



United States Institute of Peace

# *"Arab-Israeli Futures: Next Steps for the United States"*

Conference papers prepared by

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Rob Malley, David Makovsky, Steve Spiegel and Scott Lasensky discuss the conference papers at *Pathways to Peace: the United States and the Middle East Peace Process*, a USIP research symposium held on January 27, 2005.

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## Foreword

As the Middle East peace process regains momentum, the Institute is expanding its research efforts in this area. As part of our project on Arab-Israeli Futures, we will produce a series of reports in 2005 that examine a variety of local, regional and international factors shaping the peace process. This is the first installment.

With the United States preparing to step up its involvement, particularly in re-establishing Israeli-Palestinian security cooperation, supporting the Palestinian leadership transition and working with the neighbors to facilitate Israeli disengagement, a number of policy questions assume a new resonance and urgency. These papers, by David Makovsky, Robert Malley, and Steven Spiegel, address head-on the most pressing questions facing Washington and the international community in the months ahead.

What role, if any, should there be for outside actors in Gaza? To what degree should the Bush Administration be involved in day-to-day affairs on the ground? Does the Road Map need to be updated? More broadly, how can the United States leverage present opportunities into progress toward a comprehensive, sustainable settlement? Does this new ‘window of opportunity’ hold promise for reviving Israeli-Syrian talks?

Makovsky, Malley and Spiegel—three of our country’s most distinguished experts on Arab-Israeli relations—provide a range of views on these questions. Moreover, the authors offer a series of concrete proposals to help guide policymakers.

It is often argued that the Arab-Israeli issue is critical to America’s position in the Middle East, and even in the international arena. But what are the linkages? How does the peace process impact larger American interests? These questions are also addressed in these pages.

Makovsky, Malley and Spiegel provide both new analysis and new ideas on an issue that is at the top of the Bush Administration’s agenda in its second term. Still, as you read these reports, you will find that they offer much more than fresh analysis and a range of viewpoints, there is also a lot of history in these pages. Without a clear understanding of earlier attempts by past Administrations to solve the Arab-Israeli conflict, it would be difficult to make sense of today’s opportunities for peace.

These authors first discussed their findings at a major USIP research symposium (“Pathways to Peace”) in late January 2005, a program that received extensive media coverage and was aired on C-Span. (For further information, including recordings, [http://www.usip.org/events/2005/0128\\_upsmdeast.html](http://www.usip.org/events/2005/0128_upsmdeast.html)).

USIP has a long and distinguished record of working toward peace in the Middle East. Attached you will also find a short summary of Institute efforts over the last 10-15 years. I welcome any questions you may have about our Arab-Israeli research projects, including comments on this publication.

Dr. Scott Lasensky  
United States Institute of Peace

## PROGRAMS ON ARAB-ISRAELI RELATIONS

The U.S. Institute of Peace is preeminent among American institutions working toward a peaceful resolution of the Arab-Israeli conflict. No other institution has made as many contributions across so many fields -- from policy studies and education, to professional training and inter-religious dialogue. Drawing on its unique convening power, the Institute also serves as a forum for promoting new thinking about U.S. policy and bringing leading Israeli and Arab officials and policy experts together with their American counterparts. The Institute is trusted in both Washington and the region and works with all sides to operate an array of programs on the ground.

### *Since the early 1990s, the Institute has:*

- Published more than a dozen books and monographs on Arab-Israeli relations and the role of the United States;
- Provided more than 150 grants -- totaling over \$5 million dollars -- to academics, educational institutions and NGOs addressing various aspects of the conflict;
- Supported the work of more than two dozen resident scholars and fellows, including Arabs, Israelis, Americans and Europeans;
- Partnered with dozens of Arab and Israeli civil society organizations that promote conflict resolution and peaceful coexistence - including support for the Alexandria process;
- Facilitated high-level dialogue between Israeli and Palestinian justice officials.

### *Current Institute programs include:*

- "Arab-Israeli Futures" working group, directed by Scott Lasensky -- convenes policymakers, academics, and nongovernmental organizations and produces research on American policy and Arab-Israeli relations. The first set of papers was released in early 2005.
- Publications -- *How Israelis and Palestinians Negotiate*, the latest volume in the Institute's series on cross-cultural negotiation.
- Education and Training Programs -- work with a host of joint Arab-Israeli non-governmental organizations, including the Middle East Children's Association, and with Israeli and Palestinian teacher-training institutions.
- Grants -- the current portfolio includes a full array of policy relevant research efforts -- on suicide terrorism, Palestinian refugees, the peace negotiations, and other programs promoting mutual understanding, cooperation and non-violent approaches to resolving the conflict.
- Fellowships -- Visiting scholar Moshe Ma'oz is completing a study on United States-Syrian relations, and visiting scholar Jacob Shamir continues his acclaimed work on Israeli and Palestinian public opinion.

Taken together, all of these projects comprise just one element of the Institute's Muslim World Initiative -- a major effort that integrates a wide array of Institute programs. It seeks to promote peace and security within the region and to bridge the divides between the United States and the Muslim World.

For further information on these and other Arab-Israeli programs, please contact Erin Boeke Burke in the Office of Congressional and Public Affairs by e-mail at [publicaffairs@usip.org](mailto:publicaffairs@usip.org) or by phone at (202) 429-3832 or visit the Institute's website at [www.usip.org](http://www.usip.org).

## BIOGRAPHIES

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David Makovsky is a Senior Fellow and Director of the Project on the Middle East Peace Process at The Washington Institute. He is also an Adjunct Lecturer in Middle Eastern Studies at Johns Hopkins University's Paul H. Nitze School of Advanced International Studies (SAIS) and a Contributing Editor to *U.S. News and World Report*. He is the author of the book *Making Peace with the PLO: The Rabin Government's Road to the Oslo Accord* and a contributor to *Middle East Contemporary Survey of 1995*, published by Tel Aviv University's Dayan Center for Middle East Studies. Before arriving at The Washington Institute, Mr. Makovsky was an award-winning journalist, having covered the Middle East peace process since 1989.

Robert Malley

*International Crisis Group*

Dr. Robert Malley directs the Middle East program at the International Crisis Group, where he manages analysts based in Amman, Cairo, Beirut, Tel Aviv and Baghdad. He is the author of dozens of articles and essays on U.S. Middle East policy in leading publications in the United States and Europe. He has served as: Special Assistant to President Clinton for Arab-Israeli Affairs, 1998-2001; Executive Assistant to National Security Advisory Samuel R. Berger, 1996-1998; and Director for Democracy, Human Rights and Humanitarian Affairs, National Security Council, 1994-1996.

Steven Spiegel

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Dr. Steven L. Spiegel, Associate Director of the Burkle Center for International Relations and Professor of Political Science at University of California, Los Angeles, specializes in the analysis of world politics, American foreign policy, and American foreign policy in the Middle East. His latest book, *World Politics In a New Era*, written with Fred Wehling, was published by Harcourt College Publishers in 1999. He is now working on a volume about the Middle East in the post-Cold War era. Dr. Spiegel's recent activities include the position of International Chair of the Middle East Cooperative Security program for the statewide Institute on Global Conflict and Cooperation of the University of California, San Diego. In that capacity, he has specialized in methods of creating opportunities for informal dialogue between conflicting Mideast regional participants.

## Executive Summaries

David Makovsky

After years of terror and violence, the recent changes in the Palestinian leadership and a new Israeli policy supported by a broad parliamentary coalition suggest there is a proverbial window of opportunity to make progress between Israelis and Palestinians in 2005. Diplomatic engagement on a defined agenda could in the short term restore trust and enable both peoples to re-affirm their faith in the very enterprise of peacemaking.

An important beginning would be focusing on restoring calm, creating a set of confidence building measures, and enabling Israel's exit from Gaza. Therefore, the first year of the post-Arafat period will be critical. It will determine whether trust can be restored between the peoples or alternatively, whether this historic opportunity will be missed. Successful withdrawal from Gaza and the northern West Bank would shatter old taboos that have been in place since 1967 and therefore facilitate further withdrawals, reinvigorate the peace process and revive a shattered partnership. A coordinated pullout from Gaza could also embolden moderates within each camp at the expense of extremists.

The U.S. should play a key diplomatic role at this important juncture by focusing its immediate energies and resources on helping coordinate this major endeavor. This should be true for two reasons: The success or failure of Gaza withdrawal will shape perceptions on both sides about the prospects of future peacemaking. Success will likely mobilize the publics on both sides to press their leaders to move further. In contrast, failure will also shape expectations in a negative direction. In short, much is riding on the Gaza effort. Failure to seize this opening is likely to condemn these peoples to further violence and despair.

The success of Gaza withdrawal should be the main focal point of U.S. foreign policy towards Israelis and Palestinians in the first six to eight months of the new Bush administration. Any U.S. final status blueprint put forward before Gaza withdrawal is likely to upset this favorable dynamic. Such a blueprint at this moment is likely not to empower the leaders, but energize their hard-line critics who will seize on any idea of compromise. Mahmoud Abbas may be elected, but he does not yet have the authority to veer from the Arafat legacy on final status. Taken together, the idea of a blueprint should not be put forward at this time.

In the aftermath of Gaza withdrawal, this idea may be considered. However, the guiding criteria should be whether such a U.S.-led effort has a chance of success and not if it possibly engenders ephemeral sympathy in the Arab world. The criteria for success depend on the outcome of the Gaza withdrawal and the willingness of key Arab states to visibly come out in support of explicit compromise on contentious issues such as refugees and Jerusalem. If they do not provide Abbas with political cover, there is little chance that he can veer from the Arafat legacy. Coming out with a blueprint without broad Arab support will guarantee failure and likely trigger further violence. The U.S. should not just ask the parties whether they are ready to proceed to final status, but should require both sides to provide tangible evidence in public that they are willing to engage in compromises. This would be an important telltale sign that the sides are serious.

Given the past, the U.S. cannot afford to fail. The effort in 2000, whereby the U.S. put forward its own “parameters,” did not generate sympathy for the U.S. in the Arab world since it was overwhelmed by violence on the ground. A peace agreement may engender sympathy but a U.S. blueprint, which lacks support, is not likely to provide the U.S. with any traction, and is likely to even be counterproductive.

Although a final status agreement is not possible now, there are important steps that the U.S. can take now, including formally activating the first phase of the Roadmap. This would demonstrate that U.S. involvement in a Gaza is part of a wider context, and does not exist in isolation.

Quick progress on the Palestinian front is the best way to warm Israel’s relations with the Arab world. There have been some indications that in the aftermath of a Sharon-Abbas meeting, Egypt and Jordan may return their ambassadors to Tel Aviv after a four and a half year absence. This should be quickly followed by the reopening of the quasi-diplomatic liaison offices in the Arab world and Israel that were closed in 2000.

The U.S. cannot substitute for the parties but it can help them in many tangible ways.

Below are several other steps that the Bush administration can take in 2005 to stabilize Israeli-Palestinian relations after years of turbulence. They include:

- Revive Israeli-Palestinian security coordination.
- Hold the parties accountable for their commitments.
- Help the PA as it reforms its security services and assist Israel’s military as it redeploys from Gaza.
- Use leverage against rejectionists.
- Reactivate the Roadmap.
- Find ways to ensure that an Israeli pullout from Gaza is complete, but does not leave Israel vulnerable on security.
- Support sound economic development and assistance programs for a post-withdrawal Gaza.
- Urge Arab states to assist the Palestinians and take positive steps towards Israel as it moves forward on peace.
- Put forward a new UN Security Council resolution ratifying Gaza withdrawal.

Robert Malley

Yasser Arafat's death, Mahmoud Abbas' orderly election, Labor's entry into the Israeli government, and Ariel Sharon's plans to withdraw from Gaza have changed expectations in the U.S. regarding the Israeli-Palestinian conflict as swiftly as any other combination of events in recent years. Renewing Israeli-Palestinian contacts while focusing on Palestinian reform and democratization as well as on Israeli disengagement are seen by many as optimal pillars for the new administration's Mideast policy. At the end of this road may lie a responsible Palestinian state exercising sovereignty over Gaza and parts of the West Bank, statehood constituting the point where partial disengagement and democratization meet.

Under this logic, efforts to forge a comprehensive settlement are to be indefinitely put off until, over time, the new Palestinian leadership can show it can deliver both improved living conditions to its people and real security to Israelis. At that point, Israelis and Palestinians will be able to negotiate an end to their decades-long conflict. It is a comforting logic, but also eerily familiar, and profoundly misleading.

It is the logic that in its broad outlines drove the Oslo process and that to a large extent led it astray. It is a logic that, while recognizing opportunities presented by Palestinian exhaustion and newfound Arab willingness to engage in the pursuit of Arab-Israeli peace, fails to take full advantage of them. It is a logic that ignores the deep trends inexorably taking us from a negotiated, viable two-state solution and toward a series of unilateral steps. And it is a logic that is oblivious to the pressing need for a vigorous and comprehensive U.S. effort to address the Arab-Israeli conflict as part of the war against terrorism and, more broadly, of the challenge presented by the rise of *jihadi* Islamism.

A successful new departure in the United States' policy toward the Arab-Israeli conflict should take account of these structural evolutions. In a first phase, this means greater engagement on the above-mentioned goals: sustaining the cease-fire, strengthening the new Palestinian leadership, deepening reform, and ensuring that the disengagement proceeds smoothly and can become a precedent for further withdrawals. In short time, however, it will require U.S. assurances to the Palestinians concerning the ultimate resolution of the conflict paralleling those provided to Prime Minister Sharon; without them, Mahmoud Abbas' authority and credibility will be undermined, Palestinians will lose confidence in the process, and more radical voices will begin to be heard. And, once the withdrawal from Gaza is complete, it will require presentation by the U.S., together with other key international players, of the parameters for a comprehensive Israeli-Palestinian peace agreement.

## Steven Spiegel

Until the current administration, the U.S. has consistently believed that the key to American success in the Middle East was resolving the Arab-Israeli dispute. Some partially succeeded in these efforts, some failed totally. Some thought they could resolve the issue in stages, small or large. Some thought that they could achieve a comprehensive settlement. Others thought they could get away with playing down the dispute entirely. But the common wisdom was always the same: if Arabs and Israelis were completely, or even relatively, at peace, America would dominate the region to its own benefit, whether the benefit was defined as anti-communist, anti-Soviet influence, protecting oil, protecting pro-western regimes or protecting Israel.

The problem is that American leaders have almost always had it wrong. The Mideast was never simply reducible to Arabs and Israelis. After 9/11, the Bush administration made the opposite mistake: it decided that since resolving the Arab-Israeli problem was not identical to resolving our Mideast problem, the Arab-Israeli conflict could therefore be largely ignored.

Unless we figure out a way to get it right, to strike a balance between what we need to do in the region and what we must do vis-à-vis the Arab-Israeli conflict, we will repeatedly stumble. Until we overcome our penchant for not dealing effectively with the conflict itself, we will forever be frustrated.

The fundamental problem with the Bush administration's policy in the Middle East is that the long-term promotion of democracy is doing nothing to stifle terrorism or proliferation, and the wars on terrorism and proliferation are doing nothing to promote democracy. Trying to apply global policies, even worthy global policies, to the region as a whole is a failure, and, in fact, may be exacerbating the dangers the U.S. faces.

Instead, American policy toward the Arab-Israeli conflict in 2005 should focus on ensuring that Prime Minister Sharon will achieve his objective of withdrawing from Gaza and the northern West Bank and that President Abbas is able to carry Palestinian security and political reforms forward. Abu Mazen must be able to successfully control and advance the areas from which Israel has withdrawn. The parties need to be able to see that there is a process that can be built upon, rather than failures that confirm the impossibility of change.

We need an approach that deals on three levels: the traditional effort at negotiations, more attention to details and technicalities of agreements, and a wider context of incentives and tradeoffs. The heart of this new process is first the creation of an Office of Disengagement Management located continually on the scene to make sure both the security and economic components of disengagement are accomplished.

There is already much talk about what will come next. But that entire discussion is premature because without successful disengagement, little else has a chance. The primary immediate task is to take the security, economic, and political steps that will make disengagement work. There will be no future phases if violence from Palestinians against Israelis does not end and if the disengagement plan does not go forward.



However, if disengagement succeeds, plans must be in place so that, unlike in Iraq, or even after the Oslo accords, there will be a rapid follow-up. Only then will a wider discussion be possible. Meanwhile, a new public-private regional process must be put in place. After disengagement has been completed, I propose the holding of an international conference convened by the Quartet as envisioned by the roadmap. Its sole function would be to create official and unofficial committees that would then carry on with a host of activities that would embed the new process in a solid context of confidence-building reinforcing measures.

At the same time, public experts outside government must be utilized on a wider scale so that we are not totally dependent on biographies or foibles of individual leaders. Participation must be wider so that the publics become more receptive to peace accords and initiatives, and so that overworked bureaucrats and leaders do not cut corners and consummate faulty agreements.

More countries, both in and out of the region must be involved in additional activities so that greater attention can be paid to details and to building a wider context in which progress can occur. This process will only work with a greater expenditure of funds on activities ranging from Palestinian economic development to regional discourse and education, from regional human conditions to common security threats.

The policy agenda then is to be preoccupied with disengagement in the short term, which necessarily means focused attention on the critical need to end Palestinian violence as well. We should then begin to plan for an international conference as disengagement succeeds. Only when the new process is established—after disengagement has concluded—should the discussion begin on what the next step in Israeli-Palestinian negotiations will be.

The test of the Bush administration in the short term will be making these efforts work. Its test in the medium term will be to take advantage if they succeed and move forward from there to create an entirely new approach toward Arab-Israeli relations. If it could marry innovation with implementation, the Arab-Israeli arena could be transformed, and could become a model for further American policy in the region.

## David Makovsky\*

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### I. INTRODUCTION

A change in Palestinian leadership and a new Israeli policy supported by a broad parliamentary coalition suggest there is a proverbial window of opportunity to make progress between Israelis and Palestinians in 2005 after years of terror and violence. Diplomatic engagement on a defined agenda could in the short term restore trust and enable both peoples to reaffirm their faith in the very enterprise of peacemaking. An important beginning would focus on restoring calm, creating a set of confidence building measures, and enabling Israel's exit from Gaza. Therefore, the first year of the post-Arafat period will be critical. It will determine whether trust can be restored between the peoples or alternatively, whether a historic opportunity will be missed. A successful withdrawal from Gaza and the northern West Bank would shatter the taboos that have been in place since 1967 and facilitate further withdrawals, while reinvigorating the peace process. A coordinated pullout from Gaza could also embolden moderates within each camp. The US should play a key diplomatic role at this important juncture.

Yasser Arafat's death and the election of Mahmoud Abbas as President of the PA both pave the way for a pragmatic Palestinian leadership, ready to realize that the violence of the Intifada has neither advanced the Palestinian march to statehood nor broken Israel's will. If anything, for Palestinians, violence has proven to be counter-productive, as what was offered in 2000 is no longer imminent.

At the same time, Prime Minister Ariel Sharon's decision to leave Gaza and parts of the northern West Bank and evacuate settlements is significant. Almost 40% of the Palestinians in all the occupied territories live in Gaza. The Israeli plan goes above and beyond what is required by the internationally-backed Roadmap, and marks the first time that Israel is evacuating settlements and yielding territory to the Palestinians outside of a bilateral agreement or quid pro quo. Given Sharon's position in Israeli history as the architect of the settlement movement, he is uniquely positioned to launch this process.

In the US, there is reason to believe that President George W. Bush sees the leadership and policy changes in the Middle East as providing him with a diplomatic opportunity to be seized. He has committed to prioritizing this issue in the wake of his election victory. In terms of his priorities for his second term in office, he has compared the Israeli-Palestinian issue in significance to only one other prized priority—reforming Social Security. Critics have questioned the sincerity of Bush's intention on the Middle East, but there are several reasons to believe that Bush views progress on the Arab-Israel issue as consistent with his broader Middle East foreign policy goals.

For Bush, progress on this issue would fulfill multiple objectives. First, it would be a vindication of his June 24, 2002 speech, which ruled out Arafat's leadership and made Palestinian reform a cornerstone of American policy.

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\* This article is based on the forthcoming study *Engagement Through Disengagement: Gaza and the Potential for Middle East Peacemaking*, published by The Washington Institute for Near East Policy.

Indeed, Bush has emphatically conditioned the US relationship with the Palestinians upon Arafat's departure from the Palestinian arena. This was predicated upon his sense that Arafat was not committed to coexistence. In the wake of Arafat's death, the recent Palestinian presidential elections, the legislative elections this July, and the staggered municipal elections that started in December 2004, Bush can point to elections as demonstrating that US diplomatic engagement is essential and successful and that the first step is to pursue the Quartet's Roadmap, starting with withdrawal from Gaza.

President Bush will view these elections as part of something larger, namely his broader Middle East democratization agenda which also includes elections in Afghanistan and Iraq. What is important here is that, in the Palestinian context, the elections are not an American diktat, but rather, as polls amply show, deeply desired by the Palestinian people.

Advancing the cause of Israeli-Palestinian peace enables the US to remain true to its commitment to ensure Israel's security. Demonstrating that the US will back efforts against rejectionists and other forms of terror while supporting the PA could be the way to ease the potentially contradictory pulls between these two commitments.

Another byproduct of American involvement is that it could improve transatlantic ties. Bush's comments of investing "the capital of the United States" in advancing peace occurred at a joint press conference alongside visiting British Prime Minister Tony Blair. Having served as the key US ally in Iraq, Blair, who has withstood heavy domestic criticism for his support of the US, sees himself as well positioned to press this issue. In general, Europe has highlighted the Palestinian issue, as US attention remains riveted on Iraq and the War on Terror.

As the benefits are clear, the top levels of American government have the ability and the motivation to act. Importantly, not since the first George Bush worked with his confidant James Baker as secretary of state in the late 1980s and early 1990s will there be such a close relationship between a president and his secretary of state. Unlike Warren Christopher, Madeleine Albright or Colin Powell, Condoleezza Rice will be able to speak with the full authority of the president. This is critical as foreign leaders seek to gauge and probe to what extent a secretary of state is fully empowered to act on behalf of the Administration.

## II. FOCUSING ON FINAL STATUS WILL NOT WORK NOW

The political road ahead for the US will not be simple, since neither the Palestinians nor the Israelis are ready for final-status talks. Palestinians have traditionally favored the international community being as explicit as possible in its definition of a final status agreement. This is both because the Palestinians believe that the most countries basically view the territorial “endgame” like they do, namely a return to the pre-1967 borders. Therefore, they are always looking for such articulation by third parties, believing it will serve to press Israel to accept these terms. Is this advisable at this time? Could this provide incentive to the Palestinians to fight terror?

For now, at least, the answer seems to be unequivocally “no” for a variety of reasons.

First, it will energize rejectionists opposed to Abbas’ government and therefore hurt rather than help him. The parties would be forced to react. Abbas may have legitimacy to rule, but he does not have Arafat’s authority.

Second, it undermines key short-term dynamics on the Israeli side. The Gaza disengagement plan is creating a right wing opposition to Sharon. If confronted with a new final status US policy, the Sharon dynamic to get Israel out of Gaza and northern West Bank could very well collapse. He and his Likud party have been key critics of both Camp David 2000 and the Clinton parameters, and thus he would be forced to come out against the US. While the premier currently has internal opposition on Gaza, he has been able to overcome that opposition with the broad support of the public and a national unity government. The US move would be a windfall to Sharon’s opponents within the Likud, and there is little doubt that the government would collapse and Gaza disengagement would be thwarted.

Third, the Bush Administration has already used language to guide the next steps. President Bush was the first US leader to articulate US support for a two-state solution and has spoke about the importance of the states being independent and contiguous. In his June 24, 2002 Middle East policy speech, he declared:

Ultimately, Israelis and Palestinians must address the core issues that divide them if there is to be a real peace, resolving all claims and ending the conflict between them. This means that the Israeli occupation that began in 1967 will be ended through a settlement negotiated between the parties, based on U.N. Resolutions 242 and 338, with Israeli withdrawal to secure and recognized borders.

After Gaza disengagement, there could be an American assessment of conditions about whether the President’s blueprint would help or hurt the prospects for progress. Different issues can be weighed including the success of withdrawal, the reduction of violence, and the growth in Abbas’ authority. The guiding criteria should be whether such a US-led effort has a chance of success and not if it possibly engenders ephemeral sympathy for the US in the Arab world. Key will be willingness of key Arab states to very visibly come out in support of explicit compromise on contentious issues such as the refugees and Jerusalem. If they do not provide Abbas with political cover, there is little chance that he can veer from the Arafat legacy. Coming out with a blueprint without broad Arab support will guarantee failure and likely trigger further violence. Given the past, the US cannot afford to fail. The effort in 2000, whereby the US put forward its own “parameters”, did not generate sympathy for the US in the Arab world since it was overwhelmed by violence on the ground. A peace agreement may engender sympathy but a US blueprint, which lacks broad support, is likely not to attain such sympathy. In such

circumstances, violence may ensue and the US move could prove to be counterproductive. The US should not just ask the parties whether they are ready to proceed to final status, but should require both sides to provide tangible evidence in public that they are willing to engage in compromises.

### III. REACTIVATE THE ROADMAP

Although final status is not possible now, the American administration can take important steps to bring the sides closer together. One way of signaling progress is by formally activating the first phase of the Roadmap. This would demonstrate that withdrawal from Gaza has a wider context, and does not exist in isolation. For Palestinians, this will demonstrate that Abu Mazen succeeded in ensuring US involvement, which will prevent Gaza First from becoming Gaza Last.

The Roadmap, ostensibly formulated as a set of markers on the way to President Bush's two-state solution, has both disadvantages and advantages. Its disadvantage is obvious, namely it is not a blueprint that has been hammered out by the parties themselves. Therefore, they do not feel a sense of ownership over the process. Instead, it is a set of guidelines that the international community has endorsed. As such, it is likely that every sentence may not be adhered to exactly as the sequence suggests. Therefore, the document must be somewhat flexible to cope with an evolving situation.

Yet there are advantages to the Roadmap, as well. It is the only diplomatic framework broadly acceptable to both the parties and backed by the international community. Recognizing the shattered trust that is the legacy of the last several years, its steps are routed in gradualism, but it also has a clear objective, namely to provide Israel with security and the Palestinians with an end to occupation by the creation of a two-state solution. Moreover, while there is a timetable to resolve the conflict, progress along the three-phased approach requires mutual performance. The Roadmap—like United Nations Security Council Resolution 242, the document that has always guided the peace process—requires compromises and imposes obligations on both sides. In the case of 242, it is land for peace.

The first phase of the Roadmap is already being implemented, as demonstrated by the Palestinians' first election and Abbas' public commitment to reform the PA and restructure its security services. Critically, since his election, Abbas has publicly told Palestinians that this is the way forward and spoke about the need to implement the first phase. Despite its reservations, Israel feels comfortable with it, as well. The first phase will demonstrate that the US remains committed to its "performance-based" approach and preserve the balance inherent within that idea. Israel views counter-terrorism actions as laid out by the Roadmap as a prerequisite to implementation of future phases. The Roadmap also requires the elimination of incitement. The new PA leadership has taken some preliminary steps, and these can be reinforced by reviewing the PA educational curriculum and removing imams who make incendiary sermons. The Israelis should honor their commitment under the Roadmap to remove unauthorized outposts and curb settlement activity.

**Iraq.** As President Bush begins his second term, he should capitalize on the momentum and optimism of the post-Arafat era. The US should do so because it can help ameliorate that conflict, but not because it will necessarily trigger a Middle East domino effect. One needs to be cautious about overestimating the relationship between successes in the Arab-Israeli arena and resolving conflicts elsewhere in the region, including Iraq. The reverse is true as well for the road to Jerusalem does not run through Baghdad and the road to Baghdad does not run through Jerusalem. Contemporary history has shown us a myriad of Middle East troubles unrelated to the Arab-Israeli issue. These troubles take the form of open conflict—including the civil war in

Algeria, bombings in Saudi Arabia, upheaval in Egypt, and the Iran-Iraq War—or the utter lack of political reform in the Middle East. Arab reformers as well as the Emir of Qatar have decried the linkage of the Arab-Israeli conflict with the delay in reforming the region's governments. If anything, peace has suffered more from the lack of reform than the reverse, since state-run media in Arab countries have sought to deflect attention from their lack of legitimacy by denigrating the US and Israel.

Furthermore, lack of progress on the Arab-Israeli front has not created anti-Americanism in the Middle East. It has existed in the region for decades. Even during the Oslo heyday, the US did not score highly in the Pew Surveys of Middle East countries. Osama bin Laden was planning 9/11 during this period and carrying out other horrific attacks. In short, there are other forces at work. Globalization is probably one of them. Furthermore, as Fouad Ajami has pointed out, the US may seem to be a religious society for Europeans, but for people in the Middle East, it is seen as an agent of secularism and modernism. As such, it is unsettling to traditionalist societies in the Middle East.

The situation in Iraq is for the most part unrelated to the Arab-Israeli arena. I am skeptical of these pronouncements about grand linkage between the two arenas. (This is not to suggest that if the US is successful in Iraq, there would not be benefits for the Arab-Israel arena, namely reducing the strategic value of the Jordan Valley, which has been a frontier of Arab attacks against Israel.) It is hard to believe that the insurgents would lay down their arms because of progress on the Palestinian issue. The insurgents are fighting to impose their vision rather than the president's on Iraq. Issues seem to be largely sectarian, pitting Sunni and Shiites. In the Israeli-Palestinian arena, Hamas is fighting for its vision of Palestine and because it has not come to terms with the existence of Israel. Will Hamas turn in their arms should peace be declared in Iraq?

Having said this, the issue of “negative linkage” deserves attention. Whatever one's views are about whether the US should have gone to war in Iraq or not, as Tony Blair has said, if the US and the coalition are defeated in Iraq, this will undoubtedly embolden Islamist rejectionists in the region out to torpedo progress on the Israeli-Palestinian front. Moreover, success by the US in constraining Syrian support for insurgents in Iraq could also mean that Damascus will think twice before it repeats its actions of 2003 and supports rejectionist groups opposed to an Israeli-Palestinian cease-fire.

It is possible that progress on the Arab-Israeli front could make a dent in anti-Americanism. However, America will remain a target of Arab ire as long as the region's dictators succeed in using it as a foil to excuse their own mistakes. If Arab regimes don't like watching Palestinian stories on al Jazeera, they should do what they did not do sufficiently in the 1990s and nudge the peace process forward. In the 1990s, the cost of action on the Palestinian front—urging Yasser Arafat to compromise—was often outweighed by the cost of inaction. Al Jazeera should remind these leaders that inaction exacts its own costs. If they want to stop seeing these pictures, they need to support compromise between Israelis and Palestinians.

**Neighboring Arab countries.** Early progress on the Palestinian front is the best way to warm Israel's relations with the Arab world. There have been some indications that in the aftermath of a Sharon-Abbas meeting, Egypt and Jordan may return their ambassadors to Tel

Aviv after a four and a half year absence. This should be quickly followed by the reopening of quasi-diplomatic liaison offices in the Arab world and Israel that were closed in 2000.

Israel's ties with Egypt have improved in the last few months. This is due to several factors. First, one cannot ignore the fact the tone of President Mubarak's statements about Israel have warmed in wake of Bush's re-election, suggesting that Egypt realizes the implications. US declarations on democratization and prospects that the US Congress may vote this summer, as it did last summer, on rescinding longstanding US military aid to Egypt, have placed Cairo on the defensive. While this threat that will hopefully not be implemented the Egyptians are taking it seriously. Secondly, Cairo's refusal to share a border with a rejectionist Palestinian state on its eastern frontier, has led to constructive bilateral coordination with the Israelis. Finally, the Egyptian economy is also a factor. The expiration of textile preferences at the end of 2004 triggered Egypt to reverse its long-held position and embrace the idea of seven Qualified Industrial Zones (QIZ) with Israel. These QIZs are modeled after those in Jordan which have created 30,000 new jobs in Jordan, and have catapulted exports to the US from \$5 million per annum in the late 1990s to approximately \$1 billion by the end of 2004. This peace dividend, which along with US aid and quiet intelligence cooperation against rejectionists, has helped bind longstanding Israel and Jordan even in times of trouble, is one Egypt is eager to imitate.

The prospect of a peace treaty between Syria and Israel is also on the radar screen but the past has taught us that timing is important. In the 1990s, there were three distinct efforts to move this track forward, but without success: Rabin, Netanyahu, and Barak each thought it advantageous to pursue the diplomatic track with Syria. They hoped movement on the Syrian track would force Palestinian flexibility and widen Israel's maneuvering options. However, this did not occur. Instead of peace treaties on both tracks, there were no treaties on any tracks. In light of the three failures, a reassessment must occur prior to new negotiations. The Palestinian issue is both more urgent and more resonant in the Arab world. At a time when Israel's democracy will be tested by civil disobedience and perhaps violence by the pullout of all settlements from Gaza, one must wonder about the negative implications deriving from overloading Israel's domestic political circuits at this sensitive juncture. Peace with Syria can be readdressed once the Palestinian track is stabilized. If Syria wants to attract American diplomatic attention sooner, it can demonstrate bona fides by expelling rejectionists groups which are likely to be in opposition to Abbas and the prospects for peace.



#### IV. THE FIRST TERM OF BUSH 43

The first term of the Bush Administration made a few important contributions to Israeli-Palestinian peace. First, by focusing on building democratic institutions in his June 2002 speech, Bush put forward an idea that has proven popular with Palestinian reformers. The idea has moved from the margins to being a virtual consensus in a short period. This is no small matter. This emphasis on institution building is now the centerpiece of President Abbas' reform policies.

Second, American support of Israeli efforts to defend itself including support for Israel's security fence and the isolation of Yasser Arafat enabled Israel to turn back the perceived successes of the second Intifada.

Third, the US has made clear that a Palestinian state cannot be born in violence. Many post-mortems of the 1990s have bemoaned the lack of consequences for those who did not adhere to their commitments. When there is no accountability, it is hard to see how US diplomatic activism can be effective. There is little evidence to suggest that American diplomatic activism in the first term would have produced dramatic results. In a recent interview, Colin Powell was asked if he had regrets about American policy during his term as secretary of state. Powell denied harboring regrets, saying that Yasser Arafat prevented any increased American action. It is hard to escape the view that the US and Arafat defined success differently. The US saw success as what the Palestinians could gain territorially, while Arafat viewed success by what he did not yield ideologically. These are two very different metrics for success. As Dennis Ross, the chief US negotiator for the Bush 41 and Clinton years, comments, "I never saw any indication Arafat was ready to surrender his mythologies or level with his public."<sup>1</sup>

US diplomatic credibility would have been sharply eroded had it carried on diplomacy-as-usual at a time that Arafat was calling for a "million martyrs to Jerusalem" and bombs regularly exploded. American diplomatic engagement is not a panacea to halt violence. After all, heavy presidential diplomatic engagement during the last few months of the Clinton Administration and a very generous final status offer—the Clinton Parameters—did not succeed in preventing the Intifada. Therefore, it is unclear whether Mitchell, Tenet, and Zinni would have been more successful in halting the violence that stymied President Clinton.

It is possible that in the summer of 2003, when Mahmoud Abbas was premier for 130 days, the US, Israel and the Palestinians could have been more engaged. The hope for John Wolf's diplomatic mission during that summer was to revive public accountability for the parties' deeds and misdeeds. But this did not occur. It is unclear if US involvement would have been decisive. Arafat was enraged that Abbas was being received anywhere, and when Abbas resigned, he told the Palestine Legislative Council that Arafat undermined him at every step. It is unclear if greater US involvement would have been decisive in the face of Arafat's opposition.

Due to these experiences, it is important to take advantage of the windows that are currently opened. Given that the US has a full agenda, it will not be simple to remain focused on the Israeli-Palestinian agenda, but it is important that the Bush Administration look ahead to what sort of involvement will be required in order to assure the prospects for making progress.

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<sup>1</sup> Dennis Ross, *The Missing Peace: The Inside Story of the Fight for Middle East Peace* (New York: Farrar, Straus, and Giroux, 2004) 761.

## V. SPECIFIC POLICY PRESCRIPTIONS FOR THE US IN 2005

Apart from reactivating the Roadmap, below are other tasks that the US should undertake on the Israeli-Palestinian front during 2005.

**Revive Israeli-Palestinian security coordination.** Reviving security coordination and achieving calm after several years of violence could have multiple benefits for both sides. First, coordination can help rebuild shattered trust between the parties, since this will demonstrate the parties realize that security is a cornerstone for coexistence. Second, on a practical level, the improvement of the security environment is the best chance to improve conditions on the ground for the Palestinians. There were hardly any checkpoints on the ground in the summer of 2000. As violence subsides, it will be likely and important that the number of checkpoints will be reduced. Third, security coordination will be important for ensuring that a cease-fire is reached and takes hold. Israeli Defense Minister Shaul Mofaz has made it clear if there is quiet, there will be no Israeli targeted killings of suspected killers. The PA would be able to arrest them. Mofaz also made clear that Israel is willing to pull out of West Bank cities as soon as the PA is ready to accept responsibility. Fourth, security coordination is pivotal to facilitate the coordination of the upcoming pullout from Gaza. This is significant. A coordinated pullout is more likely to allow for a smooth transfer of authority than a unilateral move, and therefore US facilitation could be helpful. Such a pullout has many moving pieces, and therefore it is important that coordination exists. Moreover, to avoid destabilization after the withdrawal, it is important that the PA commit itself to the terms of the pullout. This is another important reason that the pullout should be coordinated. If the coordination is successful, the pullout will not just mean the end of Israeli occupation in Gaza and the northern West Bank. In such circumstances, the coordinated withdrawal will become the vehicle for mending the badly frayed trust.

**Hold the parties accountable for their commitments.** For commitments to have any value, it is critical that the US hold the parties to their commitments. Failure to do so in the past often made the commitments meaningless. This means the US needs to go public with violations, when other means have been exhausted. This could prod performance under certain circumstances, as the parties do fear being singled out by the US.

**Ensure a viable cease-fire.** It is very unlikely that a newly elected PA leadership will take on rejectionism from the start. At the same time, without security renewed Israeli-Palestinian cooperation becomes difficult to impossible. If all sides are doing their utmost, nobody will have an incentive to allow the rejectionists to have a veto in this process. However, if efforts are not made to ensure calm, the situation will become fragile and suicide attacks will have more deadly effect.

To this end, the US should lend its services to ensure the cease-fire takes hold and is upheld. If Abbas is successful—perhaps with the help of Egypt—in obtaining Palestinian support for precise terms, the US can assist on the Israeli side. The ceasefire's terms should be written, and thus avoiding the ambiguity of 2003 cease-fire.

Once the terms are firm, the US needs to monitor the ceasefire, and ensure the terms are implemented and enforced. Since the inception of the peace process that reached a zenith with the 1998 Wye agreement, the CIA has been involved in seeking to achieve security cooperation between the parties and monitor implementation. The CIA, alongside other select, non-uniform US military personnel, can assume a monitoring function. Monitoring also requires reviving the security coordination of the 1990s, creating a structure that contains both bilateral and trilateral security coordination and communication. The Quartet needs to use its leverage to limit the ability of the rejectionists in ruining the cease-fire. (See “Use leverage against rejectionists,” below.)

The cease-fire is a stabilization step, but it should be clear that it is not an end in and of itself. After the Abbas government gains momentum, it must confront the rejectionists. Or else, these rejectionists will seek to use their strength to retain a veto on further steps towards peace.

**Help the PA as it reforms its security services and assist Israel’s military as it redeploys from Gaza.** Part of Abbas’ commitment to reforming the PA and providing democratic institutions is reforming PA security services. US assistance would be important, just as the US provided training and other forms of professional assistance in the past. As it stands, there are more than a dozen PA security services that have been unwieldy and, at times, were politicized militias with some elements engaged in terror. A restructured, unified PA security services that are accountable to its leadership would be very important contribution both to reform and peace.

The US can also help the Israelis offset the costs of redeploying the IDF forces currently stationed in Gaza.

**Use leverage against rejectionists.** US should work with the PA, Israel, Egypt, and members of the Quartet to ensure that terror groups cannot ruin the disengagement. Initially, some of them may tread carefully if they believe the Palestinian public is tired of violence, but Hamas, Islamic Jihad, and Hezbollah will most likely be a disruptive force in the bid to foster Israeli-Palestinian coexistence. Apart from the usual security actions, it is important that the US consult with the PA about the best ways to mobilize its public against these groups, asserting that they undermine Palestinian aspirations.

Members of the Quartet should also use their leverage in ties with Iran, which backs these three groups to varying degrees. This issue needs to be raised in all European consultations with Iran. Syria houses different terror groups and the Damascus Airport has been a transit point for weaponry. This issue needs to be central to bilateral and multilateral dialogues with Syria, as well.

**Find ways to ensure that an Israeli pullout from Gaza is complete, but does not leave Israel vulnerable on security.** Configure a Multinational Force (MFO) and consult with Egypt, Israel and the PA about its deployment on the Egyptian side of the Rafah border with Gaza. Create a consultative mechanism to solve future problems. The objective is to configure a multilateral force that would work with the upgraded 750-member Egyptian border police for purposes of

monitoring and verification, ensuring that there is no weapons smuggling in tunnels from Sinai into Gaza.

Egypt is obligated under the demilitarization and force limitation provisions of the 1979 peace treaty with Israel to provide security on its side of the border. Moreover, it is uniquely positioned to deal with security on its side of the border, as the issue of tunnel smuggling has a rather complex past. In the aftermath of the Israel-Egypt peace treaty, family clans living on both sides of the border dedicated to illicit smuggling of goods created tunnels to earn a livelihood. Today, the tunnels have been used to smuggle weapons as well as goods. An Egyptian role is critical due to the Egyptians' familiarity with the local geography, language and culture. Only Egypt could be effective in using intelligence and other means as it circulates with the local populace in order to identify the tunnels. Solely by its presence, the MFO could raise the diplomatic costs to the Egyptians if they fail to fulfill their security obligations. An MFO could engage in a variety of tasks that would ease the task of the Egyptians. This includes: acting as a liaison with Egyptian personnel, monitoring access of potential infiltrators (including assistance at immigration and customs locations at the Rafah Terminal on the Egyptian side), patrols, as well as other forms of verification.

The MFO stationed in Sinai is the most logical choice to supplement the work of the Egyptian forces and increase regional security for a variety of reasons. First, it is already located in the general area that assistance is required. The actual international observers mandate technically extends just into Gaza according to the military annex of the Israel-Egypt peace treaty. The MFO came into being in 1981 because the United Nations, which is named as the observers in the text of the treaty, refused to endorse the 1979 Israeli-Egyptian peace treaty. It has some 2,000 troops from 11 countries (including a battalion from the US) operating under US leadership, with a headquarters in Rome. Its mission is to ensure that the terms of the 1979 treaty are enforced, and this means there is no massive remilitarization of the Sinai. The general calm on the Israeli-Egyptian border that has prevailed since the peace treaty means the MFO might be open to adjusting its mission.

Second, there are preliminary indications that the parties would be receptive to an MFO idea, since it is familiar to them. It should be noted that senior Egyptian military officials such as head of Egyptian Intelligence General Omar Suleiman say that they would welcome the deployment in this area. Privately, senior Israeli security officials also voice support. They are comfortable with a force under US leadership. Privately, some Palestinian officials also express their quiet support.

Third, the MFO would be useful since the framework already exists. There would be no need to start a new organization from scratch, with all the bureaucracy that entails, nor would it require a mobilization of countries to join the existing force. Given the lessons of the past, an alternative force would be a time consuming exercise at a time that solutions need to be found in short order given the Israeli withdrawal in 2005. It took almost a year and half to put the Sinai MFO together in the early 1980s, since the US needed to persuade 11 countries and hammer out procedures with the consent of Egypt and Israel. The fact that the MFO already exists is a big advantage, as is the fact that Egypt, Israel and the US each contribute \$17 million equally every year for its upkeep. Legal issues can rather easily be sorted out if the parties seek to widen the MFO's mandate, as US legal officials suggest that Israel and Egypt merely have to exchange letters. There is no need to re-ratify the Egypt-Israel peace treaty.

Having said this, there can be discussions whether this MFO should be an “additive” force or MFO II, but such issues can be resolved in short order. The work of the MFO close to the Gaza border will be different than the work it currently does. Merely diverting personnel from its current mission may not suit the need of the new mission. An enhanced configuration should be considered to deal with the new mission.

Fourth, alternative forces are not attractive options for different reasons. Israel would not accept United Nations command to head such a sensitive mission that entails security risks, while it would accept the US role that exists under the MFO. While there are some examples of cooperation, the relationship between the UN and Israel during the last few decades has largely been adversarial. Given the history of smuggling into Gaza, there would need to be high levels of trust between such a multinational force and all the parties, especially Israel, since its security would be at stake.

NATO is also not an attractive alternative, since NATO operates under consensus of its 26 member states. Obtaining that consensus will be very difficult, especially when issues related to the Arab-Israeli conflict have sometimes strained transatlantic ties. Moreover, according to NATO rules, any substantial change in approved NATO missions requires a vote of all its members. Taken together, it is hard to see how a NATO force could be established quickly and if established, whether it could act in a nimble enough fashion to adjust to the realities on the ground. Moreover, there is not sufficient trust between Israel and NATO to avert concerns of politicization. Israel will be wary of a heavy European role on security fearing that, under NATO, each country would have an effective veto on operating procedures. This obviously does not preclude a NATO role in the future, but in the short-term, this does not seem to be a viable option.

Fifth, an MFO would not overburden the US. US armed forces are spread thin around the world, particularly with its troop commitment in Iraq. Therefore, it could call on the MFO member states to provide the bulk of the personnel, even though the US may have to add some personnel, including perhaps the US Army Corps of Engineers. What is required is US leadership rather than actually adding a massive amount of US troops.

Sixth, whether or not the Army Corps of Engineers are utilized, an upgraded MFO could provide the needed technological assistance to deal with the tunnel problem. While there is a legitimate debate about how Israel and Egypt have or have not handled the tunnel issue until now, there is no doubt that seismic technology could be very important in helping detect and disrupt potential tunnels.

For all the reasons listed above, the MFO is the most logical candidate to head such a mission. While the Palestinian Authority is not a party to the Egypt-Israel peace treaty, nor should it be in the future, it is important that the PA cabinet endorse the new deployment, thus signaling it will be bound by it. Any UN Security Council resolution ratifying Israel’s exit from Gaza should also include a provision making clear that it endorses the new MFO setup.

International help in facilitating security by training PA security personnel and providing security on the Egyptian side of the border with Gaza are the two key steps in stabilizing Gaza. Hopefully, they will build much-needed confidence in the Israeli-Palestinian security

relationships that were shattered during the four years of terror and violence that characterized the Intifada. Another step that could help bolster such confidence is a consultative mechanism. In order to build confidence between the parties, there should be discussion of a mechanism between the PA, Israel, Egypt and the MFO to discuss ongoing security concerns. According to the Egypt-Israel peace treaty (Annex I), there is a mechanism for consultations between the two countries as well as with the multinational force. This mechanism can be utilized to involve not just Israel, Egypt, and the US, but also the PA on issues relating to the Gaza border. The revival of the US-Israel-PA security coordination is vital as well. Without regular communication, misunderstandings are bound to occur. (Such consultations will need to be carefully structured, as Israel is not likely to want its own security discussions with Egypt on the Sinai filtered through the Palestinians.) The logical place for such ongoing, and perhaps daily consultations, is in Kerem Shalom. This is the border area adjacent to the southeast corner of Gaza. This is where Israel announced that it will be relocating the Gaza border crossing, so it averts the possible violence in the Rafah area. There is no reason why Egyptian, Israeli, Palestinian and MFO officials should not have an “operations room” to discuss and iron out any problems that may arise. Such a move could only facilitate security, enhance smooth running of affairs, and allay suspicions.

Consideration should be given whether an MFO should be posted also at a Gaza seaport and airport, alongside professionals dealing security management issues such as the Lloyds of London as well as establishing other security practices to the satisfaction of all parties. If this is not possible, the US also needs to engage Israel about a stopgap solution such as enabling Palestinians to have their pier at the Ashdod port to expedite Gaza trade until security-related issues related to a seaport can be sorted out.

**Support sound economic development/capacity building ideas and assistance programs for a post-withdrawal Gaza.** There are a variety of ideas to enhance the economic potential of Gaza after the withdrawal. The US should continue to work closely with the World Bank as it coordinates the process in order to optimize the efforts and avoid duplication or actions that work at cross-purposes. These ideas range from assisting in PA economic reform, infrastructure and construction projects, industrial parks and other forms of job creation projects, trade-facilitation ideas such as upgrading the Karni crossing, settlement asset issues, and donor assistance. Between the US and Germany alone there is \$325 million at the government’s disposal for infrastructure projects. The US has a variety of tools at its disposal to encourage economic development. OPIC risk insurance could be one way to encourage foreign investment in Gaza and should be examined further.

**Urge Arab states to assist Palestinians as well as reinforce peace by taking positive steps towards Israel as it moves forward on peace.** There are three things the US can urge the Arab states to do to advance the cause of peace. First, the Arab states can provide the new PA leadership with an imprimatur that delegitimizes suicide bombing. It should be clear that such ‘martyrdom’ attacks are politically counterproductive as they make a Palestinian state less imminent and are morally harmful. Such an imprimatur can make it easier for the PA to take the needed steps to combat terror.

Second, the Gulf states can be instrumental in assisting the PA and weakening Hamas. For example, the Gulf states have reaped many tens of billions of dollars if not over a \$100 billion windfall beyond budgetary expectations from the rise in oil prices during 2003 and 2004. Yet as it stands, commitments by the Arab League summit in Beirut in 2002 to provide \$55 million per month in emergency assistance to the PA have not been met. World Bank officials say only \$9 million has arrived. The assistance would demonstrate that Arab support for the Palestinians is more than just a rhetorical device to bludgeon Israel. The funds should be directed to enable the PA to compete against Hamas' role as a provider of social services. The PA should reliably deliver social services such as day care, health clinics and schools.

Third, the Arab states can provide incentives to Israel to take more steps towards Palestinians by putting forward an "Arab Roadmap," demonstrating how they will reinforce Israeli-Palestinian peacemaking. This means thinking about how they could integrate Israel into the region, so Israel does not equate territorial withdrawal with greater vulnerability. The US should ensure that returning Egyptian and Jordanian ambassadors to Israel would be a first step, quickly followed by the reopening of quasi-diplomatic liaison offices in the Arab world and Israel that were closed in 2000. Restarting Arab-Israeli multilateral peace talks on regional issues such as economic development—which in the 1990s supplemented the main peace tracks—is something that the US and the Quartet should consider.

**Put forward a new UN Security Council resolution ratifying Gaza withdrawal.** Put forward a new UN resolution ratifying Gaza withdrawal. The US should ensure that a full and complete disengagement wins not just the support of the parties, but also the support of the UN Security Council. Such a resolution would ensure that the terms of departure are upheld, and would designate the PA as the party in charge of the area from which Israel withdraws. Therefore, there is a need to affirm that UN Security Council Resolutions 242 and 338 have been fulfilled, as they relate to Gaza and consistent with hopes for a two-state solution to the conflict. The resolution should denounce utilization of further violence. In addition, the resolution must make clear that, in the wake of the Israeli withdrawal, all militias must disband and submit their weapons to the Palestinian Authority. If they continue to menace Israel, Israel will have the right of self-defense in keeping with the UN Charter. The existence of such a resolution could provide an incentive for Israel to continue the process, if its security requirements are adequately met.

Taken together, there are a number of steps that the US can take to maximize the opportunities that 2005 presents. The US cannot substitute for the parties but it can help them in many tangible ways. In so doing, the second-term Bush Administration can help these parties seize the moment. Windows in the Arab-Israeli arena are meaningful when they are opened by the parties. But, they can shut quickly if they are not widened by others.

Robert Malley  
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## I. THE MIDDLE EAST'S NEW ARCHITECTURE

Yasser Arafat's death, Mahmoud Abbas' orderly election, Labor's entry into the Israeli government, and Ariel Sharon's plans to withdraw from Gaza have changed expectations in the U.S. regarding the Israeli-Palestinian conflict as swiftly as any other combination of events in recent years. Renewing Israeli-Palestinian contacts while focusing on Palestinian reform and democratization as well as on Israeli disengagement are seen by many as optimal pillars for the new Administration's Mideast policy. At the end of this road may lie a responsible Palestinian state exercising sovereignty over Gaza and parts of the West Bank, statehood constituting the point where partial disengagement and democratization meet.

Under this logic, efforts to forge a comprehensive settlement are to be indefinitely put off until, over time, the new Palestinian leadership can show it can deliver both improved living conditions to its people and real security to Israelis. At that point, Israelis and Palestinians will be able to negotiate an end to their decades-long conflict. It is a comforting logic, but also eerily familiar, and profoundly misleading. It is the logic that in its broad outlines drove the Oslo process and that to a large extent led it astray. It is a logic that ignores the pressing need for a vigorous and comprehensive U.S. effort to address the Arab-Israeli conflict as part of the war against terrorism and, more broadly, of the challenge presented by the rise of *jihadi* Islamism. And it is a logic that ignores other regional trends:

*The Palestinian people's exhaustion and state of shock, neither of which will last forever, but both of which create opportunities to move quickly.*

*Increased fragmentation of the Palestinian Authority (PA), perhaps temporarily halted by Mahmoud Abbas' election, but which remains a genuine risk.*

*Newfound and likely reversible willingness on the part of certain Arab states to engage in, and take risks on behalf of, the pursuit of Arab-Israeli peace.*

*The steady erosion of the value of reciprocal incrementalism, the gradual, step-by-step approach traditionally adopted to resolve the Israeli-Palestinian conflict.*

*A declining faith in bilateral negotiations and the concomitant reliance on unilateralism.*

*The increasing material and political difficulties of reaching a viable and durable two-state solution given ongoing developments on the ground and increased talk of alternative solutions.*

*The alarming rise of anti-American feeling in the Broader Middle East, and the obstacles it poses to the successful prosecution of the war against terrorism.*

A successful new departure in U.S. policy toward the Arab-Israeli conflict should take account—and, in some cases, advantage—of these structural evolutions.



## II. LEARNING FROM THE PAST

From its very first days in office, the Bush administration evinced a reluctance to engage itself whole-heartedly on the Arab-Israeli front. Skeptical that a deal could be reached with Yasser Arafat, chastened by President Clinton's tireless but ultimately unsuccessful efforts and convinced that heavy presidential involvement had undermined the United States' international standing, the administration early on resisted calls for more energetic involvement. Thus, while it immediately embraced the Mitchell Report and dispatched CIA Director George Tenet, it did not in its first months demonstrate the political will to follow through, adopting instead a stop-and-go approach that belied periodic commitments to remain engaged.

During this period, reluctant to take the initiative, the administration reacted to rather than anticipated events, its actions an apparent response to outside pressures rather than the unfolding of a pre-planned strategy. As a result, by the time steps were taken, their impact was seriously eroded by the deteriorating situation, the sell-by date having already expired on many of the ideas and solutions that may in principle have been relevant several months prior. Deep divisions within the administration further muddled the picture. And initiatives that were taken were not accompanied by a genuine, intensive diplomacy, let alone an on-the-ground monitoring or verification presence.

The September 11 attacks and further loss of confidence in Arafat's desire to end the *Intifada* sharpened the insistence on a halt to all violent attacks and the emergence of a new Palestinian leadership as preconditions to political progress. This was epitomized in President Bush's June 2002 speech, in which he made clear that only when "new Palestinian institutions and new leaders emerge, demonstrating real performance on security and reform" would Israel be expected to work toward a final status agreement and the U.S. be expected to support it.

Abu Mazen's (Mahmoud Abbas') tenure as Prime Minister, coinciding with the roll-out of the Roadmap, ushered in a new, short-lived phase in which the rhetorical promise to remain engaged was matched neither by sustained diplomacy nor by efforts to persuade Prime Minister Sharon to bolster Palestinian credibility with gestures of his own (e.g., on prisoner releases, a cease-fire, actions on settlements, etc.). The Roadmap, essentially a laundry list of necessary steps addressed to both sides, was never supplemented by efforts to reach understandings between the two parties concerning benchmarks, sequencing or timetables. Its various elements lacked definition; there was no enforcement mechanism, no detailed or credible timetable, and no indication of what was to happen if the timetable that did exist were to slip.

One common feature characterized these initiatives: they adhered to a step-by-step, incremental approach, espoused reform and security conditionality, and singularly failed to put forward a specific, credible vision of the desired endgame. In short, the administration has been, for the most part, disengaged. To the extent it has been engaged it has been unfocused, and to the extent it has been focused, it has been mis-focused, neglecting to address the conflict's political dimensions.

Several broad implications follow:

If it wants to turn the page on five years of organized Israeli-Palestinian violence, the administration needs to make a serious commitment upfront to sustained diplomatic engagement, notwithstanding inevitable setbacks. The issue of a Special Envoy, so often touted, is in this respect secondary: engagement can be episodic despite the presence of a Special Envoy (the first Term saw two quasi-special envoys, General Zinni and John Wolfe, neither of whom was backed by sufficient political commitment from the White House); and engagement can be sustained, even in the absence of one.

As important as the degree of engagement is its direction. An exclusive focus on Palestinian reform and democratization, important as these issues may be, is likely to fail. *Defects in Palestinian democracy (by almost every measure less significant than in every other Arab country) did not cause the Israeli-Palestinian conflict any more than addressing them will resolve it.* While, as Leon Wieseltier put it in the *New York Times Magazine*, the “Palestinian question [has been] folded tidily into the Bush Administration’s catechism about democracy, which it has raised into the solution to all of the world’s significant problems,” this conflict opposes two national movements with divergent claims, and no amount of democracy will erase it.

Reaching a cease-fire is, of course, a critical and welcome first step, but the U.S. should help maintain it. Clear understandings need to be reached in this regard between Israel and the Palestinian Authority; this need not be the result of negotiations (see below) but of engagements made to the U.S. that the U.S., together with the Quartet, would monitor.

Most importantly, no progress will be sustainable without the introduction, in a timely manner, of parameters for what the end destination should be. What was missing from Oslo and now from the Roadmap is a clear and well-defined vision of the ultimate goal. Israelis and Palestinians were reluctant to take difficult steps in a sustained manner without knowing whether they would lead to a desired end-result. Because the objective remained vague, neither side had a sufficiently powerful incentive—or sufficiently strong domestic justification and backing—to carry out its obligations and take on their respective extremists, the goal typically being appeasement of the U.S. rather than pursuit of a desired purpose. And so, each interim step became an opportunity for a misstep and the logic behind the Oslo process—that interim measures would gradually boost mutual confidence—was turned on its head as each incremental violation further deepened the existing mistrust.

Temporary lulls have been and will continue to be achieved; indeed, we may well be at the dawn of one of the more sustained ones. But the fundamental political dynamics of this conflict have not changed and they risk leading to more violence and counter-violence until its resolution is in sight. Israelis cannot afford to be viewed as giving in to fear, and see no choice but to respond to every act of Palestinian violence. Each Palestinian attack both underscores the relative futility of Israeli military action and makes it all the more inevitable. For their part, Palestinians cannot afford to appear to be surrendering to force or to resign themselves to continued occupation, particularly when they have no faith in the political process that would follow a cease-fire. Each Israeli operation both takes a toll on radical Palestinian groups and swells their ranks.

Ultimately, until they know the essential contours, or parameters of the endgame, Palestinians are unlikely to provide Israelis with the security they need. And until they are provided with that security and with an assurance that their needs will be met, Israelis are unlikely to carry out the political steps the Palestinians require. Put differently, Palestinians fear that what is portrayed as an interim solution (partial withdrawals in exchange for an end to violence) will become final and Israelis fear that what is portrayed as a final settlement (a two-state solution) will only be interim. The mutual suspicion incrementalism is designed to remove is precisely the reason why it has not worked.

### III. MAPPING THE CURRENT SITUATION

Palestinian fatigue. The collapse of the peace process, the Intifada, Sharon's election, and four years of on-again, off-again U.S. involvement profoundly altered the Israeli-Palestinian landscape. A result of self-inflicted Palestinian wounds and a self-fulfilling Israeli prophecy, the Palestinian Authority has lost much of its power. While Mahmoud Abbas' election showed that the PA and Fatah retain resiliency and, above all, a keen instinct and desire for self-preservation, the Palestinian political system unquestionably has been weakened, Fatah splintered, and a myriad of semi-autonomous actors, many violent and some (like Hezbollah) foreign, are filling the void.

The most important feature of this landscape, and one that explains Abbas' relatively smooth and uncontested path to power, is the state of exhaustion and anxiety among the Palestinian people—a result of both devastating Israeli military attacks, the breakdown of law and order, and the loss of the only leader they have known. Looking back at the *Intifada*, and despite some gains—Israel's planned withdrawal from Gaza prime among them—most Palestinians see a failure to achieve their political objectives, the virtual destruction of their institutions and economic life, unrelenting Israeli military pressure, increasing international isolation, as well as the marginalization of Israel's peace camp. Palestinian armed attacks for the most part betray no strategy aside from periodic reminders that Palestinians continue to resist and retain capacity to inflict harm.

All this translates into an overwhelming desire for normalcy, quiet and tranquility. It is something that even Hamas must take into account; its violent actions following Abbas' election should be seen in this context more as pre-negotiating posturing vis-à-vis the new PA President and as a message that it has not been subdued than as unalterable opposition to a cease-fire. *For Hamas, the goal is to show that it is a cease-fire of choice, not a cease-fire of necessity.* But ultimately, some respite in its military actions is more likely than not, its extent depending significantly on the Palestinian popular mood and on Israeli behavior.

Mahmoud Abbas is well placed to convert these feelings into political gain for he has long been persuaded that the military uprising must end for the sake of the Palestinian people. He believes that Palestinians will get nowhere until they internalize the realities of the regional and international balance of power. While for him this has long been an article of faith, others have now since reached that conclusion, whether out of tactical consideration or genuine conviction. In practical terms, this means putting an end to the armed uprising, enforcing the rule of law, concentrating on the construction of Palestinian institutions, and adhering to agreements so that pressure is generated in and on Israel to do likewise. In short, he has for now successfully turned his principal political weakness—his perceived closeness and acceptability to the U.S. and Israel—into his principal strength, with many Palestinians who voted for him in effect voting on the basis of the assumed preferences of others.

The Palestinian public's exhaustion also means that for now Abu Mazen enjoys far more maneuvering room than one might have expected and faces far less of an organized opposition than might have been feared. As a result, he arguably can sustain a cease-fire for some time by delivering tangible results on quality-of-life issues alone—quiet, normalcy, employment, heightened standards of living, freedom of movement.

But there is a flip side. First, his legitimacy—which, unlike Arafat's, is a function less of who he is than of what he does—will depend heavily on whether he can deliver. Second, the more he succeeds in delivering what is immediately expected of him, the more these expectations will grow to encompass Palestinian political demands. Should he fail in this respect, his legitimacy will quickly erode, faith in the ability of diplomacy to achieve Palestinian aspirations will decline, Hamas and other like-minded groups will be strengthened, and calls for renewed violence will re-emerge. In other words, Abbas cannot succeed by addressing domestic issues alone, cannot successfully address domestic issues in isolation from the Israeli-Palestinian conflict, and cannot successfully address the conflict without cooperation from Israel and the international community. Among those who are now willing to give Abbas, the United States and diplomacy a chance, one may well find the leaders of the next uprising should the conflict not be resolved.

An Arab awakening? Faulted in the past by Washington for their insufficient involvement in the peace process, moderate Arab leaders of late have shown a greater propensity to engage and take risks. Evidence includes the Egyptian/Jordanian initiative of April 2001, Saudi Crown Prince Abdullah's proposal, its endorsement by the Arab League in March 2002, Egyptian efforts in Gaza and toward improved relations with Israel and, most recently, President Mubarak's hosting of the Sharm al-Sheikh summit in February 2005. This newfound activism appears to be driven by concern about the potentially destabilizing impact of the Israeli-Palestinian conflict and the growing appeal of radical Islamism among their own publics. In Egypt's case, moreover, there is genuine fear of instability in Gaza seeping into their country; in Jordan's, of events—construction of the separation barrier, demographic and territorial pressures pushing West Bankers to look eastward—that surreptitiously revive the “Jordanian option.”

The activism also derives in no small part by a desire to force the U.S. back into its own activism. By simultaneously pressing Washington and demonstrating their own willingness to take risks, moderate Arab leaders hope to prod the U.S. administration to play a more assertive role. In a sense, the Bush administration's demonstrated willingness to step back from the conflict at a time when moderate Arab leaders are so desperate for American leadership has given the U.S. enhanced leverage. Such a combination of Arab activism and Arab eagerness to support America's actions provides the Administration with an opportunity to launch an initiative that would require Arab leaders to take real risks.

Sharon's unilateralism. In the diplomatic and political void of the past few years, only Prime Minister Sharon appears to know where he is heading, building on three pillars: disengagement from Gaza and the Northern West Bank; thickening settlement construction in the blocs adjacent to the 1967 lines; and completion of the security fence in the West Bank. While he is facing strong opposition from within his own ranks, as Likud rivals measure his chances of political survival and await the time to challenge him, he has shown remarkable perseverance and enjoys considerable popularity as well as unrivaled dominance over the domestic scene.

From among his various initiatives, the most significant is the unilateral disengagement. The most significant feature of Sharon's plan is arguably less the “disengagement” than that it will be “unilateral”. His decision typically has been couched as a reaction to Arafat's rule, the stated logic being that if the Palestinians are not prepared to take steps to clamp down on violent

groups, if they do not have a leadership trusted by Israel, Israel cannot afford to wait but rather do what it must to maximize security and separate demographically from the Palestinian population.

Yet in reality the roots of unilateralism run far deeper and reflect Sharon's long-standing and deep-seated distrust of negotiated agreements with Arabs in general and Palestinians in particular and his equal lack of faith in the possibility of ending the conflict with the Palestinians anytime soon regardless of who is at their head. Indeed, Sharon has been opposed to past negotiated agreements with Arabs—whether it is the first Camp David accords, the Oslo agreement, or the peace treaty with Jordan—because he does not believe they can deliver what Israel needs most. That does not mean that he is intent on holding on to all occupied territory, but that he believes that negotiations in which each side makes commitments will translate into Israel giving up more and getting very little in return.

In this sense, the trend toward unilateralism is a deep one that has logic and history on its side. Bilateral agreements between Israelis and Palestinians have not yielded their anticipated payoffs; in virtually all cases, beginning with Oslo, both sides have felt they were duped and did not receive what they had been promised: Palestinians did not deliver security, Israel did not deliver the end of the occupation. In the case of Israel's withdrawal from Gaza, negotiations would be far more likely to complicate than to facilitate things. Indeed, both sides may well lose: the PA would bring up demands (such as the barrier, settlement construction or what comes next in the West Bank) Sharon would rather ignore; the PA would be asked to make commitments (to crack down on Hamas, for instance) it probably would not live up to; each side would face domestic pressure not to go forward with its commitments until the other side did; and both leaders would face immediate opposition to the terms of the deal and concerted efforts to sabotage it. In a unilateral framework, by contrast, Sharon cannot be accused of relying on Palestinian cooperation and Mahmoud Abbas will not have to justify concessions to his constituency or opposition by what Israel did. In short, there is precious little that can be obtained with negotiations that cannot be obtained without them.

This is not to say that there will be no further bilateral negotiations, but that the types of negotiations once fashionable (at Wye River, at Sharm al-Sheikh, etc.) appear less likely to be productive than unilateral Palestinian steps to restore law and order and unilateral Israeli steps to gradually disengage—steps that each can justify in terms of its own self-interest. Such steps, accompanied by necessary security and economic coordination, far more than elaborate and extended negotiations over yet another interim deal (withdrawal in exchange for security) are the order of the day, notwithstanding current re-invigorated interest in bilateral talks.

The shrinking two-state solution. While there may be no actual tipping point after which building a viable Palestinian state will no longer be feasible, developments on the ground are making it increasingly difficult to contemplate. Israeli preference for a long term interim solution and for unilateralism is one symptom, reflecting the growing conviction among top decision-makers that an outcome along the lines of the Clinton parameters, Taba, or Geneva entailing Israeli withdrawal from roughly 95% of the West Bank with equal land swaps, the evacuation of tens of thousands of settlers, and the division of Jerusalem is not feasible. That conviction risks solidifying further if the evacuation of a few thousand settlers from Gaza is accompanied by scenes of violent resistance—a preview of the much more intense resistance that

a future large-scale West Bank evacuation would provoke. Meanwhile, settlement, fence and road construction, particularly around Jerusalem, present formidable obstacles to the eventual establishment of a viable Palestinian state.

Indeed, should it become apparent that the two sides cannot negotiate a permanent settlement on their own, Israel may well carry its unilateral strategy a step further along lines promoted by Prime Minister Ehud Barak as a means to counter the demographic threat: a withdrawal from 80% or more of the West Bank. Because such a step would entail further large-scale settlement evacuations in the absence of an equivalent Palestinian quid pro quo, the government likely would sell it to recalcitrant Israelis as a means of consolidating the country's hold on settlement blocs along the Green Line that exceed what was contemplated at Taba or in the Geneva accords. Should final status negotiations eventually resume, Israel will find it that much more difficult politically to demand an additional evacuation of settlers. In other words, the so-called interim solution will look very much like permanent borders—unacceptable to the Palestinians, and therefore likely to trigger renewed conflict.

On both sides, talk of alternatives to the traditional two-state solution is rising, yet another symptom of its weakened standing. Various versions of a one-state solution—a bi-national state, consociational arrangements, etc.—are being discussed on the Palestinian side. Among some Israelis, and aside from the notion of a long-term interim arrangement achieved through either agreement or unilateral action, there is renewed interest in regional answers, ranging from a Jordanian-Palestinian confederation to intricate land-swaps including Egypt, Jordan and Israel, both of which are seen as addressing the need to expand the physical and economic boundaries of any solution.

The bottom line is that the shelf life of the two-state solution is not eternal. Ironically, territorial realities, politics and psychology are drifting away from the two-state solution just at the time when Israel and the U.S. appear to have come to terms with it.

**Terrorism and jihadi Islamism.** The role of the Israeli-Palestinian conflict in fuelling terrorism, Islamist radicalism and anti-Americanism has become a subject almost as controversial as the conflict itself. Much of the controversy derives from hyperbolicism on both sides of the debate. There is little doubt that resolution of the conflict would not, in and of itself, neutralise the appeal of extremist ideology or deal a fatal blow to al Qaeda. Indeed, the emergence of al Qaeda and its first manifestations were largely unrelated to Israel's occupation of Palestinian territories and to the extent its leaders have a goal in this regard it is to have an Islamic state replace Israel, not a Palestinian state live alongside it. Finally, the various ills that plague the Arab world—autocratic governments, poverty, illiteracy and antiquated economic systems—did not stem from the Arab-Israeli dispute any more than its resolution will cure them.

By the same token, to claim that the conflict has nothing to do with growing militantism in the Moslem world, that it is unrelated to the appeal of violent groups, or that it does undermine the pursuit of other U.S. goals in the region—such as democracy promotion—is to ignore reality. Indeed, the very fact that al Qaeda and other similar groups are convinced that there is mileage to be gained by invoking the Israeli-Palestinian conflict says something about its resonance as a recruitment tool. Insofar as it solidifies pre-existing images—of the U.S. as the enemy of Islam; of Islam under siege; and of Moslems as victims—the continuing Israeli-Palestinian conflict and

most crucially Washington's stance toward it, helps fuel radicalism in the Arab and Moslem worlds, contributes to the mobilisation of *jihadi* activists, and constrain the ability of moderate Moslem governments to work alongside the U.S. This at a time when—with simultaneous wars in Iraq and against terrorism—our credibility and Arab support have never been more essential.

No single issue burdens U.S. efforts in the region more than the perpetuation of the conflict, and the perception—right or wrong—that we are insufficiently engaged and excessively biased. One hears it virtually throughout the Middle East and from all individuals, not least from those very reformers whose ideals come closest to those we espouse.

Working to resolve the conflict also is an important element in the internal struggle between various trends within Islamic activism. To a large extent, competition between what one might call political Islamism—which is organized in parties, seeks political reform and eschews violence—fundamentalist Islamism—which seek to impose strict social mores and moral codes—and *jihadi* Islamism—which sees Islam engaged in a mortal contest with the West -- will be determined by events internal to the Moslem world. But that does not mean either that the U.S. should be indifferent to which trend prevails or that it has no influence in this regard. The more it can do to promote a fair resolution of the Arab-Israeli conflict, the more political Islamists can counter the growing appeal of the *jihadist* view of an existential struggle with the West.



#### IV. A PROPOSED COURSE OF ACTION

The current context is marked by the superposition of two trends: one, driven chiefly by recent events, appears conducive to bilateral talks and a gradual, step-by-step pathway back towards meaningful political negotiations; the other, rooted in deeper tendencies, drifting toward unilateral acts and away from a viable two-state solution. The mistake would be to base U.S. policy on the former, oblivious to the inexorable progress of the latter, to the opportunities offered by Palestinian exhaustion and unprecedented Arab willingness to take risks, and to the urgent need to change our image in the region.

A U.S. policy focused on Palestinian democratization and security steps and on Israeli disengagement will probably yield immediate and welcome dividends. As recent events indicate, the end of organized violence between Israelis and Palestinians may be at hand; Mahmoud Abbas may be able to sustain a cease-fire and carry out reforms; Israel should be able to respond by coordinating and expanding the Gaza withdrawal (to include the Philadelphi route, as well as the airport and seaport, for example), lifting checkpoints, easing the siege, withdrawing some of its troops, and releasing more Palestinian prisoners.

But this runs the risk of only postponing the clash fueled by conflicting, longer-term Palestinian and Israeli visions: Palestinians, having achieved an internal *hudna* (cease fire) and relative quiet will call for the quick resumption of negotiations on a permanent status deal; Israel, insisting on the dismantling of terror capabilities and infrastructure, will balk.

Even should negotiations commence, Palestinians will call for a return to a Taba-like outcome while Israelis will, under present circumstances, insist on a long term interim arrangement (a Palestinian state with provisional borders)—and, should talks break down, implement it unilaterally. Palestinians will not accept another interim deal and are unlikely to sit down to negotiate the contours of such a state. Meanwhile, facts on the ground, and in particular continued settlement activity, road construction, and the building of the separation fence, will further imperil the prospects of a viable Palestinian state, endangering both sides' longer-term interests; as history repeatedly has shown, the U.S. simply does not possess a credible and reliable means of genuinely freezing settlement expansion. Under this logic, and even in the best-case scenario, moderate Palestinians will be undermined and radicals boosted, possibly leading to the next stage of the confrontation.

The introduction of a new variable in the shape of U.S.-led, international reassurances concerning the contours of a final deal has a chance of altering this course by changing political dynamics on both sides; international involvement—if sufficiently forceful and well-timed—may be able to achieve what bilateral negotiations alone cannot.

The following steps are proposed both to address the immediate situation and to solidify an international consensus on the contours of a final deal:

In the short term, the U.S. should ramp up its engagement to solidify understandings on the cease-fire, security coordination, and steps to improve the Palestinians' living conditions, ability to move, and economic wellbeing. This should entail a permanent on-the-ground monitoring presence enabling the U.S. (or Quartet) to vouch for both sides' actions. At the same time, Arab states should be enlisted to provide financial assistance to the PA to help

reorganize its security forces, reintegrate members of the al Aqsa brigades into these forces, and provide social services.

Active mediation of Gaza disengagement. The goal ought to be to promote Israeli coordination with the PA, allowing the Palestinians to take over evacuated settlements, electricity grids, water supplies and security responsibility and minimizing the appearance of a hurried and disorderly Israeli retreat. Coordination does not require negotiation and, as seen, this is an important distinction. The U.S. also should work with Egypt on ways to address Israeli concerns so that the withdrawal is as complete as possible, leading to an actual end of occupation in Gaza and allowing the area to enjoy self-sustaining development.

In the run-up to the Gaza disengagement, the U.S. should seize every opportunity to publicly recommit to the necessity of a viable two-state solution that meets Israeli and Palestinian needs and aspirations and warning against any unilateral steps that prejudice that outcome. This is critical to assuage Palestinian fears that Gaza and the Northern West Bank will be the last step and to maximize the chance that the withdrawal will proceed smoothly, rather than be accompanied by violence, whether emanating from Gaza or the West Bank. This is especially important in the aftermath of Gaza disengagement, but also can play a pivotal role in the July 2005 elections to the Palestinian parliament, where Abbas will want to show that his way delivers not only in terms of material progress, but also in terms of political promise.

*To that effect, President Bush should consider an exchange of letters with Abu Mazen to complement his April 2004 exchange with Sharon.* While stating that the terms of that earlier letter remain unaltered, it would clarify that the basis for the future Palestinian state are the 1967 lines, that any territorial modifications would be agreed upon and reciprocal, and that Jerusalem would become the capital of two states, based on demographic realities.

Exploration with Arab countries of a possible U.S. initiative after the Gaza disengagement. The U.S. should begin discussing with our Arab allies the possibility of a more ambitious initiative: *presentation by the U.S. of the outlines of a final settlement, based on the parameters of December 2000*, laid out as the international community's best judgment of what a viable peace agreement would look like. Because of the risks entailed in such a step, it needs to be carefully planned. In particular, the U.S. should make clear it is to be pre-conditioned on two developments: *first, implementation by the PA of the serious steps necessary to end the violence; second, a prior commitment by Arab leaders to publicly support the plan, pressure Palestinians to accept it, and engage in active public diplomacy directed at Israel, including visits to Jerusalem and Ramallah by leaders to promote it.* Our Arab allies have complained of the lack of U.S. engagement and have desperately sought a more robust political initiative; those should be on offer, but only if mirrored and accompanied by Arab involvement. In return for U.S. re-engagement, the U.S. should insist on strong gestures on their part indicating a willingness to fully normalize relations with Israel, cut off all ties to groups that engage in terrorist acts and pressure the Palestinians on security steps.

Assuming the U.S. has received this Arab commitment, it should, after the withdrawal from Gaza, and assuming a sustained cease-fire, proceed with the public unveiling of the principles of a possible final settlement, in coordination with, and with the full backing of, the Quartet, other key members of the international community—including Arab and Moslem states. The parameters of this proposal are familiar: A two-state solution through which Israel would preserve its Jewish character and Palestine would enjoy freedom and sovereignty; borders based on the lines of June 4, 1967, with minor modifications through an equal land swap that would take into account demography, security, and the viability and contiguity of the two entities; Jewish areas of Jerusalem—West Jerusalem and the Jewish neighborhoods of East Jerusalem—would become the capital of Israel, and Arab areas of East Jerusalem would become the capital of Palestine; each religion would have control over its own holy sites; Palestinian refugees would be given the choice to live in Palestine, resettle in areas of Israel that would be relinquished to Palestine by virtue of the land swap, relocate to some third country or be absorbed in their current country of refuge—the latter two options being dependent on those countries' sovereign decisions; all refugees would be offered financial compensation for harm incurred and property lost, as well as resettlement assistance.

A vigorous campaign in which the U.S., but also Arab and Moslem countries would play a significant part, would build tremendous pressure in favor of the proposal and political dynamics on both sides. There is no doubt that, if it could be achieved, the most powerful impact of all would be made by the joint appearance of President Bush, King Abdullah of Jordan, President Mubarak of Egypt and possibly others to address the Israeli Knesset and the Palestinian parliament and call on both sides to accept the comprehensive peace proposal. If the peace process is to be jumpstarted, it may well need such a bold diplomatic move—the contemporary equivalent of President Sadat's visit to Jerusalem. Overall, the goal should be to generate so much domestic and international support that opposition would become increasingly hard to sustain either leading to a change of heart among recalcitrant leaders, or to a change of leaders. As opinion polls among both Israelis and Palestinians indicate, there is every reason to believe that the public on both sides would approve the plan.

This approach, which the International Crisis Group first advocated in 2002, recently has been endorsed by former Secretary of State Henry Kissinger, the father of the “step by step approach” to Middle East peacemaking himself. He wrote:

We have come to the end of the step-by-step process. There are not enough peripheral issues left that might satisfy the parties, even partially. ... A more precise and specific road map should guide the peace process. The existing Quartet, key European allies and Russia, should define the principles and outlines of a possible settlement, seek the support of regional powers, and take a leadership role in its implementation.

Several objections have been voiced. To begin, some argue that no peace can be imposed. But this plan would entail neither imposition nor ultimata. Rather, it would be presented as the U.S.'s best judgment of what a fair, final and comprehensive settlement should look like and would appeal to the leaderships and peoples of both sides to embrace it. Regardless of whether the leaders initially reject the plan, the U.S. and its partners would continue to promote it as a central part of its public diplomacy.

A second, more recent objection focuses on Abbas' need to consolidate his power and establish his legitimacy before he can accept far-reaching concessions. In the words of Dennis Ross,

former U.S. Special Middle East Coordinator, “Now is the time for realism, not fantasy. There is simply no way a new Palestinian leadership...can in the near term make concessions on the existential issues of Jerusalem, borders, refugees.” Putting aside the fact that the more likely obstacle undoubtedly would be Prime Minister Sharon’s rejection of such concessions, this position ignores what the new Palestinian leadership itself has been urging.

The call for more rapid movement toward final status and for internationally backed parameters has come both privately and publicly and from both the so-called Old Guard and New Guard. Members of the PA leadership have made clear their belief that to sustain legitimacy, fend off criticism by more hard-line factions within or outside Fatah, diminish Hamas’ appeal and manage Gaza, such a step will be needed either prior to or immediately following disengagement. In particular, they are concerned that if the focus does not quickly shift to West Bank after the disengagement, Gaza will become the focal point for Palestinian rivalries, ambitions, dissent and opposition to Mahmoud Abbas. Palestinian officials close to the new President also have pointed to the Palestinians’ fatigue and thirst for a settlement as incentives to move fast, a diagnosis validated by the most recent public opinion polls.

Of course, given delicate political equilibriums on both sides, the timing of any such initiative will be key. It may well be that premature exposition would derail Sharon’s disengagement plan, energizing his opponents and diminishing his own appetite for the move. The sequence outlined above—an early Bush letter to complement the letter sent to Sharon, followed after the withdrawal by the more robust initiative—is intended to address that concern, fill the political void that will follow Gaza disengagement, and allow U.S. parameters to become an issue in the Israeli elections that must be held by Fall 2006.

It also should be understood that this approach does not assume rapid resumption of final status negotiations, let alone their quick conclusion. Too much separates Mahmoud Abbas’ and Sharon’s views, at least at this time. But forceful advocacy of the plan is designed to set in motion new political dynamics in Israel and among Palestinians, strengthen moderates and weaken radicals on both sides, and create a mobilized constituency for a viable two-state solution.<sup>2</sup> It remains the best and surest option to produce a fair and sustainable peace and one that, far from being inconsistent with the Roadmap, can most effectively produce its desired results: an end to violence and to the settlement enterprise, reform of the PA, and a viable two-state solution. It is at once the most ambitious and pragmatic process available.

Ironically, no one has better articulated the need for reassurance on the endgame to give him the ability to take difficult steps along the way than Prime Minister Sharon. As he explained, an upfront commitment by the U.S. that resolution of the refugee question would not entail a right of return to Israel was critical to his acceptance of the roadmap, a request that ultimately was granted in Bush’s April 2004 letter. But the same logic applies to all other permanent issues and to the Palestinians. For both parties, painful steps—such as taking on Hamas or evacuating

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<sup>2</sup> As former National Security Advisers Brent Scowcroft and Zbigniew Brzezinski have argued, “by more clearly defining the Roadmap’s destination, the U.S. and its partners can frame eventual permanent status negotiations in a manner that promotes a sustainable two-state outcome consistent with both states’ interests, that associates them with moderate majorities in both camps, and that encourages Palestinians to undertake fundamental changes in their institutions.” *Wall Street Journal*, 14 February 2003.

settlers—can best be defended domestically through assurances as to what the ultimate resolution will be.

The U.S. has been deeply engaged in Israeli-Palestinian affairs for a long time. Year after year, it has expended precious energy as well as political and economic capital on behalf of a process that promised little and yielded even less. Any type of engagement involves risks and costs. These only ought to be borne for the sake of an enterprise that merits them. Here, the cost-benefit calculus is clear: a successful U.S.-led effort along the lines described here would dramatically change our posture in the region, isolate radical forces, mute the anti-Americanism that has become so widespread and reassert our position as defenders of Israel's vital interests without being oblivious to Arab concerns.

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### I. THE BUSH ADMINISTRATION AND THE ARAB-ISRAELI CONFLICT

**Israel and the Palestinians.** The Bush administration has been unusually creative in offering or backing path-breaking plans, and it has been a distinct failure in implementing its vision.

The administration came to power just as the failure of peace negotiations had culminated in Yasser Arafat's rejection of Clinton's parameters for settling the conflict. It is widely agreed that these parameters were a better deal for the Palestinians than Camp David. Whoever was at fault in July, almost no account justifies Arafat's rejection in December. The result was that the Bush administration was not inclined to confront the newly elected Israeli Prime Minister, Ariel Sharon. Nor was it inclined to deal with Arafat or to take an active role either in returning to diplomacy or in ending violence. The Israelis would be left to their own devices, with American acquiescence.

After initial hesitation post-9/11, these positions only hardened as the impact of the attack on America settled in, as Arafat himself winked at accelerating violence, as the suicide bombing against Israel expanded, and as Arafat was caught buying weapons from Iran in the Karine A affair in early 2002. Through March of that year, the administration did try to take steps to end the violence through Powell trips, a Cheney mission, the Mitchell report, and the Tenet and Zinni missions. None of these worked, and by the spring of 2002, the President had concluded that it was Arafat's fault.

We can ask whether more effort on the part of the administration might have succeeded in convincing Arafat to end the violence. Each of these reports/plans set out a way of moving forward, and in each case Sharon cooperated just enough to avoid blame. But Arafat did not cooperate, in part because by then he was riding the wave of Palestinian optimism generated by early terrorist successes, and in part because, having turned down the Clinton parameters, he was in no mood to take less. Bush and Sharon were offering only the long-term concession of accepting the idea of a Palestinian state, something their predecessors had never done explicitly.

Arafat's policy will likely go down in history as simply stupid: To wink at accelerated suicide bombing after the US had just suffered the most violent suicide bombing in history was to ignore reality. To assume that Israeli society would collapse as a consequence of the bombings was a gross error, though even the Israelis themselves were surprised by their own resilience. To think that the Israeli army would not come up eventually with tactics for countering terrorism was to engage in a fantasy of fantasies.

All of the efforts in the first year were certainly difficult, but the administration did not demonstrate the perseverance necessary to produce success, and with every month the prospects of ending the Intifada by non-military means declined. There was little presidential interest and no follow-through. It is hard to understand why a Zinni-type mission was not sent earlier or why Zinni himself was withdrawn at the end of March 2002 after only 4 months on the job. Perhaps he would not have succeeded in any case, although in the past long American missions had had

ultimate successes after extended failures (e.g., the experiences of Kissinger and Carter in the 1970s). At the very least, the Bush administration's credibility for staying the course would have been enhanced. With Zinni out and all previous efforts a failure, Israelis and Palestinians both concluded that the US under Bush would not remain involved over the long term.

With the exception of the commitment to a Palestinian state, the initial phase of the administration involved only technical and practical steps for reversing the Intifada, and they all failed. At this point, the administration entered its most creative period. The President made his June 24, 2002 speech, which led both to the Roadmap and the Quartet. The basic concepts were new for American policy. The US declared that it would not pursue a peace process without fundamental political reforms by the Palestinians and without their selecting new leaders. The Quartet (US, EU, UN, Russia) created and legitimated for the first time an international coalition to deal with the issue under American leadership.

Little noticed, but equally essential, the President promised that if the Palestinians took the steps he demanded, Israel would be expected to make territorial concessions. When the Roadmap was released in April 2003, its three stages incorporated these ideas and presented the most comprehensive and original American framework for resolving the dispute ever initiated. An immediate payoff ensued when Arafat was forced to appoint his first Prime Minister, Mahmoud Abbas.

The problem is that in this second stage the administration simply repeated its original error. Good ideas (Mitchell, Tenet, Zinni) were followed by poor implementation, which were evidenced by the failure to persevere. This time the ideas were grander, and the implementation even weaker. When Bush met with Sharon and Abbas in June 2003 in Aqaba, Jordan, he promised to "ride herd" on both of them until the Roadmap was well along toward implementation. Then he never saddled up, leaving himself primarily to conduct separate meetings in late July with each leader at the White House.

A few days after Bush returned from his August vacation in Texas, Abbas resigned and the short window of opportunity was gone. Neither the US nor Israel had offered Abbas sufficient "goodies" (prisoner release, economic aid, the reduction of checkpoints, etc.) that would have demonstrated to the Palestinian populace that Abbas' more moderate tone could deliver. In this light, it was relatively easy for Arafat to stage what amounted to a counter coup, ridding himself of the troublesome Abu Mazen.

Part of the reason for the poor implementation in 2003 was that instead of relying on the prestigious Mitchell report or on the well-known heavy hitters Tenet and Zinni, the President appointed a little-known State department official, John Wolf, to see to moving the Roadmap forward. Wolf did not have experience in Arab-Israeli matters and the parties shortly discovered he did not have the ear of the White House. He was soon a peripheral figure.

With Abbas out, the Roadmap going nowhere, and Israel beginning to control the violence through tough but increasingly effective methods (the fence, improved intelligence, targeted killings, and continuing strangulation of the movement of individual Palestinians), the administration entered its third phase. When Sharon suggested a plan for unilaterally withdrawing from Gaza and four settlements in the northern West Bank in late 2003, Bush backed the proposal.

Now the United States and Israel were negotiating about concessions to Palestinians, an entirely new process that all previous Israeli governments had rejected because no Arab commitments were involved. But Bush and Sharon were in no mood to deal with Arafat, and the new Prime Minister, Ahmed Qurei (Abu Ala), seemed weak and ineffectual. To ease Sharon's domestic problems with right-wingers, Bush sweetened the pie by agreeing in an April 14, 2004, exchange of letters that the US would accept the notion that the large West Bank settlement blocs close to the Green Line would be incorporated into Israel as part of any agreement. He also accepted the idea that Palestinian refugees would not return to Israel. These commitments were not substantially different from particular provisos in the Clinton parameters, but they were now contained in an official negotiation between Washington and Jerusalem.

Convenient for both leaders' domestic standing at home, the Arab world cooperated by loudly denouncing the commitments and ignoring the qualifications and provisos issued by White House aides almost immediately and by the President himself in a May meeting with Jordan's King Abdullah II. Bush also gained commitments from the Sharon government to remove unauthorized outposts, make progress toward a freeze on settlement activity in the West Bank, and ease restrictions on the movement of Palestinians not engaged in terrorist activities. No one paid much attention to these promises, including the Israeli and American leaders.

Fortunately for the administration, there was little it had to do during an election campaign to implement this policy. Sharon was engulfed in his own domestic problems over the disengagement plan, and he was increasingly adamant in defending it. The Palestinians were in disarray. No one bothered to notice or seemed to care that the Israeli leader had not fulfilled his April 2004 commitments on settlements. With John Kerry solidly backing the President's policy, Sharon's failures could be explained away not by inadequate administration implementation, but rather by the need to show the Israeli leader some slack as he battled defiant right-wing forces.

The entire picture of Phase 3 changed radically in November 2004. Bush was reelected, Arafat died, and Sharon set in motion a series of political developments leading to a National Unity coalition with Labor that would be able to implement his disengagement policy. With Mahmoud Abbas the new duly elected Palestinian leader by early 2005, Sharon was talking about coordination and even negotiation with the Palestinians. Bush was making similar comments.

New promises of Palestinian aid were offered by the United States and the Europeans, there was new talk of resurrecting the Roadmap, and Tony Blair announced a summit to deal with Palestinian reform. Both Abbas and Sharon dedicated themselves to ending all violent actions between their peoples at a Sharm El Sheik summit with President Hosni Mubarak and King Abdullah II in early February. Secretary of State Condoleezza Rice heaped encouragement on both sides in a trip to the area hours before the summit, and the administration appointed Lt. Gen. William E. Ward to help with the task of coordinating security between the two sides in the new situation.

The key question about the Bush administration's policies remained, however: Was it up to the task of implementing its grandiose plans? Suddenly, it faced a situation where two of its three preconditions had been met: The Palestinians had new leadership and political reform was being instituted. Only an end to violence remained, and the new leadership seemed at least initially



committed to achieving that objective. These developments should make implementing the Roadmap and other aspects of the administration's policies toward the Israeli-Palestinian dispute easier, but did it have the personnel, the time, the patience, the wisdom, and the motivation to deliver? This question is the key to determining the success of Bush's second term in its policies toward the Arab-Israeli conflict.

**Other Arab states.** Naturally, because of the Intifada, Palestinian issues have dominated American policy toward the Arab-Israeli dispute since Mr. Bush took office. Yet in the other two most dramatic Arab-Israeli cases of the period, the administration was remarkably passive. When Bashar al-Assad of Syria made the first of his oft-repeated offers to re-enter talks with Israel unconditionally in late 2003, the Bush administration did nothing to push Sharon toward dialogue, signaling that it didn't care or was opposed to Israel renewing talks. Similarly, the United States did nothing to push the proposal forward when the Saudis unveiled a peace plan in early 2002 (subsequently mostly adopted by the Arab League) in which they vaguely declared that the Arab world should normalize relations with Israel if it made peace agreements with the Syrians and the Palestinians. Whereas on the Palestinian issue the administration made broad-based pronouncements followed by at best limited action, on these other issues it was purely and simply passive.

**The Bush administration in historical perspective.** Compared to its predecessors, this administration was unabashedly restrained on Arab-Israeli issues in its first term. No other Presidency faced violence and crisis and did more verbally and less practically. Other administrations, when faced with major spasms of violence, moved to place an American imprint on the situation they confronted (Eisenhower in 1956, Nixon in 1973, Reagan in 1982, Bush in 1991). Both Truman in 1948 and Johnson in 1967 sought desperately to keep America's role as limited as possible, preoccupied as they were with the emerging Cold War and Vietnam respectively. They were happy to leave the heavy lifting to the United Nations and the Europeans. Carter and Clinton sought to take advantage of diplomatic openings when opportunity knocked.

For Bush, there were no genuine openings after 2000, but even before 9/11 he had made it clear both that he would not be engaged and that he would not allow any other party to substitute for the United States. The administration acted more like the Reagan team than any of its predecessors in its focus on other issues in the region (Lebanon, Iran, Iran-Iraq war), its downgrading of the Arab-Israeli conflict, and its penchant for a heavy emphasis in its policies on pronouncements (the Reagan Plan, the Shultz Plan). Yet, even the Reagan administration acted militarily to separate Israeli from Lebanese forces in 1982, and sought to engage once the first Intifada broke out in late 1987. In short, it is difficult to identify a clear predecessor to Bush's peculiar combination of close ties with Israel, intense interest in the region, creative statements about the Palestinian-Israeli dispute, and lack of practical engagement in times of crisis. Whether the second term will witness a fundamental change in this pattern remains to be seen.

## II. THE BUSH ADMINISTRATION'S THREE POLICY GOALS IN THE REGION

**The three global goals.** Even if the administration could overcome its past difficulties in implementing its policies, the regional challenges are profound. The problem is further compounded, however, by the administration's efforts to impose its global strategies onto the region. There are three major goals the US is currently pursuing in the region: the war on terrorism, the effort to limit WMD proliferation, and the campaign to spread democracy. Each is separate, and yet interconnected as well. Each suffers from the administration's tendency to announce or even initiate big programs—original, creative, controversial, and novel—and then to falter in their implementation a pattern that is disturbingly similar to the experiences in the Israeli—Palestinian theater.

Each of these broad goals has been pursued by specific policies, which have often failed. Thus, the invasion of Iraq quickly vanquished Saddam Hussein's regime. But it turned out that Iraq did not possess a WMD arsenal, and the invasion and its aftermath has served to foster terrorism inside Iraq and to be a convenient recruiting tool for al Qaeda and its allies. The attempt to promote democracy has been accompanied by a lethal insurgency.

Iran was declared a member of the Axis of Evil; the administration seemed to be waiting in exultant expectation for its satanic regime to collapse and to be replaced by a democratic regime that would represent the reformist yearnings of a majority of its populace. At best, the hope has been that the Iranians will somehow become like the Libyans and give up on WMDs, despite the major distinctions between the two countries. Meanwhile, the Ayatollahs have moved methodically to continue building a nuclear force and supporting terrorism, especially in Lebanon and Palestine through Hezbollah and aid to Islamic Jihad and Hamas. The administration has been reduced to reluctantly accepting the Franco—German—British initiative. The result is the emergence of an Iranian adversary more dangerous than ever.

The campaign to spread democracy in the region was announced with great flourish and with a flurry of summit meetings in mid—2004. The Broader Middle East and North Africa Initiative (BMENA) has indeed led to a distinct increase in the discussion of reform and democracy in the region, and some specific positive measures. In practice, however, its disparate programs have largely favored established governments in the region, with too little in the way of funds or encouragement available for pro-democracy NGOs, women's groups, and educational reformers.

**The contradictions in the application of the three global goals to the region.** The problem with current administration policy is that the goals of promoting democracy and thwarting terrorism and proliferation are not compatible, and undercut each other. It will take decades at best to turn the region democratic, and meanwhile terrorism and proliferation are likely to increase. The democracy campaign, even if successful, will not necessarily help with the effort to stop either terrorism or proliferation. Meanwhile, the steps required to thwart terrorism and halt proliferation are more likely to undermine the democracy campaign than to promote it.

Moreover, although the war on terrorism is critical to the administration's central global policy, it is unclear how policy toward the region is connected to the global campaign against al Qaeda and its affiliates. Iraq has become a training ground for terrorists, even though most insurgents appear to be local. Certainly, the cause of the insurgency and the American occupation are a

source of recruitment for these organizations. Meanwhile, the jury is still out on whether democracy in the region will be aided by current efforts in Iraq. The election of January 30, 2005, demonstrated that individual Iraqi citizens were prepared to risk their lives to vote, certainly a heartfelt development. Yet it still remains to be seen whether the election, accompanied by a widespread Sunni boycott, can translate into a widely accepted constitution and government, the alienation of major Sunni concerns, and the end of the insurgency.

Policy toward Iran has not achieved any diminution in Tehran's support for terrorism, and the democracy campaign is a long-term policy that is not likely to achieve any successes in the short term in the global war the US is waging. Terrorists' pursuit of WMDs means that Iran's acquisition of nuclear weapons and its support of terrorism could combine to defeat two of the administration's global goals. The fundamental problem is that the long-term promotion of democracy is doing nothing to stifle terrorism or proliferation, and the wars on terrorism and proliferation are doing nothing to promote democracy. Trying to apply global policies, even worthy global policies, to the region as a whole is a failure, and, in fact, may be exacerbating the dangers the US faces.

**The three global goals should not trump Arab-Israeli dialogue.** The administration's three global goals as applied in the region to the Arab-Israeli problem have had the effect of diminishing the saliency of resolving the conflict. The connection between dampening or even resolving the Arab-Israeli dispute and reducing the terrorist threat remains extremely controversial. Terrorism has occurred in many locations in the region in a manner unrelated to the Palestinian question so that it often appears that addressing the dispute will do nothing to alleviate it. Where terrorists have justified their actions as motivated by pro-Palestinian or anti-Israeli views, their deeds have created a syndrome in which taking any diplomatic steps could be seen as rewarding terror. Indeed, Sharon has had to overcome this attitude among some Israelis as well as Palestinians in pursuing his disengagement plan.

The failure to stop Iranian nuclear plans also makes addressing the Arab-Israeli dispute more difficult. The prospect of an Iranian nuclear force raises insecurity in Israel and fear that Hezbollah and Palestinian extremists will be emboldened should the Iranians succeed. Meanwhile, an Iranian nuclear force will undoubtedly raise again discussions of an Israeli nuclear force and create pressures on several key Arab states to produce an "Arab bomb," if only for prestige reasons to keep up with Iran, Israel, and Pakistan in the wider region. The intensified Israeli insecurity could inhibit Israeli willingness to take risks in addressing any potential threat, including that coming from the Palestinians.

The pursuit of a democratic Middle East has had a particularly deleterious impact on Arab-Israeli dialogue. Instead of encouraging the Palestinians and the Syrians to talk with Israel, our prime stated interest now is to support democracy as a means of ending terrorism. In the past, Israeli governments have almost always been prepared to talk to governing Arab leaders who would talk to them. Some Israelis would even have dealt with Saddam Hussein secretly in the 1990s had it not been for American pressure. Sharon, with American acquiescence, has pursued a very different policy. He has demanded in essence that parties who want to talk should end all support, encouragement, and infliction of violence against Israel. The death of Arafat and the

early moderate moves by Abbas served to reinforce the wisdom of this approach to both the American and Israeli governments.

The cold shoulder method can be seen in an even more subtle way in Washington and Jerusalem's reactions to the Saudi peace plan of early 2002. Revealed with much fanfare and, as noted earlier, even substantially adopted by the Arab League in late March 2002, the Plan seemed to offer an opening for a tradeoff between the Arabs and Israelis: normalization with Israel for comprehensive peace. Admittedly, the Plan was not clear in many respects and it fell victim to the simultaneous horrendous onslaught of suicide bombings against Israel then occurring.

Yet, the Plan's rejection heralded a new approach in which Arab states could no longer fight and talk. Arafat had said in his speech to the UN General Assembly in late 1974 that he had come "bearing an olive branch and a freedom fighter's gun." The essence of Sharon's policy was to say that holding the gun as an option was not acceptable as a basis for talks. The Syrians supported Hezbollah, housed terrorist offices in Damascus, and worked closely with Iran. Israel would not talk while they held a gun. Saudi Arabia permitted the funding of terrorist groups; Israel would not take any peace plan from such a country seriously.

Some would argue that the Israeli Prime Minister did not want to enter into negotiations with either the Palestinians or the Syrians, and the new restrictions on talking were a convenient excuse that allowed him to pursue his own preferences. Little noticed is the fact that President Bush has gone further than Sharon, and certainly further than the Israeli public, in his prerequisites for negotiations. Since mid-2002, he has said that the Palestinians would not only have to end the violence, but they would have to introduce political reforms and new leadership.

Especially since the 2004 US elections and Arafat's death, he has demanded that the Palestinians become democratic before negotiations can succeed. As he noted in Halifax, Nova Scotia, on December 1, 2004,

Achieving peace in the Holy Land is not just a matter of pressuring one side or the other on the shape of a border or the site of a settlement. This approach has been tried before, without success. As we negotiate the details of peace, we must look to the heart of the matter, which is the need for a Palestinian democracy. The Palestinian people deserve a peaceful government that truly serves their interests, and the Israeli people need a true partner in peace.

After 9/11 the administration concluded that democracy was to become the ultimate means of defeating terror just as freedom had been viewed at the antidote to communism during the cold war. It is inherently difficult to criticize any attempts to spread democracy. The problem is that the President has now begun to tie the achievement of democracy to the pursuit of Arab-Israeli peace. As he said on November 12, 2004, "I've got great faith in democracies to promote peace. And that's why I'm such a strong believer that the way forward in the Middle East, the broader Middle East, is to promote democracy."

As we know from other regions, democracy takes many years, even decades, to develop, and has political, economic, social, and cultural dimensions which all must be in sync in order to be fully effective. Meanwhile, the Arab-Israeli conflict continues unabated. While the parties wait for democracy, the dispute and its accompanying violence only worsen. Dangerous arms are purchased and developed. Frustration grows; more settlements are built; facts on the ground

replace diplomatic and economic progress. The demographic clock is ticking; soon there will be more Arabs than Jews between the Jordan River and the Mediterranean.

Israel has made formal peace in the past with Arab countries that were not democracies (Egypt, Jordan, Mauritania). The development of democracy would hopefully enhance those countries' relations with Israel over many years. But in the short term, the notion that democracy is an essential prerequisite for Israeli-Arab progress will necessarily doom any American activity because full-fledged Arab democracy is simply not going to happen soon, even in Iraq.

While the outlook for democracy may be more optimistic in Palestine than in the rest of the Arab world, even here there are many factors that do not augur well: the role of Hamas, Islamic Jihad, and Fatah's al Aqsa Martyrs Brigades; the semi-independence of many of the violent groups; the violent culture; the tribal nature of society; and a political culture that demands discourse in maximalist terms on such issues as refugees, Jerusalem, and "the Zionist enemy."

Of course, the presidential election of Abu Mazen is a positive sign. But the administration does not seem to realize that sustained movement toward Israeli-Palestinian accommodation would help to advance Palestinian political reform and democratization. That would be a major achievement for American interests worldwide, and especially in the region. It would also signal that terrorism does not pay, because the Palestinians could only succeed diplomatically if they had squelched terrorist activity internally.

In fact, regardless of the next stage in the evolution of Iraqi politics, it will be infinitely easier for the Palestinians to create a democracy than for the Iraqis to do so. The Palestinians are a much smaller country than Iraq, and one which has much more experience in democratic practice. Moreover, as deep as their divisions are, they are not as serious as the divisions between Sunnis, Shiites, and Kurds in Iraq.

Even more important, the Palestinians have had almost forty years of training in democratic methods and procedures simply by their contact with the Israelis. The only chance to build on this potential is to aid the Palestinians to build their own institutions politically and economically, while simultaneously working tirelessly to move relations with Israel forward.

In fact, there is little chance of democratizing the Arab world without attending to the Arab-Israeli dispute. The democracy campaign by the administration has deeply angered many of America's Arab friends in the region who have denounced any notion that political reform is a condition for resumed American involvement in peace making. At a meeting in Rabat, Morocco on December 11, 2004, Amr Moussa, secretary general of the Arab League, put it succinctly, "How can this partnership [between the Middle East and the West] be achieved without settling the Palestinian issue?"

King Abdullah II of Jordan told ABC's George Stephanopoulos on May 16, 2004, that,

You talk to the overwhelming majority of the Arab population, you ask them what is the most important thing? Democracy, freedom, civil liberties, and every single person will go back to you and say the Israeli-Palestinian war. That is the problem."

In an interview with *Le Figaro* on March 8, 2004, Mubarak was even blunter. “The priority is a solution to the Israeli-Palestinian conflict because it is the source of all problems. Any reform in the countries of the Middle East cannot succeed as long as this conflict is not resolved.”

Despite the horrors in Iraq, Arab-Israeli progress could strengthen those in the Arab world who are already sympathetic to us and it could attract those who are potentially persuadable to our side. While diplomatic progress will not lead the Iranian regime to end its nuclear ambitions or the Iraqi insurgents to lay down their arms, it will change the momentum of the American role in the region enough to give US diplomatic efforts and political campaigns a better chance of advancing.

### III. THE NEED FOR A REGIONAL APPROACH

The administration's policies in the Middle East are based on a global outlook that it attempts to apply to the region. There are no policy goals for the region, nor are there strategies designed specifically for the Middle East. In the past, the opposite error has been much more common. Most administrations have ignored global policy goals, and focused too narrowly on local problems, especially the Arab-Israeli dispute. Only rarely has the regional factor dominated US policy.

The current Bush administration has juggled more policy initiatives in the area than any of its predecessors, but it seems to believe that it need not look at the area in regional terms, because the Mideast is so central to its democracy, terrorism, and proliferation global goals. The Arab-Israeli conflict has been defined as fundamentally local, and Iran and Iraq are basically local situations with global implications regarding proliferation (Iran) and terrorism (Iran and Iraq).

The region today is not a welcoming environment for peaceful and diplomatic change. Any administration would have its work cut out for it, despite the positive developments emanating from the death of Yasser Arafat, Abu Mazen's election, and Sharon's disengagement proposal. But the first step in developing a new policy is to shed the traditional temptation to see the Arab-Israeli dispute largely in local terms. We should begin instead to see it regionally. Only then can we expand the options and tradeoffs available to diplomats, for no policy is likely to succeed without a heavy contribution from parties other than those immediately involved.

Oddly enough, the Arab-Israeli dispute could well turn out to be easier than our other challenges in terms of producing specific results. Because of their global status, terrorism, proliferation, and democracy are all long-term issues. Stabilizing, and certainly democratizing, Iraq and stopping Iran's nuclear ambitions are even more daunting than Arab-Israeli issues.

The second step toward movement, however, is to shed global theologies that get in the way. Bush's democratic criteria are almost impossible to implement in the near term. Sharon's "end the violence" standard is too ill defined. Both Sharon and Bush need to develop criteria for moving forward that are as clear as the old standard for negotiations (willingness to talk) or the new criteria for dismantling a nuclear arms-building capability.

If we develop new initiatives on the Arab-Israeli conflict, especially at a moment of opportunity, the achievement of success could well in the end serve global imperatives. By ameliorating conditions in the region, we could move toward progress on democracy, terrorism, and proliferation by changing the environment. The unusual combination of Arafat's death, Abbas' victory, and a National Unity government in Israel does not come along often. There was no such opening during the last four years. Therefore, if the US does not move to capitalize on changing circumstances, its already fading image will be harmed globally, with further diminished respect in the region.

This greater involvement in the Palestinian-Israeli arena will help Arab moderates who want to support the US but for whom American backing of the Israeli cause is an impediment either because of adverse public opinion or because they themselves resent American lack of involvement. Getting Israeli-Palestinian clashes off of al Jazeera can only aid American standing in the region.

If we take advantage of this moment of opportunity, we can move both our global and regional agendas forward. If we do not, our reluctance will contribute to a more widespread failure. But we cannot proceed by revisiting old mistaken paths that have not worked in the past, and will not work now. Instead we need a new direction, as outlined below.



#### IV. LESSONS FOR DEALING WITH THE ARAB-ISRAELI CONFLICT

**Previous models of attempted solutions.** Any new approach for American policy toward Arabs and Israelis should be seen in a brief historical context.<sup>3</sup>

Since 1948, the US has tried a myriad of ways to resolve the Arab-Israeli dispute, despite its varying priority over time. One method is an international conference. The Truman administration half-heartedly supported an early attempt to resolve the major issues in the dispute, especially the refugee problem, at the Lausanne Conference in the spring and summer of 1949. The Nixon administration organized a one-day event after the October 1973 war. Carter attempted but failed to produce an international meeting early in his administration. The most successful attempt at an international conference was the October 1991 Madrid Conference organized by the Bush 41 administration. It spawned the creative multilateral talks which had five components (arms control, environment, water, economic development, and refugees), and a series of bilateral talks between the parties in Washington. The Clinton administration could not prevent the multilaterals from largely petering out in the mid-1990s, and the so-called bilaterals were overtaken by the 1993 Oslo agreement between the Israelis and Palestinians.

Another method is to try for a bilateral agreement. Both the Carter and Clinton administrations took advantage of initiatives among the parties themselves to help precipitate agreements between Israel and Egypt, the Palestinians, and Jordan respectively. In the end, however, Clinton could not produce final accords between Israel and either the Palestinians or Syria.

Other administrations have tried to support interim discussions on piecemeal agreements. Eisenhower sought unsuccessfully to achieve Egyptian-Israeli secret talks in 1956, but in the aftermath of the October War under Nixon and Ford, Kissinger brokered three disengagement agreements, two between Egypt and Israel, and one between Syria and Israel. We have already seen that the current administration failed repeatedly at similar types of agreements to end the Intifada in its first term.

Still another type of approach is a grand scheme developed by the United States, sometimes with other parties, and then presented to them for their acceptance. The first of these was the Alpha Plan developed with the British during the first term of the Eisenhower administration, which focused on Israeli withdrawal from territories gained in the 1948 war. It obviously failed to gain Israeli enthusiasm. Another was UN Resolution 242 in November 1967, which constituted an agenda for Arab-Israeli discussions that followed. Secretary of State Rogers in the Nixon Administration presented several proposals, among them one for a comprehensive post-1967 agreement and then one for an interim agreement between Egypt and Israel. Neither worked.

In 1982 the Reagan Plan was a Washington idea for “self-government by the Palestinians of the West Bank and Gaza in association with Jordan,” instead of Israeli permanent control or an independent Palestinian state. That failed too. The Shultz Plan in 1988 was designed to precipitate rapid negotiations after the outbreak of the first Intifada the previous December. That idea went nowhere as well. In this light the Bush administration’s Roadmap has had the best

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<sup>3</sup> For further material on the period prior to the second Reagan term, see The Other Arab-Israeli Conflict: Making America’s Middle East Policy, from Truman to Reagan (University of Chicago Press, 1985) by this author.

reaction among the regional participants of all American-initiated proposals, though it still has had no specifically positive results.

One approach is relatively rare: an American proposal on a very specific issue. The Johnston Plan during the Eisenhower administration proposed an equitable share of the Jordan waters. Although Syria prevented the Arab League from accepting it, both Jordan and Israel followed its suggested arrangements. The Johnson Plan during the Kennedy administration proposed beginning to deal with the Palestinian refugee problem, but both Syria and Israel reacted negatively.

Another mechanism, which in recent years has been elevated to a different type of approach, is the use of a Special Mideast Envoy. This instrument has a long history, going back to the 1948 war. At first, the US preferred to rely on a UN emissary. After the first one, Count Folke Bernadotte, was assassinated by Israeli terrorists, his successor, Ralph Bunche, did manage to negotiate the armistice agreements which ended the war in early 1949. As late as the post-Six Day War period, the US in the Johnson administration relied on another UN envoy, Gunnar Jarring.

Although Dwight Eisenhower had used Robert Anderson on a secret and unsuccessful mission intended to begin talks between Ben Gurion and Nasser in 1956, the contemporary use of this approach began only in the last two years of the Carter Administration after the Egypt-Israel peace treaty. Devotees of appointing a Mideast envoy forget that those appointed for this position have usually not been successful. Between Carter and Reagan, several individuals were appointed to the position, and only Phillip Habib could be seen as having made any progress in his assignments whatsoever, these referring mostly to the Israeli-Lebanon problem of the time. During the Clinton administration, Dennis Ross was successful in helping the Israelis and Jordanians to agree to a peace treaty, but was not able to bring about a peace between Israel and either the Syrians or Palestinians.

All these approaches—comprehensive or limited; initiated by the parties or outsiders; engaging the President and Secretary of State or a Mideast envoy; involving the US, the UN, or a coalition of outside parties—have one common assumption: They are designed to address the most difficult bilateral problems (borders, refugees, and mutual recognition) as a means of breaking the Arab-Israeli logjam. In a sense we have never left the armistice talks that ended the 1948 war, with Bunche trying to deal with the fundamental problems that divided Arabs and Israelis and ending by reaching only an armistice between them.

The various efforts we have just reviewed do not deal with public opinion or the details of implementing agreements. They do not fit agreements into a wider context so that tradeoffs can go beyond the old notion of land for peace so central to UN Security Council Resolution 242. When it comes to Arab-Israeli peacemaking, we are still caught in a mid-twentieth century time warp. The moment has arrived to broaden and deepen our approach if we expect to succeed.

**Toward a program of action.** Our interests in the Mideast are now far more complex than they once were. During the Cold War the Mideast was often peripheral; in this war on terrorism and proliferation, the region is necessarily central. Because we are so involved in the region now, we need to deal with the Arab-Israeli conflict in different ways beyond the hyper-activism of the

Clinton administration and the hyper-passivism of the first Bush term. More important, we have to get away from the model that the United States has always pursued: Get part or whole of a bilateral deal, and celebrate victory. Instead, we need a new model: one that combines a greater focus on details on the bilateral level with a larger focus on the region. We should burrow further into details than we have ever done before and, at the same time, we must look at a larger regional picture, which is necessitated by our new, post-9/11 global challenges.

The argument over whether or not to move to final status discussions after the death of Yasser Arafat and the election of Abu Mazen is an example of “old think.” The Israelis are not ready either politically or psychologically after four years of Intifada. The Palestinians do not have their house in order or their violent elements controlled. Final status today is a ticket for failure.

Some Washington analysts have recently proposed that the United States announce (probably in coordination with the Quartet, the Arab countries, and others) its preferred framework for a final accord between the Israelis and Palestinians, or at least the principles of such an accord. This approach is a major error. Both Prime Minister Sharon and President Abbas have many internal challenges to address as they adjust to the new political conditions. These types of problems will continue to exist even if disengagement is successfully completed. It is inconceivable that the United States could produce principles that do not cause both leaders serious headaches. Well-known American positions differ from many in the Israeli public on Jerusalem, settlements, and borders and from many, if not most, Palestinians on the viability of refugee return to Israel and some of the specifics of such issues as Jerusalem and borders. It would be more difficult for each leader to compromise, even on immediate issues, if the United States were to be seen as challenging him on critical issues. Such a blueprint would thus only complicate domestic and diplomatic problems on both sides, and each leader would undoubtedly be weakened by the American initiative.

But refraining from promoting final status or promulgating a blueprint for a final accord does not mean we should be watching from the sidelines as to how Abu Mazen is progressing or waiting for democracy to succeed. Instead, we must smooth the way and look for opportunities to pursue bilateral agreements between Israel and the Palestinians. First, we must get into the disengagement process (which means withdrawal for the Israelis, an end to the violence by the Palestinians, and new economic measures for the Palestinians) in novel and unprecedentedly detailed ways. Second, we must develop a new regional process that will serve as a precursor to final status talks whenever they become possible. The first step requires immediate attention. The second should follow upon disengagement, but now is the time to begin to plan for it.

## V. Recommendations 1: The Office of Disengagement Management

First and foremost, nothing will happen on the Arab-Israeli question without progress on disengagement and an end to organized Palestinian violence. Despite the support for disengagement of all major involved parties, success is not assured. Not only are factions on both sides deeply opposed, but the problems themselves are inherently difficult. The Gaza withdrawal is the first time that Israel has decided to withdraw unilaterally, without any pressure from an extra-regional government. There is no precedent for this type of action. There are no obligations on the Palestinian side built into a unilateral decision.

Even if Abbas succeeds in cracking down on Palestinian violence and is seen as a viable negotiating partner by Israel, negotiations at this late date are not likely to be helpful and will only delay the withdrawals. It is easier for Abbas to live with decisions on the precise boundaries of the departure that Israel has already made, because he will gain the political benefits of withdrawals and not have to face criticism that he did not demand enough. For Israel, negotiations over details that have already been decided unilaterally would only delay a process that for domestic reasons is best completed as soon as possible. However, coordination with the Palestinians on the handover of authority, property, and post-withdrawal relationships would clearly facilitate the future of the arrangement. Therefore, the US should be encouraging Israel to coordinate, but not negotiate, with the Palestinians over the disengagement plan.

The stakes here are very high. If a plan like disengagement cannot succeed when it has the backing of the Israeli government, the acquiescence of the Palestinian Authority, and the support of the international community and the Arab states, what type of plan can prevail on the Palestinian question? If it succeeds (Israeli withdrawals followed by no or almost no attacks against Israel from these territories), no Israeli Prime Minister—however right wing—will be able to avoid public calls by Israelis for further disengagement. The Palestinians will see clearly the advantages of life without Israelis, and if conducted properly, they will see the disadvantages of violence in terms of the impact on their daily lives and their political future. If disengagement fails (it results in continued or increased violence from Gaza, which will bring inevitable reoccupation), then no Israeli Prime Minister—however left wing—will be able to end the occupation for a generation. Under these conditions, the Palestinians, for their part, are likely to conclude that violence is the only way, and their leadership will follow such a policy or will be replaced.

Disengagement will not succeed through reliance on clever diplomatic envoys or conclaves. Its implementation should be determined by thousands of details being looked after by amply funded security and economic operatives on the ground. Even before the policy had been proposed by Prime Minister Sharon, General Anthony C. Zinni had suggested a new American office in Jerusalem that would do nothing more than coordinate the many security, economic, and political efforts being undertaken toward the West Bank and Gaza by many countries.

Disengagement cannot be implemented from London, Washington, Berlin, or even Cairo or Amman. It needs people from many countries working together on the ground to make it happen, especially since the Israeli withdrawals are not even half the battle. What happens in Palestine is the key to its success. Therefore, a critical task in implementing disengagement is to

create an Office of Disengagement Management (ODM) in Jerusalem in which many countries will participate, preferably under an American resident chair. This American should be someone who is experienced in these matters and is respected by Israelis, Palestinians, and the White House, but he or she should be seen as supervising a technical team of security and economic specialists, not as someone attempting to arrange new diplomatic deals.

For disengagement to work, the Palestinians will have to be able to take over the area effectively after the Israelis depart. If violence continues or intensifies against Israel from these areas, the departure will undoubtedly be short-lived, or at the very least, Gaza will be revisited by Israeli forces frequently with devastating political, military, and economic results.

The key task of the ODM should be to help Palestinians with the security reforms and ending the violence. Its secondary task must be to provide the financial supervision and oversight that are essential for the development of an economic infrastructure that will allow Palestinians to take the steps that will help make disengagement work. The ODM mechanism shows much greater promise of future success than either leaving the Palestinians to their own devices or trying to impose some kind of trusteeship, a move that would inevitably release them from any sense of responsibility for their future liberty and welfare.

The economic challenge should not be underestimated. The Ad Hoc Liaison Committee (AHLIC) of the Donors held an important meeting in early December 2004, and discussed a four-year package of \$6-8 billion toward Palestinian resuscitation. This will increase substantially international aid to Palestinians, which is already the highest in the world, at \$300 per capita. The ODM will have to make sure, on a daily basis, that the handling of Palestinian finances continues to be reformed and that those who commit violence or engage in corruption are not rewarded by new economic aid. Israeli, Palestinian, and international involvement and coordination are also essential on such issues as agriculture, fisheries, the housing and construction sector, infrastructure, gas, industry, labor, and the movement of goods.

In this light, the appointment of General Ward is an excellent first step, a positive move by the administration in the right direction by addressing the types of problems that will inevitably be raised by the security half of the equation. Yet, Ward apparently will not have a multinational team and certainly will not address the second half of the problem, the economic questions which are inherently multilateral. By contrast, an ODM might be organized in two subdivisions. The US might well, perhaps advisedly, be placed in charge of the security part of the office, and the Israelis and Palestinians must necessarily be the central part of that security effort. But the advantage of the proposal made here is that security and economics would be addressed under one roof, and major attention would necessarily be focused on both while all countries engaged were forced by the process to coordinate.

In addition to the complexities of making disengagement work, its timing will demand care and enormous political dexterity. Over much of 2005, both societies will be undergoing deep political challenges. Currently, Israel's new coalition hangs on by a razor-thin margin, as the settler community and the right wing continue their relentless confrontation with Prime Minister Sharon in their attempt to thwart disengagement. Despite the approval of over two-thirds of the Israeli public, the anti-withdrawal forces have repeatedly demonstrated their resolve to prevent Sharon's plan from ever being realized.

The Palestinians will also be preoccupied with domestic politics through at least early August. On July 17, elections will be held for the Palestine Legislative Council (PLC); for the first time, Hamas is expected to participate. Fatah members will be focused on the elections for their new leadership, which will occur on August 4, a date selected in honor of Arafat's birthday. To win both sets of elections, Abu Mazen and his team will need to show results: Israel will have to release prisoners and dismantle roadblocks, while the United States and the international community will have to provide aid in ways that will be palpable to the Palestinian street over the extended period of the election campaign.

Sharon will be pressing for clear signs of the new Palestinian government's efforts to control violence so that he can demonstrate that disengagement is viable. Abu Mazen will be urging attention to immediate measures so that he can demonstrate clear benefits to his people from his moderate approach. Thus, even with considerable good will, Sharon's and Abu Mazen's short term political interests may diverge. Extremist groups on both sides will be trying to undermine the best intentions of both leaders.

The American role on this issue will be critical over the next several months. The challenge is to harness the positive attitudes on both sides to make progress while also satisfying their immediate political needs. These may not be met by the same policies. It is not an impossible task, but it will require both attention and perseverance. An ODM would certainly help dramatically in this endeavor.

One key problem with the Roadmap has been that it requires parallel actions by both sides in its first stage: end of violence; political reform; dismantling unauthorized outposts; freezing settlements; and diminishing roadblocks. The weakness of the roadmap was always that it needed an "on-ramp" to get started: an act or series of acts that would "jump-start" the process so that the roadmap itself could be traversed. The combination of disengagement, the death of Arafat, and the election of Mahmoud Abbas provides such an on-ramp.

If the Bush administration does not take advantage of this opportunity and make it work, then it will be hard pressed to develop any alternative viable policy for the Arab-Israeli conflict throughout its second term. The task is by no means easy, and both the Palestinians and Israelis are themselves in a delicate stage, but the potential is there. If both feel they have come out of this period with nothing, mutual suspicions and bitterness will have been intensified. The United States will be widely blamed throughout the region, with a deleterious impact on all other aspects of our policies that interact with this issue, regional and global.

## VI. Recommendations 2: Beyond Disengagement—The Development of a New Regional Process

The four Israeli-Palestinian alternatives after disengagement. We should know by the fall of 2005 whether disengagement is likely to be successful. If the prospects are positive, this means that both an Israeli consensus has developed for moving forward, and a Palestinian Authority has emerged that is capable of handling internal reform, is in charge of the areas from which Israel has departed, and is making significant strides toward controlling violence and producing the unification and reform of the security forces. Then, there will be much talk of four alternatives: another Israeli unilateral disengagement, this one including additional parts of the West Bank; a return to pre-Intifada comprehensive negotiations to settle all outstanding issues in the conflict; the creation of a Palestinian state with provisional borders as envisioned under Phase 2 of the Roadmap; or an attempt to go slightly further and delineate the final borders of a Palestinian state without addressing Jerusalem or the refugee issue.

There will be pressure “to do something” to keep the process alive if disengagement succeeds, but each of these alternatives—though all have arguments in their favor—have considerable risks. As in the case of the first unilateral disengagement, a second round would be easier for the Palestinians politically than a negotiation. They would, however, again fear that the disengagement would not be followed up by additional steps so they would prefer final status negotiations. On the other side, if disengagement is seen as a good gamble by the majority of Israelis, it might be less controversial. However, the territories from which Israel would now be withdrawing would all be on the West Bank; that would mean that many would be reluctant to withdraw without negotiations. If the record of the first unilateral disengagement is seen as mixed (not such a failure that it wasn’t worth doing, but not such a success that it should be repeated), then another unilateral withdrawal will probably not be possible.

Although the Palestinians might prefer to re-enter the Camp David/Taba syndrome, it is hard to conceive of an Israeli government coming to power that would be interested. Despite their stated preferences, it is also difficult to conceive that Palestinian politics would have been settled sufficiently by late 2005 to allow the new leaders to make the necessary concessions so soon after Arafat’s death. The same is probably true of the fourth alternative—an attempt to delineate the new state’s final borders except Jerusalem—unless disengagement and Palestinian political reform were seen 9-12 months hence as a total and surprising victory for the forces of moderation.

That leaves the Roadmap’s proposal for a Palestinian state with provisional borders preceded by an international conference as the most viable outcome of an even minimally successful disengagement. Despite misgivings on many sides, especially among the Palestinians, this alternative has the advantage of having been internationally recognized in the form of the Roadmap.

The problem with thinking only in these terms is we then automatically return to the rut in which Arab-Israeli diplomacy has been stuck since 1948. The process of reaching and then implementing any of these alternatives will be as important as any agreement which is reached, because, as we have seen repeatedly in Arab-Israeli affairs, agreements must be followed by implementation. The peace treaties between Israel and the Egyptians and Jordanians, respectively, only look effective because they have basically held. Such arrangements as the

multilaterals, the Lebanese-Israeli agreement of late 1982, and the Wye Accords of October 1998 did not hold, and the Oslo accords are seen by many, if not most, observers as ultimately a failure.

Final status agreements are rare in international affairs. If they are not accompanied by processes that create accommodation, they almost always deteriorate. That certainly has been the Arab-Israeli experience. Indeed, as we saw in 1947 and 2000, unsuccessful final status efforts can be accompanied by war. Centuries-old conflicts between France and Germany, and France and Britain, were not settled by pieces of paper alone. We need a regional process in place that will cushion final status negotiations when they come, assure their success if agreements are reached, and cushion the blow if they are not.

**A new regional process.** In developing this new regional process, three issues must be addressed: economics, security, and society. Two sets of participants must be engaged: outside parties and local publics.

*1. Economics and functional issues (water; environment, etc.).* Disengagement is only the tip of the iceberg. The old multilaterals tried to deal with economic and functional issues on a regional basis, and some meetings still occur. Institutions like the World Bank and the AHLC meet to deal with specific Palestinian problems and issue reports. But the very name of the AHLC reveals it all: ad hoc. Since the signing of the Oslo accords, there have been many meetings and agreements signed in Paris, Cairo and Sharm El Sheik, among others. There must be a means developed for institutionalizing this pattern so that the economic instrument can be used both to enhance the atmosphere for agreements and to assure their implementation and sustainability if and when they occur. The death of Yasser Arafat should make this task easier vis-à-vis Palestinians, but it is also a region-wide problem.

*2. Security.* In the security area, regional proliferation and terrorism are critical issues that precipitated the American invasion of Iraq, helped to destroy Oslo, and are at the heart of American concerns about Iran. No government will make concessions in any negotiations if it believes that its security will be threatened by the arrangements to which it is adhering. A carefully circumscribed regional discussion of such issues as preventing terrorism or intelligence cooperation to prevent violence could enhance prospects for movement that could lead under the proper circumstances to addressing the proliferation issue in a mutually agreeable fashion. At a minimum, focusing on the terrorism question could facilitate agreements, because violence has been a consistent impediment to their consummation. Security discussions, then, if handled properly and with sufficient priority, can themselves serve as confidence-building measures.

The old regional security and arms control multilateral served as a confidence-reducing mechanism, but it came within a phrase of agreeing to a code of principles, and stumbled over the issue of an Israeli nuclear force. One wonders whether the agreement might have been salvaged if the Clinton administration had realized the importance of gaining the engagement of such countries as Egypt in the process, had it not been so focused on bilateral contacts, and had it devoted more effort to producing an arms control accord.

*3. Society.* The region is dominated by countries in which hatred, intolerance, and lack of sensitivity to the suffering of others is nearly overwhelming. These attitudes are reinforced by corruption, autocracy, and self-congratulatory nationalism. The inherent problem of a culture of



violence, in Palestinian society in particular, but in the region as a whole, is another inherent problem a broadened agenda must address. For too long the “macho syndrome” has prevented the development of a more coherent regional order. Even Israel, so far the region’s only democracy, is not immune to some aspects of the prevailing syndromes. Through a combination of re-education and dialogue, these underlying attitudes and dangerous behaviors must be addressed. Diplomatic activity cannot wait until the culture of violence ends, and indeed agreements should reasonably be expected to ameliorate them. At the same time, as recent history attests, if diplomatic activity is conducted in a vacuum, ignoring fundamental social problems, the positive impact of successful diplomacy will be lost.

### **Expanding the participants.**

*1. Public engagement.* As experiences in other parts of the world confirm, peace on paper cannot coexist with vile hatred in the press and within public institutions. In this regard, the new Palestinian government is far ahead of its Arab neighbors in its initial steps to quell incitement. But programs of public education on all sides need to be instituted so that Israelis and Arabs both have more of a sense of the kind of issues that alienate the other. They can only be sensitized by greater contact and dialogue.

Despite all the years of conflict, surprisingly little non-official contact has occurred between academics, experts, NGOs, women’s groups, educators, journalists, business people, military officers, officials attending meetings in their private capacities, and retired generals and diplomats. The new civil society programs being pursued by the Bush administration are designed to deal with some of these contacts, but only among Arabs. They do not include Israelis. Even if these pro-democracy efforts are more successful than most analysts predict, they will not foster enhanced Israeli-Arab understanding. Indeed, they may produce further misunderstanding. These programs inadvertently exacerbate the divergence and division between Arabs and Israelis by treating both sides very differently. We need a MEPI (Middle East Partnership Initiative) that will create a civil society between Arabs and Israelis, not just within Arab societies.

There are some so-called Track 2 efforts that still exist between Arabs and Israelis, and some are very productive, but they are insufficiently funded and cannot meet the demands of the parties. These meetings are useful in testing possible future diplomatic and other initiatives and in promoting mutual understanding. Another highly useful type of forum in this vein are the regularly held gatherings of the Pentagon's Near East and South Asia (NESA) Center for Strategic Studies, which bring together military and diplomatic officers from Israel, Turkey, and most Arab countries for dialogue, conversation, and briefings on major current issues.

*2. Outside parties.* Because of the past concentration on bilateral agreements brokered by the United States, the engagement of regional and international outside parties and what they might contribute to the process has been insufficiently recognized and their potential contributions inadequately utilized.

As Egypt and Iran have demonstrated recently in opposite ways, countries in the region are critical to progress. Egypt, for its part, is beginning to show that a neighboring Arab country can facilitate Israeli-Palestinian movement through its role in hosting and leading the Sharm El Sheik

summit of February 2005 and in its contributions to the Gaza disengagement plan. Whether or not the withdrawal succeeds will depend in no small measure on actions the Egyptians are ready to take. In a completely opposite direction, Iranian aid to groups preparing suicide bombings and effecting other attacks on Israelis have prolonged the Intifada.

If neighboring Arab states chose to act and did so wisely, they could facilitate positive actions by Israelis and Palestinians, or ultimately other Arab states such as Syria, by offering economic aid, especially to the Palestinians, and by initiating and expanding ties to Israel. The latter could be an important confidence-building measure, especially if it is coordinated and determined, something that was not the case in the 1990s. Public or private Arab aid to terrorist groups works to prevent positive developments on the Arab-Israeli front. In contrast, the prevention of terrorism is even more important than positive confidence-building measures.

Recent discussion of potential membership or associate membership for Israel and some Arab states in both the EU and NATO represents the kind of creative thinking that could, under appropriate circumstances, contribute to Arab-Israeli advances. For too long the dispute has been defined by disagreements over territory and rights. By opening their gates to creative arrangements, such organizations as NATO and the EU could broaden the context to add opportunities in a globalized world to the Arab-Israeli agenda. In this regard, it is not too early to return to discussions of an American-Israeli defense treaty to be signed at an appropriate time, especially in reaction to a potential Iranian nuclear force.

The Bush administration has in a sense recognized the need to broaden involvement in the process by creating the Quartet, which was critical to the creation of the Roadmap. But the problem with the Roadmap is that it involves four entities: the EU, the UN, and Russia, in addition to the United States. The EU is thereby participating as a unit in and of itself, without sufficient utilization of the individual talents of specific members. Other countries that might usefully contribute, such as Canada, Australia, Japan, and Turkey, are automatically excluded.

The multilaterals created after Madrid in October 1991 were a more useful model in terms of membership because they included more countries taking part in positive roles. Individual countries chaired specific sub-groups (the US and Russia for regional security; Canada for refugees; Japan for the environment; the US for water; and the EU for economic development). Different countries participated in different groups. The United States and Russia headed the steering committee of the entire project.

The great advantage of this approach was that responsibility and tasks were shared, and the regional parties were participating together dealing with specific problems. The disadvantage was that the issues were either largely functional (environment, water, economic development) or surrounded by controversy politically (regional security and refugees). Moreover, the topics helped to convince the Clinton administration that they were a sideshow because it was assumed their success was dependent on what happened in the bilateral talks. It was thought that if bilateral agreements could be reached, then the multilaterals could easily be resurrected. Thus, insufficient effort was devoted to sustaining them. In the end both the bilaterals and the multilaterals died.

**Establishing the new process.** Traditionally, and especially in the 1990s, American policy has been designed to avoid complicating issues by dealing almost exclusively with Israeli agreements with particular states. The Bush administration has been even more cautious. But in the post-9/11 world, we need a new mechanism so that the environment will be created for progress. This new process should include both official and unofficial elements.

If disengagement succeeds, I propose the holding of an international conference convened by the Quartet as envisioned by the Roadmap. Its sole function would be to create the following committees that would then carry on with particular activities.

The entire process could be coordinated by the Quartet, but where appropriate there should be a private directorate as well to conduct the non-official segment of the process. One of the problems of the old multilaterals was over-reliance on official activities when many diplomats did not have the time to expand their participation. In this contemplated new situation, private groups and experts would be utilized wherever necessary to prepare relevant documents and studies. The non-official Council for Security Cooperation in the Asia-Pacific (CSCAP) is one such model for this instrument.

*1. The Roadmap.* Under the chairmanship of the United States, this committee would be charged with proceeding to implement the basics of the Roadmap. Although this overall process is focused on creating a regional setting for discussions, this committee would be more limited to enable the parties to make progress alone, but within the reassuring context of a wider regional setting. They would thereby have all the benefits of American-sponsored bilateral discussions in conjunction with the confidence-building back-up of the wider meetings outlined below.

Presumably, the committee's main task would be to deal with the creation of "an independent Palestinian state with provisional borders and attributes of sovereignty" as envisioned in that document's second phase. Should that effort succeed, then it could move on to a permanent status agreement as called for in the third phase in the context of the regional process being enumerated here. An interim phase in which permanent borders were agreed upon, excluding Jerusalem because there would be no discussion yet of Jerusalem or refugees, is also a possibility. If Israel chose to proceed with a second unilateral withdrawal, the implications of that plan and the coordination of it could also evolve in these discussions.

At least initially, the United States, Israel, and the Palestinian Authority would be the only members of this committee. However, the parties could agree to additional participants, or, depending on circumstances, the United States might prefer to withdraw and leave the two sides alone. In the event that Syria and Israel agreed on negotiations, they could create a sub-committee of their own within this committee, perhaps with the involvement of the United States, if they so chose and Washington was willing to engage.

*2. Palestinian reconstruction and reform.* The membership of this committee would be much broader, consisting of all those countries and institutions currently engaged in contributing to Palestinian reconstruction and reform. Both countries inside and outside the region would be invited to participate. The EU would be a possible chair. The World Bank would be a possible co-chair. The committee's purpose would be to coordinate and supervise all efforts designed to assist and promote Palestinian political and economic development.

*3. Regional discourse and education.* This committee would be charged with working on such issues as public education, the development of moderate political attitudes, and a regional atmosphere of tolerance and pluralism. It would attempt to fund activities such as Track 2 and other types of non-governmental interchange and discussion broadly defined between the peoples of the region. It might also seek to develop people to people interchange between countries among particular groups such as women, journalists, youth, business executives, educators, artists, even parliamentarians. Ideally, this committee would have the largest possible membership, and would be chaired by a popular and uncontroversial country.

*4. Regional human conditions.* When the multilaterals began, they were oriented to life-sustaining needs: water; the environment; the need to share information about potential illnesses or to inform neighbors about earthquakes; and to deal with the problems of desertification, poverty, and illiteracy. Those needs have not altered. The recent tsunami in South Asia demonstrates that the people of a region have a common fate no matter what their attitudes toward each other. The purpose of this committee would be to pull together all remaining activities in the region that deal with these issues and to seek to fund studies and promote cooperation wherever possible on these life-sustaining matters. Progress on these issues, of course, could conceivably serve as confidence-building measures in other arenas.

*5. Regional economic development.* This committee would deal with ways of enhancing regional economic development, methods of increasing trade among countries, would hold regional meetings similar to those conducted in the mid-1990s, and would discuss common problems faced in the era of globalization. It would be the most similar of these committees to the multilaterals that existed a decade ago. One of its most important activities would be to permit businessmen and -women from throughout the region to meet with their counterparts from the area and from other countries as well.

*6. Unofficial security and political discussions.* There are two other issues that should be discussed by the non-official segment of this regional process: common security threats and explorations of a regional future. Subsequently, and if the process functions effectively, it should be possible to elevate these two topics to the official level. Meanwhile, there are common security threats that all states in the region confront. Most countries are actual and potential victims of terrorist attacks. A black market engaging criminal and extremist elements feed each other in the attempt by non-state actors to gain possession of nuclear weapons, radiological sources generally, and chemical and biological agents. On the unofficial level, ways of sharing information or even cooperating to thwart common adversaries can be explored.

One of the many problems in the Middle East is that there is no common vision of a regional future in which states interact in an “international civil society.” Experts and specialists from throughout the region already engage in limited Track 2 discussions that explore the boundaries of what is currently possible, and what might be developed in the future in terms of official mechanisms for examining common political problems. These Track 2 efforts could and should be expanded with a larger infusion of funds.

**A new regional American imperative.** The entire official and unofficial regional process outlined here would serve to build support for the roadmap regionally, and it would serve the interests of both sides. Israelis would experience the benefits of cooperation. Arab states could

utilize this mechanism as a means of showing Israel that a different future is indeed possible. They could also advance their own individual interests as well as signal their seriousness of purpose through this instrument. Syria, for example, could demonstrate its commitment to dialogue by participating both in the official and non-official segments of the new regional process, thereby increasing pressure on Sharon from within Israeli society. Damascus could simultaneously impress the United States as a way of improving relations with Washington. Currently, the Syrian government rarely allows any of its citizens to participate even in unofficial and private sessions.

If successful, the new regional process would promote a more positive atmosphere among states in the area that would facilitate more extensive bilateral negotiations in phases two and three of the Roadmap, and in both the medium and long term. A regional process such as the one described here should become a high priority for US policy as it seeks to facilitate a new Arab-Israeli momentum for progress and as it seeks clear achievements in its other objectives in the area.

## VII. CONCLUSION

The fundamental problem with the Bush administration's policy in the Middle East is that the long-term promotion of democracy is doing nothing to stifle terrorism or proliferation, and the wars on terrorism and proliferation are doing nothing to promote democracy. Trying to apply global policies-even worthy global policies-to the region as a whole is a failure, and, in fact, may be exacerbating the dangers the US faces.

Instead, the primary activity of American policy toward the Arab-Israeli conflict in 2005 must be doing whatever is necessary so that Prime Minister Sharon will achieve his objective of withdrawing from Gaza and the northern West Bank and President Abbas will carry forward on Palestinian security and political reforms. Abu Mazen must be able to successfully control and advance the areas from which Israel has withdrawn. The parties need to be able to see that there is a process upon which a foundation can be built, rather than failures that confirm the impossibility of change.

We need an approach that deals with three levels: the traditional effort at negotiations, more attention to details and technicalities of agreements, and a wider context of incentives and tradeoffs. The heart of this new process is the creation of an Office of Disengagement Management located continually on the scene to make sure both the security and economic components of disengagement are accomplished.

There is already much talk about what will come next. But that entire discussion is premature because, without successful disengagement, nothing else has a chance to happen. The primary immediate task is to take the security, economic, and political steps that will make disengagement work. There will be no future phases if violence from Palestinians against Israelis does not end and if the disengagement plan does not go forward.

However, if disengagement succeeds, plans must be in place so that, unlike in Iraq, or even after the Oslo accords, there will be a rapid follow-up. Only then will a wider discussion be possible. Meanwhile, a new public-private regional process must be put in place. After disengagement has been completed, I propose the holding of an international conference convened by the Quartet as envisioned by the Roadmap. Its sole function would be to create official and unofficial committees that would then carry on with a host of activities that would embed the new process in a solid context of confidence-building reinforcing measures.

At the same time, public experts outside government must be utilized on a wider scale so that we are not so totally dependent on biographies or foibles of individual leaders. Participation must be wider so that the publics become more receptive to accords and initiatives and so that overworked bureaucrats and leaders do not cut corners and consummate faulty agreements.

More countries in and out of the region must be involved in more activities so that there can be more attention to details and a wider context in which progress can occur. This process will only work with a greater expenditure of funds on activities ranging from Palestinian economic development to regional discourse and education, from regional human conditions to common security threats.

The policy agenda then is to be preoccupied with disengagement in the short term, which necessarily means focused attention on the critical need to end Palestinian violence as well. We should then begin to plan for an international conference as disengagement succeeds. Only when the new process is established—after disengagement has concluded—should the discussion begin on what the next step in Palestinian-Israeli negotiations will be.

The test of the Bush administration, in the short term, will be making these efforts work. Its test in the medium term will be to take advantage of these successes and move forward to create an entirely new approach toward Arab-Israeli relations. If it could marry innovation with implementation, the Arab-Israeli arena could be transformed and could become a model for further American policy in the region.