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Former Minister of Justice, Israel

NABIL KASIS
Palestinian Delegate

DANIEL LEVY
Israeli Delegate

QUESTION & ANSWER SESSION

P R O C E E D I N G S

DR. INDYK: Gentleman, welcome to the Saban Center for Middle East Policy of the Brookings Institution. We are honored today to host the members of the negotiating delegations who have, as I think you know, come together and reached an agreement which was signed in Geneva on December 1st, two days ago. We're very happy to welcome them here to Washington, where they will be having a series of meetings.

This is the first opportunity that the Washington policymaking community--and, in fact, the United States more generally--will have, through the members of the press assembled here, to hear from the negotiators, and so we are very glad to have the opportunity to present them to you.

I want to make clear at the outset that our hosting this event does not mean that the Saban Center of the Brookings Institution endorses everything that is in this agreement, but we do support, consistent with our mandate, the airing of these ideas and the examination of them in the public arena, and we're very glad to host the delegations in that context.

On the podium this morning, we have the leaders of the two delegations:

Yasser Abed Rabbo, the former Minister of Information of the Palestinian Authority, who has been a lead negotiator since the beginning of the Oslo process. I've had the pleasure, and he's had the pain, of many hours of negotiations together during those years, and he has made a signal contribution to the effort to try to achieve a lasting reconciliation between Israelis and Palestinians.

Alongside him, Yossi Beilin, former Minister of Justice in the Barak government, has held a number of other ministerial portfolios before that, was one of the original architects of the Oslo Agreements, and he too has played an instrumental role in the efforts to achieve Israeli-Palestinian peace.

With them today on the podium, Nabil Kasis, who has, from the days of Madrid--even predating Oslo--been an active participant in the formal negotiations between Israelis and Palestinians and has played a number of important roles in the development of the Palestinian Authority over the years.

And next to him, Daniel Levy, who has worked very close with Yossi Beilin through these many years, was a former negotiator at the Taba negotiations and has been an adviser in the prime minister's office, for Barak, on Jerusalem affairs.

Also in the audience today are other members of the delegations that have come to Washington; Amjad Atallah, and Samih Al-Abed, and Zuhair Manasreh from the Palestinian delegation; Shaoul Ariel, Amnon Lipkin-Shahak, and Nehama Ronen from the Israeli delegation. We're glad to welcome them all.

The way we're going to proceed is that each of the members of the delegation on the podium will speak for a few minutes, and then we will move directly to Q&A.

The first to speak will be Yasser Abed Rabbo.

[Applause.]

MR. RABBO: Thank you. Thank you very much, and thank you, Martin Indyk, for giving us this opportunity today. This is the first time that we address a group of interested people after the event which took place in Geneva two days ago.

And I believe it was a very important event because, on the international level, we had representatives from different countries, from Europe, from the United States, personalities and dignitaries who had spent many long years of their life trying to look for a possible peace in the Middle East. Some of them, like President Carter, who was the man behind the first Arab-Israeli peace agreement at Camp David between Egypt and Israel, and he tried later on to be a man who helps and supports all kinds of initiatives, and he was backing our efforts in the past two or three years.

I did not meet Mr. Beilin just recently. Two or three years ago, we knew each other, and we knew that he was a key figure in the secret Oslo talks that took place in the year '93, and he maybe knew that we were also the group, the four or five people, I was among them, who were on the Palestinian side also directing the negotiations to finalize the first Israeli-Palestinian agreement, which was called at that time Oslo Agreement.

We had participated in all the negotiations since that time. We knew what are the real problems, and we felt and sensed what could be the resolutions for these problems.

In the past, Palestinians and Israelis could meet alone or with the participation of a third party, and they could exchange views about solutions. When these views are, in general terms, when they are like accepting the principles of a solution, when they are supporting visions like the vision of President Bush, a two-states vision, both of us end the meeting happily and say, yes, we have an agreement. But when we go and discuss the first detail of every issue here, the happiness ends, and we start quarreling.

It's normal. Never in the past, never in the history of Israeli-Palestinian conflict, we were able to achieve a concrete, detailed and comprehensive solution. I remember when Martin Indyk was an ambassador in Israel. We would meet in his home, and he would spend hours after hours maybe dealing with the details of the details in order to find a breakthrough. Sometimes we succeeded, most of the time we do not.

So what was the idea? After we finished Taba negotiations at the beginning of the year 2001, we felt that we made some progress towards having a fine status agreement, a detailed one, an agreement that would convince both sides that it is applicable and it will represent the basis for a final and comprehensive solution, a historical compromise for both sides.

We felt we were very close to that aim and to that conclusion, but we did not have enough time. The political atmosphere was not favorable, and at that moment we felt it was our duty to continue and to try to finalize what was not finished in Taba.

We started a process of negotiations that maybe lasted for over two-and-a-half years. Some people accuse of us of being dreamers or of talking about things that are irrelevant today or maybe that we are not officials and why we are involving ourselves in these issues.

I would say one thing: It's not the duty of the civil society, of people like us, of those who see that there is a continuous bloodshed, and of those who see that the two nations are headed from a disaster towards another disaster without any breakthrough, it's not their duty just to wait and observe until maybe the leaders--and maybe not--will decide to sit and negotiate and find a final solution.

We do not replace the governments. We do not, and we didn't even think that we will take the place of those officials that should make a final deal, but we tried to find a solution that will motivate them, that will show the public opinion that there is a possible solution and that peace can come at the end.

In the past three years, all kinds of hopes had deteriorated, and in the past three years, what was prevailing was continuous despair, and we thought that we needed to convince both public opinions first that we have to put an end to this despair. We can find an outlet and a solution. And that's why we were able, with the help of so many people that were also involved in previous negotiations, whether as politicians or as experts, we were able to make that final detailed and comprehensive solution.

We wanted this solution to be complementary to the political efforts that are being exerted by the quartet, the different international forces, the American administration, through the roadmap and all of the efforts that were accompanying this plan.

The roadmap speaks in detail about the first phase of security arrangements, and maybe in less detail about the measures that will help to create confidence between the two sides. But when it comes to the final status, to the final solution, the roadmap only speaks about the vision of President Bush in general terms and about the need to have a solution by the year 2005 on the basis of a two-states solution.

Here, we felt that it's our duty to strengthen the roadmap, to make it credible by complementing it with a detailed solution of the final steps. We did not invent this document by ourselves or through the effort of the two teams. This document

was built on the achievements and setbacks of the past, on the negotiations that were made in the past with all their accomplishments and also their mistakes, and that is why the Geneva Accords were a result of the efforts of years of negotiations before us and negotiations that we led, two of us.

What we did in this document, we found a solution for all the issues that many people from both sides--leaders, politicians, political groups--were saying, no, don't touch these issues. These are the untouchable. Don't come closer to the issue of Jerusalem because, in this case, everything will collapse. Don't come closer to the issue of the refugees because, in this case, everybody will unite against you. Don't solve anything, and at the same time, try to convince both nations that peace is possible.

This was the logic of the past. We wanted to say to both public opinions that your basic interests and needs can coexist with each other and not necessarily contradict. We can find a solution where the Palestinian people can have a state within the borders of 1967, with Jerusalem, East Jerusalem, as its capital, and Jerusalem could be shared, while guaranteeing the security of Israel and its nature, and at the same time finding a political, pragmatic solution for the problem of the refugees. And through a logical swap of territories, which will not exceed 2.5 to 3 percent, we will find also a solution to the thorny problem of the settlements.

Today, we are facing a major problem, which is the wall that is being built inside the Palestinian territories in order to annex more than half of the West Bank to Israel and to prevent the establishment of a Palestinian independent state and to turn the Palestinian-populated areas into pockets, detours, under Israeli control and

domination. In this way, Israel will become greater, bigger, but Israel will become an apartheid state.

And in this way, there will be no solution to the Palestinian-Israeli conflict at all, to the Arab-Israeli conflict, to the Middle East problems, and this will be a real threat to the international peace as well.

We want all forces in the region, we want all forces internationally, including the United States, to join their ranks together in order to stop this danger which the wall represents. And by the way, here, in the United States, I noticed that they prefer to use the word "fence." Maybe it's nicer. It makes people think that it's a fence separating two gardens between two neighbors. It's a wall of over 25-feet high, twice higher than Berlin Wall, and it is destructive to the lives of Palestinian people and to the future of peace.

We want all of the efforts to be directed to stop that plan and all of the efforts to be directed in order to replace that plan with a plan of peace, a possible plan of peace, a plan which gives answers to all of the basic needs and aspirations of both nations, a plan that will guarantee neighborhood and will guarantee historical compromise that will last for generations between the two sides, a plan that will give the Jews and the Palestinians confidence that each one of them has his own homeland and that they can coexist and live side-by-side. This is the Geneva Accords and plan.

Thank you very much.

[Applause.]

MR. BEILIN: Good morning. Thank you, Ambassador Martin Indyk, and thank you all for coming.

Just a word to defend my prime minister. I must say that he never liked the idea of a wall. It was not his idea. The fact that he is building a wall today stems only from the reason that in the public opinions there was a huge majority in Israel for a wall. They never asked the public opinion about the border on which this wall would be built. So there was a big majority, and this majority is a result of fear. We are speaking about two frightened peoples, afraid of each other, seeing each other as a monster, mainly as a result of the last three years. And the wish to build a wall, which is, in many ways, if I may say so, childish, is just a result of this fear.

People want to solve the problem, they want to be saved, they don't want their children to be endangered every way and every day on each side. So they say, "Let us build a wall. We will not see the enemy. The enemy will not touch us." And there are two very important lessons from this wall:

One, it is impossible to change the policy of a government if the public opinion supports you, and this is what we are going to do with the Geneva Accords. We are going to get as much support in the public opinion so that eventually the governments will change their policies. We don't want international pressure. We don't want any position of an agreement. Even if we want, had we wanted it, it would have never happened because it never happened in the past. We, ourselves, have to put pressure on our governments to change their policies, and the wall proves that it is possible.

Another thing is that the people are thirsty for a solution. The wall is almost altruistic just to prove how much they want it, and you saw the public opinion polls in Israel and in Palestine, I mean, with between 30 and 40 percent on both sides.

There is even a better poll of the Baker Institute which saw that 55 percent on both sides are ready for the principles of Geneva, without mentioning the Geneva. So let us say 40 percent. It's already very, very important.

Now, our role was to prove, first of all, to ourselves, before anybody else, that it was possible. I mean, we went out of Taba frustrated because of the gap between what we felt was achieved and the public perception about it. The public perception was awful. It was as if, even when people like ourselves--Amnon Shahak, and Yosi Sarid, and Nabil Kasis, and others on the Palestinian side--are participating in such an effort, they cannot find a solution.

And we felt that somehow it was around the corner that we almost could touch the solution, and we knew what the solution was. If I might be very crude in describing the solution, the formula is that sovereignty is handed over to the Palestinians on the Temple Mount and sovereignty about the admission of refugees is handed over to Israel.

It might be too simplistic maybe. But if you ask me what is the bottom line of such an agreement, what have you known through all of these years of negotiations, this is what we need. It might be phrased differently by different people, even among our delegations, but in my view, this is the formula.

Now, the importance of Geneva I think, and of course we are subjective about it, so take it with a grain of salt always, but there are two important things here:

One is the ability to get into details, and we did not finish this walk. We are now going to write the annexes. Because if you saw the draft agreement, it doesn't include the annexes. It does include 30 maps on our website, not the annexes on water,

on the economic agreement. There are many questions there. We solved only the major questions, but the technical details are still to be dealt with.

So the ability to get to the details, not only to the principles, it is much easier, although not very easy, but much easier just to refer to a fair solution to the Palestinians and a special arrangement for Jerusalem, you know, all of these things. But then when you are asked about the special arrangement, what is it? On which street? which houses are included, and which houses are not included? And this is the resolution that we got to. You find out that you can't have an agreement, and the same goes for other things.

So this is the first important achievement, and another one is the coalition. With all due respect to ourselves, it is not an Abed Rabbo-Beilin agreement. What we did here is that we created the coalitions on both sides. On the Palestinian side you have a very important group of people representing different parties in the civil society, the real civil society, on the Palestinian side--parties which have many differences among them, between them, and still they could take it as a common denominator.

On the Israeli side, you have people from the Likud, you have people from Shinui, you have people from Labor and from Meretz, you have former defense establishment. It is very difficult to dismiss a former chief of staff, commanders of the police, their leadership, the chairmanship of the Mossad, the former head of the security service. All of them were there with us in Geneva the other day.

You saw this group of people and said to yourself, well, this is not, if I may say so, the usual suspects of peace. This is a very different kind of group, and this

is why the effort to dismiss it as a kind of an intellectual thing of politicians who are "has beens," who are searching for a career now, maybe through peace, who met with each other for three years because they had nothing else to do and signed the cover letter to the Swiss foreign minister, to which a model agreement was attached, which was, of course, the first effort on which the establishment failed.

I mean, what you have today is a very strange situation, whereby the world is looking at it seriously, and that is why it is very difficult to look at it at home in a dismissive way, and this is the achievement of less than two months of work, and we are not going to give up on it.

And I just want to conclude my words by saying the following thing:

We are always asked whether we are optimistic, and of course each of us has his own answer to it. I can tell you my own personal dedication to this project is not a result of my optimism, but a result of my pessimism. It's a clear-cut case. I have a feeling since the early '90s, if not before--because personally I begin my efforts before, like Abed Rabbo, who began his efforts already in '88. If you remember, he was the first Palestinian who negotiated with the United States on behalf of the PLO under the administration of Bush's father and Reagan before him--and my own feeling is that the opportunity for a two-state solution is becoming dimmer and dimmer and that the opportunity to fulfill desirous dream has a very short term, a very short term.

If, God forbid, we are becoming a minority of Jews dominating a majority of Arabs, Israeli Arabs and Palestinians, to the west of the Jordan River, the story of Zionism is off. It is never in the books of Zionism that a minority of Jews will dominate a majority of Arabs. This is why the pragmatic leaders of Zionism were

always ready to have a tiny, small state, rather than to have a bigger one, but we're a minority who dominate a majority.

This is not necessarily the policy of the Palestinians. This is also not necessarily the policy of the Americans or the Europeans. They want to see peace, to have peace because they want stability in the Middle East, and it is 100-percent fair. It is a meeting of interests. It is not identical interests.

But I can tell you, as a Zionist, I don't want to give up. I think that part of Zionism is living together side-by-side with our neighbors. This was from day one. If we give up on it and Israel is not going to be either Jewish or democratic, it is the end of our story, and it is really around the corner, speaking about the demographic clock.

So this is why this is the main reason for me to be involved with it, and this is why I'm not afraid of those arguments: Why did you do it? You don't have the authority. I can tell you, as a former minister of justice, it is totally kosher. The only question is about whether it is done, whether it is done in our system. And I can tell you I believe that all of those who are involved in it are the best patriots in Israel, and they did it not in order to do something behind the back of the government, which was in the midst of very detailed negotiations, and we sold our country cheaper. Nonsense. There were no negotiations whatsoever, and what we did is the following: We created together the controversy in our both societies.

For three years, since the beginning of the Intifada, what you saw was something like unity governments or total consensus on both sides. The Palestinians understood so-called that all the Israelis were bad, that even the government of Barak was bad, that it was impossible to negotiate with the Israelis.

And on the Israeli side, there was a sigh of relief. At last they understood that there was no difference between the pragmatic leaders and the extremists because everybody somehow was identified with the Intifada, and we said, okay, there was no difference there, there was no difference there, and the only question was whether we are going to build a wall or whether we are fighting some unilateral steps here and there or whether only by force we can solve the situation.

It is for the first time, the first time, nothing else created it in the last three years, that what you have is demonstrations of the extremists on the Palestinian side against the pragmatics and Israeli demonstrations against us on our way to Geneva. This was the picture of the last week, and they said the same thing, the same thing. You are traitors, selling your interests down the river, collaborating with the enemy at a time of war.

And I can tell you, you won't find better patriots than ourselves because we are going to save, we are trying to save our peoples. And by this virtual agreement that we achieved, we are already trying, and with a little bit of success, to have a real impact on the reality.

Thank you very much.

[Applause.]

MR. KASIS: Thank you, Martin. I think I have a few minutes to say something about the content of the agreement [inaudible].

This agreement fleshes out the two-state solution while it's still possible. Of course, if we wait too long, it won't be possible with the building of the wall. It is based on 242, 338 and the Arab Initiative. It shows how it can look in practice, an

agreed solution, how an agreed solution can look like. Of course, some people have in mind some enforced solution. But this is the kind of solution that is more likely to be durable, permanent and of course comprehensive.

It deals with the issues that were left in the Oslo Agreement as permanent status issues: refugees, Jerusalem, settlements, security, borders. Of course, there are also the relations with the neighboring countries and between the two states that probably still have to be negotiated as relations between two sovereign states sometime in the future, and that is something that will be fleshed out in annexes that we don't have yet. But it dealt actually with every issue that was left for later negotiations.

The picture, as a whole, should be seen as a comprehensive picture, and the individual items in this picture might seem lacking here or there, but as a whole, we believe that this is how a permanent status solution would look like.

In the case of Jerusalem, while nobody imagines a solution in Jerusalem without Arab Muslim, Christian, Jewish interests being taken care of, the solution that we found is one where Jerusalem, the Old City of Jerusalem, which is the most contentious part, actually, and the settlements around Jerusalem are also contentious issues, that within the following fashion, the sovereignty of Haram Al-Sharif, Temple Mount is for the Palestinian state. Sovereignty over the Jewish quarter and the Wailing Wall is for the Israeli state. Settlements around Jerusalem will remain as a settlement block under Israeli sovereignty.

There are of course some arrangements regarding administration of the city that have to be taken care of, for practical reasons, and this is also detailed in the agreement. Some will be detailed in the more comprehensive annexes.

As for the issue of the settlements, settlements will be dismantled, except for three settlement blocks on the border of the West Bank, between West Bank and Israel, no settlements in Gaza, but there will be three blocks--one near Qalqilya, one around Jerusalem, and a third one closer to Hebron and south of Jerusalem. In exchange, the Palestinian state will acquire territory within Israel proper of the same area adjacent to Gaza and adjacent also to the West Bank to the west of Hebron.

Refugees. It was dealt with as an issue of the refugees, which has been left for later negotiations in past attempts, based on the rights of refugees, as enunciated in 194, 242, and the Arab Initiative. Basically, all refugees will be allowed compensation, but as far as permanent place of residence, we have not talked about return or no return here. We have avoided this issue. We have spoken of the problem of refugees to be resolved. The permanent place of residence can be any of, of course, the Palestinian state, return will be free, as the homeland of the Palestinians. Areas from Israel annexed to the Palestinian state will also be areas in which refugees can opt to reside.

In Israel, there will be admission of refugees who would like to return to that part, subject to the sovereign discretion of Israel, but this is also true about all third countries who would admit refugees or who would settle refugees. This would be subject to the sovereign discretion of all of these states.

As far as borders, borders along the '67 Green Line, with the adjustment that I spoke of, and the swap will be of the order of 2.3 percent. So it's a substantial area, but nevertheless it was necessary because of what has been created on the ground unilaterally over the past 36 years of occupation.

There will be monitoring and verification of the agreement and all detail. There will be a disparate settlement mechanism that has been agreed that will guarantee resolving all issues that might arise during implementation.

There are also provisions for review of certain issues in due time, in particular, when it comes to security, security has been handled in a way that could be seen as rather complex by a cursory reading. The Palestinian state will not maintain an army, but it will maintain a strong security force. Israel will keep two monitoring posts in the Jordan Valley for a period not exceeding 15 years, and there will be international monitoring, international force stationed there to take care of some odd things here and there.

Access to the holy places is guaranteed on both sides of the border.

And this roughly covers most all of the areas that are in the agreement.

One guiding principle was that a permanent solution, a permanent settlement has to be as simple as possible. It should not call for too much friction in the future, and that's why the swap of the territory was kept to the size, to the minimal size that we could agree on. We would have liked to have less, but then that this something compatible with the principle of a simple solution that is not too protruding into Palestinian territory.

The agreement addresses the security concerns and sensitivities of both sides. And what is also important in the agreement is that it lays the foundation for healthy neighbor relations between two states living side-by-side, governed by international conventions, by whatever agreements that bind them, and also by international law.

There are also provisions for cooperation and coordination where that is necessary. These are two neighboring states, and living too close, actually, although the Palestinian territory will be completely contiguous, but the closeness of the two states will call for cooperation and for coordination in many areas, and this will be fleshed out in annexes that are still to be negotiated or still to be worked out, rather than negotiated.

I think I'll stop here, to give you, Daniel, some time to say something.

Thank you.

[Applause.]

MR. LEVY: To continue from where Minister Nabil Kasis left off, our point of departure was how do you create a situation in which the vital national interests of both sides are retained? How do you move away from the rhetoric and distill that rhetoric into what do we both need? What meets both our needs? And here, you actually find that more is shared than is sometimes thought.

Is it in Israel's interests to have an emaciated Palestinian state, incapable of sustaining itself, doomed to impoverishment, having our permission to move between one canton and another or is it in Israel's interest to have a viable Palestinian state that can be a homeland for the Palestinian people in the future, in which they can establish their own independent political entity? And I think, for us, those of us who are involved on both sides, actually, the answer was quite clear.

So moving onto the specifics, as Nabil outlined, the changes to the '67 lines, which are on the West Bank, because in Gaza we didn't leave behind any Israeli settlements. There were no changes made in the border there. In fact, in Gaza, as part of

the land swap, in other words, land that Israel received, annexed in agreement in the West Bank, was compensated for mainly in Gaza.

What we have is a situation in which 75 percent of those Israelis currently living beyond the Green Line would now be part of the recognized borders of the new Israel in a mutual agreement, including 50 percent, of over 50 percent of those settlers in the West Bank, and that's created in a way which gives Israel contiguity and Palestine contiguity, without leaving islands of Israeli outposts deep in the heart of Palestinian territory.

So, if we look at the situation, and there's been reference here today of the wall/fence, that wall/fence creates a border between Israel--well, it's not a border--it creates a separation between Israel and Palestine over 900 kilometers in length. According to the Geneva Accord, the Israel-Palestine border would be 475 kilometers.

Now, what's more defensible, if I'm looking at it from the Israeli perspective? A wall fence in which Israelis are on both sides of the wall, in which the Israeli army has to defend both sides of the wall, in which Palestinians are cut off from their daily sources of income and livelihood and have their social fabric interfered with, sometimes in drastic ways, or a border? It's a border that's agreed upon. It doesn't even require the okay of the National Security Adviser of the United States for Israel to build it. It's agreed between the parties.

And that border is the defensible border of Israel. The Israeli army is deployed on one side of that border. There aren't Israelis on the other side of that border.

If I ask myself--and it's not really me asking myself, it's when the security experts, it's when the former chief of staff and others that Yossi Beilin referred to earlier,

ask themselves, "What is in our national security interest?" the answer was very clear. It was unequivocal. It's the kind of arrangement envisaged by Geneva.

And that goes for other aspects of the security arrangements which we reached. The security arrangements were designed to not interfere with Palestinian sovereignty and viability, not to create points of friction, but, yes, to deal with Israel's vital interests. And once you distill it to those vital interests, whether it's the early warning stations referred to, whether it's the use of Palestinian sovereign airspace for Israeli air force training, that was what we tried to reach.

At the international border crossings for instance, do we really envisage a situation in the future in which Israelis indefinitely will be at a border crossing between Palestine and Egypt or Palestine and Jordan? I think that's unreasonable and not in our interests. Does Israel have concerns there? Yes. Could a multinational force address those concerns? In respect of Geneva, we think so.

I don't want to go into further detail on the refugee and Jerusalem issues that have been outlined here beyond to say, beyond saying that what we've done in Jerusalem, and here it's a myth that was already I think began to be broken three years ago, has created a situation in which Jewish Jerusalem is Israel and Palestinian Arab Jerusalem is Palestine.

And we live in a situation today that, for all of the brouhaha about how we need a united Jewish Jerusalem forever, does that united Jewish Jerusalem really include the Palestinian areas of Jerusalem, in which, in the 35 years of Israeli sovereignty and control, Israel hasn't invested in those areas? Those areas are not seen

as an integral part of Jerusalem. They don't receive the basic services. They don't vote in the municipal elections. We're recognizing a reality that exists.

We're trying, by the way, to maintain an urban living space in Jerusalem by creating modalities for cooperation on a municipal level between Israel and Palestine.

One last note on the content. We do envisage in the Geneva Accord a strong international role, whether it be in the security realm of having a multinational force present, with a very clearly defined mandate, or in the overall realm of overseeing the implementation of the Accord by creating a kind of political contact group, not dissimilar to the quartet.

Here, I do think we take the lead to what was envisaged in the roadmap. The roadmap, on paper at least, even if in practice it hasn't necessarily worked out that way, envisaged a strong oversight implementation role for the international community, and I think here it's an important message for us to convey. The worst possible news for us would be if the world--the United States in particular, but the international community in general--pigeonholed us in the category "intractable conflict." Once you're there, it is even more difficult to get out of that pigeonhole.

And when we have been criticized for discussing the Geneva Accord with the international community, I think our response is as follows: Part of the way of getting out of the terrible situation in which we've all lived over the last three years is to convince the world that it's still worth being involved, not just paying lip service, but it's still worth getting deeply involved because there are solutions. Because, God forbid, that we would be categorized as an intractable conflict.

And in this respect, what Geneva does, and the model that Geneva presents, stands in stark contrast to what is happening by default. Currently, we are hurtling towards a situation in which the paving of settlements and outposts is paving the way to the end of Israel as a Jewish and democratic state.

And Yossi Beilin has referred to it, and I don't want to go into it in greater detail, but I think the fence is having the same impact because the fence, again, will actually detract from the prospects of a future two-state solution.

The debate that has been generated is the debate that has been lacking for the last three years. The narrative of the last three years has been dominated by “there is no partner, there is no plan, there is no way out.” Now, once that is the dominant narrative, once that is the discourse, of course, the debate degenerates to should that military maneuver have been conducted or another military maneuver? Should one have destroyed 100 homes or slightly less than 100 homes?

And we're desperately trying, and thankfully having some success, in moving beyond that debate to the big picture. If the roadmap envisages the permanent status solution addressing all issues by 2005, then I think this could be a tremendously helpful tool in bringing us there by showing that it is indeed possible, and the challenge now I think has been thrown principally to Israeli and Palestinian domestic opinion, which is where most of our work is focused.

We have distributed this booklet to every Israeli-Palestinian household with the entire text of the agreement. It's been a very strong message for us to convey. We're not hiding anything. Read the full content of the text.

Friends, those who consider themselves friends of Israelis and Palestinians, who have the interests of Israelis and Palestinians at heart, I think should, and I think by and large have, taken the Geneva Accord very seriously.

Thank you.

[Applause.]

DR. INDYK: First of all, Daniel, the text of the agreement is on your website?

MR. LEVY: Yes.

DR. INDYK: Which is--give us the website reference.

MR. LEVY: www.geneva-accord.org.

DR. INDYK: Thank you.

We move now to questions. I'm going to take the prerogative of the chair and ask Yossi and Yasser separate questions, if I could.

First of all, to Yossi, as you said, you gave up in the agreement sovereignty over the Haram Al-Sharif/Temple Mount. Did the Palestinians give up the right of return?

And, secondly, to Yasser, Israelis who look at this, at least some of them, will say, well, it's very nice to have an agreement, but the Palestinian Authority that signs it won't live up to its agreement. Of course, Palestinians, I'm sure, will say the same thing about the Israeli government.

How does the agreement address this question of fulfillment of commitments made in the agreement which, after all, was at the heart of the breakdown of the Oslo process?

MR. BEILIN: I'm not sure, Martin, whether this is the parallel, that we gave up on the sovereignty on Temple Mount in this draft and the Palestinians have to give up on the right of return because we did not give up on the right to build a temple on Temple Mount. And every Jew, every religious Jew, at least, prays every day to rebuild a temple on Temple Mount.

Now, I mean, we are not trying to prevent people from dreaming. We are suggesting to them a solution. I can quote a very good friend of mine who sits here now and who said--Yasser Abed Rabbo-- "We are not controlling the dreams of the people. Our duty as leaders is to prevent their dreams from becoming their nightmares."

And this is exactly our role. I think that nobody could have defined it nicer. People may hold their dreams, but there is a solution. Every refugee who reads it has a manual, and he or she knows exactly what goes on with compensation for refugeehood, for their assets, and what are the five venues of permanent place of residence. Nobody, after reading it, should have any question about it.

Now, if after reading it, and after implementing it, after actually abolishing all the relevant U.N. resolutions according to our agreement at least, and after losing the status of a refugee, according to our agreement, one still has the right to go back to Jaffa, where Yasser Abed Rabbo was born, about a mile from my home. Fine. Fine. We are not going to prevent it.

So the question is not about giving up the right of return. I didn't see any draft agreement, in the past, in Camp David, and you can testify for it, Martin, or in Taba that this was the Israeli demand even, that the Palestinians will say we don't want the right of return. It would be a mistake to demand something like this. The right thing is

to say, okay, we are not speaking now about the dreams, what is the solution? And we have a balanced solution for the refugees, which is fair. I don't believe that there is a possibility for them to have a better solution than the one that we are suggesting.

Yasser?

MR. RABBO: Thank you very much.

Well, you know in the past years, especially after Oslo, both sides were exchanging accusations that nobody is committed to the agreements that we signed. On my side, I want to refer you to the maps and to the article which is either in the New York Times or Washington Post today about the increase in the number of the settlers. After Oslo, the number of settlers was increasing every year at an unprecedented figure, and they had doubled within the 10 years after Oslo more than the years that were--the 25 or 30 years of occupation before Oslo.

And this shows that we need, of course, a mechanism for guarantees that both sides will respect both their commitments. And that's why we created an international mechanism in this agreement which is very flexible, but this international mechanism will make both sides really commit themselves to their obligations in accordance with this agreement.

I want to say, I don't want to go into the details of this international mechanism. It's in the paper, in the document.

MR. BEILIN : Including mediation and arbitration.

MR. RABBO: Including, of course, arbitration, and that's needed also because we know that the most detailed and comprehensive and clear agreement, in spite

of it, there will be problems and difference in interpretation between the two sides.

There is a need for international arbitration sometimes.

But I want to say something away from this. Some people accuse of us being dreamers. We are not cowards enough not to declare that we are courageous. Is that clear or not?

[Laughter.]

MR. RABBO: Yes, we are courageous.

We had attacked issues that were never approached. They were taboos in the past. The question of refugees, we said let us put slogans aside, and let's try to find a pragmatic solution. It does not meet 100 percent the Palestinian aspirations, dreams and requirements, but it could be compensated in the solution of the sovereignty of a state, a Palestinian state, which will represent the homeland of the Palestinian people and the state that will enable future Palestinian generations to develop and to create a peaceful democratic state for themselves.

This might sound nice, but when we go into the details, well, we face very thorny problems. We attack these problems and tried to find a balanced solution for that. The miracle in this document is that people ask me always what concessions you gave. How can you accept giving this concession in this field or that field?

I say it's not a question of concessions. We tried to find a line of balance that goes across the whole issues and a line of balance inside the solution of every issue. What are the basic needs for the Palestinians? It's there. Not all the needs? Of course not all of the needs. Not all the aspirations? Of course, not. And that's why historical compromises are made.

The same thing applies to the Israelis, but at the end, both sides will find an answer to all the questions and problems they have. These answers might not be completely satisfactory, but these answers will give a chance for both nations to co-exist. Other answers give a chance only for both nations to conflict and to go on conflicting against each other for decades and decades.

We believe there is a chance and hope now, and we are trying to plant once again the seeds of hope in both nations, in spite of the experience that we had not only in the past three years, but in the past decades as well.

Thank you.

DR. INDYK: Thank you, Yasser.

Now, we go to questions from the floor. Please wait for the microphone, identify yourself and ask a direct question.

Let's take one here. Yes, you, over here at the front.

QUESTION: Thank you. Ron Bajans , Kuwait News Agency.

Without naming names, could each of you say that there are people within the current government on each side who give voice to your plan so that Sharon, Arafat, Quereia have some reception or is this something that we must wait beyond these times for?

MR. BEILIN: There is no symmetry here in the situation. The Israeli prime minister rejected the plan very clearly. This is not the case on the Palestinian side, although it was not endorsed totally, but it was not rejected.

We knew it, of course, from day one, and this is why our challenges at home are a little bit different. But what I can say is that ministers in Sharon government

were very interested in our paper, talked with me privately about it. I don't want to expose them, of course, but these are the ministers who never went out against it, and one should understand that the Sharon government, like all our governments in the past, is a coalition government.

In this coalition, we have a party named Shinui, and most of the members of Shinui are center left. And what we saw now in the last public opinion poll is that there are about 40 percent of the Shinui voters support the Geneva Accord and about 20 percent of the Likud support the Geneva Accord.

I met with some people from the Likud who came to me in order to express their support, and they want to have a group in the Likud which will openly support it, besides the former members of Knesset from the Likud who will join us tomorrow, Nehama Ronen, and who signed on the cover letter. So we believe that our main role in Israel is to reach out to the center, and we think that something like that is possible.

We also were hosted by the Israeli president--first of all, the Israeli delegation, then he hosted both delegations lately, and he is suggesting now to have a conference in his residence in order to deal with the Geneva Accord.

So one may say that there are positive signs in the Israeli establishment, referring to the Geneva Accord, but I don't want to deceive you and say that the government, as such, supports it. It is very, very far from it.

DR. INDYK: Yasser?

MR. RABBO: Well, on the Palestinian level, the Palestinian Authority had supported the efforts and the results which we had reached. And there was a

message sent by Chairman Arafat to the Geneva event a few days ago, and in this message he expressed his support to these accords.

The Palestinian Authority does not officially adopt the Geneva document because, for an obvious reason, this official adoption needs official negotiations and an official partner on the other side. But we are encouraged by their support, and the Fatah mainstream, which is the main party in the Palestinian Authority, Fatah mainstream, Fatah activists have participated with us in signing this agreement.

And I can say that there are representatives from the different sections of society who have participated in the Geneva event and in signing the agreement, whether from the political parties or from the civil society or from also different sections, as I said.

That's why we have also opposition to the agreement or to the document, and this opposition comes from the traditional and classical Palestinian opposition--I might give it this name. And the issues that are being raised by the opposition are I believe is trying to simplify the solution rather than take one or two of the issues that were resolved in the document separate from the comprehensive solution.

We are trying, through different forms of explaining it to the public and of also opening debate about different issues without hiding our opposition or without even taking a defensive position while dealing with these issues.

On the contrary, we are proud that we have a solution, and we have a platform that, for the first time, unites Palestinians and Israelis, and this platform contains a comprehensive solution, a solution that will enable the Palestinian people, for

the first time in their history, to have an independent state away from occupation and away from all of the threats to their present and their future as well.

DR. INDYK: Thank you.

Barry Schweid, do you have a question?

QUESTION: Barry Schweid of AP.

It's clear, obviously it's so clear it doesn't even have to be said, that the Israeli government has not authorized what Mr. Beilin is doing in determining Israel's future. What isn't clear, still, despite what you said, with all due respect, Mr. Rabbo, whether you are authorized by Arafat or the Authority to explore these issues with the Israelis. I can't imagine them not liking the results, but were you authorized to do this? You used the word "support."

And you speak, three times you called this a compromise agreement. Could you tell me, it's clear what Israel would give up--land, everything--what is it that your side is giving up? What is your concession here, from the Palestinian side I mean.

MR. RABBO: Let me tell you something. I'm a member in the Palestinian leadership and always it fell to me, and I don't know why, as being the former minister. Maybe I am a former minister, but I am a member of the Executive Committee of the PLO and one of the oldest members. And, of course, I am not an amateur, and I should report to the Palestinian leadership about all of the activities I make. I mean, this is obvious.

I'm telling you, frankly, the Palestinian Authority is informed, the Palestinian Authority is supportive of what we are doing, and the Palestinian leadership as well, of course. But, and here I'm also quite clear, the Palestinian Authority and the

Palestinian leadership, to adopt officially this document, to say that this document is the plan which we adopt completely needs some indications and some steps from the other official side. This is the limit by which I can express the position of the Palestinian leadership and Palestinian Authority.

What was the other? Oh, concessions.

I'm telling you, frankly, I hate to use the word "concessions," and I don't know what Israel gave up. If Israel will withdraw from the occupied territories, this is not a concession. I think Israel in this case is getting rid of the burden of the occupation, as my friend Yossi Beilin had explained.

If Israel will not expand and will not fulfill the dream of greater Israel, this is not concession. This is getting rid of the burden of possibly turning into an apartheid state, where a minority controls a majority. This is a solution which I believe is the pragmatic possible solution, a solution that could be implemented.

Some people say that we gave concessions more than the Israeli side, and here are the accusations which I hear everyday from Palestinian critics: concerning the rights of the refugees, concerning Jerusalem, concerning some territories which were occupied by settlements and other accusations.

I say I do not want to deal with these issues who considered more than the other or who got more benefits than the other, who was "cleverer" than the other to trick. It was not this case.

We tried to find a balanced solution, a solution that will meet the basic needs, and requirements and aspirations of both sides, taking into consideration all of the changes that have occurred in the past five/six decades since the establishment of the

State of Israel. This is the answer I have, and I'm not escaping from anything. I'm saying frankly I do not have a way to measure who conceded more than the other, but I have one way to say that both will be winners if they accept this formula.

[Applause.]

DR. INDYK: Hisham Melhem?

QUESTION: Yes, Hisham Melhem, Al-Safir Newspaper.

Initially, the American reaction was very lukewarm to say the least. Then, mysteriously, that position evolved. Paul Wolfowitz said nice things about it. Then, you received a letter from Secretary Powell. Then, you were received by his deputy, Mr. Armitage.

Give your assessment of the American position and how you would like it to evolve, beyond saying nice things about the agreement, and beyond saying that the agreement does reflect the fact there are constituencies for peace on both sides. In practical terms, what would you like to see the Americans do?

MR. BEILIN: The most important thing for us is that the American administration will not see it as a kind of an opposition to current governments. It is not a subversive action. It is not something which is going against the leadership. I'm speaking about Israel. It is not done against Sharon, but in many ways for Sharon. I mean, we said from day one, even before it was exposed, that once we finished the job, we would put it on the desks of the decision makers for their use. And if they are ready to go for it and negotiate it, we will be the last in the world to ask for any credit.

Now, I believe that there is another point here; that it will be seen by the administration as it is, meaning a complementary part of the roadmap and more than that, maybe that only the Geneva Initiative may still save the roadmap.

We are all referring to the roadmap as the only game in town, and rightly so, but we also know that it is not a very, I would say, very active process around the roadmap which goes on. It was suggested. It was never implemented, and that's it. And for the first time since it was suggested to both parties, we see now that people are speaking about the roadmap from morning to night.

Now, this is not an alternative. The roadmap has a time table. We are not suggesting any time table. We are not even referring to interim steps. We are just referring to the third phase of the roadmap, which is, first, the confidence-building measures, then there is the option of a Palestinian state with provisional borders, and then there is a permanent solution by 2005.

Now, frankly, I cannot see a real implementation of the roadmap without the end game being known to the two parties, and this is actually our message here. We want to save the roadmap, not to compete with the roadmap, and the only way is to say this is the picture of the future.

If this is the one, and if this is going to be implemented in 2005, according to the roadmap itself, then you can do it only if you have this picture in front of your eyes. Negotiate about the picture. Have our initiative as a basis. We know that the decision makers are wiser than ourselves. I'm speaking on behalf of both of us.

They are wiser than ourselves, and we are sure that once they sit together and negotiate, they will have much better solutions to our offers, but they should know at

least that it is there, that it is feasible, that solutions can be found, and that they can use it. If this is the attitude of the administration, for us, it will be very, very important.

MR. LEVY: If I may add, I think they also saw what the effect was on the ground, that in the wake--I don't want to ascribe everything to Geneva--but what we saw was that in the wake of Geneva, first of all, the Israeli Government and Prime Minister Sharon rediscovered the roadmap. It was a word not conspicuous in its overuse in their vocabulary prior to Geneva, and it led to a flourishing of diplomatic activity, whether it be meetings between senior advisers in the Sharon government, in the new Abu Ala government, whether it be Sharon sending his son to meet with President Arafat's national security adviser in London. So I think you saw this flourishing of activity.

I think there's also an appreciation that hope is a security concept, that one of the ways that it may be possible to overcome the very current issues of creating a different security climate is by creating a different climate of hope that this has managed to put out there, whether that's the cease-fire talks or whether that's the demand now to move from passivity in the political diplomatic arena, an activity exclusively in the military arena to creating much more of a balance between those two things.

And it's very pointed, the reference in Secretary of State Powell's letter to Yossi and Yasser, which is we see the effect this is having on Israelis and Palestinians.

MR. RABBO: One sentence more. We need the recognition that this plan is the concrete implementation of the vision of President Bush because a vision is a vision, and when it was transferred to the third phase of the roadmap, well, there was an

understanding that it would need at that time negotiations in order to make the vision a concrete, detailed plan.

Here, we had a plan, and experience had told us and told all of us, all parties, that this plan, with all its detailed formulas, represent the only solution. There will be no solution in the future that will exceed the limits of this plan-- the limits concerning all issues and the limits concerning the comprehensive solution.

DR. INDYK: I'm afraid that we have run out of time. We're going to have to bring this to a close because the delegations have got to make it to another event.

I also want to apologize in advance for all of those interviewers who are waiting to ambush them on the way out that we're going to have to move quickly to this other event because we're already late for that.

Thank you to Yossi, Yasser, Nabil and Danny. Thank you all for coming.

[Applause.]

[Whereupon, the proceedings were adjourned.]