

Rebuilding Israeli-Palestinian Negotiations

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On November 27, 2007, President George W. Bush brought together Israeli Prime Minister Ehud Olmert and Palestinian Authority (PA) President Mahmoud Abbas at the US Naval Academy in Annapolis, Maryland to launch renewed Israeli-Palestinian negotiations with the shared aspiration of concluding a permanent status agreement by the end of 2008. This landmark event demonstrated the commitment of the United States and of the parties themselves to realize President Bush's vision, first articulated in June 2002, of two states living side-by-side in peace and security. More than 40 Foreign Ministers attended the conference, representing a broad swathe of the international community including traditional European allies, 15 Arab states (plus the Palestinian Authority), and important Muslim states such as Indonesia, Malaysia and Pakistan. In a sense, Annapolis was the culmination of US and Quartet* efforts that were reinvigorated following Israel's war with Hezbollah in the summer of 2006. But most importantly, Annapolis was the starting point for political negotiations now underway. Only such negotiations can lead to the establishment of an independent, viable, peaceful and prosperous Palestinian state that can be a source of stability and security for Israel and the broader Middle East.

The divisions in the Middle East have never been clearer than in the wake of the July-August 2006 conflict between Israel and Hezbollah. On one hand, there were the advocates of violent "resistance," Hezbollah and Hamas, supported by Iran and Syria. On the other hand was a group of states, such as Egypt, Jordan, Saudi Arabia and the UAE, that support political progress toward peace in the region and abjure the use of violence. In the eyes of these governments, Hezbollah's successful propaganda campaign in the wake of the war challenged their sensible leadership. These leaders felt under increasing pressure to show that they could deliver results based on peaceful diplomacy rather than violence. At the same time, it became evident that Israel's policy of unilateral withdrawals, such as Israeli disengagement from Gaza in 2005 and its withdrawal from southern Lebanon in 2000, left a security vacuum that radical non-state actors (with Iranian and Syrian support) could fill, posing a significant threat to Israel's security and regional stability. In fact, during the Lebanon War southern Israel came under constant bombardment from rockets fired by extremists in Gaza just as northern Israel suffered katyusha rockets fired from southern Lebanon.**

* *Editor's Note: The Quartet is comprised of the United Nations, the Russian Federation, the European Union and the United States.*

** *Editor's Note: According to The New York Times of March 12, 2008, "Gazan militants fired a rocket at the Israeli coastal city of Ashkelon on [March 11], fracturing a tenuous lull in fighting between Israelis and Palestinians...Ashkelon, a city of 120,000 people about ten miles north of the Gaza Strip, was struck by at least 20 foreign-made Katyusha-type rockets during the recent increase in hostilities...Israeli officials viewed the launching of rockets against Ashkelon as an attempt by Hamas...to escalate the conflict with Israel. A subsequent Israeli air and ground campaign in Gaza left more than 120 Palestinians, including many civilians, and two Israeli soldiers dead."*

Out of the bloody summer of 2006 emerged an Israeli understanding that to successfully relinquish territory it had occupied in 1967 while protecting Israeli security, Israel would need to cooperate with a Palestinian partner in order to demonstrate that peaceful negotiations, not terrorist attacks, can end the occupation. At the same time, a certain sense of urgency emerged on the part of moderate Arab leaders to reinvigorate the peace process in order to show that Arab goals for Palestinian nationhood could be more effectively realized through diplomacy rather than violence. American leadership was the key ingredient required to seize this opportunity and exploit it.

Shortly after the end of the conflict, President Bush laid down a marker in his September 2006 speech to the United Nations General Assembly. He gave Secretary Rice a mandate to work to renew Israeli-Palestinian talks, and to work to build Palestinian capacity to govern and uphold law and order and combat terrorism. Secretary Rice began traveling regularly to the region, averaging about one trip per month. At the time, pundits warned that the United States would squander its political capital unless these trips began to sow concrete results. We balanced those uncertainties against the risk that no diplomacy would reward extremism, as the only alternative left standing. We continued to meet with Israeli and Palestinian leaders, urging them to resume talks, educating ourselves about their views on core issues, and pressing the parties to develop their own thinking about these core issues in anticipation of negotiations.

This was no easy task. On the Israeli side, the government was under fire for its handling of the war with Hezbollah. It faced the imminent release of the Winograd Commission of Inquiry's report on the war.^{***} The diverse makeup of its governing coalition and the traditional tumult of Israeli politics made any new moves a serious political debate. On the Palestinian side, while we recognized President Abbas as a partner for peace, the January 2006 election of a Hamas majority to the Palestinian Legislative Council and subsequent formation of a Hamas government had led to the political and economic isolation of the Palestinian Authority. In February 2007, Saudi Arabia brokered the Mecca Agreement which resulted in a Fatah-Hamas unity government under the leadership of Hamas Prime Minister Ismail Haniyah, diluting direct Hamas control of key parts of the government but complicating our efforts as Israeli leaders became reluctant to meet even with Abbas due to his new association with Hamas. Indeed, for a time it seemed that every trip by the Secretary was met with a new crisis, and we spent our time putting out fires rather than building towards negotiations.

However, the momentum began to slowly shift in our favor. In March 2007, the Arab League reaffirmed the Arab Peace Initiative at the Riyadh Summit. This initiative, originally adopted at the Arab Summit in Beirut, Lebanon in 2002, provided a regional political horizon for Israel, offering the prospect of normalizing relations in return for

^{***} *Editor's Note: The New York Times of October 20, 2007, reported that "Mr. [Ehud] Olmert and his government are being investigated...by a state-appointed committee, known as the Winograd Commission [named for Eliyahu Winograd, the retired judge who heads the Commission], about their conduct of the war against Hezbollah in 2006." Upon the release of the Winograd Commission's final report, The New York Times of February 1, 2008, stated, "While the preliminary report assigned personal responsibility to the prime minister and other political and military leaders, the final report...was more forgiving of Mr. Olmert than many expected and has been hailed by some supporters as a kind of exoneration."*

Israeli-Palestinian peace, and ultimately a more comprehensive Arab-Israeli peace. While the 2002 Beirut declaration was overshadowed by other events in the region, the reaffirmation of the initiative in 2007 was welcomed by the United States, the international community, and Israel (albeit with concerns about its implications for the Palestinian “right of return” and the issue of territory). Prime Minister Olmert held his governing coalition together in the wake of the Winograd Commission’s interim report, in April. Then, in June, Hamas violently seized power in Gaza. This tragic and bloody development, which resulted in hardship and oppression for many innocent Gazans, also offered an opportunity to reshape Palestinian politics. President Abbas declared a state of emergency and established a nonpartisan caretaker government under Prime Minister Salam Fayyad—a technocratic and professional government that is without question the best since the creation of the Palestinian Authority. The United States and the Quartet quickly bestowed an international seal of legitimacy on this new PA government, and donors restored bilateral aid. The Arab League de facto recognized it as well. At the same time, Israeli officials saw the partner for peace they had in the Abbas and Fayyad government, and Olmert and Israeli Foreign Minister Tzipi Livni quickly met with Abbas and Fayyad. Israeli-Palestinian coordination slowly resumed on security and economic issues, including the transfer of withheld Palestinian tax and customs revenues to the Palestinian Authority. One month later, on July 16, President Bush delivered a statement on the Middle East, expressing his support for the PA government under Abbas and Fayyad’s leadership, calling for robust international assistance for the Palestinian Authority, and announcing his intention to convene an international meeting to provide diplomatic support for the parties in their bilateral discussions and negotiations in order to move forward on a successful path to a Palestinian state.

In the days and weeks leading up to Annapolis, and at the conference itself, President Bush, Secretary Rice and I worked with the parties to finalize an agreed upon “joint understanding” that would lay the foundation for the Annapolis process. The parties agreed to vigorous and continuous negotiations on all of the core issues. They further agreed to work to fulfill their respective commitments under the Roadmap and invited the United States to monitor and judge progress, acknowledging that implementation of any peace agreement would be subject to implementation of the Roadmap. Finally, they agreed to work towards the conclusion of a permanent status agreement before the end of 2008, establishing the timeline that Palestinians and the broader Arab world viewed as a key ingredient for serious negotiations. Of course, we also had to do the difficult, time-consuming legwork of establishing the conference itself, a job that crested over Thanksgiving weekend.

Since Annapolis we have been working to support progress on four tracks. First and foremost, we are supporting the parties’ bilateral negotiations, which began in earnest shortly after Annapolis with the creation of a negotiating structure and a schedule of bilateral talks on the full spectrum of issues. The parties have commendably kept the substance of these talks private, which reflects the seriousness of their effort. A peace agreement cannot be imposed from outside, and it is the parties themselves who must work through the difficult compromises necessary for peace. The United States will support them in this task, will work to ensure the talks stay on track, and when appropriate, we will

offer ideas to help facilitate progress. As part of this effort, Secretary Rice has enlisted the services of General (ret.) Jim Jones, former Commandant of the Marine Corps and NATO Supreme Allied Commander. General Jones is looking at the security needs of the parties, potential requirements for international support, and desirable regional security arrangements for a permanent status agreement.

Second, we are working to promote progress by the parties in fulfilling their commitments under the Roadmap. For the Palestinians, this means combating and dismantling the infrastructure of terrorism, undertaking institutional reforms, and ending incitement. For Israel, it means halting settlement expansion, removing unauthorized outposts, easing movement and access to improve Palestinian economic and humanitarian conditions, facilitating security coordination, and re-opening Palestinian institutions in East Jerusalem consistent with previous agreements. The President and Secretary Rice have asked Lieutenant General William Fraser III to monitor developments in this area and to work with the parties to promote progress on Roadmap implementation. Given the secret nature of the bilateral negotiations, progress on the ground is crucial to reflect the seriousness of the process as well as progress that is being achieved in the negotiations. There is no question that the lack of significant positive developments on the ground since Annapolis poses a serious threat to the process. Generating progress in this area is a primary focus of our efforts.

Third, we are working to support Palestinian economic development and institutional capacity building. Following the Annapolis Conference, France hosted a donors conference in December which generated pledges of \$7.7 billion dollars in budgetary and programmatic support for the Palestinian Authority. As I write this article, we are preparing for a follow-up meeting of the Ad Hoc Liaison Committee in early May to maintain close donor coordination. Former UK Prime Minister Tony Blair, in his role as Quartet Representative, has taken a leadership role on this issue, identifying priority projects and working with the parties and international donors to facilitate implementation on the ground. The United States is doing its part. In Paris, we pledged \$545 million in support for the Palestinian Authority, including \$150 million in budgetary support which was delivered to the Fayyad government in mid-March. Additionally, Lieutenant General Keith Dayton, the US Security Coordinator, is working to reform and professionalize the Palestinian security forces, including a program providing training and non-lethal equipment.

Finally, we are working to sustain and expand regional support for the parties' efforts. Arab political and financial support will be crucial in order for both Israel and the Palestinians to make the painful compromises necessary for peace. Arab governments should continue to show unequivocal support for President Abbas's government and reject the violent extremists of Hamas. They should work to create economic opportunities for the Palestinians, and take an active part in promoting negotiations. The Arab Peace Initiative was an important step. Now, as President Bush said in July, "Arab nations should build on this initiative—by ending the fiction that Israel does not exist, stopping the incitement of hatred in their official media, and sending cabinet-level visitors to Israel."

We will continue to work to promote progress on each of these four tracks, each of them vital to the goal of a peace agreement by the end of the year. Secretary Rice is traveling regularly to the region to advance the process. President Bush's January trip to Israel and the West Bank, his first as President, and plans for another Presidential trip in May reflect his personal engagement and commitment to this issue. There are substantial obstacles that must be overcome to reach the goal of a permanent status agreement in 2008, but it can be done. Certainly, there will be those who seek to undermine the leaders' efforts as evidenced by the serious escalation of violence in Gaza and southern Israel in January, February and March, and the tragic terrorist attack in Jerusalem on March 6. But arrayed against opponents of a negotiated two-state solution are a cadre of responsible regional leaders, a supportive international community, and a political negotiations process that promises results if everyone unites to support it. In Prime Minister Olmert and President Abbas we have partners truly committed to peace, leaders who will not be deterred, and peacemakers who enjoy the full support of the United States in their historic quest to realize the Palestinian people's aspirations for freedom and statehood, and the Israeli people's aspiration for peace and security.