



Israel Debates No. 13

13 December 2012

Oslo, 20 Years Later: Is the Two-State Solution Dead?

The Middle East Peace Process is in a deadlock and has seized up. Ever since Benjamin Netanyahu and his right-wing government came to power in the spring of 2009, there have been no meaningful negotiations with his counterpart, Palestinian President Mahmoud Abbas. The Israeli-Palestinian conflict factually disappeared from Israel's foreign policy agenda, which was dominated by the threat of Iran's nuclear ambitions and the upheavals in the Arab world which were equally perceived as threats, in particular the rise of Islamic political forces and the electoral victory of the Muslim Brotherhood in Egypt.

And yet, two consecutive events promptly placed the Israeli-Palestinian conflict back at the top of the political agenda, not only in Israel but internationally too. These were the eight-day military escalation between Israel and Hamas and other radical movements in Gaza (14 to 21 November 2012) on the one hand, and the recognition of Palestine as an observer state by 138 out of 193 UN member states in New York on 29 November 2012.

The renewed fighting ended with the establishment of a ceasefire negotiated by Egypt's President Mursi and US President Obama. Nevertheless, it cannot be overlooked that while Hamas suffered many losses, the movement emerged from this conflict politically strengthened. With rockets and terror, Hamas achieved what Mahmoud Abbas tried in vain with dialogue and the renunciation of the use of force: bring Israel to the negotiating table. It was therefore with pride and self-confidence that the Hamas' political bureau chief, Khaled Meshal, speaking before hundreds of thousands of supporters and many Arab guests to celebrate the 25th anniversary of the founding of Hamas in Gaza on 8 December 2012, declared: "From the sea to the river, from north to south, we will not give up any part of Palestine — it is our country, our right and our homeland."

Although the recognition of Palestine as a UN nonmember observer state is a diplomatic success for Abbas, he remains politically in the defensive. In the West Bank - the territory governed by him and the Palestinian National Authority - nothing has changed in terms of Israeli occupation. Quite to the contrary. Israel views

the Palestinians' bid to become a UN observer state as a unilateral step and as such as a violation of the principles of the Oslo Accords. The Israeli government's prompt response was to grant approval for the construction of 3,000 new housing units in West Bank settlements. The government also announced it would force plans for the controversial so-called "E1-Area".

That decision is more than a reaction to the Palestinian success before the UN and the increasing international isolation of Israel it reflects. That decision expresses a long-term strategy upheld by the governing rightwing and religious political forces. Particularly for the ears of international partners, Prime Minister Netanyahu likes to demonstrate his willingness to engage in dialogue and his efforts to bring President Abbas back to the negotiating table. Leading Likud-representatives on the other hand are putting it plainly. At this specific time, in the run-up to the forthcoming elections to the Knesset on 22 January 2013, they stress that their political aim is to annex all of the larger Israeli settlements.

Minister of Environmental Protection, Gilad Erdan said: "Israel should announce the annexation of Jewish settlements in Judea and Samaria." And Minister of Transport, Yisrael Katz, declared: "Israel will need to take unilateral steps to extend Israeli sovereignty over the Jewish settlements in Judea and Samaria." These statements, as well as the ongoing construction activities in the settlements, show that the governing Right is not at all prepared to abandon the occupation policy that has been pursued for the past 45 years. Its aim is to perpetuate the status quo and to annex the Jewish settlements in the West Bank - which they call by their biblical names of Judea and Samaria - thereby making them an integral part of Israel's national territory. Presently some 350,000 Israelis are living in West Bank settlements and just under 200,000 in East Jerusalem, which amounts to 9.2 percent of the 5.98 million Jewish Israelis. Nearly 20 years ago, when the first Oslo Agreement between Israel and the Palestinians was signed, only about 110,000 Israelis lived in the West Bank and some 152,000 in East Jerusalem.

In the light of the existing situation, many observers and analysts conclude that the Oslo Peace Process between Israelis and Palestinians, which had begun in 1993, is politically dead; that on the grounds of the situation on both sides, the implementation of a two-state solution stands no realistic chance at present and it is time to consider alternatives. Below, we present the analyses of two leading participants in the inner-Israeli debate over this issue:

Dani Dayan, Chairman of the Yesha Council, the political umbrella organization of the Israeli settler movement in "Judea and Samaria" believes there is no reasonable prospect of resolving the conflict by way of a two-state solution. He says that Israel has always been willing to co-operate, but the majority of Palestinians never viewed the two-state solution as an end in itself but as a means to an end, this being a state between the river Jordan and the Mediterranean Sea. This has lead Israel to conclude that there is no partner to a peace agreement on the Palestinian side. An adhesion by the US and the international community to a two-state concept that failed is an obstacle in the peace process, Dayan argues, explaining that the present acceptable situation is a "Modus Vivendi" that should be stabilized and that efforts should be concentrated on considerably improving the living conditions for people on both sides. He says that debates on a politically balanced solution are the expression of ideological obstinacy and believes the conflict will drag on until the Palestinian leadership has reached diplomatic maturity and uses its powers to meet their people's needs. The persistent opposition to returning to the negotiating table as well as the UN bid to admit Palestine as a non-member state are viewed by Dayan as diplomatic declarations of war to

Israel and must be met with unilateral responses by Israel – responses that serve its own interests, in particular the recognition of the full sovereignty of Israel over the settlements in Area C.

Dr. Ron Pundak, Chairman of the Israeli Peace NGOs Forum and official Israeli negotiator in the Oslo negotiations of 1993, firmly believes that only the Accords reached in Oslo 20 years ago create a basis for solving the conflict, and adds that discourses on either side - such as a one-state solution - are unacceptable because the basic idea of Zionism and an Arab majority are incompatible. He argues that Prime Minister Netanyahu's right-wing coalition practices conflict management and lacks interest in a solution to the conflict and will therefore fail to produce a comprehensive agreement. Netanyahu, he says, pursues a de-facto annexation policy of Area C on West Bank territory; no Palestinian leader is likely to accept his concept of peace. Dr. Pundak is convinced that Netanyahu's policy stance will only strengthen the radical Hamas and Salafist organizations, thus weakening or even destroying the moderate Palestinian National Authority headed by President Abbas. Add to this the increasing influence of Jewish-religious forces in Israel and the potentially solvable territorial conflict is bound to turn into a Jewish- Islamic conflict for which there is no two-state solution. This leaves Israel to answer just one question: does it want one large state, leading to Apartheid and an end to Zionism or a smaller state that will bolster Zionism. It is all about Zionism or Anti-Zionism, we are not talking about politics of Left or Right, says Dr. Pundak. The UN General Assembly's decision to recognize Palestine as a non-member state may rescue the two-state solution. This mildly-worded resolution, Dr. Pundak says, is one that any Israeli government that raises its voice for peace should want to sign.

Dr. Ralf Hexel, Head FES Office, Israel
Herzliya, 13 December 2012

The Two-State-Solution – A dangerous Illusion

Dani Dayan

To an outside observer, the Israeli-Palestinian conflict seems to be an easy matter to resolve, and that all that needs to be done is engage in negotiations based on mediation and reach a compromise. Seemingly, nothing could be simpler: two peoples fighting over the same, small piece of land, spilling blood over it for more than a hundred years. Since the outside observer believes that both sides should have an interest in putting an end to the conflict and in directing their energies towards economic development and growth, what could be easier than to divide up the territory as the result of a negotiated settlement? This solution is perceived as the one that is most logical, most feasible and as such, the one that provides both sides with the maximum benefits that reality allows.

And indeed, for the more than one hundred years of the conflict, many outside observers have repeated these and countless other variations on the theme of partition and compromise – from the Peel Commission in 1937, through the UN partition resolution in 1947, to the various plans that have been placed on the negotiating table in the past twenty years, beginning with the Oslo process in September 1993. All these various plans offered some form of partition of the territory, and despite the opposition to them and the heated debate at home, the official Jewish side always demonstrated willingness to cooperate with these proposals out of a genuine and sincere desire to make the bloody conflict a thing of the past, and to do what it takes to create a better shared future.

The problem is that for a “shared future,” one needs a partner that appreciates the concessions put forth by the other side and is willing to offer

concessions of its own. However, since the early days of Zionism up to the present, the Palestinian side has never agreed to this approach and with the exception of tactical cooperation with one or another diplomatic step, they rejected all the serious partition plans with revulsion, accompanied by outbreaks of bloody violence. This is what we saw a decade ago with the collapse of the Camp David talks, when Yasser Arafat was offered almost one hundred percent of the territories of Judea and Samaria and responded with the terror onslaught of the second intifada. The cycle of bloodshed that the region was drawn into in wake of Arafat's recalcitrance left numerous casualties and much pain on both sides.

Arafat made repeated declarations regarding the PLO's “phased plan” aimed at gradually achieving the final goal of the return of the Palestinians to the entire territory of sovereign Israel: “Acre before Gaza, Beer Sheva before Hebron. We insist on one thing and that is that the Palestinian flag will fly over Jaffa” reverberates daily from the mouth of Arafat's successor Mahmud Abbas, who incessantly declares that he has no intension of conceding any of his demands. Only his effort to influence the outcome of the next Israeli election caused him to declare recently more moderate formulas to the Israeli TV, but even those were contradicted by Abbas himself the next day to Arab channels making it a farce or maybe a tragedy. In such a reality, a solution to the conflict appears further away than ever.

As sad as it may sound to peace-seeking ears, in the current situation, the Israeli-Palestinian conflict is fated to continue until the Palestinian leadership starts to demonstrate diplomatic maturity and exercise real responsibility towards its own people.

The political reality in 2012

After Israel's implementation of the disengagement from Gaza in 2005, Gaza became home to a de facto state run by Hamas. Hamas is the sovereign in the territory and it bears responsibility for the welfare and prosperity of the inhabitants of the Gaza Strip. Sadly, the facts show that instead of taking advantage of the opportunity that fell into its hands to turn the Gaza Strip into a powerful model of independent Palestinian national development, Hamas – which was elected democratically – is exploiting its strength to entrench the economic interests of its leaders, while displaying utter contempt for the citizens it is responsible for.

This sad fact is demonstrated in a recent survey conducted by the Palestinian Center for Policy and Survey Research (PCPSR) among inhabitants of the West Bank and Gaza Strip, which shows that 57% of those asked believe that corruption is rife among Hamas institutions.

The Palestinians have not been living under occupation for a long time in Judea and Samaria either. Since the implementation of the interim agreement between Israel and the Palestinian Authority and the establishment of Areas A, B and C in the territory, some 98% of the Palestinians live under the self-rule of the Palestinian Authority and are subject to its full responsibility. Only 50,000 Palestinians – those living in Area C, who fall under the responsibility of the Civil Administration – live under Israeli rule.

While it may be claimed that the Palestinians do not enjoy full expression of their self-determination and they do not have a state of their own, it can no longer be said that the situation on the ground is one of occupation or oppression. Israel is making every effort to improve the objective situation of the population, and has been removing checkpoints, opening passages for merchandise, and forging ever-

closer ties between Palestinian and Israeli businesspeople. However, at the same time, the implementation of these measures is possible only if they do not harm the security of the people of Israel. In the past, terror organizations exploited opportunities such as these to enter Israeli cities and towns and attack Israeli men, women and children. It is hoped that these organizations will show responsibility to their compatriots and enable Israel to take the maximum steps to ease their lives.

However, like in Gaza, in Judea and Samaria too the behavior of the Palestinian regime raises difficult questions regarding its priorities and actions to better the lives of its inhabitants. Another PCPSR survey shows that the situation in Ramallah is even worse than in Hamas's Gaza: 71% of the respondents believe that the institutions of the Palestinian Authority are corrupt.

A detailed description of this situation was presented to the American Congress in a testimony given by Dr. Jonathan Schanzer last summer, which survey serious examples of corruption in the Palestinian Authority, including embezzling of funds by Mahmoud Abbas and his sons, nepotism and the skimming of the aid funds that pour into the Palestinian Authority.

From additional sources, it may be learned that large sums are funneled towards direct assistance to terrorists and their families. As of May 2011, the budget for the "compensation" of Palestinian prisoners incarcerated in Israeli jails was \$5.5 million and \$6.5 million for the families of suicide terrorists. This amounts to 6% of the Palestinian Authority's annual budget.

In addition, the boycott of settlement products declared in the Palestinian Authority in recent years is not exactly beneficial to the Palestinians either. The more than 11,000 Palestinians

employed in Israeli industrial zones in Judea and Samaria provide a livelihood for the many tens of thousands of their dependants.

If the Palestinian Authority were not up to its ears in corruption and did not continually stir up virulent hatred for Israel, its citizens would be immeasurably better off.

Israeli public opinion

According to a recent survey published by the Israeli Democracy Institute, most Israelis realize that there is no realistic possibility of ending the conflict between Israel and the Palestinians based on a two-state solution. The findings of the Peace Index for April survey conducted by the IDI shows that 58% of Jews and 61% of Israeli Arabs are convinced that there is currently no possibility of ending the conflict in this way.

A further interesting figure shows that the subject of the peace process is no longer a top priority among Israelis. When asked what in their opinion the most pressing issue is right now, the number-one response was closing social-welfare gaps (41%), followed by the creation of affordable housing (16%), with achieving peace with the Palestinians coming in third at only 15%, far, far behind the top priority.

This survey, which is conducted once a month by a team headed by Prof. Efraim Yaar of Tel Aviv University and Prof. Tamar Hermann of the IDI, conducts a systematic and longitudinal investigation of the views of the Israeli public in regard to the issues related to the Israeli-Palestinian conflict, and serves as an important indicator of the mood in Israel.

The significance of these findings is that despite the fact that the Oslo process was never supported by the majority of Israeli Jews, in recent years, many Israelis who in the past embraced the peace process have woken up to the realization that in the current reality, peace

with the Palestinians is simply impossible. One of the most prominent examples of this trend is the historian Benny Morris, who explained in an interview with *Haaretz* that “This is a conflict that has no resolution, mainly because of the Palestinians’ consistent refusal to accept the two-state solution.”

However, we are seeing an erosion of the belief in the two-state solution on the other side too, as Ahmed Qureia (Abu Ala), the former Palestinian prime minister, recently stated:

“It has been ten years since the international community coined the term ‘two states for two peoples.’ This plan, which never saw the light of day, has lost its luster and gradually faded away. We must think seriously about closing down the two-state solution and turning a new page.”

There is nothing surprising about this statement. In a survey among Palestinians conducted by The Israel Project (TIP) research institute, 68% of the respondents said that they view the two-state solution as a phase on the way to establishing a single state from the Jordan to the Mediterranean. This is consistent with the finding that 91% of respondents said that they believe that Israel has no right to exist as the national home of the Jewish people. Because for the Palestinians, the two-state solution is not a desired outcome, but is rather only a tactical phase on the way to achieving their real goal, they have no problem abandoning it.

It is clear that the diplomatic concept that guided the negotiating teams for so long, with the backing of the American Congress, has failed, and that both sides are interested in exploring other alternatives. The insistence on continuing with defunct diplomatic concepts is a stumbling block on the path to peace and a major factor

preventing the ability to achieve a regional settlement.

An alternative to the two-state solution

As described here, at the end of the day, the reality on the ground has created a status quo that enables a reasonable shared *modus vivendi*. While this status quo is less than ideal for both of the sides, it appears, nevertheless, that this reality is what will continue to prevail in the foreseeable future. The international and local parties involved in the issue would do well to abandon their fixation with perfect solutions that indeed sound so promising when coming from podiums and PowerPoint presentations, but have nothing at all to do with the reality on the ground.

What all the parties need to do right now is to shore up the current situation, while acting forcefully to improve the objective conditions of the inhabitants on both sides, leaving the ideological discussion regarding various kinds of theoretical rights to a different time.

A great deal can already be done in the areas of trade, economics, education and infrastructure, while giving broad freedom of movement for the development of shared trade and industrial zones that will benefit all the inhabitants. It is possible – in the current situation, at this very moment – to rehabilitate the refugee camps and significantly improve the quality of life of their inhabitants, who for more than 60 years have been paying the price of the Palestinian ideological recalcitrance and the efforts of various parties to work in favor of “justice” there.

Like in many other cases, here too, it’s better to be smart and realistic than to be just, and to give up abstract idealism in favor of simple human compassion. This has far greater chance of bringing about the creation of a better reality than the one created by the various peace processes so far.

The conflict and the Arab Spring

When Mao Zedong was asked what he thought of the French Revolution, he said, “It’s too early to tell.” There can be no more apt answer when discussing the possible implications of the Arab Spring for the reality in the Middle East as a whole, and for the Israeli-Palestinian conflict.

We know that the hopes of the Arab Spring shattered into an Islamic darkness that is taking over the leadership of Arab countries one after another, and it would not be farfetched to assume that this process brings with it far more risks than opportunities.

The possibility that the leadership of the Palestinian Authority could fall into the hands of Hamas to create another terror state on Israel’s doorstep is a very realistic one, one that requires that Israeli leadership act with special caution in taking diplomatic steps in such a sensitive and volatile time.

However, at the same time, this situation may also have created new opportunities. The dissolution of the old regimes makes it possible to rethink the range of possible solutions in the region, taking into account the inclusion of Jordan and other countries as possible territories for the realization of the national rights of the Palestinians.

The role of the European Union and the United States

The international community would do well to reassess its policy of support and the types of solutions it is trying to advance. What is especially urgent for the inhabitants of the region is a general “calming” of ideological tensions and conflicts, which will make it possible to effect a genuine and practical improvement in the objective living conditions on the ground. For too many years, the people of the region have suffered from foreign intervention that sought to

realize the interests of the superpowers at the expense of the lives of the inhabitants. Without the energies that the international community has invested in efforts to come up with a magic bullet to resolve the region's problems, the lives of the real people living in the area would be immeasurably improved.

Already in his first term in office, a significant change became apparent in President Barack Obama's approach to the Middle East. Indeed, in his first two years, Obama tried to bring about a change in America's regional and international policy, which he expressed quite clearly in his famous Cairo speech, as well as in the contempt he showed for the prime minister of Israel and the pressure he repeatedly exerted on Israel in order to give rise to a breakthrough in the process. All this has changed in the past two years. Obama understands that it was the pressure that he put to bear on Israel that caused the Palestinians to entrench themselves even deeper in their positions, and that more than anything else, his appeal to the Arab world sent a message of American weakness. The uprisings in the Arab world and the increasing Palestinian intransigence during the year of the construction freeze in Judea and Samaria have greatly impacted the policies of the American administration in the past two years. Since then, Obama has acted with greater restraint, and has demonstrated a little more humility and respect for processes that are beyond his control, and most importantly, he is showing a greater understanding of the limitations of the revolution and change that he tried to herald.

In my view, in the coming years we can expect to see more policy of this kind. Obama has apparently come to understand the impracticability of his initial policy and we may assume that he will refrain from attempts to coerce political steps in the Middle East in order

not to humiliate himself in front of the whole world. In the coming years, we will apparently see a more balanced and responsible American approach that gives greater weight to national interests and forces.

The Middle East conflict and the election campaign in Israel

The Israeli-Palestinian conflict does not appear to be at the center of the current election campaign. As of now, the leader of the leftist camp, Shelly Yacimovich, has placed social-economic issues at the top of her agenda, and has underscored that she has no intention of dealing with questions of foreign policy. She has even gone so far as to declare from every available platform that in her view, the historical Labor party has never been a leftist party and that it is part of the political center on matters of foreign policy and defense. This approach has received further expression in the interesting fact that even Meretz, a party considered to be part of the extreme left, has taken the trouble to explain the need for negotiations and a peace process as the only key to obtaining social justice. This, more than anything else, is indicative of the sea change that the public Israeli discourse has undergone, with the focus of the discussion having moved from issues of foreign affairs and defense to the pressing challenges facing Israeli society from within.

In my view, this is a result of the simple fact that all Israelis understand that as of now, not only do we not have a partner for peace, but that in wake of the Arab Spring and its ramifications, it is plain to see that our ability to control what happens in this region is extremely limited, meaning that we cannot entrust our future to agreements and promises of a new Middle East that will apparently never materialize.

The escalation in Gaza and the Palestinian UN bid

As the smoke clears from Operation Pillar of Defense, one comment must be made. Opinion makers in Israel and abroad regularly exhort the Israeli public that the absence of a peace process will provoke the other side to engage in violence and terror. This argument is used to encourage the decision makers to propose far-reaching concessions to the Palestinians in order to bring them back to the negotiating table and thereby seemingly prevent another outbreak of violence. However, time and time again, reality proves that just the opposite is the case: the rockets fired at Israel from the Gaza Strip, which led to the rounds of escalation in the recent operation, as well as in Operation Cast Lead in 2009, were the direct result of the far-reaching step taken by Israel with its unilateral withdrawal from Gaza in 2005. Instead of leading to the establishment of a functional, peace-seeking democratic entity, the now Jew-free Gaza Strip has turned into a vicious terrorist presence that brutalizes its own citizens as it attacks the people of Israel.

The second intifada was not the result of a “diplomatic deadlock” either, but in fact erupted on the background of the most significant breakthrough in Israeli concessions ever, when Ehud Barak expressed willingness in 2000 in Camp David to withdraw from almost one hundred percent of the territory of Judea and Samaria, and even to hand over the Temple Mount to Palestinian control. As sad as this may sound, the thing that we call a peace process is viewed by the other side as weakness, inviting and encouraging further violence.

The Palestinian Authority’s bid to the UN General Assembly to recognize it as a non-member state means that it is abandoning the path of bilateral negotiations not only de facto, but also in the

most official way possible, on top of the PA’s ongoing refusal to engage in direct negotiations with Israel. This refusal is carried out by means of posing preconditions to the talks that Israel cannot and must not accept (e.g. a construction freeze) in addition to talk about renewing negotiations to implement the agreement between Fatah and Hamas.

These three things – the agreement with Hamas, the refusal to engage in negotiations and the bid to the United Nations – are, together and separately, a declaration of diplomatic war on the State of Israel. Under such conditions, it is impossible to expect Israel to remain indifferent and not to respond with its own forceful political steps. The self-evident response must be unilateral action on Israel’s part that will serve its own interests, first and foremost the application of Israeli sovereignty over all of Area C, which includes all the Israeli communities as well as the open areas between the settlements.

Dani Dayan, is Chairman of the Yesha Council, the umbrella organization of municipal councils of Jewish settlements in the West Bank. Following his election as Chairman in 2007, he began transforming the council into an effective political lobby, modeled on American political lobbies. Despite being a key figure in the largely religious settlement movement, Dani Dayan is secular.

The Two State Solution—Time is Running Out

Dr. Ron Pundak

The overarching Israeli goal was and remains the establishment and maintenance of a national homeland for the Jewish people in Eretz Israel (the Land of Israel). Although most Israelis would -in their dreams- prefer that this home extend over all of Eretz Israel, in reality - when we arrived after two thousand years of exile - we found that in the meanwhile another nation had transformed this place into their home. Almost twenty years after the beginning of the Oslo peace process - which was based on the path that had been paved by the state's founder David Ben Gurion - the Oslo Accord was -and remains- an unprecedented historical achievement. First and foremost the two national movements accepted the political legitimacy of each other and the fact that both sides are entitled to self-determination in this piece of land. Furthermore, after a hundred years of conflict, the sides waived the zero-sum historical demands, and agreed to a compromise based on territorial partition; to a diplomatic solution to the conflict; and to the creation of a mechanism for implementation, based on Security Council Resolution 242 as the objective of the permanent status settlement. In effect, the Oslo Accords transformed the conflict from a purely "us or them" equation into a process which uses the tools of Realpolitik and diplomacy.

Thus, a mutual, equitable "win-win" process was supposed to lead to a finalized border that would be recognized by the entire world, a border between two political entities: Israel - within internationally recognized June '67 borders with agreed-upon and mutual border adjustments; and Palestine - in the West Bank and Gaza Strip. The process is also supposed to solve all the other core issues, including Jerusalem and

refugees, and to bring an end to the conflict and to finality of claims.

The realization of this process is also supposed to change the sum total of Israel's relations with the entire Arab world and Islamic world. Testimony to this is the Arab Peace Initiative, first proposed in 2002 at the Beirut Summit of the Arab League, that presented a simple equation to Israel: All the Arab countries would normalize relations with Israel in exchange for full Israeli withdrawal from the territories occupied in 1967; a Palestinian state would be created within the 1967 borders (the new border will include 'land swap' in a 1:1 territorial exchange); a just, and agreed upon solution will be found to the Palestinian refugee problem, in accordance with United Nations Resolution 194; the Israeli-Arab conflict will come to an end, and peace agreements will be signed between all the Arab countries and Israel, guaranteeing the security and safety of all states in the region.

The doctrine of Abu Mazen

But the question that arises is the following: Are we, the Israelis, willing to forfeit part of our dream of controlling all of Eretz Israel in order to forever anchor our Jewish-nation state on 78% of historic Eretz Israel – or is land more important to us than human beings, more important than the state itself? In an unprecedented interview with Israel's Channel 2 at the beginning of November 2012 the Palestinian president Mahmud Abas (Abu Mazen) explicated his doctrine leading to the following unequivocal conclusion: The Palestinian leadership, which has a formal mandate -even from the Hamas- to conduct negotiations with Israel, is a partner to a peace agreement. Among the many interesting things Abu Mazen said the following four points are especially worthy of emphasis:

- The Palestinian state will be established alongside the State of Israel and will include

only the West Bank, the Gaza Strip and East Jerusalem. The border that will be determined will be final and based on the June '67 lines after a 1: 1 territorial swap.

- As a refugee from Zefat he has the right to visit his hometown, but it is clear to him that he will not live there.
- As long as he is president there will not be any violent Intifada, and the Palestinians will, under no circumstances, return to the use of arms. There is no justification for firing rockets on Israel from Gaza or any other place; rockets will not bring about results or bring peace closer.
- The peace agreement will lead to the end of the conflict and finality of claims from both sides.

The policy of Netanyahu

Vis-à-vis this clear, incisive statement of the Palestinian leadership stands the government of Israel, headed by Benjamin Netanyahu, with a dubious position. In the past Netanyahu vehemently resisted the Palestinian-state option, but ever since the Bar Ilan speech in June 2009 he has adopted the “two states for two nations” formula. Ostensibly we should be happy; Oslo ideology triumphed. But Netanyahu's implementation of his new doctrine actually threatens the existence of the State of Israel.

Defective, partial implementation of the Oslo Accords has given the Palestinian Authority jurisdiction over only about 40% of the West Bank, in areas labeled A and B. These areas are scattered like an archipelago of about a hundred islands in the great ocean of Area C, disconnected from one another and living at the mercy of the Israel Defense Forces. Area C, which is totally controlled by Israel, includes numerous settlements and settlers, few

Palestinians, and mainly open areas, some of which were supposed to be transferred to Palestinian hands by 1999 - something that was never carried out.

Netanyahu's goal is to control maximum territory in the West Bank with as few Palestinians as possible. From this stance Netanyahu can offer the Palestinians the opportunity of establishing an independent state on the remaining land. In such a scenario Israel would control the Palestinian state's entrances and exits, their water aquifers, the Jordan Valley, the Dead Sea, the electro-magnetic frequencies, the air-space, most of Jerusalem and the border with Jordan. The room for flexibility in final-status negotiations will decrease to the point where tunnels and bridges will be needed to create a territorially contiguous Palestinian state. The remaining question will be, how much of Area C will Israel be willing to transfer to the Palestinians out of the 60% under its control. An analysis of Israeli control of Area C leads to the conclusion that Netanyahu will want to annex about 40% of the West Bank. We must remember that in the Abu Mazen-Olmert talks, that almost produced an agreement four years ago, Olmert offered annexation of only about 5.5% in lieu of matching land swaps. Clinton's proposal involved three to six percent with territorial compensation.

Today, de-facto annexation of Area C already exists. Slowly but surely two systems are coming into existence: one for Jews and one for Palestinians. The border fence is no longer relevant, and creeping annexation takes place deep in West Bank territory. Israel invests billions of shekels in Area C and prevents development of Palestinian infrastructure in this region. Simultaneously a sophisticated campaign is underway to influence public opinion regarding Area C. In addition, the threat of annexing area C to Israel has become a common threat by Israel in the diplomatic wars.

Netanyahu can argue that his plan is moderate, relative to other plans that come from the right-wing section of the Likud. These right-wing plans demand annexation of the entire West Bank and preclude the establishment of a Palestinian state altogether. The conclusion is very simple: As long as Netanyahu is in charge there is no possibility for a comprehensive peace settlement between Israel and the Palestinians. The gap between the maximum that he is willing to offer and the minimum that any Palestinian president will be willing to accept is non-bridgeable. And we haven't even addressed the gaps on the subject of Jerusalem and the refugees.

The Israeli election campaign and the escalation in Gaza

Yet, despite the negative reality that is coming into existence on the ground, the erosion of Israel's status in the world and the rising criticism against the Israeli government's status-quo policy even among Israel's traditional friends – still, the Israeli public finds it convenient to ignore the situation. This is expressed in the lack of substantial discourse on political issues in the context of the current Israeli election campaign. Thus paradoxically the most important topic regarding the future of Israel is pushed far into the corner. There are dual reasons for this: On the one hand the public prefers to close their eyes to reality and enjoy the current quiet period while internal terrorism is on the wane. On the other hand the prime minister and party heads that campaign against him do everything they can to sideline the subject, thus avoiding discourse on the critical question of Israel's borders and the future relations of Israel with its neighbors.

The exchange of fire between the IDF and Hamas during Operation Pillar of Defense in November 2012 again shifted the spotlight away from the essential point: the need to achieve an historic Israeli-Palestinian permanent status

agreement. Instead, the focus was placed on another struggle in the repetitive escalation-cease fire cycle. This struggle is emblematic of the conflict-management style conducted by the Netanyahu government, instead of searching for a solution to the conflict. In this instance Hamas and the Netanyahu government share overlapping interests. Both of these players are not interested in a comprehensive and permanent settlement that will solve, once and for all, all the core issues between Israel and the Palestinians; instead they both prefer a series of tactical battles in which there is no clear winner. Moreover, these two players hope to continue to weaken the Palestinian Authority, the PLO and Abu Mazen out of the assumption that Mazen's weakness strengthens them. This partnership of interests is destructive to the State of Israel, and if it should continue, we may find Abu Mazen out of the game entirely, with Hamas ruling over the West Bank as well.

Obama cannot cut himself off the Middle East conflict

The important player, who can change the rules of the game set by Israel, is Obama in his second administration. When he assumed office about four years ago, Obama proved that the issue is very close to his heart and that he is interested in using his influence to promote a solution similar to the one proposed by President Clinton. But, from the very beginning, the odds were low for successful implementation of his policy. The subsequent series of mistakes led, as anticipated, to an impasse. In his current term of office Obama will have to make a difficult decision: He can decide to re-start the process, while drawing conclusions regarding the essence of the peace-process as well as the American players involved or he can allow the sides to exacerbate the situation and enter the diplomatic battle only when circumstances get much worse. In addition, the president will have to weigh

whether he will play an influential role in the Israeli election campaign, as the Israeli prime minister attempted to do in the American election campaign. In this context, two things seem certain: one - that Obama also knows that if Netanyahu is in office, it will be difficult or impossible to advance the peace process towards a permanent settlement; and two - that America cannot totally disconnect from the Israeli-Palestinian issue, since that issue affects the relationship of the United States with the Arab world. In addition, an Israeli-Palestinian confrontation leading to the collapse of the Palestinian Authority and a takeover of the West Bank by the IDF or Hamas, may have negative outcomes for American interests in the region.

The consequences of a one-state solution

The main problem of the emerging reality is that time works against us; Not only against Israel, but also against the moderate Palestinian forces. The changes that are now taking place on the ground narrow the chances for reaching a settlement in the future. Fundamentalist forces are gathering strength on the Palestinian side, and chances are rising that in the absence of a peace agreement the Palestinian Authority will collapse, the PLO leadership will leave the territories and the vacuum will be filled by the Hamas, the Jihad and the more radical Salafist elements. On the Israeli side deterioration is likely to lead to the empowerment of extremist and religious groups, too. In such a reality the Israeli-Palestinian conflict -that is national-territorial in its essence and as such can be resolved through diplomatic process - can morph into a Jewish-Islamic religious conflict. Such a religious conflict could signal the end to the two-state solution and thus constitute a threat not only to the Palestinians, who evidently would be forced to return to live under Israeli occupation, but also to the existence of the State of Israel

that may turn into an apartheid state, ostracized by most of the world.

One result of such a reality and of the sense that no peace settlement is in the offing is the discourse - intensifying on both sides - about transitioning from the two-state solution to the one-state solution. I feel that this dialogue is illusionary and unrealistic. "Zionism" and "Arab majority" are absolute contradictions, thus the romantic discourse of an egalitarian state is not realistic. A single state can only be created by an Israeli occupation and its rule by force over a Palestinian population. This minority population would quickly become a majority in a state that does not give equal rights to a part of its citizens.

A new reality is forming in front of our eyes, a reality from which there is no return. If the current trend continues, then even if a leader such as Rabin or Olmert assumes power - a leader who wants to return to the two-state formulation on the basis of 1967 borders with territorial exchange - the situation in the future will not allow this. The slippery slope - of West Bank occupation, collapse of the Palestinian Authority and an apartheid government - will be rapid. The de facto annexation policy will completely destroy the moderate Palestinian camp, which will be forced to admit that peace negotiations will be unable to bring an end to the occupation or lead to the establishment of a viable Palestinian state. Simultaneously, the Western and Arab world will wake up to see where Israel is headed, and the repercussions of that may be fateful: severance of diplomatic relations with Egypt and Jordan, boycotts and ostracism from Europe and the United States, and being treated by the entire world as the 'new' South Africa with an apartheid regime.

At the basis of the Oslo process was the approach that we must deal with **resolving** the conflict and not **managing** the conflict; this

principle must continue to guide the negotiations and the diplomatic relations between the sides. Our mutual, Israeli-Palestinian objectives and political interests require us not to stop advancing for a moment; we must reach the stage where the conflict will be resolved by our signatures on a permanent peace settlement. There are countries willing to assist in conflict resolution, mainly because they realize that the destructive repercussions of the Arab-Israeli conflict extend way beyond the local arena. Thus the role of these countries - including the United States, European countries, Brazil, Argentina, South Africa and others - is to push the sides to advance and reach a settlement.

The world's countries must persuade the Arab countries that despite the current intransigence of the State of Israel, the Arab Peace Initiative must not be revoked. They should also try to convince the State of Israel to declare that the Arab Peace Initiative is a fair basis for peace talks. Such a proclamation will not only help Arab countries re-affirm their commitment to the Initiative, but also send a message to that part of the Arab public that is critical of Israel and claims that Israel continues to undermine regional peace. This message should use the same language employed by Yitzhak Rabin at the Oslo Accords signing ceremony when he said, "We aspire to open a new chapter in the sad book of our joint lives - a chapter of mutual recognition, of good neighborly relations, mutual respect, of understanding."

The Palestinian UN bid

The United Nations General Assembly Resolution on November 29, 2012 to recognize Palestine as a non-member state is an historic decision that may yet salvage the two-state solution. This moderate and pragmatic resolution is something that any peace-seeking Israeli government could have easily signed. This resolution cites United Nations Resolution 181 of

1947 that called for the partition of the British-ruled Palestine Mandate into a Jewish state and an Arab state. It also reaffirms Security Council Resolution 242 that determined the concept of "land-for-peace" and the right of Israel to live in peace within secure and recognized boundaries. The new resolution also addresses the Oslo Agreement, stipulating mutual recognition between Israel and the PLO; it cites the Arab Peace Initiative and refers to a Palestinian state living next to the State of Israel in peace and security on the basis of the pre-1967 borders. These borders will be determined through negotiations with Israel.

The resolution also serves Israel's interests, because in effect it secures the legitimacy of Israel's eastern border - including West Jerusalem that is still not accepted by the world as Israel's capital. Israel should have formulated the resolution together with the Palestinians, encouraged the Americans and the rest of the world to vote in favor of it, and leveraged the process to the re-starting of the peace negotiations. The opposition of the State of Israel to the resolution and implementation of punitive tactics against the Palestinians including the expansion of settlements, will, in the end, harm Israeli interests and Israel's international status.

The United Nations resolution and the sweeping international support of the two-state solution on the basis of the 1967 borders can help via another way. According to public opinion polls the comprehensive two-state solution is accepted by the majority of the Israeli and Palestinian public. It is also compatible with: the Arab Peace Initiative, President Clinton's parameters and the negotiations between former Prime Minister Olmert and President Abbas. Thus, an operative proposal for the international community to advance the two-state solution is to work towards a binding new resolution of the Security Council. Such a resolution must be short and brief and

include the main parameters of the future permanent peace settlement between Israel and the Palestinians. The clauses must be general but precise and include formulations regarding the following issues: Israel's return to June '67 borders after a 1:1 territorial exchange; two capitals in Jerusalem; a fair and agreed-upon solution to the refugee problem; demilitarization of the Palestinian state; the presence of international forces for surveillance and peace-keeping purposes; and a fair division of natural resources according to international principles.

This is not the place to analyze the many repercussions of such a process, but it is worthy to note two essential points: For the first time the Israelis, the Palestinians and the entire world will clearly know what the peace process is all about and what the goal of negotiations is. It will also indicate the watershed that separates the supporters and opposers of peace on both sides. In addition, a resolution like this will lead the sides to the negotiation-table with very small room for manipulation, and it is clear to each side that the negotiations will focus on development of these principles and creating a mechanism for their implementation.

However, the world must provide Israel with guarantees, since it is Israel that will assume a calculated but real risk when withdrawing from the West Bank and from most of East Jerusalem. The sides must take into account that we are a paranoid nation. Israeli fear has historical basis, some real and some exaggerated, but anyone who ignores this will never succeed in promoting a peace settlement. Most of the Israeli public wants peace and is willing to pay the well-known price, but the problem is lack of trust in our neighbors and the harsh sensation of permanent threat, both on the individual as well as collective levels. Israeli citizens feel threatened by the reality taking shape in the Arab world as a result of Arab Spring developments. The rise of Islamic

forces touches the raw nerve of collective Israeli fear. Therefore, there will be no Israeli readiness to grant concessions to the Palestinians without knowing that the world, especially the United States and perhaps even Europe as part of the NATO Pact, will stand on our side to neutralize all threats.

The two-state solution strengthens Zionism

Although the situation is apparently grave, we need to view the long, arduous peace-process as a runner would view a long, arduous marathon: both are challenging and crisis-prone yet achievable, and their ultimate goals are clear to everyone. We need to remember that the peace-process will ultimately lead to the end of the Israeli occupation, to the establishment of a Palestinian state, and to Israeli-Arab peace. There is no doubt that we are living at a very difficult point in time, but the public on both sides want peace and the vast majority of the people on both sides of the Green Line are prepared to accept a realistic, pragmatic agreement that will ultimately be acceptable to the other side as well. But the question is: What do we really want? A large state that will bring an end to Zionism or a smaller state that will strengthen Zionism? The conclusion is simple: We must cease talking about abolishing the Oslo Accords or annexing Area C. The government of Israel must begin serious negotiations on the permanent settlement that will set our border once and for all, out of real understanding of each side's space for tactical maneuvering. After all, we are not talking about politics of Right or Left, but about the principle of Zionism or anti-Zionism. To continue to hold onto territories at the expense of the two-state solution is an anti-Zionist act.

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