

Protests Underscore West Bank Instability

[Ghaith al-Omari](#) and [Madison Rinder](#)

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The international community can help avert future chaos through measures to stem political, economic, and security deterioration, and Washington can reinstate funding for Palestinian development projects.

Since mid-October, demonstrators have been gathering regularly at the Palestinian prime minister's office in Ramallah to protest the new social security law. Implementation was first set for November 1 but later delayed by the Palestinian Authority (PA) until January 2019. Similar demonstrations have since occurred in Hebron and Nablus. In particular, these opponents object to the law's provisions, which they claim impose excessive economic burdens, as well as to the nontransparent process by which it was enacted. Even as the PA has agreed to postpone implementation, it has refused to withdraw or change the law, suggesting instead that it could be amended retroactively.

The law was created in 2016 by PA president Mahmoud Abbas's decree, as has been the case with all legislation since the suspension of the Palestinian Legislative Council following Hamas's 2007 violent takeover of Gaza. It stipulates mandatory contributions by private-sector employers and workers to the Palestinian Social Security Corporation (PSSC): 9% for employers, 7% for employees. Upon reaching age sixty, workers become eligible for a pension.

In light of the dire economic situation in the West Bank, opponents claim the deductions are excessive. They also object to discriminatory provisions in the law, such as one depriving a widow of her deceased husband's pension if she gains employment, while widowers are not subject to a similar restriction. As for procedure, protestors have decried the lack of consultation during the drafting and enactment of this law since trade unions, private-sector representatives, and civil society organizations were not engaged. They also voice concern that the PA is too unstable and corrupt to reliably manage the funds collected by the PSSC.

Economic Context

Unemployment numbers make clear the struggles facing West Bank residents. Overall unemployment is around 18%, but the figure soars to about 40% for those under age thirty. According to the World Bank, the West Bank economy has been experiencing a "slowdown" and the standard of living has been "stagnating." Indeed, economic issues are at the forefront of many Palestinians' minds, with the plurality—26% of those polled by the Palestinian Center for Policy and Survey Research in December 2018—pointing to unemployment and poverty as the most serious problems confronting Palestinian society.

Politically, the PA and its leaders are losing credibility, with 53% of those surveyed describing the authority as a burden on the Palestinian people and close to 64% saying they want Abbas to resign. While much of this negativity can be attributed to the failure of the peace process, domestic concerns also play a key role. Around 80% of Palestinians consider the PA's institutions to be corrupt, with some 25% believing corruption is the most fundamental problem facing Palestinians. And while the absence of a legislative process may be an unavoidable by-product of the Hamas-PA split, the PA has not compensated with an alternative consultative mechanism through which to engage the various Palestinian organizations representing stakeholders.

Potential Consequences

These socioeconomic and political indicators in the West Bank resemble those that underlay the Arab Spring upheavals some eight years ago. Yet despite the similarities, Palestinian protestors contend with a unique set of challenges, relative to other Arab societies, that in the past have limited the spread of socioeconomic protests.

One such challenge centers on the Israeli occupation, which offers the prospect that protests might serve Israel's interests—or at least draw this accusation. Additionally, specific Israeli actions quickly shift the public's priorities away from domestic concerns and toward the occupying power. Indeed, protests over the law were suspended after Israeli forces began operating in Ramallah on December 10, following a terrorist attack the previous day. Second, the PA-Hamas split creates its own conundrums, with many in the West Bank feeling wary that their protests against PA policies could be exploited politically by Hamas. A third challenge is not necessarily distinct to Palestinians: namely, around 61% of West Bankers and 50% of Gaza Strip residents believe they cannot criticize the authority without fear, helping explain their past reluctance to engage in domestic protests.

Given all this, the very fact that Palestinians took to the streets to protest, and that these protests were sustained, is a worrying indicator of volatility levels in the West Bank. As already implied, public frustration against the PA can easily shift—or be directed—against Israel. Despite the improved professionalism and effectiveness of the PA security forces, the PA's eroding political legitimacy complicates the exercise of security control. And in an extreme case, continued lack of legitimacy could even lead to PA collapse, creating a security and political vacuum. Coupled with the tense overall security situation, and with Hamas's ongoing efforts to foment instability in the West Bank, this could be an explosive mix with impacts not only on the Palestinians but also Israel's security. The PA's domestic political woes—as exemplified by the protests against the social security law—are not only a Palestinian problem.

Policy Recommendations

Stability in the West Bank is no longer a given. The international community can introduce measures that can stem the political, economic, and security deterioration. Given the unlikelihood of progress in the peace process, other means of stabilization must be pursued, with economic measures central among them. The United States can contribute by reinstating some of the \$200 million in aid to the Palestinians that was cut in August 2018, and focus this aid on Palestinian development and economic projects. Israel, for its part, should be encouraged to maintain its policy of largely insulating West Bank economic life from the fight against terrorism, a policy that has so far helped prevent widespread protests. Israel should also be encouraged to consider additional proposals—many of which originate from the IDF—to improve quality of life in the West Bank. These include increased Palestinian access to the Israeli labor market, the creation of industrial zones in the West Bank, and permission for Palestinian construction in areas adjacent to connected Palestinian towns.

But economic measures alone will not reverse the PA's eroding stature. For that, the focus must be renewed on issues such as Palestinian governance, countering corruption, and loosening restrictions on political life in areas of PA control. Without progress on these fronts, the authority will continue to lose legitimacy and will remain limited as an agent of stability in the West Bank and—in the longer term—one capable of making the compromises necessary for a peace agreement.

Ghaith al-Omari is a senior fellow at The Washington Institute and coauthor of its recent study [“Neutralizing the Gaza Powder Keg.”](#) Madison Rinder is a research assistant at the Institute.