

March 15, 2007

THE COMPLEX PUZZLE OF ISRAELI ARAB PEACE MAKING - AN ISRAELI VIEW

The breakdown of Israeli-Syrian peace negotiations in the spring of 2000; Israel's unilateral withdrawal from Lebanon in the summer of 2000, followed in the summer of 2000 by the breakdown of Israeli-Palestinian Peace negotiations and the outbreak of the Intifada Al-Aqsa in the autumn of 2000, have all created a new reality in the Israeli-Palestinian and the wider Israeli-Arab relationship. The US invasion of Iraq in March 2003 and the related rising regional power of Iran and a growing Shia-Sunni rift, are all contributing factors to the emergence of a new and complex reality in the Middle East.

Any professional policy planning attempt aimed at pursuing a peaceful resolution of the Israeli-Palestinian and the wider Israeli-Arab conflict has to be based on an in-depth understanding of the new reality and should not rely on old concepts and approaches, which have turned out to be ineffective tools for successful conflict resolution.

Looking at regional developments from an Israeli point of view, I shall analyze the new reality in Israel, the Palestinian Authority, in the region and new realities on the wider international level. The aim of this approach is to identify opportunities for a comprehensive conflict resolution approach, and at the same time warn about prevailing threats and policies that might lead to renewed despair.

A. The New Political Reality in Israel

1. Old Aims and New Realities

The raison d'etre of the State of Israel, and of political Zionism, is to first permit the Jewish people to take control of its own fate, in its homeland, the land of Israel. This goal is combined with the search for security and acceptance among the other nations of the Middle East. These three goals are a constant of Israeli politics and the entire internal discourse about what strategy to adopt, relates to the question of which approach serves these aims best.

During the 1990s, the Israeli left, led by Yitzhak Rabin, and later by Ehud Barak, hoped to achieve all three aims, by intending to negotiate a Permanent Status Agreement with the Palestinian leadership. It was hoped that a two-state solution, leading to an 'end of occupation' and the establishment of a Palestinian state aside Israel, would guarantee a Jewish majority in Israel for a long time to come, and thus would permit the Jewish people to maintain its collective identity in its homeland. Furthermore, a peace agreement with Palestine, containing a clause, committing both sides to an "end of conflict", promised, at least conceptually, to provide Israel with both security, and regional acceptance. The failure of Israeli-Palestinian Permanent Status negotiations and the outbreak of the second Intifada shattered this approach, and destroyed Israel's left as a leading political force within the Israeli body politic.

Instead, a right-wing government, led by Ariel Sharon, was voted into power in 2001.

The public demand to build the fence/wall/security barrier, created for the first time a physical division between Israeli and Palestinian areas and important for internal purposes– "out-fenced" Israeli settlements in the West Bank, placing them outside the settlement blocs. Prime Minister Sharon's decision to carry out a unilateral withdrawal from the entire Gaza Strip and areas of the Northern West Bank, and evacuate twenty one Jewish settlements in the Gaza Strip, and four settlements in the Northern West Bank, led to a direct confrontation between Sharon's right wing government and the settler movement. The outcome of this confrontation, divided Israel's right wing and, divided even the settlers' movement, into three groups: a pragmatic section, who would cooperate with the government in pursuing the policy of settlement evacuation; the municipal leadership of the settlers, who organized demonstrations against evacuation, hoping to extract a price for passive support, and a radical right wing, who were willing to even take up arms against Israel's army and police in order to prevent any evacuation.

The practical outcome of the demise of Israel's left, and the internal division among Israel's political right wing, was the emergence of a new political center, which subscribed to the following policies and conceptions:

1. Support for a massive withdrawal of settlements from the West Bank, in order to preserve a Jewish majority and strengthen the Jewish-democratic character of the State of Israel;
2. Reviving any direct confrontation with the settlers' movement that might lead to a civil war situation, and accordingly seeking a consensus on settlement evacuation from areas outside settlement blocs, while promising relocation in the settlement bloc areas;
3. Taking a very strong position on security and pursuing an ongoing struggle against terror.
4. In order to stabilize areas, from where Israel intended to withdraw (unlike Israeli thinking in the past), third party intervention and presence was generally viewed positively;
5. Regarding the Palestinian refugee problem, it would have to be accepted that as the Jewish people had the right of return to the Jewish homeland, Israel, the Palestinian people had the right of return to the Palestinian homeland, Palestine; however, no right of return to Israel could be accepted.
6. Regarding Jerusalem, a partition between Jewish and Arab neighborhoods in the outer circle of Jerusalem was acceptable; the unity of the Old City and special arrangements for the Holy Basin had to be agreed upon.
7. Negotiations with the Palestinian leadership were seen as recommendable; but in case that no agreement could be achieved, Israeli unilateral action was viewed as a preferable option, in order to guarantee Israeli control of its own fate.

The establishment of the Kadima party already under Sharon's leadership, with prominent politicians from both the right-wing Likud and the left-wing Labor party joining Kadima, illustrated the political viability of the new Israeli political center. More so, in the spring of 2006, Ehud Olmert, having succeeded Sharon as the leader of the Kadima party, was elected Prime Minister. A relative majority of the Israeli public voted for Olmert's political platform, which spoke of the need to relocate about 70,000 settlers from the West Bank and withdraw from close to 90% of the West Bank territory. De facto, this would, by agreement, or unilaterally, create a two state solution on the ground.

2. The Demise of the Unilateral Withdrawals Concept

The anarchic conditions in Gaza, after Israel's withdrawal in early September 2005, increased violence against Israel, including rocket attacks against Israel's southern cities. In addition, the victory of Hamas in the PLC (Palestinian Legislative Council) elections of January 2006, the kidnapping of Gilad Shalit, Hisbollah attacks against Israel and the war in the summer of 2006, all weakened Olmert's centrist government, and destroyed, probably, once for all, the notion of unilateralism.

Viewed from hindsight in 2007, Israel's unilateral withdrawal from Lebanon in June 2000, had strengthened the Hisbollah, and permitted them to build the necessary infrastructure to pursue the doctrine of muqawwama (resistance), take limited violent action to provoke counter-action, unite the civil population in the struggle against the enemy, and prepare for possible escalation.¹

Similarly, Israel's unilateral withdrawal from the Gaza Strip and the evacuation of settlements from the Northern West Bank, was followed by Palestinian violence against Israel, the strengthening of Hamas and an increasing Palestinian effort at an arms build up, that could only be interpreted as a preparation for a future military confrontation.

The logical conclusion that had to be drawn from the experience of an Israeli unilateral withdrawal from Southern Lebanon and from the Gaza Strip was simple and straightforward: Unilateralism was dead; any Israeli withdrawal from occupied territories, in order to be sustainable, had to take care of Israeli security needs, had to prevent the strengthening of radical militant forces, and last, but not least, had to be preceded by the creation of a functioning security environment.

3. The Revival of Old Dilemmas

Conceptually two different approaches aimed at creating a functioning security environment could be envisaged: The first approach would be "old wine in new bottles": to pursue an Israeli security build up in coordination with the United States, and refrain, for the time being, from any settlement evacuation and any political initiative that would aim to revive the Israeli-Palestinian peace process. The second approach would be to seek new partnerships in the area and among the international community that would permit Israel to revive a political process.

The first approach was the easier one to pursue. It exempted a weak government from having to engage in any confrontation with the settler community, while a policy of entrenchment, appeared to be largely, although not fully, in line with US tactics. In a letter by Dov Weissglass (PM Sharon's Bureau Chief and Special Envoy) to Condoleezza Rice (then President Bush's National Security Advisor) of April 2004 laying out the understandings reached between PM Sharon and President Bush in writing, on April 14th, it was stated, that Israel's disengagement from the Gaza Strip and the Northern West

¹ Hisbollah's and Hamas' concept of al muqawwama is a sophisticated development of the more "classical" strategy of modern terrorism, originally defined by Carlos Marighela, a Brazilian guerilla leader, who taught: "it is necessary to turn political crisis into armed conflict by performing violent actions that will force those in power to transform the political situation of the country into a military situation. That will alienate the masses, who from then on, will revolt..." quoted from Alistair Horne, *A Savage War of Peace* (New York: Viking Adult, 1978), p.118.

Bank, was an important step in implementing Israel's obligations under phase one of the Roadmap, and no further action was demanded from Israel, "absent the emergence of a Palestinian partner committed to peace, democratic reform, and the fight against terror,"². The need to demonstrate that the Hamas government, that had come to power after the January 2006 elections, could not be permitted to succeed, reinforced this approach.

The second approach of seeking new partnerships in the area and among the international community and defining a strategy for peace making, still has to be taken. Nevertheless, first preparatory steps have started hesitatingly and cautiously. Israel has revived the dialogue with the Palestinian President Mahmoud Abbas, and an ongoing process of trilateral summit meetings, with the participation of the US Secretary of State Condoleezza Rice, has been launched, aimed at seeking a way out of the deadlock. A parallel policy dialogue with Egypt and Jordan began, combined with an effort to develop a similar dialogue with Saudi Arabia; and on the regional level a great effort has been made to improve relations with Turkey. The policy assumption underpinning this approach is based on the search for a common front against Iranian militant regional aspirations.

In the context of regional developments, the Arab Peace Plan of March 2002, is seen both as a threat and an opportunity.

The threat appears to be imminent: In face of growing radicalization in the Middle East, the possible moderating influence of pragmatic pro-Western Arab governments is perceived of being questionable. The radical militant front against Israel, composed of al-Qaeda, Iran, Hisbollah in Lebanon, Hamas and the Islamic Jihad in the Palestinian territories, and the rising influence of the Muslim Brethren in Egypt and Jordan, who all refuse to recognize Israel's right of existence appears to gain ground and be able to dominate events, whatever course they may take. All the various actors in this radical front pursue in one or the other way, the doctrine of muqawwama, seeking a violent confrontation on their terms with Israel. The existence of such a radical front does not instill the necessary confidence that any Israeli concession, could lead to a sustainable peace. Moreover, the rejection of Hamas to recognize and abide by agreements signed between the Palestinian leadership and Israel, raises the justifiable fear, what might happen to the future fate of these agreements. Worse, the intention of militant Islam to weaken and undermine pro-Western Arab governments, and the unbearable lightness in which the Arab grassroots are being incited against Israel and the West, offer a clear insight into the volatility of any political process of peace-finding envisaged.

It is understood in Jerusalem that any political process of peace finding that will be based on the Arab Peace Plan of March 2002, will include the necessity to negotiate an Israeli withdrawal close to the June 4, 1967 lines, a demand that Israel successfully rejected for the last forty years. In this context it is feared, that any Israeli agreement to negotiate a territorial agreement on these lines, will create further pressure on Israel, on moderate Arab states and on the international community, bringing about only a renewal of the conflict.

² "The Weissglas Letter," Report on Israeli Settlement in the Occupied Territories," Foundation for Middle East Peace, Vol. 14, No. 3, May-June 2004.

The opportunity may be more vague, but is not less crucial to consider: On condition that the Arab Peace Plan of March 2002 will not be presented as a "Diktat", on a "take it or leave it" basis, but can be translated into a controlled peace-finding process, in line with the Roadmap and UN Security Council Resolution 1515, and with agreed amendments, the possibility of a "win, win, win" equation might emerge that could sustain a well defined peace building process. All concerned parties, in the region and among the international community have a vested interest to explore the possibilities of such an approach, in order to define a formula and a structure enabling all parties to move under secure conditions towards a comprehensive Israeli-Arab Peace. Undoubtedly, the conditions for a sustainable peace must be created ahead of time, as the signing of a mere sheet of paper, can not as such, create a sustainable peace, but will rather cause further radicalization. In this context it will be necessary to negotiate a wise combination between the Roadmap and the Arab Peace Plan. In line with the Roadmap context, but different from its detailed provisions, the three stage process envisaged in the Roadmap, will have to be redesigned: creating in the first phase, a secure and stable environment for negotiations; moving in the second phase to develop the sustainability of a comprehensive Israeli-Arab Peace, and concluding, in the third phase, the necessary agreements and commitments of all concerned parties.

B. The New Political Reality in the Palestinian Territories

1. Diverging Aims and New Realities in the Palestinian Territories

The undisputed goal of the Palestinian leadership and people is to end Israel's occupation, establish the State of Palestine with its capital al-Quds/Jerusalem, and achieve a comprehensive and just solution to the Palestinian refugee problem. However, the two major Palestinian political movements, Fatah and Hamas, advocate two very different political solutions. The Fatah movement is committed to a two state solution, Palestine aside Israel. The relationship with Israel is described in the words of President Abbas, as follows:

"...it is vital to build relations with the State of Israel on mutual trust so that the Israelis could feel confident about their new neighbor and old enemy and about this neighbor's ability to transform enmity to normality in step with the Arab Countries."³

The Hamas movement has not recognized or accepted a two state solution. The Hamas Charter of August 1988 starts with the following sentences:

"In the Name of Allah, the Merciful, the Compassionate... 'Israel will rise and will remain erect until Islam eliminates it as it had eliminated its predecessors'... For our struggle against the Jews is extremely wide-ranging and grave, so much so that it will need all the loyal efforts we can wield, to be followed by further steps and reinforced by successive battalions from the multifarious Arab and Islamic world, until the enemies are defeated and Allah's victory prevails."⁴

³ Mahmoud Abbas, *Through Secret Channels* (New York: Garnet Publishing, 1995) p. 224.

⁴ Covenant of the Islamic Resistance Movement (HAMAS), 18 August 1988, Preamble, The Avalon Project, Yale School of Law, <http://www.yale.edu/lawweb/avalon/mideast/hamas.htm>

Thus, the Hamas ideology, in its essence, is to destroy the State of Israel, and its strategy is to mobilize the Palestinian public, the Arab and Islamic world, for this struggle. Article fourteen of the Hamas Charter is very specific on this issue:

"The problem of the liberation of Palestine relates to three circles: the Palestinian, the Arab and the Islamic. Each of these circles has a role to play in the struggle against Zionism."⁵

Hamas' victory in the elections to the PLC in January 2006, and the ensuing formation of a Hamas government created a new complex reality. On the international level, the Quartet (USA, EU, Russia and the UN) formulated three demands of the Hamas government: to recognize the right of existence of the State of Israel; to recognize and abide by agreements signed; and to oppose and prevent any acts of violence or terror. As the Hamas government rejected these demands, the international community at large refrained from dealing directly with the Hamas government and ceased most of the previous financial support. More so, the United States Congress and Senate passed a series of laws, forbidding US citizens to have contact with members of the Hamas government.

On the regional level, Egypt and Jordan feared possible negative repercussions from this situation. The Palestinian Authority was the only area in the Arab world, where a militant radical Islamic movement succeeded to form a government, after achieving a victory in democratic elections. Further, a Hamas government intending to mobilize support from neighboring countries for its struggle against Israel, might be expected to offer subversive support to the movements of the Muslim Brotherhood in Egypt and Jordan. The emergence of violence between the Hamas government and Israel, could all too easily create overspill effects, causing an exit of Palestinians from Gaza to Egypt and from the West Bank to Jordan, disturbing, particularly in Jordan, the fragile balance that prevailed between Jordanians and Palestinians living in the Hashemite Kingdom of Jordan. Violent confrontations between Israelis and Palestinians might incite the Egyptian and Jordanian public to oppose the peace policy towards Israel and thus might turn, sooner or later, against the governments in Egypt and Jordan.

Whereas the Jordanian government acted very cautiously and concentrated mainly on offering humanitarian assistance to the Palestinians, Egypt took a more pro-active approach. Senior Egyptian intelligence officers were sent to the Gaza Strip, seeking to assist in strengthening the security forces controlled by President Mahmoud Abbas. On the political level, Egypt made an effort to mediate between President Abbas and his Fatah movement on one hand, and the Hamas leadership on the other--albeit with little success.

On the bilateral Israeli-Palestinian level, Israel acted in line with the Quartet decisions: it boycotted the Hamas Government; took a pro-active military approach to prevent and pre-empt acts of violence, while maintaining a dialogue with President Abbas and the Fatah leadership. According to the Paris Protocol signed by the Government of Israel and the PLO in May 1994, Israel was obliged to raise customs fees and taxes for the Palestinian Authority and transfer those monies to the Palestinian government. Indicating that the Hamas government did not recognize and abide by agreements signed, the Israeli government stopped the transfer of these Palestinian tax monies. The continuing attack of

⁵ Ibid, 207.

Qassam rockets from Northern Gaza against Southern Israeli cities, and the abduction of Gilad Shalit in the early summer of 2006 caused further deterioration.

On the internal Palestinian level, matters also moved from bad to worse. The financial management of the Palestinian Authority was in disarray. Roughly the picture looked as follows: the budgetary needs of the Palestinian government amounted to about \$ 2.2 billion; the PA was capable to raise on its own about \$500 million; the international community was allocating about \$ 1.1 billion annually, whereas Israeli transfer of Palestinian customs and tax monies amounted to about \$600 million. Due to the refusal of the Hamas government to accept the three Quartet demands, the international community by and large stopped most of its financial support. As Israel was not transferring tax monies, this meant that government income diminished drastically. For many months the salaries of most of the 140,000 civil servants of the PA were not paid, while from the summer of 2006 onwards, only minimal wage payments were undertaken. The result was a decrease in GNP during 2006 amounting close to a 30%, and a drastic increase of impoverishment particularly of the Palestinian population, living in the Gaza Strip.⁶

The political and social effects of these developments were not far off. Although the Hamas had gained power, had formed a government and controlled the PLC, it could not actually gain control of the government apparatus. Instead, it had enough money and control to strengthen its para-military units and its social network structures, permit their supporters to enter the police and some of the security forces and gain partial control of some of the government departments. In addition, Hamas had in elections won the majority in several of the more important municipalities in the Gaza Strip, and to a lesser degree, in the West Bank. President Abbas and the Fatah movement on the other hand, maintained control of several government departments, either directly, or by parallel governing structures, like for instance, PECDAR (Palestinian Economic Council for Development and Reconstruction). Several of the security formations, particularly the Presidential Guards and Preventative Security remained under President Abbas' control and received professional, technical, and financial support from the USSC (United States Security Coordinator) mission, led by US General Dayton, and including senior officers from other countries.

The difficult financial situation, and the ongoing power struggle between Fatah and Hamas created new space for various Palestinian war lords, to fill existing power gaps, which became explosive, due to the abundance of weapons available to whoever succeeded to lay hands on them. The result was an anarchy like situation, which permitted family gangs, often controlled by teenagers, to rule the street. Basic services, like hospital treatment, were obtained by "the rule of the gun"; kidnappings became a common feature, as well as other acts of criminal violence.

The power struggle between the Hamas and Fatah movements, the rule of anarchy and the rising poverty of the people led eventually to a civil war like situation. Violent confrontations between different factions causing many casualties were the result.

⁶ "Coping with Crisis: The Palestinian Authority Institutional Performance," *World Bank Report*, November 2006.

2. The Demise of the One-Polar and the Rise of a Bi-Polar Palestinian Political System

The civil war in the Gaza Strip and the danger of it spreading to the West Bank increased the internal Palestinian determination to put an end to internal fighting. Following Saudi intervention, President Abbas and Khaled Mashal, the head of Hamas' politburo and de facto leader of Hamas, met in Mecca and concluded an agreement between the rivaling factions, determining the conditions to end the civil war, and to form a National Unity Government. Although it may be too early to judge this development, it appears that the Mecca-Agreement signifies a structural change in the Palestinian political system.

From the late 1960s onward, chairman Yasser Arafat had created a one-polar structure of the Palestinian body politic. He had overcome internal opposition within Fatah, he successfully co-opted the Palestinian left, the communists, the popular front and the democratic front under his leadership within the structure of the PLO, offering them a marginal say, without allowing them to influence meaningfully, Palestinian politics. Although Arafat personally had been very close to the Palestinian Islamic movement, he did not succeed to implement the same strategy with the fore-runners of the Hamas, or the Hamas itself. He did succeed to win some of their proponents over to Fatah, but he failed to either destroy or fully control the political and military structure of the Palestinian Islamic movement. Instead, he kept them out of the PLO structure and refused to reach any negotiated understanding that would give them a meaningful share in the Palestinian political power structure.⁷

Thus, from 1968 onwards and until his death in November, 2004, Palestinian politics were completely dominated by Arafat. There was a clear and unchallenged leadership, an unchallenged political structure, and a political program that Arafat could direct at will.

When Mahmoud Abbas succeeded Arafat as President of the Palestinian Authority and chairman of the PLO, the conditions to maintain the one-polar political system had changed. Step by step Abbas lost power to Hamas, leading eventually to the Hamas victory in the PLC elections and the formation of a Hamas government early in spring 2006. Developments since have shown that the Hamas movement has not obtained the power to build, under their leadership, a new one-polar political system. The choice at hand appears to be a continued civil war, or the creation of a system of co-rule, (cohabitation), which will permit both the Fatah movement and the Hamas to assert an effective veto power, over the politics of the other side.

It appears that the Mecca Agreement has created the beginning of a bi-polar system that will be built into a new power structure within the PLO. The formation of a National Unity Government and the endorsement of Mahmoud Abbas as the chairman of the PLO, and the programmed election of Khaled Mashal as the vice-chairman, will illustrate the new structure. Even if this should not happen, it appears that for some time to come, each side will effectively maintain a veto-power over the action of the other.

Whereas an intentionally, or by default, shared power structure appears to be a foregone conclusion, the political direction to be taken, will still have to be defined. As we are only at the very beginning of this process, we can only make the following two assertions: On

⁷ This description relies largely on an analytical approach of Hussein Agha and Ahmed Khalidi,

the one hand it seems most likely, that the Hamas will assert its veto power on the full and unequivocal Palestinian acceptance of the three Quartet demands. As no Israeli Government will be able to seriously negotiate any permanent status arrangement or agreement, without being recognized and by being told, that past agreements do not have to be abided by, and, in addition, that violence may be viewed as a legitimate means of struggle, headway on the bi-lateral negotiating front, can not be realistically expected.

On the other hand, Hamas and Fatah appear to agree that the Arab Peace Plan of March 2002, might be the basis for possible negotiations with Israel. This approach may open a window of opportunity that should be seriously tested.

3. The Revival of Old Dilemmas

Within the new Palestinian political structure, two different policy approaches represent in many ways old Palestinian dilemmas. One approach tends to argue that only a policy of confrontation with Israel, either by military resistance, or by diplomatic means, aiming to mobilize the Arab and Islamic world in the struggle against Israel, will serve Palestinian interests. The other approach tends to argue that the search for win-win solutions may be the only way ahead.

The difference of positions is best illustrated in the above quoted positions of Mahmoud Abbas and of the Hamas Charter.

To imagine that Israeli-Palestinian and wider Israeli-Arab negotiations on the basis of the Arab Peace Plan of March 2002 will become a panacea may be dangerous. The Palestinian leadership and the Arab states could easily turn this approach, even with the best intentions, into an exercise that will lead towards the implementation of the Hamas strategy, of mobilizing the Arab and Islamic world toward a combined struggle of diplomacy and resistance against Israel.

The real challenge for the Palestinian leadership, the Arab states and the international community will be to develop a policy concept and structure that will permit negotiations on the basis of the Arab Peace Plan, to follow the guidelines laid down by Mahmoud Abbas:

"It is vital to build relations with the State of Israel on mutual trust so that the Israelis could feel confident about their new neighbor and old enemy and about this neighbor's ability to transform enmity to normality in step with the Arab Countries."

Given the loss of mutual trust that has occurred during the last decade, this is no small challenge.

C. The Regional Configuration

a. New Realities in the Region

The impact of the events of 9/11 on the Arab world can hardly be over-estimated. Four different but interconnected threats have emerged:

a. The Threat of Radical-Militant Islam

Al-Qaeda, who launched the terror acts of 9/11, have not only aimed to hit at the West, but similarly attacked Muslim targets.⁸ Al-Qaeda's strategy is to cause confusion and internal division in the West, as well as in Arab states, provoke militant counter-action that will hit the civil population, hoping hereby – like the militants did in Algeria – to gain more and more grass root support. Eventually, al-Qaeda ideologues believe that the support of the Arab and Muslim masses, will permit to overthrow the pro-Western regimes in Jordan, Egypt, Saudi Arabia and enable the creation of a united Muslim force against the divided West.⁹

b. The US Invasion of Iraq and a Planned US Withdrawal

Here is not the place to comprehensively describe and analyze the repercussions of the US invasion to Iraq, the US intention to withdraw and the presently ongoing efforts to pacify the area. In this context, however, one cannot ignore the following facts:

- Saudi Arabia and the Arab Gulf states are increasingly worried about the impact of a strong, possibly irredentist Shi'ite community in Southern Iraq and a feared rise in militancy among the Shiite population in north-eastern Saudi Arabia, in Bahrein, Dubai and elsewhere in the Gulf;
- Turkey and Iran fear a growing independent Iraqi Kurdistan and its impact on the Kurdish areas in Turkey and Iran;
- Jordan fears the growing influx of by now close to one million Iraqi refugees, who draw upon Jordanian resources and might become a trigger for an irreversible destabilization process;

c. The Impact of Iranian Regional Hegemonic Aspirations

Probably the most important and dangerous result of the US invasion of Iraq has been the regional power build up of Iran. Iranian aspirations in the Gulf area, threaten the maintenance of stability in the Arabian Peninsula. The Iranian attempt to build a Shi'ite arc from the Gulf to the Mediterranean, via Shi'ite Iraq, Syria and Lebanon is seen as another dangerous challenge to regional stability. Even worse, the apparent determination to develop nuclear Iranian capabilities may turn the entire power equation in the area upside down, and offer a shield for Iranian expansionist or irredentist intentions.

Most worrying are Iran's political, military, financial and professional support to militant radical Islamic groupings, Hisbollah, Islamic Jihad, and Hamas. The supply of arms and rockets, and the verbal incitement calling for the destruction of Israel does not only add fire to the Israeli-Palestinian conflict, but is aimed at the same time at trying to de-legitimize and undermine the stability of Arab pro-Western governments. The ruthless ease with which the Iranian President Ahmadinejad attempts to exploit Israeli-Palestinian

⁸ Yair Hirschfeld, *When You Have Not Decided Where to Go, No Wind Can Take You There: A Strategy to Achieve a Comprehensive Israeli-Arab Peace*, James A. Baker III Institute for Public Policy, Rice University, February, 2007, p. 164.

⁹ *Ibid*, 165.

enmity for Iran's hegemonic regional intentions is seen not only by Israel, but similarly by Arab observers, as a threat to the stability of the region.¹⁰

d. The Growing Schism between Sunni and Shi'ite Regimes

Iranian expansionist tendencies; the emergence of a strong Shi'ite power structure in Iraq that is seen by the Sunni community to threaten its most essential political and economic needs and interests; increasing attempts of Shiite clergy to proselytize Sunni believers; attempts to build a Shi'ite stronghold in Syria, and the rising conflict between Shi'a and Sunni citizens in Lebanon, all create great anxiety among the Sunni states of the region. This has led to a greater involvement in regional affairs, as well as to a more recent effort of non-Arab Sunni states, as Indonesia, Malaysia and Pakistan to investigate what action they might take, in order to contribute to a stability building effort.

The impact of those four developments (the threat of radical militant Islam; the uncertainty of the situation in Iraq; Iranian regional hegemonic aspirations and the growing schism between Shi'ite and Sunni states and non-state actors in the region upon the Israeli-Palestinian and the wider Israeli-Arab relationship) is two-fold:

On the positive side, in face of so much instability, most Arab states, led by Saudi Arabia, Egypt, Jordan and the Arab Gulf states, have a vested interest to contribute to a permanent stabilization of Israeli-Palestinian relations, as well as to the wider Israeli-Arab relationship.

On the negative side, one must consider the enormous volatility of such an undertaking, and the unbearable lightness, with which radical forces can incite verbally, or take violent action, in order to undermine necessary peace-making efforts.

D. What Can and Should be Done?

A Chinese proverb says: "When you light a candle, take care to hide it from the wind and the storm." This basic logic lends support to the three phase approach, advocated in principle by the Roadmap. During the first phase, the sides must guarantee a secure and stable environment for negotiations; during the second phase, the sustainability of a comprehensive Israeli-Arab Peace must be developed; and during the third phase, they may conclude and implement the necessary agreements with all concerned parties.

In more practical terms the following action items should be planned:

⇒ Step One: Concluding a Prolonged Ceasefire

It has been suggested by Palestinian interlocutors to create an interconnected understanding with three components: both sides will commit to a prolonged cease-fire of four years; during this time both parties are committed to negotiations to conclude a Permanent Status Agreement; while during this period, dependent on the maintenance of the ceasefire, Israel will undertake to release gradually on the basis of a transparent plan,

¹⁰ "Iraq's Slide Toward Separation," The Power and Interest New Report, August 11, 2006.

all Palestinian prisoners. The last prisoners shall be released with the signing of the Permanent Status Agreement.

This three-component approach should permit both sides to overcome the basic bottlenecks impeding upon a possible stability building process: free Gilad Shalit; maintain the three Quartet demands, while developing a modus operandi to permit a Palestinian National Unity Government to function, while President Abbas will have the full and exclusive prerogative to negotiate with Israel. At the same time a wider confidential and informal Israeli-Arab dialogue should be undertaken, to assist in crisis prevention and management and to prepare for the future re-convening of the Madrid process.

⇒ Step Two: Rebuilding the Notion of an Israeli Palestinian Partnership with outside support.

It should be understood that during the years of the Intifada al Aqsa (2000-2007) the trust that had been built between Israelis and Palestinians during the Oslo years broke down completely. Furthermore, Israel's decision, taken in 2005, to move unilaterally, further undermined the concept of partnership. The major lesson learnt from the failure of unilateralism, is that no headway without the creation of at least minimal cooperation and partnership is possible. Any withdrawal of Israeli troops from urban and rural areas, and definitely the evacuation of settlements, necessitate Israeli-Palestinian coordination on the ground; headway in creating Palestinian economic development, necessitates at least a minimal degree of coordination; and more. As both sides lack basic mutual trust, but at the same time support a greater third party role in developing the capacity for cooperation, a more intense involvement of the international community in this endeavor is asked for.

Practical action to be taken should include:

- The improvement of border management capacities, on all passages between Gaza and Israel and the West Bank and Israel;
- Coordinated implementation of the Agreement on Access and Movement, to include the reduction of road blocs, opening of traffic in border areas; changing traffic arrangements throughout the West Bank;
- Easing entry and exit around Jerusalem;
- Supporting pro-actively a program of Palestinian economic rehabilitation;
- Creating coordinated trilateral (Israeli-Palestinian-Jordanian) economic activities in the Jordan Valley.

⇒ Step Three: Reaching an Understanding on the Detailed Contours of a Territorial Permanent Status

We assume that regarding all issues of Permanent Status, a first breakthrough can and should be achieved on the territorial issue, to permit understandings on the other outstanding issues to follow thereafter. This is undoubtedly an issue that has to be negotiated bilaterally between Israelis and Palestinians under confidential, i.e. secret conditions. An understanding on the territorial dimensions of Permanent Status (even if the Jerusalem issue has not been fully solved) will open up the way to settlement

removal; to the development of comprehensive security understandings, and to a well defined agreement on a proposed international security role.

⇒ Step Four: Recreating the Madrid Process

Having achieved, under confidential conditions, a breakthrough on the territorial issue, negotiations under the umbrella of the Madrid process will assure an important initial success that can be followed by the visible change of reality on the ground. The presence of leading representatives of the international community and the Arab world should provide a further sense of achievement, progress and common purpose.

The next task will be to develop a wider security structure, by developing an Israeli-Palestinian Egyptian security structure in the Southwest, and a parallel Israeli-Palestinian-Jordanian security structure in the East, which could lead the way to wider regional security understandings.

Based on the creation of a stable environment, understandings on Jerusalem and the refugee issue should be negotiated, and agreed.

⇒ Step Five: Negotiating Peace between Israel and Syria, Israel and Lebanon.

The end product should be the conclusion of peace between Israel, and all twenty two Arab states, including of course, the State of Palestine.

E. The Challenge for the International Community

There can be no doubt that the international community at large has a substantial vested interest in helping to achieve such a development. Whereas the conclusion of an Israeli-Palestinian and even a wider Israeli-Arab peace will not create a stable Middle East, as other regional conflicts will still cause further friction, a continued and accelerated Israel-Palestinian and wider Israeli-Arab-Islamic violent confrontation would be a disaster for all. Thus, it appears beyond question, that the international community led by the United States, Europe, Russia and the UN are an involved party, acting in self-interest.

In defining the role of the international community four basic, caveats should be considered:

1. Refrain from a "Quick Fix" or any Imposed Solution

Some third parties, at times governments, who tend to be marginalized by the Quartet consensus, can become tempted to make "quick fix" proposals for ending the conflict, or recreating without careful prior preparation, the Madrid Process. During the last two decades Palestinians and Israelis have too often experienced insufficiently prepared negotiating initiatives. In each case this has caused failure and renewed despair, and instead of creating stability and progress, triggered a renewal of violence.¹¹

¹¹ This can rightfully be said of the second Camp David Summit of July, 2000 between the Israelis and Palestinians under US sponsorship. Each side was insufficiently prepared for a serious negotiating summit, and when the summit failed to produce an agreement, the result was as a further breakdown in trust and coordination.

Different, but similarly dangerous, is the overdue pressure of well-intended Arab governments, to adopt a "quick fix" policy. There, the quest to move quickly derives from fear of a rapidly ongoing radicalization process. However, there are no instant solutions, which can be rushed, but a clear staged and benchmarked action program is required, that will clearly indicate the contours of the endgame.

Similarly any imposed solution by outside powers has little, if no chance of success (unless it was pre-negotiated and agreed upon by the parties). Any peace-finding process must be based on the development of political, social, socio-cultural and economic legitimacy and inclusion of the concerned parties to the conflict and the solution. Without such legitimacy and inclusion no agreement will remain sustainable.

2. Maintain the Unity of the Quartet and the International Community

The United States government, being recognized by all regional actors, as the prime mover of any conflict resolution initiative, is often tempted to act unilaterally. Parallel hereto, is the position of the EU and Russia, who, out of concern for the effectiveness of proposed policies, or for power interests, tend to disagree with the United States, and are tempted to act separately. It is suggested that all Quartet members should make an utmost effort to act in one voice.

The reason for maintaining unity of purpose and action is straight-forward. Under present conflict conditions in the Israeli-Palestinian and the wider Israeli-Arab arena, no concerned party has the power and legitimacy to act without a united and structured support of the Quartet and the international community. The breaking apart of the Quartet will create disharmony by many different tunes and instruments, but no concert, as each actor will be neutralized by the other.

3. **Understand and Act Upon the Complexity of two Separate Conflict Situations**

The nations of the Middle East are involved in two different dominant conflicts. The conflict we are concerned with in this essay, is the Israeli-Palestinian and the wider Israeli-Arab conflict. The second conflict has historically evolved from a century's long confrontation between Christianity and Islam, and between an expanding dominating Europe and indigenous peoples of the Middle East. Today the second conflict is largely based on the confrontation between Arab governments and societies, which want to be part of the process of political, economic, cultural and social globalization, and those state and non-state actors in the Middle East, which view globalization as a threat to Islamic tradition and society. The latter tend to exploit the Israeli-Palestinian conflict for their own ends, above and beyond justified demands of the Palestinian people, and thus provoke a vicious cycle of violence.

Neither Israel, nor the Palestinians are strong enough to deal single-handedly with this challenge. It will be the task of the Quartet, the international community, and probably also of NATO to create an effective security structure, to permit progress towards a peaceful solution of the Israeli-Palestinian and the wider Israeli-Arab conflict, and create an effective shield, against attempts of militant Islamic state and non-state actors, to exploit the Israeli-Arab divide for their own purposes..

4. Assist to Transform Enmity to Normality

Above, we have quoted President Abbas' approach on the peace-building process, aiming to make Israel confident that the Palestinians will be able to transform "enmity to normality in step with the Arab countries". In practice this means to assure Israel, its government and people, that any permanent agreement will not turn into an interim arrangement that will be followed by further violence and conflict. In the process of peace-making there is a second side to the same coin: Israel will have to make the Palestinians confident that "interim arrangements" will not become permanent, and that the endgame (a viable Palestinian State), based on agreed principles, will be reached. Neither the Palestinians nor the Israelis can develop this mutual confidence building exercise alone. It needs clear understandings and assurances from the international community regarding benchmarks, and the mutual implementation of obligations, monitoring, oversight and arbitration mechanisms.

In summary: The new reality in the Middle East makes the reconstruction of an Israeli-Palestinian and a wider Israeli-Arab peace-building process more difficult and more necessary than ever. On the one hand, past failures, broken trust and largely diverging narratives of what has caused the break down of negotiations, impede upon the necessary political dynamics for a positive breakthrough. On the other hand, the parties involved have today a better understanding of what is needed, and the fear of further deterioration and radicalization offers some positive motivation.

It appears that only a very complex approach of an inclusive and well planned peace-making process, with a large degree of supportive involvement from the Quartet powers and the international community, will offer a chance for success.

As a rule important historical change occurs, when three conditions are in place: First, the leadership determined to achieve the envisaged change; second, the understanding of historical processes of trial and error, which lead to a change of collective thinking, embedded in an environment of adaptable political, social and economic conditions; and third, the necessary detailed working programs. Some of these components appear to be available, others not yet. Much work is still ahead of us.

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