

DOCUMENTS AND SOURCE MATERIAL

INTERNATIONAL

**A1. INTERNATIONAL CRISIS GROUP,
REPORT ON ISRAEL'S ARAB MINORITY
AND THE ISRAELI-PALESTINIAN CONFLICT,
NAZARETH/JERUSALEM/RAMALLAH/
BRUSSELS, 14 MARCH 2012 (EXCERPTS).**

The International Crisis Group's (ICG) 119th Middle East Report, titled "Back to Basics: Israel's Arab Minority and the Israeli-Palestinian Conflict," runs to 45 pages. The excerpts below are from the Executive Summary and Section III, "Palestinians in Israel and the Peace Process." Not included are long background sections covering the deteriorating situation of the Palestinian citizens of Israel since the second intifada broke out in September 2000, and a mapping of the political trends, movements, parties, and other political actors within the Arab minority. The extensive footnotes have been eliminated to save space. The full report can be found on the ICG's website at <http://www.crisisgroup.org>.

Executive Summary

. . . For over six decades, Israel's Palestinian citizens have had a unique experience: they are a Palestinian national minority in a Jewish state locked in conflict with its Arab neighbors but they also constitute an Israeli minority enjoying the benefits of citizenship in a state that prizes democracy. This has translated into ambivalent relations with both the state of Israel and Palestinians in the West Bank, Gaza, and beyond. They feel solidarity with their brethren elsewhere, yet many Arabs study in Israeli universities, work side-by-side with Jews, and speak Hebrew fluently—a degree of familiarity that has only made the discrimination and alienation from which they suffer seem more acute and demands for equality more insistent.

Since 2000, a series of dramatic events have both poisoned Jewish-Arab relations in Israel and reinvigorated its Palestinian minority. The collapse of the peace process and ensuing intifada harmed Israel's relations with not only

Palestinians in the occupied territories but also its own Palestinian minority. As Palestinians in Israel organized rallies in solidarity with Gazans and West Bankers, Israeli Jews grew ever more suspicious of their loyalty. Palestinian citizens' trust in the state plummeted after Israeli security forces killed thirteen of their own during protests in October 2000. A rapid succession of confrontations—the 2006 war in Lebanon; 2008–2009 Gaza war; and 2010 bloody Israeli raid on the aid flotilla to Gaza—further deepened mistrust, galvanizing the perception among Israeli Jews that Palestinian citizens had embraced their sworn adversaries. Among Arabs, it reinforced the sense that they had no place in Israel. Several have been arrested on charges of abetting terrorist activity. Meanwhile, the crisis of the Palestinian national movement—divided, adrift, and in search of a new strategy—has opened up political space for Israel's Arab minority.

As a consequence, Palestinian citizens began to look outside—to surrounding Arab states and the wider international community—for moral sustenance and political leverage. They have come to emphasize their Palestinian identity and increasingly dissociate themselves from formal Israeli politics. The result has been steadily declining Arab turnout for national elections and, among those who still bother to vote, a shift from Jewish Zionist to Arab parties. Palestinians invest more energy in political activity taking place beyond the reach of official institutions. Unsurprisingly, Shaykh Raed Salah—the leader of the northern branch of the Islamic Movement in Israel, which refuses to engage with the country's political institutions—has become the highest-profile Arab politician.

Yet Palestinian citizens' conflicting experiences has meant that such reactions go hand-in-hand with others: continual demands for achieving their rights within Israel; persistent criticism of Israel's democratic shortcomings; and the absence of any visible interest or willingness to relocate to an eventual

Palestinian state. They undoubtedly feel deeply Palestinian. But they also take their Israeli citizenship seriously.

Simultaneous Arab marginalization and revitalization also has manifested itself in initial efforts by its leadership to define the community's political aspirations. The so-called "Vision Documents" advocate full Jewish-Arab equality, adamantly reject the notion of a Jewish state, and call instead for a "binational state"—in essence, challenging Israel's current self-definition. This, for many Jews, is tantamount to a declaration of war.

For its part, Israel's Jewish majority—confronted by an internal minority developing alliances outside the state and seeming to display solidarity with its foes—has grown ever more suspicious of a community it views as a potential fifth column. It has shunned Palestinians, enacted legislation to strengthen the state's Jewish identity, and sought to ban certain Arab parties and parliamentarians. Today, what for most Palestinian citizens is a principled struggle for equal rights is perceived by many Israeli Jews as a dangerous denial of Jewish nationhood. What for most Jews is akin to complicity with their enemies is viewed by Palestinian citizens as an expression of affinity for their brethren.

This is taking place against the backdrop of a peace process in which very little is happening—and what is happening only makes matters worse. Prime Minister Benjamin Netanyahu insists that the Palestine Liberation Organization (PLO) accept Israel as a Jewish nation-state in the context of a final status agreement. That request resonates widely with Israel's Jews but raises all sorts of red flags for its Palestinian citizens, who have vigorously pressed the PLO to reject it. They might not have a veto, yet President Mahmoud Abbas cannot easily dismiss their views on such matters and has shown no inclination to do so. All of which has only elevated the centrality of the demand, making it all the more important for Israel's government and all the more unacceptable to its Palestinian minority.

Add to this the idea, floated by Foreign Minister Avigdor Lieberman's party, of "populated land swaps," under which certain Arab-majority areas of Israel

would be swapped for some of the so-called West Bank settlement blocks. Alarmed that they could twice pay the price for a two-state settlement—through acquiescence in their state's "Jewishness" and through forcible loss of their citizenship—Israel's Palestinian minority is making it ever clearer that peace deal or no peace deal, there will be no end to Palestinian claims until their demands also are met. To which Israel's response is: Why pay the hefty price of an agreement with the PLO if it leaves behind an open wound right in our heart?

It was not meant to be so. Originally, the notion was that progress in the peace process would help improve Arab-Jewish relations in Israel. Instead, simultaneous deterioration on both fronts has turned a presumably virtuous circle into a dreadfully vicious one. Neither the State of Israel nor its Arab minority will be willing to reach a historic understanding before the Israeli-Palestinian conflict has been settled; and settling that conflict will be near-impossible without addressing the question of Israel's nature—which itself cannot be done without the acquiescence of Israel's Arab citizens.

For now, this downward spiral has resulted in relatively few violent confrontations. For the most part, Israel's Palestinians fear an escalation could erode their civil rights and further jeopardize their status in the state. But the frequency of clashes is rising. Should current trends continue unabated, localized intercommunal violence should come as no surprise.

It will not be easy to sort this out, not with a frozen peace process, not with deepening Jewish-Arab antagonism and mutual fears. But some things are clear. First, that there are long overdue measures Israel should take to begin to address its Arab minority's demands for equal rights, regardless of the conflict with its neighbors, as well as steps Palestinian citizens can take to lessen Jewish fears. Second, that although obstacles to Israeli-Palestinian peace are legion, a significant one involves the dispute over Israel's identity. Third, that this obstacle cannot be overcome to any party's satisfaction—not to the PLO's, which cannot afford to ignore an

important Palestinian constituency; not to Israel's, which insists on ending all Palestinian claims—without buy-in from Israel's Arab citizens.

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III. Palestinians in Israel and the Peace Process

The Oslo accords, by essentially excluding Israel's Arab minority from the peace process, limited Palestinian claims inside Israel to the refugee question. Over the past several years, this increasingly has been challenged by actors on all sides, who argue that the Israeli-Palestinian conflict cannot be fully or sustainably settled unless issues pertaining to the conflict's origins—the creation of the state of Israel, its character and identity, and the fate of Palestinians in both the diaspora and Israel—also are addressed. Indeed, such views more and more are espoused by both Jewish and Arab segments of the Israeli body politic, albeit for starkly different reasons, giving rise to odd bedfellows. A member of the Islamic Movement's northern branch said he “completely agrees with Avigdor Lieberman and the Israeli right” in this regard: “It's not like we agree on anything else. But unlike the Israeli left, Lieberman has understood that the Israeli-Palestinian conflict is primarily related to 1948, not 1967.”

A. Palestinian Citizens and the Israeli-Palestinian Conflict

After the Oslo accords were signed in 1993, many Palestinians in Israel hoped that they could ride the PLO's coattails. During their “golden era,” the Arab leadership was encouraged by its integration—albeit nascent and fleeting—into parliamentary politics under Prime Minister Yitzhak Rabin. No less than their brethren in the West Bank and Gaza, they expected a “peace dividend,” as Knesset member Ahmed Tibi explained:

In the 1990s, we put our hopes in the peace process and had faith it would generate a wider reconciliation. This, the argument went, would have lowered security pressure on our community since the intensity of the Israeli-Palestinian conflict would have receded. So we showed patience and held back our struggle for equal rights [inside

Israel] in order to allow the peace process to move forward.

The positive mood, however, quickly soured. Netanyahu's first government (1996–1999) walked back some of the changes Rabin had introduced. The northern Islamic Movement retreated into the wider Islamic world, whereas Azmi Bishara and his Balad Party adopted an uncompromising citizenship discourse. While Ehud Barak's 1999 election initially raised hopes, he had turned his back even before the 2000 Camp David negotiation on some Israeli groups—including Palestinian citizens—who had elected him. But it was the second intifada, of course, that did the most damage to communal relations in Israel, polarizing Jews and Arabs to a degree unprecedented since the Israeli government imposed a highly restrictive control regime on its Arab citizens known as the “Military Government” from 1949 to 1966.

As Israel's Palestinian minority looked to the world and the Arab region for succor, Jews looked inward. The intifada brought to power the Israeli Right, under which the country moved to fortify itself, both in terms of physical security and its Jewish identity. Likud and its coalition partners have placed considerably more weight on the character of the state than the Left. It is no coincidence that it was under Prime Minister Ariel Sharon that Israel made its first public, official demand in this regard, in the form of a reservation in its acceptance of the Quartet's road map.

Under the joint pressures of a failed peace process and growing emphasis on Israel's Jewish character, the “patience” of which Tibi had spoken evaporated. Not only did it become clear to Palestinian citizens that no independent state would be established soon, but were one to be, they felt they would be left in a state inhospitable to them. Some groups, such as Hadash and the United Arab List, remain committed to joint Jewish-Arab cooperation and continue to echo Fatah's two-state political vision; Balad and the northern Islamic Movement, by contrast, have adopted an approach that in some respects accords more closely with Hamas's more confrontational style. In the case of the northern Islamic Movement, Hamas

offers direct ideological inspiration; Balad, for its part, emphasizes identity politics, communal development, and self-reliance. All Arab parties, however, are united in their rejection of a Jewish nation-state and their unwillingness to defer to the PLO on the matter.

Today they are making their own demands of Israel; their agenda reflects a belief that their problems have become theirs and theirs alone and that only they can protect and promote their interests. . . . As a result, the Arab minority today feels that it has been “dragged” into the diplomatic process, if only to protect itself. They stress that they will not end their claims—be they recognition of the community’s national rights, individual equality, or acknowledgment by Israel of its responsibility for what happened in 1948—until they are satisfied. . . .

Disillusioned with Israeli politics, Palestinian citizens increasingly are making the trek to the West Bank. Many do this for economic and social reasons: weekend shopping, holiday vacations, Ramallah’s nightlife. For others, their agenda is rooted in politics. There has been a noticeable trend in recent years of the Palestinian minority’s young intellectuals and political activists migrating to Ramallah and East Jerusalem, where they work in Palestinian national political institutions and civil society organizations. While some of this has been driven by the lure of financial rewards and greater prestige, for others there is a sense of common cause with those who have seen their own peace agenda evaporate. This still young and inchoate alliance has its origins less in deliberate strategy than in a sense of mutual fragility, with each seeking support from their brethren across the Green Line to reinvigorate their struggle. . . .

In comparison with Israel, the West Bank is an Arab hinterland (as they are prohibited from traveling to Gaza) that offers the prospect of cooperation with Palestinian forces more powerful than their own. Similarly, for some West Bank elites, the appeal of a joint national front has grown as diplomatic prospects have waned. The PLO and Palestinian Authority (PA) have long interacted with Palestinian citizens as

individuals—perhaps the most prominent example is Ahmed Tibi, who has served as adviser to Arafat and Abbas—but for some West Bankers, the political agendas of Palestinian citizens themselves are models to learn from and emulate. A Palestinian businessman and activist commented:

1948 Arabs have shown more strategic thinking in the Vision Documents than Palestinian national institutions have shown in the last 25 years. Soon, the last gasps of the old negotiating paradigm will expire, and in the huge vacuum that appears, everyone will look to 1948 Palestinians for leadership. They understand what discrimination really means from the inside. For them, it’s not whether Israel should exist or not. The diaspora tends to have fruitless debates about this question, but it misses the point. The point is that Israel does exist, and the question is how to make it a proper country. 1948 Arabs can provide the leadership and the transitional thinking as the national movement moves into a new stage. They have a deeper understanding of coexistence, or what it will take to get to coexistence, than we do. We live in a bubble.

Interest of this sort in Ramallah has grown over the past several years, but so long as the current leadership of the Palestinian national movement remains what it is, it is unlikely that Palestinian citizens will transcend the still marginal, if expanding, role that they currently play. Indeed, not everyone is happy with what cross-fertilization might yield, particularly should it wind up challenging a two-state agenda. At a recent conference in Ramallah, a participant sharply challenged a speaker for promoting a joint national struggle across the Green Line. “You are pulling us back 50 years,” she said, “and undermining the international legitimacy on which the Palestinian struggle is based. If we start talking about the occupation of 1948, forget it, we’re finished.”

B. Israel’s Jewish Character

Over the past decade, the contest over the identity of the State of Israel has intensified. At one level, Israeli Jews deliberate the kind of character their state should have, with differences about the relationship between religion

and state and—to the extent that the two are intertwined—whether Orthodox Judaism should retain its centrality. In parallel, Israel's Jews and Arabs dispute the extent to which Israel should maintain its Jewish character and, more specifically, how its character affects Arab rights. The latter debate has seen sharp escalation. Alienated, Palestinian citizens increasingly are advocating Israel's transformation into a binational state; resentful, Jewish citizens have insisted all the more on the state's Jewish identity. The dual trends are mutually reinforcing: the more Palestinians challenge the notion of a Jewish nation-state, the more they exacerbate Jewish fears and the more Israel's Jewish citizens insist on it; the more Israeli Jews insist on such a state and legislative initiatives target those who oppose it, the more Palestinians reject it.

It is in this context, at least in part, that one should understand Prime Minister Netanyahu's insistence on Palestinian acceptance of Israel as a "Jewish state"—or rather, as "the nation-state of the Jewish people," which government officials consider more accurate because it clarifies that the aim is not to enshrine a Jewish theocracy, but rather to secure the right of the national majority to determine the character of its state. At times, this demand has been presented as an indispensable component of any putative agreement, at others as a quid pro quo for possible Israeli concessions. Although some have branded the demand a "cynical ploy"—a means used by his government to ensure there will be no progress in talks—it resonates deeply with Israeli Jews and reflects Netanyahu's deeply held belief that the question of Palestinian recognition of the Jewish character of the state lies at the core of the conflict. . . .

The PLO has resisted repeated Israeli and U.S. requests to advance such recognition. Although there is some precedent for acceptance of Israel as a Jewish state—including, implicitly, the 1988 Palestinian Declaration of Independence, as well as statements by Palestinian leaders—the PLO has hardened its opposition as the issue has come to the fore. A PLO official dismissed the possibility, arguing it would prejudice negotiations over refugees and compromise

the position of Palestinian citizens of Israel. Members of Israel's Arab community are, if anything, more adamantly opposed to recognizing the state's Jewish character, although as seen above, they have been more flexible regarding alternatives that Israelis view as falling short, such as the Haifa Declaration's acceptance of national self-determination for Israeli Jews.

In Arab eyes, agreeing to a Jewish state could imply endorsement of various manifestations of unequal status: approving the legitimacy of unrestricted Jewish migration into Israel while maintaining restrictions on Palestinian Arab migration; retroactively justifying large-scale land confiscation under the Absentee Property Law; downgrading Arabic as an official language; and condoning restrictions that prevent Palestinian citizens from bringing a spouse from the West Bank or Gaza into Israel. At a symbolic level, Palestinians in Israel believe recognition under virtually any guise would constitute an act of communal self-negation, potentially stripping their presence in Israel of legitimacy and heightening their political vulnerability.

Indeed, PLO endorsement of Israel as a Jewish state, or Jewish nation-state, would face fierce opposition from large segments of Israel's Palestinian community. Tellingly, PLO Secretary General Yasser Abed Rabbo's October 2010 statement suggesting the organization eventually might recognize Israel as a Jewish state provoked an outcry from the Arab community. . . .

The interests and rhetoric of Palestinian citizens of Israel and of refugees in the West Bank, Gaza, and the diaspora increasingly coincide with respect to the symbolic dimensions of recognizing Israel as a Jewish state. Palestinian Israeli attorney Hassan Jabareen's assertion that doing so would be "to declare their surrender, meaning to waive their group dignity by negating their historical narrative and national identity" was largely echoed by Palestinian refugee Ahmad Khalidi, who wrote: "For us to adopt the Zionist narrative would mean that the homes that our forefathers built, the land that they tilled for centuries, and the sanctuaries they built and prayed at were not really ours at all and that

our defense of them was morally flawed and wrongful: we had no right to any of these to begin with.”

It is not surprising, then, that Palestinian citizens have stepped in to champion their brethren in the diaspora. In the process, the Arab struggle for rights inside Israel has been aligned with the refugees' fight for return and restitution, forming what a former Hadash local councilor hoped would be a “blocking majority.” A Balad official said, “If the Palestinian leadership thinks it can sell out more than a million Palestinians in Israel and millions more refugees by recognizing Israel’s Jewishness, it is seriously misreading the situation. They can do it, but it will explode in their—and Israel’s—faces.” This united front, an analyst asserted, cannot be ignored: “Abbas cannot just say and do as he pleases. The refugees and the Palestinians in Israel have very similar concerns, and neither side will accept a de-nationalization of their problem.”

C. Populated Land Swaps

Over the past decade, some Israelis have proposed that the territorial swaps contemplated in a final status agreement in order to include settlements in Israel also should include Arab-populated areas of Israel, thereby altering the demographic balance and ensuring a more solid Jewish majority. Such a land exchange would involve transferring the Arab Triangle, situated next to the northern West Bank, to the future Palestinian state. Formally, it has been championed chiefly by Israel Beiteinu, Israel’s third-largest party, and its leader, Foreign Minister Lieberman; it has not been adopted by any other major party and has been sharply dismissed even by some on the Right.

Still, a Kadima official cautioned against disregarding the idea as marginal or irrelevant: “Lieberman expresses what many Israelis think but are not willing to articulate in public.” Some Likud Knesset members and ministers, as well as former officials in Netanyahu’s office, have endorsed it. Former Prime Ministers Barak and Sharon did not discount the option, and Tzipi Livni, leader of the centrist Kadima party, appears to have proposed limited populated land exchanges during peace talks

with the Palestinians as a solution for communities divided by the Green Line.

Palestinian citizens themselves, including the leadership, privately express great concern that Israel is contemplating not only populated land exchanges but also forced expulsion, called “transfer” by Israeli Jews. The Arab minority points to a popular Israeli discourse in which its growth rate is presented as a “demographic time bomb”; polls that have consistently demonstrated majority support among Israeli Jews for schemes to “encourage emigration” by Arab citizens; and a secret national drill by Israel’s security forces in October 2010 that simulated riots and mass arrests in the event of a peace agreement with the Palestinians that included populated land swaps. It fears drastic measures might be adopted, including expulsions, were the circumstances propitious, such as during a regional war.

At the root of these fears sits the open wound that is the *Nakba*, which Palestinian citizens perceive not just as an historical event—the displacement that occurred in 1948—but also as an ongoing process of dispossession. Mirroring the Jewish insecurity generated by the Palestinian refusal to recognize Israel as a Jewish state, Palestinians note that Israel has yet to acknowledge or make amends for their signal national catastrophe, which, they say, enhances the likelihood it could happen again. . . .

Although the PLO has accepted the principle of land swaps in the framework of a final settlement, it insists on exchanging settlements for uninhabited swathes of Israeli land adjacent to the 1967 lines. The strongest objections come from those who are citizens of Israel. Many worry that their political, economic, and social situation would be inferior to that which they enjoy today. Others object on principle, emphasizing that they take their Israeli citizenship seriously and that they are not rejecting the state but rather demanding that it treat them fairly. Still others note that the proposal would relocate them to a polity with which they lack affinity after many years of geographical and cultural separation. Merely raising the idea, Raed Salah said, delegitimizes the Arab presence in Israel: “This is a

debate in which the people concerned are not even being consulted. The Israeli establishment is treating us like merchandise, not human beings, as something that can be brought to the marketplace and traded off against something else.”

All major Arab political movements and civil society organizations in Israel, including the High Follow-Up Committee, take a similarly hostile view. They argue that populated land swaps would be “tantamount to a second Nakba” and weaken the vitality and social cohesion of the Arab community in Israel. Several Arab Knesset members maintained that the issue represents “a red line” for the community and that eventual implementation would be resisted “with all possible means.”