

The “Quintet” Cannot Succeed Without Addressing Israeli-Palestinian Suspicions

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Brief Analysis

Their latest gathering at Sharm al-Sheikh was a welcome opportunity to discuss de-escalation and establish closer ties between key civilian officials, but their efforts may not mean much in the end without visible movement on the security, economic, and political fronts.

On March 19, senior representatives from the “Quintet”—Egypt, Israel, Jordan, the Palestinian Authority, and the United States—convened in Sharm al-Sheikh to discuss the worsening security conditions in the West Bank. Around ninety Palestinians and fourteen Israelis have been killed by intercommunal violence in 2023, a significant increase from this time last year. The conference’s timing was also driven by the onset of Ramadan, which overlaps with Passover and Easter this year and has been exploited by Hamas and other violent actors in the past. The Quintet members previously met in Aqaba, Jordan, on February 26 and have agreed to convene a third meeting in Sharm al-Sheikh next month to report on progress. Yet it is unclear whether their efforts will help calm the situation on the ground or open a route to longer-term progress.

Israel, PA Doubt Each Other’s Commitment to Stabilization

According to the [joint communique \(https://www.state.gov/joint-communicue-from-the-march-19-meeting-in-sharm-el-sheikh/\)](https://www.state.gov/joint-communicue-from-the-march-19-meeting-in-sharm-el-sheikh/) issued after the Sharm conference, “The Parties reaffirmed their commitment to advancing security, stability and peace for Israelis and Palestinians alike, and recognized the necessity of de-

escalation on the ground [and] the prevention of further violence.” Yet such calls will be ineffective unless paired with plans that focus on the security, economic, and political dimensions of the crisis—especially since each side is deeply skeptical of the other’s intentions.

Israel is not convinced that the PA is truly interested in stabilizing the situation in the northern West Bank, filling the **[persistent security vacuum \(https://www.washingtoninstitute.org/policy-analysis/prevent-pa-unraveling-address-internal-reform\)](https://www.washingtoninstitute.org/policy-analysis/prevent-pa-unraveling-address-internal-reform)** in cities such as Jenin and Nablus, or doing what is necessary to halt the recent rash of shooting attacks. Senior Israeli officials worry that key Palestinian security figures might be unwilling to confront militants for fear of jeopardizing their standing in a **[post-Abbas succession struggle \(https://www.washingtoninstitute.org/policy-analysis/palestinian-politics-after-abbas-sudden-succession-essay-series\)](https://www.washingtoninstitute.org/policy-analysis/palestinian-politics-after-abbas-sudden-succession-essay-series)**. Moreover, the PA lacks domestic legitimacy: in **[one recent poll \(https://www.pcpsr.org/en/node/935\)](https://www.pcpsr.org/en/node/935)**, for example, 63 percent of Palestinian respondents stated that the PA was a burden on them, and a majority agreed that its collapse would be a positive development. Under such circumstances, it is unclear if the PA has the political capacity to carry out **[enforcement in Jenin and Nablus \(https://www.washingtoninstitute.org/policy-analysis/youth-frustrations-pa-legitimacy-crisis-are-amplifying-west-bank-violence\)](https://www.washingtoninstitute.org/policy-analysis/youth-frustrations-pa-legitimacy-crisis-are-amplifying-west-bank-violence)** even if it has the will.

Israel also wants security coordination to return to the level it was at before far-right leader and current national security minister Itamar Ben-Gvir sparked Palestinian outrage by visiting the Temple Mount/al-Haram al-Sharif in January. Finding a way for PA security forces to deal with potential threats would alleviate the need for Israel to act unilaterally, as it has done repeatedly in recent weeks by targeting militant groups that threaten Israeli civilians. There is no guarantee that better security coordination and daily communication would curb lone-wolf attacks, but many believe that the situation could spiral out of control rapidly unless the two sides restore cooperation on this front.

Likewise, the PA has deep doubts about Israel’s intentions. Israeli officials have regularly denounced terrorist attacks against civilians, including incidents that occurred during both Quintet conferences, yet the PA has been quick to point out that Israeli settler elements in the West Bank continue to engage in violence of their own, including the recent rampage in Hawara. Moreover, multiple Israeli ministers immediately rejected the communique issued after the February Aqaba conference, while the Knesset passed a bill this week reversing the section of the 2005 Disengagement Law dealing with four evacuated settlements in the northern West Bank—a major unilateral action that goes against the Aqaba principles (see below for more on this repeal). Indeed, the government sometimes appears to be pursuing two contradictory policies in parallel: one led by Prime Minister Binyamin Netanyahu, and the other by far-right figures such as Ben-Gvir and Finance Minister Bezalel Smotrich.

Palestinian officials at the Quintet conferences have also emphasized that the PA is in “intensive care” financially. In their view, the PA should rightfully receive all West Bank exit tax revenues, including from the Allenby Bridge crossing. Israel is currently withholding an estimated 800 million shekels (\$220 million) in exit taxes and restricting other forms of PA revenue. According to Israeli officials, these funds were being misused for payments to the families of terrorist prisoners, which total 2.2 billion shekels (\$605 million) according to Palestinian officials. Yet the PA insists that it needs all deducted funds just to function **[amid a severe deficit \(https://www.washingtoninstitute.org/policy-analysis/responding-pas-mounting-fiscal-crisis\)](https://www.washingtoninstitute.org/policy-analysis/responding-pas-mounting-fiscal-crisis)**, stating that this will allow it to pay full salaries to all PA employees—most notably the security forces, who have only received about 80 percent of their pay over the past year. Palestinian officials believe these payments would send a particularly good message as Ramadan begins.

Contending with the controversial prisoner payment system is long overdue. Not only does it serve as Israel’s primary justification for withholding clearance revenues, it also prevents direct U.S. aid and has come under serious

scrutiny in the European Union as well. Yet reforming this system will be very challenging for the PA leadership due to resistance from the prisoner lobby and other constituencies.

In the absence of reform, Israel has been extending soft loans to the PA, raising speculation that they may be converted to grants. The general issue of back payments may have been alluded to in the Sharm communique: “The Parties agreed to establish a mechanism to take the necessary steps towards improving the economic conditions of the Palestinian people, per previous agreements, and to significantly enhance the fiscal situation of the Palestinian National Authority.” The PA seems to believe it has a better chance of resolving its financial disputes with Israel publicly, in front of U.S. and Arab delegations. Hence, Palestinian officials at Sharm expressed reservations about Israel’s proposal to work out economic details in bilateral committees before returning to a multilateral setting; they preferred that Israel make a public commitment on financial measures.

Security officials on all sides understand the importance of strengthening the PA. Some observers are understandably concerned that such assistance might be difficult to push through now that Israel’s Ministry of Finance is run by Smotrich, who stated on March 19 that “there is no such thing as a Palestinian nation.” Yet he has previously allowed transfers to the PA when pressed by Netanyahu, and just before receiving his diplomatic visa to the United States.

Palestinian Economic Progress

The parties at Sharm also seemed committed to economic progress beyond the PA’s immediate budgetary health. Yet the agreement to create a mechanism for enhancing the economy must be followed by swift implementation of several longstanding projects that the United States has consistently advocated. These include extending the operating hours at the Allenby crossing to promote Palestinian trade via Jordan, improving mobile services, creating bonded warehouses, and implementing electronic receipts for value added taxes.

Over the longer term, the Israeli and Palestinian economies would both benefit from badly needed updates to the Paris Protocol, the three-decade-old part of the Oslo framework that governs their economic relations. This would entail agreeing on new trade arrangements that include crossings, customs areas, and warehouses.

A Political Horizon?

Although the Sharm meeting’s immediate focus was de-escalation, the communique also noted the need for “creating [a] political horizon [and] addressing outstanding issues through direct dialogue.” These phrases are often used as diplomatic code for jumpstarting direct negotiations between the two parties toward the goal of creating a Palestinian state. Yet the fact that this part of the communique did not spark anger on the Israeli right is a sign of the times—many in this camp do not believe that Netanyahu’s government could even hold serious political negotiations with the Palestinians, let alone agree on any kind of two-state outcome.

Even so, the conference was notable for enabling Israeli and Palestinian civilian officials to meet publicly at a time when that would otherwise be too sensitive given the current violence and domestic political strife. U.S. and Israeli sources confirm that Israeli national security advisor Tzachi Hanegbi has developed a personal rapport with Hussein al-Sheikh, the top civilian advisor to PA president Mahmoud Abbas. Hanegbi is a pragmatist who supported the Israeli disengagement from Gaza in 2005, while Sheikh—a Hebrew speaker due to his stint in Israeli prison decades ago—has significant experience dealing with Israeli civilian issues and knows what is politically attainable. If this relationship continues to grow, it could complement the security relationship led by Palestinian General Intelligence chief Majid Faraj and Israel Security Agency director Ronen Bar.

Israel also used the occasion of the Sharm conference to reiterate that it will not engage in new settlement units or further outpost legalizations for the next four to six months. Yet U.S. and Israeli officials confirmed that this commitment excludes the roughly **7,000 units and nine outposts** (<https://www.washingtoninstitute.org/policy->

[analysis/israel-expands-settlements-smotrich-increases-his-authority](#) advanced or approved in February. Moreover, the partial repeal of the Disengagement Law indicates that Israel may not abide by its pledge to avoid “unilateral measures” on this front. A U.S. State Department spokesperson noted this week that the administration is “deeply troubled” by the repeal and called it “provocative and counterproductive.” And on March 22, in a rare public display of diplomatic frustration, the State Department essentially summoned Israeli ambassador Michael Herzog for a meeting with Undersecretary Wendy Sherman, who made clear that Washington views the move as inconsistent with former prime minister Ariel Sharon’s 2004 pledge to evacuate the four settlements covered by the repeal. Yet Israel has long been upset that the commitments President George W. Bush made in response to Sharon’s disengagement—namely, differentiating between West Bank settlement blocs and non-bloc areas, and supporting Palestinian refugee resettlement in a future Palestinian state rather than Israel—have not been reaffirmed by subsequent U.S. administrations. The status of both commitments is murky at best, so the current governments would do well to clarify them.

Conclusion

Each of the parties at Sharm may have its own reasons for wanting to avoid another holiday explosion in the West Bank. Yet if the new Quintet is to become a durable framework for problem-solving during and beyond Ramadan, Israel and the PA will need to be convinced that the other side is committed to stabilization. And mutual actions, not just words, will be necessary to truly allay each other’s deepest doubts.

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