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<u>Israeli-Palestinian Dynamics –</u> <u>Opportunities and Risks</u>

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Introduction

Manal Tamimi: story she relayed in conversation in Nabi Salah re. Old Man and the Sea – Fish will be brought in. Good news is that it is still possible to find a way; bad news is that it is by no means assured and we can sink the boat, the fish and the old man with it all. And there are sharks in the water.

I would like to examine together with you opportunities to advance the political process between Israelis and Palestinians at this current historical moment, as placed against the risks of deterioration and potential violence on a number of possible fronts.

Most specifically, I would like to focus on some of the advantages caused by the current *shaking up*—due not only to regional dynamics, but also to the significant uncertainty that has been introduced by the Trump presidency.

I also would like to focus on some of the significant risks due to potential miscalculation in a number of scenarios—including the risk of a further *intifada, or shaking off,* that could prove disastrous.

Finally, I would like to offer some thoughts on the importance of both leadership and civil society—Israeli, Palestinian, and within the United States.

A focus on the themes of *shaking up* and *shaking off* give us an opportunity to highlight the regularities that come from structural and systemic analyses



together with the unpredictable elements that can create critical inflection points. This is important as *miscalculation* by leaders has played such an important role in shaping the conflict we are presently trying to resolve. The 1967 War that led to the current occupation is a great example of such miscalculation, although it is possible to look to 1973 as well for a different series of errors, but errors that equally served to shape the Israeli-Arab conflict in profound ways.

Miscalculation under current conditions can easily prove catastrophic—first and foremost for Palestinians, but also for Israelis.

While I will focus specifically on these two themes of shaking up and shaking off, I suggest that we keep in mind a three-tiered framework for analysis based on domestic, regional, and international dynamics. This will help us to untangle the diversity of interests held by the various actors and the systemic dynamics that shape their actions. It will also help us to understand how differently the supposedly core issues appear from different perspectives. I will come back to this.

Regional Approach

The broader discourse on the value of a regional approach to peace-making has been discussed widely, so I won't go too deeply into it here. I do want to note that I agree with those who hold that building on a regional framework more-orless in line with the 2002 Arab Peace Initiative (endorsed by the Arab League in 2002, 2007 and, most recently, in 2017) offers the best possible strategy for moving the Israeli-Palestinian conflict towards a stable resolution.

While conditions for a final settlement remain poor, I agree with many others that there is a unique opportunity for cooperation between Israel and the Sunni, so-called "pragmatic" Arab states. This is due to an unprecedented alignment of interests between the parties. These shared interests revolve around:

- 1. Iran The containment of the threat posed by an empowered, expansionist nuclear weapon-seeking Iran, including limiting Iran's (and other groups') stretch in Syria through to the Mediterranean
- 2. Syria, ISIS, etc. Reaching a stable solution in Syria and reducing the instability caused by ISIS, other radical Islamic groups, and the Muslim Brotherhood.
- 3. Economic growth Achieving a horizon for economic growth within the region that will ease internal political challenges, including creating employment, reducing migration, and limiting the appeal of fundamentalist groups. (1.8% demographic growth leading to 80-



100,000,000 unemployed in 2030; some 40% of youth in Egypt are unemployed)

In short: it is the regional "shaking up" caused by Iran, the Syrian crisis, sub-state Islamic actors, and the twin demographic/economic challenges that are creating the strategic re-appraisal that sees formal peace with Israel as beneficial.

It is worth noting that this "shaking up" is compounded by uncertainty regarding the United States that has only become more pronounced since Trump's election.

Main Arab Demands

The main demand to Israel from the leading Arab States (Saudi Arabia, Egypt, UAE, and Jordan) for pursuing the Arab Peace Initiative are:

- 1. That talks be conducted on the basis of the 1967 armistice lines—allowing for consensually agreed land swaps, and
- 2. That a just, agreed upon solution to both the <u>Palestinian refugee issue</u> (UN GA 194) and to the <u>question of Jerusalem</u>.

Israel

From the perspective of Israel: Israel could feel compelled to make compromises with the Palestinians in order to achieve one of its long-standing objectives: normalized relations with the Arab world—an objective that presently could help Israel improve its strategic position in the midst of the current regional turmoil, while also reducing the likelihood of periodic wars in Gaza and low-level conflict in the West Bank.

Palestinians

For the Palestinians: a regional approach could ease the challenge to the relatively weak Palestinian Authority leadership of selling compromises to a wary public, especially given the threat posed by Hamas. Regarding the Gaza-West Bank split, the broader Arab world—and especially Egypt—can be central in helping to broker agreement between Hamas and Gaza. This is a tall order, so, again, the regional Arab presence can also be helpful in providing political cover to the PA leadership in making concessions to Israel.

Advantages of a Phased Regional Approach

Phased, gradual agreements growing out of such a process (note the "phased" element, which does *not* appear in the Arab Peace Initiative) offers:



- 1. A political horizon for Israel and Palestine based on borders and landswaps that preserve settlement blocs, tight security arrangements, and agreed solutions to the core issues of Jerusalem and refugees.
 - a. Phased and transitional agreements can allow for the mutual testing of Palestinian economic development, governance and viability, as well as long-term Israeli intentions.
- 2. Regional Security Mechanisms
 - a. To cope with threats posed by Iran, Hezbollah, ISIS, Hamas and Al-Qaeda, and
 - b. which will include immediate actions to prevent deterioration in Gaza, the Golan and Lebanon.
- 3. A Regional Economic Cooperation Mechanism for economic development and trade between Israel and the Arab states that will boost economic growth and stability in the region.

[some issues: alongside benefits: concern about Israeli regional dominance; heightened threat from elements of societies not willing to accept Israel, especially given the existing threats to regime stability; concern that Israel will benefit from regional concessions without making necessary concessions to the Palestinians—a phased element of negotiation/implementation is of particular concern for the Palestinians and can prove a critical sticking point for the Arab states; Concern about the ultimate stability of the Arab states even in the best of circumstances]

On the Israeli side, there has been much written by the benefits of a regional approach by the organization the Israeli Peace Initiative (IPI/"Yisrael Yozemet").

International perspective

US – Trump

There are conflicting and paradoxical dynamics set-up by the election of Trump. But there are clear elements of a further "shaking up" that Trump's election contributes to. Most directly, Trump's election signals a shift from Obama's policies in the Middle East—although it is still unclear to what extent such a shift actually exists, and what level of continuity and consistency can be expected in whatever policies it can be determined that the Trump administration is pursuing.

Overall, leaders across the Middle East view Trump's lack of predictability as a threat to stability, which, in turn, can compel them to shift their behavior to mitigate these threats. Some of these steps *may* take the form of concessions or newfound flexibility as they seek new alliances upon which they can depend.



Other steps may also include efforts to press Trump to clarify his positions or offer assurances of some sort regarding steps he will and won't take.

Examples of the latter include the efforts of Jordan's King Abdullah II, who met with Trump twice, and who most likely conveyed concerns about the implications of moving the US Embassy to Jerusalem, as Trump has repeatedly committed to doing.

Examples of the former include Netanyahu's seeming willingness to limit settlement construction as part of a broader effort to reach some sort of understanding with the new US administration. More on this later.

Is this vague, unclear, and uncertain? Yes. At this point in time, there is much that remains foggy.

Having said that, it is clear that Trump has:

- 1. Made a commitment to engage actively in peace-making.
- 2. Sent a signal of sorts—not overly strong, mind you—regarding his administration's willingness to project force in the Middle East (and in general) with the cruise missile attack in Syria.
- 3. Sent his Special Representative for International Negotiations, Jason Greenblatt, to the region in a visit during which Greenblatt impressed many on all sides by his seriousness, grasp of issues, and expressed level of intent to follow-through.
- 4. Invited Abbas to meet with him at the White House in the beginning of next month.
- 5. Backed away, to some extent, from the quick movement of the US Embassy to Jerusalem—a step to which he committed during his campaign.
- 6. Pressed Netanyahu to limit settlement construction.
- 7. Signaled involvement in, and support of a peace process, but without defining a specific end-state determined by the United States.
- 8. And, last, but not least, appointed his long-time lawyer, David Friedman, to be US Ambassador to Israel. Friedman is a personal supporter of the settlement enterprise and someone whose own politics on Israel-Palestine seem to the right of Netanyahu's and most within the Likud party.

What does all of this mean? It is very hard to tell. On the one hand, there are some encouraging signs of seriousness of purpose and increased responsibility in the Trump Administration's actions towards the region. But on the other, there also remain real questions about the strength of any of these "anchors" and whether it is possible to rely on them.



While each of the actors in the region is making its own assessments about these questions. two things are clear: there is considerable uncertainty that is generated directly by the Trump administration; there is a clear potential for extreme volatility due to pre-existing pressures and the increased potential for miscalculation.

I recognize that the above assessment is no huge contribution to clarity. That is an inherent part of our problem.

What is important to note, though, are the opportunities that this instability and volatility opens up. One need only think of the extreme caution with which Netanyahu approached his first meetings with Trump, caution that included efforts to placate Trump that were evidenced during the press conference following their meetings. On the one hand, Trump said that he doesn't care about what type of solution is agreed upon – one state, two states – as long as Israelis and Palestinians can agree. On the other hand—and in a comment that I think was anything but a "throw-away," off-the-cuff remark, Trump expressly told Netanyahu in public how unhelpful continued settlement construction is, and said it in a way to demonstrate his own power over Netanyahu.

I suggest that the message to Netanyahu was clear. I even think that Netanyahu's recent threat to break up his coalition and go to elections had as much to do with Netanyahu's concerns that he, Netanyahu, needs to insulate himself from expected pressure from Trump as it did to with internal political jockeying between political factions in Israel and Netanyahu's own legal problems.

On the US-global level, it is worth following the extent to which the Trump administration's willingness to project power in various arenas around the world will influence the ability of the United States to project power in others. This cuts both ways. For example, success vis-à-vis North Korea can enhance the credibility of US power in the Middle East. But failure or even heightened involvement that remains inconclusive can diminish US credibility as US policy may be seen as ineffective or it can be assumed that the US administration is distracted.

Russia

With respect to Russia, the picture becomes murkier. Heightened tensions between Russia and the United States further muddy the waters.

Russia presently has its strongest presence in the Middle East since the ending of the Cold War. Russia is now seen, by Israel at least, as critical to the attainment of some of Israel's key policy objectives – namely limiting Iranian expansion



towards the Mediterranean, preventing an Iranian and Hezbollah presence in Syria (and especially along Israel and Jordan's border with Syria), limiting the deployment of weapon systems that can affect the broader strategic balance with Israel, and concluding hostilities in Syria.

There are two things that are worth noting regarding Russia:

- 1. The first is that Russia is clearly no longer in the position that it was during the period following the break-up of the Soviet Union of only being capable of playing the role of a spoiler in the Middle East, but is projecting its power to pro-actively shape the region.
- 2. The second is that Russia is playing a much larger game on a global stage, with its actions in the Middle East both influencing and being influenced by its calculations of potential gains and losses in other arenas—most particularly Ukraine & Central Europe, and the Baltics.

[Russian announcement of willingness to recognize West Jerusalem as Israel's capital. Steals Trump's thunder; signals Russian involvement; adds negotiating issue with Israel]

Europe

This brings us, of course to Europe. The European Union is greatly weakened and occupied by Brexit and the still unclear role that more nationalist, self-focused groups will succeed in playing in the determination of EU members' policies. The recent elections in the Netherlands may demonstrate that the tide is shifting, but it is still much too early to make a determination regarding this.

It is worth noting the marginal influence of the French peace initiative, with the two exceptions being that the December peace conference in Paris succeeded in bringing together 72 states to express their ongoing support for a two-state solution, and it succeeded in initiating mechanism to support Israeli and Palestinian civil society engagement with promoting a two-state solution. Projecting to the Palestinians that the world remains concerned about the Palestinian issue is of critical importance, as I will discuss in greater depth shortly.

Three points regarding Europe that are worth keeping in mind are the following:

 Europe is limited in its present interest and capacity to engage in peacemaking efforts, [even though the Syrian refugee crisis and the growing Muslim communities within many European states highlight the need to remain engaged.]



- 2. Europe remains Israel's largest trading partner (bi-lateral trade of 27 billion Euros in 2013) and is the largest provider of aid to the Palestinian Authority.
- 3. Some European states remain in a good position to play supporting roles vis-à-vis both Palestinian and Israeli civil society and track II activities.

Palestinians

When considering the Palestinians, there are four factors to consider:

- 1. The ongoing West Bank Gaza split severely limits both the maneuvering room of the Palestinian Authority and the possible benefits to be accrued through negotiations with it.
 - [Yehya Sinwar chosen leader of Hamas in Gaza not a positive development overall but has some advantages; Haled Mashal; Ismail Haniya]
- 2. While the vulnerability of the Palestinian Authority leadership can limit its maneuvering room, it can also, with sufficient encouragement and assurances from other actors, compel it to be more flexible with respect to some of its demands—both with respect to the outcome of potential negotiations as well as their parameters. Most specifically flexibility with respect to a staged process may be achieved.
- 3. Competition for succession to Abbas, the Palestinian Authority President, has been ongoing for some time now, and anything happening within the PA needs to be examined in this light.
- 4. Miscalculations by many different actors Israeli, Palestinian, and external can spark an *intifada* that could cause the collapse of the PA.

Given this context, I think it can be instructive to take a step back to review not the peace process, itself, but the history of the neglect that, at key inflection points, created conditions that enabled the peace process to emerge.

I would like to suggest that a neglect of local, West Bank and Gazan constituencies by the PLO, combined with an overall neglect of the Palestinian issue on the part of the Arab World during the mid-1980's, specifically, led disempowered groups to mobilize spontaneously in ways that challenged existing political and military order, and, in the global conditions of the late 1980's, enabled and led to the Oslo Process.

The reason it is worth focusing on the factors that led to the First Intifada is to shed light on:

- 1. Similarities, but also critical differences, with conditions at present and
- 2. ways a new *intifada*, or "shaking off", could impact possibilities for a renewed peace process between Israelis and Palestinians.



Essentially looking at the period leading up to the First Intifada can add a useful frame to our understanding of the latent potential and danger within this current period by looking at what I believe to be a subset of the conditions that led to the First Intifada and then to the Oslo process.

I do not mean to review all of the underlying causes and conditions that led to the First Intifada, but merely to highlight a few which were necessary, if not sufficient.

The key factors can be linked to two critical dynamics:

- a significant weakening in the authority and legitimacy of the main, organized political leadership of the Palestinian national movement, the PLO, and
- 2. a significant lowering of the importance of the Palestinian issue within the international community and Arab World in the mid-1980's.

For the sake of argument, I suggest that the PLO's defeat in the 1982 Lebanon War marked the beginning of the weakening of the PLO's authority and legitimacy as perceived by the local Palestinian population in the West Bank and Gaza. It is worth noting that this local population was already marginalized within the leadership of the Palestinian national movement.

But beyond the damage done to the PLO's authority and legitimacy caused by its failures in Lebanon, its authority and legitimacy also suffered due to its ineffective efforts at delivering any hope to Palestinians in the West Bank and Gaza living under occupation.

By the mid-1980's there was growing frustration on the part of young people in the Territories with the concept of *summud* or "steadfastness" which was the approach urged by the leadership in exile to the residents of the Territories. Essentially, residents were to wait for their compatriots on the outside to do the heavy lifting of ending the occupation.

If we turn to examine the international and regional dynamics at the time, it is possible to outline in broad strokes the development of a pattern of neglect of the Palestinian cause by the Arab states. We go from the 1967 Arab League Summit's famous three "no's" to a situation in which, post-Camp David and the 1979 Egypt-Israel peace treaty, the Arab League launched the 1982 Fez Plan for an independent Palestinian state in confederation with Jordan.

But by the mid-1980's, already, things had begun to turn sour. The 1985 emergency summit of the Arab League in Casablanca, ended inclusively. Moreover, it exposed serious rifts within the Arab world. In the words of the *Chicago Tribune* at the time:



Amid deep divisions and uncertainty, an emergency summit of the Arab League ended Friday without giving an endorsement to a Jordanian-Palestinian peace initiative that Arab architects have called "<u>the last</u> feasible chance" for Middle East peace.

The subsequent November 1987 Arab League Summit in Amman did not deal with the Palestinian issue, but, instead, was focused on the Iran-Iraq War.

Is any of this sounding familiar?

If we zoom out to the broader international environment, we see a similar pattern of benign neglect emerging. Symbolically, the withdrawal of US Marines from Beirut following the 1983 bombing of their barracks contributed to this perception.

In short: all of this led the Palestinians of the Territories to reach "the compelling and... appealing conclusion that that [they] must accomplish for and by themselves what their leaders abroad were unable to do: not just abide the occupation but give it a swift kick where it would hurt the most." (Yaari and Schiff)

And, as the historical record shows, the Intifada in 1987 led to a radical shift in the weighting of constituencies and priorities within the Palestinian national movement. While the PLO was able to re-establish its leadership over the local Palestinians in the West Bank and Gaza, the locus of power had shifted sufficiently to enable the Oslo Process, which favored the direct and more immediate interests of West Bank and Gazan Palestinians over those of diaspora Palestinians.

Why is this relevant now?

A public perception of neglect—benign or otherwise—unites the present historical moment with the one immediately preceding the First Intifada. The Palestinian Authority leadership has been discredited and continues to suffer from a loss of legitimacy and authority. The Arab world and the rest of the international community—post-Kerry and French initiatives, but also, and more directly, occupied as it is with ISIS, Syria, Iraq, and Iran—may seem significantly less interested in dealing with Palestinian-Israeli peace.

This perception of neglect was not helped by the recent Arab League Summit in Jordan, following which Ayman Safadi, Jordan's foreign minister, called on member states to come together and urgently confront the crises. "The Arab political system has failed to solve the crises and halt the collapse as the trust of Arab citizens in the joint Arab institutions has eroded."



This all adds to the significance of the signals given by Trump and the actions of his administration.

On the Palestinian side, we have a situation in which the Palestinian Authority is in an extremely weak position with few good options that will enable it to build public confidence in its legitimacy and efficacy. The present Israeli government only contributes to a perception of neglect.

A key difference, however, relates to relative lack of alternate social/political structures within Palestinian society through which a new leadership can emerge that will be able to advance a political process forward. This difference is also a partial explanation for the desperate and nihilistic "lone wolf" attacks that include stabbings and car rammings.

Should the status quo continue, it is difficult to imagine that we will not again see a process of shaking off—not only in terms of an uprising against Israeli rule, but, again, also as a protest to existing Palestinian leadership. But whereas the First Intifada led to the Oslo Process, a further shaking off may lead in quite a different direction. The Palestinian street in the West Bank may throw off the PLO leadership, but for what? It is hard to imagine a leadership emerging that will be more, rather than significantly less amendable to seeking accommodation with Israel.

Israel

I don't want to go too deeply into the internal Israeli situation here, except to note that the following:

- 1. Israel, under the leadership of Prime Minister Netanyahu, presently has the farthest right leaning government in its history, with many in the government, both from other parties and from Netanyahu's own Likud party, being farther to the right than he is.
- Netanyahu is under a number of police investigations that may lead indictments. It is doubtful that any indictments will be filed—if they are filed at all—before late fall/early winter 2017. But should they be filed, it is almost certain that Netanyahu will have to step down as Prime Minister.
- Given the nature of the coalition and the extent of the ambition on the part of leaders both within government and within the Likud party to unseat Netanyahu, it seems likely that the current coalition will not continue for a full term with or without a criminal indictment of Netanyahu.
- 4. Should the present government fall and new elections be called, it is difficult to envision a situation in which a new government will be formed



that has a robust mandate to make the concessions necessary to reach a final status agreement with the Palestinians. Things that could change this include: a war, especially an inconclusive one, involving Palestinians or other actors; and/or the emergence of a new center or center-left opposition leader from the wings.

Where does this leave us?

In a very fragile, dangerous and tough place. But despite the bleak nature of this situation, it also one that retains potential for positive movement. The challenge is to take advantage of the opportunities of the shaking up while avoiding or mitigating the implications of any of the possible "shaking offs."

As I mentioned, I believe a staged, regional approach offers the best and most prudent path forward. As already noted, the lowered expectations engendered by the "shaking up" create a potential for change that can be taken advantage of. The approach should be based on borders and land-swaps that preserve settlement blocs, security arrangements, and agreed solutions to the issues of Jerusalem and refugees. Together with this, it will be important to pursue the implementation of regional security mechanisms that will tackle the threats posed by Iran, Hezbollah, ISIS, and Hamas, as well as clear movement towards full normalization with members of the Arab League pegged to progress along the bi-lateral Israeli-Palestinian track.

This process will be facilitated—and even enabled—by confidence building measures in order to demonstrate clear signals of intent from all sides. These can range from a positive, public, and nuanced Israeli response to the Arab Peace Initiative to practical steps to relieve the hardship in Gaza (with some issues simply being identified as humanitarian issues demanding direct, unilateral responses). They should certainly include an appropriate freeze on settlement construction, most particularly in areas that will clearly not be included under any final status agreement. They should also clearly include the promotion of the development of Area C, including the Jordan Valley and East Jerusalem for the benefit of Palestinians living in those areas. They should also include some form of symbolic development for the benefit of Palestinians on land to be swapped to demonstrate a willingness to make such compromises, including in the Gaza envelope.

Despite the fact that a quick final status agreement may not be possible, it is urgent to re-affirm the necessity and viability of a two-state solution in words and deeds by both Israeli and Palestinian leadership, creating "facts on the ground"—especially by Israelis--that will demonstrate intent. Some of these can even involve unilateral steps.



It is also important to ensure that movement towards an agreement is pursued—even when only in a piecemeal manner. This means abandoning the "all or nothing" paradigm of the final status talks within the Oslo Process, in favor of a staged process which can, in the words of the Israel Peace Initiative, include many "mini deals" on Gaza, the West Bank, and regional security & economic development.

Civil society needs to be engaged to support this process, not only for its success, but also to help create supportive structures to prevent—or at least to mitigate—the potential violence caused by a possible "shaking off" related to a failure of the process to move forward. Such a failure could be caused by many factors—including ongoing tensions between the US and Russia.

Civil society organizations in the broadest sense should be engaged and strengthened both to help mobilize support for a political agreement and to help slow the degeneration in to nihilistic violence. European states can be particularly helpful in ensuring that both Israeli and Palestinian publics perceive that this issue remains important on a global agenda, both by continuing their support for civil society groups, for development projects, and their active political engagement with both the Israeli and Palestinian leaderships. European states and the US can also play a role in their discourse with both Palestinian and Israeli civil society organizations to promote wise "reality checks" that can help the civil society organizations locate their actions and positions wisely within broader, strategic outlooks.

-End-