

Prevent Breakdown, Prepare for Breakthrough

How President Obama Can Promote Israeli-Palestinian Peace

David Pollock, Editor

Policy Focus #90 | December 2008



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Design by Daniel Kohan, Sensical Design and Communication Front cover: U.S. president-elect Barack Obama examines the remains of a rocket during a visit to Sderot, southern Israel, with Israeli defense minister Ehud Barak, July 2008. (AP Photo/Jack Guez, Pool)

Contents

Acknowledgments
Contributors vii
Introduction / Robert Satloff
Part I: The Obama Transition
1. The Near-Term Focus for Israeli-Palestinian Peacemaking / Dennis Ross
2. Israeli-Palestinian Breakdown Scenarios / Samuel Lewis
3. Playing for the Breaks / Harvey Sicherman
Part II: How to Handle Hamas
4. Rules for Engagement in Palestinian Political Affairs / Mohammad Yaghi
5. Setting U.S. Policy toward Hamas / Barry Rubin
Part III: What Role for the Region?
6. Jordan's Role in Israeli-Palestinian Peacemaking / Hassan Barari
7. The Arab Peace Initiative: A Place to Start / Wendy Chamberlin
8. How to Deal with the Arab-Israeli 'Condition' / Adam Garfinkle
Part IV: Are There Alternatives to Two States?
9. Banging Square Pegs into Round Holes / Dore Gold
10. Is the Two-State Solution Still Viable? / Giora Eiland and Marwan Muasher
Conclusion: Next Steps toward Peace / David Pollock

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The opinions expressed in this Policy Focus are those of the authors and not necessarily those of the Washington Institute for Near East Policy, its Board of Trustees, or its Board of Advisors.

Introduction

THIS COLLECTION OF BRIEF ESSAYS presents diverse perspectives on the challenges and opportunities for President-elect Barack Obama in approaching the Israeli-Palestinian conflict. Concluding with a short list of policy recommendations, this set of analyses, often sharply at odds with current clichés, reflects a unique combination of regional and domestic expertise, plus practical experience in managing all sides of Israeli-Palestinian relations.

The recommendations fall under three main headings: First, prevent collapse, in part by not overreaching for a full agreement too soon, and in part by resuming an active if limited U.S. peacemaking role. Second, outflank Hamas, in part by maintaining the perfectly valid preconditions for any outreach to it, and in part by enhancing the authority and effectiveness of the Palestinian Authority under President Mahmoud Abbas. Third, look for regional keys to unlock the bilateral impasse, in part by working to adapt (not simply adopt) the Arab Peace Initiative—which was initially endorsed by the Arab League in 2002 and reaffirmed in 2007—and in part by working with other regional governments (including Syria and Saudi Arabia, as well as Egypt and Jordan) to seek common ground and concrete contributions to peace, while reducing their support for rejectionist actors.

The lead essay, by Ambassador Dennis Ross, the Washington Institute's Ziegler distinguished fellow and former chief U.S. Middle East envoy, covers the most immediate issues at stake. He outlines a quick but careful new approach: focus first on averting further crises and then build upon previous Israeli-Palestinian successes while detouring around the latest deadlocks. The top priorities, he suggests, are to strengthen the authority of Palestinian president Abbas, to keep Palestinian and Israeli officials engaged constructively with each other—while working to improve conditions on the ground—and to demonstrate prompt and active U.S. involvement, without "rushing to failure" by raising false hopes of any shortcuts on the hard road to peace.

Former U.S. ambassador to Israel Samuel W. Lewis adds to the discussion the urgent dimension of the upcoming Israeli election. These political transitions, he argues, preclude a final peace anytime soon—but they also require at least a workable diplomatic framework for avoiding the dangers of neglecting the problem. Harvey Sicherman, a former State Department official who now leads the Foreign Policy Research Institute in Philadelphia, takes a somewhat longer view. Looking ahead through President Obama's first term, Dr. Sicherman weighs the prospects for dramatic yet risky U.S. initiatives against the hard regional realities, concluding that an incremental and flexible strategy holds greater promise.

The second section is devoted to the "elephant in the living room" so often overlooked by many other observers: Hamas and the iron cage it has built around the Palestinians of Gaza, along with its categorical rejection of peace with Israel. Among all the simple plans proposed recently by the old guard of U.S. foreign-policy generalists, not one squarely addresses this issue. And some actually imply, with little or no explanation, that U.S. "engagement" with Hamas would be better for U.S. interests and the cause of peace than Hamas's continued isolation.

In contrast, Palestinian and Israeli authors alike argue here for steadfastness in confronting Hamas. Any "quick fixes," they point out, willfully ignore or dismiss the sincere, long-term religious commitment of Hamas, backed up by growing military power and outside support, to replace Israel altogether with an Islamic Palestinian state. To accept this alternative to the Palestinian Authority, sacrificing any hope for peace on the altar of the mere "truce" occasionally offered by the relative "moderates" in Hamas, would be to take a giant step backward.

Mohammad Yaghi, a Palestinian scholar and Lafer international fellow at the Institute, presents a penetrating analysis of how the United States can negotiate the combustible thicket of internal Palestinian politics at a particularly perilous moment. Barry Rubin,

Robert Satloff Introduction

director of a leading Israeli think tank, emphasizes the need for a sustained strategy of maintaining the political, economic, and security squeeze on Hamas, precisely in order to permit an eventual Israeli-Palestinian agreement.

The third section examines the crucial yet rarely examined regional dimension of U.S. options in Israeli-Palestinian peacemaking. Hassan Barari, a Jordanian scholar and Lafer international fellow at the Institute, analyzes his country's current relationship to the Palestinian issue. He finds that Jordan is deeply wary of either too much or too little involvement leaving it with very little to contribute on its own. Accordingly, Wendy Chamberlin, previously a U.S. ambassador in the region and now president of the Middle East Institute, offers an impassioned argument for a much broader regional contribution to Israeli-Palestinian peacemaking. She advocates taking the Arab League's "land for peace" initiative reaffirmed in 2007 as a major point of departure. But Adam Garfinkle, recently a State Department advisor and now editor of the American Interest, cautions strongly against overly ambitious attempts to link the Israeli-Palestinian conundrum with other difficult regional problems. Some of those other problems, he argues, should now take precedence in U.S. diplomatic priorities, while Arab-Israeli tensions should be viewed as targets for conflict management, not conflict resolution.

With this argument as background, the fourth section explores another crucial and equally overlooked question: are there any preferable, or even plausible, alternatives to the protracted, yet so far fruitless, pursuit of a "conventional" two-state solution? Dore Gold, once Israel's UN ambassador and now advisor to Likud leader Binyamin Netanyahu, provides one Israeli answer. He would opt to defer the search for a final settlement, meanwhile undertaking a serious "bottomup" campaign to improve the Palestinian economy, educational system, and people-to-people links with both Israeli and Jordanian counterparts.

Giora Eiland, a former Israeli national security advisor and now independent political analyst, takes this argument several steps further. Abandon hope for a purely bilateral Israeli-Palestinian deal, he proposes, and instead broaden the political horizon by bringing in Egypt to help with Gaza (by offering a territorial swap), and Jordan to help with the West Bank (by providing security). To this, Marwan Muasher, Jordan's former foreign minister and first ambassador to Israel, responds with a resounding negative. There is no "Jordanian option" of accepting responsibility for all those Palestinians, he contends, just as there is no "one-state solution" of accepting all those Palestinians that would ever be acceptable to Israel. Instead, Muasher maintains, the two-state solution remains the only real option—but one that should be anchored in a regional deal along the lines of the Arab Peace Initiative.

Notably, these and several other authors with widely divergent views end up in general agreement, despite their differences, that some creative new regional inputs are now required to help address the Israeli-Palestinian conflict. Equally important, none of these authors subscribes to the converse proposition—that an Israeli-Palestinian peace accord would somehow automatically offer considerable help with other regional problems, from Iraq to Iran and beyond.

The fifth section is a concluding chapter by David Pollock, former State Department senior advisor and now an Institute fellow, which tries to synthesize many of these insights and arguments and to draw the appropriate policy implications. His comments offer a coherent set of recommendations that constitute a serious, practical, constructive approach to an issue that the president-elect has promised will receive his urgent attention. Taken together, these conclusions offer a detailed action plan, as summarized in this introduction, for a reinvigorated yet realistic U.S. policy toward the Israeli-Palestinian problem.

Most of the essays in this volume originated in a series of workshops organized by the Institute in mid- and late 2008 under the astute direction of Dr. Pollock. The Institute extends its heartfelt gratitude to Scott Delman of our Board of Trustees, whose generosity made possible the convening of those workshops, the commissioning of these essays, and the publishing of this report. In addition, two of the

essays printed here—by General Eiland and Minister Muasher—are drawn from presentations delivered at the Institute's Weinberg Founders Conference in September 2008. In addition, we urge that this report be read in tandem with another Institute report issued in December 2008, titled Security First: U.S. Priorities in Israeli-Palestinian Peacemaking, which focuses specifically on the security component of U.S. engagement in the peace process.

As with all Institute publications, the views expressed herein do not necessarily reflect those of the Institute, its Board of Directors, Board of Trustees, or Board of Advisors. But they do reflect the finest scholarship. For that reason, we present them as a contribution to the making of U.S. policy in the volatile Middle East.

Robert Satloff

December 2008

Part I **The Obama Transition**

1 The Near-Term Focus for Israeli-Palestinian Peacemaking

Dennis Ross

AS THE BUSH ADMINISTRATION winds to its conclusion, the objective of achieving a permanent-status agreement for the Israelis and Palestinians—once touted as likely by both the president and the secretary of state—looks like a distant dream. Rather than working toward an agreement, Israelis and Palestinians appear to be in a state of limbo, waiting to see what political transitions in Israel and the United States will produce. The peace negotiations continue, but as one senior Israeli official told me, "There are only two people in the world who believe that a deal is still possible between us and the Palestinians: Ehud Olmert and Condi Rice."

It is, of course, not irrelevant when the Israeli prime minister and the American secretary of state believe a peace deal is possible. Unfortunately, it is not the United States and Israel that must agree, but the Israelis and the Palestinians. And given that Olmert is now a caretaker—having resigned, he will serve only until a new government in Israel emerges after the elections in February 2009—he has little authority to conclude an agreement. Indeed, at this point, the Israeli government and public are unlikely to accept any accord that Olmert would sign, and the Palestinians are not prepared to accept what he offers even as he moves increasingly toward them—perhaps because they are not ready to reveal the concessions they would be willing to make for a deal unlikely to be implemented.

This is not to say that there is nothing to be done. By all accounts, the current negotiating process is serious, addressing functional issues of what state-to-state relations would be like if an agreement were reached on the core political questions. For example, the two sides have made progress on the nature of ties between Israel and a Palestinian state regarding economic, trade, health, and environmental issues. Such efforts are both practical and useful. The parties have also discussed the core permanent-status issues, narrowing the gaps on borders and identifying and distilling their differences

on Jerusalem and refugees. There remains a very wide conceptual divide on security, with Israelis believing that they must retain freedom of action in the West Bank even after an agreement, and the Palestinians believing that no Israeli soldiers should remain after a Palestinian state emerges. Nevertheless, there is much in the negotiations that needs to be preserved.

On the functional issues, the gains that have been made should be locked in. On the political issues like borders—where the principle of retaining settlement blocs and making territorial swaps has been agreed on, though their respective sizes and relationships have not been—it would be good to cement agreement at least on the principles. Even once new leaders emerge in Israel following the elections, they will certainly have to take such principles seriously.

How might the parties preserve the current gains and avoid the danger of falling back to square one? The answer to this question is not self-evident. The obvious path of simply producing a document that shows areas of agreement and disagreement is probably not acceptable, given that both sides will remain sensitive to political exposure until they reach a comprehensive agreement. Even having the United States offer its own impressions of where progress has been made—presented as American understandings that do not bind the parties—would pose similar problems.

This fear of premature exposure reveals one of the key problems with the process to date. Both sides know that their constituencies have lost faith in peacemaking, and that the negotiating process continues to take place in a public vacuum. Although the talks are serious, neither public places much store in them; in their view, the negotiations seem completely divorced from reality. Israelis are convinced that Palestinians are basically hostile, that they will not (or cannot) live up to their commitments, and that withdrawing from the West Bank would reproduce the same ill-fated effects of the Gaza pullout—namely, Hamas would emerge

and, given the West Bank's proximity to Israel's heartland, every Israeli community would become subject to rocket fire. Even Ben Gurion International Airport would be rendered largely inoperable in such an environment. For Israelis, this is an unthinkable and unacceptable outcome.

Unfortunately, Palestinians are equally cynical. They see their mobility limited by checkpoints and settler-only roads, which largely hamstring their economy and make daily life difficult. They see settlement construction continuing, and Israeli security forces operating everywhere and making arrests. From this, they conclude that Israel will not surrender control, and that an agreement will offer only false promises rather than an end of occupation.

Recommendations for U.S. Policy

Given these public attitudes and the coming electoral transition in Israel, leaders on both sides believe that they would be exposed to savage (and ultimately fatal) criticism if they made concessions on core issues. This suggests two basic needs at present: first, finding a way to preserve progress, and second, developing an approach that can give both publics a reason to take a second look.

With regard to the first need, although both sides fear premature leaking of their concessions, they may yet favor a mechanism for preserving the progress to date. Accordingly, why not take advantage of the American political transition? Specifically, a joint briefing of the designated representatives of the president-elect or secretary of state designate could be arranged. This should be done as a joint exercise—either orally with negotiators from both sides or as a non-paper drafted by the two sides and given in confidence to the incoming administration's representative. If done jointly, it would not be one side's interpretation of where things stand but a common position—which by definition would drive each side to the essence of what they are prepared to say they agree to at this stage. Moreover, since it would represent their first communication to the incoming administration, each side would be bound to take it seriously, even if—indeed, especially if—it were handled with complete discretion.

As for the second need, giving the Israeli and Palestinian people a reason to reconsider the possibility of peacemaking will be paramount if their leaders are to take historic leaps in the negotiations at some point. This, too, would be a much more productive area for current U.S. efforts. If there is not going to be an agreement, it makes sense to build the foundation for peacemaking by encouraging the leaders to do what they can politically, and in a way that would be noticed by the other side's public. As a starting point, Washington could press the Palestinians to do much more about halting incitement and the Israelis to do much more about easing movement through checkpoints. And it could press both parties to do something they never do: publicly acknowledge positive steps being taken by the other.

In addition, the Palestinian Authority (PA) is still operating on a month-to-month basis with regard to meeting its payroll, and the kind of donor help that would quickly create large numbers of jobs is still absent. Dramatic new job creation efforts—for example, the Arab oil states financing ten major housing construction projects in the West Bank—would have a measurable impact on Palestinian psychology. Why not call publicly on the Persian Gulf states to invest in peace now and help produce some achievements for the PA and President Mahmoud Abbas?

Efforts of the latter sort are more important today than ever—not only because Abbas has little to point to in terms of achievements, but also because of a looming political problem that worries Palestinians and Israelis alike. Abbas's term as president expires in January 2009. Yet, given the Hamas coup in Gaza and the resulting gridlock in the Palestinian Legislative Council, Abbas issued a decree in September 2007 modifying the electoral law and setting the next presidential election to occur simultaneously with the next legislative elections—in effect, January 2010. Hamas is already declaring that Abbas will have no legitimacy after his term expires. Even assuming that he decides to remain in office after January, the legitimacy issue will not disappear. Moreover, Hamas could point to the Palestinian constitutional provision that calls for the speaker of the parliament to become acting president

when the office is vacated. Today that would be Abdul Aziz Dweik, a Hamas member who sits in an Israeli jail. His deputy, Ahmed Bahar, is also a Hamas member.

Rather than waiting to see if challenges to Abbas's authority actually materialize and raise basic questions of legitimacy, Washington should work with him now on a strategy for dealing with the issue, which is more of a political problem than a legal one. Indeed, Secretary Rice could focus her efforts on this front before the end of her tenure. Rather than chasing the illusion of an agreement that cannot be reached, why not deal with a problem that could derail peace efforts at the outset of the next administration?

To be sure, Rice and Abbas cannot tackle the problem on their own. The secretary would need to create an Arab and international context for resolving the issue and provide a political statement that would give Abbas cover for the steps he takes. Rice could get Arab leaders and the Quartet (the United States, European Union, UN, and Russia) to endorse such a decree, provided Abbas commits to staying in office at least until the next elections are held. If nothing else, this would help prevent a potential leadership vacuum in the PA come January.

Alternatively, to seize the high ground and put Hamas on the defensive, Rice could work out a common strategy with Abbas and Arab leaders to have him call for a presidential election to be held as soon as security conditions in Gaza permit. Those conditions would include at least some PA security presence along with international observers to set up election rules, balloting locations, and monitoring provisions, all toward ensuring that the elections are conducted in a free and fair environment and without Hamas intimidation. In this scenario, Hamas would either have to allow a PA presence and some degree of monitoring or refuse it, thereby forfeiting

any claims of legitimacy for itself or its charges against Abbas. At a minimum, this could reestablish a PA foothold in Gaza and, more important, give Abbas the legitimacy he will need in any peace negotiations. Regardless of the option taken, Washington needs to anticipate the emerging problem and produce a solution. Lagging behind events has unfortunately been a hallmark of the Bush administration, but this is one problem it can and should preempt before it is too late.

More, of course, is necessary. The negotiating process cannot be divorced from the public context in which it takes place, and a foundation must be laid for it to have any credibility. Even so, one thing is equally certain: if there is no political process or sense of possible resolution, the big winner will be Hamas. Like other radical Islamist groups, Hamas preys on hopelessness: the less the sense of possibility, the greater the group's political leverage. If a sense of possibility is maintained, however, those Palestinians and Arabs who accept coexistence will have the justification—and the confidence—to make their case.

In sum, the new administration must find ways to preserve the progress made in recent negotiations while also creating a basis for both Israeli and Palestinian publics to give the process another look. Given the weakness and division of the Palestinian Authority and the disbelief in Israel, Arab states will also need to play a larger role in giving the PA political and economic cover and in reaching out to Israel. Finally, the Bush administration must do its part in its waning days—resisting the temptation to publicly push for agreements that the two sides cannot make, facilitating the discreet briefing of the incoming administration, and preempting a leadership vacuum on the Palestinian side at precisely the moment a new American president assumes office.

2 Israeli-Palestinian Breakdown Scenarios

Samuel Lewis

THE FRAIL, LABORING negotiations between Israel and the Palestinians, launched at the Annapolis peace conference in November 2007, were kept alive by the recent Sharm al-Sheikh review session between lame-duck Israeli prime minister Ehud Olmert, Palestinian president Mahmoud Abbas, and members of the Quartet (the United States, European Union, UN, and Russia). But any analysis of the ways in which these talks might break down reveals almost endless possibilities. Sadly, it also highlights just how little outside powers, including the United States, can do to prevent most breakdown scenarios from unfolding. Regardless of the skill or dedication of foreign diplomats, events will arise in Israel, the Palestinian territories, and the surrounding region that will thwart even the most energetic external players. For example, as these words are written, the six-month tahdiya ("pause") between the Israel Defense Forces (IDF) and Hamas is rapidly disintegrating, a development that could portend a major Israeli force deployment and large-scale clashes in Gaza within a matter of weeks.

Nevertheless, sorting though the most plausible scenarios in advance could help prepare the incoming Obama administration for dangerous surprises during its first months in office—a time when other urgent matters at home and abroad may take top priority, and when key sub-cabinet officials will not yet be confirmed and in place. Although diplomacy cannot head off most crises, informed contingency planning can produce more effective and prompt diplomatic efforts to mitigate the damage and help get the parties back to the negotiating table before past progress is completely lost.

Before tackling these breakdown contingencies, however, one must address a more basic question: are Israel and the Palestinian Authority (PA) still engaged in a serious negotiating process? Since Annapolis, the two parties' negotiating teams—led by Israeli foreign minister Tzipi Livni and veteran PA official and negotiator Ahmed Qurei (Abu Ala)—have held regular

talks. In parallel, Olmert and Abbas have met tete-atete more or less weekly over the past several months in an effort to reach agreement on key principles, although how much guidance they have then passed on to the negotiating teams is unclear. Both sets of discussions have been kept almost entirely secret from the public, with surprisingly few leaks (real or alleged). The Livni–Abu Ala meetings have been characterized as businesslike and little else. The Olmert-Abbas talks have been described as creating very good personal rapport and progress, but with no details.

Although Secretary of State Condoleezza Rice has repeatedly urged the parties to put down on paper what has thus far been achieved and to prepare some statement of agreed principles before the end of 2008, both sides have resisted committing anything substantive to writing. In fact, the most they would provide the Quartet members at Sharm al-Sheikh was a commitment to continue trying. And now that the Israeli election campaign is under way, it will effectively put the process on hold for some months, no matter how much Olmert may wish to achieve some last-minute breakthrough to polish his much-tarnished legacy. And events in Gaza or the West Bank before February-March could easily make any negotiations politically impossible for one or both parties. Undoubtedly, however, both Olmert and Abbas hope that when Israel's new prime minister and the Obama administration are in place, the negotiating process can resume without having lost whatever has been achieved over the past year.

The Israeli political crisis is also affecting the Syrian peace track. Previously, several months of back-channel Turkish mediation had led to a point where Israel and Syria seemed prepared to move to formal, face-to-face negotiations for a full-scale peace settlement. Now, however, the Syrians have made clear that they will go no further until the new Israeli prime minister is settled in office. They have also made clear that a serious U.S. role would be essential to furthering the negotiations. Seeing no indication that the Bush administration will

change its hands-off policy, Syria seems to be waiting for Barack Obama's inauguration before proceeding, contrary to Olmert's efforts to jumpstart the process during the transition period in Washington and the election campaign in Israel.

Political Breakdown Scenarios

Israeli politics. Because Foreign Minister (and now Kadima Party leader) Livni failed to form a new governing coalition that could command the requisite sixty-one-vote majority in the Knesset, elections for a new legislature were scheduled for February 2009. Meanwhile, Olmert and his cabinet remain in a caretaker status, though with full governing authority. The next government will be formed by mid- or late March, almost certainly headed by either Livni (with a centerleft coalition that includes the Labor Party and others) or former prime minister Binyamin Netanyahu (with the Likud Party plus smaller right-wing and religious parties). A broad national unity government is also a possibility, especially if the makeup of the next Knesset turns out to be evenly balanced and neither Netanyahu nor Livni can form a government with more than a very narrow majority. A major security crisis before March could spur such a development as well, more likely under Netanyahu than Livni.

A Netanyahu-led government dependent on the right would likely end the Annapolis-launched negotiating process. Netanyahu might well eventually embark on a different track that excludes both the division of Jerusalem and the formal two-state solution. If so, he would attempt to obtain Washington's support—perhaps a partial agreement on what he has called "a bottom-up approach," a term he has not defined. A lengthy period of breakdown and reassessment in Israel would then be inevitable. In response, increased violence would likely erupt in the West Bank and Gaza, probably accompanied by suicide bombings in Israel's major cities. In contrast, a Livni-led coalition would attempt to continue the Annapolis process and persuade the Obama administration to assume a major mediating role. As for the Syrian track, either candidate could decide to prioritize that front and ask Washington to mediate at the request of both parties.

Palestinian politics. In the Palestinian territories, a number of factors will probably continue to weaken President Abbas's political position, including the failure of post-Annapolis negotiations to produce results, ongoing settlement expansion in the West Bank and around Jerusalem, heightened violence in Gaza, and the de facto end of the *tahdiya*. Abbas's likely effort to extend his presidential term for one year beyond January 2009 will inflame Hamas, sparking violent clashes with Fatah in the West Bank and perhaps even leading to civil war despite his efforts to continue some form of negotiations. Yet an early, strong initiative by the Obama administration to support Abbas could head off a complete breakdown, depending on the policies of the next Israeli prime minister.

In another breakdown scenario, Abbas may eventually be forced—with encouragement from Saudi Arabia and perhaps other Persian Gulf states—to reach a renewed "unity government" formula that includes Hamas. Although past Arab mediation efforts between Fatah and Hamas have failed, new efforts may be deemed necessary in order to dampen growing violence and the threat of a Hamas coup against the Fatah leadership in the West Bank. Yet any such unity government would complicate efforts by the Obama administration to actively support two-state negotiations. In particular, it would likely prevent the Israelis from participating given their opposition to a Hamas role, especially if the February elections bring Netanyahu and the Israeli right to power.

Finally, Washington must consider the possibility that the PA could collapse in the wake of widespread violence over the next few months, unless its newly trained and deployed security forces and their leadership prove strong enough to maintain order without having to depend on the IDF. Were a collapse to occur, there would of course be no negotiating partner on the Palestinian side.

Breakdowns Produced by Violence

Regardless of electoral outcomes, there are myriad scenarios in which violence could so inflame Israelis or Palestinians that their political leaders would be forced to suspend negotiations indefinitely. Indeed, this

scenario greeted the Clinton administration when it took office in 1993, launching Secretary of State Warren Christopher into immediate crisis-containment efforts that lasted months. A partial list of possibilities follows—not necessarily in order of magnitude or likelihood, though all are plausible.

Israel-West Bank-Gaza

- **1.** Further erosion of the fragile Egyptian-mediated ceasefire between Hamas and Israel on the Gaza border, leading to longer-range rocket strikes on Ashkelon, Rehovot, and the Tel Aviv area.
- **2.** Hamas shooting down IDF helicopters over Gaza with newly acquired SA-18 ground-to-air missiles.
- **3.** Suicide bombers successfully penetrating Jerusalem, Tel Aviv, or other cities in the wake of a failed ceasefire with Hamas.
- **4.** A large-scale IDF deployment into Gaza (presumably in response to one or more of the above scenarios), with heavy armor and 20,000–30,000 troops aimed at "rooting out" stockpiles of advanced weapons, killing Hamas fighters and political leaders, and reoccupying on a semipermanent basis the Philadelphia Corridor along the Gaza-Egyptian border (under which run the smuggling tunnels from Sinai). The duration of such an operation would be prolonged but not indefinite.
- **5.** Assassination of moderate Palestinian leaders, including Abbas. Possible perpetrators include a radical Hamas underground unit operating at Iranian instigation, rogue Fatah militants, or extremist Israeli settler elements in the West Bank.
- **6.** Assassination of key Hamas leaders by Israel.
- 7. Palestinian attacks on Israeli West Bank settlements, perhaps in response to settler violence against nearby Palestinian villages. In this scenario, subsequent IDF intervention could cause numerous Palestinian casualties, which would no doubt be displayed graphically on local and international television. Such a development

could spark a chain of grave events: a third intifada could break out in the West Bank, leading the IDF to reoccupy Palestinian cities (Area A); the PA could in turn collapse, with PA security forces joining with Hamas militants in widespread and prolonged fighting in the West Bank and Gaza.

8. Israeli military and police forces, while attempting to remove unauthorized settlement "outposts," come under fire from violent extremists in settler security units, triggering violent confrontations between a radical core of fringe settlers and IDF soldiers as well as extremist settler attacks on Palestinian villages.

Israel-Lebanon-Syria

- 1. Hizballah kidnappings of Israeli soldiers at the Lebanon border, leading to an IDF air and ground assault even larger than that of summer 2006. This could be followed by a sharp rise in tension between Israel and Syria and the freezing of their bilateral negotiations, with a real possibility of major military clashes.
- 2. The uneasy political status quo in Lebanon unravels. Syrian forces reenter the country "temporarily" in order to quash Sunni jihadist terrorist groups in the Tripoli area said to be responsible for assassinations and bombings inside Syria. Meanwhile, Hizballah enlarges its security presence in Beirut and assumes de facto control over the Lebanese government with the acquiescence of the president. Syrians facilitate delivery to Hizballah of major new, long-range rocket launchers and other sophisticated equipment from Iranian and Russian stocks. Israel breaks off Syrian negotiations indefinitely.
- **3.** Israel acquires new, hard intelligence concerning a clandestine Syrian nuclear weapons development program (assisted by North Korea and/or Iran) and launches preemptive air and special forces attacks within Syria to destroy related facilities. Israeli-Syrian negotiations adjourn indefinitely.

Israel–Iran. The most likely breakdown scenario in this arena would involve a chain of developments beginning on the Israeli side. First, with a new right-wing Israeli

coalition in power after winning the election in early 2009, Israel seeks to probe the intentions of the new U.S. president regarding the Iranian nuclear weapons program. Meanwhile, Israeli intelligence advises the U.S. cabinet that Tehran may have a nuclear weapon before the end of 2009. Obtaining only ambiguous responses from Washington, Israel launches a multipronged attack on the program infrastructure to set it back for some years, using a combination of airstrikes and/or submarine-launched missiles, commando special forces incursions, and clandestine sabotage attempts to disable critical manufacturing equipment. Iran then retaliates against both Israel and U.S. forces in the Middle East, and all negotiations with Tehran, Damascus, and the Palestinians are halted indefinitely.

Implications for the Obama Administration

It is far easier to list the many scenarios that could wreck or severely impede Arab-Israeli peace negotiations than it is to find ways in which Washington can prevent these scenarios from unfolding. In the past, when spasms of violence threatened negotiations, diplomatic firemen from the United States and key European countries have crisscrossed the region, exhorting, cajoling, warning of awful consequences, hinting at damage to Western relations with Israel or other players, and even threatening to suspend certain types of assistance unless hostilities ceased immediately. By the time these diplomatic efforts had begun to have some effect, the requisite trust between negotiators, leaders, and peoples would already have been damaged to a nearly fatal degree.

Nevertheless, depending on the nature of the crisis in question, intervention by the incoming president or his secretary of state—preferably in close coordination with a few other top European and Arab leaders, and reinforced by the legitimizing influence of one or more UN Security Council resolutions—can halt deterioration of the situation before it gets completely out of control. Speed is of the essence, and the president must be a visible and engaged player in the diplomacy—in

public and via private communications, though not necessarily personal meetings. The secretary of state or another high-level personal envoy can convey the president's views effectively if it is apparent to all that this official truly speaks for him.

But looking over the triggering events listed earlier, it is clear that many are beyond the reach of diplomacy. Politics among and within the contending parties will determine the course of events, and their own judgment about their national interests will too often override the best-informed and most persuasive advice that others, even close allies, press upon them.

One clear message should be drawn from this analysis: the new U.S. diplomatic team must hit the ground running. Its best chance of heading off some of the dangerous scenarios is to put the Arab-Israeli conflict high on the president's already crowded agenda, and for him to give a strong, early public signal of this prioritization—underscored by appointing a high-level, personal envoy to work with the secretary of state. Washington must then work continuously to restart negotiations and to reassure the Palestinians, Israel, Syria, and key Arab allies (e.g., Saudi Arabia, Egypt, Jordan, the Gulf states) that the United States will do everything it can to help reach peace agreements during the new administration's first year—not just to resume the process, but to achieve broad, comprehensive peace before spoilers block all creative diplomatic efforts. Indeed, the next year will be crucial. If the current situation is permitted to drift, it will spiral downward by late summer 2009 at the latest. The time for a full-court press by the United States is early in the year, when hopes and expectations among those in the region who are hungry for peace are again, briefly, at their highest. The dividends for the United States in improved relations throughout the region could be substantial. But time is of the essence. By late 2009, it is clear that one or more of the breakdown scenarios will be controlling events, and would-be peacemakers will once again be confined to the sidelines as sad spectators of a region spinning out of control.

3 | Playing for the Breaks

Harvey Sicherman

PRESIDENT-ELECT BARACK OBAMA faces bleak prospects on the Israeli-Palestinian front. U.S. leverage throughout the region is limited, and the opponents of a peace agreement, led by Iran, are ascendant. Simultaneously, the two-state solution and the peacemaking model it represents lack a critical component: Israeli and Palestinian leaders capable of delivering an agreement. If current conditions persist, breakdown rather than breakthrough is the logical prognosis. U.S. policy should therefore "play for the breaks"—that is, muddle through in the immediate future to avoid the worst while preparing for a better day to emerge via changes on the ground and in the regional balance of power.

Background

Over the past six decades, two models have been applied in attempts to settle the Arab-Israeli conflict. The first was the traditional formula whereby the great powers disciplined smaller powers that were disturbing their security: an imposed solution. Such was the 1957 settlement following the Suez crisis. It lasted a decade until, in a moment of crisis, its guarantors proved unwilling to sustain their pledges. Then, following the Six Day War, the United States, Soviet Union, Britain, and France failed to impose a solution based on UN Security Council Resolution 242.

That stalemate was broken by the 1973 war, after which American diplomacy invented a second model: an Israeli and an Arab leader would convince each other that they wanted a deal, and the United States would reduce their risks in making it. This model eventually produced two peace treaties, between Israel and Egypt (1979) and Israel and Jordan (1994). Menachem Begin and Anwar Sadat, and later Yitzhak Rabin and King Hussein, found each other; Presidents Jimmy Carter and Bill Clinton endorsed their deals, facilitating and financing them. These treaties have survived assassination, war, terrorism, and economic turmoil.

The "two-plus-one" model reached its apogee when, in 1993, Rabin and Yasser Arafat seemed to find each other in the Oslo Accords, strongly supported by the United States. But Oslo was an interim agreement, not a final one. The subsequent negotiating process might have survived Rabin's murder, but it could not survive Arafat's duplicity. When Clinton attempted a final rush to settlement in 2000, the resulting failure fueled violence that eventually extinguished trust and hope. It did not take President George W. Bush long to confirm Clinton's advice that Arafat was no partner.

Washington then tried to create a proto-Palestinian democratic government, placing its bet on Mahmoud Abbas (Abu Mazen) following Arafat's death in November 2004. This project backfired when Hamas defeated a divided Fatah Party in the Palestinian Legislative Council elections in January 2006. American, Israeli, and Arab efforts to strangle, smother, or transform the Hamas experiment failed, and after a violent confrontation in June 2007, the Palestinians splintered, with Gaza falling to Hamas and the West Bank remaining in the hands of Abu Mazen and Fatah. The other partner, the Israeli government, was also weakened when Prime Minister Ariel Sharon was felled by illness in early 2006. Meanwhile, the U.S. invasion and occupation of Iraq gave Iran the opportunity to organize an anti-American coalition consisting of Syria and various proxies, including Hizballah in Lebanon and, more recently, Hamas. Israel's (and America's) best chance to break up this coalition was lost when the Olmert government botched the Lebanon war of summer 2006.

Rush to Nowhere

Much of Washington's subsequent policy was geared toward recovering from these reverses by reviving Israeli-Palestinian negotiations. The Annapolis summit in late 2007 represented one last attempt at a breakthrough. With the Palestinians violently divided and the Israeli government beleaguered, Ehud Olmert and

Abu Mazen were not prime partner material. Even at best, any agreement was destined to go "on the shelf," since it would be unenforceable while Hamas ran Gaza. Washington drew some solace from the reaffirmation of a 2002 Saudi-led Arab initiative that endorsed the two-state solution, although not entirely on lines Israel would accept. Most Arab states clearly wanted to be rid of the Palestinian problem in the face of Iran's advance, but the results of their efforts have been disappointing. Riyadh's unusually ambitious diplomacy both before and after Annapolis neither held the Palestinians together nor saved Lebanon from Hizballah. Instead, both Damascus and Tehran gained influence.

By fall 2008, the would-be Israeli and Palestinian partners were more beleaguered than ever, and revived negotiations had not improved their positions. Today, Abu Mazen controls the West Bank largely because of Israel's occupation, while Hamas dominates Gaza despite its isolation. The Palestinian economic situation remains desperate and dependent on international assistance. Israelis have a caretaker government, and their security is jeopardized by Hizballah's rearmament in Lebanon and the tenuous nature of their ceasefire with Hamas, which is rapidly expanding its rocket arsenal. Above all looms Iran's quest for nuclear weapons, which, if achieved, may embolden those who would favor launching an attack on Israel. And whatever the state of negotiations with Syria, President Bashar al-Asad has declared he has no intention of sacrificing his ties with Iran.

Under these circumstances, a rush to agreement is a rush to nowhere—Israel and the Palestinians are incapable of doing what they would need to do even if they put a deal on paper. The Israelis need a government strong enough to act, not simply react. And the Palestinians need to recover control of their fate, which today is subject to Syrian and Iranian vetoes.

Setting the Stage for the New Administration

As the Bush administration winds down, it leaves to its successor something more than it received in 2001. Formal negotiations continue; the "framework" of Annapolis includes Arab consensus on the two-state model; and the violence, although persistent, is low

level. Abu Mazen's government, in the capable hands of Prime Minister Salam Fayad, has begun to function (e.g., by creating order out of chaos in Jenin and elsewhere). In Israel, much of the population and political elite support the two-state approach, the idea of territorial compromise (including on Jerusalem), and the withdrawal of some settlers—all provided they can be sure that the Gaza fiasco will not be repeated, this time with rockets in range of Tel Aviv. And on the broader scene, Iran has lost some ground in Iraq while the United States has gained.

How might the United States and others transform these shards into something more substantial? They should begin by discarding a few bad ideas that have been revived by the apparent failure of the two-plusone model. One is the notion of a binational state; this proposal would spell the end of Israel, and its proponents have yet to explain why Israeli Jews should accept it. Another is that the new president should declare an American plan and then impose it, Eisenhower style. Advocates of this proposal do not explain how the United States could do so without deploying a large military force to guarantee the outcome. Last is the idea that a U.S. initiative on the Israeli-Palestinian issue will compensate for reverses elsewhere.

This third notion deserves more attention. Recent history suggests the opposite, namely, that U.S. successes elsewhere have helped to break Israeli-Palestinian deadlocks. For example, the Madrid Conference convened only because the U.S.-led coalition defeated Saddam Hussein's Iraq, the mainstay of the rejectionists who were organized against the 1978 Camp David accords. And renewed democratization of the Palestinian government, despite its sour outcome, began around the time of the initial victorious phase of the 2003 Iraq war, with effective pressure on Arafat to appoint Mahmoud Abbas as prime minister. Hence, an improvement in the overall U.S. regional position will encourage peacemakers and discourage warmongers. Specifically, if Obama can achieve initial success in what will presumably be his top foreign policy priorities once in office—the conflicts in Iraq and Afghanistan—then the prospects for Israeli-Palestinian negotiations will automatically improve.

Harvey Sicherman Playing for the Breaks

That said, there is nothing about the current situation that would justify Obama placing great emphasis or his own prestige on the line in the hopes that he could hasten Israeli-Palestinian peace through personal involvement. There is good reason, however, for him to take some initiative lest the conflict erupt into a crisis at an inopportune time or place. The very existence of some diplomatic activity is an important signal that Washington has not given up on the issue. The parties need a diplomatic option because the alternatives are paralysis or war.

Coordinating the Breaks

The United States should be working on two axes: one on which it attempts to alter the regional balance of forces against Iran, and another on which it preserves and advances what has been done on the Israeli-Palestinian front since Annapolis. The latter should consist of the following:

- 1. A signal from the new president, probably in the naming of a special representative, that the Israeli-Palestinian issue will retain the White House's attention and not be subcontracted to a lesser part of the government where it will die a slow procedural death.
- **2.** Collection and synopsis of what has been agreed on since Annapolis, in part to see where U.S. "bridging proposals," if requested by the parties, could advance the process.
- **3.** Efforts to quicken the pace of Palestinian administrative and economic reform in the West Bank, drawing on the Jenin model. This would be the single most effective political counter to Hamas. Any such efforts must include discussions with the Israeli minister of

defense in particular, to ease conditions so that the Palestinian economy can begin to revive.

- **4.** Pressure on the European Union and the Arab donors to the PA to deliver on their financial promises, pitched to Fayad's needs. Now that the Palestinians finally have the beginnings of responsible government, it is no time for international supporters to become irresponsible. They should either put their money where their mouth is or expect to have a smaller say in the region.
- **5.** A broader effort to return control of the Palestinian issue to those interested in solving it peacefully. The United States should explore a modified version of the socalled Egyptian and Jordanian options, namely, a way for those two states, backstopped by Saudi Arabia, to narrow gaps between Israel and the Palestinians. This may involve territorial adjustments in Gaza, federal or transnational political links, infrastructure projects, and—perhaps of most immediate importance—professional training for police and security personnel. Washington's purpose here should not be to remove the negotiations (or prime responsibility) from Israeli or Palestinian hands but rather to increase their flexibility and reduce their risks.

These holding actions will allow the United States and other parties to "play for the breaks"—they are useful activities that sustain recent diplomacy and prepare the ground for a time when positive developments can be exploited. Still, the incoming Obama administration should be under no illusions that diplomacy alone will turn this issue. Hamas, Hizballah, Syria, and Iran will not allow progress on the Israeli-Palestinian conflict without violent opposition. A change in the current alignment of regional forces, either gradually or dramatically, remains the key component.

Part II **How to Handle Hamas**

4 Rules for Engagement in Palestinian Political Affairs

Mohammad Yaghi

THE PALESTINIANS HAVE NEVER been as divided as they are today. Hamas's victory in the January 2006 legislative elections boosted its ambition to replace Fatah's authority in the Palestine Liberation Organization (PLO) and to become the legitimate representative of Palestinians everywhere. In Gaza, Hamas physically put an end to Fatah's control. It has established its own security regime, violently dismantled its opponents, and ousted Fatah from the civil administration of the Palestinian Authority (PA) by appointing its own members and supporters to bureaucratic positions. In short, Hamas has established its own authoritarian state in Gaza.

Today, the group is intent on taking over the PLO. Averting this possibility should become the focus of U.S. policy in the Israeli-Palestinian arena. Fatah remains fragmented and disorganized, and its control over the West Bank is increasingly tenuous. In addition, most Arab states favor Palestinian unity even if it means promoting Hamas's role in the PLO. Such a development would prove devastating, however: the PA would collapse, the two-state solution would be forsaken, and a new stage of confrontation between the parties would be launched. Hamas control of the PLO would effectively end the paradigm that has governed U.S. policy since 1993.

To prevent such a scenario, the Obama administration will have to deal with urgent short-term issues immediately in order to stabilize the Israeli-Palestinian arena and ensure that peace remains possible. Specifically, the United States will need to (1) ensure that President Mahmoud Abbas does not lose legitimacy as head of the PA, (2) be realistic about the limited potential of the "Third Way" as a political alternative to Fatah and Hamas, (3) help Fatah address its internal crisis, (4) work to contain Hamas in Gaza, and (5) ensure that momentum toward a negotiated agreement is preserved.

Abbas's Legitimacy

On January 9, 2009, Abbas's presidential term will end, according to the Palestinian Basic Law. He was elected in January 2005, and the law is very clear that a presidential term lasts four years. Yet Abbas intends to prolong his term by another year, until the 2010 legislative elections. Hamas views any such extension as illegal and plans to declare Abbas illegitimate. The group will seize the chance to declare the speaker of parliament—who would be a Hamas member—as president for sixty days, again per the Basic Law. But since a new election would not be possible during this period without an agreement with Fatah, the speaker would become the de facto president of Gaza indefinitely. Hamas political bureau chief Khaled Mashal and other leaders have already announced, on numerous recent occasions, that Hamas will consider the presidency post vacant if Abbas does not hold a presidential election by January 2009.

Hamas hopes to achieve three goals. First, it wants to build a legal basis for preventing future elections because it does not want to put its popularity to a public test. If the group can establish that Abbas violated Palestinian law first, it could then argue that there is no basis for holding an election in 2010 for the legislature or the presidency. Hamas also seeks to damage Abbas's credibility among Arab states and to gain Arab support for its takeover of the PLO. Second, Hamas seeks to prevent Abbas from signing an agreement with Israel by calling his legitimacy into question. The group would view any deal he may reach after his term expires as null and void. Third, Hamas will use the legitimacy question to weaken Fatah's position in any future unity negotiations.

In confronting these issues, the Obama administration should take two key steps:

 Stand firmly behind Abbas and encourage the Arab countries and the international community to support him. Encourage the holding of a fair and transparent presidential election to build legal legitimacy for Abbas, which he badly needs to continue negotiations with Israel and to prevent Hamas from taking over the PLO.

A presidential election is a risky proposition, of course, since Hamas could actually win as a result of Fatah's continued infighting and disorganization. Yet the risks of not holding an election are higher—a legitimacy crisis will at best paralyze Palestinian politics, and at worst give Hamas the PLO.

Hamas will do whatever it can to avoid the pressure of having to compete in an election. The group has failed to implement its promised "Change and Reform" platform of 2006, and it has created many enemies through its brutal rule in Gaza. Abbas should therefore turn the tables on Hamas and force it to respond to a legitimacy test. If Hamas were to refuse, then Abbas would at least gain public support by holding the group responsible for the electoral delay.

Careful Political Management

Despite Fatah's weakness, the suggestion that it could be easily replaced by Prime Minister Salam Fayad's Third Way movement is an overly optimistic reading of the Palestinian political landscape. The Third Way has no true political base among Palestinians. Fayad is a successful technocrat, an executive who can administer PA institutions, implement needed reforms, and raise foreign money. Yet it is highly doubtful that he could survive politically without Fatah's support. In fact, his small political base in the West Bank came from elements within Fatah and its old PLO allies, and he has not been able to expand support beyond this limited circle. Any attempt to empower Fayad over Fatah would likely harm both parties, since it would stoke a rivalry that could lead to the former's ouster. A more calculated approach to sustaining a coalition of Palestinian moderates would focus on the following:

 Assisting Fayad in his administration of the PA while continuing to deal with Fatah as the leader of the Palestinian national movement with responsibility for negotiations with Israel.

- Actively encouraging coordination and harmony between Fatah and the government and keeping the same distance from both sides. Perceptions of favoritism only stoke rivalries within Palestinian politics; a more balanced approach is necessary for Palestinian factions to resolve their differences internally.
- Ensuring that pledges made to the PA at the December 2007 Paris donor conference are fulfilled, and that sufficient funds are allocated for direct budgetary support in order to prevent a financial collapse.

Contrary to the often-laudatory reports about the PA's performance under Fayad, most Palestinians remain highly skeptical as to whether outside funds are being spent wisely and on behalf of the public interest. Many fear that elite Palestinian businessmen are monopolizing the economy for their private purposes and preventing sustainable development projects that could provide employment opportunities and reduce poverty. There is also increasing concern about attempts to flood the market with rotten or tainted goods, including food and medicine. Accordingly, many Palestinians believe that the current government is only transitory.

The Obama administration can help build confidence in the PA via two initiatives:

- Forming a committee with members from the PA, the United States, the European Union, and Persian Gulf countries to coordinate the flow of donor assistance, monitor the PA's performance, and provide regular reports about spending practices.
- Encouraging the Fayad government to prosecute those accused of corruption. The United States should work with the EU to include such public prosecutions in the portfolio of judicial reform measures the union is helping to fund.

Fatah's Crisis

The Fayad government needs a united and reformed Fatah in order to connect with the Palestinian public. Unfortunately, Fatah's divisions transcend the traditional concept of a generational struggle

between so-called old and young guards. Instead, significant rivalries exist among the party's founders, among its younger cadres, and between its base and its formal leadership. These competing power centers weaken all factions and prevent any one from prevailing. Other factors that make reviving Fatah such a difficult mission include its lack of charismatic leadership and its deficient political program to counter Hamas.

In light of these problems, the Obama administration should prioritize efforts to facilitate the reform and renewal of Fatah's leadership. Several concrete steps that the Bush administration has avoided could help push Fatah out of its current stasis:

- Convincing Abbas to hold Fatah's long overdue Sixth General Conference, the formal mechanism needed to restore legitimacy to its leadership.
- Investing more heavily in political party development, which would focus on organizing debate and planning within Fatah in order to create political and social programs that would reconnect the movement with the Palestinian public.
- Helping Fatah create an effective, transparent social services network that would improve its public standing while complementing PA efforts to replace Hamas's extensive social service and outreach institutions.
- Recognizing that the strategic struggle between Fatah and Hamas extends to the Palestinian diaspora, and helping Fatah extend its representation in order to limit Hamas's increasing popularity with Palestinians living overseas.

The Gaza Truce

As the six-month Israeli-Hamas truce in Gaza formally expires, it is clear that the respite has served the interests of both parties, at least to some extent. Hamas stopped terrorizing Israeli citizens with its Qassam rockets, and Israel froze its military attacks on Hamas and other groups in Gaza. The truce remains fragile,

however, and violence may return in any of the following circumstances:

- If Israel concludes that a diplomatic deal with Hamas over kidnapped soldier Gilad Shalit is not possible, it may renew military attacks in order to pressure the group into an agreement.
- If Israel finds that the truce is helping Hamas increase its military power and capabilities, it could decide to take preventive action to limit the group's buildup.
- If Hamas decides that the truce is not actually easing the economic siege on Gaza, it could resume attacks to negotiate an arrangement that provides more favorable terms on issues such as border crossing points.
- In the event of a regional confrontation with Iran,
 Hamas may act militarily to support its regional ally.

Although Washington may have little leverage over Israel on this particular security issue, the Obama administration should recognize that a full eruption of violence in Gaza would have negative consequences for American allies in the West Bank and for the peace process in general. Indeed, encouraging the continuation of the current truce serves multiple goals:

- It eases the negotiation process between Israel and the PLO.
- It makes Hamas vulnerable to domestic pressures related to service provision, internal security, and freedom of expression.
- It encourages Arab countries to pressure Hamas into accepting a realistic political program.

When addressing the challenge of Hamas rule in Gaza, Washington should keep the following rules in mind:

 Palestinian demands in Gaza are limited to the issue of crossing points, which will be resolved once a final agreement is achieved. Hence, it is important to keep the violence in and from Gaza at a low level to prevent any other issues from further complicating a final settlement.

- Given its firm security control, the Hamas regime in Gaza will not disappear because of domestic pressure alone. To be sure, Hamas has broadened its circle of enemies to include most Palestinian factions and major clans in Gaza. But this is simply another reason why the group will not relinquish power—it fears revenge from all sides.
- The creation of a semistate in Gaza is increasingly moving the center of Hamas's decisionmaking from Damascus to Gaza. As a result, Syria will have little leverage over the group in the near future.
- Solving the Hamas question in Gaza is not an urgent mission; the group's domination of the territory is more likely to end through regional arrangements as part of a broader solution to the Israeli-Palestinian conflict.

Israeli-Palestinian Negotiations

The continuation of the peace process is essential to the PA's very survival. A stalled process would leave moderate Palestinians without a strategy to end the occupation, and extremists would soon fill the void. The Obama administration need not reinvent the wheel; over the past year, Israelis and Palestinians have negotiated the principles of what could be a "lasting and just" settlement for both sides. The gaps remain wide, and the parties are far from reaching an agreement on any of the permanent-status issues. Nevertheless, there is momentum and an opportunity to close a deal. The new administration should maintain this momentum

and help the parties close the gaps. A permanent peace envoy to the Middle East, with authority to mediate and propose solutions when negotiations reach a deadlock, could advance the process. And the immediate appointment of a high-level envoy would help reassure Palestinians that the next administration will engage seriously in peacemaking.

Even if the parties are able to reach a final agreement, however, the Obama administration must recognize three realities:

- A solution based on consensus among Palestinian factions is impossible. The rift between Hamas and Fatah is over representation, authority, and strategy, which leaves no space for a compromise between them over a settlement with Israel.
- Palestinian implementation of a final settlement with Israel is not possible at this time because of the PA's inadequate capabilities, and because the PLO can no longer be said to represent all Palestinians. The conventional wisdom that Arab countries need to provide an umbrella for any Israeli-Palestinian agreement is still true, but insufficient. Today, Arab countries must be directly involved in executing such an agreement as a substitute for the PA's weakness and the PLO's incomplete legitimacy. The United States must therefore do what it can to prepare Arab countries for this role.
- Investing heavily in Palestinian security reform is not a substitute for direct involvement in the peace process. In fact, without progress on the peacemaking front, the Palestinian security forces will be unable to gain the respect of the public, and unlikely to perform their stated objectives.

5 | Setting U.S. Policy toward Hamas

Barry Rubin

THERE IS A CRITICAL, simple principle that should be the basis of U.S. policy toward Hamas: the group is an enemy of the United States, and its interests are directly contrary to America's. Consequently, Washington's strategy should be to weaken Hamas, deny it successes, disrupt its ability to make military or diplomatic gains, and help—where otherwise sensible—its rivals. The reasons why such an approach is necessary should be recounted briefly:

- Hamas is a close ally of Iran and a beneficiary of the Iranian-Syrian alliance. Tehran and Damascus provide it with enormous financial, military, political, and ideological support. Any gains for Hamas will benefit that alignment, and vice versa.
- Hamas is a constituent element in the radical Islamist movement determined to overthrow all existing Arab regimes and purge U.S. influence from the region.
- Hamas is determined to destroy Israel and continue the Arab-Israeli conflict until it achieves total victory. Thus, if the group attains a certain level of power and support, no diplomatic solution to the conflict will be possible. Specifically, if Hamas's hegemony spreads beyond Gaza, any possibility of a peaceful resolution will likely be postponed by decades.
- Hamas uses terrorism as a major element in its strategy. Its successes raise the credibility of terrorism and make it more attractive to other movements. Tactics and weapons developed by Hamas will spread to other terrorist groups and be used against U.S. targets.
- Strong opposition to Hamas is not a favor to Israel but a key element in the struggles against the spread of Iranian influence, radical Islamism, the subversion

of Arab regimes, the destruction of the peace process, increased terrorism, and greater instability in the region.

Given this situation, attempts to co-opt Hamas—to wean it away from Iran, Syria, or radical Islamism and toward moderation—will fail. It is important to remember that Hamas views its record so far as one of triumphs, as proof that its ideology, methods, and alliances are working. It views concessions by its enemies as signs of weakness. And the West and the United States are among those enemies, due both to their policies and to their values. Therefore, Hamas has no reason to trust or depend on them. Moreover, some observers believe that recent developments inside Hamas, including leadership elections, show that the group's externally backed, "military"-oriented hardliners are actually becoming stronger in relation to the "politicians," who favor a slightly less extreme policy.

It is important to add that progress toward peace between Israel and the Palestinian Authority (PA), while having value in its own right, will not automatically decrease Hamas's power. On the contrary, Hamas would work harder and increase the level of violence in order to sabotage any peace agreement and undermine Fatah's power, support base, and legitimacy. U.S. policy must therefore focus on how to contain, undermine, and perhaps even overthrow Hamas, while finding ways to work around it.

The Gaza Strip: Hamas's Main Asset

Hamas has several assets that cause problems for U.S. goals and policies. These include its use of terrorism and violence as proof that it is the most steadfast and effective Palestinian group. Hamas will not abandon its ideological extremism and attacks against Israeli civilians. The idea that such tactics have expanded its support and proven it superior to its Fatah rivals is central to the organization's thinking. Indeed, its ideology

and hardline approach are part of the reason why Hamas is better organized than its chaotic and corrupt nationalist rivals. The most important asset of all, however, is Hamas's control over the Gaza Strip and its population—almost the same number of Palestinians governed by the PA and Fatah.

Many observers have argued that Hamas came to power as a result of elections, and that opposing its rule in Gaza runs contrary to the U.S. policy of supporting democracy. This is untrue. Although Hamas did win a plurality of votes in the 2006 Palestinian legislative election, it then made a coalition deal with Fatah which it quickly broke in an unprovoked, violent campaign to seize full control and repress the opposition. What happened in Gaza, then, is an example of "one man, one vote—one time." It was in effect a military coup, parallel to the Bolsheviks seizing power in Russia in 1917 or the Nazi party following up an electoral victory by establishing a dictatorship in 1933. If Hamas achieves "success" in Gaza—consolidating its rule, delivering material goods to its constituents, using the territory as a launching pad for attacks on Israel without paying a high price—then its takeover of the West Bank and the Palestinian movement generally will be inevitable.

America's Fatah-PA Burden

On the surface, opposition to Hamas would seem to offer the United States the attractive option of helping the PA and Fatah expand their popularity through good and prosperous rule, while seeking an Israel-PA peace agreement as quickly as possible. There are considerable barriers to this approach, however.

Leaving aside all the direct considerations involved in making peace, the PA and Fatah's weakness is an important factor in determining U.S. policy toward Hamas. A "positive" policy of helping Hamas's rivals can yield only so much fruit when said rivals are weak, incompetent, and hardly eager to deliver a better life to the Palestinian people (and thus prove that they are more fit to lead than Hamas).

In addition, some Fatah authorities accept Hamas's framework for Palestinian politics in which groups compete by proving their militancy, their refusal to make concessions, and their glorification of violence. This orientation not only blocks Fatah from seeking peace but also ensures that it cannot win the race: Hamas will outpace it on each of these three fronts.

Compounding this problem is the fact that a large faction within Fatah still prefers to create a coalition with Hamas, putting national unity above peace with Israel. Neither group seems willing to accept second place, however, so efforts to rebuild their relationship may be doomed to failure. In the meantime, such sentiments handicap Fatah by forcing it to pull its punches.

Even without these obstacles, pressing for peace is not a panacea. If the PA were to make the necessary compromises—namely, condemning terrorism, accepting Israel's existence, making territorial concessions, agreeing to a two-state solution that ends the conflict, and accepting the return of Palestinian refugees to Palestine rather than demanding a "right of return" to Israel—its leaders would be weakened both within their own cadre and in the public eye. And the closer negotiations move toward peace, the more Hamas will escalate its war on Fatah.

None of the above is intended as an argument against shoring up Fatah and the PA—that is definitely the correct U.S. strategy. But any efforts along those lines will fail unless they are coupled with a strong campaign to combat, undermine, and isolate Hamas. Realistically, bolstering the PA-Fatah could fail even then, creating a major crisis for U.S. policy.

For its part, Israel has no solution to the Hamas problem, and Israeli policymakers across the political spectrum seem to realize this. Israel, too, views preservation of the PA and Fatah as a high priority and has made sacrifices for this objective. Yet concessions will not moderate Hamas, nor will a military attack destroy it.

Policies and Scenarios

Any concerted U.S. campaign against Hamas should take the following recommendations into account:

1. Make maintaining Hamas's isolation a high priority and encourage allies to support this policy. Hamas must be denied the opportunity to claim

successes without changing its strategy, goals, and ideology. The group's ability to dominate Gaza and build a strong support base there must be undermined. Hamas would no doubt respond by blaming the territory's problems on U.S. hostility, but it would mobilize against the United States no matter what Washington does. Especially important, of course, is the need to deny Hamas weapons.

- **2.** Pursue overt and covert methods to weaken Hamas rule in Gaza as opportunities arise to do so. This includes persuading Gazans that Hamas cannot bring them victory or better lives, ensuring the survival of Fatah opposition in the territory, encouraging divisions within Hamas, and other tactics.
- 3. Evaluate the Israeli-Hamas ceasefire based on whether it advances or impedes progress toward the main goal of containing and weakening Hamas. The United States should not oppose Israeli offensives into Gaza, nor should it view the ceasefire as an end in itself. Protecting Hamas is not in America's interests—not only because the group encourages rocket barrages and terrorist attacks, but also due to the wider strategic picture.
- 4. Recognize that pressuring Israel and Fatah to reach a compromise peace accord will not contribute to containing Hamas. While continuing to pursue the peace process at a reasonable level of effort, Washington should recognize that such diplomacy will not necessarily secure stability or weaken radical forces. In fact, the opposite could be true. Similarly, Fatah does not want to be pushed into a comprehensive diplomatic solution in part because it recognizes that the attendant concessions would strengthen Hamas.
- 5. Discourage Fatah from making deals or an alliance with Hamas. Washington should make clear that such a move would lead to diminished U.S. support. Engaging Hamas would only strengthen the group without moving the Palestinians in a moderate direction. It would also likely increase Iranian influence on Fatah. Such developments would give Hamas—and,

by extension, Tehran—veto power over any peace initiatives.

- 6. In any dealings with Syria, press the regime to cease backing Hamas and to close the group's headquarters in Damascus. Previous administrations have been embarrassed on the latter issue—after announcing Syrian promises to shutter Hamas offices and granting the regime real concessions in return, Washington has found these pledges broken on more than one occasion. France in particular should be urged to take a tough line on this issue, precisely because of President Nicolas Sarkozy's newfound friendship with President Bashar al-Asad.
- 7. Enlist the cooperation of Arab states, especially Egypt, in countering Hamas. Although Hamas's power threatens Egypt indirectly—having a radical Islamist entity on its border encourages Egyptian extremists—Cairo is reluctant to go too far in acting against the group. It has also learned from experience to doubt Fatah's reliability. Nevertheless, Egypt and countries like Jordan and Saudi Arabia know that Hamas is an ally of Iran and Syria, and therefore a threat to their interests. Washington should discourage Arab actions that help Hamas, such as Jordan's recent softening of its policy toward the group.

Contingency Plans

Several foreseeable events could move Hamas to the top of Washington's agenda. In fact, the group could be at the center of the new administration's first crisis. With Mahmoud Abbas's presidential term ending in January 2009, the PA leader could attempt to extend his time in office or hold an election against Hamas's wishes and without its participation. It is unclear how the PA would handle electoral challenges in Gaza. Whatever the PA chooses to do, Hamas might respond by mounting an all-out offensive against Fatah rule in the West Bank, or by dividing the party and allying itself with one of the resultant factions.

This prospect raises one of the most difficult questions the next administration may face: what would the United States do if Hamas were poised to seize

control of the West Bank, either by defeating or coopting Fatah? Any response would require coordination with Israel. Direct U.S. involvement could be
counterproductive, so Washington's approach would
have to be delicate and carefully planned. Should
Washington encourage Israeli intervention to stop
such an outcome by force? To what extent should the
United States provide additional financial or military aid to Fatah—and encourage allies to do soknowing that Fatah might misuse this materiel or, as
happened in Gaza, that it might end up in Hamas's
hands. Alternatively, would the United States want to
support an Arab intervention force? If so, how would
Israel react to this idea?

One can envision other major crises as well. For example, how would the United States respond to a serious escalation of Iranian and Syrian backing for Hamas? Such support could relate to sabotaging the peace process, overthrowing Fatah, or retaliating-by-proxy if Israel attacked Iranian nuclear installations. Some scenarios could even involve Tehran and Damascus sending forces into Gaza or a future Hamas-dominated West Bank.

Still another contingency would be an impending Hamas downfall in Gaza. How much would the United States do to ensure the group's defeat—particularly in light of the fact that such a development could trigger indirect Iranian or Syrian intervention?

Finally, it should be emphasized that with Hamas and Fatah leading, in effect, two Palestinian entities—and with Hamas's heckling pushing Fatah toward extremism—the chances of Israeli-Palestinian peace emerging during the next presidential term will be minuscule. How much energy should the United States put into a process whose failure seems assured in advance?

Hamas is a relatively small group ruling a tiny territory, and yet its impact on U.S. interests in the Middle East is tremendous. In the context of an Iranian-Syrian axis seeking to gain hegemony in the region, Hamas's Islamic republic in Gaza is the first addition to the radicals' territorial control. If this situation persists, many in the region will view it as a major indicator of the future, and a tremendous victory for both Tehran and radical Islamists. If Hamas gains control over all of Palestinian society, the stakes will become even higher.

Part III What Role for the Region?

6 Jordan's Role in Israeli-Palestinian Peacemaking

Hassan Barari

THE SEEMING FAILURE of the Annapolis peace process has led many analysts to ponder what role Jordan can play in the West Bank. Should Amman intervene, and if so, under what conditions? Such questions tend to tie Jordan's moves in the region to the changing dynamics of the Palestinian political arena. For some, the failure of the Palestinians to put their Humpty Dumpty together again means, inter alia, direct Jordanian involvement in the West Bank. But this view shows a lack of appreciation regarding how Jordan's strategic thinking has evolved over the years. Projecting the country as a fence-sitter, waiting to step in should the Palestinians fail in their state-building endeavor, fails to capture the complexity of Amman's threat perception.

Most Jordanians would say explicitly that a twostate solution is their top choice. Indeed, there has been a national consensus over the past two years that the failure of this solution would pose a threat to Jordan's national security. These same citizens, however, have failed to outline what Jordan would do if an independent Palestinian state does not materialize. In other words, what is Amman's "Plan B" for dealing with the West Bank if the Palestinian Authority (PA) collapses and anarchy ensues—or worse, if Hamas takes over? In recent meetings with current foreign minister Salah al-Bashir and former Royal Court chief Bassem Awadallah, I had an opportunity to ask this very question.¹ Both officials failed to answer it directly and instead argued that Jordan should keep pushing for a two-state solution even if there were no peace process at all. This response was, to say the least, unconvincing.

In any case, various outside observers have come up with answers of their own. As a result, two troublesome ideas have resurfaced after having been discussed on and off for the past three decades: namely, a confederation between Jordan and the Palestinians, and the so-called Jordanian option (in which the West Bank would be returned to Jordanian control, as in 1949–1967).

Jordan's Interests

It is important to clarify how Jordanians perceive the threat posed by the Israeli-Palestinian conflict. Like the majority of Israelis—who support an independent Palestinian state as a means to ensure the Jewish nature of Israel and avert a one-state solution—Jordanians support a two-state approach in order to avert the possibility of Jordanian-Palestinian unification. It is a common argument among Jordanians that unification with Palestine would render them a minority in their own country—a gloom-and-doom scenario for most of them.

Furthermore, Amman has abandoned the previous Hashemite ambitions to bring the West Bank under Jordanian rule. By the end of the 1980s, King Hussein realized that his objectives of preventing both the establishment of a Palestinian state and Likud-led Israel's annexation of the West Bank were incompatible. It was then that a new school of thought began to arise in Jordan, in which it was argued that the Hashemite Kingdom would be far better off without the Palestinians. This thinking drove Hussein's decision to sever administrative and legal ties with the West Bank.

Marwan Muasher, former foreign minister and the first Jordanian ambassador to Israel, has chronicled the two-state solution's rise in popularity among Jordanians.² As he put it, the old school of thought—which considered a Palestinian state a threat to Jordan because it would inevitably be irredentist—gave way to those who deemed a Palestinian state to be in Jordan's best interests. There are myriad reasons for this major change, but suffice it here to cite the aforementioned

- 1. I met with both officials on a number of occasions during summer 2008, as part of a group of Jordanian writers and journalists.
- 2. See his book The Arab Center: The Promise of Moderation (New Haven, Conn.: Yale University Press, 2008), pp. 26–30.

demographic nightmare as the main catalyst. This concern had become particularly distressing in the 1980s and early 1990s, when many in Jordan feared the Likud's "Jordan is Palestine" slogan.

Against this backdrop, the Jordanian government has been enthusiastically promoting the two-state approach over the past several years. King Abdullah II himself has been instrumental in creating momentum behind this approach. Specifically, Amman has played a key role in two different tracks of the peace process. First, it contributed to the formulation of the Arab Peace Initiative and has promoted it with gusto. Second, it has worked closely with the Bush administration to develop the Quartet Roadmap aimed at implementing Washington's two-state vision. In order to keep the pressure on, King Abdullah even addressed a joint session of Congress in March 2007 to drive his point home, asking U.S. lawmakers to help implement a solution in accordance with the Arab Peace Initiative and the Roadmap.

Other Options?

Despite the efforts of Jordan and others, the two-state solution has been losing momentum of late. For example, Giora Eiland, former director of Israel's National Security Council, recently published a study emphasizing the need to rethink the model, and other observers have questioned it as well.³ The mere discussion of such ideas in Washington worries Jordanians, who themselves began to debate the issue anew during summer 2008.

As described above, this debate revealed that the overwhelming majority of Jordanians strongly oppose the idea of unification with the Palestinians. There were a number of marginal journalists, of Palestinian origin, who called for Jordan to rethink this position. They made the case that the West Bank was part of Jordan, and that unification was therefore not only inevitable but also advantageous. The

majority of Jordanian writers and officials, however, were quick to criticize these arguments, claiming that they were playing into the hands of the "anti-Jordan camp." Although they never spelled out exactly what the anti-Jordan camp was, they did accuse the fringe columnists of speaking for Bassem Awadallah, an official whom the majority viewed as favoring the idea of an "alternative homeland"—meaning the transformation of Jordan into a homeland for the Palestinians. This backlash had two key consequences. First, the pro-unification elements were forced to give ground in the national debate and later became apologetic. Second, a campaign was launched pressuring the king to sack Awadallah—his Royal Court chief and righthand man. Abdullah eventually did so. Well-known and influential Jordanian columnists (e.g., Tahir Adwan, Fahd Khitan, Sami Zubaidi, Nahid Hattar, Basil Okokoor, Muhammad Abu Rumman) led this campaign.4 It is also widely believed that the General Intelligence Department (GID) had a hand in Awadallah's removal because it, like most Jordanians, prefers a two-state solution as the best way of protecting the country's stability.

The brief debate proved that it was not easy for Jordanians to publicly express ideas linking their country to the Palestinians. The king, who no doubt followed the debate, put an end to it by assuring the populace that the two-state solution is the only option. On different occasions over the past few months, he has reiterated the mantra that "Jordan is Jordan and Palestine is Palestine." Nevertheless, the dispute raises the question of whether Jordan should pursue a more proactive form of diplomacy to help the Palestinians organize their affairs.

Is There a Role for Jordan?

Clearly, the establishment of a Palestinian state requires a single, reliable Palestinian negotiating partner. Unfortunately, the Palestinians have failed to unite behind

^{3.} See Giora Eiland, Rethinking the Two-State Solution (Policy Focus no. 88) (Washington, D.C.: Washington Institute for Near East Policy, September 2008); available online (www.washingtoninstitute.org/templateC04.php?CID=299). See also Nathan Brown, Sunset for the Two-State Solution? (Policy Brief no. 58) (Washington, D.C.: Carnegie Endowment for International Peace, May 2008).

^{4.} Throughout this period, the Jordanian press buzzed with articles warning against the Jordanian option and the alternative-homeland idea. This campaign peaked in July and August, when Jordanians began to ask the king to sack Awadallah for his association with these ideas.

one strategic objective. The dissonance between the moderates in the West Bank, who are seen as weak, and the rejectionists (Hamas) in Gaza, who are supported by Iran and Syria, has only intensified the Palestinian predicament and disheartened the increasingly disgruntled Palestinian people.

From this perspective, one is forced to wonder whether Jordan was right to bet on PA president Mahmoud Abbas in the first place. How could Jordan push for a two-state solution when the emergent political force on the ground—Hamas—was snubbing it? And if a Palestinian state does not materialize—a scenario that would be detrimental to Jordan's national security—what is Amman's alternative approach?

To ward off the strategic consequences of this scenario, Jordan has mounted a three-pronged campaign that will require a delicate balancing act. First, Amman has been gradually reengaging with Hamas. Given the deep divide between Hamas's and Jordan's respective strategies, this approach sounds perplexing. How would working with Hamas, which has never hesitated to sabotage peace efforts, help Jordan achieve its ultimate objective of an independent Palestinian state?

The answer is precisely that Jordan is now experimenting with an attempt to help "moderate" or at least contain Hamas, on the assumption that it may be too entrenched to ignore. Jordan's alliance with Abbas in isolating Hamas was designed not to punish the movement, but rather to bring about a change in the organization's attitude regarding the peace process and the Quartet's conditions. For relatively weakened moderate Arab regimes such as Jordan, the international siege on Gaza and Hamas is difficult to justify, particularly when the Jordanian public views Washington as retreating from the region and the peace process as running out of steam. Jordan's new openness toward Hamas is therefore not a change of strategy but of tactics. The kingdom continues to support the two-state approach—reengaging Hamas simply reflects Amman's calculation that, in the near future, the group could be the dominant player in Palestinian politics.

At the same time, it seems that Jordan has begun to question whether Abbas has adequate leadership skills. As mentioned earlier, many Jordanians argue that he is both weak and hesitant and therefore the wrong horse to bet on. The logical conclusion is that the West Bank will at some point either degenerate into anarchy or fall into Hamas's hands. The working assumption in Amman is that Abbas will be challenged soon after the end of his tenure in January 2009. Hence, Jordan cannot afford to stay out of contact with an organization that might soon take over the territory. In its recent dealings with Hamas, Amman has been seeking reassurances and commitments that the group will not interfere in Jordan's internal politics if it assumes control in the West Bank.

Additionally, Jordan views Egypt's efforts to mediate between Fatah and Hamas favorably. It is in Jordan's best interests if this mediation succeeds in a way that meets the Quartet's three conditions for engaging Hamas diplomatically. This, in Jordan's calculation, would rehabilitate the Palestinian partner and allow for an aggressive push to strike a deal with Israel before it is too late. The only pitfall for Jordan is that it has not been playing a vital role in tandem with Egypt, and therefore may have less sway on the Palestinian scene. Jordan needs to be more assertive if it hopes to influence changing Palestinian dynamics.

The second prong in Jordan's approach is to maintain its support of Abbas in the hope of realizing a two-state solution. Although no such solution seems imminent, Jordan cannot afford to be seen as opposing what it has championed all along. The question remains whether or not it can play a role in the West Bank. It is no secret that Jordan offered to help the PA in its bid to assume security responsibility in the territory. Specifically, Amman offered to train Palestinian police forces and to send the Palestinian "Badr Brigade"—a Jordan-based force loyal to Abbas—to help the PA in the West Bank. So far, there has been no agreement on the latter proposal.

Beyond this limited involvement, it is difficult to imagine any future political role for Jordan in the West Bank, mainly due to Amman's fear of a Palestinian reaction or internal Jordanian backlash. For example, a recent poll conducted by al-Najah University's Center for Opinion Polls and Survey Studies revealed that 66.8 percent of Palestinians reject the Jordanian option or union with Jordan,⁵ and Jordanians vehemently reject any such role as well. Added to this is the historical mistrust between Jordan and the Palestine Liberation Organization. Some Jordanians may rethink their position if a Palestinian state comes into being. As I wrote in a past essay, "The Islamist and leftist opposition in Jordan has voiced its adamant rejection of even a limited role for the country in the West Bank before the establishment of a viable and independent Palestinian state. It makes the case that any Jordanian involvement in the West Bank before the establishment of a Palestinian state will be detrimental to the Palestinian cause."6 A growing number of Jordanians believe that Israel is seeking to revive the concept of the Jordanian option, which, if it ever materializes, would chip away at any chance for Palestinians to exercise their right to self-determination. For this reason, the third prong in Jordan's approach is to maintain its support for international diplomatic efforts to bring about a two-state solution.

Conclusion

Undoubtedly, the failure of the Annapolis process is cause for alarm in Jordan. The current impasse poses two very important questions: What would Jordan do in the event the Palestinians failed to build their own state? And what should Jordan do in the interim to protect is vital interests? The Jordanians have provided no clear answers—only unwavering belief in the necessity of establishing a Palestinian state. The internal discussion and debate in Jordan does not imply the existence of any "Plan B." Because Amman chose peace as its strategic option in the past, it has no choice but to keep working toward that goal, hoping that the parties come to their senses. It has no handy alternative blueprint to implement if the stalemate in negotiations continues.

Perhaps unsurprisingly, many Jordanians are beginning to argue that they should assume a constructive role in Palestinian politics. Given their belief that Jordan would be the first to be hurt if a two-state solution does not materialize, perhaps it is prudent to seek greater influence on the Palestinian scene—even if this entails dealing with Hamas.

Jordan Times, September 25, 2008. Available online (www.jordantimes.com/index.php?news=10973).

Hassan Barari, "Can Jordan Play a Role in Palestine?" BitterLemons-International.org, vol. 3, edition 40 (November 10, 2005) (available at http:// bitterlemons-international.org/previous.php?opt=1&id=107#432).

7 The Arab Peace Initiative: A Place to Start

Wendy Chamberlin

THE CONVENTIONAL WISDOM today holds that the moment is not auspicious for progress on Israeli-Palestinian peace. Israel and the United States are undergoing leadership transition, and time is running out on Secretary of State Condoleezza Rice's efforts to reach an agreement by the end of the Bush administration. The Palestinians are divided, and the Palestinian Authority (PA) has lost control of Gaza to Hamas. Meanwhile, Iranian support for Hamas and Hizballah continues to pose a threat to Israeli and regional security.

The bad news does not stop there. Nearly thirty years after the first Arab-Israeli peace treaty, signed with Egypt in 1979, the concept of a two-state solution is being challenged more openly. Militant Israeli settlers and their allies reject territorial compromise and sovereignty for Palestinians, and settlements continue to grow. Moderate Israelis, a majority that favors relinquishing settlements in exchange for peace, are nevertheless losing hope that a two-state peace is possible. Palestinians are increasingly in despair as well, believing that the encroachment of settlements has reached a tipping point that has foreclosed the possibility of a viable Palestinian state with its capital in east Jerusalem.

In fact, demographic realities on the ground make it urgent for Israel to conclude a final-status deal to avoid having to choose between its democratic principles and its Jewish identity. The same urgency applies to the Palestinians, on whom Israeli occupation and settlements have taken a heavy toll. Eventually, continued growth of existing settlements and further creation of outposts in the West Bank could indeed create an irreversible one-state reality that no Israeli government, regardless of party, could change.

Israel's Arab neighbors no doubt feel the urgency as well, given that the anger and violence bred by the status quo are a destabilizing force throughout the region. If a third Palestinian intifada were to erupt—certainly within the realm of possibility—it would fuel wider

extremism. For example, Iran would no doubt increase its support to Palestinian militants and Hizballah alike, stoking the fires of Sunni-Shiite discord in Lebanon.

All in all, pessimists can find plenty to be negative about. But Israel, the Palestinians, and the Arab states have nothing to gain from an increasingly dangerous and volatile impasse. In fact, they all have much to lose by delaying an agreement.

A Way Forward

Even in the current environment, the Arab Peace Initiative—adopted at the Arab League's Beirut summit in March 2002 and since reaffirmed—provides an opportunity to advance final-status negotiations in a manner that could guarantee Israel's security and help build a viable Palestinian state. Its key components are:

- security guarantees for all regional states, including Israel;
- full normalization with Israel by all Arab states;
- an agreed solution for refugees that would preserve Palestinian rights while not alarming Israel with the prospect of four million Palestinians returning to Israel proper and irrevocably altering the character of the Jewish state;
- a clause ending the conflict so that no further claims can be introduced by the parties;
- Israeli withdrawal from all occupied land to the 1967 borders, with minor adjustments.

The initiative is a watershed, spelling out an end to the conflict between Israel and the Arab states if the Palestinian issue is resolved through negotiations. To be sure, launching a comprehensive peace process based on the initiative's principles, while promising, would

still be difficult. The initiative is a statement of principles, not a detailed proposal, and much work would lie before the parties in terms of bridging gaps and defining the details of implementation. The initiative is built on progress made in past negotiations, however, and although it does not close every gap, it leaves the door open to further refinement of issues through new negotiations. For example, although Israel has interpreted the initiative as insisting on the right of return for Palestinians, the document actually calls for a "just solution to be agreed upon" and thus leaves room for negotiation of specifics.

Not long ago, many Israeli leaders dismissed the initiative. But in an encouraging development, former prime minister Ehud Barak—who will be a deputy prime minister and probable defense minister if Tzipi Livni becomes prime minister in the coming months—recently announced that senior Israeli leaders are examining ways to respond to it. It is also encouraging that former Saudi ambassador to the United States Prince Turki al-Faisal reasserted the terms of the initiative at a recent conference in Britain.

A regional approach engaging the neighboring states on a comprehensive solution might well work, given its ability to provide regional security assurances to reinforce bilateral Israeli-Palestinian negotiations. The main assumption of the Oslo peace process—that direct talks between Israel and the Palestinians would lead to a peace that both met Palestinian aspirations and ensured Israel's security—has proven to be flawed. Israel could not commit to dismantling the settlements, while the weak PA, not yet a state, could not provide the security that Israel required. By committing the entire Arab League (including longstanding "rejectionist" states such as Syria and Libya) to peace with Israel, the Arab Peace Initiative offers the prospect of real security for Israel, through state-to-state peace agreements that would, of necessity, include undertakings by the Arab states to help control nonstate actors like Hamas and Hizballah.

Of course, such actors will continue to pose a challenge to security, given Iranian support. Yet, if every Arab state and the PA were at peace with Israel, Iran could no longer manipulate the Israeli-Palestinian

conflict or pose as a champion of the Palestinian cause, and its pretext for supporting radical groups would vanish. Even if Iran chose to defy a solid bloc of determined Arab states, its material support for Hizballah would be confounded by Syrian and Lebanese peace agreements and security undertakings with Israel.

A collective Arab approach to final-status negotiations offers an additional advantage in that it directly engages Arab states, particularly wealthy ones, in the financial support required to ensure the viability of a Palestinian state. The Arab Peace Initiative was originally a product of active Saudi diplomacy, especially by then Crown Prince Abdullah (now King Abdullah). It had the strong backing of Egypt, Jordan, and other states that are at least somewhat vulnerable to domestic radicalization inspired by anger over Palestinian oppression. Today, King Abdullah and others who initially championed the initiative may again need to show leadership in helping to raise the estimated hundreds of millions of dollars required to solve the refugee problem, build Palestinian infrastructure, improve schools and clinics, create jobs, and train and equip Palestinian police to enforce security guarantees.

There is encouraging evidence of Arab commitment to engage in a meaningful peace effort with Israel—an effort that would be strengthened if it were collective. For example, Syria and Israel have been engaged in indirect peace talks under Turkish auspices. Syrian spokesmen and the official media have been speaking openly of the country's commitment to finding a solution. The two sides came very close to an agreed solution during direct talks in 1999–2000 (visibly close, given that the outstanding dispute was over a few hundred meters of territory along the Sea of Galilee). The death of Hafiz al-Asad in June 2000 suspended that process, and Washington's subsequent coolness toward Damascus delayed any new efforts until Turkey stepped into the vacuum to sponsor the current talks.

Other Arab states have undertaken individual peacerelated efforts as well. Qatar, for example, actively involved itself in resolving the Lebanese political crisis, brokering the creation of a national unity government and the election of President Michel Suleiman after months with no president. And Egypt, the Arab

country with the longest-standing peace treaty with Israel, has been actively engaged in Israeli-Palestinian and intra-Palestinian peacemaking for some time. In a clear case of motives and incentives coinciding, it has expressed conditional willingness to play a greater role in Gaza as part of a final settlement, in addition to mediating between Hamas and Fatah. Egypt was understandably disquieted when Gaza's perimeter was breached and Palestinians spread chaotically into eastern Sinai. Cairo has no desire to see Hamas strengthen ties with the Egyptian Muslim Brotherhood, and it understands that the divided Palestinians must ultimately be united as a precondition to an enduring peace with Israel and a viable Palestinian state. Persian Gulf states also support reconciliation efforts between Hamas in Gaza and Fatah and the PA in the West Bank. The Arab Peace Initiative promises further support for this process through collective Arab League engagement.

A negotiated peace—rather than continuation of the current unsustainable situation—is demonstrably in the interests of all parties. Public opinion polls show that the majority of Israelis and Palestinians understand this. On the Israeli side, Ariel Sharon—who had devoted his career to the settlement project and opposed territorial compromise—eventually came to recognize the pressures of demography and the difficulties of maintaining an occupation of an unwilling population. His decision to withdraw forces and settlements from Gaza was a step toward a more realistic Israeli policy. But that step marked only the beginning of a slow and still incomplete change in Israeli strategy. Ehud Olmert, Sharon's successor, has stated that Israel's policies of settlement and occupation since 1967 have been harmful to Israel another sign of this positive evolution. Still, settlements continue to expand in the West Bank, and the growing pragmatic realization that successful peace will require an end to occupation and settlement activity has not yet been translated into political action.

The implications of failing to move forward are immense. One can debate the reasons for the

emergence of Hamas and the increasing influence of Hizballah (which was further strengthened by its perceptions of "victory" in the 2006 Lebanon war)—in any case, the growth of such radical groups has made peace more difficult and has enhanced Iran's regional power. A genuine breakthrough toward a peace settlement would reverse this trend by highlighting the prospect of a viable Palestinian state, while an Israeli-Syrian agreement would undercut Iran's supply lines to Hizballah and open the door for a treaty with Lebanon.

In conclusion, although international endeavors of the sort conducted by the Quartet (i.e., the United States, UN, European Union, and Russia) will continue to play a role in any peace efforts, the most promising approach would seem to lie in a combination of active U.S. diplomacy, use of the Arab Peace Initiative as a point of departure, and active engagement of the regional players. Egypt and Jordan are already involved but are likely to have greater roles to play as neighbors of the future Palestinian state; in a transitional period, they could help ensure stability in the territories in various ways. The wealthy Gulf states have been active as well, and their resources could prove essential to the development of an emerging Palestine (which will have an educated Palestinian elite to draw upon but is desperately short of other resources). Turkey is already involved in the Israeli-Syrian negotiations, which might be the least difficult part of the puzzle to solve.

The United States must be the key player, however, since it alone can offer Israel the security assurances that may persuade it to cut a deal despite the risks. If the PA is too weak to guarantee a secure border with Israel, the United States and the Arab League—especially Egypt and Jordan—may be able to step in and provide security while ensuring PA unity. They could also offer assistance and alternatives if the emerging Palestinian state became ungovernable or economically unviable. And if Syria and Israel can make peace, they could both weaken Iran's influence and bring calm to Israel's troubled border with Lebanon. None of this will be easy, but the stakes are too high not to try.

8 How to Deal with the Arab-Israeli 'Condition'

Adam Garfinkle

THERE ARE TWO BASIC SCHOOLS of thought concerning the relationship of the Arab-Israeli conflict to the many troubles of the Middle East and beyond. One school subscribes to linkage, indeed, in the centrality of the Arab-Israeli conflict as the key to solving most of the region's other problems. The other argues the reverse—that "all politics are local," that the Arab-Israeli conflict is neither central to nor closely linked with the region's other conundrums. Both of these points of view cannot be right.

As it happens, both are wrong in significant but distinct ways. The linkage school is wrong on analytical grounds—its arguments (insofar as it offers arguments as opposed to bald assertions) are false. There is scant evidence for its contentions, and plenty of evidence pointing in the opposite direction. The anti-linkage school is wrong on phenomenological grounds—its analytical arguments are sound, but it fails to acknowledge the autonomous power of massive and self-regenerating misperception and the practical impossibility of correcting it anytime soon.

Understanding this distinction can illuminate how President Barack Obama should approach the conflict as part and parcel of a Middle Eastern and global foreign policy strategy. In essence, he will be confronted with a Goldilocks problem. If his administration invests too much energy in a linkage-based policy to solve the Arab-Israeli dispute at a time when local conditions make significant progress extremely unlikely, it will waste political capital, further harm Washington's already degraded reputation for effectiveness and good judgment, and risk misleading the Israelis and Palestinians into making their situations worse. Despite the best of intentions, this is more or less what the Clinton administration did. Conversely, if the incoming administration invests too little diplomatic energy toward resolving the conflict, it will harm important diplomatic equities it needs to effectively manage other, arguably far more important, problems. Despite the best of intentions, this is more or less what the outgoing Bush administration did, at least before mid-2007. The Obama administration must craft a more balanced approach, neither too hot nor too cold, neither too hard nor too soft, neither too high nor too low in its aspirations.

Debunking Linkage

The linkage school is by far the more popular of the two. It constitutes a taken-for-granted truth among the political class in Europe, in most of the capitals of what used to be called the Third World, and in consequential quarters in the United States. This does not make it right, of course, any more than majority opinion in seventeenth-century Salem, Massachusetts, made witches real. Reams of examples of this type of thinking could be enumerated, but what is so odd is that the vast majority of them are not accompanied by an explicit argument. Instead, when these assertions are made in public, they typically prompt a moment of solemn silence before the speaker or writer moves on, feeling refreshed from having uttered what amounts to a faith-based (as opposed to a fact-based) truth.

When pressed for causal analysis, advocates of linkage tend to make three "rolling" assertions: that the Palestinian issue generates hostility against the United States because of its "special" relationship with Israel; that this hostility is the main source feeding both anti-Americanism and terrorist recruitment in the Arab and broader Muslim worlds; and that this anti-Americanism in turn jeopardizes U.S. interests across the board, from cooperation on energy issues to the promotion of democracy and socioeconomic reform. What to make of these assertions and their occasional accompanying analysis? Some parts are plainly false; others are more plausible but either unproven or exaggerated.

First of all, there is little or no evidence that longstanding U.S. support for Israel generates the bulk of anti-Americanism in the Muslim world—such

sentiment, after all, predates the development of the "special" relationship. Increased anti-Americanism today has more to do with the magnification of underlying cultural predispositions vested in religion by dominant interpretations of Western colonialism, the demise of the Soviet Union, the Iraq war, and, above all, enduring U.S. support for several deeply unpopular Arab regimes. The proof of the last point is that anti-Americanism is more deeply embedded in Egypt, Jordan, and Saudi Arabia than in, say, Algeria or even Syria and Iran, though the Iranian regime is, if anything, more ideologically hostile to both Israel and the United States than any Sunni Arab state today.

Of course, American support for Israel in the context of the Palestinian crucible is not without some significance. Depending on where one is and the age of one's interlocutors, the plight of the Palestinians—and presumed Israeli and U.S. culpability for it—does generate hostility. But how much hostility depends on many things, not least the way the conflict is portrayed by Middle Eastern media. In recent years, the emotional quotient of the conflict has risen to the level of a passion play thanks to televised scenes—some real, at least a few staged, but nearly all slanted by acts of commission and omission—of the conflict's periodic spasms of violence. Such scenes typically implicate the United States as a coconspiring villain. So the belief is sincere, even if what generates or embellishes it is biased.

For all its popularity, the claim that the Palestinian issue generates terrorist recruitment against the West and the United States is plausible but unsubstantiated, and a closer look at the facts casts doubt on its veracity. Relatively few Palestinians have been active as either leaders or followers in al-Qaeda, and when former radicals from elsewhere in the Arab and Muslim world have been debriefed, Palestine is only one of many grievances cited (alongside Kashmir, Iraq, Chechnya, Bosnia, Mindanao, and others). The social science

literature on "who becomes a terrorist" suggests that the process works from the general to the specific, not the other way around. Violent extremists become so for philosophical and personal reasons first, and only later learn the list of political grievances against the West. Moreover, al-Qaeda's past proclamation of war against "Jews and Crusaders" does not refer only or mainly to Israel and Palestine, but rather to an imagined global Jewish conspiracy centered more in Washington and New York than Jerusalem and Tel Aviv.

The pecking order of grievances aside, it is also worth noting the illogic of asserting that a new U.S. administration promulgating a solution for the Arab-Israeli conflict would help solve other problems (rather than the other way around, as was the case with the 1991 Madrid Conference, for example). Quite aside from the impracticality of imposing peace on Israelis and Arabs (which some favor), any imaginable political settlement would further legitimate, protect, and support a Jewish state in the land of Israel. Anyone who thinks that such a result would satisfy the Muslim extremists most likely to resort to terrorism does not understand their views. Opponents of such a settlement would attack any Arab or Muslim who would dare put his seal on it, as well as any Western state whose good offices helped bring it about. They would redouble their efforts to prevent any such settlement, and terrorism would likely increase in the short term short defined as anywhere between five and fifty years.

This is not the place to explain in detail why so many people in the Middle East, Europe, and the United States evidently believe in the tenets of the linkage school even though they are manifestly false or logically frail.² Suffice it to say that many are enticed by simple explanations for complex problems, that focusing on Jews as being central to some people's anxieties is an old (and not particularly admirable) habit, and that several Middle Eastern governments have found it

Most literal debriefings of captured and former terrorists remain classified. One excellent illustration of the point, however, may be found in Ed Husain,
 The Islamist (Penguin, 2007). Other relevant literature includes Neil J. Smelser, *The Faces of Terrorism: Social and Psychological Dimensions* (Princeton
 University Press, 2007); National Research Council, *Terrorism: Perspectives from the Social Sciences* (National Academies Press, 2002); Alan B. Krueger,
 What Makes a Terrorist (Princeton University Press, 2007), Mark Juergensmeyer, *Terror in the Mind of God*, third edition (University of California Press,
 2003); and Marc Sageman, *Leaderless Jihad* (University of Pennsylvania Press, 2008), especially chapter 3.

^{2.} A detailed analysis of this question can be found in my forthcoming book Jewcentricity: Why the Jews are Praised, Blamed, and Used to Explain Almost Everything (John Wiley, 2009), chapter 12.

easier to leverage these inclinations for their own purposes than to manage their challenges in other ways. This is the place, however, to reckon with the autonomous impact of that belief. The beginning of wisdom here is to acknowledge that there is nothing unusual about irrational beliefs suffusing entire societies. Not too long ago, for example, the majority of citizens in one of Europe's most advanced societies seemed to believe in global Jewish conspiracies to conquer the world. Read enough social history and it is not difficult to conclude that majorities in most places have often held a lot of nonsensical, but not thereby inconsequential, beliefs. When Westerners, out of a sense of obligation to multicultural political correctness, refuse to credit the possibility that other societies could be so different from their own, they are engaging in acts of culturally based delusion not all that much different in character from that of their various "nonsensical" counterparts.

Dealing with the Real Effects of Linkage

However frustrating it may be, U.S. policymakers must acknowledge that the centrality of Palestine and the Arab-Israeli conflict has become a social-psychological fact in the Middle East and beyond. Since beliefs tend to have self-fulfilling and self-denying consequences, this is hardly trivial. Nevertheless, a social-psychological fact is not the same as a strategic fact. The Obama administration therefore must keep clear that a U.S.-mediated (or imposed) solution to the Israel-Palestinian impasse, even were it possible, will not significantly affect the wider war on terror. It will not make democratization and liberalization within Arab countries appreciably easier. It will not affect world energy markets. And it will not make the United States more popular in most Muslim countries, unless it were accompanied by overt manifestations of anti-Jewish sentiment that would align with popular sentiment in those societies.

Although Washington must not confuse socialpsychological facts with strategic ones, it must not ignore them either. With fresh evidence from the summer 2006 Israel-Hizballah war—when the would-be traveling ministrations of Secretary of State Condoleezza Rice confronted the fact that no Arab capital would allow her plane to land—the Bush administration finally got the point: Hence the November 2007 Annapolis summit and Secretary Rice's subsequent time-consuming Levantine exertions.

One should be clear that these efforts have not been premised on a high prospect of actually achieving Arab-Israeli peace, although it doesn't necessarily hurt to try. Secretary Rice does not believe in diplomatic miracles; she has come to believe, however, in the need to expend considerable energies to cultivate appearances. What she has been doing is optical, if not illusional, in nature: the U.S. government must maintain equities with all parties for the day when progress might again be possible. It must also encourage conciliable actors on all sides so that the situation does not deteriorate further in the meantime. And, of more immediate value, it is wise to provide cover for several Arab regimes that incline to cooperate with the United States in other spheres. In addition, an active peace diplomacy could produce useful stresses in the region's Iranian-led rejectionist camp.

This sort of optical diplomacy is not heroic; no one is going to win a Nobel Peace Prize for acts of impression management. But this is what the current reality requires, and it is one of several burdens the Obama administration will have to bear. Confronted with a massive dialectic of error about the supposed centrality of the Arab-Israeli conflict in Middle Eastern and world affairs, but with little hope of actually ending the conflict in the next four years, here, then, is what President Obama should do.

■ First, the president should appoint within a hundred days after inauguration a prestigious but politically shrewd special envoy for Arab-Israeli affairs. This will provide the proper appearances, remove the portfolio from his desk (at least for a while), and mute the chorus of complaints from all sides (at least to some extent). There is not much more he could do anyway, for it will take at least that long for Obama to get his policy team nominated, approved, sworn in, and at their desks working.

- Second, as soon as is practical, the president should mount a vigorous but private effort regarding regional perceptions of the September 11 attacks—namely, he should press the leaders of all Muslim-majority countries with which we have decent relations to level with their people about what actually happened. This is not because doing so would turn the tide of opinion in publics awash in conspiracy theories.³ But a goodfaith effort is the least these leaders could offer. It might make some short-term difference, and it is certainly a worthy long-term goal. Until these and other conspiracy theories are marginalized, the United States will be unable to have the kinds of relationships it really desires with Middle Eastern societies relationships of effective cooperation built on genuine mutual respect and trust.
- Third, the president should try to persuade America's Arab friends that aid to the Palestinian Authority (PA) has to be a cooperative endeavor. It is unacceptable that the United States and European Union provide the bulk of budgetary assistance for the struggling PA while wealthy Arab states keep their own wallets tightly closed (even as they lecture others about the plight of the Palestinians).
- Fourth, Palestinian governance reform and development should also be recast as a cooperative effort requiring Arab participation. A two-state solution is neither viable nor desirable if the Palestinian state is born fated to fail. The Obama administration should therefore develop governance aid triads (GATs) to help the PA come of age in terms of administrative competence. The managing secretariat for the GAT effort should be composed of the United States, the EU, and the Arab League. (Any Israeli input into the process would come via Washington.) These parties should devise functional assistance teams composed of one European and one Arab country to help the PA develop its competencies. The teams would work onsite in the West Bank and, hopefully, Gaza. For

example, regarding Palestinian police training, a team from Italy and Morocco could be assembled; for health and medical affairs, a team from the Netherlands and Jordan; for sports and recreation, a team from Tunisia and Spain; for tax and budgetary assistance, a team from the United Arab Emirates and Denmark; for intelligence, a team from Egypt and Germany; for communications infrastructure, a team from Kuwait and Finland; for energy issues and electrical utilities, a team from France and Saudi Arabia; and so on.

Many side benefits could flow from such an effort, but the key purpose would be to engage other countries in the future of a sustainable two-state solution. Although raising the competency level of Palestinian governance would not be formally tied to progress in political negotiations with Israel, it should be clear to everyone, however, that the ultimate purpose of the exercise is to backstop those negotiations against the day when significant progress becomes possible. By improving the Palestinian quality of life though better governance, the GAT project should burnish the PA's credentials and help marginalize those Palestinian forces philosophically opposed to peace and conciliation with Israel. This would help enable the next generation of Palestinian leaders to come of age in a context supportive of peace and progress—one that rewards service and merit on behalf of the Palestinian people and punishes self-aggrandizement, corruption, extremism, and violence.

The GAT initiative makes sense as part of a larger policy objective. The Arab-Israeli situation is usually described as a "dispute" or a "conflict," and sometimes as a "crisis." These descriptors are not wrong, but it is more useful to see the problem as a "condition"—a chronic fact of life that will not be gone soon. The key to reducing the virulence and spillover effects of the Arab-Israeli condition—and, ultimately, to resolving it—is the implicit removal of elements of the effective sovereignty of both sides and their being vested in

3. See Michael Slackman, "9/11 Rumors That Become Conventional Wisdom," New York Times, September 8, 2008.

other actors with vital interests in containing, managing, and ultimately eliminating the condition.

On the Israeli side, those other actors include the United States in particular, but also potentially the European Union, which might eventually provide extra security guarantees, monitors, and similar incentives for territorial concessions. On the Palestinian side, it consists mainly of the Arab states. Although the time is long past when the Arab states could effectively contain Palestinian nationalism (as it was from 1949 to 1967), the Palestinian portfolio can and should be kept partially in check by the cooperative efforts of Jordan, Egypt, Saudi Arabia, and perhaps other Arab states that have a stake in regional peace and stability. The sovereign symbols of an eventual Palestinian state should in no way be compromised—the flag, the United Nations

seat, membership in other international and regional organizations. But the substance of Palestinian sover-eignty, particularly the ambit of its military and for-eign policy decisions, must be cocooned within the Arab state system at least until such time as it is clear that a Palestinian state would neither violate the agreed conditions of its birth nor fail terminally under its own governance.

Here, too, appearances and reality will diverge, as the United States attempts to apply triage to the Arab-Israeli conflict until the day when real healing becomes possible. It is not necessarily hypocritical, however, to say one thing about a Palestinian state and its sovereign rights and do another. The proper term is not hypocrisy but diplomacy—the art of the merely possible when nothing better is available.

Part IV

Are There Alternatives to Two States?

9 Banging Square Pegs into Round Holes

Dore Gold

IT HAS BECOME ALMOST axiomatic in U.S. and European foreign policy circles that Israel and the Palestinians were on the verge of reaching a two-state peace agreement at the end of the Clinton administration, but that it was not finalized because of political circumstances in the United States, Israel, and the Palestinian Authority (PA). President Bill Clinton's term was coming to an end, Prime Minister Ehud Barak had lost his parliamentary majority, and Yasser Arafat preferred to resort to violence through a second intifada, instead of taking an offer that had been based partly on back-channel contacts with his key lieutenants.

As a result, a powerful political myth emerged: that with a little more time in early 2001, the parties could have reached an agreement and ushered in Middle East peace. This idea—that the broad outlines of a two-state solution had been reached—gained currency, especially in Europe, among Arab diplomats, and even among some American observers. The notion had many sources, including remarks by Israeli officials. For example, when the Taba talks came to a close, Foreign Minister Shlomo Ben Ami told Israeli radio that never before had the Israeli and Palestinian sides been so close to an agreement—a position that was not shared by the Palestinian negotiators.²

For many of those who had been involved in the process for nearly a decade, it was extremely difficult to admit that their endeavor had failed, even amid the waves of Palestinian suicide bombings that Arafat's intifada soon generated in Israeli cities, which left more than a thousand civilians dead and many more permanently disabled. Countless articles were written and

international seminars held in order to prove that the deal should be revisited. Looking back on the 2000–2001 period, *Washington Post* columnist Jackson Diehl concluded that "failures of leadership, not irreconcilable agendas," had prevented the parties from reaching peace.³

In early 2001, the Bush administration informed the incoming Israeli government of Ariel Sharon that the negotiating record from Camp David to Taba would not bind Israeli negotiators in the future, since no signed agreement had been reached. Nevertheless, the ideas raised during this period—particularly the last-minute U.S. proposals, known as the "Clinton Parameters"—continued to hover over most discussions in Washington policymaking circles about a future solution to the Israeli-Palestinian conflict. Indeed, the common phraseology used in discussions in Washington research institutes and media circles was, "We all know what the shape of the final settlement will look like." Typifying this trend were remarks by Samuel Berger, President Clinton's former national security advisor, in June 2003: "I believe that the contours that we were talking about at Camp David and that later were put out in the Clinton plan in December and then later [were] even further developed in Taba are ultimately the contours that we will embrace."4

More recently, some of the most senior members of the Bush administration seemed to adopt this line of thinking, as Washington sought to advance the twostate solution after the November 2007 Annapolis peace conference. And yet, despite all the mythology that Israeli and Palestinian diplomatic positions were

^{1.} David Makovsky, "Taba Mythchief," National Interest no. 70 (Spring 2003).

^{2.} Muhammad Dahlan, Fatah's strongman in the Gaza Strip, offered the following Arabic response to Ben Ami's assertion: "kharta barta," which loosely translated means "nonsense." Both Ben Ami and Dahlan appeared at the end of the Taba talks on Israel Radio, January 27, 2001.

^{3.} Jackson Diehl, "The Deal on the Table," Washington Post, October 22, 2007.

 [&]quot;U.S. Grand Strategy in the Middle East," meeting held at the Council on Foreign Relations, June 5, 2003. Transcript available online (www.cfr.org/publication/6046/us_grand_strategy_in_the_middle_east.html?breadcrumb=%2Fbios%2Fbio%3Fgroupby%3D3%26hide%3D1%26id%3D276%26 filter%3D2003).

bridgeable, and that a historic agreement was within reach, Secretary of State Condoleezza Rice would be as confounded as her predecessors in getting the parties to agree to a final accord. Throughout 2008, U.S. mediation on the outlines of a settlement were once again the equivalent of banging a square peg into a round hole: the territorial demands of the Palestinian leadership did not fit into the territorial space Israel could afford to vacate without compromising its minimal security needs as well as its most important historical rights, especially in Jerusalem. Indeed, at the time of the Annapolis summit, a strong consensus still prevailed among Israelis for keeping Jerusalem united, according to public opinion polls.⁵

How the Two-State Solution Has Confounded U.S. Negotiators

Among some analysts, it became accepted wisdom that the parties had been able to resolve their differences over most of the critical points, and that Jerusalem was the main issue preventing them from reaching an agreement. Yet a careful examination of the negotiations in 2000–2001 reveals that significant gaps remained between the most conciliatory Israeli proposals and the position of the Palestinian leadership on *all* of the main issues on the agenda: borders, Jerusalem, refugees, security arrangements, settlements, and water. This fact emerged from the official notes of the Taba talks prepared by Miguel Moratinos, the European Union's special representative to the Middle East peace process, which were published in *Haaretz* on February 17, 2002. In other words, it is completely incorrect to

assume that the broad outlines of an Israeli-Palestinian peace settlement were reached in 2000–2001 but that circumstances made their formal conclusion impossible at the time.

Moreover, if the parties reengaged on the basis of those past negotiations, there is strong reason to believe that they would not reach a deal this time, either. First, while Arafat's successor, Mahmoud Abbas, disagrees with his predecessor about the utility of violence as a political instrument, when it comes to the main issues of the peace process, he has been no more flexible than Arafat. For example, he views the "right of return" as the right of Palestinian refugees to resettle in Israel proper, not just in a Palestinian state. This has been the position of chief Palestinian negotiator Ahmed Qurei (a.k.a. Abu Ala) as well. During his talks with Israel in 2008, Abu Ala appeared to reject Israel's minimal security requirement—Palestinian demilitarization arguing instead for the creation of a Palestinian army.⁷ More broadly, Fatah is now competing with a far more powerful Hamas on the Palestinian street, so its freedom of political maneuver is even more constrained than it was in the time of Arafat. In short, to assume that the Palestinian position is becoming more flexible in the post-Arafat era is simply untrue.

Abbas's assessment of the 2008 negotiations with Israeli prime minister Ehud Olmert was not much different than what Moratinos had observed eight years earlier at the end of Taba:

There are various proposals regarding borders and the refugee issue, but they have remained proposals

- 5. For example, the Dahaf Institute, headed by Mina Tzemach, found that 63 percent of all Israelis rejected any compromise on Jerusalem. When asked about relinquishing Arab neighborhoods in the city, 68 percent were opposed. See YNET, "Two Out of Five Israelis Are Ready to Compromise on Sovereignty at the Western Wall," October 9, 2007; available online (http://www.ynet.co.il/articles/0,7340,L-3457815,00.html). Similarly, an October 22–23, 2007, survey by the Midgam Institute found that 67 percent of the Israeli population (Jews and Arabs) opposed dividing Jerusalem in exchange for a permanent-status agreement and a declaration of "end of conflict" with the Arab world. This year, the Institute for Policy and Strategy at the Herzliya Inter-Disciplinary Center found that 85 percent of Israelis opposed dividing Jerusalem for peace with the Palestinians. See Andrew Tobin, "Poll: Israelis Remain Proud and Patriotic," Jerusalem Post Online Edition, October 5, 2008; available online (http://www.jpost.com/servlet/Satellite?cid=12 22017456921&pagename=JPost%2FJPArticle%2FShowFull).
- 6. Abbas was asked by Akiva Eldar of *Haaretz*: "Is it clear that on the issue of the right of return, the refugees will return only to the Palestinian state?" Abbas answered: "Not at all, the issue is not at all clear. There are today five million Palestinian refugees whose forefathers were expelled from the area of Israel, not from the West Bank and Gaza." While Abbas would compromise as far as the numbers coming to Israel, he would not give up this demand. Akiva Eldar, "Abbas to Ha'aretz: We Will Compromise on Refugees," *Haaretz* (Tel Aviv), September 14, 2008. See also remarks of Abbas in Arabic on Fatah website from May 20, 2008; available online (http://www.palvoice.com/index.php?id=10870).
- 7. Roni Sofer, "Palestinians Demand Regular Army for New State," YNetNews.com, May 19, 2008; available online (www.ynetnews.com/articles/0,7340,L-3544954,00.html). See also "A Militarized Palestinian State," Reut Institute, September 12, 2005; available online (http://reut-institute.org/en/Publication.aspx?PublicationId=341).

only, and all six central issues of the final status agreement have remained open. I cannot say there has been agreement on a single issue. The gap between the sides is very large.⁸

Despite the unprecedented concessions that Olmert was prepared to offer the Palestinians—to which he confessed in a parting interview on September 29, 2008, in *Yediot Ahronot*—it was not possible to clinch an Israeli-Palestinian agreement during his term in office.

Second, many international observers do not fully understand the Israeli position, especially in the area of security, which would determine Israeli public opinion regarding any peace proposal put on the table. In December 2000, when Israel received the first details of the Clinton Parameters, Israel Defense Forces (IDF) chief of staff Lt. Gen. Shaul Mofaz told the Israeli cabinet that the U.S. proposals, if implemented, would endanger the state's future security.9 Mofaz was not just voicing his own individual opinion, but rather the view of the entire IDF general staff at the time. And today, Israel continues to argue that it needs to control the airspace over the West Bank as well as deploy earlywarning and other military positions on West Bank hilltops in order to adequately defend itself. Given that the Clinton Parameters were rejected by Arafat and have been viewed as extremely problematic by Israel's military leadership, it is difficult to imagine how the United States could use these ideas as a point of reference for reaching a peace deal today.

Changing Security Conditions Today

During the peace process of the 1990s, the entire Israeli approach to security questions was strongly influenced by the relatively benign strategic environment that existed in the Middle East at the time. The Soviet

Union had collapsed, forcing its former clients to come to terms with Washington. The defeat of Saddam Hussein's armies in Iraq during the 1991 Gulf War appeared to remove the immediacy of the traditional threat of Iraqi expeditionary forces joining an eastern offensive against Israel. And Iran's full strategic weight had not yet been felt outside its support of Hizballah in Lebanon, and of international terrorism more generally.

Today, however, Israel's security calculations regarding the future of the West Bank are heavily influenced by its experience with the August 2005 Gaza disengagement. It is now clear how vital Israel's control of Gaza's border areas had been, especially the Philadelphia Corridor separating the territory from Egyptian Sinai. True, Israel was unable to seal this area prior to disengagement. Yet after the Israeli pullout, the scale of cross-border smuggling into Gaza expanded, allowing marked growth in both the quantity of rockets launched against Israel (an increase of 500 percent between 2005 and 2006) and their quality (as longerrange Grad-Katyusha rockets began to see regular use against more distant targets like Ashkelon). 10 Mortar fire increased as well. In addition, with the Gaza border under Palestinian control, hundreds of Hamas operatives could leave through Egypt and fly to Tehran to receive training with Iran's Islamic Revolutionary Guard Corps, and then return to Gaza. There have even been reported cases of Iranian military personnel entering Gaza.¹¹ Rather than denying Tehran a Palestinian "card" to play with Arab publics, as some had hoped, the security errors of the Gaza disengagement gave Iran a foothold in the eastern Mediterranean.

On the basis of its recent experiences, Israel would be making a fundamental error if it conceded the Philadelphia Corridor's equivalent in the West Bank, namely, the Jordan Valley.¹² In the aftermath of such

^{8.} Akiva Eldar, "Abbas to Haaretz."

^{9.} YNET, "Mofaz: Clinton's Proposal Endangers the Security of the States," December 28, 2000; available online (http://www.ynet.co.il/articles/1,7340,L-384128,00.html).

^{10.} Rocket Threat from the Gaza Strip, 2000–2007 (Intelligence and Terrorism Information Center, Israel Intelligence Heritage and Commemoration Center (IICC), December 2007); available online (www.terrorism-info.org.il/malam_multimedia/English/eng_n/html/rocket_threat_e.htm). See also Reut Institute, "A Militarized Palestinian State."

^{11.} Amos Harel, "Senior IDF Officer Confirms Iran Training Militants in Gaza," *Haaretz* (Tel Aviv), April 22, 2007.

^{12.} As former Israeli chief of staff Lt. Gen. (Ret.) Moshe Yaalon concluded, "The failed experiment of the Gaza disengagement has tremendous implications for the future of the West Bank, particularly the Jordan Rift Valley and the hills overlooking the greater Tel Aviv area and Ben Gurion Airport."

a pullout, efforts to smuggle advanced weaponry into the West Bank would undoubtedly increase. This would include weapons that have never been used in the West Bank, such as shoulder-fired antiaircraft missiles that have been used elsewhere by al-Qaeda affiliates. Indeed, al-Qaeda in Iraq has already sought such access: in 2005–2006, it conducted operations in Jordan and sought to recruit West Bank Palestinians using a forward position in the Jordanian town of Irbid.¹³

To be sure, Jordan would do its best to neutralize any effort to turn the Hashemite Kingdom into a springboard for jihadist groups seeking to enter the West Bank with weaponry and volunteers. But with the Jordan Valley open, the numbers of such groups attempting to converge on Israel would increase vastly, posing a threat to Jordanian stability as well. Proposals to substitute international forces for the IDF in the Jordan Valley would not be particularly appealing either; Israelis have become rightfully jaded due to their poor experience with the UN Interim Force in Lebanon and its failure to halt the smuggling of Iranian and Syrian weaponry to Hizballah.

A second lesson from the Gaza disengagement lies in the fact that while Qassam rockets have been launched regularly from Gaza, no similar threat to Israeli cities has emerged in the West Bank. The IDF has been able to thwart this threat because, with control on the ground, it can gather intelligence on rocket production efforts and neutralize their effectiveness with timely intervention. If Israel were to relinquish control of strategic areas in the West Bank that topographically dominate key Israeli sites (e.g., Ben Gurion International Airport), Palestinian groups would most likely exploit these vulnerabilities with rocket and mortar attacks, just as they did in Gaza. The idea that Israel could deter this threat with airpower and punishing retaliation was disproven by the results of the 2006 Lebanon war and Israel's experience with

Gaza following the disengagement. Speaking candidly in early 2008, Maj. Gen. Ido Nehushtan, head of the IDF Planning Branch, admitted: "Professionally speaking, if Israel wants to prevent any high trajectory rocket or mortar fire, it must establish good control on the ground." Nehushtan was in a strong position to critique the limits of airpower—within months he became commander of the Israeli air force.

One must also keep in mind that Israel began to face this threat of rockets and mortars from Hamas, Palestinian Islamic Jihad, and other groups prior to 2007, when the PA was still in power in Gaza. Mahmoud Abbas refused to confront the Islamist opposition militarily in order to halt the attacks. Thus, even if Israel were to reach a permanent-status arrangement with Palestinian moderates in the West Bank, it could not rely on Palestinian security forces to impose the terms of the treaty on other factions, especially those receiving support from Iran or Sunni Arab extremists in the Persian Gulf. Israel would need to protect its vital installations by itself.

Historically, the architects of Israel's national security strategy—from Yitzhak Rabin to Ariel Sharon understood these requirements in the West Bank. Addressing the Knesset one month before his November 1995 assassination, Rabin insisted that Israel retain the Jordan Valley "in the widest sense of that term." He also stated that Israel would hold onto its settlement blocs, especially around Jerusalem, which Rabin said he was determined to keep united. He reiterated that Israel would not withdraw to the vulnerable pre-1967 lines. Later, Sharon formalized many of these positions on borders through the negotiations over the letter he received from President George W. Bush on April 14, 2004, which also received the backing of both houses of Congress.¹⁵ Moreover, both Rabin's and Sharon's positions on Israel's right to "defensible borders" were fully consistent with UN Security Council Resolution

See Yaalon's essay "Forward: Iran's Race for Regional Supremacy," in Daniel Diker (ed.), Iran's Race for Regional Supremacy: Strategic Implications for the Middle East (Jerusalem: Jerusalem Center for Public Affairs, 2008), p. 12.

 [&]quot;A Terrorist Was Exposed in Nablus Which Was Handled by Global Jihad Operatives in Jordan" (Intelligence and Terrorism Information Center, Israel Intelligence Heritage and Commemoration Center (IICC), March 22, 2006).

^{14.} Amos Harel, "Next IAF Chief: Ground Forces Needed to Stop Rocket Attacks," Haaretz (Tel Aviv), March 17, 2008.

^{15.} Dore Gold, "Introduction," Defensible Borders for a Lasting Peace (Jerusalem: Jerusalem Center for Public Affairs, 2008).

-242 of November 1967, which has served as the cornerstone of all peacemaking efforts. That resolution did not envision Israel withdrawing from all the territories it had captured in the Six Day War.

An Alternative Peace Strategy: Building from the Bottom Up

For much of the past decade, the terms of reference for peace process diplomacy have focused on the requirements of Palestinian statehood. Yet there is an equally compelling argument—which unfortunately has been set aside too often—that peacemaking also needs to address the fundamental requirements of Israeli security. The people of Israel have been part of several diplomatic experiments that have not worked, and they have paid a steep price. The Oslo agreements degenerated into suicide bombings, and the Gaza disengagement empowered Hamas while leading to a dramatic increase in rocket fire on Sderot and other population centers in southern Israel.

If Israel's legitimate security needs are taken into account, it becomes more difficult to work out the contours of a Palestinian state that would meet current expectations in the Middle East. It is noteworthy that a growing number of serious observers have proposed that Jordan be reincorporated into the peace process and granted federal or confederal ties with the Palestinian leadership in the West Bank. After all, Jordan was part of the original Mandatory Palestine and was in possession of the West Bank from 1948 through 1967. Moreover, the majority of Jordanians are Palestinians, and West Bank Palestinians still have Jordanian passports. In 1985, King Hussein and Yasser Arafat reportedly agreed to the idea of a Jordanian-Palestinian confederation.

The confederation concept could ease some of the security dimensions of an Israeli-Palestinian accord, especially in the area of demilitarization and force

limitations. One of the reasons why these limitations were relatively easy to implement in the 1979 Egyptian-Israeli peace treaty was that they were instituted in a peripheral area—the Sinai Peninsula—and not in the heart of the Egyptian state. Clearly, demilitarizing part of a country is easier than demilitarizing an entire country. If a Jordanian-Palestinian confederation were established, Israel's demilitarization demands would affect only part of the larger unified state that would emerge.

In recent years, Jordanians appear to have conflicting interests when it comes to the question of reengaging with the West Bank. Consequently, observers have picked up mixed signals from Jordan on this matter. On the one hand, the traditional East Bank leadership has no interest in the further "Palestinization" of the Hashemite Kingdom, and some spokesmen have vociferously opposed any new Jordanian option. On the other hand, Jordanian officials have privately sent very different messages in recent years. Moreover, on the ground, Jordan has been willing to make tangible contributions to West Bank security. In the past, it offered to dispatch the Palestinian Liberation Army's "Badr Force," under Jordanian command; more recently it has been training Palestinian security forces within Jordan itself. Finally, the Jordanian Ministry of Religious Endowments has been quietly resuming its role as caretaker of the Muslim shrines on the Temple Mount in Jerusalem. Amman might therefore be interested in participating in future West Bank security arrangements in order to stave off a radical Islamic takeover of the PA, as long as it did not have to grant the territory representation in the Jordanian parliament.

Palestinians in the West Bank, meanwhile, increasingly look to Amman as their effective metropolitan center as well as a meeting place for Palestinians of all political stripes. For moderate Palestinians, Jordan has been emerging as a third alternative to the Islamist extremism of Hamas and the corruption of the old

^{16.} For example, see the American Enterprise Institute's May 2006 panel discussion "A West Bank–Jordan Alliance?" (which included former Jordanian and PA officials); transcript available online (www.aei.org/events/filter,eventID.1343/transcript.asp). See also Giora Eiland, *Rethinking the Two-State Solution* (Policy Focus no. 88) (Washington, D.C.: Washington Institute for Near East Policy, 2008); available online (www.washingtoninstitute.org/templateC04.php?CID=299).

^{17.} David Pollock, "Jordan: Option or Optical Illusion," Middle East Insight 4, no. 1 (March-April 1985), pp. 19–26; Shimon Shamir, "Israeli Views of Egypt and the Peace Process: The Duality of Vision," in William Quandt (ed.), The Middle East: Ten Years after Camp David (Washington, D.C.: Brookings Institution, 1988), p. 211.

Fatah leadership. Moreover, Jordan is a reliable state whose institutions work in contrast to the Mogadishulike conditions that have prevailed for some years now in many West Bank cities ruled by local warlords. Whatever progress has been made in imposing public order by the newly trained Palestinian gendarme, the PA still lacks adequate courts, prisons, and other institutions to secure internal stability for the West Bank at this time.

Whether Jordan and the Palestinians reengage is ultimately their decision, and Israel should not play an active role in this question. Realistically, it will only happen if several conditions are met:

- **1.** The Palestinians would have to request the involvement of Jordan, which would never agree to enter this arena on its own initiative.
- 2. Any association between the West Bank and Jordan must not undermine the continuing rule of the Hashemite leadership; indeed Hashemite rule would have to be seen as being strengthened.
- **3.** Jordan, which has absorbed multiple waves of refugees already, must not be made to wait for an Israeli-Palestinian agreement before it can receive international assistance for Palestinians already living there.
- **4.** The United States and its regional Sunni allies would have to fully support the idea, which serves their regional interests (especially the containment of Iran; with a confederation, Jordan would presumably have more strategic weight to contend with a Shiite Iraq under Iranian influence).

The problem facing future negotiators is providing definitions up front for Israeli security needs, the territorial parameters of Palestinian rule, and a possible Jordanian role that would not alienate one of the parties and kill a diplomatic initiative right from the start. The Bush administration incorrectly advanced the idea of a "shelf agreement," which was intended to lay out the contours of a future peace settlement but sit on the shelf until conditions changed on the ground. Both

Israeli and Palestinian leaders have had reservations about this approach because it outlines future concessions without the two publics sensing the benefits of a final peace—in short, it could undermine their political standing and leave them vulnerable to their critics. Moreover, how can Israel make concessions now that could affect its future security, when it has no idea what security environment it will face in the Middle East in 2012 or 2014, when the "shelf agreement" might be taken down and implemented?

A more productive path to reconciliation might be called a "bottom-up" approach, a phrase coined by General Yaalon. The Israeli-Palestinian conflict no longer has the characteristics of a territorial dispute, given the influence of Iran and Islamist groups such as Hamas that seek Israel's outright destruction rather than a compromise. Beyond Gaza, Hamas's influence on political sentiment in the West Bank should not be underestimated, given the fact that it won the 2006 parliamentary elections there as well. Changing this situation will require transformational diplomacy, not the conventional diplomacy used in the past. Instead of imposing a solution from above based on overarching political definitions that the parties cannot accept, it would be more productive to see where the parties can actually cooperate on the ground to improve Israeli security and Palestinian welfare, while identifying the areas where Jordan seeks to be helpful in fostering stability. Indeed, much more work must be done to stimulate Palestinian economic growth and to re-create the foundations of Palestinian civil society, steps that should not be put on hold until a political agreement is reached.

The point of the bottom-up approach is to create a new reality from which new political possibilities might emerge in the future. In Iraq, for example, the United States spent precious years trying to hammer out a more perfect constitution that would appeal to all factions, an approach that only exacerbated the situation. Yet when the situation on the ground changed fundamentally—especially with improved security in al-Anbar province—a new political reality began to emerge in Baghdad. Diplomats and lawyers could be far more productive by giving that new reality a name

and putting it down on paper after it emerges, rather than trying to impose it from the start.

Conclusion

Whether or not Jordan and the Palestinians reengage politically, Israel clearly has serious West Bank security requirements that are not always appreciated fully in discussions of the peace process. It might be tempting for Western negotiators to make Israel's "square pegs" fit the "round hole" of a Palestinian state by "shaving off" Israeli security needs. Although this kind of diplomatic exercise might make a deal appear reachable, it would magnify considerably the risks that the people of Israel would have to assume. Given the geographic realities, one way to work effectively within the territorial limitations of Palestinian statehood would be for Jordan to become more actively involved in the future architecture of a peace settlement, even if it does not get involved in the detailed negotiations on final borders in lieu of the Palestinians.

Realistically, there is no implementable agreement on the contours of a two-state solution on the horizon. Nevertheless, Israel and the next U.S. administration must work to influence the political environment in a manner that prepares the ground for any diplomatic engagement in the future. The question is which strategic direction for peacemaking is likely to be most fruitful. If Washington simply returns to proposals that failed in 2001 and 2008, it will fail yet again.

In the meantime, as already noted, much more effort needs to be devoted to Palestinian economic development and institution building. And to help prepare the Palestinian public for the eventual compromises it will have to make with Israel, a determined effort must be made to detoxify Palestinian schools and other educational bodies from years of incitement. In the longer term, however, new diplomatic approaches will need to be considered and pursued in order to reach a final agreement.

10 Is the Two-State Solution Still Viable?

Giora Eiland and Marwan Muasher

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Giora Eiland

Here is the paradox. On one hand, it is very important to solve the Israeli-Palestinian conflict. Now, it is important to solve every problem, but everybody understands that the Israeli-Palestinian conflict has certain influence on other problems in the region and even beyond the region. So everybody says that this problem has to be solved because this is not only some territorial dispute between countries that can be managed for generations. So it is important to solve it and as soon as possible.

Number two—the concept of the solution apparently is accepted. And this is the two-state solution. Everybody repeats the same notion of a two-state solution—namely, that between the Jordan River and the Mediterranean Sea there will be two independent states: Israel and a Palestinian state divided between the West Bank and Gaza. And there is wide support for this concept all over the world—more than that. Eight years ago, there was a real attempt to try to come to a concrete solution of the problem. And after three months of negotiation, President Clinton put on the table a very detailed proposal in which he gave specific answers to all of the core problems.

And he was smart enough to put the finger exactly at the right balance, I would say, between the conflicting interests of both sides. And still it did not work. So on one hand, it is important to solve the problem. The solution is well known in details. And if so, why is the process not successful? Why has the agreement not been signed? Why, after almost a year—after President Bush launched the Annapolis process—did we not really make any real progress?

So maybe the problem is not with the details. Maybe the problem is with the concept. And this solution—the two-state, the ordinary or the conventional two-state solution—is probably not really desired by the both sides.

This solution creates a lot of problems for both sides. And the maximum that any government in Israel can offer the Palestinians and survive politically is less much less—than the minimum that any possible Palestinian government can accept and survive politically. And again, the gap between both sides is big, much bigger than the way it is perceived. And contrary to other perceptions, the gaps became wider and wider rather than narrower and narrower along those eight years. If you try to compare the situation that existed eight years ago to the situation today, you see that the circumstances eight years ago were by far much better than the circumstances today. There is no time to elaborate about each of them. But just to mention three points. Number one, the three leaders—I'm talking about Clinton, Barak, and Arafat—were in a position that they could deliver. Clinton was personally involved in this process. Ehud Barak did enjoy, at that time, the full support of Israeli public opinion. And he could show his courageous capability to make courageous decisions after the withdrawal from Lebanon. And Yasser Arafat, although we don't necessarily like all of his character, at least was perceived by all Palestinians, including by Hamas, as the real national leader of the Palestinians who can speak in the names of all of them.

The security situation eight years ago was very good. The security cooperation between both sides was very good. Hamas, at that time, was much less relevant. And there were some other reasons why the situation there was so good. And still, when it came to the right moment, there was a failure rather than a success. So what is the basis for the belief that now, if we resume the same negotiations again, we will be more successful?

If you want another statistic that causes us only to be much less confident that it can be successful, it is,

of course, the number of Israeli settlers who live in the West Bank. There were 110,000 in 1993. They came to 190,000 in 2000. And today, there are 270,000 people. So the number of the Israeli settlers, the types to be removed, increased dramatically even in some of the places that maybe should be evacuated.

The bottom line is, this solution, although it is well known in details, is not only a solution that cannot be agreed on, but one that probably cannot be implemented. And when we are talking about implementation of this solution, we are talking about the evacuation of close to 100,000 Israelis from the West Bank. After the very painful experience that we had three years ago with the withdrawal from Gaza, it is hard to believe that any government official can make such a decision to remove so many Israelis and to successfully implement such a decision.

But let's assume that I am wrong and this agreement can be signed. And let's assume that it can even be successfully implemented. Is this solution going to be the stable solution? On what basis can someone believe that it can be a successful and stable solution? And when you try to make certain predictions in regard to the future, you will come very quickly to some conclusions: Israeli security needs are not going to be given any reasonable answers. The borders are probably not going to be really defensible. And the vulnerability of the state of Israel might create a lot of temptations to others to attack us. And when you look at the Palestinian state, it is hard to believe that this state, divided between the West Bank and Gaza, can be a real viable state. So maybe the time has come to try to think about some other possible solutions, such that even if part of the solution is the concept of two states, maybe we have to make some changes to bring some additional elements because the conventional one is, as I said, not very attractive.

So there are at least two different kinds of possible trends or possible solutions that I believe the time has come to explore. The first is what can be called "the Jordanian option." But before we come to the wrong interpretation, I am not talking about the idea that once many Israelis liked to believe—that at the end of the day, Jordan should be or will be the Palestinian

state. But I am talking about something else. Even if we do recognize that there should be an independent Palestinian political entity in the West Bank, and that this entity should enjoy a certain sovereignty, as far as the security problems are concerned, I'm not sure that Israel can give the responsibility for security to this possible Palestinian state. More than that—based on the experience in Gaza, it is more than likely to believe that if a Palestinian state is established in the West Bank, sooner or later, this state will be controlled by Hamas. If such a thing happens, it might create a situation that is completely unbearable for Israel. So maybe the right thing to do is for the Palestinians to be ready to contract out some of the responsibilities to Jordan, and that Jordan, rather than the Palestinian Authority, will be responsible for at least the security and the foreign policy matters in the West Bank.

Now, until a year ago, no one could think seriously about such an option because it was completely rejected by both Palestinians and Jordanians. Today we can hear different voices. In regard to the Palestinians, many moderate Palestinians have begun to like this idea because if they compare two bad options—either to be under control of Hamas or to be part of the Jordanian kingdom—many of them prefer the second rather than the first. Number two, many of them understand that this is probably the only way to persuade the Israelis to move forward and to reach a solution. So if they really want to get rid of the Israeli occupation, which is a very clear and strong Palestinian need, maybe this solution is much more achievable than the ordinary one.

Speaking about Jordan, of course, officially, it cannot be supported. But it is very clear in Jordan that if, again, a Palestinian state is established in the West Bank, and if this state is controlled by Hamas (and this is something that is very likely going to happen), then to have a neighbor state, a Palestinian state led by Hamas, when there is a common border between Jordan and this Palestinian state—with the rising force of the Muslim Brothers in Jordan, I am not sure that it is going to be very helpful for the stability of the Jordanian kingdom. So maybe it is better to be in a position that security in the West Bank can be in the hands of the Jordanians, rather than in the hands of Hamas. So

the willingness or the openness to listen to this kind of idea—although, officially, it is rejected—is something that we are witnessing or, at least, I am witnessing in the past few months. So this is one possible other solution.

The second other possible solution is what I call the regional solution. What is the problem between the Israelis and the Palestinians? There are a lot of emotional problems, Jerusalem, refugees and other things. But there is something very substantial, and this is the territorial dimension. And if there is one thing that both Israelis and Palestinians desperately need it is more territory. Fortunately or unfortunately, the only thing that the Arab world can offer in generous terms is territory. And the only thing that is needed is a very modest contribution, mainly by the Egyptians, and to a certain extent also by the Jordanians. And, at least, one dramatic problem can be changed.

Let's take Gaza, for example. Gaza is an extremely small piece of land, 300 square kilometers in which today there are 1.5 million people. In the year 2020 there will be 2.5 million people. Does anyone really believe that those 2.5 million people who will live in Gaza in only twelve years will live happily only because there is a peace agreement? Gaza cannot be a viable piece of land. It is going to be a real center of instability as long as it is kept within its original size. So what is the possible, I would say, regional solution? I'll describe it very briefly.

Gaza would be enlarged at least two or three times from its original size, and this modest contribution would be given by the Egyptians. This proposed addition of 600 square kilometers is equivalent, exactly, to 12 percent of the West Bank. So in exchange for giving the Palestinians this area, the 12 percent will be given to Israel from the West Bank. The 12 percent is the same as the map that was presented by Barak back in 2000, as the line that represents the real vital interest of the state of Israel. And the difference between this map and the ordinary two-state solution map in regard to the number of Israelis who have to be resettled is huge. Here, we are talking about only 30,000 Israelis who have to be relocated in the West Bank, compared to 100,000 in the two conventional states, the ordinary plan, and the difference is very clear.

Now, there is no time to elaborate about that, but just a few words about what the contribution to Egypt would be for being so generous in offering this. At least five things can be given to Egypt in return. Number one, it is going to be a multilateral swap, so Israel is going to give a strip along the Negev to Egypt. What is the size of this strip? It is negotiable, but this is part of the compensation to Egypt.

Number two, Egypt today is disconnected from the eastern side of the Middle East. Egypt does not have a land connection to Jordan, to Saudi Arabia, to other parts of the Middle East. So Israel will give Egypt a corridor that will connect Egypt and Jordan.

Number three, if you connect this corridor in the south to a chain of roads and railroads that would go up to the enlarged Gaza—in which a new seaport is going to be built, and a new airport is going to be built—then this connection between the Mediterranean and Europe on one side to the Gulf on the other side is going to be the most direct economic connection between these two parts of the world. And, of course, Egypt is going to benefit from it.

Israel can make some other concessions even in regard to the peace agreement that we had with Egypt and other matters. For example, according to the peace agreement, Israel and the Egyptians are limited in regard to the deployment of forces in the Sinai Desert. If Israel changes that and lets the Egyptians deploy forces there, then Egypt will be able to say that yes, it is true, they have to give up one percent of the Sinai Desert, but in return they can exercise full sovereignty on the rest of the 99 percent. And there are some other benefits.

Now, such a solution, if and when it is presented, is going to get the automatic support of Israeli public opinion. For the Palestinians, this is the only way to keep Gaza viable. This is the only way to give hope to Gaza and to be able to shift the support that is given to Hamas to others, because this new area—with a one-million-person new city, and new seaport, and new airport—is probably the real possible option for Gaza. And Egypt is going to be compensated not only by multilateral swaps but by some other things that I very briefly mentioned. And if it is offered, I guess, it can create a change.

The only thing that I have to say to conclude is this: if we only say that we are committed to the ordinary two-state solution and that the time has come to resume negotiation and talk again, just as we spoke in the past fifteen years, then we will continue to speak for the next fifteen years, or the next fifty years, and nothing will happen because the gap between both sides is too big. And without any additional contributions, neither the Israelis nor the Palestinians will be ready to move forward and to reach a real comprehensive and stable solution.

Marwan Muasher

This is going to be a very lively debate. I will tell you why I think a two-state solution is relevant today, but I will also attempt to give answers of my own to how to implement such a solution.

To me it's very simple. The short answer to whether a two-state solution is still relevant is yes, because all other options are less viable and much worse. Let me start with some of the options that were put on the table not just today, but throughout history.

The first is the one-state solution: if we cannot get a two-state solution, then let's go for a one-state solution in which Jews and Arabs are given equal rights within the territories that Israel controls. We all know this is a nonstarter. We all know Israel is not going to accept it. This is contrary to its raison d'etre, and so the one-state solution is out.

The second is indefinite occupation: let Israel occupy the West Bank and Gaza indefinitely. That is a solution that we all know will only foster more violence and frustration, and I imagine will not be acceptable to the international community over the long term.

The third option: unilateral withdrawal. Let Israel define its own borders, withdraw from territories that it views as not acceptable, and keep the territories that it views as acceptable. This is an option that has already been tried. It has been tried in Gaza. It has been tried in Lebanon. It did not succeed in weakening the radical organizations such as Hamas and Hizballah, and Israel today is not in a better situation because of unilateral withdrawal than it was when it announced it.

Fourth option: relinquish security or political control to Jordan and Egypt, something which we have heard today. In general, let me say this: this option first of all ignores the wishes of the 3.5 million Palestinians in the West Bank and Gaza who do not want to be controlled either by Egypt or Jordan and who want to live free of occupation. But more important, it ignores the wishes of Jordanians. I want to be very candid here: good luck finding Jordanians who will accept this solution. Jordanian political thinking—I'm not an official of the Jordanian government—Jordanian political thinking has evolved from the 1980s, when certain parts of the Jordanian establishment were still thinking of going back to the West Bank in a political or in a security form. Today, Jordanians from all of the spectrum oppose this idea on the right, the east Jordanian establishment, which thinks that any role for Jordan in the West Bank would dilute the Jordanian identity because it would bring a Palestinian component to it; and the Palestinian side of the equation, which thinks that by doing so Jordan is being a traitor to the Palestinian cause; and everybody in between who thinks that bringing a radical, frustrated Palestinian population into the control of Jordan would radicalize the Muslim Brotherhood in Jordan and not moderate it, nor moderate Hamas in the West Bank. Good luck finding Jordanians, serious Jordanians, who will work on this.

And with all due respect, General Eiland, everybody has been saying, "You Jordanians tell people this officially, but unofficially you know you're willing to cooperate." Well, let's test it and see who among the Jordanians are willing to cooperate on this. This is a nonstarter. And I say it, you know, with full candor, and if we want to be serious about how to bring about a solution.

Fifth option: rename Jordan, call it Palestine. I love this option the most. It amuses me. It never ceased to amuse me the most over the years. It assumes that one, Jordanians and Palestinians and Arabs and Muslims are naive—you know, that they're happy to call anything Palestine outside Palestinian borders. You know, what about naming California "Mexico" because of the large number of Hispanics in California? It's not a serious option. It again ignores the wishes of the 3.5 million Palestinians in the West Bank and Gaza.

And let's be clear about one thing. This is not just about any territory in the West Bank. This is not about 97 percent of the West Bank and Gaza or 103 percent. Any option that does not address the issue of Jerusalem is a nonstarter. The Palestinians and the Arab and Muslim world are not just looking for any territory within the West Bank and Gaza. That territory will have to address the question of East Jerusalem if it is to succeed.

The last option is time. Ex-prime minister Rabin talked about it probably the first among major Israeli politicians, in one of his last addresses to the Knesset in October 1995, when Oslo B was passed, a month before he died. He talked about time. He talked about the demographic problem that Israel will face and is already facing, where the number of Arabs in Israel today is equal to the number of Jews in areas that Israel controls. That is not just in Israel proper but in the West Bank and Gaza. Today, the number of Arabs and the number of Jews are equal. In less than a generation, in twenty years, Arabs will outnumber Jews, and then what do we do? The radical position in the Arab world is that time will take care of the problem. The moderate position, of course, is different.

So let me start by offering a solution and how it can come about. First of all, I want to say that we need to shift the goalposts. If we keep thinking in terms of a separate peace agreement between Israel and the Palestinians, then yes, I agree, today Hamas is a major player. And today neither the Palestinian public nor the Israeli public will probably accept such an agreement. The Palestinian public will say, "Only half of us are signing a peace agreement with Israel." And the Israeli public will say, "We are signing an agreement with half of the Palestinians." Therefore, I agree, a separate peace agreement between Israel and the Palestinians probably will not work. That is why we need to change the goalposts.

Enter the Arab Peace Initiative of 2002, an initiative which to this day has not been taken seriously either by Israel or by the United States. But let me remind everyone: I was one of the architects of the Arab Peace Initiative. Let me remind us all of what the Arab initiative offered, not to Arabs but to Israelis. Because for the

first time in the history of the conflict, we have an initiative that attempted to address not just Arab needs, but Israeli needs as well.

There are four major offerings. One, a collective peace agreement not between Israel and its neighboring states, but between Israel and every single member of the Arab League, the whole Arab world. And the second is collective security guarantees, again, not between Israel and neighboring states, but between Israel and the whole Arab world. I, as the first Jordanian ambassador to Israel, understand very well the need of the average Israeli citizen to feel that his or her personal security is guaranteed. And the Arab Peace Initiative does exactly that. It tells Israelis, "Your security will be guaranteed not by the Palestinians, but by all of us, by the 300-plus million Arabs in that region." And the third is an end to the conflict and no further claims. No Arab is going to come and say "we are going to claim part of pre-1967 Israel" once a two-state solution is implemented and an end is brought to the occupation.

And the fourth and most important compromise: an agreed solution to the refugee problem. This word "agreed" is not a coincidence. It was put there to give a clear indication that no Arab is talking about four or five million Arabs or Palestinians going back to Israel. And despite the violence of the last six years, and despite the lack of a political process in the last six years, not one single Arab state withdrew its signature. The Arab Peace Initiative is still on the table today, and it attempts to solve the problem once and for all through addressing the needs of both sides. Because let's be candid again—solutions that address the needs of one side to the conflict, and do not take care of the needs of the other side, are not going to work. They will be nice academic exercises, but they will not work unless they address the needs of both sides of the conflict.

And the other notion I want to mention is that we don't need—I agree with General Eiland—we don't need to resume negotiations. And I doubt very sincerely that any amount of negotiations held between the Palestinians and the Israelis today will result in a solution that is far different from what has already been negotiated, what has already been agreed to

between Palestinians and Israelis, who have left no stone unturned on Jerusalem, on borders, on refugees, on territory, on settlements—no stone unturned.

And I claim today that we are not in search of a political solution because I claim that such a political solution exists, thanks to the set of frameworks which have been made possible in the last ten years or so. Starting from the Clinton Parameters, going through the Taba talks, going through the Arab Peace Initiative to other such -frameworks, the Abu Ala-Beilin document, the Geneva document, et cetera. It is not difficult to make use of this set of frameworks and to come up with the solution to the conflict that I think we can all recite today. A solution that shares Jerusalem, gives back most of the West Bank with minor adjustments, solves the refugee problem—through a number of options that have been talked about between the Palestinians and Israelis and in a way that does not threaten the Jewish nature of the Israeli state—and solves the problem of territory.

This is what a solution I submit to you will look like. It is a two-state solution that does not ignore any of the needs, that has East Jerusalem in mind, that has already been accepted by the Arab world, and that has already been negotiated between Palestinians and Israelis. Yes, maybe it is not that easy to come up with a set of frameworks. Yes, it is not that easy given the prevalent political and security situation to come up with such a solution. But I claim it is far, far easier than proposing a solution that totally ignores East Jerusalem, keeps it totally in the hands of Israelis, and tells Arabs and Palestinians, "Accept that because that's the best you can hope for." That's a solution that, in my opinion, will not fly.

A solution between Israel and the Arab world will make organizations such as Hamas and Hizballah minor players because it will rob them of the financial and moral support that they enjoy today. A separate peace agreement between the Palestinians and the Israelis will keep Hamas as a major player with a chance to derail the peace process as they have repeatedly attempted to do.

There is a moderate Arab position today. I suggest that we make use of it. Because in a few years time, if the solution to the conflict is not implemented, we will not be talking to the moderates of the Arab world. And then the radical position will prevail, a position that will say, "Keep it as it is and let time solve the problem."

David Makovsky, The Washington Institute: What I'd like to ask Giora to kick this off is, when you say it's no longer possible, do you say it because it's politically too costly in domestic Israeli terms? Or because you think security-wise a two-state solution is indefensible?

Giora Eiland: It will affect both, and there is, of course, linkage between them because even the smartest idea, if politically you cannot implement it, is useless. And I think that we agree on another matter, and this is that there is no chance today to resume negotiation because it is not going to be successful, as all of the attempts that we could see in the past few years were not going to be successful.

But let me say something about security that maybe is not well understood. There are two problems that emerged in the past eight years that cause us to be much more concerned. The first is the thought that even if we sign an agreement and even if we implement it, it is not necessarily going to be respected by the other side after the full Israeli withdrawal because it is, as I said, not unlikely that Hamas will take control of the West Bank, just as they did in Gaza. And they are probably not going to respect an agreement that was signed by others, as they do not respect any of the agreements that Israelis and the Palestinians have made in the past fifteen years. So to be in a situation that would give up all of the West Bank, and to have in the West Bank a hostile political entity that continues to fight against us, this is a chance that we cannot take.

This is contrary to other agreements, where even if you make the painful concessions, at the end of the day, you believe that the other side is going to respect it. In regard to the Palestinians, there is less and less confidence in Israel that something like this will happen. And you cannot take a chance on something so important if you are not—if not sure—at least confident that there is a very good chance that the regime

on the other side will be stable and accountable and will do whatever is needed.

And there is another, I would say, security problem, and this is the emergence of new weapons, especially rockets of different kinds that can cover all of Israel if and when we give up the West Bank. And there is no effective way to fight against them unless you control the area. So if we do not control it or if we do not occupy the West Bank, then it should be in the hands of someone who is much more accountable to make sure that there is no use of these weapons. And unfortunately we cannot trust that the Palestinian Authority is capable of doing it. So, at least for the foreseeable future, besides the real political problems, this security concern is a real obstacle. And that's the problem that I cannot see solved in the near future.

Makovsky: Okay. Let me turn to you, Marwan. What does "collective guarantees" mean, and why should Israelis trust that given their history?

Marwan Muasher: Well, let me ask a simple question: How many of us had heard of Hamas twenty years ago? How many had heard or Hizballah twenty-two years ago? How many of us had heard of al-Qaeda twenty-two years ago? Not one. And why? Because they did not exist. So in fact this continued occupation of the West Bank has not weakened the radicals. In fact, it has strengthened them.

Today, Hamas and Hizballah are among the most popular not just in the West Bank and Lebanon, but in the Arab world. And a continued occupation is not going to weaken these people. To my knowledge, Israel's principal objective was and remains to be accepted in the region. Here comes the region and says: "We are ready to accept you. We are ready to accept you not as neighboring states but as the whole region, the whole Arab world. We are ready to accept you with whatever security guarantees you need, and we are ready to negotiate these security guarantees. And we are ready to guarantee our own people, Hamas people, in such an agreement. And we are ready to accept a guarantor like the United States to make sure that Israel has all of the security guarantees that it needs."

But if Israel keeps saying, "You know, we are not content with an agreement with the Palestinians. We are not content with an agreement with the Arab world. We are not content...." I mean, I don't know how far you go until your security is guaranteed. If today there are rockets, there will be other weapons in the future as well. I mean, this is not a sustainable solution. Security, as we have seen, does not come from military or hardware options alone. Israel has faced that in the 2006 war in Lebanon. The United States has faced that in Iraq. Security in the end will come from acceptance, will come from peace.

There is an Arab Peace Initiative on the table that shows that the moderates have fought the radical position in the Arab world and have prevailed in achieving a consensus in the Arab world on this initiative. Let us grab this while moderation is still there.

Makovsky: But to follow up, Marwan, is the idea of a Jordanian-Palestinian confederation—the day after a state—a reality?

Muasher: What I would like to say is that Jordanian political thinking has evolved over the years. And allow me to say that Israeli political thinking, at least in some circles, has not. Israeli political thinking in some circles still says that Jordan wants the West Bank, wants control of the West Bank somehow politically or securitywise. And that it is just giving, you know, lip service to the Palestinian cause, to the two-state solution cause, but what we really want inside is control of the West Bank.

This is totally false for a number of reasons. One reason is what I've said: we have a radical, weak, and economically poor Palestinian area. Why should Jordan take this economically poor, radically violent Palestinian society and make it part of Jordan in any way, shape, or form? This is one reason, from an economic and security point of view.

From a political point of view, we already have a debate in Jordan: who is a Jordanian and who is a Palestinian? That debate is not going to be helped, says the Jordanian establishment, through the bringing of yet another 3.5 million Palestinians into Jordan, making

the East Bank Jordanians a minority in their country.

The other argument is we have a lot of Jordanians of Palestinian origin, some of whom, you know, feel a schizophrenic loyalty. They are Jordanian in every sense, but they also don't want to give up the cause, if you will, in the West Bank and Gaza. If a Palestinian national identity emerges in the West Bank and Gaza, through a Palestinian state, it will help the Jordanian national identity evolve in a much better way. Because we are a society that is small and needs to be inclusive, and our inclusivity is going to partially depend, at least, on the Palestinians having their own state.

This is, today, the prevalent thinking in Jordan. It is not the security thinking of the 1980s. We have evolved, you know, far beyond the 1980s on this issue. And, I think, the quicker Israel understands that, the easier it is for us to look at solutions rather than for Israel to keep telling us—as former Israeli foreign minister Silvan Shalom kept telling me when I was foreign minister—"No, no, no, this is not what you really think."

Makovsky: All right. We'd like Giora to respond to that.

Eiland: Now, we are told that another Arab state should be established, and this is a Palestinian state that, unfortunately, is going to be very fragile and very weak, so it is the Israeli responsibility to make sure that this state is going to be viable and strong. And we are also told that if this Palestinian state is not going to be a successful thing, then there will be extremists there and we are going to suffer.

More than that. Unfortunately, this future Palestinian state is divided between Gaza and the West Bank, and such a thing cannot be viable. So Israel has to let the Palestinians have certain safe passages, corridors, that can interrupt Israeli territorial contiguity just in order to keep the Palestinian state viable. And the Jordanians, of course, are not interested in being responsible and involved in this exercise.

Now, I do agree that Israel should consider or should have considered responding to the Arab initiative in a different way, because usually in politics it is better to say "yes, but" rather than to say "no." But what exactly does the Arab initiative offer Israel? They say, if you have a comprehensive peace agreement with the Palestinians, in accordance with the Palestinians' demand, and at the same time have a peace agreement with Syria in accordance with the Syrians' demand, after that happens, then the Arab world will recognize Israel? Well, that's not a big deal, after we have a peace agreement with Syria and the Palestinians, to have a peace agreement with Morocco and Qatar and other states.

What are the real contributions of the Arab world to the solutions as we can see today? It is not only that they're unready to consider any substantial assistance linked to what I just said, but even the very symbolic gestures of opening certain diplomatic relations with Israel are not considered. So as long as this is the situation, I'm not sure that the Arab League initiative can be very helpful in persuading public opinion in Israel to take such terrible security risks, and to make such painful concessions, when the contribution of the Arab world for the time being is only certain words.

I do agree that time is not very helpful. And I do think, and I did say, that contrary to other disputes, the Israeli-Palestinian conflict is a conflict that it is in our interest, and not only our interest, to try to resolve. That's why I tried to come up with some other ideas—because I believe that the existing concept, although people are committed to it, is not going to be agreed on and implemented in the foreseeable future. So in this regard, I fully agree with Marwan. Also, by the way, I agree with him in regard to Jerusalem. I think that Jerusalem has to be part of the comprehensive solution no matter what the solution is, and Israel cannot ignore it as maybe some Israelis believe.

Dennis Ross, The Washington Institute: Marwan, when you say that Israel is not doing this alone with the Palestinians, you're saying they're getting guarantees from the whole Arab world, what does that mean in practical terms on the ground, to ensure that rockets won't be affecting every Israeli community and making it impossible to land at Ben Gurion airport, number one. Number two, I think it's very important, as well, that you find a way to show this isn't just the pot at the end of the rainbow—that after Israel has done

everything, then this is what it gets. What happens along the way to show that these words aren't just general promises that represent a slogan, but that they're actually going to be carried out in practice?

Muasher: Thanks, Dennis. You raised some very important points. Let me just suggest, to start with, that Arabs have a proven record of peace with Israel, that they have followed their words with action. You have a treaty with two Arab states: a treaty with Egypt that has been standing since 1979 and a treaty with Jordan that has been standing since 1994. They might not be the warmest of peace relations, but you have a treaty that has withstood the test of time. So I claim that we have a record of proving that when we put our signature on the table, we mean it. You have the largest Arab state doing that, and you have Jordan doing that.

Now, I agree with you, security guarantees will have to be negotiated, and the Arab Peace Initiative did not mean to solve everything through minute details because, of course, you have to sit down with Israel and negotiate these details. The problem we face is Israel was not even ready to look at the Arab Peace Initiative. It rejected it out of hand. It did not say, "yes, but." It didn't say, "Okay, this is a serious initiative, let's sit down and discuss the details and make sure you guys are not just selling us empty promises." It said, "This is a nonstarter."

So here you have the Arab world who has fought—and I was in the room, and I fought, if you read my book, you'll see some of the fights we've had with the Syrians and others— We fought the radical position and we prevailed in putting on the table an initiative that was agreed to by consensus in the end. One that offered Israel all of this, and then Israel says, "Sorry, guys, I'm not interested." So what are we supposed to do? I mean, it's always Arabs asked to prove that they are serious. I think, on the Arab Peace Initiative, that Israel needs to prove that it is serious about peace.

Because in the end we can keep talking about the hardcore security arrangements that Israel would need before it gives the land up. We can talk about this forever, but time is not on our side. I'm not just talking about the demographic problem—we are going to

reach a time when moderates are no longer going to be in power, and I can't stress this enough. Anybody who visited the region in the last ten years will understand the alarming rise of radicalism in the region. And if we're going to wait until all of the stars are properly aligned before we take a chance on peace, good luck—we're going to deal with the radicals for the foreseeable future.

Makovsky: Okay, a few words from Samia Kabariti, an official representative of the Jordanian embassy.

Kabariti: Yes, as a representative of the embassy of the Hashemite Kingdom of Jordan, I feel compelled to point out to Maj. Gen. Giora that Jordan is an established internationally recognized independent political entity, a state that signed a peace agreement with Israel. So trying to equate a political entity with another aspirational one is absurd. It's a matter of record that Jordan fully supports a two-state solution, a final settlement in which a Palestinian state is established on its own soil alongside the state of Israel.

The vague concept, the Jordanian option, is incompatible with our outlook, nor is it remotely a possible political outcome. Moreover, to start promoting theoretical political constructs is only a distraction from the real issues that need to be addressed. So I stress, again, the Jordanian option is not an option.

Makovsky: Thank you. And we have a representative of the Palestine Liberation Organization (PLO), too. Go ahead, please identify yourself.

Nabil Abu Zneid: I'm the PLO charge d'affaires in Washington. I want to thank you both, it's a really great presentation. But I would say to the major-general, I think the failure of the Israeli policies in the West Bank created Hamas. I was in the West Bank, and because you did not back the PLO you let Hamas organize themselves, and they were created in the West Bank while you were controlling the West Bank. Second, when you left Gaza, you did not deal with the Palestinian leadership, so you let Hamas claim victory and tell the people, "Our struggle is the reason we drove

the Israelis away." Third, I hope Zahar [senior Hamas official Mahmoud al-Zahar] will not hear your lecture tonight, because really you are giving concessions to them. The only way to defeat extremists is to deal with the Palestinians, the seculars, to achieve peace and to defeat the extremists. I think to look to alternatives is not the right way.

Robert Satloff, The Washington Institute: Thank you. Two brief questions, one to each. Giora, the Jordanian option you outlined, as I understand it correctly, is a way to compensate for Palestinian inability to perform security functions by bringing in a partner who can. What then is your view on an idea which is circulating among some in Washington—not the Jordanian option, but the idea of a deployment in the West Bank of an international peacekeeping/peace enforcement mechanism—Europeans, Americans, others—that would do that job, fulfilling the capacities that the Palestinians are unable to fulfill?

Marwan, my question for you is, I think that your assessment of Jordan's view of the Jordanian option is absolutely correct, certainly under the current circumstances. What, however, would be the Jordanian view in a world in which, say, Israel unilaterally withdraws from most of the West Bank and there is a Hamas state that emerges on Jordan's border? I cannot imagine that, in that circumstance, the Jordanians would look on this so benignly as to merely put a fence up along the Jordan River, instead of considering some new and bold security measures themselves vis-à-vis security in the West Bank.

Eiland: Yes, very briefly. I'll begin with the last question about an international force. We experienced several events in which international forces were deployed along our borders, and the conclusions are very clear. The best example is to compare what is happening in the Golan Heights, and what is happening along the Israel-Lebanon border. In the Golan Heights, there is a UN force, the UN Disengagement Observer Force (UNDOF), which is very effective. Why is it effective? Number one, because on both sides of the border, there are accountable states, Israel and Syria. Number

two, because both sides are interested in security and stability, therefore the force can be very effective.

A few kilometers from this area to the west there is Lebanon, and these two conditions are missing there. So the international force that is deployed there is very ineffective. In other words, an international force is not and cannot be a replacement for the accountability of a state. So what is needed in the West Bank is an accountable state, and we thought of other options in this regard—not as something that the Palestinians were pushed and forced to accept, but something that can be part of a trilateral decision among Israel, Palestinians, and Jordan, which can bring a change that might, in a way, give the Israelis much more confidence that security is guaranteed. Rather than to keep it only in the hands of Palestinians, which most of us agree might turn out to be a state that is controlled by Hamas.

Two brief other points. I did say that I think that the Israeli response to the Arab initiative was not the right one. And in a quite indirect way we are even closer to agreeing that some of the other Arab states' contributions to the Israeli-Palestinian conflict are essential. The only difference is, what is the meaning of this contribution? I think that the contribution as it is presented today by the Arab world—"let's make sure that you make peace with the Palestinians and with the Syrians, and only then will we give you certain recognition"—is not enough. And I offered here two other much more, I would say, substantial possible contributions by the Arabs. One is in regard to the Jordanian option, which is much more Jordanian involvement in the process, and the other is a very modest willingness by Egypt and Jordan to make multilateral swaps—something that can, at least, solve one of the main problems, and this is the territorial one. If the Arab world is not ready to consider this kind of help, then they should come up with some other creative ideas, because the general support, as it is expressed, is far from being satisfying.

And the bottom line is this—we can repeatedly speak about the importance of the two-state solution and express the commitment, but we know very, very well what is happening on the Israeli side on one hand, and on the Palestinian side on the other hand: such a solution, although it is very well known in detail, is not going

to be achieved. And someone has to come up with some other new contribution, otherwise this zero-sum game between Israelis and Palestinians is not going to produce any stability in the foreseeable future.

Muasher: Let me deal with the Hamas question first. Israel's position today is that if it withdraws unilaterally, it can deal with Hamas. That's what we are told. It's not a major problem, it has just been said, and yet it is a major problem for Jordan. So I fail to see the consistency. Either it's a major problem or not a major problem. If Israel can deal with Hamas in the West Bank, certainly Jordan can deal with Hamas in the West Bank. It is far less problematic for Jordan to deal with a radical Palestinian state on the West Bank than with the existential problem for Jordan. And Jordan will deal any day with a security problem rather than with the existential problem of political or security control of the West Bank. That's the first point I want to make.

The second point is we have two options. People tell us, "A solution is not possible today, let us wait for better days." Well, I have news for you, better days are not coming. We are living in the better days. If we wait much longer, we are going to deal with the radicals. You know, you can think I'm overdramatizing, it's up to you. I'm telling you what every moderate in the region feels. We are living in better days today. Every day that passes without a solution is a day that reduces the credibility of moderates in the region and increases that of the radicals.

So we can either deal with the problem now, or—I don't want to mince my words—let time deal with it. The status quo is not frozen in the Middle East. It's not like you can keep the problem in a refrigerator and come back to it fifteen years down the road. The status quo is increasingly on the side of radicalism and violence in the region. And that is something that, I think, the quicker we understand the easier it is to reach a solution.

The territorial aspect of the problem is not the major aspect. With the Taba talks, my understanding—and maybe Dennis can educate us on this—is that the territorial component was closed. It was negotiated. People agreed on the territorial component. It

was never the major problem. Jerusalem was a major problem. Refugees were a major problem. But not the territorial aspect. So it's not a question of whether Jordan wants to cede part of its territory to the new Palestinian state or whether Egypt wants to cede, this was never the stumbling block in reaching an agreement—the territorial component at Taba, as far as I know, was completely closed. Both sides completely agreed on the territorial aspect of the problem.

Yes, on the Arab Peace Initiative, I'm glad Israel's position has evolved to "let's sit and talk." That is a fair position, but it is, you know, a position that Israel did not hold for the longest of times, instead seeing the Arab Peace Initiative as a nonstarter. Do not belittle what the Arab Peace Initiative offers Israel. It offers it a place in the neighborhood. It offers it what Israel has all its life aspired to, and in my dealings with Israelis, in my talks with every single Israeli audience, I keep asking the question that I will ask today: Is there an Israeli need that the Arab Peace Initiative did not address? If there is one, please let me know. Please let me know whether it is something other than acceptance in the region, other than an end to all claims, other than an agreed solution to the refugee problem. If there is another security or other need that Israelis feel today they need that was not addressed in the Arab Peace Initiative...

I am a creature of the Oslo process; I'm a product of the gradual approach to peacemaking. And I believe the gradual approach has achieved a lot of successes in breaking down taboos, in mutual recognition, in negotiation among the parties, in a number of things that have moved the peace process forward. Frankly, I am no longer a believer in the gradual approach because of two things. One is because—as General Eiland said, and I totally agree—I do not think any amount of fresh negotiations are going to get us to a solution that is far different from what was agreed to. And the second reason is that the time that we thought we were giving the proponents of peace to build trust, so that they can deal with the thornier issues, has been time given to the opponents of peace. And it is a fact today that trust is at an all-time low, and that the opponents of peace have repeatedly and effectively derailed the peace process.

So I do not think we need a gradual approach anymore, simply because the gradual approach itself has succeeded in establishing a set framework for a solution. And what we need today is not to wait until there is a strong Palestinian government, and a strong Israeli government, and a willing and able U.S. administration, because if we're going to wait until all of these stars are properly aligned, I'm afraid we're going to wait too long, and probably too late.

I think that a set framework exists. And I think that we need to finally move from conflict management to conflict resolution.

Eiland: I don't think that the territorial dimension is a minor one. It is a real obstacle, at least, for two reasons. One of them is that Gaza cannot be a viable part of a state. And I never heard anyone who tried to make a prediction in regard to their economy who can bring a reasonable answer on how the people in Gaza, who live on agriculture and low-tech, can live on such an extremely small piece of land. Even a seaport cannot be built in Gaza, not because of security reasons, but because if it is built in Gaza it will have a devastating impact on the Israeli coast. So from the environmental point of view, it cannot be built. So Gaza is such a place that it's going to be a center of instability, even if a peace agreement is signed; there is a dramatic need to enlarge Gaza for the stability of this region.

And number two, even if we ignore some of the security reasons, as I spoke earlier, according to the ordinary two-state solution, Israel has to evacuate about 100,000 Israelis. The economic cost of only this civilian relocation

is about \$30 billion—three-zero-billion dollars—and that is far above the capability of the state of Israel. So the need for more territory is essential, and I completely disagree that this is a problem that can be easily solved. I think this is an obstacle that is far more difficult than the way it was presented here.

The final point, if we wanted to try to agree on something here, is that there is room, I believe, for some kind of new talks between the Israelis and the Arab League, but it has to be clear that the Israeli expectation is to be able to see much more significant and tangible contributions from the Arab world some of them can be very symbolic, but even these gestures were missing. And as I said earlier, mentioning the possibility of resuming some kind of political or diplomatic relationship between Israel and the rest of the Arab countries, while something very symbolic, would show goodwill, and so far we have not seen even simple signs of such a willingness. So, I think that someone who is really serious about that at least has to show this goodwill, and maybe something like this can persuade Israeli public opinion to be more open to such an involvement of the rest of the Arab world in the Israeli-Palestinian conflict.

Makovsky: I think everyone in this audience can agree that what we just heard over the last hour-and-a-quarter were two very thoughtful, insightful, articulate presentations by two people who, I think, are both committed to the idea of coexistence. So I'd like you all to join me in thanking both Giora Eiland and Marwan Muasher.

Conclusion: Next Steps toward Peace

David Pollock

HOW SHOULD SOON-TO-BE President Obama handle the Israeli-Palestinian problem? The preceding essays present diverse points of view. There are clear differences on precisely how, and how urgently, the United States should pursue further peace talks. These differences are linked, at least in part, to divergent individual judgments about how dangerous, or how potentially promising, the status quo in the region really is—and how the several imminent political transitions will most likely alter that status quo, for better or for worse.

Views also differ on how other regional players—Jordan, Syria, the entire Arab League, or even Iran—might or might not fit into a plan of action on the issue. And significant disagreement exists as well about the overall medium-term prospects for reaching new agreements, or for actually implementing any such agreements if they can be put on paper. Although these differences illuminate the judgment calls that Washington will soon need to make on these issues, they are naturally somewhat contradictory. Overall, however, the essays in this anthology collectively point a way forward. This is because most of the authors share a rough consensus, or at least a surprising degree of convergence, on certain key questions.

One common (though not universal) theme is support for continuing some form of Israeli-Palestinian peace talks with high-level U.S. involvement. Even if there is not much hope of quick success or much linkage to other regional issues, many of the authors believe that further talks could help avert even worse short-term outcomes—provided there is no stampede to an unworkable deal.

Another theme is that Hamas is part of the problem, not part of the solution. The authors are understandably less clear about how to handle this very difficult issue. Still, there exists considerable agreement on a general strategy:

- First, maintain Hamas's political isolation, unless the group unexpectedly meets the conditions set forth by the Quartet (the United States, UN, European Union, and Russia) for diplomatic engagement. These conditions include recognizing Israel, renouncing violence, and reaffirming past Israeli-Palestinian agreements.
- Second, try to work around the Hamas obstacle by actively supporting the internal development of, external support for, and Israeli rapprochement with the Palestinian Authority (PA) under President Mahmoud Abbas.
- Third, keep chipping away at Hamas's popular support, not by aggravating the humanitarian problems in Gaza, but rather by improving security and living conditions in the West Bank and demonstrating that Fatah offers Palestinians better economic, political, and peace prospects.

Yet another common theme is that recent experience offers a few hard lessons. For one, unilateral Israeli withdrawals—whether from Lebanon in 2000 or from Gaza in 2005—have tended to backfire. Both sides need the combination of a "political horizon" and a "ground game" of pragmatic security, economic, and humanitarian fixes to keep the peace process moving with sufficient popular support. One without the other breeds cynicism, despair, or both. Small agreements that work are better than grand plans that fall apart. In the long run, a two-state solution probably remains the only outcome with a chance of acceptance by both sides. But it is also probably unachievable for the moment, and in time will likely need to be supplemented by additional elements.

These lessons lead to a final common thread that can be teased out of the diverse presentations in this collection—intrinsically the broadest theme, and

probably also the most important and original one. In short, only new and more creative regional input has any chance of breaking the current deadlock between Israelis and Palestinians. This deadlock is deeper than may appear from the good intentions and improved atmospherics among some of their leaders lately, or from the seemingly narrow gaps that separate some of their positions. Instead, it reflects serious underlying problems of political weakness and fragmentation, persistent security concerns, growing demographic pressures, and an understandable lack of trust on both sides, all compounded by continual cases of incitement or actual violence.

To cope with or perhaps even overcome these hard bilateral realities, the authors offer a variety of regional remedies. Some advocate new variations on the old "Jordanian option" for the West Bank, or Egyptian involvement for Gaza. Others are highly skeptical or dismissive of these proposals. Some support the Arab Peace Initiative endorsed by the Arab League summits in 2002 and 2007 as a valid (albeit conditional) framework for both Palestinian and pan-Arab accord with Israel. Others doubt whether this framework can really function as much more than a symbolic or rhetorical device; they also question what tangible contributions the Arab states could actually make toward a workable and mutually acceptable Israeli-Palestinian peace settlement.

The latter point raises a deceptively simple but crucial issue: the plausible timeframe for any such regional contribution. Some authors argue that until the regional power constellation realigns in a more favorable manner, conflict management rather than conflict resolution must remain the only realistic approach to the Israeli-Palestinian impasse. Others wonder, perhaps more optimistically, whether today's regional alignment is actually better for peace than is likely to be the case tomorrow; if so, they argue, now may be the time for the United States to push hard for a final deal. In short, while there is some convergence on the necessity for new regional input, there is little agreement on what form that input should take, or when and how it should be injected into the Israeli-Palestinian equation.

This concluding chapter will attempt to sort out the anthology's mix of convergent and divergent analyses and judgments, reviewing the major issues at hand and drawing the appropriate policy prescriptions. These prescriptions are the sole responsibility of the editor, incorporating insights gleaned from all of the authors' contributions but not representing any individual among them. In addition, a few new ideas will be identified along the way. The first two sections to follow outline the most immediately relevant and significant developments, analyzing their short-term implications for U.S. policy.

First Immediate Issue: Israel's Election Season

Above and beyond the usual issues between Israelis and Palestinians, internal political rivalries within each society are rapidly approaching a turning point, preoccupying the public and politicians alike. Israel scheduled an early parliamentary election for February 10, 2009, after Prime Minister Ehud Olmert resigned over corruption charges and his successor as Kadima Party leader, Foreign Minister Tzipi Livni, failed to form a new coalition commanding a majority in the Knesset. In the meantime, Olmert remains as caretaker prime minister, but with his political authority severely restricted as the country's divisive political campaign season gathers momentum.

In their most recent public statements, the three major contenders for Olmert's post have taken noncommittal yet noticeably divergent postures on the Palestinian question. Livni has suggested a focus on continuing the peace talks, in which she has been engaged with Palestinian negotiator Ahmed Qurei (Abu Ala). Defense Minister and Labor Party leader Ehud Barak has indicated some interest in reconsidering the broader Arab Peace Initiative, which would presumably bring Syria and the Golan Heights issue back into the mix. And opposition leader Binyamin Netanyahu of the Likud Party has emphasized what he would not do—namely, "divide Jerusalem" or "risk Israeli security"—while also voicing some support for the idea of a national unity government including more dovish parties. Most recently, Netanyahu has also

elaborated a bit on his concept of forging an "economic peace" with the Palestinians, "in parallel to conducting political negotiations." 1

The latest Israeli opinion polls (which are notoriously volatile) suggest that Netanyahu is running slightly ahead of Livni, each with about a quarter of the likely vote, while Barak trails far behind. As always in Israel, there is virtually no chance of any single party obtaining an outright majority. Consequently, whatever government emerges will almost certainly be a coalition, and one with a necessarily blurry platform reflecting various compromises, an ambiguous policy in practice, and a tendency to fall apart well short of a full term in office.

Even so, the nature and leadership of that coalition will matter greatly for the medium-term prospects of the peace process. This unavoidably raises the delicate but urgent question of whether the United States should try to promote an outcome that serves its own interests, or adopt a truly hands-off approach. In the two most clear-cut cases involving significant influence on Israeli elections, the U.S. record is mixed. In 1992, the Bush administration's refusal to issue loan guarantees for immigrant absorption without a freeze on Jewish settlements in occupied territory helped Labor's Yitzhak Rabin defeat the incumbent Likud's Yitzhak Shamir, partly with votes from the new Russian immigrants themselves.

In contrast, four years later, revulsion against a wave of Palestinian suicide bombings helped Likud's Binyamin Netanyahu eke out a narrow victory over Labor's Shimon Peres, despite the Clinton administration's very visible preference for the latter. This preference was evident at the Sharm al-Sheikh "anti-terrorism" summit of March 1996, which Clinton hastily put together with Peres, Yasser Arafat, and various other Arab leaders; it was also clear in Clinton's election-eve remarks expressing hope that Israelis would vote "for peace." Washington kept a lower profile in 1999, when Netanyahu opposed Labor's new standard-bearer, Ehud Barak, who subsequently emerged the winner. And in

the 2001 election, a popular backlash against renewed Palestinian attacks helped Likud's Ariel Sharon win handily while the new Bush administration looked on. A similar U.S. approach pertained in 2005, when Sharon broke with Likud to create the Kadima Party but was felled by a stroke and succeeded by Olmert, who won the most recent Israeli election in March 2006.

This record, while far from conclusive, suggests that considerable U.S. caution is advisable when it comes to Israeli domestic politics. In the two recorded cases of active "cheerleading" from Washington, the second may actually have backfired, making the strategy a very risky proposition. Moreover, any reversion to such attempts today—especially given the absence of any visible U.S. intervention in Israeli elections over the past decade—could provoke a nationalist backlash among at least some segments of the Israeli electorate.

Nevertheless, in the aftermath of Barack Obama's victory, some Israeli politicians are already injecting the issue into their own election campaigns. Livni was relatively circumspect, noting only that "if Israel puts itself in a corner and is seen as rejecting diplomatic processes, we could enter an era that is worse than the current one." By comparison, two senior Labor legislators immediately went on record with the claim that Obama would get along better with someone from their side of the Israeli aisle. Knesset member Ophir Pines-Paz was explicit in this regard:

It would be a missed opportunity if we elect Netanyahu. Netanyahu's English is fluent, but they still won't understand each other. Obama will try to advance the peace process from day one, and he can do it, because he has more trust from the Arab world than his predecessors. Then Netanyahu would say no to the Saudi peace plan, no to dividing Jerusalem, no to withdrawing from the Golan. That's why it's so important that the center-Left bloc win our election.

Likud spokesmen naturally disputed this assertion. In fact, it is not clear that a Likud-led government would be so at odds with an Obama administration, especially

- 1. Benjamin Netanyahu, "Don't Give Up on Peace," Chicago Tribune, December 14, 2008.
- 2. Gil Hoffman, "Labor, Kadima: Bibi Can't Be Obama's Counterpart," Jerusalem Post, November 5, 2008.

if Israel remained open to incremental but substantive progress with the Palestinians and to the potential for a peace deal with Syria. Moreover, the political impact in Israel, if any, of perceived U.S. preferences will almost certainly pale in comparison with other issues and events on the ground. Given these circumstances, any blatant U.S. attempt to play favorites is probably more likely to fail or even backfire. Although a great deal is at stake for the peace process, extreme discretion must be the better part of valor for Washington bystanders to this complex Israeli political contest.

Second Immediate Issue: Internal Palestinian Politics

Since mid-2007, Palestinian politics has been consumed by the divide between Fatah control in the West Bank and Hamas control in Gaza. These parties continue to talk of unity, but in reality the division is growing sharper and deeper. As if this were not enough, internecine tensions remain acute in the West Bank, whether among opposing personalities such as Prime Minister Salam Fayad and his many old-guard rivals, or among local, generational, or other factions inside the still-dominant but brittle Fatah network. There is a real danger that, without serious extra support, the PA could confront a tough new showdown with Hamas inside the West Bank, or even disintegrate in the face of these internal and external pressures.

Today, the most immediate question centers on how Washington should handle the formal expiration of Mahmoud Abbas's four-year presidential term on January 9, 2009. As explained in the preceding essays, Abbas can make what lawyers might call a "colorable claim" to extend his term automatically for one more year, until the parliamentary elections due in January 2010. Hamas, however, is preparing to contest this claim, and it is unclear what the response on the ground will be. Some have proposed that the United States consider openly supporting Abbas's bid to hold on to the presidency, or perhaps even an offer to run for reelection sooner if Hamas can somehow guarantee a fair vote in Gaza.

There is little historical record of direct American intervention in Palestinian electoral politics, but what

precedent exists is not encouraging. In early 2006, Washington made clear its preferences regarding the timing and terms of the planned parliamentary elections, without directly endorsing any particular candidate or party. Yet encouraging this election—at a time when Hamas was poised to participate, the outcome was far from certain, and the election itself was not clearly called for by any legal or practical requirement—turned out to be a disaster for Palestinians, Israelis, the peace process, and U.S. interests. Hamas swept to power, splitting the Palestinian government into two incompatible pieces, renouncing peaceful coexistence with Israel, and presenting Washington with a Hobson's choice between opposing the results of an admittedly democratic election or abandoning all hope of reviving the peace process anytime soon.

Policy Prescriptions for the Year Ahead

The preceding discussion yields an important short-term injunction for the United States: be exceedingly cautious about attempting, or even appearing, to interfere directly in either Israeli or Palestinian elections, while scrupulously avoiding any actions that might inadvertently strengthen Hamas. The following sections present more medium-term guidelines for next steps in the pursuit of Arab-Israeli peace—primarily, but not exclusively, on the Israeli-Palestinian front. These policy recommendations fall under three general categories: preventing collapse, outflanking Hamas, and seeking regional support to end the Israeli-Palestinian impasse.

Recommendations for Preventing Collapse

Rush to restart Israeli-Palestinian peace talks, but not to finish them. This measured and realistic approach offers the best prospect of avoiding two historic pitfalls. One such pitfall swallowed the early Bush administration, which deliberately deferred the Israeli-Palestinian issue for too long, even after Arafat's death in November 2004. This omission unwittingly helped pave the way for Hamas's rise to power. The Clinton administration set the stage for this error, however, by falling into the opposite sort of pitfall. Its

last-minute push to wrap up a final-status deal at the July 2000 Camp David summit proved, in retrospect, to be Arafat's main pretext for launching the bloody and protracted second intifada, using popular protests against Ariel Sharon's visit to the Temple Mount two months later as the immediate trigger.

During the long 2008 U.S. presidential campaign, statements from both sides created the impression that other regional issues—Iran, Iraq, Afghanistan, Pakistan, and al-Qaeda—would outrank the Israeli-Palestinian problem in the new list of U.S. policy priorities. On its face, this is a reasonable position, given the higher immediate stakes for the United States in all of those arenas, and the low odds of rapid success in the Arab-Israeli arena. The big drawback, however, is that without sufficient American attention, rejectionists are more likely to provoke a real Arab-Israeli crisis, as in the twin kidnappings of Israeli soldiers by Hamas and Hizballah that sparked the 2006 Lebanon war. Any crisis of this sort would most likely require some kind of emergency diplomatic response, which would both distract from and further complicate U.S. policy dilemmas elsewhere in the neighborhood.

Currently, Washington has two good options for avoiding past pitfalls and maximizing its diplomatic room for maneuver. First, the outgoing Bush administration should refrain from any dramatic diplomatic departures during its last few weeks in office. Second, President-elect Obama should signal forcefully and immediately—even before his inauguration—that he intends to make a serious and sustained commitment to seeking Palestinian and wider Arab-Israeli peace. On the campaign trail, he repeatedly stated that he would promote the peace process "from day one" in office. He can fulfill this pledge not only by appointing a senior official and close confidante to oversee the task, but also by inviting Israeli and Palestinian leaders to visit him in the White House.

Make things better on the ground before shooting for the moon. It is imperative that U.S. policymakers understand the importance of concrete support for everyday Israeli-Palestinian coexistence, even if the improvements are painfully slow and fall far short of historic breakthroughs. A final-status agreement is impossible while an unreconstructed Hamas clings to power in Gaza. But this does not mean that the peace process must be held hostage. On the contrary, one way to outflank Hamas is to pursue practical agreements that can actually be implemented in the West Bank, even as Israel and the PA continue negotiating their longer-term future.

In fact, it will be absolutely crucial for the new U.S. policy team to nurture the palpable recent progress in beefing up Palestinian security capabilities and coordination with Israel. This subject is explored in detail in a companion Washington Institute companion paper titled Security First, so suffice it to underscore here how vital (if unglamorous) this work really is. There have been some promising signs lately on the West Bank economic front as well, and they should be given equally strenuous support—not only with continued funding, but also with the high-level political backing needed to circumvent all the technical and literal roadblocks. In this regard, the Quartet mission led by former British prime minister Tony Blair could be a very useful mechanism, provided it receives more unstinting U.S. support.

At the rhetorical level, the promise of Israeli cooperation on this front spans most of the political spectrum, at least as far right as the opposition Likud Party. The Palestinians are similarly eager to cooperate. It remains in the interest of all parties to make reality match this promise to the maximum possible extent.

Put the most recent understandings on the agenda, but not on paper. Limited as they may have been, the peace talks that followed the November 2007 Annapolis summit did produce some unwritten understandings of real value, if only in reaffirming previous parameters of peace. First, and most basic, is the very concept of a two-state solution: Israel and Palestine living side by side in peace. This concept has come under attack lately by some Israelis and Palestinians alike, from different perspectives.

At the same time, a Bush administration push to secure an agreed Israeli-Palestinian statement of principles before leaving office is overly ambitious. It runs

the risk of turning into yet another vague, impractical, and probably counterproductive paper plan, inflating expectations for a short while only to dash them soon afterward, and giving rival politicians on all sides a convenient target to rail against without conferring any solid offsetting benefits.

Another crucial (and newly established) Israeli-Palestinian peacemaking concept is that of mutually agreed modifications to Israel's 1949–1967 armistice lines. Specifically, in any final peace agreement, Israel will likely get to keep some settlement blocs beyond the 1967 "Green Line," and will likely give the Palestinians some other roughly equivalent land in exchange. This is a very hard-won pragmatic adjustment that is indispensable to peace. The incoming U.S. administration, and the Israeli and Palestinian leaders, could further help matters by reiterating their support for this principle. It would be equally helpful if other Arab governments affirmed it as well (as discussed later in this chapter).

Keep peace hopes alive, but do not look to U.S. initiatives on Arab-Israeli issues for help with other regional problems. The recent record suggests that the reverse is more true: regional successes tend to create openings in the Arab-Israeli arena. For example, successful U.S. moves in the Persian Gulf—in the aftermath of the 1991 war to liberate Kuwait and the 2007 "surge" in Iraq—helped bring Israelis and Arabs together at the peace conference table. In contrast, progress toward Israeli-Palestinian compromise—as in the mid-1990s Oslo peace process—has actually spurred Israeli, Palestinian, Iranian, and other extremists to greater acts of violence.

Nevertheless, a complete collapse of the Arab-Israeli peace process could alienate some U.S. friends or embolden some adversaries. In this negative sense, U.S. support for the process is helpful—if not in solving other regional problems, then at least in averting new ones. But the United States should avoid any statements or signals that it considers progress on Arab-Israeli issues as somehow key to solving other problems, or even to rehabilitating the U.S. reputation in the region. Even if there are some grains of truth in this

nostrum, repeating or reinforcing it only puts more cards in the hands of Hamas and other extremists who actually stand in the way of Arab-Israeli peace.

Put peace ahead of democracy. These two objectives are among the highest human values, and in the long term, U.S. policy should strive to foster both. All of the relevant parties have a strong interest in cultivating a stable, legitimate, accountable, and effective Palestinian partner for peace, to match that on the Israeli side. Yet for other Arab governments that have already achieved some or all of these characteristics (e.g., Egypt and Jordan), democracy has not been a precondition for peace with Israel, nor should it be for peace efforts with Syria or other Arab states. Indeed, in certain short-term situations, peace and democracy may actually conflict.

Priorities must therefore be assigned. The first human right, a precondition for all others, is the right to live in peace. People may rightfully choose to fight for their own freedom. But third parties must be especially mindful of this tragic tradeoff; they should not knowingly instigate someone else's war, even on behalf of a noble but abstract ideal like democracy. Therefore, if a sudden move to free elections—in, say, the Palestinian territories, Egypt, Lebanon, Jordan, or even Syria—seems likely to spark an Arab-Israeli war, the United States should avoid pushing any of its partners or even its adversaries to take that chance. Instead, it should concentrate on the critical but gradual task of building the foundations of democracy: the rule of law; accountable, transparent governance; and a culture of tolerance that delegitimizes violence, incitement, and hate-speech. As for the upcoming Israeli election, the United States should make clear that it intends to pursue the peace process regardless of which party wins or what kind of coalition is formed.

Recommendations for Outflanking Hamas

Hold fast to the Quartet conditions for engaging Hamas. Some observers have argued that since it behooves the United States to jumpstart the peace process, Washington had better begin by engaging Hamas, despite the fact that the group is a U.S.-designated

terrorist organization. A variant of this argument holds that Washington should encourage Mahmoud Abbas to negotiate with the rival Hamas government in Gaza, or at least resist the temptation to set boundaries on those talks. This could mean another Palestinian attempt at a national unity government (similar to the February 2007 Mecca accord) and/or an agreement to hold early elections. Both are exceedingly risky propositions, however, because they could dilute both Fatah's power in the West Bank and its commitment to peace. Therefore, the United States should resist any Fatah-Hamas agreement that moves in either of these directions.

At the same time, in order to preempt a new Hamas challenge to Abbas when his term runs out in January 2009, the United States should tacitly support the continuation of inconclusive Palestinian "unity" talks. This is probably the best method of playing for time while Abbas and Fatah strengthen their position. Of course, Hamas will be alert to this maneuver, but it is the only tactic available that is not liable to prove self-defeating. Moreover, Hamas may be unwilling or unable to mount a meaningful counter to this approach.

Recently, Dennis Ross, a senior advisor to the president-elect, told a leading Israeli daily that Obama would not deal with Hamas unless it accepts the Quartet's three conditions; as mentioned previously, these include recognizing Israel, renouncing terror, and reaffirming past Israeli-Palestinian agreements.³ Another Obama advisor, however, asserted that although Washington need not become directly engaged with the group, it should follow Abbas's lead on this issue—in other words, let Abbas decide whether and on what terms to resume some kind of unity deal or other arrangement with Hamas. But the wisdom of that course would be a function of the relative power balance and prospects of the two Palestinian camps. Only if a new intra-Palestinian accord clearly favored Abbas would the United States have an interest in supporting it. And if Abbas uses the next year to strengthen Fatah's position and popular appeal, then the 2010

parliamentary election would be a better calculated risk for U.S. policy this time around.

Accept Arab mediation between Palestinian rivals, but urge pressure on Hamas. Clearly, there is a strong impulse among many Palestinian and other Arab officials, and among some European politicians, to keep chasing the elusive objective of Fatah-Hamas unity despite their increasingly deep divisions. Egypt has taken the lead in this quixotic quest from Saudi Arabia, which brokered the ill-fated and short-lived Mecca accord. As of this writing, these talks have at least averted a complete rupture. For the time being, forestalling such a split is in America's interests as well, if only because it holds some promise of finessing the looming controversy over Abbas retaining his post beyond January 2009.

Nevertheless, the Annapolis conference showed another way to deal with this division: mobilize an Arab consensus that opposes Hamas's rejection of peace while supporting Abbas and the PA in the West Bank. One cardinal virtue of this approach is that, even if it cannot soon unseat Hamas, it resolves a contradiction at the heart of Arab diplomacy in recent years. On the one hand, the Arab Peace Initiative offers Israel recognition under certain conditions. On the other hand, many of the same Arab governments that made this offer also give various forms of material, moral, and political support to Hamas, which is sworn to Israel's destruction and dedicated to supplanting the rival Palestinian government that has formally offered to make peace.

The Obama administration will have an important opportunity in this regard. In return for early engagement on Israeli-Palestinian and broader Arab-Israeli peacemaking, it can ask that all parties, including Arab governments, stop supporting Hamas until the group meets the Quartet's reasonable and required conditions.

Prepare a plan in case the Gaza ceasefire breaks down. The de facto ceasefire (or *tahdiya*) between Israel and Hamas—which has remained in effect for

^{3.} Interview with Natasha Mozgovaya, Haaretz (Tel Aviv), October 24, 2008.

six months despite occasional breaches and retaliatory actions by both sides, but is now about due to expire—allows Hamas to arm and entrench itself in Gaza. Yet it also gives Israel and the PA a breathing spell in which to strengthen their own security posture and coordination with each other. And as its Arabic name indicates, the *tahdiya* also helps to calm the situation, protecting innocent lives on both sides while enabling peace talks to proceed without Hamas obstruction. On balance, then, the ceasefire is a net plus for the United States and its Israeli and Palestinian allies.

Israel and the PA may eventually find a new opportunity to work together if a military confrontation erupts in Gaza. All other things being equal, it would be best if Hamas could somehow be voted peacefully out of power. But at some point, if the ceasefire collapses, Israel may well decide to unleash a large-scale military assault against the group. For the United States and its regional friends, the biggest danger in this scenario would be the absence of a plausible plan for the day after the fighting dies down. This is another reason why it will be so important to enhance Palestinian security capabilities, so that the PA may one day be prepared to help restore order in Gaza—with Hamas's acquiescence if possible, but even without it if necessary.

Recommendations for Seeking Regional Support

Welcome Israeli-Syrian as well as Israeli-Palestinian peace talks. The historical record suggests that it would take a miracle to reach actual agreements on both of these negotiating tracks at once, let alone to implement any such agreements in tandem. Yet from the U.S. standpoint, there is no good reason why these two tracks cannot proceed simultaneously, as they did during the 1990s and again in 2007-2008. Moreover, U.S. acceptance of negotiations with Syria need not signify advance endorsement of any particular terms for a deal, particularly those concerning third parties linked to Syria (e.g., Lebanon, Hizballah, Hamas, Iraq, Iran). In fact, the United States may be able to use Israeli-Syrian talks to promote a larger common interest in restraining the more radical elements in all of those linked parties, thereby consolidating gains for friendly democratic governments in both Lebanon and Iraq. Reactivating such talks (if necessary with renewed U.S. involvement) would also serve as a sort of diplomatic insurance policy in case Israelis reelect Netanyahu, who has long hinted at greater willingness to make territorial concessions on the Golan than the West Bank.

Seen in this light, U.S. reservations about the recent Turkish-mediated Israeli-Syrian talks seem misplaced. As for the impact of Syrian talks on the Palestinian track, there is little basis to suppose that they would have much effect at all, either positive or negative. An actual Israeli-Syrian agreement, however, would presumably include some restrictions on Syria's support for Hamas and other rejectionists, which could improve the odds of achieving and implementing an accord on the Palestinian track as well.

Intensify the search for Egyptian and Jordanian security support. Talk of a "Jordanian Option" for the West Bank or of "Egyptian responsibility" for Gaza, however well-intentioned, has become more inflammatory than inspiring. But talk of more direct Jordanian assistance to PA security forces, and of more effective Egyptian efforts to prevent Hamas arms smuggling, should be translated into immediate action. Although these are essential steps that serve the interests of all parties except Hamas, even that may not be sufficient incentive. Therefore, the United States should intensify its search for the best combination of carrots (e.g., even greater funding and technical assistance) to push these programs to the next level of operational success.

Supplement the Arab Peace Initiative, perhaps even with a grand gesture. The Arab Peace Initiative of 2002, reaffirmed as recently as 2007, is finally beginning to gain recognition in Israel as a valuable point of departure. The United States should echo this appraisal, without endorsing any details. Yet the initiative appears to neglect the human and emotional dimensions of the problem, and it lacks a step-by-step or even a schematic plan for how to get to the desired end-state of "land for peace." The first step toward filling these gaps is to

encourage more specific declarations by all parties. For example, Israel could do the following:

- declare officially that it is ready to negotiate on the basis of the Arab initiative;
- formally announce its willingness to maintain full freedom of access and religious practice for all holy places—Muslim, Christian, and Jewish—in Jerusalem;
- declare a moratorium on settlement activity, at least beyond the relatively small areas near the Green Line that both sides envision swapping as part of a peace deal.

For their part, Arab governments could:

- emphasize that they are prepared to offer practical support for the return of refugees to a new Palestinian state (not to Israel);
- offer to end their formal state of war with Israel as a first step toward full reconciliation and recognition;
- fulfill their periodic promises to end incitement, and cease supporting the anachronistic "boycott offices" (targeting Israeli goods) that still operate in various Arab capitals;

- publicly acquiesce to the increasingly obvious idea, already tacitly accepted by the PA, that minor modifications to Israel's 1967 de facto borders can be negotiated by mutual agreement. This would have significant benefits for peacemaking on both the Palestinian and Syrian tracks.
- announce their willingness, as part of a peace accord, to recognize Israel as a Jewish state, alongside a Palestinian state—precisely the parties specified in the historic UN resolution of November 29, 1947, whose acceptance at the time might conceivably have spared the region generations of war.

Finally, it should be mentioned that in November 2008, Saudi Arabia hosted a UN symposium in New York with senior Israeli officials in attendance. Why not hold another such event in a major Arab city, or accept a return invitation to Israel? Why not encourage Iran to participate as well? Such regionally symbolic initiatives could very usefully supplement—even if they cannot substitute for—the hard work that will surely still be required to resolve the lasting tragedy of Israeli-Palestinian conflict. In fact, without new help from inside the region, that conflict has every prospect of preoccupying U.S. policy for generations to come.

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