For years there has been much speculation about possible worst-case scenarios that could emerge following Yasser Arafat's death, particularly civil war or a similar disruption of nationalist unity. Such developments have yet to materialize, however. Palestinians in the West Bank and Gaza find themselves at a historic junction, with renewed hope that corruption will be rooted out of government institutions and that true democracy can be attained. By taking advantage of this opportunity, they can bring about change in a Palestinian Authority (PA) marked by four decades of revolutionary mentality and a one-man show. Indeed, visible progress is already taking place, including greater transparency and openness, a desire for collective rather than centralized leadership, the creation and development of stronger and more democratic institutions, and increasing freedom of the legislature—all of which were impermissible under Arafat's rule. Moreover, Arafat's former advisors, aides, and cabinet members are no longer exempt from criticism in the Palestinian media—an unprecedented development in the Arab world.

The biggest threat to these positive trends is the infighting between the old guard—those officials who served alongside Arafat for four decades—and the young guard within the PA and various security forces. A power vacuum has materialized despite the orderly manner in which the PA has reshuffled duties. Arafat left behind ten to fifteen different supposed security forces, including the al-Aqsa Martyrs Brigades, many of whose members double as gunmen in militias such as Hamas and Palestinian Islamic Jihad (PIJ). Israel's disengagement from Gaza could instigate an armed power struggle between all of these groups.

Fortunately, the presidential election planned for January 2005 offers an opportunity to restructure and reform the PA. Ten Palestinians, including one female candidate, have announced their intentions of running. If the election is conducted in a democratic manner, it may serve as a catalyst for real change. This is not to say that peace will prevail overnight, but rather that elections can be a step toward reform of the internal workings of Palestinian society.

Elections within Fatah, the ruling party, are also approaching, possibly in April or May. If the younger generation takes power from the old guard, then the Palestinians may be on their way toward democracy, a strengthening of PA institutions, and collective leadership. If, however, the Fatah elections are not free and fair (or fail to materialize at all), then past policies will remain in place.

The Growing Political Role of Hamas and PIJ

Contrary to their portrayal by the foreign press, Hamas and PIJ have actually displayed a great degree of restraint since Arafat's death. At present, they are simply sitting back and watching problems unfold within Fatah and the PA. They know that a majority of Palestinians are fed up with the corruption of the PA and want to see real change. For this reason, Hamas has decided to participate in the municipal elections. The organization knows that the way to win the people's hearts and minds is by providing them with social services. Indeed, as Hamas grows in popularity, it may eventually set its sights on the legislative and even the presidential elections. Despite all the blows it has suffered from the Israelis over the past two years, and despite the absence of many of its leaders, Hamas remains—at least for the time being—disciplined and holding its fire.

Israel's Role

The new president who is elected in January will have to prove to the Palestinian people that he or she is not affiliated with any American institutions or backed by Israel in any way. Indeed, in the weeks preceding the election, many candidates will release radical statements denouncing U.S. and Israeli policies in the region in order to demonstrate their lack of any such association. Current top PA officials, in particular Abu Mazen (a.k.a. Mahmoud Abbas), will have to work particularly hard to improve their images. Abu Mazen's reputation was damaged in the eyes of many Palestinians after he referred to operations carried out by the al-Aqsa Martyrs Brigades, Hamas, PIJ, and others as terrorism during a speech given at the 2003 Aqaba summit. He is viewed as having conspired against Arafat by staging a one-year political boycott and then taking over the PA after resurfacing on the political scene mere days before Arafat's death. His focus at the moment is on appeasing Hamas, PIJ, and various opposition groups in order to deter militant activities long enough to ensure that elections are carried out on schedule. Accordingly, one of his first post-Arafat missions was a trip to Gaza to meet with these groups.
Given these factors, Israel should refrain from publicly endorsing Abu Mazen in the period leading up to elections. Any sign of rapprochement with Israel would only serve to lessen his credibility among his own people. At the same time, however, Abu Mazen needs cooperation and some concessions from Israel in order to have a chance at winning the presidency. The key to attaining the top position in the PA is to get Israel to agree to either prisoner releases, the removal of checkpoints, an end to collective punishment tactics, or financial assistance to improve the Palestinian economy. Fortunately, the Israelis have been very cooperative since Arafat first became ill. Almost every request made by Abu Mazen and other Palestinian leaders has been approved, including allowing Arafat's wife back into Ramallah and allowing a Fatah minister to visit Marwan Barghouti in prison. In general, there is a feeling that, with Arafat gone, real progress can now be made.

An Era of Cautious Optimism

One should be cautiously optimistic when predicting the future of Palestinian domestic affairs. What the Palestinian people have inherited from Arafat is a culture of defiance, determination, struggle, and sacrifice until they receive their demands: the right of return, Jerusalem as a capital, and all the territory taken by Israel in the 1967 war. Not even Arafat himself could attain such concessions, however. Since his death, there is greater openness in Palestinian society, some changes are occurring on the ground, and the PA has even begun to engage in security coordination with Israel. Nevertheless, there will probably not be any dramatic changes on the political level any time soon. Abu Mazen will not—in the near term, at least—sign a peace deal with Israel endorsing what Arafat did not.

This Special Policy Forum Report was prepared by Beril Unver.