

# Fewer Gestures, More Substance: Possible Developments along the Israeli-Palestinian Track

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## Great Expectations

In the ten months that have passed since President Obama assumed office, administration spokespeople have frequently referred to an ambitious program to resolve the Arab-Israeli conflict, yet there is still no meaningful movement along any track. This essay examines the reasons for the current stasis on the Israeli-Palestinian track and suggests possible options and means for progress the United States, together with the parties to the conflict, would do well to formulate.

Early 2009 presented a complex reality that was sure to impact on any possible attempt to make progress along this track. First, a new Israeli government with a coalition composed primarily of right wing parties assumed office. Many of the coalition partners have not evinced interest in an agreement with the Palestinians because they view the establishment of a Palestinian state as a threat to Israel and because they are unwilling to concede large parts of the West Bank. Others in the coalition would perhaps be interested in an agreement with the Palestinians but doubt it possible to arrive at a permanent agreement, given their assessment that the internal Palestinian situation does not allow the Palestinian leadership to reach and certainly not to implement an agreement. Thus the Israeli government has an inherent interest in not advancing the negotiations with the Palestinians lest any progress expose internal schisms that would cause the government to fall and in any case would not – according to most of the coalition members – produce an agreement that serves Israel's interests.

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Second, the Annapolis process, which antedated the current Israeli government, collapsed in late 2008. The ostensible reason was the war in Gaza, which made it difficult for the Palestinians to continue the negotiations. However, the fundamental reasons were deeper. The weakened status of Prime Minister Olmert, who had clearly reached the end of his political road, precluded both conclusion of an agreement on a subject so sensitive and its acceptance in the Israeli political establishment or among the Israeli public. The other party to the negotiations understood this political reality, and therefore would naturally hesitate to conclude an agreement. The second and perhaps more important reason was the political weakness of Palestinian president Abbas and his party, Fatah, and his assessment that he must focus on the internal Palestinian arena and take some steps to strengthen his position before reaching an agreement. One such step was the Sixth Fatah Convention that was held in August 2009; the general elections in the Palestinian Authority planned for 2010 are perhaps the next step. The Annapolis process was interrupted when Olmert presented Abbas with the outline agreement he had formulated after months of negotiations and asked for Abbas' reaction. Abbas preferred not to respond at all. In the meantime, the war in Gaza broke out, the government in Israel changed, and the negotiations were not renewed.

Third, the war in Gaza in late 2008 and early 2009 produced a fairly stable ceasefire. Hamas is not interested in renewing its rocket fire and has labored to stabilize the ceasefire by restraining the more radical factions in the Gaza Strip. Although attempting to apply the lessons it learned from its military failure in the war and prepare itself for the next round, it has run into problems because of the ongoing siege of the Gaza Strip and especially because of more effective Egyptian efforts to prevent arms shipments into the Gaza Strip. Hamas' primary interest is to consolidate its rule in Gaza, particularly in light of its loss of support from Gaza Strip residents as a result of the war. By contrast, the rate of support for Hamas immediately after the war increased in the West Bank.

The West Bank is also stable and has seen few terrorist attacks. With the help of Lieutenant General Dayton's mission, the PA has succeeded in improving its security capabilities and gradually strengthening its ability to impose law and order on larger parts of the area. The enhanced security situation has also facilitated lifting some of the limitations on

the Palestinians' freedom of movement, and this in turn has led to an improved West Bank economy. This progress has only partly translated into a strengthened Abbas-Fayyad government, because the Palestinian public still has no faith in the government to run a corruption-free administration that would work towards advancing the national interests of the Palestinian people. However, the convergence of the various factors has increased support for Abbas and Fatah and decreased support for Hamas. A survey for the International Peace Institute in New York carried out by an American polling institute showed that the rate of support for Abbas in all the areas under PA control stands at 52 percent; support for Fatah is 45 percent and for Hamas only 24 percent.<sup>1</sup> Although Abbas' mismanagement of the Goldstone report's discussion in the UN Security Council has apparently compromised support for Abbas, whether this will have a long term impact is an open question.

The Obama administration sought to jumpstart the negotiations by means of parallel actions by Israel and the Arab states. It asked Israel to freeze all settlement construction and the Arab states to take initial steps to normalize relations with Israel, such as renewing diplomatic activity of North African and Gulf state representatives in Israel and authorizing El Al flights over Arab countries, thereby shortening the flight paths. This formula was based on two assumptions. The first was that American pressure generating a settlement freeze would on the one hand help earn Arab and Palestinian trust in America as a mediator, and on the other hand was possible to attain, because no meaningful opposition to such a step, which has broad international and American support, would emerge from within the American political establishment or even from within the American Jewish community. The second assumption was that the Palestinians themselves are not capable of doing anything that would acquire the trust of the Israeli political system and public opinion beyond what they have already done in terms of security, and therefore the right way to earn that trust was through gestures on the part of Arab states.

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Over the past ten months it has become clear that both assumptions were flawed. First, the United States did not manage to extract a full freeze on settlements from the Israeli government. Even a left wing Israeli government is incapable of a full settlement freeze, including stopping construction in Jerusalem neighborhoods that are over the Green Line, although in the eyes of the international community and certainly in the eyes of the Arab world, these are also settlements. To the same extent, it is very difficult for any Israeli government to freeze construction in the communities within what is known as the large settlement blocs near the Green Line. After all the progress in the various previous rounds of negotiations with the Palestinians on the territorial question, it is assumed among Israeli politicians and public opinion that in any permanent arrangement with the Palestinians these settlement blocs will be annexed by Israel, and therefore there is no point in freezing construction there. Netanyahu, heading a government with a right wing slant, certainly could not have accepted such demands. The Obama administration could also not rely on the lack of Israeli public support for Netanyahu's rightist bent, not because of sweeping support for the settlement movement among the Israeli public,<sup>2</sup> but because the demand for a *full* freeze did not seem reasonable or fair to Israelis.

The most auspicious idea for building a political process with the Palestinians that takes into account the constraints of the present reality is via a gradual process composed of several components unfolding in tandem.

The assumption about Arab gestures also proved mistaken, first of all because at the outset there was exaggerated expectation of the effect such gestures would have on Israel. After more than fifteen years of a political process that began with the vision of "a new Middle East," the Israeli public has had its fill of disappointments and does not pin much hope on symbolic normalization steps that are seen as easily retracted empty gestures. Normalization with Arab nations is not the ultimate goal for Israelis, who merely want the Arab world, including the Palestinians, to leave them alone. However, the assumption that there would be a substantive Arab response to the request was also erroneous, especially the reliance on Saudi Arabia. Saudi Arabia has followed a consistent policy with regard to normalizing relations with Israel, and is not prepared

to take any steps towards normalization before there is a permanent Israeli-Palestinian accord. This policy should have been expected given the conservative Islamic nature of the regime and its view of itself as the keeper of the holy sites. It is no wonder, then, that the Saudis greeted the American hope of normalization gestures with a cold shoulder.

In the meantime, the American focus on these two issues helped both the Israelis and the Palestinians avoid making decisions about renewing negotiations. Neither the Israeli government nor the Palestinian leadership appears particularly enthusiastic about the resumption of negotiations over a permanent settlement. While Prime Minister Netanyahu did succumb to American pressure and announced his acceptance of the two-state solution in his June speech at Bar-Ilan University, he is in no hurry to work towards its realization. It seems that Netanyahu does not believe it is possible to arrive at an acceptable permanent agreement that the Palestinians would be able to fulfill. His policy focuses on improving the conditions of the Palestinians' lives by removing roadblocks and allowing for the free flow of people and goods. Called "economic peace," his policy is driven by the idea that an improved economic situation will strengthen the political status of the Palestinian partner, and then gradually make it possible to reach some agreements with the Palestinians. Such a process also provides a good solution to the need to maintain coalition unity and prevent right wing elements in the coalition and within the Likud itself from undermining the government's stability. If the process is attainable while both declaring a desire for negotiations over the permanent accord and simultaneously refusing to cooperate in creating the conditions that would allow for such negotiations – all the better. Thus has the government positioned itself vis-à-vis the United States.

Abbas, whose traditional policy was based on a demand for negotiations over the permanent agreement – out of the assessment that he could strengthen his own and his party's political power only through offering political prospects to the Palestinian public – has changed his approach. He is presenting negotiating conditions that are unlikely to be realized. The gist of the conditions consists of a demand for a total freeze on the settlements and a very rigid timetable for the negotiations. Perhaps Abbas believes that he can rely on the American administration to exert enough pressure on the Israeli government to accept these conditions.

However, it is hard to believe that this is Abbas' true assessment of the situation, when it is now patently clear that the American administration understands it will not obtain a total freeze from Israel and in light of Israel's approach to negotiations on a permanent settlement. The survey conducted for IPI showed that a decisive majority of the Palestinian public does not think that the United States will succeed in getting Israel to do its bidding.

Rather, it seems that in the current circumstances, Abbas too is not interested in renewing negotiations over a permanent settlement. First, Abbas apparently thinks it is preferable to enter into such negotiations when his position is stronger than it is now. At present it is better for him to focus on steps that strengthen his internal political standing, such as the Fatah convention, PA institution building, and improvement in the economic situation, rather than enter into negotiations over the permanent arrangement and seemingly give in to Israeli conditions and American pressure. It is highly possible that for Abbas, even holding PA elections is an essential part of this process because elections would restore legitimacy to his presidency, which is now in question because of claims that according to the Palestinian constitution, his tenure has already expired. Second, if in any case the current prospects for a breakthrough are essentially non-existent, Abbas may well prefer that US-Israeli relations deteriorate to the point that Israel ultimately negotiates from a position of weakness. In addition, Abbas may decide it worthwhile to wait for the next Israeli government to pursue a political process.

### **The Dangerous Impasse**

Although the current situation may seem convenient for both leaderships, it is fraught with danger for a number of reasons. It is liable to create a situation in which the idea of implementing the two-state solution is shelved for a long time, to the point of risking the prospects of its ultimate implementation. In such a situation, the notion of a bi-national state is likely to become more attractive within Palestinian, Arab, and international circles. Nonetheless, this does not seem to disturb the Israeli government – which like any other government, thinks first and foremost of its own survival – and it is unlikely that conditions to change this approach will emerge on their own.

On the Palestinian side it is also likely that while Abbas' status will fluctuate somewhat, it will not undergo a dramatic change. It will be very difficult to hold elections in the PA in 2010 when Fatah and Hamas are unable to agree on a date or a mechanism for holding these elections. The lack of agreement stems from each party's drive to hold the elections at a time and in a way that would ensure its victory. Despite the reported loss of support for Hamas in favor of Fatah, the Hamas government in the Gaza Strip is stable; it presumably cannot be undermined without aggressive external intervention. Therefore, it is impossible to hold elections in the Gaza Strip or in the PA in general without Hamas' agreement. Should this situation continue, it is likely to erode the American administration's desire to be engaged in ongoing activity on the Israeli-Palestinian track regarding a permanent agreement. The relative advantage inherent in the American administration's willingness to advance this cause at the beginning of its term would not be realized. At the same time, one may expect that a partial freeze on settlements will dissipate and the growth of the West Bank settlement population will continue, gradually bringing about a situation in which a division into two states will be well-nigh impossible.

The institutionalization and deepening of the separation between the Gaza Strip and the West Bank will seriously hamper the realization of the two-state solution. It will be impossible to reach and implement a permanent agreement of this solution without a reliable Palestinian entity governing over all Palestinian territory and a reasonable measure of Palestinian national consensus on the two-state solution. The longer the freeze lasts, the deeper the separation between the two areas will become. In the short term and from a tactical perspective, this situation may be convenient from the Israeli point of view; in the long term, it threatens Israel's interests vis-à-vis the solution or at least the abatement of the conflict.

Israel is also liable to lose the Palestinian partner it has now. Experience of the past two decades teaches that an improvement in the economic situation of the Palestinians is not enough. In 1999-2000 the Palestinians' economic conditions were relatively good and the trend was one of ongoing progress. Nonetheless, this did not prevent the outbreak of the second intifada after the failure of the Camp David negotiations. Currently there does not seem to be a real danger of large scale violent



outbreaks because the Palestinian public is tired of violence. There is even data in various polls about a decline in the support of violence, which in the past was consistently high.<sup>3</sup> Likewise, Israel's degree of control over security matters would hinder such an outbreak of violence. The real danger lies in the possibility that the trust the Palestinian public has in its leadership in the West Bank will continue to unravel and Palestinian society will continue to crumble; individuals will focus on the family and their immediate environment, causing the disappearance of Israel's Palestinian partner even if Hamas does not take over control of the West Bank. The recent declaration by Abbas that he is not going to run in the next elections is a manifestation of his despair and frustration, and indicates that the weakening of Israel's partner is accelerating.

### Possible Outlets

The key question is how it is possible to build a political process with the Palestinians that will take into account the constraints of the present reality. The most auspicious idea is via a gradual process requiring time, composed of several components unfolding in tandem. The first component, which would take place over several years, is designed to create gradual movement towards the two-state solution by changing existing reality on the ground. The core of this change must be the gradual expansion of West Bank territory under PA control and the expansion of the PA's control (i.e., changing C status areas to A or B status, or B areas to A), alongside building PA institutions and capabilities and improving the West Bank economy. The beginning of the process may perhaps resemble the concept of economic peace, but there is a limit to the ability of expanding Palestinian control of contiguous areas in the West Bank as long as there is no change in the status of the Jewish settlements. At a later stage, such a process would require dismantlement of a few isolated settlements, because it is impossible to maintain Palestinian territorial contiguity without evacuating these settlements. In the long term, it is also important that the process include the beginnings of settlement dismantlement because this transmits a credible message of Israeli intent to apply the two-state solution despite the inherent difficulties in arriving at a permanent agreement.

The speed of the process will depend on the rate of construction of Palestinian capabilities and the security situation, as well as on both



sides' political ability to make progress. Presumably the more successful the process is in its initial stages, the more both sides' political ability will grow and enable the transition to the next stages. In this sense, it is important to learn from the experience of the last two years of constructing the Palestinian security capabilities. When Dayton and his team started to work with the Palestinians, there was no Israeli willingness to assist the project because of an assumption that it was bound to fail. The success of the project in Jenin reversed this perception, and it is now easier for Israel to do what is asked of it, and it is easier for the PA to expand its activity to other areas. The main problem preventing the PA from making more progress is the lack of a political context and the existence of a political process. In such a situation, it is easier for the Palestinian opposition to accuse the PA government that all of these steps are nothing but collaboration with the Israeli and American enemies.

The last point demonstrates the importance of the second component, i.e., negotiations over the permanent settlement. It is hard to assume that it will be possible to sustain a process of changes on the ground without the renewal of negotiations over the permanent settlement. The Palestinians' primary concern is that partial agreements are Israel's way of maintaining the status quo and avoiding the implementation of an acceptable two-state solution. The existence of negotiations over the permanent settlement alongside a process that in its advanced stages includes the beginning of dismantlement of isolated Jewish settlements would transmit a clear message about the viability of the two-state solution.

However, the renewal of negotiations over the permanent settlement must reflect the understanding that this process is neither simple nor brief. Despite the apparent unwillingness of either side to enter the negotiations, it seems that the American administration has the power to pressure both sides to begin. If, for example, President Obama convenes an international meeting such as the Madrid conference whose purpose would be to renew the negotiations process, it is hard to imagine that the sides would be able to refuse to participate in such a conference and the negotiations that would follow in its wake. By contrast, the American administration cannot force the sides to hold serious negotiations, and it is quite possible that the discussions at the beginning would be insincere

and futile, as were the discussions in the various channels of negotiations after the Madrid conference until the beginning of the Oslo process.

The third component is a regional umbrella to be based on the Arab peace initiative. It is possible that the best way to lend substance to this component is not by pressuring the Arabs into taking unilateral steps to normalize relations with Israel, but rather through renewing activity of multilateral negotiations groups on the various topics: regional arms controls and security, refugees, water, the economy, and the environment. Beyond this, the regional umbrella would be expressed through a demand of leading Arab nations, especially Egypt, Saudi Arabia, and Jordan, to provide backup and assistance for the Palestinians throughout the process. It will be necessary to assist the PA in building capabilities; this field has already seen some beginnings, such as the Jordanian help in training the Palestinian security forces. However, this is not enough, and the Palestinians will also need Arab help to conduct the negotiations. The Palestinians alone cannot reach agreements with Israel on issues such as Jerusalem and the refugees.

The fourth component is an international umbrella whose purpose is to create an international platform that would provide backup and support for the process. Such support would be expressed during political events such as the international conference and possibly also in appropriate Security Council resolutions. It would be joined by massive aid in constructing the PA's capabilities, alongside guarantees for both sides about steps that would be taken should the process go awry. A central piece would of course be United States leadership and its part in steering the entire process.

All of these components do not answer the question of how to cope with Hamas' governing of Gaza and its opposition to the political process. Therefore, a fifth component – defusing Hamas as spoiler liable to undermine the entire process – is crucial. Such defusing is possible thanks to Hamas' basic desire for a period of calm that would allow it to strengthen its control of Gaza and because of the changes in Hamas policies given its decision to enter the Palestinian political arena as a party. According to these policies, the movement does not presume any capability by Fatah to conduct negotiations with Israel that would serve the Palestinians' national interests. Nonetheless, if such negotiations result in the transfer of territory into Palestinian control and the

establishment of a Palestinian state, Hamas will not interfere. This policy was apparent, for example, in Hamas' response to the disengagement plan and its implementation. Israel's interests, therefore, are served by creating a situation in which Hamas continues to maintain its governance of Gaza and allow normal life there. This would probably strengthen Hamas' motivation to maintain the calm and not interfere with progress vis-à-vis the PA because the Hamas government would have an interest in proving it is a capable government that provides calm, security, and services to the Gaza Strip population. Israel could do so were it to allow for the return of normal life in the Gaza Strip, primarily by opening the crossings and allowing a freer flow of goods in both directions.

Some might claim that it is preferable to attempt to topple the Hamas government in Gaza and thereby empower the Palestinian partner. If Israel allowed the Hamas government to function, it would hurt its Palestinian partner in the West Bank. While it is possible that such claims would be valid were it only possible to topple the Hamas government, the only way of effecting this is through an outside military invasion, i.e., Israel's conquest of the Gaza Strip. However, Israel is not prepared to pay the price of such an operation, which is liable to force Israel to remain in the Strip for an extended period of time and renew the occupation regime there. In such a reality, the primary consideration must be how to create a situation that is most convenient with regard to Hamas and that can be achieved through the proposed combination of considering Hamas' interests and deterrence. Deterrence alone will not achieve this in a situation where Hamas estimates that Israel is presenting it with an existential threat. Of course, a change in the approach toward Gaza will be possible only after the Shalit deal is completed.

It is very difficult to build such a complex process where some of the components touch on highly sensitive issues for both sides. However, it is preferable to the United States and to both sides to try and construct this process whose advantage lies on the one hand in its gradual nature and ability to make corrections at any stage, and on the other hand, in that the initial stages do not demand major concessions from either side or exclusive focus on negotiations over the permanent settlement that place all the eggs in one basket. The prospects for this proposed process depend on the feasibility of achieving successes in its early stages to make a change in the political reality on both sides. This in turn would

create a situation that allows for a transition to the more difficult stages, such as the beginning of evacuation of isolated Jewish settlements and effective negotiations over the permanent agreement.

### Notes

- 1 The survey was carried out by Charney Research. <http://www.nrg.co.il/online/1/ART1/946/770.html?hp=0&loc=102&tmp=679>.
- 2 According to public opinion poll conducted by the Institute for National Security Studies in 2005-2007, a majority, which in 2005 reached two-thirds of the population, supports the removal of isolated settlements on the mountain ridges as part of a permanent arrangement with the Palestinians. Yehuda Ben Meir and Dafna Shaked, *The People Speak: Israeli Public Opinion on National Security 2005-2007*, Memorandum no. 90 (Tel Aviv: Institute for National Security Studies), p. 58.
- 3 See, e.g., the PSR (Palestinian Center for Policy and Survey Research in Ramallah) survey from May-June 2009.