



Palestinian Refugees: The Regional Perspective

Nadim Shehadi

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Summary points

- Chatham House's work on the Palestinian Refugee issue, known as the Minster Lovell Process, looks beyond the narrow Israeli-PLO bilateral negotiations and provides a critical regional perspective. It is inclusive of the host countries and the refugees, bridging regional communication gaps and involving international stakeholders.
- Refugees and host countries will have no legal obligation to go along with the results of a process in which they have no part and which are likely to leave them worse off than before. The political costs of difficult compromises may also be too heavy to bear for any of the stakeholders.
- Negotiators have reached agreements that they cannot sell to their own people. They have been one step away from a solution but this is a major step involving issues such as right of return of refugees, acknowledgment of responsibility and reconciling narratives. The internal debate on each side is as complex as the differences between them. In addition both sides in the conflict have to contend with the views of an international diaspora.
- Should an agreement be reached, the landscape will look radically different. The parties, both local and international, have barely anticipated many of the problems of implementing an agreement. In addition, the regional perspective changes the equation – one cannot talk of permanent resettlement activities given that the distances involved are comparable to that of an average Western commute.

Introduction

This paper seeks to describe the Palestinian refugee issue from a broader regional perspective which includes those of the host countries and the refugees living outside the occupied Palestinian territory (oPt). This is intended to contrast with the bilateral perspective gained from looking at the issue through the prism of Israeli–PLO negotiations from 1993 onwards. This approach provided the rationale for the Minster Lovell Process initiated by Chatham House in 2000. The process builds on the experience of the Middle East and North Africa Programme at Chatham House in working on Jordanian–Palestinian relations and that of the Centre for Lebanese Studies in Oxford, on Lebanese–Palestinian relations.¹ The project went through several stages and evolved under the titles of ‘The Palestinian Refugee Issue in the Search for Middle East Peace’ and ‘The Palestinian Refugee Issue, A Regional Perspective’. Support was provided by the European Commission, the International Development and Research Centre (Canada) and the Foreign and Commonwealth Office.

A total of 29 meetings were held under the auspices of the project, most of them in the Oxfordshire village of Minster Lovell. Meetings were kept small to facilitate discussion and involved combinations of participants from a wide network of experts, officials, NGOs and international organizations, both from the region and from the international community. The meetings were held strictly under the Chatham House rule and reports were subsequently posted on the Chatham House website. It is beyond the scope of this briefing paper to summarize the findings and recommendations of every meeting. All the participants – whether attending every session or transient – will have reached different conclusions and learnt different lessons depending on their initial conceptions and vantage points. This briefing paper is presented as a personal interpretation of what the author learned through direction of the

project and participation in these meetings. Where relevant, references to meeting reports are made. These include lessons about running such a process with its very varied participation at times when the situation on the ground was changing rapidly.

‘ The PLO was a hot potato: too hot to handle wherever it was based and often seen as a threat to the establishment, even from a distance ’

Too hot to handle

The displacement and dispossession of the Arab population of Palestine during the 1948 war, which followed the declaration of the state of Israel, is the central issue in the Arab–Israeli conflict. The Palestinian refugees, numbering over 700,000 at the time, dispersed into the surrounding countries, mainly into Jordan, Syria and Lebanon but also to Egypt and the Gulf. The refugees have developed a significant and active presence in these countries and further afield. The impact of what was perceived as an Arab defeat was also a factor in changing the character of the region. In the 1950s and 1960s, the liberal, mostly pro-Western regimes in the region were perceived to have failed and were gradually overthrown and replaced by more authoritarian and Arab nationalist regimes modelled on variations of Nasser’s revolution in Egypt. Popular sympathy with the refugees and the political activism that accompanied the creation of the Palestine Liberation Organization (PLO) in 1964 was a cause of concern to the governments of the region. Thus the Palestinian

¹ Mustafa Hamarneh, Rosemary Hollis and Khalil Shikaki, *Jordanian–Palestinian Relations: Where to? Four Scenarios for the Future* (London: Royal Institute of International Affairs, 1997); Mary-Louise Weighill and Nadim Shehadi, ‘Palestinians in Lebanon’, Special Issue of the *Journal of Refugee Studies* (Oxford: Oxford University Press, 1997).

leadership was put under pressure in Egypt and moved to Jordan where, in 1970, it clashed with the Jordanian army. It was then expelled and moved to Lebanon where it flourished and set up a 'state in exile'.² This produced another clash with the Lebanese army, split the country, and was eventually a factor in the outbreak of the civil war and the Israeli invasion of 1982 which led to the expulsion of the PLO from Lebanon.

The PLO was attractive as a revolutionary movement and activists from every Arab country joined, including from the host countries of Jordan, Syria and Lebanon. It also interacted with other revolutionary and liberation movements in Europe, Asia and Latin America and was a great influence on radical politics in the region. The PLO was a hot potato: too hot to handle wherever it was based and often seen as a threat to the establishment, even from a distance. Competition to gain influence with it and to control it was rife and the main players – including Egypt, Libya, Iraq, Syria, Saudi Arabia and the Gulf countries – often adopted, financed or created organizations which in turn clashed and reflected inter-Arab rivalry between the radical and more conservative states. The refugee population was often caught in the middle and suffered as a result of the tensions between the Arab states and the PLO. Thus Palestinians were expelled from Kuwait and other Gulf countries in the aftermath of the Gulf War following Yasser Arafat's support for the Iraqi invasion of Kuwait. Palestinians were victimized in Lebanon during and after the civil war and were subjected to restrictions in Jordan after 1970. For the Arab states and most of all for the host countries which possessed a large Palestinian refugee population, the refugee issue affected local, regional and international relations.

A host of concerns

Jordan, Syria and Lebanon have hosted refugees since 1948 and are considered by the United Nations Relief and Works Agency (UNRWA) to constitute three

distinct fields of operation. The economic, political and social situation of the refugees in these three countries is affected by the level of sensitivity of the issue, the political system and the history of the country's interaction with the PLO and other Palestinian organizations. Each of the host countries will be deeply affected by the form which the resolution of the refugee issue might take.

Jordan

More than half of Jordan's population are of Palestinian origin, most of them registered refugees. However, they are also citizens of the kingdom and theoretically enjoy full legal rights. Jordanians are very sensitive to any suggestions of tension between Jordanians of Palestinian origin (from the west side of the Jordan river) and Jordanians with deeper roots on the east side who are often called 'East Bankers'. A similar dilemma exists in the representation of refugees within the peace process. Since they are citizens, the rights of refugees in Jordan can only be represented in negotiations by the Jordanian state, but Palestinian refugees are also represented by the PLO. Jordanian-Palestinian relations are complex and have been greatly affected by the aftermath of the 1970 clashes between the Jordanian army and the PLO in what became known as 'Black September'. Other factors which influence relations include the Jordanian annexation of the West Bank after 1948, its subsequent disengagement in 1988 and the uncertainty of the kingdom's future, with the possibility that over half of its population would have to choose their allegiance were a Palestinian state created. These issues come up periodically and cause controversy, especially when associated with rumours of a confederation or a Benelux-type arrangement with Palestine and Israel. The often-heard Israeli suggestion that Jordan is Palestine is even more sensitive and controversial. For Jordan, the resolution of the refugee issue raises existential questions.

2 Yezid Sayigh, *Armed Struggle and the Search for a State: The Palestinian National Movement, 1949–1993* (Oxford: Clarendon Press, 1997).

Lebanon

Lebanon has a very turbulent history with regard to Palestinian refugees. In the late 1970s and early 1980s, the PLO was stronger than the Lebanese state and controlled much of the country. Lebanon also remains the only country outside the oPt where there is active Palestinian political expression and where rival Palestinian organizations compete for influence. The fact that such activity is tightly controlled in other host countries makes the competition in Lebanon much more intense. Gaining influence over the refugees in Lebanon is a way of controlling the expatriate Palestinian debate. The weak Lebanese state has had no say in the refugee camps since the 1969 Cairo Agreement which gave the PLO semi-autonomy in controlling the camps and the right to conduct operations from Lebanon.

The gradual departure of the PLO in the 1980s left a huge vacuum in Lebanon, paving the way for even more intense competition for control of the camps and the Palestinian scene by various factions and states. Syria eventually gained the upper hand in the 1990s and sponsored organizations which remain in rivalry with the PLO there today and which opposed the Oslo peace agreement (see below) – largely on grounds connected with the refugee issue. The living and security conditions in the refugee camps are the worst in the region and constitute a security threat to both the refugees and the Lebanese, as demonstrated by the war between Fateh el-Islam and the Lebanese army in the refugee camp of Nahr el-Bared in 2007. The Lebanese government only properly engaged with the refugee issue for the first time in 2005, soon after the Syrian withdrawal from the country.

The controversial nature of the refugee issue in Lebanese politics stems from the heavy legacy of Palestinian involvement in the civil war, as well as fear of permanent settlement of refugees in the country. The Lebanese constitution prohibits such settlement – a reflection of the sensitivity of the issue both politically

and demographically. Lebanon holds very high stakes in the refugee component of any resolution of the Arab–Israeli conflict.

Syria

Syria too has high stakes in the outcome of the peace process, and the refugee issue is one area where it has considerable influence. It is the only Arab state with land still occupied by Israel. The competition between the Syrian and Palestinian tracks of the peace process in the 1990s was a significant factor in Syria's negotiations with Israel. Syria also led the opposition to the 'Oslo process' (see below), and organized and sponsored Palestinian groups. Since the mid-1970s, the Syrian regime has been in conflict with the PLO in Lebanon, where they have competed for control of the Palestinian camps.³ Of all the host countries, Syria has the fewest problems with the refugees resident in its territory: they have the same rights as Syrian citizens, are well integrated and controlled in the country, and constitute less than 5% of the population.

From isolation in Tunis to centre stage in Oslo

By the early 1990s, the PLO found itself in exile in Tunis, fragmented, bankrupt and isolated. It had been expelled from Egypt, Jordan, Lebanon and Kuwait, and the refugee population had paid a price in every instance. In the late 1980s, the PLO had given up its armed struggle and the objective of liberating the whole of Palestine, accepting the concept of the creation of a separate Palestinian state. The Arab countries were engaged in negotiations with Israel under the Madrid peace initiative,⁴ and the PLO did not even have a place at the table. All these factors paved the way for what became known as the Oslo Agreement, which was reached through secret negotiations between Israel and the PLO, facilitated by Norwegian mediation.

The PLO by then had wound down most of its institutions and lost influence in the refugee camps as

³ Ghada Hashem Talhami, *Syria and the Palestinians: The Clash of Nationalisms* (Gainesville, FL: University Press of Florida, 2001).

⁴ See Rex Brynen, *The Past as Prelude? Negotiating the Palestinian Refugee Issue*, MEP/PR BP 08/01 (London: Chatham House, 2008).

radical and Islamic groups began to take over its revolutionary mantle. When the PLO signed the Oslo Agreement it had been recognized both by the Arab League and by Israel as the sole and legitimate representative of the Palestinian people and yet it had little or no coordination either with the refugees, who felt abandoned, or with the host states. However, by agreeing to the Oslo deal the PLO again took centre stage and the focus of international attention turned to making the bilateral Israeli–PLO peace process a success.

Bilateral final status package

In the Oslo process, the refugee issue was part of a package of ‘permanent status issues’ to be negotiated bilaterally between the PLO and Israel. The idea was to postpone the difficult issues and discuss them after an interim period designed to build confidence. The five permanent status issues are: Jerusalem, refugees, water, borders and settlements. One of the initial assumptions of the Chatham House project was that this type of arrangement put the refugee issue in a very weak position *vis-à-vis* the other issues within the package and thus threatened the collapse of the whole process. Such a package increases the likelihood of a trade-off between the two parties involving the different permanent status issues, with each side choosing to make concessions on one issue in order to make gains on another, according to their respective priorities.

Of the five permanent status issues, only the refugee issue cannot be discussed or resolved in a purely bilateral context. Both parties, Israel and the PLO, control most of the elements of the other issues and can reach agreements or compromises which do not directly involve other parties. But any compromise or agreement reached between Israel and the PLO on the refugee issue will involve and possibly put at risk the vital interests of host countries and refugees outside the Palestinian National Authority (PNA).⁵ Thus there is

a risk, under such an arrangement, that the PLO and Israel could reach a compromise on the refugees which would be at the expense of other stakeholders, namely the host countries and the refugees themselves.

Legal issues

There are also questions about the legality and viability of any bilateral agreement on refugees. Other stakeholders are not likely to accept any agreement that adversely affects them and in which they have no say, nor would they consider it legally binding if they were not consulted or party to its formulation.⁶ Participation and inclusion are the key to the problem. An investigation of possible legal exit clauses for individual rights is also needed because some individual rights, such as the right to own property, are not affected by any collective agreements.⁷

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In such a bilateral process there is also a risk that the legitimacy of the PLO’s representation could be compromised, leading to the creation of another, more radical Palestinian organization. Palestinian political activism mainly occurred in the diaspora, outside the occupied West Bank and Gaza (WBG). Before the first Intifada which began in 1987, Israel had relatively few problems in the occupied Palestinian territory; its

5 See Exploratory Workshop Report, 4–5 March 2000, http://www.chathamhouse.org.uk/files/9851_040300report.pdf.

6 See ‘Refugees and Host Countries in International Law’ Report, 7–8 September 2002, http://www.chathamhouse.org.uk/files/9894_070902summary.pdf.

7 See ‘Individual Rights and the Palestinian Question: An International Law Perspective’ Report, 7–8 October 2000, http://www.chathamhouse.org.uk/files/9855_071000report.pdf.

problem mainly lay with the refugees outside who were mobilizing politically and had created the PLO which launched attacks on Israel and gathered international support. Now that the PLO leadership was mostly in the PNA, creating a bilateral agreement with them which would satisfy neither the refugees nor the host countries would leave the problem unresolved for Israel. Even with a successful bilateral agreement, Israel would end up where it started, with a relatively stable WBG, while constituencies outside would remain opposed to the agreement. It was also unlikely that the PLO leadership would, when the time came, be able to sign any agreement that would effectively turn it into a Vichy-type regime and risk another movement emerging in exile to take over its mantle.

A question of mechanism

The Oslo process also created a communications gap. In the early days of the Madrid negotiations, there were open channels of communications between all parties and coordination between the Arab parties. The assumption was that when an agreement was reached, it would be a comprehensive one. The Oslo process severed these channels of coordination and eventually created a situation of competition between the various tracks. In the aftermath of Oslo, the PLO emerged with few, if any, channels of communication with the host countries and the refugees. In fact, the Arab stakeholders had better channels of communication with Israel than with each other. An inclusive framework that would address the concerns of all the stakeholders in the refugee issue and increase the likelihood of a viable and comprehensive solution was missing. However, achieving such a framework is not without complications; although the host countries would like to be consulted, they are not keen on bearing the political cost of participating in any compromise and would prefer the PLO to proceed on its own.

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Furthermore a comprehensive mechanism cannot easily be created for the refugee issue alone; participation by other parties would effectively give those parties veto power over the whole process, not just on the refugee component, and would further complicate matters. The choice is between reaching a bilateral agreement without consultation and then trying to sell it later and dealing with the problems it creates, and expanding the mechanism by making it more comprehensive, thereby compromising the representation of the PLO and making an agreement much more difficult owing to the multiplicity of players and interests.⁸ The Chatham House project tried to bridge these gaps in communications, creating an informal discussion channel between stakeholders that would raise awareness of these issues and help minimize the damage.

Plus ça change

Looking at the position of the refugee issue within the negotiations in terms of mechanism shows the changes between the various stages of the Middle East peace process: Madrid, Oslo, the Roadmap and Annapolis. The position of the refugee issue within each stage is different. All except Madrid maintain the unity of the bundle of final status issues and keep the refugee issue within the bilateral Israeli–PLO process as first formu-

8 Nadim Shehadi, 'Who Can Discuss What? The Need for a Comprehensive Mechanism', discussion paper presented at the Stocktaking Conference on Palestinian Refugee Research in Ottawa, Canada, 17–20 June 2003, http://network.idrc.ca/es/ev-33128-201-1-DO_TOPIC.html.

lated in the Oslo process. In the three stages of the Roadmap, final status is in stage three; it follows the completion of the first two stages which relate to security and the creation of a provisional Palestinian state. So permanent status negotiations would then take place between players with modified status, one of which had achieved the status of a provisional state. In the Roadmap, stage three is inaugurated by an international conference in which the regional players are participants – thereby giving the regional dimension a role – and the aim is to achieve a comprehensive solution.

Different proposals have since toyed with the sequencing of the stages of the Roadmap, such as the Spanish-French proposal of 2007 which amounted to skipping stage one and moving to stage two. The Annapolis conference is the equivalent of jumping to stage three. Starting with permanent status has the advantage of answering the question ‘Roadmap to Where?’ It was a missed opportunity not to give prominence to the Arab Peace Initiative (API). All of the above variations still concentrate on the bilateral Israeli–Palestinian track when it comes to permanent status issues, including the refugees, and contain the same risks as the Oslo process. The recent Olmert–Abbas discussions are a case in point: the sensitive issues of Jerusalem and refugees were postponed and not discussed.

The Laurens Principle

The bottom line, according to the Laurens Principle, is that refugees and host countries will not go along with a process which is likely to leave them worse off than before.⁹ The PLO remained the sole and legitimate representative of the Palestinian people but it had little or no consultation with the other stakeholders. This situation increased tension and mistrust of the ability of the Oslo process ability to address the issue of refugees in an inclusive and comprehensive manner. Refugees were afraid that they were going to be sold

down the river in a compromise that would not take their demands into consideration; and host countries were concerned that their stability would be threatened by the burden of angry and radicalized refugees. In addition, there were rumours as early as the mid-1990s that UNRWA was being wound down, which would leave the host countries to pick up the resultant responsibilities. This fear also led to the tightening of restrictions on the movement of refugees between host countries as a pre-emptive measure, and any improvement in their conditions became hostage to the peace process. Indeed, the situation of the refugees became worse rather than better as a result of the peace process.

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The Chatham House project aimed at facilitating informal discussions between the stakeholders and exposing the international community to the complexities of the issue. Inter-Arab communication was identified as a crucial gap and so facilitating communications between the stakeholders on the Arab side was one of the main objectives of the project.

The Arab Peace Initiative

The Saudi initiative – which was adopted by the Arab states at the Arab League Summit of 2002 and became known as the Arab Peace Initiative – does not deal with the regional dimension of the refugee issue, but

9 Professor Henri Laurens, in conversation with the author in 1994.

does offer a guarantee of a comprehensive regional acceptance of the bilateral process. The 22 Arab countries did not offer to negotiate the initiative with Israel. They offered normalization of relations with Israel if and when certain conditions were satisfied, namely ending the occupation of the West Bank and Gaza according to UNSC resolutions 242 and 338; the establishment of an independent Palestinian state with Jerusalem as its capital; and a just solution to the Palestinian refugee problem, to be agreed upon in accordance with section 11 of UN General Assembly Resolution 194. The carefully selected wording places the onus on the bilateral Israeli-PLO process to achieve these conditions. None of the Arab countries – least of all Saudi Arabia and Jordan, both of which had a role in launching the initiative – would be able to bear the political costs of contributing to any compromise that failed to satisfy these conditions. The importance of the API is that it remains the only link between the bilateral Israeli/PLO track and the regional dimension.

Right of return and the politics of exile

The Palestinian demand for the right of return with reference to UN General Assembly Resolution 194 is a relatively recent phenomenon and an indirect consequence of the acceptance of the idea of a two-state solution. Before that, the idea of return meant something different: the liberation of Palestine. It is difficult to pinpoint exactly when the right of return was first raised in this manner, but it was probably around 1995–96. A global right of return movement did not emerge until the year 2000 with conferences in Boston and later in Toronto. The demand for and acceptance of a two-state solution went hand in hand with a demand for the right of return. Underlying this is a symmetric formula by which both Israel and Palestine would be able to protect their broader geographically dispersed populations, each of which would have the right to belong to its respective state and a right of return to Palestine.

The rejection of permanent settlement of refugees in the host countries is the other side of this coin

Palestinian emigration turned the right of return into an international lobby with presence and support in many countries, including in North America and Europe. Palestinian refugees were a people waiting for return. Being refugees became part of their identity over three generations, and the right of return and rejection of permanent settlement became part of their vocabulary in the search for an acceptable solution. This is now a factor that the negotiators on both sides have to contend with. Any agreement that fails to take this into account, together with its intangible or moral dimension, will continue to leave the refugees as a society in waiting – but in this case waiting for nothing, and this would be unacceptable.

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One (big) step away from a solution

Negotiators have often announced that at a given moment they are, or were, one step away from an agreement. That step has been mainly related to the refugee issue but also to the internal debates within each side. If it is true, as is often repeated, that we already know what the eventual agreement will look like and that both parties need external help in reaching it, then the ability to sell the agreement to domestic constituencies is also missing. The challenges to implementing the agreement are more often related to the internal Palestinian and Israeli debates over the refugee issue than to the lack of clear options for implementation.

The Palestinian debate over the issue is sophisticated and has become a conflict of priorities. The

ultimate choice is between achieving justice and a long-term solution for the refugees, and the immediate aim of creating a viable Palestinian state that would give protection to Palestinians wherever they are – the eternal ‘justice vs peace’ question. An important component of an agreement which would be common to both these options is Israeli recognition of responsibility. Inter-Palestinian debate heats up when it addresses intangible aspects of the conflict. Closure can never be achieved without reconciling the narrative of dispossession and exile with whatever solution is proposed and without the achievement of some sense of justice. There is much less enthusiasm in the inter-Palestinian debate for discussing practicalities such as mechanisms of implementation and compensation.

In contrast, the Israeli internal debate over the refugee issue is almost non-existent. When it does occur, Israelis are much more comfortable discussing sophisticated systemic models of implementation and compensation than touching on the moral or intangible aspects of the refugee issue.¹⁰ Dealing with such issues as recognition of responsibility and the right of return is too sensitive and risky for any Israeli politician in need of re-election.

Blessed are the negotiators

Over the past fifteen years, Palestinian–Israeli negotiations have involved a large number of individuals who have acquired extensive experience of the issues. However, the refugee issue remains the least discussed of the key questions. The positions of both sides are often so far apart that discussion may be a non-starter. Present and past negotiators have also been involved in several ‘Track II’ activities with international participation, and this process has been accompanied by the evolution of a common language and framework for discussions. This ‘negotiations culture’ is often more closely shared between the

negotiators on opposite sides than it is between them and their respective constituencies. It is relatively easy to bring Palestinian and Israeli members of this ‘club’ together, and they have made significant advances in understanding each other. The main constraint is that they are not able to sell the ideas internally to their own constituencies, with which they have to use a different language. The negotiations culture tends to ignore the regional and broader dimension of the conflict and allows negotiators to avoid the elements which are most sensitive.¹¹ It is thus more interesting, and more difficult, to bring to the same table a group of people who nominally belong to the same side: promoting the internal debate both on the Arab and on the Israeli side is potentially more productive.

Reconciling the internal narratives

The intra-Palestinian debate is complex and is conducted between diverse actors. The fact that Palestinian society is fragmented and dispersed among different environments also produces a wide range of different perspectives: from Palestinians living in Israel – with Israeli citizenship and full integration in the system – to refugees living in Lebanon or Syria who have never met an Israeli, to those who have only experienced the Israelis as aggressors or occupiers in the WBG or as tourists as in Jordan. A relatively new element is the presence of a Palestinian diaspora in the West, with access to the media and lobbying techniques, which uses an international language often borrowed from other contexts – for example, comparisons with South Africa or the Jewish context in the use of the term ‘*Nakba* [dispossession] denial’. There are many tensions between the various Palestinian constituencies and much competition between different groups regarding their ownership of the cause, the extent of their suffering and their contribution to the struggle. There are also competing

¹⁰ Orit Gal, *Israeli Perspectives on the Palestinian Refugee Issue*, MEP/PR BP 08/02 (London: Chatham House, 2008).

¹¹ Rex Brynen, *The Past as Prelude? Negotiating the Palestinian Refugee Issue*, MEP/PR BP 08/01 (London: Chatham House, 2008).

priorities among these groups and it is difficult for the Palestinian negotiators to reconcile all these perspectives.¹²

The Chatham House meetings have concentrated on the internal debate on the Arab/Palestinian side, excluding Israeli participants from such meetings so as to secure maximum representation from host countries and refugee groups and not to divert from the issues. Some meetings were conducted in Arabic for ease of expression. In order to ensure that the project took account of Israeli perspectives, one meeting was convened exclusively with participants from Israel and examined the Israeli internal debate.

“ It is a situation where the absolute bottom line of one side of the conflict is a complete non-starter for the other ”

The Israeli internal debate seems, on the surface, more constrained in dealing with the refugee issue. After the collapse of negotiations in early 2001, the Israeli peace camp disintegrated in the face of Palestinian demands over the refugee issue.¹³ The moral or intangible aspects are more difficult to handle on the Israeli side since they touch on questions such as recognition of responsibility, the right of return and the Jewish character of the state, all of which are considered fundamental and existential.¹⁴ The Israeli demand for an end to all claims represents a desire to terminate the discussion over the question of responsibility and to remove the moral and historical dimension.

Intangibles contained in the narratives on both sides are the most difficult aspect of the conflict. It is a situation where the absolute bottom line of one side of the conflict is a complete non-starter for the other. The language of the preamble is what can make or break any agreement. This is as much concerned with the internal debate as with the issues between the conflicting parties.

Years of living with no solution

The consequences of the halt in negotiations and the freeze in the peace process fundamentally altered the dynamics both internally and between the parties. The last seven years have taken their toll on both Palestinian and Israeli societies and have led to transformations in both. One of the objectives of the Chatham House project was to investigate the consequences of the cessation of negotiations for the region and to create awareness of these changes. The absence of a solution is different from the absence of the prospect of a solution – the former is merely a halt in the process whereas the other represents the failure of a political agenda based on the possibility of a negotiated settlement. This has had repercussions for the internal debates in both Palestinian and Israeli societies and also for the regional level where complex dynamics have been unleashed. The halt in negotiations has thus strengthened the radical opposition to the Oslo process and led to the election of Hamas as an alternative to the failed PLO programme for a negotiated solution. This division is also reflected regionally in a new Arab Cold War, which became more obvious in the various Arab League meetings held during the January 2009 attack on Gaza.¹⁵ The way has also been paved for an alternative – a return to the legitimacy of armed resistance, which threatens both the Arab Peace Initiative and those who advocate it.

12 Abbas Shibliak, *The Palestinian Refugee Issue: A Palestinian Perspective*, MENAP/PR BP 2009/01 (London: Chatham House, 2009).

13 Shehadi, 'Who Can Discuss What?', p. 1 (see note 8 above).

14 Orit Gal, *Israeli Perspectives on the Palestinian Refugee Issue*, MEP/PR BP 08/02 (London: Chatham House, 2008).

15 The Doha meeting on 16 January, attended by Hamas and other factions opposed to the peace process instead of the PLO, illustrates the Arab split.

Refugee–host country relations

The continuing absence of a solution changes the relationship between refugees and host countries as well as between the refugees in the diaspora and the PNA. The prospect of reaching an agreement adds to tensions between host countries and refugees: here even the PNA can be considered a host country. Host country–PLO relations deteriorated in anticipation of the cost of a bilateral solution, and the refugees bear the consequences. Whereas progress on refugee–host country relations was hostage to the negotiations while these were ongoing, the halt in negotiations provides a space for inter-Palestinian dialogue which was brokered by Egypt. One important development in host country–refugee relations is the gradual acceptance of the principle that the political rights of the refugees are not related to their living conditions and that an improvement of these conditions would not adversely affect the refugees' prospects within the peace process. Acceptance of this principle evolved during the debates over the improvement of refugee camps in Jordan, the reconstruction of Jenin, the rehabilitation of the Neirab refugee camp in Syria and the new policy of camp improvements in Lebanon.¹⁶

One of the aims of the Chatham House project was to increase communications, first between the host countries and the PLO, and secondly between these countries and the refugees residing in their territories. Two meetings were held about host country legal concerns and the positions adopted by host countries. Host countries must be prepared and equipped in advance of the time when a solution is reached: this preparation must include consideration of their right to compensation and the rights of their citizens, some of whom were also refugees or had interests in Palestine.¹⁷ The project also held a separate consultation on Palestinian refugees in Lebanon: this consultation preceded the change in government policy and paved the way for dialogue with the refugees.¹⁸

‘ One important development in host country–refugee relations is the gradual acceptance of the principle that the political rights of the refugees are not related to their living conditions ’

Confusion about the interlocutor

Since the signing of the Oslo agreement in 1993 when Israel recognized the PLO's representation of all Palestinians, the bilateral negotiations have been conducted between the PLO and Israel. The PNA is technically not a legal entity yet and it has no formal position in the negotiations; it is a creation of the PLO in agreement with Israel. This may seem a simple distinction but there is much confusion. When Yasser Arafat was Chairman of the PLO and President of the PNA, he was also head of Fatah, which was dominant in both the PNA and the PLO, and this blurred the distinction between them. Even when it was suggested that the PNA should have a prime minister and a constitution – in order to give the prime minister powers and to curb those of the president – that prime minister was Mahmoud Abbas, also from Fatah, and the distinction was still not very apparent. After the death of Yasser Arafat, Abbas became president and chairman of the PLO but the leadership of Fatah went to Farouk Kaddoumi, who lived outside the PNA. Eventually the position of prime minister was taken by Hamas after the elections of 2006, and the distinction between the PLO and PNA became much more relevant. Hamas is not part of the PLO, and the fact that Hamas won the elections further dents the PLO's claim to be representative of the Palestinian people.

16 See 'Host Countries Re-visited' Report, 29–30 November 2007, http://www.chathamhouse.org.uk/files/11573_1107report.pdf.

17 Ibid.

18 Palestinian Refugees in Lebanon, 16–18 September 2005, http://www.chathamhouse.org.uk/files/13870_0905workshop.pdf.

The fact that the PLO and Fatah are in crisis has been accentuated by Arafat's death. The PLO is badly in need of reform and restructuring but it is still the legal – indeed only – interlocutor in the Middle East peace process. There have been several attempts to discuss the controversial issue of PLO reform within the Chatham House process. It has once again become a hot topic after the January 2009 Israeli attack on Hamas in Gaza.

‘Refugees cannot be expected to make such important choices as return, settlement or emigration without more information and without experience of what these choices mean’

There are many symptoms of this confusion over whether the PNA or the PLO is the interlocutor. When Hamas won the 2006 elections, one of the conditions for engagement with it stipulated by the Quartet¹⁹ was that Hamas should recognize all previous agreements. This condition was only relevant because of the confusion over the fact that Hamas was now the PLO's successor in the negotiations, having taken over the government of the PNA. There is also the impression that a division exists between Hamas and Fatah, represented by their respective control of Gaza and the West Bank, and that Israel is only talking to the West Bank under Fatah. When Israel talks to Abu Mazen, it is speaking with the Chairman of the PLO, not to a member of Fatah, and the PLO represents not only the WBG but also the Palestinians outside, most of whom are refugees.

One of the issues to be resolved if the PLO is to be reformed is representation of refugees, especially those outside the PNA. So far, elections have only been held in the PNA; there is no mechanism of representation for the Palestinians outside.²⁰ Discussion is also taking place on what would happen to the PLO after the creation of a state of Palestine. One possibility is that it would dissolve into the institutions of the state as the National Liberation Front (FLN) did in Algeria. Another possibility is that the PLO would remain in existence and its main function would be to manage the affairs of the diaspora or the refugees remaining outside the state but with the right to return. This would be similar to the model provided by the World Zionist Organization after the establishment of the state of Israel.

Agreement on refugees: the day after

If an agreement were reached between the PLO and Israel, one of the problems to be faced would be the lack of preparation for its implementation, especially on the refugee issue. Most drafts call for international assistance in the creation of an implementation and compensation mechanism. Further preparatory work on such a mechanism is needed among the international community. Who would lead the process? What would happen to UNRWA? Are the necessary resources available, and from where would they be obtained? What share would be paid by each party? Is there a possibility of a joint strategy on implementation? How long should the implementation period take? What would be the impact of any of the options on host countries, and the impact of all the funds that will be spent as compensation? All these questions and more were brought up during the simulation and discussed in a special Minister Lovell meeting on the Implementation Mechanism.²¹

There is also a need to anticipate and prepare for the problems that will arise on the regional level after an

19 The Quartet for the Middle East was set up in 2002 and comprises the US, Russia, the UN and the EU.

20 *Palestinians Register: Laying Foundations and Setting Directions*, Report of the Civitas Project (Oxford: University of Oxford, 2006). See also http://www.nuffield.ox.ac.uk/Projects/Civitas/index_english.aspx.

21 See Simulation Exercise Report, 23–25 June 2008, http://www.chathamhouse.org.uk/files/12092_prsimulation0608.pdf; The Regional Dimension of the Palestinian Refugee Issue, 1–2 November 2008, http://www.chathamhouse.org.uk/files/13869_pr_cwr0908.pdf.

agreement is reached. Refugees should be presented with clear choices and a carefully crafted implementation arrangement. Since an agreement may not be satisfactory for all the parties concerned, there needs to be a process to deal with this eventuality too. Many of the parameters and ideas that exist the day before an agreement is reached will necessarily change the day after, but very little work is being done on post-agreement scenarios.

Right of return, for lunch?

The question of the right of return looks very different from a regional perspective than from a narrow bilateral one. This is because of both the long passage of time and the relatively small distances within the region.

It is over sixty years since the *Nakba* and the creation of the refugee problem. This represents three generations of refugees, many of whom lived or live in the host countries, and at least two generations of whom were born in these countries. An agreement on refugees will present these populations with choices, one of which may be to go back 'home' to Palestine. After sixty years, many of them will find that 'home' is as much the place where they were born and brought up as it is the original village of their ancestors. If choices are to be made clear, they should also be reversible. Refugees cannot be expected to make such important choices as return, settlement or emigration without more information and without experience of what these choices mean. The passing of time has made displacement and refugee status part of the Palestinian identity, and the desire to return home is part of that identity, regardless of the distance. On this level, refugees in the West Bank will face the same problem as refugees in more distant host countries or indeed in Toronto.

Adopting a broader regional perspective also reveals the significance of another specificity of the Palestinian refugee issue: most of the refugees have moved to adjacent countries or areas and the distance between where they reside now and their place of origin is not great. In order to return to their original villages or to the state of Palestine, refugees in camps in Lebanon, Jordan,

Syria, the West Bank and Gaza would have to travel a shorter distance than many commuters in major Western cities. The significance of this will only become apparent when the prospect of peace and open borders becomes more imminent. Proposals which suggest resettling people less than an hour's travel away from where they have spent the last sixty years must be seen in the context of the small distances involved. It is not far-fetched to imagine a scenario where refugees would live in one country, have Palestinian nationality, and work in a third country. It is also not far-fetched to think of this scenario applying to non-refugees in the future.

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The passage of time and the short distances offer a different perspective for a post-agreement world. Mobility cannot be regarded as irreversible in such a small region. A refugee may decide to exercise a right of return and then decide to go back to where he or she was born and brought up. A returning refugee may want to check out the place that is being proposed for resettlement. The right of return may even be exercised for one afternoon or twice a week or just for lunch and on public holidays. This is not dissimilar to the conditions which existed before the first Intifada in 1987, when residents of the West Bank could drive to Haifa for a day at the beach and refugees could even visit their places of origin. With distances like these, one-way permanent resettlement anywhere in the region is not realistic.

Lessons from the Minster Lovell process: the benefits of scenarios and simulations

Conducting discussions on sensitive issues with a diverse group of participants while the situation on the ground is constantly changing is a slippery and complex process. While brainstorming aims at acquiring a better understanding of the situation, there are also often times where understanding is sacrificed in order to pass on messages to third parties. There are several conversations going on, both direct and indirect, between different interlocutors in the same room.

A debate between Palestinians in the presence of international participants has a different dynamic from a debate held in isolation. The same applies to refugee–host country dialogues or discussions between international participants. The presence of officials, even under the Chatham House rule and/or when they participate in a personal capacity, is never completely neutral. An inclusive process also gives rise to tensions in meetings between participants who do not normally meet. To overcome some of these difficulties and to facilitate interaction between participants, the Chatham House project used tools such as scenario-building exercises and simulation.

Scenario-building

Adopting a method borrowed from Shell, participants identify the 'drivers' of a situation and classify them according to importance and probability.^a From this, three possible scenarios emerge. These are then explored in three break-out groups, in which participants write a series of newspaper headlines. The exercise achieves several objectives. It prevents repetition of the same points by different participants who may feel the need to send out the message that they also believe in and agree on certain issues or principles. Following the scenario-building technique, participants identify a driver; once this is placed on the board and its importance and priority are defined, the issue does not have to be raised by other participants. This technique also helps to examine the situation from different vantage points and its different dimensions because of the involvement of a wide variety of participants.

A scenario-building exercise was conducted in July 2000 in parallel with the Camp David negotiations: at the Chatham House meeting, participants from the region and the international community anticipated some of the results and consequences of the summit. Scenario-building exercises were also a useful tool to examine the repercussions of the absence of negotiations or solutions – in a sense, the scenarios provided a means of looking down into the abyss. Reports from the scenario exercises rarely convey all the lessons learned by the very different players.^b

Simulation

This tool allows the parties to experience, observe and interpret their and other players' reactions to a simulated event. This often produces unexpected results not achievable in roundtable discussions. Chatham House conducted a simulation in 1999 on the possibility of a unilateral declaration of a Palestinian State by Yasser Arafat on 4 May of that year. In June 2008, a Chatham House simulation exercise assumed that President Mahmoud Abbas and Prime Minister Ehud Olmert had reached an agreement in the post-Annapolis negotiations and were ready to publish a new declaration of principles. The simulation played the period before publication of the agreement and reactions in its aftermath. Nineteen different teams represented the different local, regional and international stakeholders. Various lessons were learned from this, the most important of which related to communications problems and tensions between the stakeholders, and the lack of preparation for the aftermath of an agreement, both on the regional and international level. Refugees also felt marginalized and excluded from what was being discussed between the PLO and Israel.^c

The accumulated knowledge on the refugee issue, though substantial, only skims the surface of the problems that arise and will arise, especially if an agreement is reached and needs implementation.

a See Reports of the three scenario-building exercises, July 2000: http://www.chathamhouse.org.uk/files/9857_220700report.pdf; April/May 2006: http://www.chathamhouse.org.uk/files/9897_0506report.pdf; April 2007: http://www.chathamhouse.org.uk/files/11571_0407report.pdf.

b See Simulation Exercise Report, June 2008: http://www.chathamhouse.org.uk/files/12092_prsimulation0608.pdf.

c Ibid.

Minster Lovell Process Reports

The following reports or *aides-mémoire* of meetings from the project are available on the Chatham House website. Many meetings coincided with major developments such as the Camp David talks, the outbreak of the second intifada and the invasion of Iraq.

4–5 March 2000	Exploratory Workshop: 'Palestinian Refugees in the Middle East Peace Process', Minster Lovell. Report: http://www.chathamhouse.org.uk/files/9851_040300report.pdf
22–24 July 2000	Scenario-Building Exercise: 'Palestinian Refugees in the Middle East Peace Process', Minster Lovell. Report: http://www.chathamhouse.org.uk/files/9857_220700report.pdf
7–8 October 2000	Specialist Workshop: 'Individual Rights and the Palestinian Question: An International Law Perspective', Oxfordshire. Report: http://www.chathamhouse.org.uk/files/9855_071000report.pdf
5–6 May 2001	Conference: 'The Middle East Peace Process: Taking Stock', Minster Lovell. Report: http://www.chathamhouse.org.uk/files/9853_050501report.pdf
27–28 April 2002	Workshop: 'The Middle East Crisis', Minster Lovell. <i>Aide-mémoire</i> : http://www.chathamhouse.org.uk/files/9892_270402summary.pdf
7–8 September 2002	Consultation Workshop: 'Refugees and Host Countries in International Law', Minster Lovell. Report: http://www.chathamhouse.org.uk/files/9894_070902summary.pdf
4–16 March 2003	Regional Workshop: 'Palestinian Refugees: Regional Perspectives', Cyprus. Held off the record.
3–4 May 2003	Workshop: 'The Refugee Issue in the Quest for Peace', Minster Lovell. <i>Aide-mémoire</i> : http://www.chathamhouse.org.uk/files/9881_030503summary.pdf
6–8 October 2003	Regional Workshop: 'The Palestinian Refugee Issue', Cyprus. <i>Aide-mémoire</i> : http://www.chathamhouse.org.uk/files/9886_061003summary.pdf
19–20 April 2004	Workshop: 'Regional Developments Affecting Middle East Peace Prospects, Refugees and Priorities for the Donor Community', Minster Lovell. <i>Aide-mémoire</i> : http://www.chathamhouse.org.uk/files/9890_190404summary.pdf
16–18 October 2004	Workshop: 'The Palestinian Refugee Issue', Cyprus. <i>Aide-mémoire</i> : http://www.chathamhouse.org.uk/files/9888_161004summary.pdf
12–15 May 2006	Scenario-Building Exercise: 'Prospects for a Two-state Solution: Implications for the Refugee Issues', Minster Lovell. Report: http://www.chathamhouse.org.uk/files/9897_0506report.pdf
13–15 December 2006	Workshop: 'The Regional Dimension of the Palestinian Refugee Issue', Brussels. Report: http://www.chathamhouse.org.uk/files/9900_1206report.pdf
1–2 April 2007	Scenario-Building Exercise: 'The Middle East Impasse: Regional Perspectives and Implications for Palestinian Refugees', Cyprus. Report: http://www.chathamhouse.org.uk/files/11571_0407report.pdf
10–11 July 2007	Stocktaking Workshop: 'The Palestinian Refugee Issue', Minster Lovell. Report: http://www.chathamhouse.org.uk/files/11572_0707report.pdf
29–30 November 2007	Workshop: 'Host Countries Re-Visited', Jordan. Report: http://www.chathamhouse.org.uk/files/11573_1107report.pdf
23–25 June 2008	Simulation Exercise: 'The Regional Dimension of the Palestinian Refugee Issue', Eynsham Hall, Oxfordshire. Report: http://www.chathamhouse.org.uk/files/12092_prsimulation0608.pdf
1 November 2008	Workshop: 'An International Implementation Mechanism for Palestinian Refugee Compensation and Resettlement', Minster Lovell. (Report not yet available.)
2 November 2008	Workshop: 'The Regional Dimension of the Palestinian Refugee Issue', Minster Lovell. (Report not yet available.)

Other papers in this series:

- The Past as Prelude? Negotiating the Palestinian Refugee Issue
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For further information, please see

http://www.chathamhouse.org.uk/research/middle_east/current_projects/palestinian_refugees/.

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Nadim Shehadi is an Associate Fellow of the Middle East and North Africa Programme at Chatham House and an Academic Visitor to St Antony's College, Oxford. He was Director of the Centre for Lebanese Studies in Oxford from 1986 to 2005. He has directed Chatham House projects on the regional dimension of the Palestinian refugee issue since 2000 and worked with several governments and international institutions.

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Chatham House
10 St James's Square
London SW1Y 4LE
www.chathamhouse.org.uk

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Cover image: Nahr el-Bared refugee camp, Lebanon, before the 2007 war.
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