

# Resuming the Multilateral Track in a Comprehensive Peace Process

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Since his speech in Cairo in June 2009, President Obama has yet to make any significant progress in the Middle East, whether with respect to relations with Syria, the Iranian nuclear program, stabilization in Iraq, or the Israeli–Palestinian peace process. His most recent project – bringing Prime Minister Netanyahu and President Mahmoud Abbas into effective direct negotiations – is fraught with obstacles, and even after the parties agreed to move to direct negotiations the potential for success in the negotiations remained slim. It is not clear whether with his right wing coalition Netanyahu can work towards the establishment of a Palestinian state, and the weakness of the Palestinian government and the Fatah– Hamas split seriously complicate the scope of any agreement and prospects for its implementation. Meanwhile, mounting tensions over Iran’s nuclear program and opposition from Hizbollah and Syria over the upcoming judgments of the Special Tribunal for Lebanon inflame an already volatile region. In this difficult environment, progress in the Arab–Israeli political process is dependent to a great extent on President Obama’s ability to build a credible supporting framework that will encourage and assist the parties to advance towards an agreement.

The purpose of this essay is to propose resumption of the multilateral working groups in a revised format in the context of a comprehensive approach to Middle East peace. When the Madrid process was launched in 1991 it was hoped that the multilateral talks would assist the bilateral talks in concluding peace agreements with Syria, Lebanon, and at that time the Jordanians/Palestinians. These groups generally failed in

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fulfilling this role, although some of them had important achievements. The current idea is to tailor the multilateral groups so as to support the negotiations with the Palestinians.

Distinct political leadership is essential, but by expanding the scope of the negotiations between Israel and the Palestinians, Obama might set in motion a comprehensive process that exceeds what was achieved in Madrid in 1991. The Madrid conference succeeded in developing a comprehensive approach to Arab–Israeli peace negotiations based on bilateral and multilateral regional tracks. This time the process would encompass several other components evolving in tandem and supporting one another.

The proposed process comprises four components. The first is a re-focus of the Israel–Palestinian negotiations on a permanent agreement, and a re-launch of the Israel–Syria negotiations. The second component is the gradual movement towards implementing the two-state solution by changing the reality in the West Bank on the ground through interim Israeli–Palestinian agreements. The third component is a regional umbrella based on the Arab Peace Initiative (API), while the fourth is an international umbrella that supports the process as it unfolds.

### Permanent Status Negotiations

The first step in this process, focusing the direct negotiations on permanent status issues, is important for several reasons. First, negotiations focused only on reaching partial agreements might lead the Palestinians to suspect Israel of trying to maintain the status quo and avoid the implementation of an acceptable two-state solution. Second, Israel might be concerned about making concessions on the ground without obtaining an end to the conflict or concessions by the Palestinians on issues that are central to them, such as a solution to the refugee problem. Third, a process focused only on partial agreements risks undermining confidence, rather than building it, should the sides fail to meet their commitments, as happened with the Oslo process. To be effective in changing the reality on the ground, partial agreements must be made in the right context: as interim agreements in the context of a broader process and implemented in coordinated fashion by both sides.

## Interim Agreements

To be durable, however, permanent status negotiations should take place alongside a second process: gradual movement towards the two-state solution that changes the reality on the ground. Israelis and Palestinians alike have lost confidence in the negotiations process because they have not witnessed positive changes on the ground. Palestinians have not seen the end of the occupation or sufficient improvement in their freedom and standard of living, while Israelis have not seen enough actual work by Palestinians towards a viable, capable, and responsible state that will exist alongside Israel in peace and security.

However, for a real change on the ground a change in the Israeli approach is also needed. Traditionally the Israeli government has advocated a one-sided bottom-up approach: Palestinians must change first – by building institutions and demonstrating their capability and credibility – and then Israel can treat them as a partner with whom a permanent status agreement can be concluded. That is a passive approach, with the Israeli side a spectator watching and grading Palestinian performances. However, the Palestinians cannot succeed in this project without Israel doing its share. Salam Fayyad's state building program should be seen in this context. His two-year plan aims to complete some 2,000 projects in areas A, B, and C related to improving the effectiveness of public institutions, enhancing the role of the private sector, and developing infrastructure in rural areas. Fayyad has already completed about 1,000 of the projects, but given the present situation many of the remaining projects cannot be initiated or completed without Israeli cooperation. Israel, therefore, should not be a passive observer of this process, and would do well to take steps that will enable the Palestinians to realize this plan of state building, which is an initiative highly beneficial for both parties.

The most important obstacle to Palestinian state building is the current delineation of different types of territories in the West Bank as A, B, and C. The tri-fold territorial categorization prevents Palestinian territorial contiguity, restricts freedom of movement, and denies the Palestinians land for development projects. For example, construction of the new Palestinian city Rawabi is more difficult because the access road runs through several kilometers of Area C. Israel, however, could gradually transfer control over territory in the West Bank to the Palestinian Authority and change C status areas to A or B status, or B areas to A, thus

encouraging the PA to continue building its institutions and capabilities and strengthening the economy under more auspicious conditions. At a later stage a few isolated settlements could be dismantled, which would give the PA better territorial contiguity. Furthermore, the process of interim agreements should include the beginning of settlement dismantlement in order to send a credible message of Israeli intent to implement the two-state solution despite the inherent difficulties in arriving at a permanent agreement. The pace of this process will depend on progress in the cultivation of Palestinian capabilities, the security situation, and both sides' political ability to move forward. Presumably, the more the process advances, especially in its early stages, the more politically empowered both sides will be to transition to the next stages.

### **The Regional Umbrella**

Permanent status negotiations will be neither easy nor brief. Nor are they particularly likely to succeed in the absence of regional and international support that enhances the respective support structures for Israelis and Palestinians. Thus, the third component of the political process is a regional umbrella based on the Arab Peace Initiative. The API was announced in March 2002 as an expression of intent by Arab states to have peaceful relations with Israel. It offers Israel a comprehensive peace settlement with all Arab states in exchange for full Israeli withdraw to the June 1967 borders, including the Golan Heights and occupied Lebanese territory, and for agreement by Israel to the establishment of an independent Palestinian state with East Jerusalem as its capital. The API also calls for a negotiated resolution to the problem of Palestinian refugees according to UN Resolution 194. In return, Arab countries would consider the conflict with Israel ended and provide Israel with security guarantees.

The API is significant in a number of ways. First, it is the first time Arab states have collectively agreed to the principle of ending the conflict with Israel and normalizing relations with it. Second, the API reinterprets Resolution 194 in favor of "a just and agreed upon" solution, rather than leaving the issue to refugees' unilateral decisions, as called for by the resolution. Third, although it calls for Israeli withdrawal based on the 1967 borders, the API leaves room for land swaps that can accommodate large settlement blocs that would remain under Israeli control in an agreement.

Though the API received little recognition in Israel because it was announced at the height of the second intifada, the fact that Arab states have since reaffirmed the initiative each year signals their continued interest in it. Attempts have even been made to market it to the Israeli public: Jordan distributed the resolution in Hebrew to Knesset members in 2007, and Fatah published the API in the Israeli press in November 2008. If Arab states remain interested in ending the conflict with Israel and consider the Israeli-Palestinian conflict at its core, how can they contribute to the negotiations process?

The most important precondition for Arab involvement is evidence of real intent and progress in direct negotiations. It seems that Arab governments do not believe that Prime Minister Netanyahu wants to reach an agreement with the Palestinians or is willing to make the necessary concessions to advance an agreement, e.g., a cessation of settlement construction. Just as Saudi Arabia refused Obama's July 2009 request for intermediate normalization gestures to Israel, so are they likely to balk at supporting negotiations that they have no confidence in.

However, should Arab states see real progress on the Israeli-Palestinian track, Obama could encourage them to enter a process akin to a Madrid II. This time, instead of pressuring Arab states to take unilateral steps toward normalization with Israel, Obama could encourage them to renew multilateral negotiations groups on some of the various relevant topics: regional arms control and security, refugees, water, economy, and environmental issues. The role of the different groups should be to agree on ways the Arab states can facilitate an agreement between Israel and the Palestinians and between Israel and Syria in their specific areas. Thus the water group should focus on water arrangements that can facilitate these agreements. Other groups – led by Egypt, Jordan, and Saudi Arabia – might provide backup and assistance for the Palestinian state building enterprise throughout the negotiations with Israel, such as assisting the PA in capability-building and security force training. Others could lend political coverage and practical support in negotiations over Jerusalem and refugees. Support from Arab states could also come in the form of aid for the rehabilitation of the refugees in the West Bank, participation in an international security force, and help with rehabilitation and full citizenship for those refugees choosing to relinquish the right of return and remain in Arab states. Finally, at an appropriate point in the process,

Obama could encourage Arab states to revive their liaison offices or interest sections with Israel.

This new multilateral process does not have to emulate the Madrid multilateral process exactly. Changes can be introduced in the subjects of the groups, their composition, and their *modus operandi*. Perhaps only the groups that are more tightly knit and are relevant to the bilateral tracks will be established. It will probably be necessary to have groups that deal, respectively, with security, refugees, Jerusalem, and water, and possibly also an economic group. Not every group has to include all the Arab states. Some of them, the water group for example, may include only the relevant states, those that border Israel and the Palestinian areas and share water with them, while other groups would comprise a coalition of willing states. The pretension of the Madrid multilateral process to deal comprehensively with problems of the whole Middle East did not make it an effective tool in facilitating the bilateral tracks. It only made the Arab parties suspicious that it is an instrument for premature normalization with Israel and Israeli dominance in the area through other means.

### The International Umbrella

The fourth component of the process is an international umbrella, which would support several levels of the process. First, in the framework of the Quartet and led by the US, the international community should devise a long term strategy for the course and timetable of the bilateral and multilateral talks, as well as the resources and means available to the international community for encouraging the parties to stay on track. Without such a strategy, direct negotiations may lead nowhere, and excessive focus on procedure could obstruct actual progress. Second, the terms of reference for the overall process and the rules of procedure for the multilateral negotiation groups must be reiterated by an international forum (perhaps the Quartet). Third, the international community could continue assisting the Palestinians in general capability building: strengthening their institutions, their economy, and their security apparatus. The international community could also support the implementation of any relevant agreements reached between Israelis and Palestinians – for example, by deploying an international force as part of an interim or permanent status agreement over Israeli withdrawal. Finally, in order to encourage Palestinians to seek progress

in this process, Palestinians will need guarantees on the results of the permanent status – for example, that any land swaps will exchange areas of equal size – and the international community and specifically the US can make such guarantees.

### Risks and Opportunities

Of course, there are reasons to doubt the viability of such a process. The US is much weaker today than in the early 1990s; before the first Madrid conference, the US was stronger than it had been since WWII. It had won the Cold War and forged an impressive coalition of Arab states to expel Saddam Hussein from Kuwait. Now, however, the US is bogged down in Iraq and Afghanistan and saddled with a large national debt and high unemployment. In the US, President Obama's job approval rating is now under 50 percent – an all time low and unlikely to improve significantly over the coming months.<sup>1</sup> Similarly, approval ratings of the president in Egypt, Iraq, Algeria, Mauritania, Lebanon and the Palestinian territories have all declined since the fall of 2009,<sup>2</sup> largely out of disappointment that Obama has thus far failed to achieve any sort of breakthrough in the region. For a risk-averse president, these trends are hardly emboldening.

Nonetheless, should the bilateral tracks show signs of progress, there are reasons to believe that Obama could in fact launch a Madrid II process. Before the first Madrid conference, there was no peace process at all and the Arab Peace Initiative did not exist. The US had to drag the parties to the table and force them to start one. At the time, Israel was a serious obstacle: Prime Minister Yitzhak Shamir's basic strategy was to buy time in order to expand settlements, with the goal of ensuring that the West Bank and Gaza remain part of Israel. Now the situation is different: the peace process is a fact; almost all governments in the Middle East – and in the case of Israel this includes also most Israelis – support the continuation of negotiations and await their successful conclusion. There is strong support for the two-state solution in Israel. Moreover, there are strong indications that Arab states want to pursue the Arab Peace Initiative and would be amenable to Obama applying enough procedural pressure on all parties concerned.

Such a process based on the Arab Peace Initiative holds promise for the Middle East on more than one count. First, it could help moderate Hamas and other spoilers by essentially defusing them. Currently, Hamas



in Gaza has a basic desire for a period of calm because this would allow it to consolidate its control of the Gaza Strip and because it is protective of its status as a party in Palestinian politics. Hamas opposes direct negotiations with Israel. However, if such negotiations were supported by the Arab world and resulted in more Palestinian control over the West Bank and eventually the establishment of a Palestinian state, Hamas would find it more difficult to interfere. This means, however, that for the time being Israel and the PA will have to accept the fact of Hamas governing Gaza (when in any case Israel and the PA can do nothing about it), and in so doing, give Hamas an interest in proving that it is a capable government that can maintain calm and security, and provide public services to Palestinians in Gaza on the level of the PA. Israel could continue the process that started after the flotilla incident and allow a freer flow of goods and people in and out of Gaza. If the process also includes a revival of the Syrian–Israeli negotiations it will at least partially neutralize Syria as a spoiler.

Second, the Palestinians cannot offer Israel regional security arrangements. Only a framework like the API can address Israel's long term national security concerns. Perhaps most importantly, a Madrid II could help isolate Iran and rein in Hizbollah. Iran has been mixed in its support for the API, publically rejecting it but privately expressing potential support. But if the Palestinians were to reach an agreement with Israel under the principles of the API, then Iran would be hard pressed to defy the entire Arab world in openly opposing the agreement. In the absence of such a framework, non-state actors such as Hizbollah can pursue their agenda; in face of such an agreement, they would be more restricted.

For more than eighteen months there has been overall calm between Israel and the Palestinians, and this calm should not be taken for granted. The renewal of the direct negotiations between Israelis and Palestinians promises a very fragile process, and Hamas' derailing attempts only attest to this fragility. However, this in fact underscores the urgent need for a comprehensive approach to the negotiations that will enable the establishment of the necessary support structures for the negotiations.

## Notes

- 1 Gallup, <http://www.gallup.com/poll/141461/Obama-Averages-Approval-Sixth-Quarter.aspx>.
- 2 Gallup, <http://www.gallup.com/poll/137759/Arab-Countries-Turn-Leadership-2010.aspx>.