

January 21, 2009

Israeli-Palestinian Political Process Assessment

This is an edited version of an email I sent a dear friend from LA per his request and our conversation. It offers an overview of the state of the Israeli-Palestinian political process and the challenges facing the incoming administrations in Israel and the USA.

I would be happy to receive your comments at gidi@reut-institute.org. For more information check our website at www.reut-institute.org.

Background

- **The pathology of the Bush Administration – and of the Olmert Government – has been setting unattainable objectives and then going for them.** I have heard many people advising the new Obama administration "not to repeat W's mistakes" citing primarily his lack of high-level American involvement and not being evenhanded. However, in my view, Bush's main mistake was repeated misreading of what was achievable and allowing wishes become objectives. His administration repeatedly set unattainable objectives and then spent enormous resources pursuing them, expectedly, to no avail. For example, as their objectives for the Annapolis Process had been to achieve an agreement that would be short, quick, substantive *and* different than the Clinton Ideas (there is no such animal), it ended in inevitable failure. From what I am hearing, the advice that Obama has been getting suffer from the same fault.
- **The Two-State Solution has been the 'only game in town' for almost seventy years.** The idea that the solution to the Jewish-Arab conflict in Mandatory Palestine would be two-states-for-two-peoples has dominated since 1937. It has gone through ups and downs but nonetheless remained the only possible framework for resolving the conflict (except for the period when the Jordanian option was explored until 1988). That is until recently when its relevance has been eroded to the point where now many view it as irrelevant.
- **Since the Israel-Egypt Camp David Accords (1979), the paradigm for realizing the two-state solution has been through 'a comprehensive Permanent Status Agreement' (PSA).** This paradigm was based on the assumption that the objective of Israeli-Palestinian negotiations is to reach a comprehensive agreement on all of the outstanding issues e.g. Jerusalem, refugees or security. Such an agreement would lead to the establishment of a Palestinian State and to 'end of conflict' and 'finality of claims' between the parties. In this context, the self-governing Palestinian Authority in the West Bank and Gaza is an essential step in this direction. Furthermore, according to this paradigm, the parties to the negotiations were Israel and the PLO in its capacity as 'the sole legitimate representative of the Palestinian people'.
- **However, this paradigm is losing ground.** There are few reasons to this: *First*, the gaps between the parties on issues such as Jerusalem or refugees seem unbridgeable. In my view, the Geneva Accord not only did not provide the

framework for the agreement but actually made it even more difficult to get a future agreement. *Second*, there is a historical constitutional and political crisis on the Palestinian side where the power of FATAH party, which has dominated Palestinian politics since the early sixties, has been steadily eroding, while the power of Hamas is rising (more about that below). *Third*, the negotiations are premised on Gaza and the West Bank being a 'single territorial unit', while, in reality, since June 2007, they are two separate and rather hostile entities.

- **A constitutional and political crisis on the Palestinian side.** As mentioned, there is a struggle for the leadership of the Palestinian national movement between the declining Fatah party and rising Hamas. Fatah is still clinging to power in the Palestinian Authority (which governs the West Bank and formally also Gaza) and in the PLO, which, as mentioned, holds the invaluable title of 'sole legitimate representative...'. Hamas is consistently increasing its legitimacy and consolidating its power with the aim of taking over both the PA and the PLO thus unseating Fatah and the leading political movement / party of the Palestinian national movement. This crisis has exacerbated since Hamas electoral victory (1/06) the taking over of Gaza by Hamas (6/07) that have led to the paralysis of the parliament of the PA (called the Palestinian Legislative Council, PLC) and to the formation of two governments in Gaza (led by Hamas' Haniyeh) and in the West Bank (led by Abu-Mazen and Fayyed).
- **Operation Cast Lead complicated the picture even further. Hamas may be strengthened politically in spite of military defeat.** Israel's recent operation may end in a decisive Israeli military victory but the political outcome may be more complicated. It is likely that Hamas will emerge politically more powerful from this operation as the reality of its control over Gaza will be de-facto recognized by Israel, the USA and the world (even if its *right* to govern Gaza will not). Hence its claim for leadership of the Palestinian national movement may grow stronger while the PA, Fatah and Abu-Mazen are weakened. Furthermore, it is likely that Hamas will achieve a reopening of the border crossings with Israel or Egypt, which had been its chief stated objective since it took power in January 2006.
- **Hamas is immature. Fatah is in crisis.** Hamas remains an immature political movement that requires taming. Its decision-making processes are deliberative and cumbersome leading to positions that are ridden with internal inconsistencies. For example, Hamas declared the existing agreements with Israel null and void but demands the operation of the border crossings with Israel, which are rooted in these agreements. Or, in spite of signing a ceasefire with Israel, it was not willing to enforce it on other armed factions such as Islamic Jihad as it does not want to be "Israel's border guards". Fatah, the other leading political party, is in such a deep crisis that it can barely be viewed as a 'movement'. For example, in the recent elections in January 2006 Fatah ran *multiple* candidates in each district competing against each other and securing the victory of the Hamas candidate.
- **As Hamas grows stronger, the question of Palestinian representation is more pressing.** As mentioned, since 1974 the PLO has been recognized as 'the sole legitimate representative of the Palestinian people'. Since 1988 it has been the interlocutor of the USA and since 1991 of Israel as well. For all these years it has been dominated by Fatah (Arafat was Chair of the PLO, Chair of the PA

and Chair of Fatah). In 1994, Fatah took control over the Palestinian Authority in Gaza and the West Bank and won the elections held in 1995. For all these years, the Islamists groups such as Hamas have been both excluded from the PLO and PA, as well as boycotting them. Since 2006, Hamas has decided to participate in the elections to the PA (which it won) and demanded redistribution of power in the PLO. Its contest with Fatah ended in a violent coup in Gaza and its demands in the PLO have been rejected to date. Consequently, the legitimacy of the PA and the PLO as representative bodies of the Palestinians is increasingly challenged.

- **As Hamas grows stronger, PSA fades away.** Hamas ideologically rejects the PSA paradigm, which entails 'finality of claims' or 'end of conflict' with Israel. Hence, as Hamas get stronger, this paradigm loses relevance. Therefore, **the idea that one could have a Palestinian national unity government and an attempt to go for a PSA** – which has been suggested to Obama by a prominent DC think tank – **is likely to turn out to be an exercise in futility** and a repetition of the above mentioned Bush pathology.
- **The dilemma of a Palestinian national unity government.** On the one hand, Hamas rejects the idea of a PSA. Hence, a Palestinian national unity government with prominent Hamas participation would not be able to negotiate such an agreement. In other words, a PSA can only be negotiated with Abu-Mazen as the Chair of the PLO and while Hamas is excluded. On the other hand, if such a national unity government is established, it may be more open to negotiating a long-term cease fire – *Hudnah* – which does *not* require as difficult ideological compromises by Hamas.
- **It will be hard to hold Palestinian elections.** Abu-Mazen wants to change the electoral system to increase Fatah power. Hamas will have to allow Fatah to rebuild its base in Gaza. And Israel conditions Hamas participation on its recognition of Israel and acceptance of the existing agreement. Very complicated...
- **Israel's tragic national security dilemma: to stay or to leave?** Israel is facing a dramatic national security dilemma in with regards to the West Bank: if it leaves it faces the risk of terrorism and rockets on Tel-Aviv. If it stays, it faces the long-term economic, political, diplomatic administrative and economic implications of controlling millions of Palestinians. The choices today are tougher than a few years ago and getting worse.

Recommendations

- **Don't repeat the Bush pathology of setting unattainable objectives.**
- **No obvious strategy.** In the past, the Israeli-Palestinian political process had clear frameworks to work within such as the Interim Agreement, Permanent Status negotiations or Israeli unilateral withdrawals. However, nowadays, there is no such overarching paradigm and all parties are facing very tough choices.
- **The two fundamental choices seem to be the following:**

Option one is to encourage a political resolution of the political crisis on the Palestinian side through some form of elections or national unity government which will decrease the prospects of a PSA and increase the prospects of a long-term interim agreement.

Option two is to continue to work with Abu-Mazen on building a Palestinian state in the West Bank while isolating Hamas in Gaza and engaging it there. This would lead to a 3-entity solution. According to this approach, Gaza would be brought in at a later stage, if at all.

- **At some point, Israel and the USA would have to acknowledge the reality of Hamas control over Gaza.** This is the evident outcome of Operation Cast Lead when Israel decided not to eradicate Hamas and therefore recognize the fact of its control over Gaza. To be clear, this does *not* necessarily require or mean recognizing Hamas or its legitimacy but just acknowledging the reality that exists in Gaza since June 2007. Now and after Hamas will reconsolidate its power in Gaza, it seems inevitable that countries – including the USA and Israel – will begin signaling with it, indirectly negotiating with it through third parties or communicating with its representatives starting with the issues pertaining to the shared border.
- **We are still a long way from Hamas being reasonable in negotiations for an agreement.** Some claim that Hamas is more likely than Fatah to agree to a long-term cease fire – *Hudnah* – with Israel in the form of a long-term interim agreement, which is an option that Farah and Abu-Mazen rejected for tactical and strategic reasons (they wanted an all-or-nothing comprehensive agreement). However, Hamas present position is that Israeli withdrawal to the June 4th 1967 Lines, resolution of the refugee issue and establishing the Palestinian capital in East Jerusalem would represent an *interim* arrangement. Israel is unlikely to agree to this outcome.
- **The PSA option: unlikely to succeed, dangerous and even counter-productive as it may lead to the final demise of the Two-State Solution.** The paradigms of the two-state solution and of the PSA remain powerful and many are likely to call upon the USA to exercise leadership and to force the parties into a political process that will lead to a PSA. However, this option may emerge as a grave mistake. The reason is the historical constitutional and political crisis on the Palestinian side which may prevent ratification. Hence, putting the Two-State Solution through a moment of truth in a moment of weakness may lead to the opposite outcome and bring about its demise.

What can work?

- **Unilateralism and Palestinian State in Provisional Borders – The two ideas that received the most flak remain most relevant.** Israel and Abu-Mazen's PA seem to be reasonable actors. Hence, it is tempting to assume that they could negotiate their outstanding issues. However, for the reasons mentioned above, negotiations are unlikely to achieve an agreement. Furthermore, if reached, an agreement may lead to failure of the PSA in the political test.

The two most criticized political concepts during the past eight years have been Israel's unilateralism and the idea of a Palestinian State in Provisional Borders, which was introduced in Bush's Roadmap.

The present format of negotiations on a PSA represents an all-or-nothing exercise. This means that in the absence of an agreement on Jerusalem (for example) there is no agreement on customs (for example) as well. However, the power of customs can simply be handed over from Israel to the PA on the basis of an Israeli executive decision without requiring agreement and ratification.

The same can be said with regards to dozens of powers and responsibilities whose systematic transfer from Israel to the PA will lead to a de-facto emergence of a Palestinian state, which can then be recognized de-jure.

Hence, **if Israel decides that it seeks to end occupation and move toward a Palestinian state, the parties may find it the easiest to orchestrate a set of coordinated unilateral Israeli steps that systematically hand over to the PA powers and responsibilities and even territory while building the institutions and capacities of the Palestinian entity to the point that it can be recognized as a state.** A lot of progress can be made without formal agreements.

- **Standing still is regressing.** The transfer of powers and responsibilities from Israel to the PA in the direction of building it as a state is a fragile political enterprise. The reason is that many Palestinians view the Palestinian Authority as a platform that facilitates de-facto Israeli occupation of the West Bank. Hence, for example, the legitimacy of the police force that has been recently trained by General Dayton is conditioned on political progress. In its absence, this police force may become illegitimate in the eyes of the general population which may view it as Israel's law-enforcement arm.
- **Jordan is a critical player in the West Bank as Egypt is in Gaza.** Egypt's vital interests in Gaza and its role as mediator there have been recognized by Israel. However, Jordan is often excluded from the political process in the West Bank in spite of the fact that they have far-reaching strategic implications for Jordan through the issues of borders, Jerusalem, security, refugees, water and Palestinian statehood. Furthermore, as the PA weakens, Jordan's presence in the West Bank becomes more essential for stability there. Hence, Israel and the USA should learn to involve Jordan early on in the process and take its interests into account throughout the negotiations.
- **The time to move decisively is during the first two years of an Israeli government.** No Knesset ever disbanded itself during the first year of its tenure and only two did during the second year (the 1959 and 1999 Knessets). Very few served full four-year tenures. Hence, most Knessets dissolve during the third year. This is because MKs cling to their seats in the first half and increasingly electioneer during the second half. Therefore, the big decisions have to be taken during the first two years of the tenure of an Israeli government.

End.