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**THE PALESTINIAN LEGISLATIVE COUNCIL
AND USAID ASSISTANCE (1996-2004):**

AN EVALUATION

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The views expressed in the following assessment are those of the authors and do not necessarily reflect the opinions or policies of the U.S. Government in general, and of USAID/West Bank and Gaza in particular.



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INTRODUCTION

This document has three inter-related objectives:

- (1) To provide a general assessment of the Palestinian Legislative Council (PLC) – specifically, to reflect on what the institution has contributed to the Palestinian body politic in the eight years that have elapsed since the PLC first convened in March 1996.
- (2) To evaluate the contributions of USAID’s assistance programs to the PLC, and, more generally, to determine the extent to which, and the ways in which, that assistance has contributed to stated USG goals in the Palestinian territories;
- (3) To determine whether or not continued USAID assistance to the PLC is appropriate, and, if so, what the nature of that assistance should be, and how both the rationale for it and its content would change under different political scenarios in the occupied territories.

In seeking to achieve those objectives, the document proceeds in four separate stages:

Part One highlights the functions with which the PLC has been invested, explicitly or implicitly, in three main areas: nation-building, democracy-building, and peace-making. It will be argued, here, that analyses of the PLC thus far -- by donors, journalists and academics alike -- have tended to view the PLC through a far too narrow democracy-building lens. Such an approach does not do justice to the PLC’s much broader mandate, and it must be corrected if one is to make a proper assessment of (a) the significance and importance of the PLC as an institution, (b) the value of the assistance that has been provided to it by the USG, and (c) whether or not future assistance is appropriate.

Part Two will provide an overview of both improvements and continued weaknesses in the PLC’s performance since 1996. In doing so, Part Two also will pinpoint what USAID assistance programs contributed to the improvements, while identifying areas in which that assistance was unable to help the PLC to overcome deficiencies.

Part Three will highlight some broader lessons that can be inferred from the assistance that USAID has provided to the PLC over the past eight years. These “lessons learned” are underscored here as they should inform the design of any potential future efforts to support the PLC.

Part Four will provide recommendations for future USAID assistance to the PLC. It will present what the authors believe is a strong rationale for USAID to remain engaged with the institution, at least in the near future. It will describe what the core objectives of any future assistance program should be, and discuss as well the general philosophy and specific parameters that should guide the delivery of that assistance (particular attention here will be paid to the roles

of conditionality and close monitoring). The discussion will make it clear that while any future assistance program should build on the tangible and very significant achievements of previous USAID projects, future assistance programs should not be designed merely as extensions of previous ones. They should be re-conceptualized in light of both lessons learned from earlier assistance efforts and the conditions that now prevail both within the PLC and the Palestinian entity. Finally, Part Four will highlight possible scenarios for the future of Palestine, examine the role that the PLC might play under those scenarios, and reflect how the rationale for, and content of, any assistance to the PLC would be affected by any of those scenarios.

PART ONE: THE PLC'S MULTIPLE ROLES

Ever since the Palestinian Legislative Council (PLC) was elected on January 20, 1996, and met for its first session on March 7, 1996, there has been a fundamental disconnect between, on the one hand, how donors, and, more generally, foreign analysts, have conceived of the PLC's *raison d'être* (i.e., what they have believed to be the central mission of the institution), and, on the other hand, the much broader variety of roles that the PLC actually has played, and the greater scope of the contributions which the institution has made to the Palestinian polity. This perceptual gap must be identified and corrected at the onset of this document, for doing so is essential to a proper evaluation of the value of assistance to the PLC.

OUTSIDERS LOOKING IN

By and large, donors and foreign analysts have approached the PLC through a narrow democracy-building / good governance lens. The core assumption which outsiders made early on in the life of the PLC and of assistance to it (i.e., in 1996) was essentially the following: Palestine is a state-in-the-making, and the PLC's critical mandate will be to help make that state as democratic as possible. The PLC will contribute to that goal by performing the traditional functions of a legislature in a democratic system: oversight of the executive branch, law-making, review and approval of the budget, and representation of citizens' interests. A logical corollary of that approach was that the effectiveness of the PLC in discharging these legislative, representation, and oversight functions would be a fair gauge of the institution's performance and relevance, and, therefore, a proper way to evaluate the merits of assistance to the PLC.

For reasons that will become clear below, such assumptions were flawed from the very beginning, in that they did not reflect the full array of responsibilities with which the PLC was invested, either explicitly or implicitly. Worse, these early assumptions – and what they entailed for how the PLC ought to be understood, and how its effectiveness as an institution ought to be assessed – were never seriously re-examined, even though they became increasingly out of tune with realities on the ground (specifically, with the fact that developments in Palestine were not consistent with the idea that Palestine was a state-in-the-making).

To put it differently, from the very beginning of the PLC's existence, it was assumed that the institution would operate (at least down the road) in an environment – that of a sovereign, independent entity – that would naturally confer upon it the role of a vehicle for democracy- and state-building. The PLC would pass the legislation needed by the new state. It would ensure the representation of various interests. And it would act as a necessary counterweight to executive power by discharging its budget-review and oversight responsibilities. From such a perspective, it seemed natural that assistance to the PLC be evaluated almost exclusively in terms of its effectiveness in helping the PLC “rein in” the executive branch, develop Palestine's legislative framework, review and amend the budget, and represent citizens' concerns.

That perspective might have been appropriate if Palestine indeed had been moving toward a traditional, post-colonial, state-building environment. But it was not. Over time, and particularly after the onset of the Second Intifada in September 2000, the PLC's operations and effectiveness, as well as the contributions it was expected to make to the Palestinian body politic, were seriously affected by the unique and particularly hostile environment within which it was operating. Yet, even after the complete collapse of the peace process, and even after it became clear that Palestine might not be headed toward becoming a viable, independent state, the dominant view of the PLC's utility and mission was never seriously revisited. That view still assumed that the usefulness of the PLC revolved almost exclusively around the institution's ability to ensure participatory and accountable governance. Donors and foreign analysts alike persisted in viewing the PLC primarily as a law-making body, as a much-needed check on Arafat's authority, and as a vehicle to articulate demands for good governance within the Palestinian territories. Never fully adequate in the first place, this narrow state- and democracy-building perspective had become increasingly disconnected from the actual environment within which the PLC operated.

That unique environment, in turn, has shaped the changing nature and scope of the contributions that the PLC has made to the Palestinian polity. To understand this process, as well as its implications for evaluating the merits of assistance to the PLC, one must first appreciate the breadth of the PLC's true original mandate. Specifically, one must recognize that, from its inception, the PLC was intended (at least in the minds of the people it was supposed to serve) not only as a tool for democracy-building, but also as a critical vehicle for building and expressing national identity, and for shaping the course of Israeli-Palestinian relations.

THE PLC'S TRUE MANDATE AND SIGNIFICANCE

From the moment it was established in 1996, the PLC was intended by Palestinians to serve not one but three vital purposes: (1) democracy-building and the promotion of good governance; (2) political integration and nation-building; and (3) peace-making. The democracy-building objective already has been discussed. In addition to legislating and helping harmonize the legal frameworks of the West Bank and Gaza Strip, the PLC was to promote both good governance and democracy. It was expected to provide a counterweight to executive power, review and approve the budget, oversee policy-making and the behavior of executive branch officials, operate as a mechanism for accountability of government officials and transparency within the public administration, represent grassroots interests, and build more effective ties between government and civil-society organizations.

This democracy-building/good governance objective has tended to be the exclusive focus of outside analysts and donors. Of the three roles played by the PLC, it was the one function around which successive USAID programs were built. But the PLC's mandate included two other critical, though typically ignored or under-appreciated, components: building an integrated Palestinian nation, while indirectly facilitating peace with Israel.

With respect to political integration and nation-building, the PLC was intended to be the arena within which, and through which, a unified Palestinian body politic was to be built. Specifically, it was intended to help pull together the various fragments that constituted Palestine.

- ✿ First, it was to assist in bridging the gap between the two geographically disconnected parts of Palestine, the West Bank (WB) and the Gaza Strip (GS). In terms of standards of living, the scope of poverty, literacy rates, and social stratification, the WB and GS were very different entities, and those differences were reflected in the outlook and political leanings of their respective populations. The two entities also had different legal systems (Gaza's reflected an Anglo-Saxon common law tradition, while the West Bank's had been shaped by a mixture of Napoleonic Code and Jordanian law). By bringing together representatives from the West Bank and Gaza, the PLC was expected to operate as a tool for integrating those two areas more closely with one another.
- ✿ Second, the issue of integrating the West Bank itself needed to be addressed. The West Bank never had been a politically cohesive entity. "Traditional" solidarities based on family ties, patron-client relationships, and village- or town-affiliations remained strong. Moreover, for nearly half-a-century, the West Bank had been purposely fragmented by its occupiers – Jordanians from 1950 until 1967, and Israelis thereafter. In true divide-and-rule fashion, those two countries deliberately had sought to encourage "primordial" social affiliations (tribal, familial, geographic) that were all local in nature. And, finally, since 1967, the West Bank increasingly had been cut off from its capital, Jerusalem.
- ✿ The need to bridge the gap between secularists and a growing Islamist tendency was yet another daunting challenge facing the Palestinian polity, and one to which the PLC was expected to contribute (which was one of the reasons why Arafat tried so hard to entice Hamas into participating in the January 1996 elections). The PLC largely failed to accomplish this task, largely because Hamas and Islamic Jihad boycotted the elections. Nevertheless, some Islamists did compete as independents, and several of them joined the PLC. More importantly, it is revealing that Hamas and other Islamists now appear to have rethought their strategy, and seem ready to enter the PLC. Such a situation points to the legitimacy that the PLC has been able to achieve. It also demonstrates that Palestinians of various political stripes see the PLC as a relevant arena. Thus, the PLC may yet contribute to a successful integration – albeit a delayed one -- of the Islamists into Palestinian governmental institutions, and it certainly seems to be the only body that has the capacity to perform that critical function.
- ✿ Fourth, and perhaps most importantly, the PLC also was intended, implicitly at least, as a vehicle for bringing together "insiders" and "outsiders." "Outsiders" consisted of Palestinians who had lived in exile since 1948. They and their families typically had been forced from their land in what became Israel in 1948. Consequently, their original homes usually were located in Israel proper, not in the West Bank and Gaza Strip. Outsiders dominated the PLO leadership, and, ever since the PLO had been forced out of its headquarters in Beirut in 1982, these Fatah and PLO leaders had operated from Tunis (hence they also came to be referred to as "the Tunisians"). Following the September 1993 Oslo Accords, outsiders accompanied Yasir Arafat when in May 1994 the latter moved from Tunis to Gaza to establish the Palestinian Authority. "Insiders," by contrast, consisted of those Palestinians who always had lived in the WB and GS, who had spent the years between 1967 and 1993 under Israeli rule, and who had been the driving force behind the first intifada (Palestinian uprising) that had broken out in December 1987.

Insiders and outsiders had significantly different political outlooks and interests, and the relationship between them always had been complex and marked by significant suspicions. Outsiders had long viewed themselves as an old-style national liberation movement of the Vietnamese or Algerian types. They historically had adhered to the belief that liberation would require at least an implied threat of violence against the occupier. Insiders, by contrast, tended to think that an independent state might be achieved through persuasion, negotiation and dialogue with Israelis.

Traditionally, insiders had accepted the political leadership of the outsiders, including the PLO's claim to represent them and negotiate on their behalf. But insiders also had long resented the fact that, while they had borne the brunt of the Israeli occupation and paid the heavy price associated with resisting it, they had been excluded from the top decision-making positions within the PLO. "Insiders" and their leadership were also much younger and far more democratically-inclined than the aging PLO leadership, whose heavy-handed ways insiders tended to resent.

After Arafat and the PLO leaders clustered around him relocated from Tunis to Gaza, outsiders assumed the leadership of a Palestinian Authority (PA) that was now ruling over a WB-GS population to which it had few ties. In this context, the gap between insiders and outsiders emerged as a serious potential threat to the cohesion of the new Palestinian entity, and, therefore, as an obstacle to both nation- and state-building. An important component of the PLC's mandate was to help bridge that gap. Unlike the executive branch, which was clearly dominated by outsiders, the PLC brought together both outsiders and insiders. And, therefore, it had a key role to play in developing trust between outsiders and insiders, and in helping demonstrate that the leaderships of these two different constituencies could cooperate with one another in making policy. Barring that, a cohesive Palestinian nation and an effective state hardly could be expected to crystallize.

Yet another implicit, typically ignored but crucial component of the PLC's mandate lay in the realm of **peace-making**. At first, this function of the PLC seems counter-intuitive, considering that the Oslo framework (and, in particular, the Interim Agreement signed in Cairo in September 1995) deliberately had excluded the PLC from any role in final status negotiations with Israel. Under the Oslo and Oslo II agreements, management of the "peace process" on the Palestinian side was to be the exclusive responsibility of the PLO leadership and executive branch of the PA. In fact, under those agreements, the PLC was denied any oversight function on foreign policy issues.

The rationale for such decisions, which reflected the will of the strongest party (Israel) throughout the Oslo process, was clear. It was widely understood that an executive dominated by Arafat and a narrow group of associates would be far more likely to make concessions on the peace process than a legislature accountable to public opinion. Arafat could stray from the prevalent Palestinian consensus on what constituted a "just peace" far more easily than elected legislators, who were more in tune with Palestinian popular opinions, and knew that their legitimacy was far more closely tied to their ability to represent grassroots demands, including on peace process-related issues. By excluding the PLC from any formal role in the peace negotiations, Israel and others who backed the Oslo process also hoped that, through his control

over the police and security apparatus, Arafat would be in a position to impose a peace agreement that fell short of meeting Palestinian aspirations.

Additionally, the resources which the international community provided to the Palestinian “state-in-the-making” went to the PA, not to the PLC. This state of affairs was of particular importance considering that, in Palestine, virtually the entirety of the state budget has come from donors. This represents a unique situation. In other countries, at least a significant share of the state’s revenues comes from indigenous sources. Consequently, parliament has far greater leverage over the budget, since, in addition to approving the annual budget, it must pass the legislation that provides the framework for revenue-raising.

This history must be born in mind when trying to assess the extent to which the PLC has been successful in institutionalizing democratic practices in the Palestinian territories. After all, from the signing of the Oslo Agreement, donors and the international community more generally were far more concerned with peace-making than with democracy- and nation-building. It is not that they did not value democracy or understand its importance to a future Palestinian entity. In fact, they did exert some efforts to that effect. But democracy was seen as a goal only as long as it did not hinder the pursuit of a peace deal on terms that would be acceptable to Israel, and capable of being enforced by a Palestinian executive capable of imposing its authority. When democracy and peace were seen as compatible, they were pursued simultaneously. But when they conflicted, donors and the international community consistently showed themselves willing to sacrifice progress on democracy for the sake of progress in peace negotiations between Israel and the Palestinians. For instance, in 1997-98, donors showed no real interest in backing the PLC in its bold efforts to expose and block corruption within the PA, as well as confront Arafat over the issue. Instead, at the time, donors by and large consistently lined up behind Arafat (including by allowing him and the PA more generally to have exclusive control over the purse strings). That situation mostly reflected the underlying consensus among donors that Arafat still needed to be supported because of his stance regarding peace negotiations with Israel.

And yet, though formally excluded from negotiations with Israel, the PLC was always, indirectly at least, an important player in the peace process – a critical role of the PLC that typically has been ignored in previous analyses of the institution. To the Palestinians at least, there always was an implicit division of labor between Arafat and the executive authority of the PA on the one hand, and the PLC on the other. Palestinians knew that Arafat and the PA would sign and be responsible for enforcing any agreement with Israel. But to be viable, and, therefore, enforceable, that agreement had to be deemed legitimate by the Palestinian people. That legitimacy was to be gained, in part at least, through the PLC.

Thus, the PLC was expected to give the seal of popular approval that any agreement with Israel would require. No other institution in Palestine had the capacity to do so, for no other body had been elected by the entire population in an election largely deemed to have been free and fair.

That potential, vital contribution of the PLC to peace-making certainly has not disappeared, as any agreement with Israel in the future will have to be formally ratified by the Palestinian people, either by referendum or through an elected legislature. Furthermore, any such agreement is going to place significant stress on the Palestinian body politic – in part because it will involve different mixes of costs and benefits for the various components (constituencies, political forces,

or regions, such as West Bank and Gaza) of that body politic. In those circumstances, a poorly integrated polity might fracture and disintegrate into the various fragments around which it is built. Therefore, integrating the Palestinian body politic – a function to which the PLC is uniquely positioned to contribute – could be of central importance to peace-making.

In short, when assessing the PLC's contribution to the Palestinian body politic, it is important not to restrict oneself to the democracy/good governance promotion function that has tended to be the exclusive focus of analyses of the PLC thus far. One also must remember the other two components of the PLC's mandate. First, the PLC was always intended by Palestinians to be a primary symbol and embodiment of a nation-in-the-making, and, therefore, one of its primary functions was to help express and maintain the unity of that nation. Second, Palestinians also expected that, because of its very nature as a popularly elected institution supposed to represent grassroots interests, the PLC inevitably would be a participant in relations with Israel.

Predictably, in the past several years, those two components of the PLC's original mandate have assumed new prominence. That development largely reflects the fact that, following the outbreak of the second intifada, the quest for democracy at times assumed less central a role than either the issue of relations with Israel, or maintaining the unity of a body politic increasingly affected by centrifugal tendencies. In this context, the PLC has played a particularly critical role, though one that, unfortunately, has been insufficiently emphasized or altogether ignored by foreign analysts.

When assessing the relative weight that observers of the PLC have placed on each of the institutions three key roles – political integration, democracy-building, and peace-making – it is ironic to note that while USAID has tended to evaluate the PLC almost exclusively from a democracy-building perspective, senior US diplomats have tended to approach the institution primarily from a peace-making angle. Even the Bush administration's interest in the PLC as a democratizing agent in 2002-2003 was part of a peace-making strategy (i.e., to bring pressure to bear on Arafat or to remove him).

Against this overall background, and before turning to Part Two -- which will review both improvements and persisting weaknesses in the PLC's performance since 1996, as well as the contributions and limitations of successive USAID assistance programs to that institution – it is appropriate here to summarize briefly the main successes and failures of the PLC to the processes of democracy-building/good governance promotion, nation-building, and peace-making. What may be said by way of summary is the following:

- (1) The PLC's record in all three areas has been mixed;
- (2) The PLC's performance in the area of nation-building has been fairly high and consistent over the years. Indeed, as will be shown, the role that the PLC has played in preserving hopes and/or prospects for an integrated nation has grown ever more critical, especially in the past two years. By contrast, the PLC's performance in the area of democracy-building has been very un-even over time. It has followed a clear pattern that will be described below.

- (3) The PLC's overall performance will come across as disappointing if the institution is judged by the standards that one would apply to legislatures in democratic states. However, performance looks far more impressive when one assesses the PLC in light of the following conditions:
- (a) the particularly difficult political and legal-institutional environment in which the PLC has operated (one thinks in particular of the enormous constraints imposed on the PLC by the Oslo process, and by the fact that the PLC, and Palestinian politics more generally, have been embroiled in the up-and-downs of Israeli-Palestinian relations);
 - (b) the performance of other parliaments in the region. (Indeed, one could easily argue that the PLC has made as many contributions to all three areas of nation-building, democracy-building, and peace-making as any other Arab legislature one can think of. That it has made such contributions in what is an otherwise far more challenging environment is all the more remarkable.)
 - (c) the almost complete lack of rule of law (the extensive, structural shortcomings of the legal-judicial system – including its subordination to the PA – have made it impossible for the PLC to call upon the authority of an independent, capable judiciary to enforce its decisions, particularly those that have gone against the interests of a powerful executive); and
 - (d) the donors' decision to by-pass the PLC in their provision of resources to the Palestinian entity.

POLITICAL INTEGRATION AND NATION-BUILDING

The PLC has played an instrumental role in keeping alive Palestinian hopes for an integrated, coherent nation, as well as for a viable state capable of expressing that nation's collective will and aspirations. It has done so in an otherwise increasingly bleak and violent environment, that predictably has fed growing, widespread skepticism and despondency as to whether Palestinian nationhood remains a realistic prospect. Consequently, the PLC has been an invaluable counterweight to the prevailing despair that characterizes the manner in which Palestinians envision their future. In the past several years in particular, the Palestinian body politic's equivalent of "I think, therefore I am" appears to have been "We have a parliament, therefore we constitute a nation."

Our interviews suggested that Palestinians -- though fully aware of the PLC's shortcomings, and, indeed, frustrated by those failings -- nevertheless persist in seeing the PLC, explicitly or implicitly, as an expression of the Palestinian nation, and even as the embodiment of Palestinian hopes for a better future. That, by itself, is a vital and insufficiently emphasized contribution of the PLC. Furthermore, it is a contribution that donors and the international community in general should be keen to preserve, and, in fact, further develop.

One crucial element that has enabled the PLC to play that nation-building – or, perhaps more accurately, nation-preserving -- role has been the institution's ability to operate as an arena

within which the various components of an increasingly fragmented body politic have been able to continue to interact and maintain lines of communication with one another. Particularly significant in that respect have been the contributions that the PLC has made toward overcoming the “insider”-“outsider” divide, the West Bank-Gaza split, and the growing disconnect between the West Bank and Jerusalem.

As mentioned earlier, an implicit part of the PLC’s original mandate had been to help blur the line separating insiders from outsiders. The PLC contributed to that goal as much as it possibly could have under the circumstances. In fact, it is hard to think of another institution within Palestinian society, or within the Palestinian political system, that did more than the PLC to help bring together insiders and outsiders in a joint effort to build a Palestinian state.

Those outsiders who were elected to the PLC in January 1996 were provided with an opportunity to send roots down to constituencies in the West Bank and Gaza to which they had had no previous ties. Their seat on the PLC offered them something they had not had before: the ability to develop a power base outside the old PLO/Fatah bureaucratic structure. It was for them a chance to distance themselves, if only partly, from the longstanding patronage networks built around that structure, and to develop a genuine grassroots base of support. And, within the PLC, those outsiders could now develop working relationships with their insider colleagues. In that respect, the PLC did help two fairly distinct sets of Palestinian representatives become more familiar with each other’s different outlooks and ways of approaching issues. Had the PLC not been in place, that elite-integration process – flawed and stunted as it has been – would have been even more limited.

Indeed, while the divide between insiders and outsiders remains unfortunately very sharp, that situation hardly can be blamed on the PLC, or be portrayed as a failing of the institution. It instead should be viewed as a grave blunder by Arafat, who never made the merging of insiders and outsiders the priority that it should have been. More generally, it was a collective failure on the part of those outsiders who maintained their “bunker mentality.” Instead of seeking to earn the trust and respect of their new constituents, those outsiders typically approached the populations over which they now ruled with arrogance, heavy-handedness, and a sense of entitlement.

It is worth noting that outsiders would have found it harder to adopt and maintain that approach if donors and the international community in general had not concentrated resources so heavily within the executive branch (which outsiders overwhelmingly dominated), and if, instead, they have provided the PLC (where insiders were better represented) with a larger share of those resources. In that respect again, the structural flaws displayed by the Palestinian polity were, if not created by donor policies, certainly exacerbated by them. And in that respect as well, it is to USAID’s credit that the agency continued to invest in the PLC well after other donors (the European Community, DFID) pulled away from the institution.

As a qualifier to the outsider-insider divide discussed above, one should remember that some of the outsider MPs in fact have lent their support to the reform movement within the PLC – a movement which, to a significant extent, has been directed against the leadership style and many of the policy preferences of the outsider-dominated PA. Such cross-cutting alliances between outsiders and insiders provide further evidence of the integration function performed by the PLC.

The PLC also has played an important role in helping mitigate against the negative impact of the West Bank-Gaza split on the prospects for Palestinian nationhood. To be sure, Gaza and the West Bank remain sharply differentiated entities – in terms of political culture and ideological orientation as much as according to social and economic criteria. In the past several years, Israeli policies have accentuated those divisions, including through repeated closures and other restrictions on the movement of Palestinians between Gaza and the West Bank. But, as in the case of the persisting insider-outsider divide, the continued cleavage between the West Bank and Gaza hardly can be blamed on the PLC.

During the past several years, the West Bank and Gaza Strip have become increasingly isolated from each other, as have the various towns and villages within the West Bank, and the West Bank itself from Jerusalem. This situation has highlighted even further the importance of the PLC as the dominant arena within which representatives from those two areas have remained in touch with one another, supported each other's struggles, and maintained hopes for a single Palestinian nation and Palestinian state. Here as well, as will be shown in greater detail in subsequent parts of this report, USAID assistance has made a critical difference, including by providing videoconferencing equipment that has made it possible for the PLC to hold meetings in spite of Israel's repeated closures and refusals to grant PLC members permits to travel between the West Bank and Gaza.

To those critical contributions the PLC has made to nation-building, two might be added. First, many Palestinians continue to view the PLC as a restraint, albeit a small one, against lawlessness. They rightfully point to the symbolic importance of the PLC as an arena within which disagreements among Palestinians are settled not through force, but through debate and give-and-take. In a way, in an environment marked by growing anarchy and violence, they see the PLC as a bastion of civility. Second, while the PLC has done little to bridge the gap between the secular and the Islamist wings of the Palestinian national movement, it has the potential to contribute to that function, as was discussed earlier – especially now that Hamas has indicated it might take part in new elections.

DEMOCRACY-BUILDING / GOOD GOVERNANCE PROMOTION

The extent to which the PLC has been able to serve as a critical vehicle for democracy-building and good governance in Palestine has varied over time. Simplifying what is a more complex situation, one may distinguish five fairly distinct phases.

Phase One. Initially, in 1996-97, the PLC enjoyed a significant degree of centrality and credibility. This situation reflected the legitimacy conferred upon the PLC by the peace process, by the fact that its members had just won their seats through generally free and fair elections, as well as by the endorsement of the institution by the international community at large. (The beginning of USAID assistance to the PLC in September 1996 represented an important expression of that international endorsement.) During that period, the PLC played a leading role in raising the issue of corruption and mismanagement within the PA; on several occasions, it threatened to vote no-confidence in the cabinet; it denounced several ministers for having shown incompetence or having engaged in irregularities; it passed numerous resolutions critical of the executive branch, including on such highly sensitive issues as financial wrongdoings, the conduct of peace negotiations with Israel, and human rights violations; and, for a short while,

before broadcasts were interrupted by the PA, the PLC transmitted its sessions through a private television channel. Such developments were consistent with the very high (indeed, unrealistically so) hopes that the Palestinians had had for the PLC upon its election.

Phase Two. By 1998, however, a clear pattern had been established: every single time the PLC had confronted Arafat and the executive branch more generally, it either had been forced to back down, or had proven unable to enforce its decisions. Its resolutions had been routinely ignored, and many of the bills it had passed (including the Basic Law) had not been signed by Arafat into law. In addition, the yearly budgets which the cabinet had submitted to the PLC lacked critical information, and had been provided to the legislature several months behind schedule. Predictably, the PLC came to be seen as an ineffective institution – one which Arafat had managed to marginalize.

The imbalance in resources between the executive and the legislative branches of the PA – and, in particular, the executive’s control over the purse strings (a situation to which donors contributed) – gave Arafat an advantage that the PLC could not possibly counterbalance. The PLC’s limited leverage relative to the President also stemmed from the lack of supportive state structures, especially an effective and autonomous legal-judicial system as well as elected, capable local government institutions. Because they were the only elected politicians in the country (besides Arafat himself of course), PLC members could not reach out to other elected officials at the local level – in, say, Nablus, Jericho, or Hebron – to forge common cause against Arafat and the extensive patronage networks emanating from him. The population quickly understood the significance of the factors discussed in this paragraph, and, as a result, the PLC’s credibility in the public eye declined markedly.

Phase Three. The outbreak of the second intifada in September 2000 provoked a further decline in the PLC’s centrality, freedom of action, and propensity to assert its independence. Closures and other Israeli restrictions on travel limited the institution’s ability to meet and, more generally, the capacity of its members to discharge even their most basic responsibilities. As importantly, the intifada initially prompted PLC members to line up behind Arafat -- even though many of the institution’s members had strong reservations about the President’s leadership, and, in particular, the manner in which he had conducted the Camp David negotiations. At a time when Palestinians felt under siege, the PLC was understandably less inclined than ever before to challenge the executive branch. Instead, Palestinians felt at that critical juncture that they needed to display a unified front toward Israel and the outside world.

Phase Four. In the spring of 2002, however, the PLC’s centrality began to increase once again. Ironically, the trigger for that process was Israel’s so-called “Operation Defensive Shield,” which led to an Israeli re-occupation of Palestinian cities in the West Bank in April 2002, and to a barrage of Israeli attacks on Palestinian proto-state institutions and civil-society organizations. As the PA infrastructure began to crumble, and as Palestinian dissatisfaction with the PA’s performance (including the PA’s inability to protect the population and provide other basic public services) reached new heights, a reform movement that had been many years in the making began to gather new momentum.

What must be underscored here, in a document concerned with assessing the PLC’s contributions to the Palestinian body politic, is that the demands of that reform movement were expressed to a

large extent through the PLC, which witnessed vigorous debates on that issue. In other words, the PLC became both an arena within which demands for reform were articulated, and a vehicle through which those demands were pursued. At the same time, the international community stepped up its efforts to pressure the PA into significant reforms. At that point, Arafat felt compelled to make important concessions, including by finally signing, in May 2002, the Basic Law that the PLC had passed back in 1997, but which he until then had been unwilling to act on. In June 2002, a new, trimmed cabinet issued a “100 Day Reform Plan” providing for extensive institutional reforms within the PA.

In September 2002, in yet another evidence of its readiness to confront the executive branch, the PLC made it clear that it would not vote confidence in the new government. PLC members openly expressed deep skepticism about that government’s ability to bring about genuine reform, and criticized several of its members as being unsuited for their jobs. Instead of submitting itself to a vote that it seemed bound to lose, the government resigned. It is true that the cabinet which the PLC finally approved a month later was strikingly similar to that which had just been forced to step down. One therefore might dismiss the significance of the PLC’s earlier decision not to grant confidence, and emphasize instead that, during September and October 2002, Arafat was able to placate and manipulate PLC members to ensure that, in the end, he would prevail. But to do so would be failing to appreciate the import, by regional standards, of the PLC having been the first Arab parliament ever to refuse to endorse the cabinet formed by the Chief Executive, and to force that Chief Executive to back down, even if only temporarily. Had the entire Palestinian polity not been under attack by Israel, and, more generally, had it not felt as beleaguered as it did from hostile forces, it is very likely that Arafat would have found it far more difficult to cope with the PLC’s open challenge to his authority.

In March-April 2003, the PLC experienced another big surge in centrality. Taking advantage of intense pressures by the international community, especially the United States, to trim Arafat’s power, the PLC passed a critical amendment to the Basic Law. That amendment created a new, critical position, that of prime minister; it formally placed the cabinet under the authority of that prime minister; and it stipulated that the prime minister and his/her cabinet would have to be approved by the PLC and could only be forced to step down through a PLC vote of no-confidence. Consequently, while constitutional ambiguity continued to characterize the exact division of power between the president and his prime minister, the PLC’s position within the political system certainly had been elevated. Soon thereafter, Arafat appointed Abu Mazen (Mahmoud Abbas) as prime minister, and the latter proceeded to form a new cabinet.

The sequence of events summarized in the previous two paragraphs may well constitute the PLC’s most notable achievement to-date, and may be summarized as follows: when a consensus emerged within the West Bank and Gaza that the Presidency and the cabinet no longer were serving the interests of the Palestinian people, it was through the PLC that the reform movement channeled its energy and focused on ways of bringing the cabinet to some form of accountability. It is hard to think of another institution, within the Palestinian polity, that might have been able to play that role.

Phase Five. The Abu Mazen experiment, however, was not to succeed. In August 2003, following a six-week truce between Israelis and Palestinians, a new surge of violence prompted a downward spiral in the security and political situation. Outmaneuvered by Arafat,

who from the beginning had conspired against him, and provided with insufficient support from Israel in the form of concessions in peace talks and actual, on-the-ground measures capable of relieving Palestinian suffering and renewing their hopes for a more promising future, Abu Mazen suffered a very sharp and rapid deterioration of his popularity and credibility. Israel and the United States, which earlier had celebrated his appointment as a key step toward reform, stood on the sidelines as Abu Mazen became increasingly marginalized. On September 6, 2003, with little genuine authority left, he finally resigned. This development was accompanied by a reassertion of Arafat's power, which stalled the earlier momentum toward reform. Those developments, in turn, very significantly and negatively affected the PLC's centrality.

As of this writing, the Palestinian polity has yet to exit from this fifth phase. Against great odds, the PLC is still struggling to regain the centrality it had managed to assume in 2002-2003. The lack of new elections has become an increasingly serious hurdle to its ability to retain legitimacy and credibility. And yet, the PLC has not given up its struggle to exercise oversight over the executive branch. This was demonstrated most recently in early May 2004, when the PLC voted to remove Amin Hadad from his position on the Palestinian Monetary Authority, citing Hadad's many infractions as well as the fact that his nomination was never submitted and acted upon by the PLC.

If one now looks more closely at the PLC's contribution to democracy-building by examining its performance in the three key areas of representation, law-making, and oversight, the institution's record looks uneven but substantive. Achievements, limited as they are, look more significant when they are examined in a regional context, and when one takes into account the PLC's very young age (by the standards of world legislatures) as well as the extremely adverse circumstances in which the institution has been forced to operate.

Representation

The PLC's ability to serve as a vehicle through which a variety of societal interests can be represented, and as an arena through which policy preferences can be expressed with a view to affecting public-policy making, has been severely constrained by five main variables.

- a. First, and most importantly, the PLC's mandate has not been renewed since 1996. This situation has gravely undermined the claim of PLC members to represent their constituencies. In the absence of new elections, the PLC increasingly will be seen as an institution entirely lacking in legitimacy. Indeed, the PLC may well be condemned to irrelevance if no new elections take place before mid-2005.
- b. Second, from the PLC's inception in 1996, the distribution of power and resources between the executive and the legislative branches of government was always tilted heavily to the executive's advantage. Consequently, those Palestinians who wanted satisfaction of personal demands and grievances were always, understandingly, more inclined to try to do so by reaching out to executive branch officials. (Again, this was a problem to which donors contributed by giving the executive branch exclusive control over the purse.) In that respect, the sharp deterioration in the capacity of executive branch agencies since 2002 has helped preserve some influence for the PLC. Thus,

ironically, the growing incapacitation of the PA has provided more incentives for Palestinians to view the PLC as an arena for representation.

- c. Third, from 1996 as well, the PLC was not a direct participant in the peace process with Israel. Instead, as mentioned earlier, under the terms of the Oslo agreement, Arafat and the PLO were to manage negotiations with the Jewish state. Thus, the PLC was deliberately excluded from an area of public policy that was foremost on the minds of all Palestinians. This situation could only undermine the extent to which Palestinians viewed the PLC as representing their interests. Ironically again, however, exclusion from peace negotiations over time turned into an asset for the PLC, which was not as tainted by the failure of those negotiations as the PA was.
- d. Fourth, from the moment the PLC gathered for its first session in March 1996, many of its members, particularly Fatah-affiliated outsiders, still felt that they derived their legitimacy primarily from the part they had played for many years in the Palestinian resistance movement, not from their new role as representatives of residents from the West Bank and Gaza. By the same token, their primary loyalty was to Fatah, not to the PLC – in part because their own, real power base lay in Fatah, and in part because they were fully aware, as any Palestinian was, that actual authority remained concentrated in the Fatah-PLO apparatus.
- e. Fifth, the absence of genuine political parties has undermined the PLC's ability to represent societal interests, as well as its capacity to operate as a vehicle through which policy preferences can be transformed into actual public policy. Had existing political tendencies in Palestine solidified into real party organizations, capable of articulating policy alternatives and concrete governing programs, the PLC likely would have found it easier to discharge the representation functions typically associated with a legislature. That lack of effective political parties helps explain why, as our interviews revealed, PLC members do not yet think of the PLC as the primary arena within which conflicting viewpoints regarding public policy can be expressed and confronted to one another, in a way that results in specific policy outcomes. They do not yet regard the institution as the main venue through which politicians can sort out their differences regarding what public policy ought to be. Yet that function, in fact, is typically the core responsibility of a legislature.

While real and significant, however, these representation shortcomings must be examined in context. To begin with, no Arab legislature actually performs the function that has just been discussed of transforming societal preferences into public policy, especially on sensitive matters. Across the region, the executive branch typically has disproportionate influence over the shaping of public policy. Besides, for the PLC to be the primary authoritative arena for policy-making, the Palestinian entity would need to have full sovereignty -- a very far cry from the situation on the ground.

One should not dismiss the efforts of PLC members to reach out to the public. They did so early on in the PLC's term, for instance by voting to have their sessions televised and by developing ties to the Palestinian print and audiovisual media. And when the executive branch quickly put an end to the TV broadcast of PLC debates, the international community did little actively to

support the PLC in its battle with the executive. (That was, in part, because many donors felt ambivalent about publicizing debates during which PLC members had voiced strong objections to what they felt were excessive concessions made by Arafat during his negotiations with Israel.)

It is also significant that, for all its shortcomings in the area of representation, the PLC has provided a venue through which Palestinian public opinion has made itself heard on matters of national importance, including through the passing of resolutions. In their efforts to affect public policy, organized interests within Palestine have reached out to the PLC. In fact, since 2000, as civil-society organizations have grown increasingly frustrated by the opaqueness and lack of responsiveness of the executive branch, as well as by the absence of real political parties, they increasingly have turned to the PLC in their efforts to influence public policy. In other words, even those who deem the PLC to be a weak institution must recognize that civil-society organizations still see it as significant enough of an actor to go through the trouble of reaching out to it to impact the policy process. That may constitute centrality by default, and it may be limited centrality, but it is centrality nonetheless.

Along similar lines, while there might be many problems associated with district offices (DOs), the fact that at least some MPs are relying on those DOs to interact with their constituents has helped enhance the representation capacity of the PLC -- particularly at a time when Israeli-imposed travel restrictions make it extremely challenging for MPs to discharge their representation functions. In fact, Israeli security measures created an indirect impetus for the original development of DOs, and thereby provided PLC members with a critical advantage over executive branch officials by bringing them closer to the population. Overall, extensive outreach activities (supported by USAID) have represented significant learning experiences for some MPs, who have developed their capacities to deal with constituents' demands.

The PLC today is also better positioned to assist constituents because it has managed to forge relations with the executive branch, and has improved its knowledge of it. Related to this factor, several members of the PLC were brought into successive cabinets, including many political reformers, largely in an attempt by Arafat to co-opt those individuals and thereby pre-empt PLC-led reforms. One unintended consequence of this process has been to provide the PLC with some allies in the executive branch, such as, for instance, current Minister of Labor Ghassan al-Khatib.

Oversight

From its first meeting, the PLC forcefully asserted its oversight prerogatives. Indeed, monitoring executive branch performance and publicizing potential violations by it of existing laws and regulations probably constituted, in the minds of many PLC members, the single most important responsibility of the institution. Conversely, to the extent that Palestinians were searching for channels through which to discipline the executive, they placed their hopes in the PLC far more than in any other institution. After all, when it came to exercising oversight, there was no other game in town: no ombudsman, no independent, strong judiciary, insufficient autonomy and capacity by the press, and no strong civil-society counterweight to the predominance of the executive.

PLC members took their oversight responsibilities seriously. They questioned ministers and launched investigations into charges of embezzlement and fraud by executive branch officials. They exposed violations of human rights and the absence of a rule of law. They demanded that the cabinet submit a detailed budget in a timely fashion, and were vocal in their complaints when the executive branch repeatedly failed to comply. In 1997, it issued its famous “corruption report,” which detailed numerous irregularities by the executive branch, and in August 1998 it was instrumental in bringing about a cabinet change.

By 1998, however, it was also clear that, for all its courageous efforts, the PLC had failed to discipline the executive branch. Indeed, the single most important cause of the sharp decline in the PLC’s credibility in the public eye was its inability to translate a demonstrated readiness to exercise oversight into a proven capacity to rein in the President or his cabinet. This situation was a source of considerable disillusionment for PLC members themselves.

It is true that, since 2002, the PLC has shown renewed vigor in asserting its oversight prerogatives, and this process already has been discussed above. But the pattern that was established early on in the life of the PLC has not been broken: whenever there has been a confrontation between Arafat and the PLC, or between the two branches of government, it always has been the PLC, not the President or the cabinet, that has blinked. Although the PLC has made some inroads into controlling the purse strings, the executive has remained largely unsupervised in its ability to decide how precious resources are allocated. Repeatedly, after berating the executive branch or exposing its excesses, the PLC had backed down or compromised, in the process losing confidence from the Palestinian people.

But, again, this situation should be evaluated not by the standards of fully mature democracies, but by those of the region, and, within it, by the uniquely daunting challenges that any legislature would have faced in a context such as Palestine, at a time when the peace process was collapsing, and violence was engulfing the entire region. Any evaluation of the PLC’s ability to foster good governance should take into consideration the following:

- a. To begin with, the single most important reason for the oversight failures of the PLC has been the existence of a “shadow state” largely impervious to existing mechanisms for ensuring accountability of senior officials and transparency of government procedures. From the beginning of the Oslo process, PA ministries and the PLC constituted only the formal, visible part of the Palestinian “state-in-the-making.” Real power, however, actually resided in a “shadow state” operating from behind the scenes. Headed by Arafat (whose many hats therefore included President of the PA as well as chief of the shadow state), that shadow state brought together senior leaders of Fatah, the most influential members of the PLO’s Executive Committee, as well as security bosses (i.e., those responsible for the various security services in the West Bank and Gaza, as well as Force 17, the Presidential Guard). In that respect, one should note, Palestine was not fundamentally different from other Arab polities. Constitutional trappings notwithstanding, across the Arab world the reality of power is usually vested in a coterie of close advisers and confidants of the Chief Executive (the President’s or the King’s men, who often include close relatives), security and intelligence chiefs, a small clique of senior military officers, and/or tribal leaders.

For the PLC to have succeeded in its oversight functions, it would have had to prevail in its bid to assert control over the shadow state. That, in turn, would have been a truly unprecedented phenomenon in the region where no legislature has been able to rein in the shadow state (in part because, as has been the case in Palestine, the shadow state usually extends its patronage into the legislature itself). As one evaluates the PLC's oversight performance in a regional context, therefore, one cannot expect such a new institution, operating in an unusually hostile environment, to have succeeded where no other Arab parliament has. The truth of the matter is that the PLC went further than any other Arab legislature did in making a bid to rein in the shadow state. Virulent and direct criticisms of the senior members of that shadow state and their policies were heard repeatedly during PLC sessions, an achievement that no other Arab parliament has matched.

The symbolic status of Arafat as the historic leader of the Palestinian national movement also made it particularly difficult for the PLC to assert its oversight role. At critical junctures, especially when he was threatened by Israel and/or the United States, Arafat could tap on that status to call on Palestinians to close ranks. External pressures thus repeatedly forced the PLC to become far more subservient to the executive branch, and to retreat from affirming its right to oversee the executive branch, than would have been the case in the absence of those pressures.

- b. In its efforts to rein in the shadow state, the PLC received little support from the international community at large. Until 2002 at least, when donors exercised pressure on Arafat, it typically was to prompt the Palestinian leader into making concessions on the peace process, not on accountability. Consequently, Arafat repeatedly was able to avoid having to compromise on oversight mechanisms by offering concessions in peace negotiations with Israel. In other words, because to donors peace was always far more important than democracy in Palestine, the international community tacitly and for years allowed Arafat to get away with using the peace process as a substitute for implementing genuine reforms on accountability.

While that situation has changed since 2002, donors still approach oversight in a way that is strikingly different from Palestinians. By and large, the Palestinian public would like oversight to be performed by relying primarily on the PLC as the authorized, legitimate representative of the nation. Because Palestinians view the PLC as the one institution which, within the Palestinian polity, has been given primary responsibility for ensuring accountability and transparency by the executive branch, they expect the PLC to play the leading role in discharging oversight functions. The international community, however, approaches oversight through the executive branch itself (by ensuring the appointment within the executive branch of individuals, such as current Finance Minister Salam Fayyad, whom donors view as "champions of reform") and by applying conditionality (which does not challenge the executive branch's control over the purse strings, but merely determines the extent of the external resources that are made available to the executive).

It is revealing as well that the establishment of the Trust Fund, which the World Bank has been expected to announce for Palestine, has been delayed because of lengthy

discussions over the formation of a structure to ensure accountability within the Ministry of Finance. Apparently, the World Bank has not given any serious thought to the role that the PLC could perform in providing or supporting oversight. Such an approach can be seen as symptomatic of the extent to which the PLC has been neglected in the calculations of donors, including in those very areas where it is ideally placed to make a genuine contribution.

- c. Finally, in assessing the PLC's oversight performance, it bears remembering that the process of asserting legislative control over the executive is typically a long and protracted struggle involving many defeats on the legislature's side. In Great Britain, that battle unfolded over several centuries. Therefore, if one seeks to measure the PLC's oversight performance not against the unrealistically high expectations that prevailed in 1996, but by using the standards suggested by the histories of most world legislatures, one realizes that considerable gains have taken place. The PLC's achievements look even more impressive when they are evaluated in comparison with those of other legislatures in the Middle East and North Africa.

In short, in the area of oversight, the PLC's shortcomings should not obscure its real and significant achievements. The PLC has played a leading role in exposing instances of corruption, violations of existing regulations and laws, and extra-judicial practices. It helped bring about two cabinet changes (in August 1998 and September 2002). It has established the principle that the cabinet should provide parliament with a detailed annual budget, and that it should do so in a timely manner. The budget, which in the first few years of the PLC's existence remained essentially a secret document, is now subjected to considerable parliamentary scrutiny. In March 2003, the PLC was instrumental in creating the post of prime minister, a means by which the authority of the President was to be reduced. From May 2002 through the resignation of Abu Mazen in September 2003, the PLC made a courageous and sustained effort to force through and institutionalize a set of profound changes aimed at making the executive branch more accountable. It is true that that battle ultimately was lost -- largely because Arafat was successful in portraying it as a nefarious, Washington-backed plan to remove him from power. But the fact that it was waged at all is noteworthy. After all, as discussed earlier, in the UK it took generations for parliament ultimately to triumph over the monarchy, with plenty of false starts along the way.

It is also possible to detect a significant learning process in how the PLC has approached its oversight function. In the early stages of its existence, between 1996 and 1998, the PLC seemed to be conceiving of its role as, essentially, that of an ombudsman, seeking to ferret out individual wrongdoings by members of the executive branch. As time went by, it continued to do that, but it also adopted a broader, more institutional and policy-oriented approach to its role. It forcefully asserted its prerogative to scrutinize the budget, strove to hold the entire government accountable for its actions, and affirmed the need to put in place the foundations required to translate certain principles (such as government accountability and the rule of law) into institutional realities.

Most importantly, the PLC has not given up in its efforts to make the executive branch more accountable. One recent manifestation of its continued political will in that area was its call on Arafat to suspend Dr. Amin Haddad, the Governor of the Palestinian Monetary Authority. In early May 2004, the PLC, acting on a detailed report submitted by the chairs of its Economic

Affairs, Budget, Legal and Oversight committees, voted overwhelmingly to declare Dr. Haddad unfit for his position, and urged the President to appoint a “professional and competent personality” to replace Dr. Haddad. The PLC’s report on the matter noted that Dr. Haddad’s appointment had never been ratified by the PLC, as it should have been. It also detailed various violations by Dr. Haddad – ranging from disregard for judicial rulings to conflict of interest and violations of existing regulations regarding compensation.

Law-making

Even back in 1996, when optimism about the PLC’s prospects was running high, the Palestinian public and PLC members themselves had only limited expectations about the influence that the PLC was likely to exert on legislation. Palestinians were fully aware that, as is the case throughout the region, the central thrust behind legislation was likely to come from the executive. In their minds, the PLC’s lawmaking responsibilities were always less central than the institution’s representation and oversight functions.

In that respect, and for all the continued, significant limits of the PLC’s impact on legislation, the institution may well have exceeded public expectations in several ways. It is true that, from the very beginning of its existence, the PLC stood powerless as Arafat refused to sign into law many of the bills which the PLC had passed. On the lawmaking side, therefore, Arafat routinely, though selectively, ignored the PLC, and he did so with impunity. After all, as discussed earlier, it was not until 2002, and only after great external pressure was exercised on him, that the President even promulgated the Basic Law which the PLC had passed as far back as 1997. It is also true that the PLC’s capacity to review bills and make substantive, informed amendments to them, remains limited, and that the PLC’s ability to draft quality legislation is still inadequate.

But it is also the case that the PLC now has become more focused on lawmaking, and better capable of engaging in it, than it used to be. In fact, in contrast to those analysts who are keen to highlight the obvious weaknesses in the PLC’s lawmaking capacity, it may be the case that the PLC is more concerned with lawmaking than the political, economic, and security environments warrant. Since implementation is at best erratic in these uncertain and difficult environments, and because the legal-judicial infrastructure is too weak to surmount these challenges, passage of legislation can contribute to the perception of the PLC’s ineffectiveness. When there already are too many laws that remain dead letters, adding to the existing pile of such legislation may discredit the PLC, not enhance its centrality. Moreover, because laws are deemed by many if not most Palestinians to be largely irrelevant in the present context, they have little interest in engaging in the process of making them. Lawmaking has, therefore, become a somewhat ritualistic exercise, rather disconnected from the grim political, social and economic conditions prevailing on the ground.

It therefore would be unwise, at this particular juncture at least, to be overly concerned about the specifics of the legislation passed by the PLC. Much of that legislation in any case has limited practical application, and is likely to be re-examined if and when Palestine becomes an independent and viable state. That applies in particular to those laws that bear on the management of the economy in its international setting. After all, in the past two years, the economy has collapsed, and what is left of it for the most part has been deglobalized. Meanwhile, PA institutions have come under repeated Israeli attacks, and have disintegrated or

been rendered impotent. Palestinians enjoy less autonomy than at any time since 1993. Chaos and lawlessness have taken hold of significant areas within the Palestinian territories. Against this background, Palestinians understandably view their daily life as a constant struggle for personal and collective survival in the face of insurmountable odds.

Predictably, in this context, our interviews revealed that PLC members conceive of their lawmaking activities less as a technical act aimed at solving policy issues than as an affirmation of their collective will to build a state (“We legislate, therefore we form a nation”). Because passing laws becomes a signal of national resolve -- and indeed can be little else -- the actual content of the legislation in question does not appear to warrant being an overriding focus of donor assistance at this point.

One of the reasons why the PLC is now more engaged in lawmaking than it was back in its first few years also has to do with the duress under which the shadow state has found itself. As a result of both external and internal pressures, that shadow state has been forced to retreat to its core concern (security and political control), and has been willing to let the PLC play a more important role in the lawmaking area. It is to the PLC’s credit that it has proven able to take advantage of that window of opportunity.

In the past several years, and largely by using the capacity which USAID assistance has helped build, the PLC has become more effective at analyzing and amending legislation introduced by the executive. In the process, it has shaped such vital laws as those regulating NGOs and the Judiciary, making the legal framework in those areas far more liberal than the executive branch has intended.

Most importantly, as discussed earlier, civil-society organizations increasingly have sought to access the PLC in an effort to affect legislation relevant to their respective concerns. One recent manifestation of this situation has been the alternative draft electoral law that a coalition of NGOs has designed, circulated, and forwarded to the PLC. Such a situation demonstrates that civil society is aware of the influence, limited as it is, that the PLC can have on lawmaking.

PEACE-MAKING

Though the PLC was never formally invested with any role in peace-making – indeed, the Oslo process deliberately excluded it from that arena -- it always played an important, though indirect, part in legitimating the authority that was engaged in negotiations with Israel. The PLC was expected to give those who were handling negotiations the credibility and seal of popular approval that they needed to give legitimacy to their decisions.

Furthermore, because it was an important part of the Palestinian institutional infrastructure established by the Oslo II Agreement, the PLC was inevitably tied to the peace process. And when the later floundered (by no fault of the PLC), the PLC suffered as a result.

It also bears remembering that, on several occasions, Ahmed Qurei (Abu Alaa), the PLC’s Speaker from 1996 until his appointment as Prime Minister in October 2003, met with Knesset Speaker Avraham Burg. More importantly, the explicit mandate which the PLC gave Abu Mazen in April 2003, when it made him the first Palestinian Prime Minister, was twofold:

implementing structural institutional reforms within the PA, and making peace with Israel. The fact that the Abu Mazen experiment failed was, once again, no fault of the PLC. Instead, by bringing Abu Mazen into office, on a platform that explicitly included peacemaking, the PLC demonstrated its political will in that area – even though its members were fully cognizant of the enormous political risks that such an endeavor would entail, and even though most probably realized that the odds were against such an effort succeeding.

It is also revealing that the fall of Abu Mazen and the re-assertion of the shadow state were seen not only as a serious setback to the reform movement in general and the PLC in particular, but also as a blow to peace efforts. And yet, the continued relevance of the PLC to peacemaking was demonstrated shortly thereafter through the December 2003 Geneva initiative. After all, it was some members of the PLC who helped organize and then threw their weight behind the Geneva Agreement, which outlines a path to nation building through compromise and negotiation rather than violence. The fact that, on March 31, 2004, Prime Minister Abu Alaa chose the PLC to announce his support for Ariel Sharon's stated intent to evacuate the Gaza Strip was also significant in two important respects. First, it underscored that the PLC continues to be seen as having a vital role in peacemaking. Second, and more importantly, it showed that the PLC is viewed as a receptive audience for peacemaking-related announcements which, in other venues, might generate only outcry and sharp attacks for their compromising tone and content.

Finally, it bears noting that the PLC's peacemaking function also has been tied to its role as the embodiment of Palestinian aspirations to a nation and a state of their own. By helping keep alive Palestinian hopes for independence and statehood, the PLC also has helped mitigate against the prevailing despair and hopelessness associated with the breakdown of the peace process. By doing so, it also has provided a cushion against the violence that stems from hopelessness. In short, the PLC's nation-building and peace-making functions have been intertwined, a situation the importance of which foreign analysts of the PLC typically has failed to take notice.

PART TWO: PLC CAPACITIES AND THE IMPACTS OF USAID ASSISTANCE

This section summarizes the evolution in the PLC's capacities between 1996 and 2004, as well as the ways in which, and the extent to which, USAID programs contributed to improvements in those capacities, or came short of responding to the needs of the institution. In the process, particular attention will be paid to the merits and limitations of the project's approach to capacity-building, which was marked by significant continuities over time, but also by a shift, occurring around 1999, from a generally "pro-active" mode to a more "reactive" one.

STARTING POINTS: CAPACITIES IN 1996

Back when it was first established in 1996, the PLC consisted of little more than its members, the staff, and the more or less bare premises which both occupied. Lacking any tradition of representative government, Palestinians -- including those who were elected to the PLC -- were unsure not only of the proper roles and responsibilities of legislators and staffers, but of the exact mission of the PLC itself. The PLC's relation to the broader "legislative community" was yet to be established; the means by which it was to contribute to nation-building, democratization, and peace-making were unspecified; and the manner in which it was to discharge its primary functions of representation, oversight and law-making remained largely unknown.

One manifestation of the pervasive ambiguity surrounding the PLC's true mandate was the tendency of members to utilize the plenary session as a soapbox for topics of individual interest, rather than as a forum for structured debates over the issues facing the nation and the polity as a whole. Another indication of the PLC's lack of maturity as an institution was the inability of the staff to deliver appropriate services to those members. Poorly organized and lacking in specialized training, that staff was not in a position to provide inexperienced members with the support they desperately needed.

With regard to internal administration, management and procedures, the PLC commenced with little more than an organizational chart -- one that even failed to specify the tasks of the various units and the relationships between them. Job descriptions and a personnel system, both of which were supposed to be developed with the assistance of the EU, were absent, as was an orientation handbook for members. The manner in which staff were hastily hired suggested that merit-based criteria were taking a back seat to *wasta* (influence) in dictating recruitment and promotions. Meanwhile, no system for record-keeping existed. There were only a handful of computers, which were not networked, and a token library. Procedures for governing debates, for processing legislation, and more generally for regulating the ways in which members were expected to relate to one another, were rudimentary, at best.

Initially, the PLC's ability to perform its representation function suffered from serious internal lacunae, ranging from organizational deficiencies to lack of previous experience by members and staff. The political context, too, represented a significant hurdle in that area. Political parties

capable of aggregating interests and channelling societal demands through the PLC did not exist. Instead, existing vehicles for political participation were mostly of two types, neither of which saw the PLC as central to its concerns. The first consisted of a plethora of NGOs, most of which were donor-supported, donor-oriented, and largely donor-driven -- hence in many ways more responsive to donors than to the population. The second and politically dominant organizational vehicle for participation was the revolutionary nationalist movement embodied in the Fatah-PLO apparatus, the cadres of which continued to focus on national liberation, a struggle to which the PLC was, in their minds, only partially relevant. In short, at that time, both the PLC-Fatah structure and civil society did not view the PLC as an institution critical to their ability to reach their respective objectives.

For its part, the general public may have been interested in the PLC, but it was not adequately connected to it. Information about the PLC's activities and performance was lacking, largely because there was only sporadic media coverage of them, and because the PLC initially did not have a media outreach program. Thus, the population for the most part was cut off from the PLC, and, consequently, it was in no position to make effective contributions to the legislative process, or even to evaluate the performance of its representatives. Members themselves did not undertake systematic evaluations of public opinion toward those issues on which they were called upon to legislate, or that were the subject of their debates.

There were, therefore, no institutionalized channels through which organized interests could access the legislature and impact on its discussions and decisions, or by which the general public could be informed about PLC deliberations. Consequently, the tendency was for the PLC to connect to the broader body politic through personal ties alone. This inherently and greatly disadvantaged it relative to the executive branch. For one, the greater patronage resources and power of the executive bureaucracy naturally made it the primary focal point for civil-society organizations and individuals seeking to solve personal or collective problems.

The PLC's ability to perform its **law-making** function was equally rudimentary. The institution lacked the capacity to draft or effectively amend legislation, as the legal unit had little relevant expertise. There was no mechanism for coordinating bill-drafting or bill-amendments with appropriate ministries or executive agencies. PLC committees had no procedures for accessing expert advice on complex legislation. Committee processes were deficient in that they were not effectively governed by standing orders. Minutes were not properly recorded or saved. Members did not have access to relevant documents and the library was too rudimentary to be of real use. In those conditions, the PLC could not contribute effectively to law-making. Predictably, in its early stages at least, it was reduced essentially to the status of a debating society.

The capacity for **oversight** of the executive was deficient as well. The PLC lacked not only the resources needed to gather and analyze information, but also the procedures and skills required to utilize that information and analysis in order to oversee the executive. For instance, although the PLC had a budget committee, it lacked a fiscal unit with the ability to analyze the budget.

The executive branch did not make the PLC's task any easier. Determined to maintain its autonomy and freedom of action, it did not provide relevant information, and indeed resisted the PLC's legitimate and repeated requests and inquiries in that area. That was particularly true with

respect to the budget, which in the early years the cabinet submitted neither in a timely manner nor with the appropriate level of detail.

Ideally, in its attempts to bring the executive to heel, the PLC would have been able to count on the support of an independent judiciary. Unfortunately, however, the legal-judicial system was both too poorly developed and too subservient to the executive to play that role and be relied upon as a neutral arbiter. As a result, the executive branch could flaunt with impunity even such minimal curbs on its authority as those represented by the parliamentary tools of questioning and interpellations of responsible officials. In short, in the area of oversight, the PLC's dearth of resources and potential allies made the contest with the executive a highly unequal one.

To make matters worse, while PLC members were keenly aware of the need to oversee the executive -- especially with regard to financial matters -- they were hesitant to push too far, lest they undermine national unity and, therefore, Palestinian bargaining power during difficult peace negotiations with Israel. From the very beginning, and even more so after the peace process began to unravel and Palestinians felt themselves under renewed attack by Israel, the perceived imperative of putting up a unified front and rallying behind the executive was an impediment to the PLC's propensity to assert its oversight prerogatives. Even when that attitude was not expressed publicly, there was an underlying reluctance on the part of many members to embark on a sustained effort to force the executive to be accountable. The temptation was high to suggest that full oversight should be delayed until a sovereign Palestinian state had come into being. In the meantime, it was believed, Palestinians should not do anything to lead the world into believing that they battle each other while under occupation. That position was typically accompanied by a great deal of ambivalence, even on the part of those who espoused it, but it could be understood as a natural reflex at a time when Palestinians felt the PA's very existence, as well as the prospect of a future Palestinian state, to be in real danger.

In sum, when USAID's program of assistance commenced in 1996, the PLC was little more than a collection of members and staff who had yet to develop a proper understanding of their appropriate roles and responsibilities, to say nothing of translating that understanding into concrete operations and securing the resources needed to enable the PLC to discharge its functions. The broader political system did not create an environment conducive to the PLC's ability to perform its representative, law-making and oversight functions. The Council was particularly hampered by a powerful executive branch, eager to retain the substantial margin of manoeuvre that it enjoyed. Almost from the moment the PLC began to operate, the slow breakdown of the Oslo process, growing political uncertainty, and rising violence added further, considerable challenges. By the time the second intifada broke out, in September 2000, an environment had emerged which, one could easily have assumed, would have rendered the PLC totally powerless, ineffective and even irrelevant.

And yet, despite all of these difficulties, the PLC has managed over the past eight years to develop sufficient internal capacities and achieve enough centrality in the political system to contribute meaningfully to the making of laws, to providing a real counterbalance to the executive, and to serving as a body in which different views and constituencies are represented and are seen by the public as such. The following sections indicate how this transformation was accomplished, and the overall contributions that USAID assistance programs made to that process.

PROJECT APPROACHES TO CAPACITY BUILDING

As discussed at greater length in Part III of this report, the key to capacity improvements was the emergence of a core group of committed PLC members and staff, dedicated to improving the performance of the institution. In the absence of that group, the substantial resources on offer from USAID might never have been drawn upon, or used effectively.

Indeed, at the outset of the assistance program, some members and staff insisted that resources be delivered directly, without training or technical assistance. That resistance was overcome only thanks to sustained efforts and close cooperation and coordination between ARD project personnel on the one hand, and committed PLC members and staff on the other. In general, when assistance began, significant ambivalence, misunderstandings, and even open distrust characterized the attitude of many within the PLC toward the assistance program. Over time, this situation was sufficiently transcended to enable the assistance program to become an integral component – indeed perhaps the building block -- of the overall development of the PLC. That remarkable evolution is a testament to the close working relationships that the project was able to develop with the PLC.

The vital relationships of trust and confidence that made this transformation possible should not be considered as inevitable. Indeed, they only emerged slowly, and as adjustments were made to ARD's approach. The shift from a "pro-active" approach in PLC1 to a "re-active" approach in PLC2 was the definitive event in the development of these relationships.

- ✿ PLC1 project management sought to induce as much best practice among PLC members and staff as possible, sometimes encountering and even engendering extensive resistance, especially within the leadership of the PLC. This somewhat confrontational approach, tempered by tactical flexibility, had real strengths. For one, it undoubtedly contributed to the emergence of the core group of committed members and staff without whom no further progress would have been possible. But it also alienated many within the PLC.
- ✿ The shift to a re-active approach -- whereby project management operated in a responsive mode, reacting to requests from the PLC rather than instigating them -- was of course only possible once the PLC had developed to the point that it could actually make effective requests. But the change also stemmed, in part, from a strategic choice by project management. It reflected a belief in the need to place more emphasis on building trust and confidence, and less on seeking to engineer from the outside the development of the PLC.

The relative strengths and weaknesses of the two different approaches are discussed at different points throughout this document. Suffice it to say here that the combination of a core group of members and staff within the PLC, who understood the value of USAID assistance and what could be achieved through it, and the ability of ARD to provide that assistance in an acceptable and useful fashion, resulted in significant advances. Specifically, it went a long way toward achieving most of the principal desiderata identified at the outset of the activity in 1996 (and produced as well several additional accomplishments that were not thought of at that time). These desiderata were embodied in a December 1996 document entitled "Developmental Needs of the PLC and Possible Methods of Meeting those Needs." That document consisted of sets of

recommendations regarding the means by which the PLC could better cope with the challenging context within which it was operating, enhance its management/administration/procedures, and improve the performance of its representation, legislating, and oversight functions. These initial objectives provide useful benchmarks by which one may evaluate progress over the following almost eight years, and they therefore will be used in the rest of this section to assess improvements in PLC capacities.

COPING WITH A CHALLENGING CONTEXT

From the outset it was realized that the PLC was operating in a challenging context, and that it would find it difficult to establish its centrality in the political system. In the initial PLC1 document, the means for this to be accomplished were identified as follows:

- (1) Foster the development of, and become well integrated into, a “legislative community;”
- (2) Expand the range and deepen the intensity of relationships with other branches and agencies of government;
- (3) Develop a core institutional capacity to access external service providers;
- (4) Encourage and facilitate the development of intense and effective member-staff relations;
- (5) Facilitate the emergence of cadres and leaders among the members and staff committed to institutional development;
- (6) Create an effective liaison capacity to deal with external sources of support.

Progress has been made toward each of these objectives.

- ✿ While the Palestinian “legislative community” remains poorly developed, it is now possible at least to identify institutions, organizations and individuals that consider the PLC in their political calculations, and that interact with it intermittently, including by providing information which the PLC can use during its deliberations.
- ✿ Relationships with other branches and agencies of government remain weak, but they, too, are stronger than they were in 1996. That is particularly true of relations with ministries, since local government and the legal/judicial system are themselves extremely weak. Committed PLC members and staff continue to push for a more adequate flow of information from the executive bureaucracy to them. In several critical areas, especially budget-related and financial matters, the need for greater cooperation and coordination between the executive branch and the PLC is now widely acknowledged.
- ✿ The PLC’s core institutional capacity has so significantly improved that PLC departments and units now have a demonstrated ability -- working in conjunction with ARD -- to access external service providers, especially Palestinian ones.

- ✿ Member-staff relations, which initially were characterized by coolness and even a certain disdain on the part of the former toward the latter, have become much more functional and effective, as members have come to appreciate what staff are able to provide to them (largely because of the upgrading in staff capacity, which itself occurred largely because of USAID assistance programs).
- ✿ As discussed earlier, a core group of members and staff committed to institutional development has formed, and has had a beneficial impact on the PLC.
- ✿ Finally, and rather paradoxically, to the extent that under PLC1 the PLC developed a capacity to liaise with donors, that capacity eroded under PLC2, as PLC units began to access the USAID project directly rather than by going through the designated coordinating committee, which had been replaced by a single individual. The breakdown of this coordinating mechanism was, in part, a by-product of the shift from a pro-active to a re-active strategy on the part of ARD. It is also indicative of the failure of the PLC's leadership to embrace a long-term development strategy. That shortcoming, which the PLC leadership now states it wants to overcome, should be a focus of any future potential USAID assistance program to the PLC, as discussed in Part Four of this document.

ADMINISTRATION AND MANAGEMENT

Recruitment and management of PLC staff were considered in the 1996 report, which recommended that a “clear and rational organization structure” be created; a personnel manual with job descriptions be drafted; a training program for all staff be inaugurated; and that the principle of staff accountability to elected members be institutionalized. Only mixed results have been achieved in those areas.

- ✿ Because the PLC's organizational structure was never adequately formalized, the roles and responsibilities of the various departments and units remain ambiguous and overlapping. During the assessment team's discussions with PLC staff, this issue repeatedly came up as one of the greatest obstacles to the staff's ability to remain motivated, engaged, and effective.
- ✿ In late 2002, the PLC leadership finally approved a hiring manual that codifies recruitment procedures. Given the lack of significant recruitment since then, that manual's relevance has yet to be fully tested, but there is some evidence that patronage continues to characterize recruitment, despite the widespread recognition in the PLC that professional, committed staff is vital to the success of the institution. Possibly the stated commitment of the new Secretary General to achieving this objective, along with the departure of his predecessor, who was known as “the master of patronage,” signals impending improvements in this area. For the first time in the history of the PLC, it and ARD jointly advertised in early 2004 for a consultant position on the budget committee. But in light of the prominent role that patronage has played in personnel-related matters for the past eight years, reversing deeply entrenched practices will represent a significant challenge.

- ✿ Training, although exemplary in some cases, has been idiosyncratic rather than systematic. Training facilitated by ARD has largely by-passed the PLC's own training department, which remains without significant capacity.
- ✿ Finally, to whom staff are really accountable remains a mystery to many of them. It is clear to all that members have been able neither to gain control of personnel management within their institution, nor to place that management in neutral, non-political, professional hands.

In sum, administration and management of the PLC remains weak, largely because control of staff remains under the institution's political leadership, which itself is associated with the executive branch. But even if that leadership were able to maintain its control, considerable improvements in management and administration could still be achieved. That the leadership is now weakening suggests that yet more opportunities for significant improvements are likely to be available.

Management of information technology represents another area in which there now may be an opportunity for substantial improvement. The PLC has been thoroughly computerized, and the IT support unit, backed up by ARD, has demonstrated considerable capacity. What is lacking, however, is actual utilization of the system by those who nominally have direct access to it, as evidenced by the presence of computers on their desks or somewhere in their office.

Access to the Internet is intermittent and of poor quality, a result in part of the PLC leadership mandating that such access be through the governmental service provider. But more important that Internet access would be utilization of email within the PLC, which would enable direct, lateral communications between staff in different departments and units. As things now stand, communication among staff members takes place through person-to-person phone calls, or via written messages sent from one department or unit to another. That process is not only laborious, but it does not allow several individuals, departments or units to be part of any given exchange of information or requests.

Two key factors have stood in the way of the widespread use of email within the PLC. First, while the staff has received some training in operating email, that training has been insufficient. Second, and far more important than training, has been the absence of appropriate modelling behaviour by key figures. As a rule, senior members of the PLC do not use email (and, apparently, may not know how to do so). The leadership -- or at least some component within it, possibly at the level of department and unit heads -- needs to demonstrate the utility of email, most decisively by using it personally. Unless and until such initiatives are taken, the IT capacity of the PLC is likely to remain under-utilized.

PROCEDURES

While some procedures are specific to the particular functions of representation, law-making and oversight (and, therefore, will be treated below under those categories), others, dealt with in this section, relate to the more general flow of business.

The PLC commenced with a set of Standing Orders, but it had both to translate those Standing Orders into appropriate behaviour, and to develop and institutionalize various other processes. With regard to plenary sessions, procedures needed to be designed and implemented to guide and structure floor debate, to set the agenda, to vote, and to record the sessions. With the exception of the last item on that list, those procedures have yet to be entirely and successfully developed. It may well be that session-recording has been so successful precisely because it is the most technologically-oriented of those procedures. With ARD's assistance, a state-of-the-art recording system, coupled with appropriate storage means, was installed and is fully operational.

Voting might have been in the same category had the loud speaking/voting system installed by ARD been utilized. However, the PLC's leadership, presumably out of the desire to exert control, has preferred to continue to utilize a non-automated voting system. Like the means of quorum counting, that system is laborious, time-consuming and potentially inaccurate. Most detrimentally, and as it is precisely intended to do, it allows political influence to bear on members' voting behaviour.

Although the Standing Orders in Articles 27 and 28 specify when members can speak in relation to the passage of legislation, those Orders are insufficient to guide all floor debates. In addition, the manner in which the Speaker directs those debates, and thereby influences their outcomes, is decisive. Moreover, and unlike any other legislature in the world, the PLC confronts the challenge of conducting floor debates through the video conferencing that connects proceedings in Ramallah with those in Gaza. That technical challenge, combined with the lack of fully developed rules of procedure and the use of the chair for partisan purposes, has militated against the proper and orderly development of floor debate. Live television broadcasting of sessions, as initiated and for a while made possible by ARD, could have provided members with incentives to conduct themselves with decorum and professionalism while on the floor, in front of the camera. The PA leadership, however, terminated such broadcasting as early as 1997.

The assistance which ARD provided toward the development of a member handbook that explains parliamentary procedures, the language of motions, committee jurisdictions, and other critical items, did have positive impacts, as did ARD-facilitated member visits to other legislatures, for first-hand observation of debates and other proceedings.

Finally, agenda setting has not yet been routinized and remains subject to manipulation by the PLC leadership. That is so, in part, because the governing article (16) of the Standing Orders specifies only the means of adding items to the agenda, not how the original agenda ought to be set. In addition to shaping the content and direction of debates, the fact that the agenda is not set in a transparent and rule-bound fashion complicates the conduct of proceedings. Members frequently do not know the item of business for which they should be preparing.

Committee procedures appear to have developed more successfully than floor debate, possibly because the leadership exercises less control in that area. Committees have been given more latitude in which to operate, perhaps precisely because of their lesser visibility and power. At least in the case of several committees, that relative freedom has enabled genuine, independent leadership to emerge, typically around dynamic chairpersons, determined to empower their committees. That situation has led those chairpersons to seek to improve a variety of committee procedures, including in such areas as accessing information (whether through the library, the

research unit, or from NGOs and the general public); harnessing the media to disseminate information about committee proceedings; maintaining committee records; and developing the capacity of committee staff to serve the interests of the committees to which they are affiliated. The budget committee, backed up by the fiscal unit, stands out in these regards.

REPRESENTATION

The 1996 document identified two methods for enhancing the ability of the PLC to represent constituents' concerns. One was to improve the mechanisms through which individual constituents' complaints or requests could be processed by members. The other, more ambitious recommendation was to facilitate overall aggregation of demands, so that these demands could be dealt with in a collective, policy context, rather than through mechanisms of individual redress of grievances. What was not appreciated by the drafters of the 1996 document, but was well understood by PLC members and ARD staff, was the need to increase public awareness of the institution itself, and its potential role in building a democratic Palestine.

In any event, the critical support which ARD provided for the establishment of District Offices (DOs) was instrumental in helping the PLC meet, in part, all three of these needs. Originally, there were sixteen DOs (one per district), but that number now has risen to twenty-two. ARD trained DO staff in office management, IT, calling and holding meetings, writing newsletters and media briefings, and responding to constituency requests. It also provided facilities, networked computers, and a system for tracking individual requests and inquiries through the various stages of their processing. The project worked with DO staff and members to institutionalize town meetings, which typically have dealt with specific, urgent matters as they have arisen. These resources have served multiple purposes.

- ✿ By providing members with the capacity they needed to augment their local power bases and credibility, DOs reinforced linkages between constituents and members. They greatly facilitated the growth of direct interaction between members and the population.
- ✿ DOs also provided a basis for members to help process constituent complaints within the executive branch. By doing so, DOs enhanced individual members' knowledge of, and influence within, the PA bureaucracy, and increased somewhat the extent of the PLC's overall leverage over the executive.
- ✿ Over time, DOs became focal points for NGOs seeking access to a policy arena. This situation enhanced information flows into the PLC's policy process, while also allowing for at least some aggregation of policy demands.
- ✿ Public meetings with constituents were used as a medium for the dissemination of information about the PLC and its activities, hence they improved collective knowledge of the PLC and enhanced the PLC's visibility within Palestinian society.
- ✿ DOs also became critical nodes in the communication networks through which various outreach, public information, and civic education campaigns, led by PLC staff, and supported by ARD, were conducted. Two important manifestations of this use of DOs have been the institutionalization of "Democracy Day" (which in fact consists of a whole

week of activities that celebrate democracy each year in March) and the annual summer youth camp. DOs have played a critical role in organizing the meetings, workshops, and contests, and in disseminating the brochures, leaflets and posters, around which Democracy Day is built. They also have been involved in putting together the civic education activities that bring together students and schoolteachers.

Although they have helped the PLC improve its performance of the representation function, DOs are not without problems. The key one is that they are shared between members in the same districts. This situation does not work well. Members naturally do not want to share premises, particularly with those who may be political competitors. Confidentiality is an issue, as is control of the staff. In practice, one particular MP tends to dominate his or her DO. The rationale for collective offices was primarily one of cost saving, but that benefit is more than offset by the cost of reduced effectiveness of offices and dissatisfaction with them among members and constituents alike.

The media outreach program, which the PLC developed with ARD assistance, has utilized videos, user-friendly brochures, as well as TV and radio broadcasting in ways which struck the assessment team as very creative and effective. That program has contributed to public awareness of the PLC in a non-partisan manner.

The PLC's committees represent yet another key component in performing the representation function. It is through these committees that constituents' demands are processed, particularly those of a collective nature (although in the early days of the PLC, committees did tend to get bogged down in dealing with individual petitioning). But ARD-supported efforts to convert committees into vehicles within which demands could be aggregated into policy outcomes, rather than processed as individual complaints, did have positive impacts.

- ✿ Training in convening public hearings (typically to discuss draft laws) and recording their results has been, in the view of the assessment team, the most critical means by which the project has upgraded the capacity of committees to hear and respond to constituents' demands. The institutionalization of the public hearing process to the point where it has become a routine part of the PLC's operations deserves particular praise. It appears to be far more advanced than is the case in any other Arab parliament, and has contributed not only to the representation function but to the legislative process as well. With respect to recording, committee minutes and reports are now archived, both electronically and through hard copies.
- ✿ ARD has worked with all committees, but appears to have had a particularly beneficial impact with respect to the functioning of the critical Budget and Legal Affairs committees.
- ✿ Other valuable contributions which the project has made to more effective committee processes have taken the form of staff training and exposing members to committee proceedings in other legislatures.

In sum, largely because of the assistance provided by USAID, the PLC has significantly upgraded its capacities to represent constituents. Although further improvements could be made

in the PLC's performance of this function, most notably by changing the structure of DOs, the primary constraint lies not within the PLC, but in the political system more broadly. In the absence of political parties, the PLC's ability to formulate public policies that reflect the aggregation of interests within the body politic necessarily remains limited. Outreach programs, committee hearings open to the public, and various other means employed by the PLC simply cannot overcome this deficiency, although they can compensate for some of its consequences. Possibly, efforts to assist the development of political parties through the PLC would be the best method available to address this lacunae, an approach that might be particularly effective when and if new parliamentary elections are scheduled.

LAW-MAKING

The 1996 document placed law-making within the broader context of public policy formulation, which itself was viewed as part of a multi-phase process consisting of issue identification, information gathering, development of policy options, translation of chosen options into draft legislation, and enactment of legislation. Although this model does not describe the reality of the PLC's approach to law-making, which remains far more responsive to initiatives from the executive branch than from broader constituencies, it does provide the dimensions along which the PLC's law-making capacities can be evaluated.

- a. The capacity to *identify issues* independently of the executive branch has been substantially enhanced by virtue of the linkages, described above, intended to enhance representation. Public hearings in districts and in PLC committees have played a particularly important role, including by strengthening connectivity to NGOs. Still, as was noted above, a legislature's capacity to identify and prioritize issues depends in considerable measure on actors outside parliament, including political parties and the executive. The PLC, therefore, is unlikely ever to assume a very pro-active role in this regard.
- b. The PLC's ability to *gather policy relevant information* has been notably improved as a result of donor assistance -- primarily that of USAID, but also that provided by the British Government through the British Council. This latter assistance was to the PLC library, which was also supported by USAID. The library now can boast of a small but well trained staff; a compact but respectable collection of relevant documents, magazines and books; and an intermittent on-line capacity to access data bases and other sources of information. In addition, the Parliamentary Research Unit (PRU), which was once located in Nablus, was integrated into the PLC in September 1998 with support from USAID. The PRU is intended to provide members with services-on-request. Those services include the collection of data and information on specific issues related to draft legislation; analyses of draft laws; and written responses to specific inquiries from members. In addition, the PRU occasionally conducts briefings and workshops on issues of legislative interest. It appears, however, that the PRU's capacity to undertake targeted research has declined as a result of its integration into the PLC, apparently because it has been rendered less independent in its operations and analyses. This situation should receive some attention in any future assistance program to the PLC.

Other means by which information is gathered include access to the executive branch, which has been systematically improved in certain areas, and committee hearings, which, as mentioned above, have come to play an important role in both the representation and law-making functions. It should be noted that the project was instrumental in systematically soliciting the involvement of NGOs in the legislative process. The bridges that were built in the process have had a lasting impact. Reaching out to NGOs now appears to have become engrained in the manner in which the PLC approaches law-making. That way of going about legislating might never have materialized without the project.

Finally, USAID assistance has been vital in enabling the PLC to recruit experts to advise on specific matters of public policy, as they have arisen. Such expert advice -- in the form of numerous consultancies apparently contracted in a professional, non-partisan fashion -- has fed into the policy process. Only a project that had a permanent presence on the ground, had earned the confidence of its partner on the other side, and was responsive to that partner's constantly changing needs and concerns, could have done so as effectively as ARD did.

- c. *Development of policy options*, which ideally should involve professional staff trained in policy analysis, is not an area in which the PLC has substantially expanded its capacity. The PRU, which is nominally responsible for contributing to this function, is not doing so effectively, including for reasons discussed above. Intermittent provision of consultants is of some assistance, but policy analysis is a reasonably specialized skill and not all of those hired to provide information on a particular issue possess it. It is thus left primarily to committee members to develop and evaluate policy options, a task which they cannot perform effectively without more support, both from within the PLC and from outside of it.
- d. The more technical area of *drafting legislation* is, not surprisingly, one that has been developed more effectively than the more nuanced and politically sensitive area of policy analysis. The legal department's staff has been trained alongside the Ministry of Justice's *Diwan*, where a more substantial drafting capacity is situated. The close interface between the two appears, on balance, to be of benefit, especially because it contributes to improved capacity on the part of the PLC to amend legislation.
- e. Finally, the *processing of draft legislation* by committees and the plenary has been improved in both form and content. With regard to form, the bill-tracking system established with USAID assistance permits members and staff to determine at what stage a bill is at any given time. As importantly, via the PLC's website, publications, and media releases, that system allows the general public to track legislation as bills work their way through the PLC. With regard to content, the primary improvement has been in the ability of committees to access public opinion and expertise on pending legislation, especially through the open hearings which ARD has played a central role in institutionalizing.

In sum, the law-making function has received extensive assistance from USAID, and some from the British Government. It has developed to the point that one can now speak of a legislative

process, which certainly was not the case in the early days of the PLC. That process, however, is rendered less effective by the relatively inadequate performance of the policy analysis and legislative drafting functions. If further assistance is to be provided for law-making, it should concentrate on those areas, especially the first.

OVERSIGHT

The 1996 document envisioned the development of the oversight capacity as, primarily, that to review the budget, and, secondarily, that to oversee the executive and its implementation of policies.

The primary task of budgetary oversight was seen as the responsibility of the Budget Committee, which was then in existence. The document recommended that a fiscal unit with the capacity to undertake financial analyses be created in order to provide technical support to the budget committee. The PLC subsequently took that step, with support from USAID, including via long-term technical assistance.

The document also suggested various means to improve general oversight, including through the formation of joint legislative-executive committees, and the creation of an ethics committee, temporary select committees and/or specialized sub-committees within PLC committees (any or all of which would have the power to obtain information from executive agencies and require its members to testify). The document recognized the difficulty the plenary would have in compelling the executive to appear before it or provide answers in response to interpellations.

The improved performance of the Budget Committee, as well as support provided by the fiscal unit, have brought about more effective budgetary oversight, but significant gaps remain. Most importantly, the capacity to undertake cost-benefit analyses of existing and proposed programs remains underdeveloped. Budgetary oversight tends to be conducted more within a strict auditing framework, rather than within a broader, program evaluation one. The PLC is still not really able to determine if particular programs are cost-effective, and what alternatives might be superior in that regard. Budgetary oversight is driven more by an anti-corruption approach than by a program evaluation one. Focusing more of the recruiting and training of staff on performance-based budgeting would go some way toward addressing this shortcoming. But is also seems necessary to convince members of the need for broader program analysis and to direct their attention toward it.

With regard to oversight more generally, the PLC has not yet developed the proper committee or sub-committee infrastructure, either separately or in conjunction with the executive branch, as was suggested in the 1996 document. It appears that each of the standing committees pursues oversight in its own way, typically by responding to issues, especially those involving corruption, raised in the broader body politic. This approach results in high profile cases, a few of which have ended in victories for the PLC over the executive. But the approach is somewhat episodic, reactive and non-cumulative. Having failed to create and develop the organizational infrastructure required to monitor closely the implementation of programs and other activities by the executive, the PLC is necessarily always in a reactive mode.

Oversight, in sum, has yet to be adequately systematized, even though the PLC has won some notable victories over the executive, and has developed some capacity to analyze the budget and oversee accounts.

CONCLUSION

The PLC's capacities have been unevenly but substantially developed over the past eight years, an achievement for which USAID assistance can claim much credit. The concept of a representative body, essentially unknown in Palestinian history, has been translated into specific structures, processes, and habits. It is to a significant extent because of the PLC's activities that notions of accountability, oversight, representative government, and popular input into the decision-making process have become better rooted in Palestinian political culture.

A legislative community has begun to emerge that links the PLC to other actors in the body politic, including executive-branch agencies, civil-society actors, and the media. Many members have drawn upon the resources provided by the PLC to reinforce their connections to constituents, thereby embedding the institution in those constituencies. The PLC, in sum, has established a significant place for itself within the Palestinian political system.

It has done so, in part, because it has managed to develop considerable organizational capacity, especially if compared to the executive (the capacity of which may well have declined rather than increased over the past several years) or to local government (which, for all intents and purposes, is non-existent). The representative function has experienced the greatest growth, which is appropriate for it is precisely that function that most directly links the PLC into the broader body politic. The combination of district offices, a well-developed outreach/public relations capacity, bolstered by public hearings in PLC committees, lies behind much of this development. USAID assistance has been essential to each of these achievements. The most outstanding, unresolved issue in this area is overcoming problems inherent in having shared district offices.

The **quality of law-making** also has been improved, but when viewed as part of the broader public-policy making process, several links in that chain remain to be put in place. Perhaps because of the technical nature of bill drafting, it has proven easier for USAID assistance to improve bill drafting than to enhance more nuanced, political activities, especially public-policy analysis. Identification and prioritization of issues to be tackled through legislation are also challenges that have yet to be effectively met, in part because civil-society actors typically perform these functions outside the legislature. While the PLC has made some efforts to fill this void, unless and until the political system spawns more effective organizations, especially political parties, issue identification and prioritization, to say nothing of formulation of policy alternatives, will remain weak.

Oversight of the executive has become associated with high profile cases of corruption, which has contributed to the public image of the PLC, hence to its centrality. The PLC's capacity to perform oversight in a more mundane, everyday fashion also has been developed to some extent. Review of the budget is the chief tool of this oversight, and it has progressed substantially -- although budget review has yet to broaden out to real, comparative program evaluation.

Elsewhere in the PLC, oversight structures and linkages between them and the executive branch and civil society, to say nothing of internal expertise, have yet to be developed.

Plenary and committee procedures have improved substantially, though the former appears to have made less progress than the latter. However, other than in strictly technical areas, such as record keeping, political interference continues to impede further development. As a result, such routine tasks as agenda setting, quorum calling, and voting become laborious, time-consuming and politically charged, while the quality of plenary debate and even committee proceedings suffers.

Finally, the administration and management of the PLC continues to be its Achilles' heel. Political control exercised through distribution of patronage, prevention of lateral communications within the PLC, failure clearly to identify roles and responsibilities of the various departments and units, and lack of institutionalization of personnel procedures all continue to ensure that the PLC's administrative structure is controlled from the top-down by the political leadership, but at an enormous cost to the effectiveness of the institution. Freeing itself from that control and developing professional, non-partisan management and administration that is responsive to the members as a whole, rather than to a specific group of them or to interests outside the institution, is the challenge that has to be met if the PLC is to become a truly effective legislature.

PART THREE: LESSONS LEARNED

Viewed against the background of D/G programming in the entire Middle East and North Africa region, USAID's successive programs of assistance to the PLC amount to a unique legislative development project in at least three main respects:

- (1) The length of this endeavor, which spanned over eight years (late 1996 through mid-2004).
- (2) Its magnitude, i.e., the significant amount of resources that were committed to it (approximately \$16 million were spent for PLC1, PLC2, SPLC1 and SPLC2 altogether).
- (3) The fact that assistance commenced almost at the very moment when the legislature itself was established (the first PLC session was held in March 1996, and USAID support began in October of that year). That situation put the project in an extremely rare position. For one, when the project started, there were no set, pre-existing patterns of interaction within the legislature, and no longstanding, vested interests associated with it. The PLC was essentially a clean slate, an institution that had to be built from scratch. That is virtually never the case with respect to legislative development programs. More importantly, the very fact that assistance nearly coincided with the establishment of the legislature itself means that the PLC never has known a situation in which there was no USAID assistance to it. In terms of institutional development, the PLC has matured in lockstep with successive USAID projects, and never grew independently of them. This is one of the most distinctive characteristics of the endeavor that is being evaluated in this report, and it should weigh heavily on USAID's mind as the agency considers whether or not assistance should be resumed.

Because of the exceptional nature of this project, it is worth reflecting on the main lessons that can be drawn from it. To do so, this section proceeds in two steps. First, what can be learned from the project's very substantial accomplishments will be highlighted. Having done so, the document will turn to an examination of the points that may be inferred from the downsides of the assistance that was provided, or from those areas in which the project either fell short of meeting its objectives, or may have taken insufficient advantage of existing opportunities.

LESSONS LEARNED FROM PROJECT ACCOMPLISHMENTS

The single greatest accomplishment of successive USAID assistance projects, and of the implementer, was that, over time, they were able to gain the trust, confidence, and respect of the PLC as an institution, and of the variety of voices and political sensibilities represented within it. That is no small feat considering:

- (1) the complexity of the political landscape;

- (2) the extremely challenging security and logistical situation on the ground;
- (3) the fact that that situation, daunting as it already was in 1996, deteriorated steadily throughout the course of the implementation of successive assistance programs; and, most importantly,
- (4) the skepticism, distrust, and other major handicaps that any organization affiliated with the USG, or through which USG assistance was being provided, was bound to confront in Palestine during that period.

It is particularly striking and impressive that, as the assessment team was able to determine on the ground, the implementer was able to win the trust of its Palestinian partners at a time when, across the region, suspicion of American motives and intentions was at an all-time high, as was the anger created at the perception of US indifference to Palestinian suffering and bias in favor of Israel.

Against this background, the critical question to be addressed becomes: how was trust established? Eight main lessons, it seems, can be learned in that respect from successive assistance programs to the PLC

1. Provide for time; work at it and be patient.

First and foremost perhaps, it bears emphasizing that trust was established neither easily nor overnight. It took years, deliberate efforts, and a trial-and-error process for the implementer to succeed in that area. PLC 1 (1996-1999) was, to a large extent, a period of confidence-building. One clear lesson, therefore, is the need to give such projects ample time to generate the required trust from the actors and institutions they seek to engage, and upon whose cooperation and confidence project success is entirely dependent.

2. Avoid “off-the-shelf” assistance, and match deliverables to local needs.

The way in which the nature of the deliverables was adjusted quickly to match more closely the needs of the institution, as defined by its own leaders and staff, was also essential to building trust.

Initially, PLC1 relied heavily on expatriate technical assistance (provided through workshops and US expert advice). PLC leaders, members, and staff did not believe that such assistance really addressed the distinctive, specific needs of their institution. In fact, initially, the substantial component of expatriate technical assistance generated resentment within the PLC.

However, as the content of assistance became more consistent with the needs of the PLC, as articulated by its own members and leaders, the project generated a far more positive response from the institution. Particularly welcome was the focus on strengthening the administrative backbone of the institution (specifically, by developing the record-keeping system and by establishing the Chief Clerk’s office) throughout SPLC1 (1997-98) and SPCL2 (1998-99).

In general, intangible advice -- especially when delivered by expatriates -- is far more likely to be greeted with skepticism and even suspicion than assistance efforts that result in concrete, visible benefits to the institution, and that empower its members and staff (see below).

3. Initially at least, focus on the staff of the institution.

Once the staff became the primary target of assistance, trust built up fairly quickly, underscoring that working with the staff can be an effective way of generating confidence. This was due to several inter-related factors.

- a. First, making the staff the primary beneficiary of assistance helped defuse many MPs' suspicion that assistance might be driven by hidden political agendas, i.e., by a desire to strengthen some political forces and tendencies at the expense of others. As the implementer zeroed in on building up the administrative capacity of the institution, such fears were alleviated, at least in part.
- b. Second, providing staff with training, equipment and other resources gave those in charge of running the day-to-day operations of the PLC (the staff) a vital stake in the assistance, and a genuine appreciation for what was involved in it. The staff welcomed the training, because it empowered them as individuals, just as it was also enhancing the overall capacity of the institution.
- c. Third, the upgrading of the capacity of the staff provided elected representatives with better, more effective support. In short, the focus on the staff indirectly empowered members as well. For instance, it was the staff in District Offices that made the D-Day activities successful for the members. Members appreciated those D-Day activities, which gave them visibility in their district, and made them look responsive to the demands of their constituents. But it was their staff who bore the burden of making the logistical arrangements required to make those activities possible in the first place.
- d. Finally, when members saw the benefits of assistance to the staff, they came to look for assistance for themselves – i.e., they began to think of other resources and skills they needed. The early concentration on the staff, therefore, naturally led to an expansion of project activities to make members themselves a target of assistance.

4. On the implementer's side as well, it is critical to have local staff involved in the project.

While American expatriates involved in the project were able to win the confidence of the institution over time, local staff proved indispensable to the trust-generating process. They provided an essential bridge between the PLC and the implementer. Specifically, and in addition to their direct and vital role in the delivery of assistance, they made the following, indirect but as critical contributions:

- ✿ They helped the PLC verify the intent and motivations of the project and its personnel, alleviating fears, suspicions, and misunderstandings.

- ✿ They also played an instrumental role as “institutional cultures brokers.” They made it easier for PLC members and staff to understand the culture and the approach of USAID, as well as the contractual constraints under which the implementer operated. Conversely, they were also essential to helping the implementer and USAID develop a better understanding of the inner workings and dynamics of the PLC.

5. Use local and regional service providers.

In delivering services (such as training in public relations or administrative management) and providing equipment and other inputs, the project went out of its way to rely on local sources, as opposed to expatriate ones. In eight years, it used more than three-dozen different local service- and input-providers. That, too, appears to have made a critical contribution to trust-building, because:

- a. it was culturally more acceptable;
- b. it was far more cost effective;
- c. it could be more easily sustained;
- d. it alleviated suspicions about the training and the expertise that was being provided;
- e. it was conducive to the development of linkages with civil society (NGOs and think tanks typically were engaged in the delivery of assistance); and
- f. those working in the PLC generated some satisfaction from knowing that Palestinians contractors, as opposed to foreign ones, were benefiting from the assistance.

6. Multiply access points to the legislature.

One way to minimize suspicion or even resentment of the assistance that is being provided is by making sure that the assistance in question benefits a broad array of actors, departments, and units across the legislature. On both the administrative and the political sides of the institution, no key player should feel excluded from the benefits of assistance. In this case, the project also made a conscious effort to balance assistance to the West Bank and Gaza branches of the PLC.

7. Flexibility is essential.

As discussed in Part Two, one of the reasons for the overall success of the project was the capacity it demonstrated to adjust the nature and content of assistance to the following:

- a. the changing needs and demands of the institution;
- b. the specific needs and absorptive capacity of the various departments, units and individuals targeted for assistance;

- c. the political will shown by those entities or individuals, as well as the extent to which they had proven able to utilize previous assistance to them in such a way as to maximize benefits for the institution as a whole; and
- d. sudden changes in the political environment.

The implementer's ability to adjust the extent and content of assistance to reflect the recipient's needs, absorptive capacity, and ability to use previous assistance effectively (points b and c above) is related to the time that legislative assistance projects require in order to generate the anticipated benefits (see point 1). It typically takes some time at least for the implementer to gauge which components of the legislature are most likely to use aid effectively; what their real needs are; and how much assistance they can actually absorb.

That point relates to the need for conditionality, which will be discussed further in Part Four. Suffice it to say now that, in the case of the project evaluated in this document, the implementer realized that, within the PLC, there was uneven will or readiness to operate according to professional, universally-accepted standards of how a legislature is supposed to conduct its internal affairs. Some departments were clearly more inclined or able to do so than others.

To cope with this challenge, the project adopted an unwritten, unofficial policy, which consisted of making assistance largely conditional upon a given department's or unit's propensity to engage in meaningful capacity-building efforts, or to carry out needed changes in its operations. Departments and units that did not display an interest in striving for competence and transparency would receive far less attention than those demonstrating that they were willing to take a serious approach to institutional strengthening and/or reform. Thus, for instance, when the project concluded that the Women's Unit was genuinely interested in developing its capacity, resources were shifted its way. The same scenario took place with respect to the Parliamentary Research Unit (PRU). Similarly, when some District Offices indicated that they were interested in organizing town meetings, the project allocated resources to make that endeavor possible. That type of approach should be recommended.

As for flexibility with respect to the overall political context (point d above), it is particularly important for legislative development projects. That is because, far more than other governmental institutions (such as executive bureaucracies and courts), legislatures are inherently political institutions. After all, the key actors in them are inherently political figures (not administrators or judges), who have to respond quickly to changing political circumstances and the demands of the constituencies to which they account. As a result, legislatures are immediately and significantly affected by sudden changes in the political environment.

In that area, successive programs of assistance to the PLC were quite successful. One can only be impressed by the extent to which the project was able to adjust quickly and effectively to constantly changing realities on the ground, and by its demonstrated capacity to seize opportunities for assistance as they arose.

- ✿ Nothing demonstrates this point more clearly than the fact that the project not only continued to function, but indeed developed new foci, after the Second Intifada broke out in September 2000.

- ✿ The same flexibility was demonstrated at the very onset of the assistance effort. For instance, originally (when PLC I was launched), the project had been expected to work primarily with PLC members, not with the staff. Two factors, however, prompted a reconsideration of this initial design. First, the European Union’s program of assistance to the administrative side of the institution fell through, leaving major unmet needs. Second, it immediately became clear to the implementer that the staff was far more receptive to assistance than were members. USAID and the implementer were quick to draw the conclusions from those unexpected opportunities and constraints, and they modified the focus and content of assistance accordingly. As a result, by 1997 already, USAID had become the main donor working with the PLC staff.
- ✿ The implementer’s flexibility also was reflected in its capacity to seize on, and develop, initiatives or concepts coming from its Palestinian partners. For instance, the broadcasting of PLC sessions in 1997-98 was in response to an idea that had come up spontaneously through discussions with Daoud Kuttub. Democracy Day (D-Day), too, was an idea that emerged during discussions between the implementer and PLC staff. To its credit, the implementer understood that, especially in the new environment created by the Second Intifafa, D-Day activities might provide an opportunity to enable MPs to reach out to their constituents. The project then provided the resources that were required to make D-Day activities possible and sustainable, and its assistance was critical to institutionalizing the concept – to the point where D-Day activities now have become an integral part of Palestinian political life.

8. Capacity-building efforts may be used to smooth the way to more sensitive activities that aim to enhance centrality.

Legislatures, especially in their early stages, tend to be suspicious of donor activities that focus on sensitive areas, such as executive oversight. That is particularly the case when executive oversight is likely to engage the legislature in politically costly battles with the executive.

Therefore, before a legislature becomes receptive to donor efforts to upgrade its capacity for executive oversight, as well as its readiness to exercise it, it must have developed a sufficient level of confidence in the donor/implementer. As discussed in this section, activities that concentrate on strengthening the administrative side of the institution and the skills of its staff can become a way of doing so. As a rule, there is a correlation between the level of trust that the donor/implementer has been able to generate, and that donor’s ability to engage in activities that aim to enhance the centrality of the legislature.

A related point is that the extent of recipient confidence in the donor/implementer allows the latter to become more demanding of its local partner. In the case of successive assistance programs to the PLC, the trust which the implementer was able to earn over time allowed it to begin insisting that the PLC become more effective at meeting certain standards and criteria. This apparently was done carefully, and rightly so. Even as it became more demanding of its Palestinian partners, the project also went out of its way to show respect to them and to the PLC as an institution, being very careful not to antagonize needlessly the other side. For instance, the implementer would not be as blunt and insensitive as to state: “We expect this particular activity to be carried out in this fashion.” Instead, it would phrase the same request along the lines of:

“This is the way this type of training or project is usually accomplished; we very much would like it if we could carry it out in Palestine according to those international standards and practices.”

This approach paid off. Rapidly, it seems, (i.e., by the beginning of SPLC 2), project leaders reached the point where they could speak their mind relatively freely to their Palestinian counterparts.

LESSONS LEARNED FROM THE PROJECTS’ SHORTCOMINGS OR LIMITATIONS

Four main lessons also can be derived from some of the apparent downsides of the assistance that was provided.

1. Be careful not to create excessive dependency on the implementer and/or the assistance provided; think early on about an exit strategy, and plan project activities accordingly.

The key element that made the project so successful – gaining unusual access to the institution, and earning its trust – may also have become the greatest shortcoming of the assistance provided. In a nutshell, the PLC became so comfortable with the implementer, and so reliant on the latter’s support for its day-to-day operations, that its capacity to function in the absence of the project may be questioned (especially as the financial crisis of the PA and the deteriorating situation on the ground confront the PLC with unprecedented challenges).

For all intents and purposes, ARD in Palestine became an extension of the PLC. Because the distinction between the PLC and the project has broken down in several essential respects, one now may question the ability of the PLC to continue to operate without the support it has grown accustomed to expect from the implementer’s staff and resources. In short, the very success of the project – in particular the critical role it played in building up and maintaining the administrative capacity of the institution – has now emerged as, potentially, one of the greatest threats to the PLC’s sustainability as an institution. As the PLC’s Director General put it to the team in March 2004, “We don’t know what we would do if tomorrow there were no longer assistance from ARD” – a statement that was echoed by the heads of several departments and units within the PLC.

The lesson that emerges from this situation is that, when designing similar assistance programs, one needs to think early on and hard about an exit strategy for the project, as well as about sustainability issues. Ideally, an exit strategy should involve a phased withdrawal. Assistance should be reduced progressively, and according to a well-defined plan. Sudden withdrawals of support are likely to be too disruptive to the institution, and they usually will generate incomprehension and resentment at being “abandoned.” If so, earlier investments in capacity and/or centrality are likely to be wasted, as are the goodwill and political capital established through them.

2. Don't set unrealistic, overly ambitious objectives.

Sometimes, the implementer took on too much, and was excessively ambitious in its goals. For instance, early on in the life of the project, it endeavored to improve the legislature's bill-drafting capacity by supporting the PLC's legal department. It would have made more sense at that stage to set more modest and realistic goals regarding the PLC's potential contributions to law-making, and to concentrate instead on enhancing the various committees' capacity to review bills introduced by the executive branch.

Focusing on drafting legislation, as opposed to reviewing bills introduced by the executive, was particularly inappropriate in a political context characterized by an imbalance of power between the executive and legislative branches of government, and where there were no real political parties capable of formulating policy alternatives. In that type of environment, there simply were too many structural constraints on the legislature's capacity to initiate meaningful bills. It would have made more sense to concentrate efforts on developing the PLC's capacity to amend and improve legislation introduced by the executive branch, which was bound to play a leading role in the law-making process.

3. Think strategically and pro-actively.

As discussed earlier, one of the strengths of the project was its ability to respond quickly and effectively to the requests for assistance emanating from individual units and departments of the PLC. But that "reactive mode" – which was dominant in how the project related to the PLC, especially throughout PLC2 and SPLC2 -- was also one of the most significant weaknesses of the assistance program.

In particular, that approach was not consistent with the need to reflect in a more strategic manner on the political obstacles that stood in the way of the PLC's capacity and centrality. Systematic efforts should have been made to identify those obstacles, and then to develop a battle plan to remove them. Put differently, the project was too focused on tactics, and not enough on strategy. For instance, the channels through which outside forces were allowed to undermine the authority of the PLC should have been pinpointed, so that assistance subsequently could be devoted to blocking them. Similarly, with respect to the internal functioning of the PLC, the project should have devoted more effort to addressing the problems inherent in the political leadership's ability to maintain direct control over the administration of the body.

The need to be pro-active was in fact implicitly recognized by the project. In its first phase (PLC1), the project did seek to identify and tackle the politically installed chokepoints in the oversight and legislative systems processes. But when that endeavor generated resistance, criticism, and non-cooperation from the administrative and political leaderships of the PLC, which denounced it as interference, the approach was changed. Beginning with PLC2, the project deliberately chose to respond to requests from the institution. For the most part, it gave up on the two-pronged effort to locate the political obstacles that stood in the way of the legislature's independence, and to develop programs to remove them.

To be fair, one should note that, during the first few years of the project, when trust was not yet established between the implementer and the PLC, the more pro-active approach probably was

not appropriate. It became even more difficult to sustain a pro-active approach once it became clear that the Oslo process was unraveling. With the failure of the Camp David summit in July 2000 and the outbreak of the second intifada in September of that year, Palestinian suspicion of American motives and intentions reached an all-time high. In that context, it might have been suicidal for the project to pursue a pro-active approach.

However, trust now has been established, with both staff and members. Meanwhile, the internal capacity of the PLC, although uneven, has been built up, largely thanks to the responsive approach. It now has become increasingly evident as well that further development of the PLC's political influence is constrained by the lingering mechanisms of political control -- external and internal -- that bear on the institution. In this new situation, a more pro-active approach is required.

For reasons that will be spelled out further in Part Four, that does not mean that a potential future program of assistance to the PLC should turn its back on being responsive to the needs and requests of the institution. After all, a more pro-active approach necessarily would have to draw upon and utilize the islands of performance that have been established within the PLC through prior assistance. Therefore, sustaining the internal capacity of these islands (which calls for being responsive to their continued needs) is critical in two respects. First, efforts to constrain the ability of the executive branch to exercise influence within the PLC, and over it, will need to rely on the proven capacities of these islands. Second, any erosion of these strong components of the PLC would undermine the image and claims of the reformers that are active, in part, through them.

4. Integrated D/G Programming is Essential

One shortcoming of USAID assistance to the PLC was that it was not explicitly and systematically tied to other USAID efforts in the D/G area. Particularly critical was the failure to link legislative development and rule of law (ROL) activities.

To the extent that such a connection was made, it was through the executive branch, by working with the Diwan in the Ministry of Justice, in order to facilitate coordination on draft legislation. From the perspective of strengthening the oversight capacity of the PLC, however, steps to enhance the independence of the judiciary, implemented in close coordination with the legislative development program, would have been a more logical focus.

In general, the extent to which progress in the rule of law area was a precondition to the PLC's ability to assert itself in the political system may have been under-appreciated. That was a particular problem considering that two of the primary objectives of assistance to the PLC -- improved executive oversight and law-making capacity -- were largely conditioned upon progress in the capacity and independence of the legal-judicial system.

As a result, when conflicts arose between the PLC and the executive branch, the judicial branch could not be relied upon to serve as an impartial and legitimate arbiter. In the absence of a neutral referee, the executive always prevailed, because the distribution of power on the ground was heavily tilted to its advantage, and because the PLC does not have the power of the purse.

The absence of a judicial system meeting even the most basic standards of independence and effectiveness has remained a major impediment to the work of the PLC, and, especially, to its ability to constrain the executive branch. In the future, therefore, the linkages between the Mission's ROL and legislative development portfolios ought to be made more explicit. In both their design and implementation, legislative development and rule of law activities should be closely coordinated with one another.

PART FOUR: RECOMMENDATIONS

This section proceeds in two stages. It begins by laying out the rationale for possible future USAID assistance to the PLC, building on some of the points already made in Part One, presented here from a slightly different angle. It then moves on to outlining some guidelines for future assistance.

RATIONALE FOR POSSIBLE FUTURE ASSISTANCE

Under any likely scenario for the future of the Palestinian entity, support for the PLC has a comparative advantage over alternative allocations of USAID funds in the D/G area.

First, in terms of both internal capacity and political centrality, this recently created legislative body compares very favourably with other, much older Arab legislatures. Though only eight years old and significantly hampered by factors beyond its control, the PLC's overall performance has exceeded that of legislatures several decades older than it is.

Second, within the Palestinian polity, no other institution embodies and represents the nation's aspirations for independence, democracy, and civil discourse to the same extent as the PLC does.

Third, terminating assistance to the PLC would jeopardize investments already made, as well as the significant gains those investments have achieved. At a time when, more than ever, the USG needs to reassure the Arab public about its intentions, suspending assistance also would send damaging political messages about the USG commitment to both Palestinian state-building and a two-state solution to the Israeli-Palestinian conflict.

That is not to say, however, that the PLC has performed in uniformly acceptable fashion, or that all investments in it have reaped adequate dividends. Indeed, the catalogue of PLC shortcomings is substantial.

- ✿ Despite repeated efforts at oversight and imposing accountability, the PLC has failed to establish an appropriate balance in legislative-executive relations.
- ✿ Patron-client relationships emanating from Fatah and from the “shadow state” that the Fatah machine has constructed behind the façade of formal Palestinian governmental institutions run through the PLC, significantly undermining that institution's autonomy and effectiveness. The presidency's successful co-optation and/or subordination of many PLC members has thwarted that body's ability to stand up to the executive branch, and, even more importantly, has prevented it from operating as a significant curb on the informal apparatus of political control built around Arafat.
- ✿ The PLC's legislative record certainly could have been much more consistent and impressive.

- ✿ The PLC has yet to spawn a single, viable political party. In the absence of genuine political parties able to aggregate political preferences, articulate concrete programs of government, and present the public with policy alternatives, the PLC remains very limited in its ability to function as an arena for informed, policy-oriented debates, and as a channel for the actual shaping of public policy.
- ✿ The PLC's efforts to spearhead a thorough, structural reform of the body politic have been only partially successful, at best. For the time being at least, the shadow state has been able to fight back and defeat the series of challenges to its authority that have sprung out of the PLC.
- ✿ Largely as a result of the failure to hold new elections, a certain tiredness of spirit pervades the PLC, many of whose members are lethargic in the performance of their duties. It is, in part, because the public senses this that it has come to lose faith in the PLC.

Yet, these shortcomings are not as critical as they first appear, especially when they are weighed up against the assets of the PLC, its potential contributions to a viable, democratic Palestinian state at peace with its neighbors, and the benefits that the USG would derive from continuing to work with it. A major, largely under-appreciated asset of the PLC is its symbolic importance.

- ✿ As the only nationally-elected organization, the PLC embodies both the collective will and the potential of the Palestinians for democracy and sovereignty. If the PLC withers, hopes for Palestinian independence and participatory government will suffer.
- ✿ Within the Palestinian polity, the PLC also embodies civility over violence. Many of our interviewees described the institution as one of the last few remaining bulwarks against a final descent of Palestinian society into lawlessness, and against a reduction of Palestinian politics to clashing armed factions. Several observers went so far as to give the PLC the metaphorical status of the final wall standing between civilized political conduct and complete anarchy.
- ✿ Insofar as Palestinian-Israeli relations are concerned, the PLC stands for political dialogue and peace-making over confrontation and continued conflict. A creation of the Oslo Accords, the PLC remains associated with a two-state solution to the longstanding dispute, with Israelis and Palestinians living peacefully side by side. As such, the PLC legitimates the peace process, if only in an indirect, passive fashion. It even has the potential to shape and legitimate that process far more directly in the future. After all, no peace agreement between Israel and the Palestinians will be legitimate without formal approval by the PLC.

In light of the PLC's highly symbolic value, were USAID to walk away from that institution, such a decision inevitably would be interpreted, in Palestine and beyond, as an explicit rejection by the USG of everything that the PLC stands for in the minds of Palestinians. For one, it would lend substance to, and accentuate, pervasive Palestinian fears that "Palestine" will be nothing more than an isolated, impoverished Gaza Strip loosely tied to a collection of disconnected Bantustans on the West Bank.

Still, the rationale for supporting the PLC does not rest exclusively or even primarily on its symbolic value, however important that might be. Several other reasons, summarized below, are equally compelling.

1. The PLC remains the principal institutional vehicle through which lasting political reform and accountable governance can be achieved, Significantly, thus far at least, repeated efforts to bring about reform have been channeled primarily through the PLC. History also suggests that, across cultures, representative bodies play the decisive role in imposing, and subsequently maintaining, accountability of the executive branch.
2. The PLC has continued to function, albeit in reduced capacity, through almost four years of virtually unchecked violence. This accomplishment suggests a commitment to the institution by members, staff and the public alike.
3. Within the PLC, a constituency for reform has emerged that includes both members and staff. That development has begun to impact on the choices for leadership positions within the institution.
4. The Basic Law empowers the PLC to play a vital role in Presidential succession, a prerogative which could assume major political importance in the reasonably near future.
5. The PLC already has contributed to a partial political integration of “outsiders” or “returnees” with “insiders.” It also could play a key role in integrating Islamists into the legal, institutional political system, thereby possibly inducing them to reject violence in favor of political give-and-take and coalition-building.
6. Because local government councils are moribund, the PLC is the only functioning elected, representative body in the West Bank and Gaza. It would be awkward, to say the least, for a D/G assistance program to Palestine to by-pass such an institution.
7. Returns on USG investments in the PLC have been substantial, especially when compared to how little progress has been made toward establishing the rule of law by upgrading the legal/judicial system. Overall, the PLC has been effective in utilizing the assistance provided to it in order to build up its capacity to perform the typical functions of a legislature.
8. For all the deficiencies in its law-making capacity, the PLC continues to pass legislation, and, by doing so, it helps construct the legal framework for the Palestinian entity.
9. Were they to be held, new elections would energize the PLC, bring into it a new generation of political leaders, possibly foster the formation of more coherent political parties, and provide the PLC with much greater leverage vis a vis the executive. Already being engaged with the institution when that moment comes would greatly facilitate the task of any donor.

10. Through its support for the PLC, USAID has gained a substantial amount of credibility and trust, not only with the institution itself, but also with the broader Palestinian political elite. It is hard to exaggerate the importance of that phenomenon, particularly given the resentment that US diplomacy toward the Israeli-Palestinian conflict has created throughout the region, and in light of potential future US efforts to jump-start the peace process between Israelis and Palestinians. Yet all the goodwill that USAID has managed to establish toward itself among Palestinians through its PLC-related activities would be vitiated were assistance to be terminated.
11. Finally, though the internal capacity that the PLC has managed to establish is significant, it is not yet self-sustaining. It remains dependent on continuing USAID support, and would be seriously reduced, and might even collapse altogether, if assistance were withdrawn.

In sum, the USG stands to reap substantial benefits – both symbolic and tangible -- from providing further support to the PLC. That does not mean, however, that assistance as presently embodied in the PLCII project should continue in an unchanged manner. Indeed, while it is vital to the success of future aid programs that they build upon what already has been accomplished, it is equally essential that major changes occur in the delivery of assistance. That assessment reflects points already discussed in Parts Two and Three, which had highlighted in particular the following conclusions:

- a. Just as the PLC has gone somewhat stale as a result of the lack of elections, so has the PLCII project lost some momentum, and possibly taken insufficient advantage of opportunities for reform within the institution. Renewal of US assistance should be seen and explicitly framed as an opportunity to galvanize and expand incipient efforts at reform within the PLC.
- b. Feelings of entitlement and an excessive dependency on the provider of assistance have developed among many elements inside the PLC. That situation must be addressed and eliminated over time.

In short, if and when assistance is to be renewed, it will be important for all concerned that a clear signal be sent to the effect that assistance will not be simply a continuation or extension of previous support programs.

GUIDELINES FOR FUTURE ASSISTANCE

Any future program of support for the PLC should take account of the following guidelines:

1. Utilize participatory design processes to generate a blueprint for reform of the PLC, as well as a shared understanding of how reform is to be achieved. Participation of all key stakeholders should aim to foster on their part a clear commitment to reform, while increasing the likelihood that required changes will take place.
2. Explicitly make further assistance to the PLC conditional upon the following: structural internal reforms of the PLC; ability by the PLC to show progress toward specific

objectives, agreed upon beforehand by all key stakeholders; and a broader, demonstrated readiness to strive for increases in both the capacity and centrality of the PLC.

3. Establish an external monitoring and verification capacity to evaluate the extent to which all key stakeholders are complying with previous commitments.
4. Ensure that a critical objective of assistance is to strive for sustainability of existing PLC capacity, and for sustainability of any further improvements in capacity or centrality. Integrate the need for sustainability in the design of activities.
5. Incorporate an exit strategy into the conceptualization of any new assistance program to the PLC.
6. Adopt a comprehensive, systemic approach to capacity-building. Such an approach should aim to build linkages between the PLC's various departments and units, especially between those "islands of competence" already in existence.
7. Emphasize external linkages to civil-society, the media, and government institutions.
8. In designing and implementing any new assistance program for the PLC, pay careful consideration to how programming in other D/G sectors may contribute to PLC-strengthening objectives, and vice-versa. In particular, activities in the rule of law and civil society areas should be closely coordinated with those aimed at the PLC.
9. Undertake regular assessments of the broader political environment within which the PLC operates, in order to adjust the program of assistance to the PLC in light of changes within that environment.

Each of those guidelines requires elaboration, which is offered below.

1. Participatory Design

The design of a new program of assistance to the PLC should engage key stakeholders within the institution (both staff and members) and, possibly, even outside it (e.g., NGO leaders). The intent of that engagement should be to:

- (a) formulate specific objectives for the PLC, as a whole, as well as for individual units and departments within it;
- (b) outline a method or path, as well as a timeline, for reaching those goals;
- (c) generate a broad consensus on both objectives and method;
- (d) create an objective foundation to determine the extent to which stakeholders are meeting their obligations.

A series of workshops represents one possible format through which this process of engaging USAID's partners on the legislative side could be accomplished. The starting point for those workshops might be to solicit inputs from key stakeholders regarding the performance of the PLC thus far, as well as the strengths and limitations of past USG assistance programs to the institution. Discussions over the findings and conclusions of the present report could contribute to that initial debate.

USAID would want to consider carefully how it could input its critical objectives into that process. Presumably, it would be preferable to leave questions of how to achieve those objectives to direct stakeholders, though assistance in formulating appropriate methods might be provided to those stakeholders.

The design process might or might not be explicitly related to current efforts, by both members and staff of the PLC, to articulate and push through a package of reforms. The end result needs to be a clear, detailed blueprint for the development of the institution.

- ✿ That blueprint would need to reflect a consensus on the part of all key stakeholders.
- ✿ It should approach reform not merely from the standpoint of internal reorganization, but also from the perspective of those changes that need to take place to increase the centrality of the PLC within its broader political environment (that point is elaborated further below).
- ✿ It also should specify the roles and responsibilities of the various parties concerned, including USAID.

From the outset, USAID should make it clear that funds will be limited, so that stakeholders will have to prioritize objectives and identify the most effective ways of reaching them.

2. Use Conditionality

While conditionality can engender resentment, in this case at least the downsides of resorting to it seem more than offset by potential gains. Besides, the use of conditionality is made easier by the extensive trust and confidence which USAID has built up with the PLC through its previous programs of support to it, as well as by the fact that there appear to be no other external donors ready to assist the PLC. Conditionality should be used not as a sledgehammer, but as a means for focusing the minds of both the donor and the recipient, and as a way to engage PLC members and staff in a discussion over objectives and methods for strengthening their institution.

Assistance – to the PLC as a whole as well as to individual units and departments within it -- should be tied to adequate performance, as measured by indicators spelled out in the developmental blueprint for the institution. Performance indicators should be incorporated into a management plan for the PLC.

With respect to **internal capacity**, assistance should be conditioned upon the adoption of a comprehensive reorganization plan for the PLC, and, subsequently, on adequate progress toward the implementation of that plan. The plan in question should involve a clear description of the exact roles and responsibilities of the various units and departments within the PLC. It should

spell out the nature of the relationships between those entities, as well as between each of them and the political and administrative leaderships of the institution. And it also should provide clear job descriptions for all positions within any department or unit.

By far the dominant complaint of the most dedicated members of the staff with whom the evaluation team interacted was the **lack of a clear organizational structure**.

- ✿ As a result, staff members often felt they were operating in an organizational vacuum, or, at the very least, in an environment where employees' actual responsibilities and influence depended less on clearly spelled out rules and duties than on physical proximity or closeness to those in positions of power.
- ✿ They complained that working methods within many departments and units were inadequate, as were existing patterns of relation among those entities.
- ✿ They believed that units and departments overlapped in their duties and authority -- sometimes by design, sometimes because insufficient consideration had been paid to organizational issues.
- ✿ They were eager for a clearer separation between the political and the administrative leaderships of the institution. One particular source of complaint in this regard was that the position of Secretary General of the PLC (an administrative role that should be performed by a senior civil servant) is actually occupied by an elected member.
- ✿ And they bemoaned the absence of a clear, reliable and performance-oriented system for promoting employees within the PLC, noting that the institution was still excessively patronage-driven.

It is imperative that that situation be changed if the investments USAID already has made to build up the capacity of the PLC are to survive the test of time. Fortunately, the moment may be ripe for the introduction of a clear internal reform blueprint, as the most enthusiastic and serious members of the staff are crying out for a real, comprehensive roadmap for strengthening the institution by eliminating its internal dysfunctions. Conditioning assistance on a demonstrated readiness to improve the overall administration of the PLC should be a priority.

Another change upon which aid also ought to be made conditional is the establishment (or, rather, the re-establishment) of a Liaison Committee acting as the official, designated intermediary between the PLC and the provider of assistance. In the past several years, the implementer often has dealt directly with individual units and departments within the PLC. As a result, the implementer has related to those units and departments in three main modes:

- ✿ Respond: the implementer has provided services on demand, after considering a specific request by the unit or department involved. The main downside of such a relationship is that it tends to build unit or department dependency (on the implementer), and does not necessarily contribute to autonomous, self-sustaining capacity. In addition, while it strengthens certain components of the institution, it is not clear that it contributes to capacity-building for the PLC as a whole, or that it represents the most effective way of

strengthening overall institutional capacity. Furthermore, it tends to lead to duplication of efforts.

- ✿ **Ignore:** the implementer has not established a working relationship with certain units and departments (because resources are limited, or because the implementer concluded that providing services to the particular department or unit involved would not yield appropriate returns). The downside of that type of relationship is that it builds resentment on the part of those departments and units which feel that they have been ignored by the implementer.
- ✿ **Supplant:** the implementer has, in effect (though indirectly and largely unwillingly), usurped the role of the Training and Development Unit (TDU) by offering some of the same services (typically training) that that unit is charged with providing. That type of relationship, too, tends to create resentment toward the implementer.

Most importantly, these three types of relationships do not facilitate strategic planning for the PLC; they do not allow the PLC to speak with a unified voice; they do not reassure all stakeholders within the PLC that the assistance provided is for the benefit of the entire institution, or that the implementer has not “played favourites;” and they do not permit the implementer either to engage the institution as a whole, or to develop its own, broader strategic approach to the PLC.

It would be preferable, as several concerned parties suggested to the assessment team, if the implementer were to relate to the PLC through a Liaison Committee representing it, and charged specifically with managing external assistance to it. A similar committee existed earlier on in the life of the institution, and the concept should be used again.

The Liaison Committee (LC) should consist of both members and staff, and should include representatives of the senior political and administrative leaderships of the PLC. As part of the conditionality discussed in this section, USAID should require from that committee that it present the USG and the implementer not with a series of ad hoc requests (for training, equipment, etc.), but with a strategic blueprint for how the institution can be reformed. Consistent with the points developed in greater detail under “Participatory Design” above, that blueprint should include a clear description of how the PLC intends to achieve its stated reform objectives.

USAID then might engage the LC in a dialogue over both objectives and methods, through a process that should involve significant give-and-take and result in a “draft contract” between the USG and the PLC. That tentative agreement then would need to be ratified formally and officially by the political leadership (especially the Speaker’s Office), the administrative leadership (the Secretary General), the Internal Affairs committee, and, perhaps, ultimately, even by the entire body. Thereafter, the reorganization blueprint and management work-plan would be used as a basis to evaluate and monitor performance (see below). Eventually, once the needed internal reforms and restructuring have taken place, a manual should be developed that describe the PLC’s new organizational structure; the roles and prerogatives of the various units, departments, and employees within them; and how these units and departments relate to one another. That manual should be made available to the staff, members, and other stakeholders.

Conditionality also might be used to enhance the centrality of the PLC within the Palestinian polity. The most effective way of doing so would be to make assistance to the PA conditional upon the PLC's ability to control at least some of the funding available to the PA through taxation, transfers or foreign aid. In other words, some exercise of the power of the purse would do more to enhance the centrality of the PLC than any other measures one can think of. Barring that, conditionality might be employed to create more incentives for the PLC to exercise the oversight powers to which it is entitled by the Basic Law and relevant legislation. (That possibly could be coupled with the use of conditionality to create disincentives for the executive to flaunt the exercise of those oversight powers by the PLC.)

Enhancing the PLC's centrality by increasing the institution's capacity to exercise its oversight powers also might involve the following:

- a. Strengthen the capacity of the Budget and Financial Affairs committee. Members and staff of that committee could benefit from specialized training as well as additional equipment. The ability of that committee to hold hearings involving senior employees of the Ministry of Finance also should be enhanced.
- b. Strengthen the capacity of the Fiscal Unit, which is charged with supporting both the Budget and the Legal Affairs committees (it assists the latter by examining the financial aspects of the legislation being sent to it for review). It was the team's assessment that, despite gains achieved through USAID assistance thus far, the Fiscal Unit still does not yet perform to the level required. Its staff needs additional training and would benefit from being exposed to how similar units in other legislatures operate. The Fiscal Unit also requires additional equipment; better linkages with academic institutions and think tanks that can provide it with valuable expertise and information; and, most importantly, a more effective, reliable flow of information to it by relevant executive branch departments, particularly the Ministry of Finance.
- c. Develop a clear set of procedures for relating to the newly created Prime Minister's office in a way that will facilitate the PLC's capacity to exercise oversight. Relevant procedures might include institutionalizing questions-and-answers sessions for the Prime Minister, and facilitating the flow of information from the Prime Minister's Office to the PLC, especially on those issues for which the PLC has issued requests.

Other changes liable to increase the PLC's centrality, and which might also become a basis for conditionality, include the following:

- a. Enhanced linkages between the PLC and civil society organizations, particularly with respect to the involvement of think tank experts and NGO leaders in committee hearings.
- b. Improving the manner in which the executive branch relates to the PLC on such issues as the legislative process and the provision of data and reports. (This point is developed further below under "external linkages").
- c. Amending the by-laws of the PLC to allocate resources (staff, offices and equipment) to parliamentary blocs, so as to encourage the emergence of such blocs and facilitate their

work. Effective parliamentary blocs should help energize the institution and make its debates more policy-oriented.

- d. Enabling each MP to have his or her own district office.
- e. Institutionalization and expansion of the valuable activities (existing and past) by the Public Information unit of the PLC, which aim to increase the visibility of the institution and improve the public's understanding of, and appreciation for, its role. Relevant activities include, but are not limited to, the following:
 - Strengthened linkages with the media, both domestic and foreign;
 - Outreach activities with the youth (e.g., organizing mock parliamentary debates in schools; setting up visits to the PLC by high school and university students; or holding regular information campaigns about PLC activities in schools);
 - Broadcast of PLC sessions (at least the most significant ones) on radio and television.
 - Continued dissemination of brochures, magazines, and documentaries that keep the public informed about the activities of the PLC. In this respect, it might make sense to consider providing the PLC with its own printing facilities (which also would facilitate the PLC's task in such areas as generating and disseminating the minutes of PLC sessions or the texts of draft laws and laws).

3. Monitor Compliance

As discussed above, any further assistance to the PLC should be based on explicit conditionality, involving a clear commitment to thorough internal reforms by the PLC leadership. Negotiations between USAID and the PLC should result in a formal agreement over not only objectives and methods, but also over benchmarks and performance indicators.

Once assistance has begun, USAID should monitor the PLC's progress and compliance with the work-plan. Responsibility for monitoring should be vested in a unit independent of the project/implementer, and reporting directly to USAID. This unit probably should be comprised of one part time expatriate specialist and one local staff hire. It could be in place constantly on the ground, or be activated at regular intervals.

4. Require Sustainability and Maintain Existing Capacity

It is critical that assistance strive for sustainability of existing PLC capacity, as well as for sustainability of any further improvements in either capacity or centrality. The need for sustainability should be integrated explicitly into the design of all activities. The implementer should be expected to demonstrate how proposed activities will contribute to the build up of the autonomous capacity of the PLC as a whole (as opposed to the capacity of individual units or departments within it).

Many activities, and even whole departments of the PLC, have become so dependent on USAID support that if that support were withdrawn, these units and departments would cease to operate in an effective manner. Again and again, the assessment team heard statements to the effect that “without USAID’s support, we could not really function.” That was what the PLC’s Director General told the team on the first day, and, subsequently, the heads of several units and departments made similar claims. At one level, this situation highlights the very significant and positive role that USAID has played, and continues to play, in the life of the PLC. At another level, however, it suggests that an excessive level of dependency on the provider of assistance has been created.

Any future support should seek to ensure sustainability. One way to contribute to that goal is by explicitly requiring from the PLC that any request for assistance demonstrate how the assistance provided will result in gains likely to be sustained over time. By the same token, the implementer should be expected to explain to USAID how support for the PLC contributes to autonomous capacity-building, and to reducing, over time, the high level of dependency that currently exists.

Another way to create sustainability is to strive for enhanced budgetary clarity. For one, the inputs provided through assistance should be identified in the appropriate categories of the PLC budget, so as to provide both the PLC and USAID with a clear picture of capital costs relative to operational ones. This “total budget” could then serve as a basis for future claims to be made by the PLC against overall PA revenues, as well as for allocations to various departments and units within the PLC.

Directly relevant to sustainability as well is the need to maintain existing capacity. The “islands of capacity” (i.e., particularly performing units such as the Public Information and the Information Technologies units) that have been created through USAID assistance are important in their own right. More importantly, through the direct contributions that they make as well as through the example and precedent that they set, they may be critical to additional capacity building for the institution as a whole. While it may not be appropriate to support their further upgrading, such units and departments should at least be maintained in operational form, even as they strive progressively to reduce their dependency on assistance.

Finally, sustainability also requires that the accumulated experience at legislative work, as well as the lessons learned by both members and staff over the past eight years, can be transferred, in part at least, to the next generation of legislators, and to those within the PLC who will be there to assist them. Consequently, an orientation and training program for new members and staff should be included in the reform blueprint and strategic approach which the PLC should submit to USAID before new assistance is offered. For the sake of sustainability, USAID should be ready to support such an effort at preparing new members and staff for their responsibilities. The need to plan for orienting new members has been a central preoccupation of many of those often viewed as reform-oriented members or staff within the PLC.

5. Devise an exit strategy

Coupled with sustainability is the need for a clear exit strategy, by which sequential handoffs of responsibilities for particular activities/functions are built into the program, and a timeline for winding down and terminating assistance is clearly established.

Any new assistance program to the PLC, therefore, should lay out a clear exit strategy. By the same token, the PLC's blueprint for reform should provide USAID with sufficient guarantees that the institution's leadership understands the inevitable phasing out of assistance over time, and that it is adopting steps to prepare for the situation that will result.

6. Approach Capacity-Building Systemically

The PLC is akin to an archipelago, with islands of reasonable capacity separated by inhospitable waters of under-performance. There are few bridges connecting those islands to one another. More generally, as noted earlier, the manner in which various units and departments within the PLC relate to one another does not follow rational, bureaucratic rules. The PLC as a whole lacks integrated management systems.

These deficiencies reflect, in part, the uneven development that inevitably occurs from one unit to another in the life of any institution. But internal dysfunctions and the lack of systemic linkages also are the consequence of political control being exerted in opaque fashion from the top down. Thus integrating various functions into overall systems is not just an administrative task -- it is also a priority from the standpoint of political reform.

As is the case regarding the exit strategy discussed above, focusing on how such linkages and systems will be established should be part of the overall development plan for the PLC. This point, therefore, relates to the discussion on conditionality, as the PLC's reform blueprint should explain clearly how assistance will contribute to reinforcing linkages that, in turn, will help build the overall capacity of the institution.

7. Reinforce External Linkages

The political centrality of the PLC needs to be enhanced not only through the further development of its own capacities, but also by a vigorous effort to place itself at the center of Palestinian political life. More emphasis, therefore, needs to be placed on constructing and reinforcing linkages with both the state and civil society.

- a. While some such linkages exist with the Ministry of Justice, stronger ties with other ministries and governmental agencies would enable the PLC to discharge its responsibilities more effectively. As discussed earlier, for instance, the PLC cannot exercise its oversight prerogatives fully until significant improvements take place in the flow of information from various ministries to it. With respect to the PLC's capacity to monitor the spending of public funds, it is especially critical that the Ministry of Finance (MOF), as well as other ministries, provide relevant committees, units and departments within the PLC with more detailed reports and data. Particularly needed is a better circulation of information and a more productive working relationship between

the MOF and the Budget committee, as well as between the MOF and the PLC's Fiscal Unit.

Similarly, much needs to be done to improve coordination between the executive branch and the PLC during the law-making process. Specifically, once a bill has been drafted by the executive branch and forwarded to the PLC for review, the ministry involved currently does not monitor what happens to its draft legislation within the PLC. Therefore, the PLC may be considering or even making a whole series of amendments to the bill, without the executive branch being in a position to react immediately to those changes (if only to offer early compromises; to explain why amendments suggested by the PLC might not yield viable legislation; or even to make it clear that some of these amendments will not be unacceptable, under any form, to the cabinet).

By the time the amended bill gets back to the executive branch, following a potentially lengthy review and amendment process within the PLC, much give-and-take still needs to take place between the PLC and the executive branch. It typically would have been far more effective if the required bargaining process and ironing out of differences between the relevant ministry and the PLC had taken place much earlier. For that to have been the case, however, the ministry in question would have had to be in a position to track down the bill within the PLC. Certain mechanisms would have needed to be in place to enable the ministry to offer earlier reactions regarding the various amendments being considered by the PLC.

In short, improved coordination between the executive branch and the PLC throughout the entire legislative review process could save much time and effort, and make for faster and more efficient law-making. Several mechanisms, including the creation of a legislative liaison within each ministry, could be used to remedy the shortcomings of the current situation.

- b. With respect to linkages between the PLC and civil society, existing connections with NGOs, think tanks and academic institutions should be strengthened, and a program of assistance to political parties through the PLC should be considered. Those points already have been discussed under "Use Conditionality." It bears remembering that, in the past few years, the PLC has become more successful at developing ties to NGOs and at being seen by them as a valuable point of access to shape public policy. This situation creates a basis upon which assistance can build.

Ties between civil society organizations and the PLC may be developed through the following, illustrative types of activities:

- ✿ Expanding the public hearing system in a way that enables the PLC to tap the policy-relevant expertise available among think tank experts and NGO leaders, while providing the latter with a venue through which they can affect policy-making.
- ✿ Outreach efforts aimed at better informing the public about the PLC's role and work, as well as broader civil education activities (such as those associated with D-Day).
- ✿ Supporting changes in the PLC's internal rules and in the electoral law that are liable to facilitate the emergence of new political parties and parliamentary blocs.

8. Integrate PLC and D/G Programming More Closely

Seeking to build institutional capacities for democracy in stovepipe fashion misses obvious opportunities for synergies between those institutions or sectors that are being strengthened through assistance.

- ✿ For instance, the PLC's ability to oversee the executive is greatly impaired by the lack of rule of law, a deficiency that reflects the inadequacies of the legal/judicial system. The Law on the Independence of the Judiciary, which the PLC passed a few years ago, may be used to illustrate the situation. In the current context, that law could not possibly be adequately enforced, not only because the other laws needed for it to be implemented are not in place, but also, and more importantly, because the autonomy of the judicial/legal system is significantly hindered by structural obstacles. These obstacles -- some of which relate to capacity, while others reflect external political influence over the judiciary -- cannot be overcome merely through the passing of laws. Most importantly, when conflicts emerge between the executive and the legislature over the extent of their respective spheres of authority, the PLC needs to be able call upon a capable and independent judiciary to resolve those disputes in a fair and a-political manner.

In light of such considerations, assistance packages to, respectively, the PLC and the legal/judicial system should be provided with at least an awareness of how aid to the former may impact on the latter, and vice versa. Strategies for strengthening one sector (e.g., the legislature) should be elaborated in close coordination with the strategies developed to enhance the autonomy and capacity of the other sector (e.g., the judiciary).

- ✿ Similarly, for civil society effectively to impact policy, it needs access to, and influence within, the PLC. Conversely, the PLC can enhance its centrality through stronger linkages to civil society. Consequently, programs of support for, respectively, civil society and the PLC should reflect a clear appreciation for the linkages that need to be built between those two sectors. Such connections will help maximize the returns on investments, while minimizing the risks of duplication of efforts.

To the extent that all donors, and not just USAID, strive to create cross-institutional synergies and linkages, they will enhance the overall impact of their programming.

9. Undertake Regular Assessments of the Political Context

Finally, the political context within which the PLC operates is complex and rapidly changing. That unusually fluid context, in fact, creates a unique situation for institution-building. For one, as discussed in Part One, the state within which the PLC is situated has yet to come into existence, while the Palestinian polity is also highly fragmented. Consequently, the PLC is forced to tackle national liberation, democracy-building, and political integration challenges simultaneously.

This unique context, in which powerful forces beyond the Palestinian entity have a decisive impact on that entity's existence and even day-to-day functioning, requires regular monitoring. Only such close monitoring can ensure that assistance to the PLC will maximize opportunities

provided by the political environment, while avoiding investments that might have been appropriate in an earlier period, but are no longer so, and might even have become counterproductive.

Should assistance to the PLC be renewed, the initial design of the project should allow for objectives and means/tactics to be altered through the life of the project in order to reflect the imperatives of a changing environment.

PARTIAL LIST OF PERSONS INTERVIEWED

Abdul Hadi, Mahdi. Head, Palestinian Academic Society for the Study of International Affairs (PASSIA), Jerusalem.

Abdul Qader, Hatem. PLC member.

Abu Arafah, Abdel Rahman. President, Arab Thought Forum, Jerusalem.

Abu Taha, Abdel Karim. Director General, Finance Department, PLC.

Ackerman, Randy. Chief of Party, DPK Rule of Law Project.

Ashrawi, Hanan. PLC member. Former Minister of Education, Palestinian National Authority.

Barhoum, Basam. Head, Public Information Unit, PLC.

Bush, Myles. Policy Adviser. Adam Smith Institute, Ramallah.

Crisman, Ronald. Senior Technical Advisor, PLC Project, ARD Ramallah.

Doeibis, Kamal. Director, Training and Development Unit, PLC.

Dunn, Charlotte. Programme Support Officer. Department for International Development (DFID), Jerusalem.

El-Shahed, Iman. Assistant to the Director, Parliamentary Research Unit, PLC.

Fatouh, Rawhi. Speaker, PLC.

Fraitekh, Nahed. Legal Adviser, and Head of the Women and Children Unit (Ramallah branch), PLC.

Garber, Larry. USAID/West Bank and Gaza, Mission Director.

George, Chris. Former Chief of Party, PLC Project, ARD.

Hamad, Anan. Director of the Library, PLC.

Haninia, Ghazi. Second Deputy Speaker, PLC.

Hassan, Amal. ARD, Ramallah.

Hourani, Muhammad. PLC member.

Ibrahim, Kamal. Director General, Administration Department, PLC.

Isifan, Nabil. Financial and Administrative Manager, DPK, Rule of Law Project. Former Chief Clerk of PLC.

Jaffal, Aref. Executive Director, Civic Forum Institute.

Jibril, Ibrahim. Political Specialist, US Consulate General in Jerusalem.

Kane, John M. Vice-Consul. British Consulate General in Jerusalem.

Karpy, Jim. Head of DFID, Jerusalem.

Al Khatib, Ghassan. Minister of Labour, Palestinian National Authority.

Khraishi, Ibrahim. Chief Clerk, PLC.

Al-Krunz, Sa`adi. PLC member.

Labadi, Mahmoud. Director General, PLC.

Kuttab, Jonathan. Attorney at Law, Jerusalem.

Merrill, Donna. Chief of Party, PLC Project, ARD Ramallah.

Mikdadi, Ahmad. Director, Information Technology Unit, PLC.

Myers, Martha. USAID/West Bank and Gaza, D/G Team Leader.

Nazzal, Husban. Head, Fiscal Unit, PLC.

Nasr, Ahmad. Secretary General, PLC.

Owdah, Adnan. Director, Parliamentary Research Unit, PLC.

Payne, Rhys. Senior Technical Adviser for PLC project, ARD.

Qudyh, Jabr. Rafeed, Gaza Program Manager.

Risheq, Jawad. ARD Ramallah.

Sartawi, Nadia. Director General, Protocol and Public Relations Department, PLC.

Shahed, Eman. Administrator, Parliamentary Research Unit, PLC.

Shuaibi, Azmi. PLC member. General Coordinator, Coalition for Accountability and Integrity (Aman).

Wiebler, Peter. USAID/West Bank and Gaza, CTO for contract.

Zaki, Abbas. PLC member. Education and Social Issues Committee Chair. Member of the Central Committee of Fatah.

Annex A



**U. S. Agency for International Development
West Bank & Gaza Mission**

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Memorandum

DATE: February 18, 2005
TO: Helen Glaze, MSI
FROM: Peter A. Wiebler, Democracy and Governance Officer
SUBJECT: Mission Comments on MSI PLC Evaluation

USAID's Office of Democracy and Governance welcomes the report prepared by MSI consultants Guilain Denooux and Robert Springborg examining USAID West Bank and Gaza (WBG) assistance to the Palestinian Legislative Council (PLC) from 1996 and 2004. USAID WBG believes that the report performs a needed service by independently chronicling the results and impact of aid provided to the PLC, by assessing the performance of the primary contractor, and by recommending a number of options for future assistance. USAID WBG will take the last factor under particular advisement as its on-going Mission strategy process evolves.

The Mission's comments follow.

1. Regarding Part I, The PLC's Multiple Roles. This analysis is fresh, and has value for the Mission in offering new perspectives from which to view the Council, its centrality, and continued evolution. Taking a broad view, the analysis serves to validate the Mission's assistance to the PLC as an institution critical to continued democratic development in West Bank and Gaza.
2. Part II is a fairly broad and quite positive description of program impact over eight volatile years. USAID WBG wishes to acknowledge the role that the contractor (ARD) has played in these accomplishments. USAID WBG also notes the plain fact that 15 pages and two weeks of the evaluation team's time in country are hardly sufficient to document eight years of institutional assistance; as such, we view Part II more as a positive and helpful summary, rather than a detailed evaluation. USAID WBG will release this section to the Council and more publicly, and looks forward to engaging PLC leadership in an on-going dialogue on its contents.
3. References to a 'core group' of reform-minded PLC Members and staff, as well as 'islands of competence,' are scattered through various sections of the report. At times individuals or units (such as IT or Public Information) are mentioned. However, these groups are never fully defined or elaborated upon. This seems a conspicuous omission in such a lengthy document.

4. Part III: Lessons Learned. USAID WBG has several comments on this section.

- a. “Provide for time; work at it and be patient.” (p. 39) USAID WBG agrees, and notes that the duration of its programs vis the PLC (8 years, as noted) provide for far longer time than standard USAID legislative assistance or indeed most DG programming.
- b. Integrated D/G programming is essential (p. 46). USAID WBG agrees in principle. The linkage the evaluators draw between PLC performance and that of the judicial/legal sector (and USAID’s programs supporting it) seems overly broad, however; additionally, the critique of the shortcomings of the Palestinian judicial system seems especially strong, given that the evaluation team did not spend a great deal of time interviewing relevant practitioners such as judges, lawyers, etc. Nonetheless, USAID does concur that greater integration is desirable within the DG portfolio, and has reflected this in assigning the Mission’s DG officer to manage both the ROL and legislative portfolios since 2003.

5. Part IV: Recommendations. USAID WBG notes that virtually all of the points in this section refer to future assistance for the PLC. Other members of the formative Palestinian legislative community – NGOs, the media, executive branch actors -- are not given sufficient attention. This is disappointing. The scope of work for the evaluation specifically calls a number of times for recommendations on assistance to the ‘legislative sector,’ and the USAID WBG Democracy and Governance Officer and Team Leader both requested in person that the evaluators not limit their inquiries to the Council itself. While understandable that the team would have looked to the PLC first and foremost, the Mission wished to see greater consideration to actors beyond the Council.

6. “In light of the PLC’s highly symbolic value, were USAID WBG to walk away from that institution, such a decision inevitably would be interpreted, in Palestine and beyond, as an explicit rejection by the USG of everything that the PLC stands for in the minds of Palestinians. For one, it would lend substance to, and accentuate, pervasive Palestinian fears that “Palestine” will be nothing more than an isolated, impoverished Gaza Strip loosely tied to a collection of disconnected Bantustans on the West Bank.” (p. 49) Acknowledging that perceptions matter, this point seems over-drawn and indeed weakens the overall power of the recommendations section. (A similar point is made on p.51 as well.) USAID WBG agrees that the PLC does have important symbolic as well as real political value. The Mission disagrees that, after eight years of sustained, very well-resourced USAID assistance, the natural conclusion of the current contract with ARD represents a ‘walking away.’ It is, rather, the culmination of a contract. As mentioned by the evaluators themselves, the size and duration of USAID WBG’s commitment to the Council is already extraordinary; the Mission had naturally never undertaken to support the Council in perpetuity. Furthermore, it does not appear likely that the Council (or parts thereof) will ‘collapse’ when USAID’s current assistance concludes. The team’s rationale is in this sense somewhat weakened.

7. Participatory design process (p. 52-53). The Mission takes positive note of this recommendation. We find, however, that, as DGO staff related to the evaluation team in country, such processes under current access & security limitations for USG personnel in WBG are rendered much more complex and challenging than in other development settings. As such, the participatory process appears desirable, but perhaps not feasible as recommended.

8. Conditionality (p. 53). USAID WBG notes this recommendation.

9. Exit strategy (p. 59). This point is well-taken, and indeed, such a strategy is a standard part of the design of thoughtful assistance programs. In the case of the PLC, USAID WBG notes that extremely fluid programming and implementation environments in West Bank and Gaza, not to mention swiftly changing domestic and regional political currents, significantly reduced the plausibility for the development of such strategies in the past.

10. Summary. This evaluation is a useful document and helps relevant Mission staff in the process, already underway, of identifying future DG programming options in general, and legislative strengthening possibilities in particular. The Mission appreciates the team’s effort and recognizes its members’ superb qualifications.

Annex B

ARD Comments on the Evaluation of USAID Assistance to the Palestinian Legislative Council

26 June 2004

This evaluation of USAID assistance to the Palestinian Council (PLC) from 1996-2004 is a thorough, useful and perceptive document. The authors, Dr. Guilain Denoeux and Dr. Robert Springborg, show a rare combination of analytical acumen regarding contextual issues, specialized technical issues surrounding legislative strengthening, and a keen familiarity with the operational challenges facing USAID's implementing partners such as ARD. Overall, this well-written document has enough insight and relevance to itself rank among the ongoing contributions of USAID to the development of the Palestinian parliament.

The first section of the document on "The PLC's Multiple Roles" contains some penetrating analysis of the role of the PLC in the singular nature of the Palestinian self-rule system since Oslo. This section breaks from the conventional views of the Palestinian parliament which tend to reflect generic thinking about legislatures rather than the particularities of the current Palestinian situation. Denoeux and Springborg not only capture the orthodox appreciation for traditional roles of parliaments, but go beyond that to put the PLC in a more dynamic and political perspective that better captures the complexities of its historical context. In this insightful section, the authors move the dialogue over the PLC strengthening by USAID from a unidimensional to a multidimensional perspective. ARD is particularly appreciative of this thinking since it not only validates some of the project strategy, but also helps to provide some useful guidance and means to develop new approaches towards potential future assistance, as discussed below. For instance, the project's successful community problem-solving initiative reflected ARD's sense that seeking to address the concrete challenges of development is something that is not alien to the broader role of the Council, and the eagerness with which the PLC seized on this initiative is a testament that the Members themselves operate as much in the wider fashion described by Denoeux and Springborg as in the more narrowly focused world of such functions as legal drafting.

The second section of the document evaluated the strengths and weaknesses of the PLC's performance since 1996. Should USAID select to release this evaluation to the PLC, this section will be of immediate and practical utility as a starting point for the PLC to do its own review of its performance and some strategic planning for the future. Once again, Denoeux and Springborg bring enough of an analysis of the context to be able to effectively evaluate the PLC performance in light of the key factors that conditioned this fledgling institution in an interim and highly volatile context. ARD found this perspective to be refreshing and right on the mark, and it again tracked with our own strategies about the evolving tactics taken over the past several years by the project.

The third section of the evaluation dealt most directly with the strategy and impact of the assistance provided by USAID through ARD. Several lessons learned were extrapolated from

their analysis of this assistance and its impact. Naturally, there had to be some generalizations made in order to make the document of manageable length, and ARD felt we would have nuanced some of the conclusions a bit more as the situation on the ground is inherently more complicated than its characterization in the document. For example, the distinction between proactive and reactive relations with the Council is not quite as sharp as might seem to a reader that is unfamiliar with the actual project. The document points out that one of ARD's greatest successes were the positive working relations and trust that were established over time, and getting to this point required a relatively constant mix of reactive and proactive approaches that shifted according to the situation. While the point the authors make is well taken, it might also be noted that ARD was continually balancing not just the objectives of the overall contract, but also the day to day need for flexibility and the need to achieve measurable results in the short term. Some of these constraining factors were enhanced as a result of the incremental and unpredictable nature of the project extensions over the last two years of the project. It should be noted that ARD's responsiveness to the Council was always done in the context of aligning the objectives of both the Council and USAID. The broad scope of the PLC2 project indeed allowed ARD to respond to areas of need specifically identified by our PLC partners while still implementing initiatives in accordance with our USAID approved work plans. It should also be noted that the protocols worked out over time with the Council meant that ARD never responded directly to individual departments without coordinating with PLC leadership, but in fact requests from specific departments or committees were channeled through the official points of liaison. ARD perhaps differs from the evaluators in that we see the project's responsiveness to the Council more as a positive indicator of our ability to work constructively and in partnership with our counterparts. Finally, ARD would like to emphasize the fact that almost half of the evaluation period was under the difficult conditions prevailing during the intifada, which had a marked impact on project strategy.

The final section of the document captured some recommendations for potential future assistance. This section agreed with other observers as well as with USAID, ARD, and the PLC that it is time to make some changes in the approach to assistance to the PLC. The authors provided some particularly useful suggestions in this regard. They identified elements of a reform movement within the PLC that is linked to the broader calls for reform within the Palestinian polity. They suggest that this could provide a point of entry and leverage by building upon some dynamics already in play. This approach is all the more intriguing because the PLC reformists are themselves reflective and linked to broader currents in society outside of the Council itself. ARD has also identified these dynamics and has been taking steps to utilize these very features in the design and implementation of activities over the past several months that have been predicated on advancing the reform movement.

In sum, the evaluation of USAID's assistance to the PLC is an excellent document and a marked success. It provides an analytical perspective on the Council that is refreshing in its originality and insight and which will allow for the PLC itself to be better understood, something that will be bound to help in the design of future programs. USAID/W would also do well to incorporate such insights into its global thinking about legislative development. Secondly, the document provides a sound evaluation of both the successes and shortcomings of the PLC in light of the considerable assistance that USAID has provided over the years. While pulling no punches, the document presents a fair and balanced picture of the implementation of USAID assistance which

will help ARD further improve its work in the field. This evaluation was gratifying for ARD to read mostly because it accorded this USAID project the historical significance that has been a part of its most signal accomplishments.

There are a few specific recommendations ARD would have for a final version if there are any revisions:

1. Page 32, last paragraph: Delete the second sentence which reads “The breakdown of this coordinating mechanism was, in part, a by-product of the shift from a proactive to a reactive strategy on the part of ARD.” In fact, the collapse of the liaison committee preceded the shift in ARD strategy, and reflected internal PLC dynamics above all else.
2. Page 33, third bullet point starting with “Training”. We recommend dropping these two sentences. ARD in fact went out of its way to systematically coordinate with the TDU. At times, the TDU director would have preferred to have received resources directly through its unit and the comments by the evaluators seem to not have been fully aware of the lengths ARD went to build the TDU capacity in a learning-by-doing approach.
3. Page 34, last paragraph before the section on “Procedures”. The document states that “First, while the staff has received some training in operating email, that training has been insufficient”. ARD notes that the ability for the available training to be fully taken advantage of was constrained in part by the spotty performance and reliability of the PLC’s network. ARD consequently worked simultaneously to address the hardware, software, and training needs that go into developing an email capacity, and these various inputs must be balanced against one another.
4. Page 37, the second line from the top says “Democracy Day (which in fact consists of a whole week of activities that celebrate democracy each year in March)...” ARD would suggest that the phrase “and more” be added after “a whole week” in the above sentence.