

# A Decade since the Outbreak of the al-Aqsa Intifada: A Strategic Overview

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These weeks mark a decade since the outbreak of the al-Aqsa intifada, or as it commonly known among Israelis and Palestinians, the second intifada. One of the most dramatic events in the history of Israeli-Palestinian relations and surely one of the most bitter struggles between the sides in the previous century, the al-Aqsa intifada is another link in the chain of dramatic, broad scaled confrontations between Israel and the Palestinians, headed by the events of 1936–39 (the “Arab Revolt”), the 1948 War, the 1982 Lebanon War, and the first intifada.

Over the past decade a keen political, media, academic, and public debate has taken place – between Israelis and Palestinians and within the Israeli camp – on the origins of the al-Aqsa intifada. Two central questions have dominated this discussion. First, what was the connection between the outbreak of the clash in the territories and the failure of talks on a permanent settlement at the Camp David summit in the summer of 2000? Second, was the al-Aqsa intifada an event planned beforehand by the Palestinian Authority or was it a spontaneous national outburst? Also debated was the possible connection with the IDF withdrawal from Lebanon, which took place a few months before the violence erupted in the Palestinian arena. Yet notwithstanding the importance of these questions, in order to understand thoroughly the nature of the upheaval and sketch its possible future development, the overall implications of the struggle for both sides and its incorporation into their respective narratives must be analyzed with the perspective of the past decade.

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The outbreak of the al-Aqsa intifada marked the end of an era in the Middle East. It was a confrontation that symbolized the close of a decade characterized by an Israeli–Palestinian and Arab–Israeli attempt to solve the regional conflict through dialogue and the establishment of political agreements. It was a decade that unfolded in the shadow of America’s dominance in the Middle East, as the US strove to reshape the region following the end of the Cold War and the 1991 Gulf War. It was a period that saw political heights: the Madrid conference (1991); the Oslo accord (1993); the establishment of the Palestinian Authority (1994); the signing of the Israel–Jordan peace agreement (1994); political talks between Israel and Syria (in the second half of the 1990s); and a process of normalization between Israel and a majority of Arab countries and the Muslim world. In late 2000, that decade gave way to a decade in which violent struggles dominated and the power of radical elements throughout the region increased. Significantly, the al-Aqsa intifada was a key link in the chain of dramatic events that shaped the region over this past decade. These were headed by: the Iraq War and the subsequent American occupation of Iraq (2003); the international campaign in Afghanistan (since late 2001); the Second Lebanon War (2006); and the Israeli–Western–Arab confrontation of a strengthening Iran, particularly its ambition to achieve nuclear capability.

The comparison of the Palestinians’ current situation with what prevailed before the outbreak of the intifada, particularly in the mid 1990s, attests largely to a negative balance sheet, at least as far as the Palestinian national camp is concerned.

Like the ten years before it, this past decade took place against the backdrop of an American attempt to reshape the region. However, its degree of success on all fronts, especially in Iraq and Afghanistan, has been limited compared with the previous decade. Moreover, the US encountered strong difficulties in advancing the far reaching changes in the spirit of democratization it had planned for the region following the events of September 11, 2001. These failures project negatively on the image of the US in the eyes of the regional players and gradually erode US influence in the region.

On the whole, there is a lack of agreement among students of the Palestinian issue over the chronological boundaries of the al-Aqsa intifada. While all agree that the confrontation began in late September

2000, they disagree on the date it ended, or if it even has ended. Some argue that particularly with the death of Arafat and the ascent of Abu Mazen the intifada is clearly over, while others maintain we are seeing an historical process that has not yet concluded. In any event, one can outline several key chronological stages of development in the al-Aqsa intifada that are defined by their political and military features:

- a. *From September 2000 until Operation Defensive Shield (March–May 2002).* This period was characterized by increased terror against Israeli targets in the West Bank and Gaza Strip as well as the Israeli home front; intense populist clashes (that partly spilled over into the Arab sector in Israel, displayed most noticeably in the events of October 2000); and the accelerated disintegration of the Palestinian government. On the Israeli side, the period was initially characterized by shock and perplexity over how to deal with an entity that simultaneously advances both violent moves and political contacts. This phase ended with an Israeli decision to strike at centers of Palestinian government, following a series of terrorist attacks in Israel that claimed numerous casualties, led by the attack at Netanya's Park Hotel during Passover of 2002. This attack was the final catalyst for Operation Defensive Shield, which brought about the renewed IDF takeover of cities in the West Bank.
- b. *From Operation Defensive Shield to the death of Arafat in November 2004.* This period saw fewer attacks against Israel, in part due to intensified Israeli activity against terror elements – including those operating under the sponsorship of the Palestinian Authority; a considerable weakening of the Palestinian government and Fatah, the ruling movement; and the strengthening of Hamas, a process that would subsequently be dramatized in the movement's takeover of a considerable portion of the Palestinian arena. In Israel this period was characterized by initial thinking about replacing the endeavor for a negotiated political agreement with unilateral separation from the Palestinians. This trend was most pronounced in the decisions to construct the separation fence and disengage from Gaza.
- c. *Between the death of Arafat and the Hamas takeover of the Gaza Strip (June 2007).* These years marked an historic junction at which the Palestinian Authority, led by Abu Mazen, tried unsuccessfully to adopt a new strategic path, namely: to abandon the violent conflict

and rehabilitate the government; integrate the armed opposition forces, chiefly Hamas, in the ruling establishment and thereby curb their military activity; and at the same time, advance the political dialogue with Israel. The disengagement from Gaza in August 2005 should have been a key milestone in this attempt, but it quickly transformed into a crushing testimony to the weakness of the Abu Mazen government, which failed in its attempt to retain its authority over Gaza. As a result the region became increasingly fertile ground for terror elements, headed by Hamas, which took over the region by force while routing the Abu Mazen government. Attacks on the Israeli home front declined significantly, mainly due to intense IDF activity in the West Bank as well as the separation fence. However, these were succeeded by new and powerful military threats, particularly the increased rocket attacks by terror organizations in Gaza.

Most conspicuous in this context was Hamas, which assumed control of the Gaza Strip and focused on institutionalizing its military infrastructure and improving its military strike capabilities at Israel (while exploiting the lack of an Israeli presence on the border between Egypt and Gaza since the summer of 2005 in order to stockpile huge amounts of weapons). For its part, Israel viewed this period as a strategic opportunity, and perceived Abu Mazen as an alternative to both the Arafat regime and Hamas. However, this initial yearning for strategic change in the Palestinian arena failed to meet expectations; instead, Israel found itself in a tangled and threatening strategic reality.

- d. *From June 2007 until today.* Many observers regard these years as a transition to a new age that is no longer part of the al-Aqsa intifada. This phase is shaped by the deep split in the Palestinian system, which obliges Israel to engage on two fronts. The first entails a military and political struggle against a hostile entity that commands Gaza and is developing improved strike capabilities against Israel (in part with Iranian assistance and training), such as in Operation Cast Lead (December 2008–January 2009). The second front entails an ongoing political dialogue, including on a permanent agreement, with a second Palestinian entity operating with Israeli support in the West Bank, in an attempt to gradually cultivate its limited independent capabilities.

The goal of this article is to portray a “balance sheet” from the viewpoint of both sides in the conflict. This creates several methodological difficulties. First, there is no agreement between the two sides on the strategic goal, and therefore a comparative balance sheet does not afford a zero-sum game. Second, the internal diversity that characterizes each of the players, particularly the Palestinians, who split into two different actors during the conflict, yields polarized interpretations in both camps regarding the nature of the past decade. Finally, selecting an arbitrary period for analysis of ten years since the outbreak of the confrontation is inherently problematic, especially without an official or clear end to this confrontation. In reality, various aspects of the confrontation are still in formation. Nonetheless, analyzing a broad variety of voices and positions on both sides helps present the strategic insights formed in the past decade and outlines the key approaches that will drive them towards the future.

### The Palestinian Perspective

Even without determining definitively who launched the uprising and exactly how it erupted, to a large extent one can describe the al-Aqsa intifada as yet another expression of vacillation on the Palestinian pendulum. Indeed, it is a chronic lack of decision that has accompanied the modern Palestinian system since 1948. At its center is a conflict between two aspirations: one, the concept of revolution, exemplified by devotion to the maximum realization of national objectives, chiefly the “liberation of all Palestine” and a comprehensive fulfillment of the right of return; and two, the objective of a state, expressed by a willingness to compromise in exchange for achieving the full national sovereignty that has never been the lot of the Palestinians.

In talks at Camp David in the summer of 2000 on a permanent settlement, the Palestinians were faced with an internal conflict precisely of this sort, possibly the most searing one in their history. However, despite understanding the imperative of taking an historic decision on the core issues, chiefly

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refugees, Jerusalem, and borders, they chose once again, under the leadership of Arafat and Fatah, the path of armed struggle. This distanced the Palestinian arena yet once more from painful but necessary historic decisions and propelled the Palestinians into a decade of struggle that was accompanied by a major erosion of the state-building enterprise painstakingly cultivated over the previous decade.

The comparison of the Palestinians' current situation with what prevailed before the outbreak of the al-Aqsa intifada, particularly in the mid 1990s, attests largely to a negative Palestinian balance sheet, at least as far as the Palestinian national camp, i.e., the PLO and Fatah, is concerned. In this context, one can identify several processes that stand in total opposition to the Palestinian and Israeli hopes that accompanied the establishment of the Palestinian Authority in the early 1990s.

The first is the undermining of the state-building process. True, this decade of struggle did not quash the state-building endeavor entirely, but it damaged it severely. Accompanying the Israeli-dealt blow to centers of Palestinian government were the increased power of rebellious armed militias, increasing public anarchy (*fawda*), and a sharp decline in the government's image on the Palestinian street. A gradual restoration of the Palestinian Authority's power and image in the West Bank has occurred in recent years, but the civilian and security potency of the 1990s has still not recovered. For its part, the Hamas government in Gaza enjoys relative stability that is attributable in part to the movement's readiness

to use substantial force to impose its authority.

This is particularly true vis-à-vis Fatah, Islamic Jihad, organizations identified with global jihad, and various local clans.

The second process is the ascent of Hamas and the weakening of the PLO. In the course of the conflict, the status of the Palestinian government, and with it the PLO and Fatah, has waned steadily, while Hamas, after exploiting the governmental vacuum to strengthen its military capabilities and deepen its involvement in all layers of society,

has grown stronger. This trend peaked in the parliamentary elections of January 2006, when Hamas became the ruling party in the Palestinian Authority, and thereafter when it took control of Gaza. Thus Hamas went

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from a combative, extra-governmental opposition movement to a ruling party that continues to embrace a jihad agenda, but has also gradually discovered the difficulty in straddling these two paths.

At the same time, Fatah and left wing Palestinian elements, which dominated the modern Palestinian arena since its establishment (and in fact created it), lost their military, political, public, and ideological force. This trend is no accident in Palestinian history, nor is it an expression of deep Palestinian public protest against the Palestinian government and Fatah; rather it is the reflection of profound processes in Palestinian society. Similar to many other societies in the region (including the Arab sector in Israel), Palestinian society is undergoing far reaching cultural changes that are steadily changing its profile. Chief among these changes is a strengthened religious identity among broad sections of the public.

Third is the institutionalization of the internal rift of the Palestinian arena. At the start of the conflict, Israel faced a single political entity that dominated two separate areas. Today Israel faces two entities that are distinct from each other ideologically, culturally, and politically, and are hostile towards one another. Both claim the right to lead Palestinians while maintaining entirely different relations with Israel and the international community. The establishment of the Palestinian Authority was in part intended to deepen the governmental and territorial integration between Gaza and the West Bank, where the respective populations harbor a considerable sense of mutual alienation. The conflict and the ensuing events deepened the geographical and social divide between the two areas, which made it far more difficult for Abu Mazen to claim to represent Gaza in any context whatsoever, particularly in discussions on a permanent settlement.

The fourth process is the weakening of the "agreement idea," with a strengthening of the concept of resistance. The years of harsh conflict were accompanied by extensive physical destruction in PA territory, damage to elements identified with the PA (especially Fatah and the security apparatus), and a relatively continuous presence of Israeli forces in the heart of Palestinian territory. At the same time Jewish settlement in the West Bank expanded, such that to the Palestinians the area represents the increasing loss of a political asset. This reality deepened Palestinian disappointment with hopes for a political agreement with Israel; in its place came the magnified notion of resistance to Israel (*al-*



*muqawama*). However, rather than a return to the longstanding Fatah concept of “armed struggle,” there was a refashioning by Hamas-led Islamic elements who imbued the concept with more religious and radical content than in the past. To be sure, the idea of a political agreement has not totally disappeared and it continues to be a basic principle in the PA’s approach towards Israel. However, it sustained a serious blow following a decade of armed struggle, Palestinian civil war, and ongoing deadlock in the political process. For its part, the concept of resistance was clearly exposed, as during Operation Cast Lead (December 2008–January 2009), as highly damaging for the Palestinians. Nonetheless, it continues to captivate broad sections of the Palestinian public, be perceived as the most successful way of confronting Israel, and be the preferred political and cultural alternative to the idea of an agreement.

The balance sheet drafted thus far reflects the viewpoint of the Palestinian Authority. As far as Hamas is concerned, an opposite picture emerges, one that is fundamentally optimistic. Over the past decade the movement has transformed its status of a semi-underground force pursued by Israel and the Palestinian government, repelled by most international actors. Now it has achieved the status of a ruling party that is gradually enforcing its authority over the Palestinian arena and gaining increased recognition by numerous external actors. Although the decade saw the infliction of serious blows to the movement, chiefly the elimination of most of its founding core, Hamas adhered to the principles of patience and tenacity (*saber* and *sumud*), survived the blows, weakened temporarily, and then grew stronger. To its way of thinking, this was an important phase in establishing its status as the new leader of the Palestinian system and fulfilling its long range goal: the establishment of an Islamic state in all of Palestine. As Hamas consolidated its rule, its balance of profits and losses became more complex, obliging it to restrain its military activity (especially following Operation Cast Lead). However, so far the new situation has not undermined the movement’s extreme, dogmatic ideological core, which is accompanied by steady military deployment in advance of a future clash with Israel.

On the plus side of the balance sheet, and notwithstanding the deep shockwaves in the Palestinian arena over the past decade and the profound undermining of the Palestinian government’s status, the notion of a Palestinian state has not evaporated. This vision continues



to be a central objective pursued by Israel, the Palestinian Authority, and the international community as the agreed upon basis for a future political arrangement.

Furthermore, in the internal arena many Palestinians believe that the al-Aqsa intifada enabled the vital process of rotation in the Palestinian elite leadership. As suggested by many researchers, foremost among them Khalil al-Shikaki, the uprising largely represented an attempt to undermine the hegemony of the Palestinian old guard (headed by Arafat and the PLO and Fatah founding core) and spawn the rise of a new leadership. The new leaders were representatives of a younger generation; identified with the domestic arena rather than the diaspora; nurtured amid struggle with the Israeli government, particularly during the first intifada; and for the most part natives of the social periphery, especially the refugee camps and the rural sector. In Fatah this trend expressed itself through the extensive activity of al-Aqsa Martyrs Brigades, which exhibited defiance of the ruling establishment led by “outside” representatives and loyalty to the young “inside” leadership. They strove continuously, albeit with limited success, to oust the old guard from its dominant status in the government and the movement. For its part, Hamas inherently symbolized the change that occurred in the national leadership. The group leading it on all levels was clearly identified with the “inside” arena, particularly the social periphery. Conspicuous in the movement were representatives of the younger generation (whose rapid rise could be credited in part to Israel’s extensive attacks over the decade on the movement’s founding generation, notably Sheikh Ahmad Yassin).

The final part of the past decade invites some optimism, however modest and tentative, from the viewpoint of the Palestinian Authority. Following Abu Mazen’s defeat in the campaign against Hamas in Gaza, the Palestinian government engaged in a process of self-examination while seeking to adopt a policy that would prevent the Islamic camp from taking control over the West Bank as well. This policy, encouraged to a great extent by Israel, is based on a number of moves: an attempt, led by Prime Minister Salam Fayyad, to strengthen government institutions (the concept of a de facto state or bottom-up state-building); the attempt to limit the power of Hamas (especially in the political, public, and financial spheres, and less so on the military level); economic development; the attempt to provide civilian security and rout anarchy, in part by

strengthening Palestinian security mechanisms; and an attempt to advance political negotiations with Israel, with the constant push of the US.

However, this improving reality is far from a well defined and stable alternative, either in Israel's eyes or in the eyes of many Palestinians. The strength of the Palestinian government is still limited, and surely not developed enough for independent control on the ground (its security mechanisms continue to suffer from various longstanding defects); the efficiency of government institutions remains limited; reform in the Fatah organization proceeds sluggishly; the Hamas movement, while contained on various levels, continues to enjoy public strength throughout the West Bank; and the Hamas government in Gaza is becoming institutionalized and is turning into a *fait accompli*, which presents a difficult challenge to the Abu Mazen government. And most problematic of all: Even after the shocks of recent years, the PA under Abu Mazen still has not launched a searching political and public discussion (let alone adopted painful national decisions) on the charged issues at the core of the confrontation, particularly the right of return and refugees.

### The Israeli Perspective

The outbreak of the second intifada, with its searing images (including the lynch of two IDF soldiers in Ramallah in October 2000; multi-casualty attacks in Israeli cities; the enlistment of the heads of Fatah and the security apparatus in the armed struggle; and the October 2000 riots in the Arab sector) left Israel in shock, humiliation, and bewilderment. These events weighed heavily in reshaping perceptions among the Israeli government and the public regarding the nature of the adversary, the conflict, and an agreement with the Palestinians. The clash that erupted a few months following the IDF's withdrawal from Lebanon exposed a government and society that felt they were closer than ever to the end of the Israeli-Palestinian conflict, if not the greater Arab-Israeli conflict, and were proven wrong.

The initial shock on the governmental and public levels was gradually replaced by deep disappointment with the Palestinians and the drive for both an aggressive response and new solutions to the "Palestinian problem." The forceful response was expressed in a series of unprecedented military moves that constituted an essential deviation

from the policy characteristic of the previous decade, including strikes at Palestinian government institutions; occupation of Palestinian city centers; extensive assaults on the Palestinian leadership of all persuasions (assassinating heads of organizations such as Yassin and Abdel Aziz al-Rantisi of Hamas, or Abu Ali Mustafa, secretary general of the Popular Front for the Liberation of Palestine); imprisonment of other leaders, such as Marwan Barghouti of Fatah and Ahmad Sadat, current secretary general of the PFLP; and a sustained siege of the heart of the Palestinian national leadership – the muqata' in Ramallah, to which the IDF laid siege in early 2002 and where Arafat was confined until close to the time of his death.

The new solutions, unilateral in essence, were epitomized by construction of the separation barrier and the Israeli disengagement from the Gaza Strip in the summer of 2005. The first move contributed to a significant reduction in the scale of attacks on the Israeli home front, while the second, within two years of its implementation, turned into a threatening reality in the form of Hamas' absolute control over Gaza. Developing within Gaza are serious military threats to Israeli populations, including in the country's center; the region has become a new front of resistance that has forced Israel into a prolonged campaign of attrition.

These moves deepened doubts as to the ability and intentions of the Palestinian partner, but they did not lead to a total abandonment of the track of dialogue with the Palestinians.

Ten years after the al-Aqsa intifada erupted, Israel's overall balance sheet is mixed. The negative aspects are particularly conspicuous in light of the situation that prevailed before the outbreak of the confrontation; all the more so in view of Israeli hopes that accompanied the establishment of the Palestinian Authority. In late 2010, Israel finds itself in the midst of a complex reality, facing a stable hostile entity in Gaza against which it has already waged an intensive military campaign. Hamas, however, continues to prepare for future campaigns, particularly by equipping itself with improved and greater quantities of weapons. Israel has the ability to topple the Hamas government and

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occupy the Gaza Strip, but the move would almost certainly exact a steep cost. Israel would likely find itself in a prolonged armed struggle in a cramped and hostile area, sustaining heavy damage in both the political and diplomatic spheres yet required to provide for the ongoing needs of a large, needy public in Gaza. In the West Bank, relative calm and security are developing gradually, which can be credited largely to the IDF's tight security hold on the area and partly to PA activity. The local government is strengthening slowly, but apparently is still unable to cope by itself with the challenge of independent control. Such a situation obliges a continued Israeli presence in the area.

A further negative aspect that arose over the decade is the increasing erosion of Israel's international legitimacy. Many Israeli actions in the past ten years were met with little understanding by the international community. These included Israeli military activity against the Palestinian Authority, erection of the separation fence, the policy of roadblocks in the West Bank, and Israel's military moves against Hamas in Gaza (especially Operation Cast Lead). Sharp and ever stronger criticism is instinctively leveled by political, public, academic, and media entities in the international arena that traditionally identify with the Palestinian struggle and tend to describe Israel as an illegitimate "colonial relic." Even more disturbing is that this criticism is gradually seeping into Western governments and audiences that generally tended to exhibit understanding towards Israel, but have at least in part rejected this position in recent years. The results include attempts to promote academic and economic boycotts of Israel; international commissions to investigate Israeli moves in the Palestinian theater (particularly the Goldstone Commission); legal proceedings in the International Criminal Court (following the erection of the separation fence or attacks against terrorist leaders that involved civilian deaths); and intense attacks on continued construction in settlements, especially on the part of the Obama administration.

The key challenge from Israel's standpoint is not only criticism of its policy vis-à-vis the Palestinians or its image as the perpetual aggressor against a helpless victim. The challenge also consists of increasing attacks on its very existence as a Jewish and Zionist state. This campaign is driven largely by an odd collection of players: political, academic, and radical bodies in the West, various Third World governments (especially

states of the non-aligned movement), and leaders of the radical Islamic camp, including Iran, Hizbollah, and Hamas.

On the positive side, the country and society have clearly and successfully withstood the various ordeals presented by the latest uprising. Israel sustained severe terror attacks in the heart of its cities yet demonstrated strong national resilience, distinctly expressed by the maintaining of routine activity in the public and economic spheres. Furthermore, Israel to a large extent succeeded in defeating the challenge of terror in the West Bank and curbing the military threat from Gaza, thus imparting relative security and calm in the country's civilian space. Israeli moves, particularly those occasionally described as "disproportionate" (chiefly attacks on the leadership of Palestinian organizations and Operations Defensive Shield and Cast Lead), contributed to strengthening Israel's deterrent force against elements within and outside the Palestinian arena. They demonstrated Israel's determination and the heavy damage it can inflict on its adversaries; and they were influential in establishing relative calm in the West Bank in the past five years and in Gaza since early 2009.

A further difficult test faced by Israel during the al-Aqsa intifada was domestic repercussions of the disengagement from Gaza. The disengagement contained the potential for a violent internal struggle but ended, despite the subsequent rift in Israeli society, with a confirmation of the supremacy of the rule of Israeli law and national unity. Additional disputes on the Israeli domestic scene concerned the separation fence, the checkpoint policy in the West Bank, and the status of Israel's Arab citizens (in part because of discussions on a permanent settlement and a land swap).

The al-Aqsa intifada planted disillusionment, or perhaps deeper understanding, among the Israeli government and the public concerning the nature of the adversary, the conflict, and a possible agreement. Especially prominent is the growing recognition of the two-state solution, which has gradually permeated among most players in Israeli politics, particularly key elements in the right wing and center (Likud and Kadima parties). This concept has been reflected in a variety of moves, chiefly the disengagement from Gaza under the leadership of then-Prime Minister Sharon. It has since been accepted by Prime Ministers Ehud Olmert and Binyamin Netanyahu, who spoke to the need to establish a

Palestinian state and acknowledge the painful concessions that will be required of Israel. These steps are indeed partial and far from marking the fulfillment of historic decisions Israel will apparently have to make in the future. But they are more far reaching than those advanced by the Palestinian leadership in the past two decades (especially on the issue of refugees). There has been a total absence of preparing Palestinian public consciousness for national concessions that will be demanded in the future.

Along with acknowledging the need for a permanent settlement, Israelis in the past decade have exhibited a sharpened understanding of the difficulty in achieving that objective in the foreseeable future. This is particularly true in regard to the profound significance of the *Nakba* memory (the Palestinian term for the events of 1948 events) and the right of return in the Palestinian national consciousness. Israelis understand the difficulty in bringing the Palestinians to announce far reaching concessions in this regard. Naturally this trend has not channeled Israel into accepting the Palestinian position on the issue of refugees, but rather into comprehending the red lines of the other side. This helps in understanding the true latitude for Palestinian flexibility and identifying issues that perhaps should be “bypassed” and resolved further in the future. In the meantime, on other issues, mainly the demand to announce the end of the conflict and recognize Israel as a Jewish state, there are fundamental conceptual gaps between the two sides that apparently will not be bridged in the short term.

In the military dimension, the Israeli government and public have deepened their understanding – particularly in the second half of the decade – of the new nature of the campaigns facing the country. They better understand the price that will be demanded, as well as the ways necessary for confronting the adversary. In an era of confronting the challenge of resistance, whose key representatives are non-state or semi-state organizations (Hamas, Hizbollah) that seek a conflict of attrition rather than a frontal confrontation against Israel, the public must be patient and understand: clear and decisive subjection of the opponent cannot be realized. The public must also recognize that a campaign is deliberately being forced upon Israel that mixes military and civilian spaces and that is easily accompanied by mishaps in the adversary’s public space.

From a broad strategic perspective, although the last confrontation with the Palestinians demanded Israel's concentrated focus, practically speaking the Palestinian challenge has gradually been pushed aside by other threats that developed over the past decade. These include Iran's rise as a regional power with nuclear aspirations and attempts to reshape the region by establishing its hegemony over the resistance camp; the increasing strength of Hizbollah; and potential threats developing on the Syrian side (construction of a nuclear reactor). These have obliged Israel to devote relatively less attention to the Palestinian challenge (which in any case was contained primarily on the military plane and did not offer a concrete political horizon).

While the Palestinian issue continues to be a central item on the agenda of the Israel leadership, in recent years more voices are being heard in Israel's political and security establishments calling for payment in "Palestinian currency" (primarily political negotiations) for attention to more important strategic challenges, particularly Iran. The emerging challenges, perceived by many as having far more serious potential for damage than the Palestinian arena, oblige Israel to invest abundant resources, absorb new weaponry, and develop methods of action different than those used in the Palestinian arena. Indeed, the Second Lebanon War was a reminder to the IDF of the price exacted by prolonged investment in the Palestinian arena and the near-exclusive preoccupation with low intensity confrontations, reflected in the lower level of preparedness and ability to deal with a conventional military threat.

From the US standpoint too, the Palestinian issue was largely shunted aside from its status as the "heart of the conflict," as American interests in the region moved eastward over the past decade. The major US strategic undertakings in Iraq and Afghanistan and the confrontation with Iran oblige Washington's unprecedented input in the region and are the focus of its policy there. The US is indeed continuing to advance efforts to resuscitate the notion of agreement on the Israeli-Palestinian plane and still views it as closely connected with other conflict arenas in the region. However, it is clear that on this playing field, as in other regional theaters, the US achievements are quite modest compared to the ones it scored in the 1990s.



The al-Aqsa intifada embodies characteristics unique to the Palestinian arena, as well as elements that reflect broad regional processes. Central among these is the rise of the resistance camp and the gradual weakening – although not total defeat – of the camp favoring political resolutions. The current situation in the Palestinian arena reflects the success of a force identified with the notion of resistance taking partial control of a state entity and turning it to an arena of struggle against Israel, similar to Hizbollah in Lebanon. It also exhibits the pattern of a local government confronting the challenge of resistance and helping to defeat it, like the current governments in Iraq and Afghanistan, yet still too weak to confront it independently.

### **A Look to the Future: Tangled Alternatives**

Nearly twenty years after the beginning of political contacts between Israel and the Palestinians and sixteen years following the establishment of the Palestinian Authority, relations between the two sides appear extremely tangled. Prospects for arriving at an historic settlement in the foreseeable future look slim. The Palestinian entity is weak, divided, and partially controlled by radical elements, while Israel for its part continues to avoid strategic decisions concerning the Palestinian issue. Israel is finding it hard to focus its full attention in this arena due to the multiplicity of challenges it faces, mainly the growing Iranian threat. At the same time, despite the terrific jolts sustained by relations between the two sides over the past decade, the notion of a political settlement has not been extinguished.

Three possible scenarios dominate the future picture on the evolution of relations between Israel and the Palestinians. The first is the continuation of the existing reality, namely, existence of an autonomous Palestinian quasi-state in the West Bank together with a political entity controlled by Hamas in the Gaza Strip. Israel would continue its extensive security presence in the West Bank while facilitating the development of Palestinian government there. At the same time Israel would expand Jewish settlement in the area and avoid taking necessary strategic decisions and hammering out an agreement on a permanent settlement.

In the short and medium terms, such a reality increases the likelihood for renewed violence emerging from the Palestinian arena, particularly the outbreak of a widespread national uprising in the West Bank. It could

even lead to a renewal of the armed struggle under the leadership of the PA and Fatah. There is also a greater likelihood of a unilateral Palestinian declaration of political independence. This move would entangle Israel politically and diplomatically in the international arena and lead to increased friction with the Palestinian Authority. In the long term, such a reality would likely lead to the creation of a bi-national state, the desired solution for many elements in both the Israeli and Palestinian camps. Respective supporters of a bi-national state believe that this scenario would enable its dominance in the joint entity. In practice, it is clear that such a reality is highly volatile and would likely lead to an unprecedented violent struggle between Jews and Arabs. Primarily, it constitutes a significant danger over time to the existence of Israel as a Zionist, Jewish, and democratic state.

The second scenario involves drastic action, for example a rapid, extensive Israeli withdrawal from the West Bank and the establishment of an independent Palestinian state in the area, including in East Jerusalem. For the near term an idea such as this seems disastrous. The Palestinian government in the region is indeed gradually growing stronger, but it is still fundamentally weak. Over time it will likely be hard pressed to face the Hamas challenge independently. Within a number of years this situation is liable to bring about a repeat of the 2007 Gaza scenario in the West Bank. This would have grave strategic implications for Israel, faced with possibilities of Hamas attacks at population centers, government centers, and national infrastructure installations in the center of the country. In Gaza, drastic action could take the form of toppling the Hamas regime followed by Israeli occupation. A scenario such as this would also involve numerous threats, considering the inability to establish a real alternative in the form of a Fatah government to replace the Hamas regime. There would be a danger of the rise of more radical forces in Gaza, particularly organizations affiliated with global jihad that would exploit the vacuum the movement would leave behind.

The third scenario involves adopting a process-based solution. This would rest on historic strategic decisions by the public and governments of both sides, in support for hammering out a framework agreement on a permanent settlement. However, it would be recognized that implementation would not be immediate but would unfold in stages; its full implementation would occur in the long term and be based on a

detailed plan and timetable. Such a situation could afford the Palestinian government in the West Bank the capacity to strengthen its force in the civilian and security spheres. More importantly, during this time a new and younger leadership would likely establish itself in the West Bank, whose power would be based in the domestic arena. This leadership, as opposed to the founding generation of the modern Palestinian system, would likely identify itself in a more limited way with the right of return and the memory of the *Nakba*. As such, it would also be more prepared for an in-depth, internal discussion concerning the necessary national compromises. (This could also be an opportunity for Israel to debate the charged issue of the release of Marwan Barghouti from jail in light of his status as one of the West Bank's most admired leaders).

Within this framework, Israel will be required to push the Palestinians into striving for national decisions, particularly on the issue of refugees. The Palestinians will also have to be urged to promote profound changes in the hubs of their collective consciousness, mainly the education system, the media, and religious settings. Vis-à-vis the Gaza Strip, Israel will have to continue to adopt a separate, tougher policy but avoid a drastic change, this by making efforts to continually weaken Hamas' power bases in the region (by constricting the activity of government institutions; damaging the movement's civilian and military infrastructures; and undermining the international status of the Hamas regime) while waiting patiently for the evolution of a realistic alternative to the Hamas regime in the Gaza Strip. On the Israeli side, what is needed is the turn to historic decisions, some painful, that are vital for assuring the long term existence of Israel as a Zionist, Jewish, and democratic state. In this context, decisions concerning the future of part or all of the Jewish settlement enterprise in the West Bank will be essential. Decisions will also have to be made concerning the future of Israeli Arabs, with an emphasis on the possibility for including a portion of them in a land swap arrangement between Israel and the Palestinians.

Among the three alternatives, the third seems to be the "lesser of the evils." Gradual, long term establishment of a permanent settlement represents a sober conversion of the aspiration for a comprehensive and rapid solution to the conflict into a framework that can be managed over time. This alternative also embodies lessons learned from a decade of conflict with the Palestinians and a decade of negotiations. The major

lessons include understanding the difficulty of both sides to adopt strategic decisions within a relatively short timeframe; and recognizing the internal complexity of the Palestinian arena, with an emphasis on its deep division and the apparent hardship in the readiness and the ability of the Abu Mazen government to implement a permanent settlement in the foreseeable future.

The past two decades have been instructive for Israel and the Palestinian Authority, with bitter disappointments that have made them cautious, if not extremely doubtful, as to expectations for achieving a comprehensive settlement. However, if the leaderships of both sides can overcome the traditional political obstacles and those related to national consciousness, the establishment of a long term permanent settlement might be realizable. A scenario such as this would extricate both sides from the profound absence of historic decisions on the charged core issues relevant to the definition of their national identities and their strategic national goals. Without arriving at this situation, grave scenarios are likely to materialize, primarily a significant aggravation of the violent conflict, a process whose course of development and strategic implications are difficult to predict – and against the backdrop of intensifying regional challenges that present a real threat to both Israel and the Palestinian Authority, mainly the Iranian challenge.