

INSS Insight No. 1368, August 23, 2020

**Israel-UAE Normalization of Relations: At the Expense of the
Palestinians?**

Kobi Michael and Udi Dekel

The normalization agreement between Israel and the United Arab Emirates, announced with much fanfare on August 13, 2020, comes at a time when the Palestinian camp is at one of its weakest strategic points since its establishment. Senior Palestinian Authority (PA) officials responded with a mixture of outrage and frustration, and the PA has clearly lost an important asset – its veto power over normalization between Israel and the Arab world. However, precisely in these circumstances, Israel would do well to adopt a broad, supportive approach toward the PA, backed by measures that will improve the PA’s ability to control its territory effectively, which can lead to renewed security coordination with Israeli security forces. Israel should also include the PA in economic and technological initiatives developed with the UAE, so that the PA will also be able to enjoy the benefits of the agreement.

The Palestinian issue has long been an important and even central component on the Arab agenda, but the upheavals in the Middle East over the past decade and efforts by Iran and Turkey to expand their regional influence, together with the Salafi-jihadist challenge and above all, the Trump administration’s prominent alignment with Israel, have all undermined the urgency of the Palestinian issue on the Arab and regional agendas. The Palestinian leadership recognized the downturn in status, but clung to the hope that it could at least count on a basic Arab commitment to the Palestinians, such that the Arab states, and especially the Gulf, would avoid formal relations and normalization with Israel, in keeping with the principles of the Arab Peace Initiative.

In January 2020, President Donald Trump presented the “deal of the century” for resolution of the Israeli-Palestinian conflict. The framework of the plan was cast as a new paradigm toward both resolution of the conflict and a new architectural design in the Middle East, based on an Arab-American-Israeli coalition. The plan overturns the principles of the political process between Israel and the Palestinians forged over the last three decades; it challenges the assumption that time is on the side of the Palestinian national endeavor, and that as time goes on the international community will force Israel to accept the Palestinian conditions for an agreement. The plan rejects the Palestinian

demand of “all or nothing,” as well as the Palestinian veto power over any agreement that does not fully satisfy their desires. The Palestinian Authority and others that saw Trump’s plan as meeting the demands of the Israeli right led by Prime Minister Benjamin Netanyahu rejected it emphatically and even condemned the President and insulted him publicly.

This was another nail in the coffin of relations between the Trump administration and the Palestinian leadership. The Palestinian announcement on severing ties with the administration incurred severe political and economic damage to the PA. In an attempt to minimize its financial troubles and the damage to its standing, the PA put its faith in the international community, which opposed the Trump plan, and in the Arab world. For a moment it looked as if the “deal of the century” would follow the host of previous plans and gather dust on the shelf of history. However, the Palestinian national camp soon suffered another blow, namely, Netanyahu’s announcement of his intention to apply sovereignty in areas of the West Bank intended to be part of Israel under the Trump plan – in other words, unilateral annexation. Netanyahu made it clear that Israel was presented with a one-time opportunity, backed by Trump, to change the reality in the conflict arena. In his words: “Until today, Israel was always the one that had to make concessions, to give, to freeze, and to withdraw....Now President Trump says that the Palestinians are the ones who need to make concessions.”

Following the establishment of a unity government in Israel, with annexation included as a basic principle of government policy, PA President Mahmoud Abbas announced the end to security and civil coordination with Israel and the refusal to receive Israeli tax clearance payments. At the same time, the Palestinian leadership made a vigorous effort to recruit the international community’s opposition to annexation. Indeed, the US Democratic Party and the EU and other countries opposed the plan, and some even threatened to impose sanctions on Israel if it proceeded with the annexation. Criticism, albeit weak, was heard in the Arab world as well. In tandem, the Palestinian system organized a broad grassroots unarmed struggle, in order to slow down the annexation process, and winds of reconciliation began to blow between Fatah and Hamas. However, the Palestinian public remained skeptical and critical of both leaderships, which struggled to mobilize public support for a broad, active protest.

Then came the third shock. Based on the strategic idea of the Trump framework of an Arab-American-Israeli regional alliance, primarily against the Iranian threat, and with the mediation of the US, the United Arab Emirates and Israel declared they were establishing official normal relations. The condition laid down for the agreement by UAE Crown Prince Mohammed bin Zayed –cancellation of annexation plans, which was backed by Trump advisor Jared Kushner – can be seen as an achievement for the Palestinians, and

this is how the UAE made sure to present it. At home, Netanyahu tried to soften the condition by saying that this was a temporary suspension made at President Trump's request. Immediately after the official announcement, there were rumors that the UAE would soon be followed by other Gulf states in the establishment of normal relations with Israel.

This was a very heavy blow for the Palestinians, as it effectively neutralized their veto power over normalization of relations between Israel and the Arab states as long as there was no agreed upon arrangement for the establishment of a Palestinian state based on the 1967 borders, with East Jerusalem as its capital, and with right of return for refugees. At the same time, the principles of the Arab Initiative dissipated as well. All at once, the Palestinian strategy collapsed, and Israel gained normalization with a prominent Arab state – and not as the result of resolving the conflict with the Palestinians.

After the initial shock, Palestinian leaders responded with scathing rhetoric. Nabil Abu Rudeineh, spokesman for President Abbas, said that the Palestinian leadership denounced the agreement, which is a mortal death blow to the Arab Peace Initiative, the decisions of the Arab and Islamic summits, and international legitimacy, and a show of aggression and contempt toward the Palestinian people and their rights. The Palestinians called for an urgent meeting of the Arab League and of the Organization of Islamic Cooperation to reject the agreement. Ismail Haniyeh, political chief of Hamas, spoke with Abbas, and emphasized support for the Palestinian leadership and for him personally. Haniyeh said that he was open to any joint effort of the Palestinian leadership.

Significance

The agreement between Israel and the UAE bears a variety of implications for the future of the PA. First, it is a heavy blow to President Abbas's honor, and a demonstration of the failure of his strategy against Israel in the international and regional arenas. Accordingly, an escalation in the struggle for the Fatah leadership can be expected as the end of Abbas's rule approaches. There may even be candidates who will push quietly for removal of the veteran leader, who failed to advance Palestinian independence through political tools and a grassroots struggle. The struggle for this inheritance may bring back Mohammed Dahlan, who is supported by the UAE. The UAE's upgraded status in the eyes of Israel and the US government, as well as its close relationship with Saudi Arabia and Egypt, which also has a special attitude toward Dahlan, could improve his status, and encourage him to resume his battle for the Palestinian helm. In any case, the disagreement between the rival factions and the lack of public faith in the leadership of both the PA and Hamas will block the support for any particular leader, such that it is expected that the Palestinian top political echelons will continue to be marked by instability.

Second, in spite of its current support for Abbas, Hamas sees the Israel-UAE agreement as an opportunity to spearhead the Palestinian agenda. For Hamas, the PA's failure is a failure of the grassroots and political struggle, and proof that only the "resistance" approach – an armed struggle – will advance Palestinian goals. Hamas may discern an opportunity to improve its standing in the West Bank, even in cooperation with militant factors within Fatah calling to renew the violent struggle.

Third, and in this context, Jibril Rajoub called for Fatah activists to put personal interests aside, to work together, and escalate the "resistance" to the occupation, which is the necessary response to foil Israel's plans, even if it involves martyrs (*shahidim*), i.e., terrorist attacks. Rajoub declared that all Palestinian territories would prepare to send Israel the message that it cannot live in peace until the Palestinians live in peace, and that they were willing to spill Palestinian blood to embarrass Arab states that have relations with Israel.

Fourth, Qatar and Turkey will try to use the Palestinian distress to heighten their involvement in the Palestinian arena, continuing their efforts to strengthen their status as influential regional actors, much to the displeasure of the UAE and Saudi Arabia. Qatar has raised its standing against Israel through its monthly distribution of \$30 million to the Gaza population, while simultaneously trying to promote Khaled Mashal as leader of Hamas. Turkey encourages terror and acts to strengthen Hamas's military forces. They both promote the Islamic political approach of the Muslim Brotherhood, and in doing so, pushed the UAE toward normalization with Israel.

Conclusion and Recommendations

The agreement with the UAE is a major strategic achievement for Israel, both because of the economic and security benefits of regional cooperation, and because of the disconnect it represents from the Palestinian anchor and veto, which until now prevented normalization of relations with the Arab world. However, Israel should recognize that the agreement weakens the PA, whose governance, economic, and political powers are already unstable. Announcement of the agreement may only accelerate the PA's collapse, and this is not in line with Israeli interests. The dissolution of the PA would confront Israel with a long list of complex challenges, both in terms of security and in the civil and economic realms, due to the burden of responsibility for 2.7 Palestinians in the West Bank. The collapse of the PA might also accelerate trends toward a one-state solution. An additional challenge for Israel would emerge if the Fatah leadership abandons the political route and adopts the Hamas path of terror and violence. The security establishment must prepare for such an scenario.

For these reasons, it is important to reassure the Palestinian leadership that annexation has been postponed indefinitely, if not tabled entirely, and hence the need to reframe the relationship with Israel. Israel should strive disprove the Palestinians' perception of the process as a zero-sum game, in which every Israeli gain is necessarily a Palestinian loss. Precisely under the newly created conditions, Israel should adopt a supportive approach toward the PA, with an emphasis on moves and changes that will improve the PA's governance and effective control. Action must be taken to renew the security and civilian coordination mechanisms, replacing the mechanisms that bypass the PA vis-à-vis the Palestinian public that emerged after the coordination ceased. In addition, it is important to try to integrate the Palestinian Authority into economic and technological projects between Israel and the UAE, including the development of a Covid-19 vaccine, so that the PA can be part of the regional cooperation and enjoy its benefits.

Israel must invest every possible effort, with American backing and the involvement of the UAE, Egypt, and Jordan, to expand regional cooperation and advance normalization with other Gulf states, initially in Bahrain and Oman and later in Saudi Arabia. However, Israel must not push the Palestinian Authority to the sidelines. Rather, it must integrate it in the regional cooperation that is taking shape, whereby normalization with Israel is not necessarily conditional on an Israeli-Palestinian bilateral arrangement. In this context, a regional and international effort must be made to return the PA to the negotiating table, with President Trump's "deal of the century" as a term of reference for the negotiation process.