support. “Reforming” the PA and ending corruption has been Hamas’s topmost policy declared goal. In order to facilitate the restructuring of the PA, Hamas sought to include others particularly Fatah in the new cabinet. This strategy failed and the new cabinet was made up of Hamas’s own representatives, independents and one Christian. Dismantling the PA – seen by many as a mere clientelist machine for the Fatah – will nonetheless be a symbolic end of the Oslo process. Many observers have pointed to the irony that Hamas is now in charge of the political entity – the Palestinian Authority – an outgrowth of the Oslo Accords which it strongly opposed.¹⁰

Hamas’s election victory made it the official caretaker of the PA, yet both within Hamas and Fatah there are those who would prefer to dismantle the PA, seeing it as a mere tool of the Israeli occupation. Dismantling the PA would force Israel, it is argued, to take direct control of the West Bank and Gaza, making Israel’s de facto occupation clearly visible. Nonetheless, the struggle for control of the PA has raised the prospects of a power struggle between Hamas and the Fatah.

Hamas versus the PLO?

During the first years of Hamas’s existence there was some friction, increasing over time, with the PLO, and Fatah in particular, which tried to include the organisation in its own nationalist folder (Milton-Edwards 1996: 197). Hamas consistently rejected the PLO’s and Fatah’s overtures, seeking instead to establish itself as a political alternative. The relationship between Hamas and the PLO reached an all-time low during the so-called Madrid process.¹¹ Nonetheless, the Hamas charter acknowledges the PLO as an “ally, father, brother, relative, friend” (Hamas 1988: Article 27) and Hamas in the past avoided a military confrontation with Fatah. Under the leadership of Sheikh Yasin, Hamas strongly discouraged infighting between Palestinian political factions as this would only serve the interests of Israel and weaken the Palestinian quest for statehood.

Preceding Hamas’s election victory in January 2006, there were signs that the Fatah under Mahmoud Abbas’ leadership was struggling to control its armed factions and suffered from internal factionalism. In December 2005, the split within Fatah became obvious when the jailed Fatah-leader Marwan Barghouti launched his own election list, a move that posed a serious challenge to Fatah’s

¹⁰ Hamas was a vocal opponent of the Madrid process and the Oslo Accords, in line with the organisation’s rejection of negotiated settlements that fell short of a full Israeli withdrawal from the West Bank (Knudsen 2005)

¹¹ The Madrid Process was mired with problems and was followed by the secret back-door negotiations that led to the signing of the Oslo Accords (Waage 2002).

so-called “old guard”. Although Abbas managed to reconcile the party’s factions and present a joint elections list, Fatah was weakened, which is why Abbas and others within the movement made repeated attempts at postponing the elections, hoping that time would help the party regain its popularity (ICG 2006). In the mean time, Hamas grew stronger by the day and was able to fine-tune its electoral strategy.

The election results prompted an open confrontation between armed Fatah fighters and supporters of Hamas, with the conflict deepening in April 2006 when the new Hamas cabinet rejected the president’s veto against forming a new security force under the command of Jamal Abu Samhadana.¹² The deployment of the 3,000 men strong force in May caused a serious political and security crisis within the PA. The troops’ build-up intensified the rivalry between Fatah and Hamas led to clashes between their respective militia units in June 2006 (BBCNews 2006a).

Amidst the current aid-embargo on the Hamas-led government and the calls for reforming of the PA political tension has increased as well on this volatile “third front” between Hamas and Fatah. As indicated above, Fatah has been weakened by its election defeat - with the associated loss of clientelistic patronage through lost control of the PA; by internal factionalism, and by weakening control over militant groups and militias. Frequently during the Spring and Summer of 2006 the Hamas-cabinet and the President’s office were in frequent conflict, reflecting a continued power-struggle. For one thing, President Mahmoud Abbas, wanted the Hamas-government to honour agreements with Israel signed by the PLO, but this was categorically rejected by the Hamas-cabinet. In an attempt to force Hamas’s hand, president Abbas announced plans for a referendum that would imply recognition of Israel and acceptance of a two-state solution as the basis for a peace agreement. Initially, the proposal was categorically rejected by Hamas’s foreign minister Mahmoud Zahar. Following weeks of intense negotiations, the referendum was called off after Hamas and Fatah agreed on a joint document, popularly known as the “prisoner’s document”, which among other things, acknowledges a two-state solution to the conflict with Israel. Nonetheless, there remains a serious disagreement between Hamas and the president over their respective authorities and mandates and, by implication, over the questions of who is the more “authentic” representative of the Palestinian people. This situation is not likely to disappear, since the time has passed when one political party can dominate the Palestinian scene (Milton-Edwards and Crooke 2004: 309). Hamas did not accept the PLO as the sole representative of the Palestinian people, but the signing by Hamas and Fatah in June 2006 of what came to be known as the “prisoners’ document”, clearly implies the acknowledgement of the PLO as the sole representative of the Palestinian people, joint with the call for its reformation and democratization.

Israeli unilateralism

Israel’s policies vis-à-vis the PA have increasingly been unilateral, such as the pull-out (“disengagement”) from Gaza which was announced by Ariel Sharon in early 2005 and completed in mid-September the same year. Following in Sharon’s footsteps, the new Prime Minister, Ehud Olmert, leader of the Kadima party, has announced plans to unilaterally settle the borders vis-à-vis the Palestinian Territories and to annex all of Jerusalem (the “convergence” plan), drawing strong protest both from Hamas and president Abbas. If this strategy is implemented, it would derail the “two-state solution”, whereby the borders of a future Palestinian state would be settled through negotiation. Olmert has affirmed his plan to unilaterally settle the borders by 2008, if the Palestinians do not show willingness (whatever that means) to negotiate a final peace deal by the end of 2006 (BBC News 2006b). Israeli government has been claiming since 2002 to be without a credible “partner” in the peace negotiations. This claim to lacking a “Palestinian partner” is closely

¹² In June 2006 Samhadana was killed by an Israeli targeted air strike in Rafah (Gaza Strip).

linked, some argue (Usher 2006b: 13), to the Israeli authorities' "fiction that there is no Palestinian people". In fact, the Israeli policy of unilateralism has gradually taken charge with the tacit approval of the USA. Since the failed Camp David negotiations, there has been a gradual physical separation from Palestinians, through a deliberate Israeli policy of separation, control of movement of people and goods, and surveillance. The most visible and controversial result of this policy is the setting up the Separation Wall encircling areas of the West Bank and the Gaza disengagement plan. This strategy has slowly eroded the foundations for a credible "two-state solution" to the Palestinian problem.

A Palestinian state with "provisional borders"

Israel has never formally declared its support for a sovereign Palestinian state. Under the US-sponsored Roadmap, Israel implicitly accepted a Palestinian state with provisional borders (PSPB) with the Palestinian Authority acting as a civilian administration. This was to be followed (in 2005) by final "status negotiations" over "borders, Jerusalem, refugees, settlements" leading to a permanent status agreement and a sovereign Palestinian state. Some analysts, however, argue that in return for accepting a provisional Palestinian state, Israel would seek an indefinite postponement of the "final status" negotiations or prolong the negotiation process to allow itself to complete its consolidation of sections of the West Bank, while turning the Palestinian territories into a vast "municipality" (Usher 2006b: 23). Despite the fact the original timetable for the roadmap has long passed and the political foundations withered, and many of the above mentioned irreversible changes on the ground have become reality, the Roadmap's two-state solution to the Palestinian problem is today the only peace scenario recognised by the UN, EU and the powerful supra-state groups, the G8 and the Quartet.¹³

Hamas Charter would imply an outright rejection of the very idea of a two-state solution (Article 11, Hamas 1988). Hamas expressed the explicit goal of establishing an Islamic state on all of Mandatory Palestine. It has also insisted on its demand for an end to the Israeli occupation and the withdrawal to the pre 1967 borders. However the movement's policies have been more pragmatic and more nuanced than commonly acknowledged (ICG 2006). Hamas's leaders and founders, including the late Sheikh Yasin, have been vague about the question of whether they will accept the Israeli state (Gaess 2002).¹⁴ Hamas co-founder, the late Ismael Abu Shanab, was more forthright in acknowledging that "we cannot destroy Israel. The practical solution is for us to have state alongside Israel" (Shanab cited in, Gunning 2004: 61).

On several occasions, Hamas most senior leaders (Yasin, Rantisi and others) have likewise supported "interim solutions" that stopped short of the historic claim to all of Mandatory Palestine. In addition, senior Hamas representatives have neither ruled out amending the movement's charter nor direct negotiations with Israel (ICG 2006: 20). Hamas's increasing pragmatism on this question can be observed from the election manifesto of the "Reform and Change" bloc that won the January 2006 elections. The election manifesto departed markedly from the Hamas Charter, proclaiming Palestine as an "Arab and Islamic homeland" (text of manifesto reproduced in, ICG 2006: 22). Nonetheless, the Hamas-leadership has traditionally been split over accepting a negotiated solution to the conflict (and by implication accepting the Israeli state) that falls short of the historic claim to all of Palestine. Those belonging to the "outside leadership" – represented by the current Hamas-leader Khaled Meshal – have been more reluctant to compromise over this issue than those living

¹³ The Group of Eight (G8) consists of Canada, France, Germany, Italy, Japan, the United Kingdom, the United States of America and the Russian Federation.

¹⁴ In addition to reflecting a deliberate policy of political ambiguity, it is also borne out of a religiously defined right to conceal (Ar. *taqiyya*) beliefs or views that could harm Muslims (Abu-Amr 1997: 244-245).

inside the Palestinian Territories. Irrespective of any internal disagreements, Hamas has offered – and kept – unilateral ceasefires since 2001. It has also offered a long-term truce (*hudna*) if Israel withdraws to the 1967 borders. This position was given official sanction in June 2006 with the ratification of the “prisoner’s document” where Hamas and Fatah jointly accepted a two-state solution to the conflict but left the question of official recognition of the state of Israel unresolved. In the current situation, it is not easy to see what more Hamas could have offered, short of agreeing to their own dismantlement (Milton-Edwards and Crooke 2004: 309). Moreover, Palestinians have in reality conceded to giving up 78 per cent of their ancestral homeland. The current stalemate is over the control of the 22 per cent that is left – a piece of land that grows progressively smaller, cantonised and discontinuous by Israeli settlements, by-pass roads and construction of a Wall that runs inside the 1949 armistice line (Green Line), another instance of Israel’s incremental land-grab on the West Bank.¹⁵

Israel versus Hamas

Historically, Israel was instrumental in Hamas’s rise to power, giving official patronage to its predecessor, the Gaza-based Islamic Centre (*al-Mujamma‘ al-Islami*), hoping that it would emerge as a political alternative to the PLO, at the time the most significant military and political threat to the Israeli state. The honeymoon between the Israeli authorities and Hamas ended when Hamas carried out its first attack on civilians in 1994, making Hamas Israel’s main target, with assassinations and reprisals against leaders and cadre, including the deportation of 415 leaders and activists to southern Lebanon in 1992 (ICG 2004: 8).¹⁶ For the past decade, Israel’s policy vis-à-vis Hamas has been one of a hard-line rejection and targeted assassinations against leaders and cadre. Since mid-2001, Hamas has lost three of its founding members – Ismail Abu Shanab, Sheikh Ahmed Yasin and Adel al-Aziz Rantisi – in addition to more than 300 Hamas-cadre in Gaza and abroad.¹⁷ The assassinations increased the popular support for Hamas which quickly recovered from the loss of its founders, although became cautious to publicly name its new leaders in an effort to protect their lives.¹⁸

Hamas is sometimes classified to as a “spoiler”, a faction that can derail or “spoil” a peace process (Stedman 1997). While “limited” and “greedy” spoilers can be either conditioned or co-opted to accept a peace deal, a “total” spoiler defies such strategies hence must be destroyed (*ibid.*). Israel’s hard-line policies vis-à-vis Hamas combined with targeted assassinations of its leaders are rooted in the conception of Hamas as a “total spoiler”. A more nuanced analysis of Hamas’s strategies shows that it is in fact a “limited spoiler” whose use of suicide attacks has been carefully “timed to coincide with major events in the peace process” (Kydd and Walter 2002: 263-264). Such attacks reduce the likelihood that peace agreements will be successful, especially where the parties to the conflict do not trust each other, as is the case of Israeli-Palestinian conflict. Nonetheless, Hamas has on several occasions offered – and kept – unilateral ceasefires.

¹⁵ The International Court of Justice (ICJ) ruled in July 2005 that the Wall breaches international law and should be dismantled. Yet, the Israeli Supreme Court has defended the legality of the Wall.

¹⁶ Extradjudicial assassinations have not been confined to Hamas members but have included members of other political factions as well.

¹⁷ In September 1997, there was an ill-fated assassination attempt on Khaled Meshal, then Head of the Hamas Politburo in Amman, by two Mossad agents. The failed attack forced Israel to release the imprisoned Sheikh Yasin in a deal brokered by King Hussein of Jordan.

¹⁸ For Hamas’s policy of “undisclosed leadership”, see Hroub (2004: 31).

Tactical ceasefires?

Most Western governments follow a dual-engagement policy vis-à-vis Hamas; condemnation of the military wing and constructive engagement with the political wing. Israel, however, denies the distinction between the political and military wing and considers Hamas a singular terrorist entity (Gunning 2004: 234).¹⁹ As already stated, Israel views Hamas as a “total spoiler” – an opponent that can neither be co-opted nor conditioned to accept a peace deal, hence must be destroyed. Consequently, Hamas’s repeated offers of a ceasefire have not been reciprocated by the Israeli authorities, indeed it has been claimed that the authorities have purposely undermined them by killing senior Hamas leaders, even the most moderate ones like Jamal Mansour in 2001.

Hamas’s first official offer of a long-term truce (*hudna*) was made by Sheikh Yasin in the early 1990s and came after long deliberations within the movement.²⁰ The reason that offering a truce was so difficult was that it undermined the historical struggle against Israel which Hamas considered a religious obligation (Milton-Edwards and Croke 2004: 299). Over the years, Hamas developed a more pragmatic attitude vis-à-vis ceasefires and since the early 1990s has been involved in about ten ceasefire initiatives. The latest official ceasefire was announced in June 2003 by Hamas and Islamic Jihad. The ceasefire was short-lived and terminated a few months later following the assassination of the Hamas’s founder Ismael Abu Shanab in August 2003. Nonetheless, Hamas has not carried out any suicide missions, since the early months of 2005, and up the time of writing of this paper (July 2006), something that could be considered an undeclared ceasefire. However, unilateral ceasefires have largely been inconsequential for the conflict as a whole, partly due to the lack of ground rules and impartial monitoring (Milton-Edwards and Croke 2004: 46). Another reason is the fact that historically “offers of a truce by Hamas have emerged when the movement was weak or under pressure from the PA and Israel” (Malka 2005: 41).²¹ For some this means that targeted attacks, coupled with credible threat of force is the only way to moderate Hamas. Others claim that Hamas’s offers of a truce are not a tactical weapon to win time and regroup, but an option legitimised and sanctified by religious belief and hence increasingly embraced by Hamas (Milton-Edwards and Croke 2004). Since 2003, Hamas has not only reduced its military activity, but also its military capability has been weakened (Hroub 2004). However, despite being subject to unprecedented political pressure from the “international community” and under siege by Israel, Hamas has not so far suffered from organisational “overextension” (Gunning 2004: 238). Thus, despite the loss of several of its leaders and cadre, Hamas has neither suffered from internal factionalism nor defections. But there are two issues that have the potential of causing a rift within the organisation because of differences within the Hamas-leadership: the use of political violence (suicide bombs) and whether or not to accept the state of Israel.

Bargaining for a negotiated peace

Hamas was a vocal critic of the troubled Madrid process and never accepted the Oslo Agreement. However, this does not mean that Hamas rejects a negotiated solution to the conflict. To the contrary, Hamas has appealed both for international mediation and was ready for talks with Israel

¹⁹ Israeli sources dispute Hamas’s claim to a separate political and military wing. This paper assumes that there is such a distinction (see, Gunning 2004: 236).

²⁰ It is important to differentiate between a long-term truce (*hudna*) and a short-term (or interim) ceasefire (*tahdi’ya*) (Malka 2005). Hamas’s offer of a long-term truce is conditioned on an Israeli withdrawal to the 1967-borders. Ceasefires carry no political obligations but are meant to reduce tensions and deescalate the conflict.

²¹ The latest official ceasefire offer from Hamas and Islamic Jihad came in June 2003, shortly after the twin assassinations of Yasin and Rantissi.

on the condition that Israel “ends the occupation”. The main obstacle is that the demanded preconditions for such negotiations – renouncing violence, disarm, accept Israel – are not acceptable to Hamas because non-compliance with these demands is the only major bargaining card for a “belligerent” like Hamas (see, Waage 2005, for a fuller explanation of this term). Giving the bargaining “chips” away on the outset, much like the PLO did during the Oslo Accords process, would leave Hamas without any clout in future multi-lateral negotiations (as envisaged by the Roadmap). This is expressed by Hamas leader Khaled Meshal stating that “negotiating without resistance leads to surrender but negotiating with resistance leads to peace (Meshal quoted in, Malka 2005: 4). In such a situation, an alternative approach to Hamas would be to defer the main demands on the movements and establish a series of “benchmarks” they much comply with in an effort to “nudge” rather than force Hamas towards political integration (Malka 2005). As at the moment there is no willingness among a significant segment of the international community, particularly the USA and Europe, to ease the demands on Hamas. The strategic options before Hamas range from full compliance (accepting all of the international community’s demands) to rejection of these demands, a move that could lead to resumption of armed resistance (“suicide bombings”) and pre-emptive Israeli strikes and reprisals (Figure 1). From the perspective of Hamas, the problem with full compliance is not only ideological, as it entails surrendering the historic claim to all of Mandatory Palestine, but also practical, as it will compromise Hamas-bargaining position vis-à-vis Israel, leaving it no leverage to ensure that the final peace deal (as envisaged in the roadmap) will be acceptable to Hamas or the Palestinians. Hamas must be in a position to be able to have a say in negotiations regarding an acceptable border situation for a prospective state, and the refugee and Jerusalem issues.²² This means that Hamas, like the PLO before it, is hard pressed between acceptance of pre-conditions that undermine their bargaining position and rejection of these terms, which will expose them to heavy-handed Israeli reprisals and continued international boycott.

During its first months in office, the new Hamas-cabinet has pursued a policy of “non-compliance” where all the international community’s demands are rejected, leading to an economic and political boycott as well as targeted assassinations of Hamas cadre (Figure 1). In an attempt to break the current stalemate, Hamas could choose “partial compliance”, a strategy that neither compromises the main demands, nor provokes Israeli attacks or subjects the movement to reprisals (Figure 1). In this scenario, the key demands on the movement are deferred (rather than rejected) within the context of a unilateral ceasefire. However, choosing “partial compliance” is made more difficult and less appealing by the fact that Israel has declared its intention to unilaterally decide on its final borders. This, in turn, has serious consequences for selling a Hamas-brokered peace-deal that implies abrogating their “right of return” to the Palestinian refugees, traditionally those least likely to concede to a two-state solution (Gunning 2004: 252).²³ This means that Hamas finds itself “between a rock and a hard place” and none of the bargaining solutions outlined here would be acceptable to both Hamas and the Israel. Without intervention from unaligned countries who could serve as brokers,²⁴ this leaves Hamas with the option of instituting a series of unilateral short-term strategies aimed at de-escalating the conflict, lifting the aid boycott and, over time, remove Hamas’s terror-listing. This includes extending the current unconditional ceasefire, continuing the shuttle

²² This scenario is comparable to the situation faced by the late president Yassir Arafat when, in 2000, he declined to sign the Camp David Accords despite strong US pressure (Usher 2006: 16-17).

²³ Opinion polls carried out after Hamas’ election victory, show that Palestinian refugees in Lebanon overwhelmingly support Hamas stance of not recognising Israel as well as martyrdom (suicide) operations (Daily Star 2006).

²⁴ Norway is an unaligned country that is not bound by the terror-listing of Hamas by the EU and USA and has traditionally had a very close relationship with Israel (Waage 2000). The Oslo “backchannel” built close personal links between Norwegian diplomats and the PLO (Waage 2002) but did not develop comparable contacts to Palestinian Islamist groups.

diplomacy to shore up political and economic support in the Middle East and abroad,²⁵ and restructuring the organisation by separating Hamas's political and military wing (i.e., Izzedine al-Qassam Brigades). There is no guarantee, however, that these measures would break the current stalemate. Moreover, restructuring the organisation is also likely to be opposed from within Hamas.

Figure 1 : Bargaining for peace: Choices before Hamas *				
Conflict level	Option	Process	Bargaining position	Likely outcome of peace deal
<i>Lowest</i>	Full compliance	Resumption of Roadmap process, formal negotiations, aid reinstated	Weak (no credible sanctions) **	Unacceptable (compromises historic claims)
	Partial compliance	Negotiations and dialogue, unilateral ceasefire, emergency aid reinstated	Weak	None (status quo)
	Non-compliance	Status quo: int. isolation, no aid, increasing poverty	None	Unilateral
	Rejection	Gradual worsening of situation, no aid, increased int. pressure, internal PA conflict	None	Unilateral
<i>Highest</i>	Resumption	Resumption of armed resistance ("suicide bombings")	None (no credible military power)	None (military defeat)
* In these scenarios, the outcome is seen from the perspective of Hamas.				
** Assumes that Hamas unconditionally renounces violence.				

Hammas, the internal challenges

It is widely acknowledged now that Hamas itself did not expect the sweeping victory it has achieved. The initial expectation was that Hamas would secure a formidable presence in the Legislative Council, where it would enjoy the power to muster a strong veto on legislations and policies opposed by the organization and to pass legislation in line with the organization's political and ideological commitments. Khaled Sulayman, a councilman from Jenin district, states "we expected ourselves to do well but not to such an extent where we exceed 50%. Now anything more than 50 per cent is a big achievement, but it can also become a big headache for the movement".²⁶

In the days following the elections, two broad views were expressed within the movement. The first supported the forming of a government that allows Hamas to occupy only second-tier ministerial seats, leaving crucial decision making to Abbas, a government of either national unity or of technocrats, with the intention of granting it international acceptability in order to maintain financial support. It was speculated that with such an arrangement Hamas would be spared the pressure to deal with Israel or recognize its legitimacy, and to abide by agreements signed with Israel, or meet

²⁵ Since being sworn in, members of the new Hamas cabinet have actively pursued this strategy, but with limited success since most Western governments are either bound by the EU's terror-listing of Hamas or weary of stepping out of line with an international agenda that is supported by the US and the EU. In July 2006, in a response to Hamas capture of an Israeli soldier, Israeli authorities arrested and jailed a number of Hamas ministers and PLC member in the West Bank.

²⁶ Interview with Hamas legislator Khaled Sulayman, conducted by Basem Ezbidi 30 May 2006 in Ramallah.

special conditions to secure the continued flow of outside aid. The second view favored a full exercise of power by Hamas with the intention of reaping the fruits of its big victory. The idea of passing this unique opportunity of running ministries and other crucial governmental structures and bodies, in fact leaving its platform in other people's hands, was unthinkable to this group, especially at a time of increasing tension between Fatah and Hamas. This opinion maintains that it would be a betrayal of the trust placed in Hamas by its supporters, if it chose not to exercise full power of governance (Meshal's speech in Damascus on 28 January 2006).

By securing its big electoral victory, Hamas moved from a opposition movement into a ruling party and found itself face to face with a number of serious challenges. This shift necessitated an adjustment to the new reality of governance, rearranging and prioritizing the various issues of its agenda, and articulating the strategies to achieve them. Currently, Hamas needs to address all difficult issues facing Palestinians and presented by the outside world in response to its victory. Among the issues are, first, Hamas's geographically scattered leadership which poses additional difficulties for maintaining internal accord and cohesion. The internal differences are due to the distinct sets of conditions within which each section operates. The outside leadership, represented by Meshal and the members of the politburo, which secures the resources, is more vulnerable to pressures from their surroundings than the inside leadership. The inside leadership is more driven by the concerns of Palestinians living inside Palestine and by the legacy of their mutual struggle with secular groups and factions against the occupation. Therefore, differences between Hamas and other factions inside Palestine are generally expressed less dramatically.

A second challenge before Hamas is the need to make political and ideological adjustments in order to meet the expectations of the public, including those segments of the population who did not vote for it. There is also a need to develop a new discourse that does not alienate the important actors in the international community, particularly, Europe and the United Nations. Linked to this problem, is how to reconcile the movement's slogan that states "under occupation no law is above the law of resistance", with that articulated by the Palestinian Authority under Mahmoud Abbas, which says "one authority, one law, and one gun". The disagreement over this issue is linked to a great deal of constitutional and political ambiguity regarding the authority and mandate of the Fatah-controlled presidency and the Hamas cabinet. Such conditions do not help the movement in genuinely reconciling the tasks of national struggle and resistance on the one hand, with political engagement and internal reconstruction on the other.

Another challenge before Hamas is the relationship between Hamas and other political groups in Palestine over the role and status of the Palestine Liberation Organization, and how to develop a formula by which both bodies – the PA and the PLO – can cooperate in carrying out their respective mandates. Another problematic issue for Hamas is the stance adopted by the international community and the United Nations regarding the Palestinians' conflict with Israel. For example, Hamas strongly disagrees with the United Nations' weak response to Israeli violations and with the position taken by it that equates legitimate armed resistance with terrorism.

On the day-to-day level, Hamas has to deal with the hardships caused by the international aid-boycott. Poverty, unemployment and social tension are likely to continue to rise and to pose challenges to Hamas's ability to govern. Although a large part of the population remain loyal to Hamas in the face of external pressures, it remains possible that it will lessen its backing and support if hardships on the ground continue to mount. In sum, Hamas is now obliged to deliver on its election promises and meet the people's expectations and demands for better services, security and economic development. Moreover, it must also demonstrate the merits of its brand of Islamism, which is the main theme in the organization's political and ideological charter. In order to deliver on these issues, Hamas would have to deal with the external pressures exerted by the US, Europe and

some of the Arab States, and to articulate a clearer position regarding a number of difficult issues such as: relations with other Palestinian groups, recognizing Israel, armed resistance and previously signed agreements with Israel.

Conclusion

In January 2006 Hamas scored a major political victory by trumping Fatah in the elections to the Palestinian Legislative Council (PLC). The first 100 days of the new Hamas cabinet have been marked by international siege, a full aid-boycott, and growing friction between the office of President, Mahmoud Abbas (the head of Fatah), and the new Hamas-cabinet. This has left Hamas politically isolated, the president sidelined and the Palestinian populace sinking deeper into poverty and despair. By the summer of 2006, the Palestinian economy was reduced to shambles and the PA was bankrupt. Reforming the PA – Hamas's key election goal – is long overdue. Together, these conditions have paved the way for armed conflict between militia-groups aligned with Fatah and Hamas in a context of weakening political control. With a majority of the seats in the PLC, Hamas nominally controls the Palestinian Authority, yet control of the PA remains disputed and is now a battlefield between forces loyal to Hamas and those loyal to president Abbas.

Hamas has in recent years undergone an incremental process of political integration, a process mostly ignored by the movement's foes and detractors. It has displayed political and tactical moderation, including keeping unilateral ceasefires until June 2006, abandoning the claim to all of Mandatory Palestine and accepting a two-state solution comprising the 1967 territories (Gaza and West Bank with East Jerusalem). Hamas has not, however, complied with external pressures to abandon armed resistance, disarm and recognize Israel. The main reason for this is not only ideological, but strategic: complying with the demands would leave Hamas without any credible sanctions in the "final-status" negotiations that until now have been the only scenario for a lasting peace agreement. Hamas, therefore, is not opposed to negotiations with Israel, but cannot accept the preconditions for negotiations that would imply abrogating territorial, political and historic conditions to statehood. This is not because Hamas is a "total spoiler", bent on breaking any peace deal with Israel but because Hamas cannot accept a two-state solution that lacks popular legitimacy. By the same token, Israel considers itself better off with a unilateral security policy and a Separation wall, than by allowing a full-fledged Palestinian state at its doorstep.

Israel has never formally declared its support for an independent sovereign Palestinian state, yet, the two-state solution implied in the US-sponsored roadmap is made contingent on Hamas's political acceptance of the state of Israel. Furthermore, despite the fact that the Roadmap is politically "dead", as are any other plans based on the Oslo formula, the international community has continued to base its policies vis-à-vis Hamas on this outmoded plan, using economic sanctions to force Hamas to comply with the demands on the movement: renouncing "violence", disarm, accept the state of Israel. At the same time, Israel has announced its intention to decide its borders unilaterally, a plan that has received tacit backing from the US. The two-pronged strategy of sanctioning Hamas and rewarding Israel, will ensure that the "peace process" decays further amidst escalation of political violence, possibly marking the end of a two-state solution to the conflict.

Hamas is now deeply rooted in Palestinian society, well organised, well funded, disciplined and is, so far, not tainted by corruption. Hamas has come under increasing international pressure, but economic hardships and political isolation are likely to strengthen Hamas popular support, not weaken it. Likewise the frequent attacks on Hamas leaders have not decapitated the movement, but increased the movement's resolve. As things stand, Hamas has the following three options: To step down from office and become a parliamentary opposition group (bearing in mind that such an

action will be perceived by others as a defeat), to continue the current tense situation and confrontation with Fatah and others groups (which will weaken both Hamas and the opposition), or finally to reach a formula of national understanding which serves as basis for a national unity government. Through this last option, Hamas could perhaps deal more effectively with the deteriorating conditions on the ground and with the external pressures. By forming a national unity government, which requires a degree of flexibility over the complex differences between Hamas and others, the movement will be better placed to preserve its credibility and stay in power. More importantly, Palestinians will be, possibly, in a much better position not only to articulate a coherent and united perspective towards the two-state solution, but also to formulate the policies and strategies for this to materialize. This would also serve to weaken the political logic behind Israeli unilateralism that remains the major obstacle to a negotiated peace agreement.

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SUMMARY

The Islamic Resistance Movement's (Hamas) big win in the elections to the Palestinian Legislative Council (PLC) marks the end of Fatah's political hegemony. Having trumped Fatah in the elections, Hamas faces several domestic and foreign challenges. Having inherited the ruins of the Oslo Agreement, including the beleaguered Palestinian Authority (PA), a Hamas-led government cannot deliver on its elections promises of rooting out corruption and reforming the Palestinian Authority without massive funding from foreign donors. Unless Hamas renounces violence, acknowledges the right of Israel to exist, and accepts previous agreements between the PLO and Israel, it will be politically isolated by Western countries (USA, EU), ignored by most Arab states, and shunned by Israel. This places Hamas at a crossroads: it must either comply with the demands of renouncing violence and accept a process of political "integration" or defy political and economic sanctions that will isolate the new leadership and inflict damage on their people and economy. This paper examines the prospects before Hamas and the political options facing the new leadership in the quest for Palestinian statehood.

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