

The Israeli-Palestinian Political Process: Dead End Dynamics

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At the end of the period designated by the Annapolis process for Israel and the Palestinian Authority to reach a set of principal understandings, direct talks between the sides were suspended. The break was not absolute: security cooperation continued, and Israel continued to encourage institution-building and economic growth in the West Bank. Still, differences of opinion over preconditions for renewing the talks and disagreement over discussion of the conflict's core issues prevented renewal of the political process. In an attempt to overcome the stasis, the American administration launched a channel for indirect talks, but the same bones of contention that for years thwarted progress towards conflict resolution through direct talks delayed implementation of the idea. The dead end, and in particular the partial – though significant – congruence between the administration's demands of Israel and those by the PA, have caused a crisis in the Israeli-American relationship. The PA has been relieved of direct pressure to soften its positions, and the burden of renewing the political process has been placed at the Israeli government's doorstep. An additional challenge facing Israel is the mounting interest, both in the PA and in the international community, in the establishment of a Palestinian state not necessarily on the basis of an Israeli-Palestinian settlement.

Lowering Expectations

An Israeli-Palestinian settlement was defined by President Barack Obama as a central component in stabilizing the Middle East and in improving

relations between the United States and the Arab-Islamic world, and therefore as a mission of the utmost importance to American foreign policy. When it entered office, the Obama administration adopted the Roadmap for Peace in the Middle East as the framework for negotiations. The administration's efforts to jumpstart the political process focused on a way to return Israel and the Palestinian Authority – led by Fatah and based in the West Bank – to the negotiations table.

Hamas's refusal to consider a permanent settlement with Israel and the political split in the PA left Hamas outside the diplomatic circle and in effect exempted the administration, as well as Israel, the PA, and the international parties relevant to the political process from having to consider the question of negotiations with a Palestinian national unity government. In light of the difficulty of renewing the political process, the threat that violence by Hamas would interfere both with the talks and with the attempt to implement understandings was pushed aside. At the same time – and contrary to the American approach whereby a political settlement would weaken Hamas – the European Union supported the establishment of a Palestinian national unity government on the assumption that this would make it easier for the Palestinians to accept and implement a compromise. Indeed, prompted by the influence of the EU, the Quartet's announcement of support for America's policy was accompanied by a call for regulating relations between Fatah and Hamas

Israel and the PA continued to take measures according to the stipulations of the first stage of the Roadmap. The administration insisted that Israel fulfill its commitments and enact a sweeping and immediate freeze on settlement activity in the West Bank and East Jerusalem. The freeze, demanded with more force than had been sounded by previous administrations, was presented as a confidence building measure and a means of creating closer security cooperation between Israel and the PA. In response, Israel took some steps toward a freeze in settlement construction – and thereby walked a fine line between American pressure and the right wing factions in the Netanyahu coalition. For its part, the PA was expected to continue the comprehensive institutional reform underway in the West Bank. Originally undertaken to deflect international pressure, the reform

over time assumed the dimensions of a national project that sought to build an infrastructure for the future Palestinian state.

At the same time, Israel demanded a return to the negotiating table without preconditions. The PA, however, enumerated a string of conditions for mere renewal of the dialogue. The respective demands and conditions had one element in common: broad national consensus among the respective publics. The rejection by each side of the other's demands reflected the assessment, shared by the two leaderships, that the public and internal political price tag of concessions would be intolerable.

In light of the deadlock, different ideas to change the reality in the conflict arena arose in the international community. Some entailed a loose – if at all existent – link between the establishment of a Palestinian state and an agreement-based settlement. Javier Solana, responsible for the EU's foreign policy, called on the United Nations to accept the two-state principle as a preliminary stage for accepting the Palestinian state as a member; Sweden spearheaded an EU move to recognize Jerusalem as the capital city of the two states; and the French and Spanish foreign ministers tried to promote European recognition of a Palestinian state before the conclusion of the political process. Although met with Israeli protest, without the participation of the United States these initiatives lacked any kind of immediate, practical significance. While they were a response to the administration's failure to jumpstart the political process, the very absence of the American imprimatur limited the PA's ability to translate them into a concrete achievement.

In an attempt to break the deadlock, Obama arranged a meeting in New York in September 2009 with Prime Minister Netanyahu and President Mahmoud Abbas, but the three-way summit was of ceremonial value only.¹ In addition, the administration sought to build an inter-Arab setting to support the political process that would offer confidence building gestures towards Israel and back Palestinian concessions. This intention too was never fulfilled. Arab states did not soften their conditions for thawing their relations with Israel: a final settlement as outlined in the Arab initiative.² In January 2010, as his first year in office ended and after the mediation attempts of his Middle East special envoy George Mitchell failed to bear any fruit, President Obama was forced to admit that the administration's

assessment of the chances of promoting peace in the region had been unrealistic. More realistic was the president's assessment of the reasons for the failure to restart the process: Israeli and Palestinian opposition to the ideas underlying the entire political process,³ i.e., the political concessions intrinsic to any settlement and the incurring of security risks entailed by territorial compromise.

The failure to get the political process back on track was underscored by the administration's intention to formalize the indirect talks that had taken place via the United States since the direct talks were suspended in late 2008 – when Ehud Olmert's term in office was winding down, George Bush was preparing to leave the White House, and Israel embarked on an extensive military campaign against Hamas in the Gaza Strip. In March 2010, during Vice President Joseph Biden's visit to Israel and the PA, the administration announced its drive to launch proximity talks. The PA and the PLO's Executive Committee approved the program, though subject to the conditions determined by the foreign ministers of the Arab League, namely limiting the talks to a four-month period if direct talks were not launched in that time. Netanyahu estimated that the conditions for renewing the talks were ripening, "even if we are only talking about proximity talks."⁴ However, the start of the talks was delayed. Differences of opinion between Israel and the United States about the opening conditions of the talks and their purpose generated a crisis between the two countries. Negotiations between Israel and the administration, which from Israel's perspective were meant primarily to end the crisis between it and the administration, replaced the talks that were supposed to be conducted with the PA with the administration's mediation. In early May, after weeks of intense discussions, the administration announced the opening of the indirect channel.

In any case, in order for the dialogue to be maintained and then lead to direct negotiations, Israel and the PA will have to recede from demands presented to the other side and settle for only a part of what they asked for. In light of the gaps between the two sides' positions, however, it seems that the prospects for realizing these conditions are highly unlikely.

Israel: No Preconditions, as it Were

The establishment of Netanyahu's government heralded a change in Israel's policy on negotiations with the Palestinians. It took until June 2009, more than two months after the new government rose to the helm, for Netanyahu to recognize the two-state solution publicly, and he subsequently insisted that any Palestinian state be subject to severe security restrictions, including demilitarization. In addition, Netanyahu demanded Palestinian recognition of Israel as the state of the Jewish people. This demand, absent from the Israeli agenda in previous rounds of talks, was presented as a condition of the permanent settlement, not as a condition of renewing the talks. In order to lower expectations of concessions before the negotiations, Israel rejected the PA's demand to renew the talks at the point at which they were suspended, i.e., on the basis of proposals made by Ehud Olmert to Mahmoud Abbas.⁵

In addition, Israel clung to its position that the future of the Israeli settlements on the West Bank would be discussed at the end of the negotiations.⁶ In line with this policy, no settlements were evacuated. Continuing the policy of previous governments and despite the growing awareness in Israel of the demographic challenge inherent in continued occupation of the West Bank, Netanyahu's government avoided issuing any explicit statements about Israel's future permanent borders – and thus perforce those of the Palestinian state – except for the insistence that the Jordan Valley remain Israel's eastern security border, which would necessarily delimit future Palestinian sovereignty.

Recognition of the two-state solution was presented by Israel as a gesture intended to bring the PA back to the talks. At the same time, Netanyahu again called on the PA to come back to the negotiating table without preconditions, but his invitation, much like his recognition of the two-state solution, was not understood as an intention to address the permanent settlement issues or as determination to generate a breakthrough in the political process. Rather, it was seen for what it was: a response to American pressure for continuity of the official positions of previous governments. The demand to recognize Israel as the state of the Jewish people was rejected out of hand, as accepting it would have been tantamount to conceding any claim on Israeli territory proper.

In November 2009, as a response to massive administration pressure to complete the first stage of the Roadmap, the Israeli government announced a freeze on settlements in the West Bank.⁷ The freeze was limited to ten months and applied only to residential structures where construction had not yet begun. Construction in Jerusalem was not included, and this issue remained a source for Israeli-Palestinian friction. It has served as background to clashes between demonstrators and Israeli security forces, a source of tension on the domestic Israeli arena, and a bone of contention between Israel and the United States. New building permits in an East Jerusalem suburb were announced during Vice President Biden's visit, generating a political storm that underscored how difficult it will be to bridge the gaps on this fundamental issue between Israel on the one hand and the PA, the United States, and the Quartet on the other. The Israeli government sought to end the crisis by apologizing to the administration over the problematic timing of the construction announcement, but the administration was not appeased. Israel was asked to take a series of steps to demonstrate the seriousness of its intentions regarding the political process.

The American demands – led by the demand for a complete freeze on settlement construction and agreement to discuss all the core issues – were presented as an ultimatum, despite the awareness that their acceptance would threaten the unity of the Israeli coalition government. Furthermore, the American demands were notably similar to the demands posed by the PA as conditions for renewing the talks.⁸ In response, Netanyahu expressed willingness to ease both the siege of the Gaza Strip and restrictions on movement in the West Bank, and to release Fatah prisoners.⁹ Likewise, he also proposed “raising ideas” regarding the core issues in the indirect channel, with the caveat that binding agreements would be formulated in direct talks in the future. At the same time, Netanyahu rejected the administration's demand to commit to a timetable for the indirect talks and to a definite connection between them and future discussions of the permanent settlement. In late April 2010, in an effort to end the crisis with the administration, Netanyahu proposed discussing the establishment of a Palestinian state with temporary borders, i.e., skipping ahead to the second stage of the Roadmap. This proposal, formulated with the

full knowledge that the chances of the PA removing its traditional and unequivocal opposition to intermediate solutions were slim, did not herald a breakthrough. The refusal to commit officially to a construction freeze in East Jerusalem remained firm.

The PA: Preconditions of a Post-Agreement Nature

Inspired by America's insistence, the PA's consistent demand for a settlement freeze became a condition for returning to the talks – issued with the claim that the PA had no preconditions for renewing the talks.¹⁰ The limited freeze was understood as an attempt to deflect attention from a systematic policy of establishing facts on the ground. Continued construction has therefore become the center of the Palestinian claims that Israel is the one responsible for the political deadlock as well as the background for the incitement against the Israeli presence in East Jerusalem.¹¹ In addition to a total construction freeze, the PA demanded that negotiations be renewed on the basis of an Israeli commitment to withdraw to the 1967 borders. The Israeli government's rejection of this fundamental demand was the integrated result of conceptual, security, political-public, and coalition considerations as well as the desire to avoid a situation in which only the details of implementing an agreement would remain open for discussion. PA spokesmen demanded the renewal of talks on the basis of proposals made by Israel during the Annapolis talks as well as attention to issues Israel refused to deal with in the past – the refugees and Jerusalem, which resulted in their removal from the agenda in previous rounds of talks.

At the same time, the PA itself was also hard at work fashioning reality on the ground, if not territorially then in institutional, security, and economic terms. Under international sponsorship and Prime Minister Fayyad's leadership, the West Bank has entered a comprehensive process of construction from the ground up. Resources have been steered towards making the civil services and administrative system more efficient, instituting law and order, fighting corruption, and initiating new economic projects. The development has not been felt uniformly throughout the West Bank, rather, primarily in the security and administrative sectors of the PA. Limitations on the movement of people and goods have delayed the development of the private sector and therefore the full potential of

the economic reforms has not been realized. Still, in 2009 unemployment fell from 20 to 18 percent, and the growth rate was estimated at 8.5 percent (while the growth rate in the Gaza Strip was estimated at only 1 percent).¹² This trend was boosted considerably by a reduction in the number of roadblocks in the West Bank, made possible thanks to the increased professionalization of the PA's security services.¹³ The struggle of the Palestinian security apparatuses against militant factions (with IDF assistance and alongside IDF activity) has curbed attempts by Hamas activists to engulf the area in flames and draw Israel into a confrontation.

The economic development and the improvement in security advanced an interest shared by Israel and the PA – demonstrating the gap between the burdens of life in the Gaza Strip as against the quality of life in the West Bank, i.e., between the disadvantages of a Hamas-led government versus the advantages of the PA's leadership. From Israel's perspective, the development trend on the West Bank meshed with the idea of economic peace, whose purpose was to lower the motivation for militancy even in the absence of a political breakthrough. However, without political hopes, Palestinian opposition factions accused the PA of abetting the preservation of the status quo without getting anything in return and contrary to the Palestinians' national interests.¹⁴

Three types of response to the deadlock were discussed in the West Bank, one violent and two political. The possibility and ramifications of a violent uprising were on the agenda. Threats of escalation were also heard from within Fatah ranks, albeit alongside warnings about Israel and the Palestinians being dragged into a confrontation that would not be in their best interests. It is probable that escalation would not be the result of any intentional policy on the part of Fatah. Of greater probability is that if the arena is dragged into a confrontation, it would be the result of some local incident that is exploited by Hamas or the result of a calculated move by Hamas to incite escalation in the Gaza Strip or the West Bank. Likewise, the idea of one state between the Jordan River and the Mediterranean has received renewed interest. This option has been discussed both as politically preferred and as a way to spur Israel into advancing a settlement before it loses its ability to ensure its future as a democratic Jewish state. Operationally, this means relying on the demographic process to tip the

scales. Finally, an option that complements the rehabilitation project in the West Bank – the de facto establishment of a Palestinian state and a unilateral declaration of sovereignty – has also been examined.

In August 2009 Prime Minister Fayyad embraced the vision of a pluralistic democracy that would be based on an independent economy to the extent possible, to be announced in the West Bank and the Gaza Strip at the end of a two-year preparatory process. While the territorial and economic practicality of the Fayyad plan would be limited as long as Fatah-Hamas and Israel-PA relations were not regulated, the political significance would be immense. In response to the concern expressed by officials in Europe and the United States that a unilateral declaration of sovereignty would be detrimental to the possibility of advancing a settlement based on agreement, Abbas declared that it would be coordinated with the EU and the administration.¹⁵ Fayyad too withdrew from an intended unilateral declaration of statehood, and explained that August 2011 was a target date for establishment by the PA of the state's institutional infrastructure.¹⁶ In any case, at least on the declarative level, coordination with Israel has been pushed from the top of the list of necessary conditions for a declaration of statehood. In this sense, the plan echoes the effort underway, primarily in Europe thus far, to stabilize the arena of conflict through the establishment of a viable Palestinian national entity, not necessarily on the basis of a consensual Israeli-Palestinian settlement.

Conclusion

Time and again Israel and the PA have found themselves deadlocked when the time has come to translate the commitment-in-principle to the two-state solution into concrete moves; and after years in which the components of a compromise emerged as inextricably linked to the agenda, the political process has hit an unprecedented dead end. The sides have presented one another with far reaching demands, some of which entail up-front concessions in substantial matters. No wonder, then, that these demands have met with mutual rejection.

The “proximity talks” initiated by the American administration were intended to bypass the hurdle of renewing the dialogue. To enable the launch of indirect talks, the administration presented Israel with demands

that were close in spirit to the ones stipulated by the PA as preconditions for direct talks. This, however, challenges the logic underpinning the indirect channel, as Israel's fulfillment of the American demands was tantamount to fulfillment of the PA's demands and in effect paves the road to direct talks. In any case, to ensure that the mediated talks do not turn into another instance of "distance talks," Israel and the PA will have to moderate some fundamental positions, though ideological commitments, security concerns, and militant opposition at home will make it difficult for them to do so, certainly to the extent desired by the other side. In other words, the chances for a fundamental breakthrough remain slim as long as there is no change in the balance of considerations guiding both Israel and the PA. And it is hard to imagine that the indirect channel will bear any different fruit from that borne by the indirect talks conducted between the sides that were not labeled "proximity talks."

Erosion of international support for Israel's positions, a growing interest in the establishment of a Palestinian state even without a mutually acceptable settlement, and in particular the crisis in the Israeli-American relationship are likely to moderate Israeli opposition to the demands made by the administration and the PA. Still, even if only some of the demands are met, a domestic political storm could well erupt, one that would make it difficult to conduct matter-of-fact negotiations, not to mention advancing understandings of historic proportions. In contrast to Israel, the PA is not facing international pressures to recede from its conditions. Furthermore, its positions are represented, at least partly, by the American administration. Thus rejection by Israel of the administration's demands would deepen the crisis in Israel-US relations while the PA would be relieved of accountability for the political deadlock. And while understandings between Israel and the American administration have allowed the indirect talks to begin, real progress towards a settlement – even if occurring along the lines of the PA's demands – would in fact threaten the PA's internal status. Moreover, the geographical and political split in the Palestinian arena would interfere with the PA's attempt to fulfill its part of the settlement, should it be concluded. Therefore, both Israel and the PA, each for its own reasons, prefer indirect talks to direct ones, even though – or perhaps because – this means postponing the moment of truth.

In light of the political deadlock, the American administration has debated the possibility of formulating principles for an imposed settlement. The presentation of an American peace plan, in particular if it is accompanied by a message that the United States intends to impose it on the parties, would narrow Israel's scope for maneuver vis-à-vis both the administration and the PA. The imposition of a settlement would not be a simple task by any means, if at all possible, even if the administration invests vast diplomatic and economic resources to ensure its implementation. No less complex would be making an imposed settlement the basis for a consensual one. Indeed, it is possible that the very announcement about an intention to advance an imposed settlement would motivate Israel and the PA to soften their stances and allow the renewal of the direct talks. In any case, a settlement between Israel and the PA – whether imposed or consensual – would be partial and fragile as long as the PA is not united on the basis of a political platform in the spirit of the vision of dividing the land into two states. In this context, it is likely that at least in the immediate term, progress towards a settlement would only exacerbate the rivalry between Fatah and Hamas, fan the motivational flames in the Palestinian militant opposition to escalate the conflict, and result in the suspension of talks.

Time and again Israel and the Palestinians have sat down to the negotiating table following a violent confrontation. The political process was formally begun as the result of the first uprising. The Taba talks were held in order to mitigate the second uprising, and the Roadmap was formulated in order to extricate the talks between Israel and the PA from a dead end. The Annapolis initiative was formulated after Hamas overtook Gaza in order to break through the deadlock and strengthen the Palestinian leadership committed to a compromise. Thus, the challenge now facing those involved in the political process, especially Israel and the PA, is to renew a direct, concrete dialogue. It may be that this is the way to prevent the next round of confrontation after which the sides would be more pressured, both from the outside and from within, to renew the dialogue. Similarly, it may be that this would erode the relevance of proposals on an imposed separation or unilateral moves, which would be the basis for temporary arrangements and therefore also likely background for a new outbreak of violence.

Notes

- 1 “Briefing by Special Envoy for Middle East Peace George Mitchell: Trilateral Meeting with Prime Minister Netanyahu of Israel and Palestinian Authority,” US Department of State: Diplomacy in Action, September 22, 2009.
- 2 “Arab Peace Plan as Part of Palestinian State Push: US,” *Reuters*, April 17, 2009; “US to Push Peace in Middle East Media Campaign,” *New York Times*, August 24, 2009.
- 3 “Obama: Expectations for Middle East Peace Too High,” *Ynet*, January 21, 2010.
- 4 “Prime Minister on Proximity Talks: ‘We Want to Complete the Process,’” *Ynet*, March 4, 2010.
- 5 “The United States to Israel and the PA: ‘Understandings from Olmert’s Term not Binding on the Sides in Negotiations,’” *Haaretz*, March 9, 2010.
- 6 Binyamin Netanyahu interviewed by Wolf Blitzer, *CNN*, September 23, 2009.
- 7 “Briefing by Special Envoy for Middle East Peace George Mitchell,” U.S. Department of State: Diplomacy in Action, November 26, 2009.
- 8 “Secret Israeli Report: US Cozying Up to Palestinians,” *Haaretz*, March 7, 2010; “Clinton Rebukes Israel over East Jerusalem Plans, Cites Damage to Bilateral Ties,” *Washington Post*, March 13, 2010; “U.S. Pushing Netanyahu to Accept Demands for Peace Talks,” *Washington Post*, March 16, 2010.
- 9 Israeli policy with regard to Palestinian prisoner releases was presented both as an incentive to renew the talks and as a result of the talks’ progress. See “Prime Minister Agrees to Release Hundreds of Fatah Prisoners to Jumpstart Negotiations,” *Haaretz*, January 29, 2010, and “Binyamin Netanyahu: ‘If there is political movement, we will consider releasing Palestinian prisoners,’” *Haaretz*, February 10, 2010.
- 10 “Abu Mazen: ‘I have no conditions, but stop the construction,’” *Ynet*, January 4, 2010; “Aide: Abbas has 2 conditions for talks [commitment to a real settlement freeze even for a limited period of time, and that negotiations be based on the establishment of a Palestinian state on the 1967 borders and full withdrawal to those armistice lines],” *Ma’an News Agency*, January 26, 2010; “I Will Not Back Down: Interview with Palestinian President Mahmoud Abbas,” *Spiegel Online*, February 7, 2010.
- 11 Criticism was also directed against the administration because of its acceptance of the limited freeze. See: “Abu Mazen: ‘I trusted Obama but he changed stride,’” *Ynet*, July 2, 2009; “Document in the PA: ‘We’ve lost hope in Barack Obama’s administration,’” *Haaretz*, October 14, 2009.
- 12 *Towards a Palestinian State: Reforms for Fiscal Strengthening: Economic Monitoring Report to the Ad Hoc Liaison Committee*, April 13, 2010, The World Bank.

- 13 According to the IDF, sixteen manned roadblocks are left in the West Bank (compared with 27 in December 2008), whereas according to the UN's Bureau for Humanitarian Coordination, there are some 630 roadblocks and other obstructions. See Avi Issacharoff and Amos Harel, "Israel Removes Dozens of Roadblocks in West Bank," *Haaretz*, June 24, 2009; "Haaretz Reports on Roadblocks: Some Easing of Restrictions but Roadblocks in Abundance," *Haaretz*, January 25, 2010.
- 14 Abbas's lack of decisiveness about presenting the Goldstone report for discussion at the UN Human Rights Council was seen as caving in to Israeli pressure – which was indeed exerted – and generated severe personal criticism of him. In October 2009 Abbas threatened to resign and announced that he would not run in the presidential elections that were scheduled for January 2010 along with elections for the Legislative Council. Elections were not held because of the split in the PA: Egyptian efforts to mediate between Fatah and Hamas failed. Abbas and the emergency government he established after Hamas's takeover of the Gaza Strip as well as the Legislative Council controlled by Hamas continued their terms in office without legal basis. Still, Abbas's threat to resign has not been retracted, and the message is that if it is carried out there will be shocks in the Palestinian arena, leaving Israel without a partner to the political process and to the effort to stabilize the security situation in the West Bank.
- 15 "President Sarkozy and PA Chairman Abu Mazen: 'Renew Negotiations with Israel at Once,'" *Haaretz*, February 22, 2010. On Netanyahu's response to the idea of a unilateral declaration of statehood: "Netanyahu to PA: If you make unilateral moves, so will we," *Jerusalem Post*, November 16, 2009.
- 16 "Fayyad Folding? 'We will not declare a state; we will be ready,'" *Ynet*, May 2, 2010.