

PolicyWatch #1632 : Special Forum Report

From Jerusalem to Ramallah: Agenda 2010

Featuring <u>David Makovsky</u>, Jacob Walles, and <u>Robert Satloff</u> February 23, 2010

On February 19, 2010, David Makovsky, Jacob Walles, and Robert Satloff addressed a special Policy Forum luncheon at The Washington Institute regarding the obstacles to Middle East peace a year into the Obama administration and the path forward in the year to come. Mr. Makovsky is the Institute's Ziegler distinguished fellow and director of the Project on the Middle East Peace Process. Mr. Walles, the Cyrus Vance fellow for diplomatic studies at the Council on Foreign Relations, served as U.S. consul-general and chief of mission in Jerusalem from 2005 to 2009. Dr. Satloff -- who, like Mr. Makovsky, was recently in Jerusalem and Ramallah -- is the Institute's executive director. The following is a rapporteur's summary of their remarks.

David Makovsky

The absence of Israeli-Palestinian negotiations over the past year is both surprising and troubling given the high priority President Obama assigned to resolving the conflict. The failure to resume talks stems largely from a lack of urgency on both sides.

Palestinian Authority (PA) president Mahmoud Abbas in particular seems to believe that if he does not agree to direct talks, Washington will step in and either push Israel to make further concessions or proffer its own peace plan.

The PA will likely agree to proximity talks in the coming weeks. Such talks serve as a transition to, or cover for, direct Israeli-Palestinians meetings, where the true business of negotiations occurs. If there is no genuine effort to initiate direct bilateral negotiations, however, the United States is unlikely to come forward with its own final-status peace plan.

Another reason why the Palestinians should not assume that an impasse serves their interests is because time is not on the moderates' side. If no progress is made on the negotiating front soon and Abbas has nothing tangible to show for his cooperation with Israel, then Hamas's narrative of confrontation will only gain strength.

Despite the lack of negotiations, not all news out of the Israeli-Palestinian arena is bad. Prime Minister Binyamin Netanyahu has been proactive in declaring support for a two-state solution, reducing checkpoints, and agreeing to a qualified settlement moratorium of unprecedented length.

The leaders on both sides appear to be strong, contrary to popular wisdom. The Netanyahu coalition is secure, and Fatah and Abbas consistently poll higher than Hamas and its leader Ismail Haniyah. Approval ratings for the Fayad government are growing steadily, and Palestinians -- including Gazans -- increasingly view conditions in the West Bank as positive. Additionally, Palestinians are making concrete efforts to screen out radical teachers and imams from schools and mosques in the West Bank so that more moderate sensibilities can flourish.

PA prime minister Salam Fayad's efforts to build the institutions of a Palestinian state remain a breath of fresh

air in the peace process. The bottom-up approach is promising. The peace process must also have a top-down negotiating component that makes clear progress on solvable issues such as the final borders of a future Palestinian state. Without such a component, two negative consequences are likely. First, Palestinian security officials will find it increasingly difficult to believe that cooperation is a ticket to statehood, making it easier for Hamas to charge that only Israel benefits. Second, Israelis are likely to become suspicious that Fayad's bottom-up approach is a Palestinian mechanism to unilaterally declare statehood down the road.

To be sure, many Israelis and Palestinians are deeply cynical about the prospects of achieving a peace agreement. Both sides believe they are ready for peace, but neither trusts that they have a partner on the other side. Yet it should be clear to both governments that the status quo is neither acceptable nor sustainable in the long run.

Jacob Walles

Although Israelis and Palestinians might be content with the status quo, the truth of the matter is that time is not on the side of peace, and negotiations must resume as soon as possible. Pressures within both societies are moving them away from moderation. And if Israeli-Palestinian moderates cannot find a way to come together, the extremists are going to win, which is the worst possible outcome. Demographic issues and Iran's growing ability to exploit any failure in the process only reinforce the need to push for a solution.

The past year was a difficult one for peace efforts, but the coming year is shaping up to be better for two reasons. First, all parties now have more realistic expectations and objectives. Second, the situation on the ground in the West Bank is better than it has been for a long time, with greater security, considerably less corruption, and deep, sustainable economic growth. The main impetus for this change has come from within the PA, which has linked it to the political goal of forming a Palestinian state from the bottom up.

Initiating indirect talks is an important step. Although such talks cannot bring about solutions by themselves, they can reduce the political risk Abbas would face in returning to the negotiating table. They also have a lower profile and are thus less likely to produce a catastrophic, high-profile failure along the lines of Camp David in 2000. In addition, the current proposal has the advantage of placing the United States in the middle -- an important means of lending structure to the talks and ensuring that something concrete emerges from them. Once these modest talks begin, they will have the chance to evolve in the right direction over time. This approach may not lead to peace within the coming year, but it is better to have some negotiations than none. Jumpstarting this process as soon as possible is a critical next step in pursuing an eventual final-status solution.

Robert Satloff

At present, two issues seem predominant among Israeli leaders: the absence of a strong American presence in the region, and the ever-present threat of Iran. Regarding the first, Israel's concern stems from a sense that the United States is no longer operating from a position of strength in the region. Evidence for this perception includes the slippage of U.S. deadlines on Iran with no repercussions, as well as Washington's failure to bring Abbas -- supposedly an American ally -- back to the negotiating table. Israelis believe this lack of influence is partly a response to the winding down of the Iraq war and the aftereffects of recession, as America's attention increasingly turns inward. But they are also unsure of President Obama's true motivations and core beliefs, leaving them unable to predict the level of U.S. involvement in Palestinian and Iranian issues in the coming months.

Uncertainty on the latter issue is particularly problematic because the Iranian threat continues to dominate Israel's attention. Although Israeli political circles have debated the best way to prevent Iran from going nuclear, there is consensus across the political spectrum supporting prevention as opposed to containment. This makes time a key factor in the formation of Israeli policy. Even so, the Israelis want to give Washington time to fully play out its current approach. They are particularly eager to see how Obama will handle his own

frustration if his preferred policies -- first engagement, and now engagement plus moderate sanctions -- prove ineffective.

Until the Iranian nuclear issue is fundamentally resolved, the Arab-Israeli peace process is unlikely to progress much further. In Syria's case, it is difficult to tell whether the Asad regime truly wants peace talks; it might instead be trying to play both Israel and Washington. As for the Palestinians, all signs suggest that no serious talks are in the offing. Although the two sides may succeed in establishing some low-level negotiating framework that satisfies their political needs, it is unlikely to achieve substantial results. Ironically, this lack of confidence in diplomacy is evident in the seemingly deep concessions that Israel has proposed recently. Despite an unprecedented settlement moratorium, despite agreeing that all issues (even Jerusalem) are legitimate agenda items, and despite hinting that it would no longer insist on the traditional formula of "nothing is agreed unless everything is agreed," the Israeli government remains strong and cohesive, as if its various factions do not expect serious negotiations to be held within these parameters. In this environment, Fayad's bottom-up approach will have considerable room for progress -- but even this process will grate on some Israelis the more serious it becomes.

This rapporteur's summary was prepared by Hardy Calvert.

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