

THE BROOKINGS INSTITUTION

VIOLENCE IN JERUSALEM AND  
THE FUTURE OF THE TWO-STATE SOLUTION

Washington, D.C.

Tuesday, November 18, 2014

**Moderator:**

TAMARA COFMAN WITTES  
Senior Fellow and Director, Center for Middle East Policy  
The Brookings Institution

**Panelists:**

KHALED ELGINDY  
Fellow, Center for Middle East Policy  
The Brookings Institution

NATAN SACHS  
Fellow, Center for Middle East Policy  
The Brookings Institution

\* \* \* \* \*

## P R O C E E D I N G S

MS. WITTES: Okay, folks, good morning. Thanks for being with us on a frigid day here in D.C.

I'm Tamara Wittes. I'm director of our Center for Middle East Policy here at Brookings, and very glad to be with you this morning, and with my two excellent colleagues, Natan Sachs and Khaled Elgindy, to talk about the -- not only today's events but the trend lines in Jerusalem and in the Israeli-Palestinian conflict and what that means for the future of the two-state solution and the future of the U.S. role in brokering Middle East peace.

I don't have to tell you what a terrible morning this is given the news that we woke up to. This morning's attack is a horrific escalation of violence that we've seen erupting intermittently since the beginning of the summer after the kidnapping and murder of three teenagers in the West Bank and then the murder of another teen in a brutal act of revenge.

When we planned this event about a month ago, we wanted to take stock of the broader situation, seeing this violence as the symptom of underlying trends and we wanted to look at the context within which it takes place; the context that includes another failed effort at Israeli-Palestinian negotiations over the past year, the increasing skepticism and collapse of hope, both amongst Israelis and amongst Palestinians. While majorities still support a two-state solution, they increasingly simply don't believe it's possible and they don't believe the other side would accept it. The political ferment within Israeli politics and increasingly within Palestinian politics as well demands attention and, of course, the emerging efforts at unilateral moves by each side. So over the course of our morning, we will get to all of those.

I have to also begin our proceedings this morning with a note of sadness

within the Brookings family as well, unrelated to this morning's events. But yesterday, our dear friend and colleague, whom many of you have undoubtedly seen on this dais, former Congressman Bill Frenzel passed away. Bill represented the Third District of Minnesota for over 20 years in the U.S. Congress on the republican side of the aisle and he was a highly valued colleague as a senior fellow here for many years and represented in many ways the best of bipartisanship and issue-based work in Washington, particularly on the federal budget on free trade. He was essential to shepherding NAFTA through and was a truly wonderful colleague to all of us here. So we are missing Bill today and thinking of his wife Ruth and their daughters.

Let me begin perhaps before we get to what all of this means with a little bit of review, Khaled and Natan, of what happened this morning. We know that two Palestinians armed with guns and axes burst into a synagogue in West Jerusalem in the Har Nof neighborhood and assaulted a community in prayer. Four were killed, 10 injured, and the two attackers also killed.

Natan, what can you tell us about where this event took place, the community that's been affected by this?

MR. SACHS: Well, the attack this morning, it was a very Jerusalem-led affair. The attackers were from Jamal Mukaber, which is a neighborhood or village which is part of municipal Jerusalem, and the attack itself was within Har Nof, which is in the western part of Jerusalem. It's a largely Hasidic community, an ultra-orthodox community. It has a very strong presence of Shas. Some of the Shas leaders live there, but this synagogue was Ashkenazi not Sephardic. The dead were American and British as well, dual nationals. Very strictly orthodox. And, in fact, in the funeral already, Rabbi Shimon Alba (phonetic), who is one of the two most important Ashkenazi rabbis of the ultra-orthodox community in Israel gave a eulogy. This is really the heart of the Hasidic

community. There's something ironic about it because this comes at the backdrop of tension over religion, and religion really coming to the fore, which I think is maybe the most troubling aspect of what we've seen in the last few weeks besides the death. And in particular, on the Palestinian side, it's about Temple Mount or Haram al-Sharif and supposed attempts by Israeli to change the status quo which Israelis see slightly differently.

But the ironic thing, the tragic thing may be that the Hasidic community, the one that was attacked today, is the one that's most vociferously opposed to Jewish prayer on Temple Mount. Several of their rabbis, and even the chief rabbis of Israel who are not ultra-orthodox but are close to it, have reiterated the forbidding of Jews to pray on Temple Mount. The religious justification for that is twofold. First and foremost because there's a danger that the Jews would enter what was the Holy of Holies, sanctum sanctorum of the temple itself, which is forbidden for all but the chief, the high priest Anyum Kapul (phonetic). And of course, there is no high priest now. But also because it would (inaudible) danger. It would be an attempt to -- thank you -- to provoke the gentiles as they would say.

And so this has been a very strong edict by the Hasidic community, but that has changed somewhat. It has changed among national religious. Very different from the ultra-orthodox, modern orthodox. They see themselves as very Zionist and see themselves as part of the state, and see themselves, in fact, as an avant-garde of the state. They have been hoping to change what we see as the status quo right now on Temple Mount, where there is no freedom of prayer for Jews. Jews are forbidden from praying there. They are allowed to go as tourists but not allowed to pray, so there are actually people watching what they say and trying to figure out if they're praying or not. And this has been a thorn in the side of many of the national religious who have tried to

change this.

The events today though are sure to galvanize many in the ultra-orthodox community. Despite what I just said, they don't intend to be lefties. These are not great doves in the Israeli political scene. They're much less nationalists than modern orthodox, but if anything is going to get people to rally around the cause and to feel under assault it's exactly this kind of attack.

MS. WITTES: Thanks, Natan.

And Khaled, I have to ask. I saw a headline this morning that the Popular Front for the Liberation of Palestine (PFLP) claimed responsibility for this morning's attack, which is notable in a few ways. I mean, we haven't seen them engage directly in violence. They were part of the PLO consensus in favor of not just the Oslo accords but the commitments that came before them and along with them to reject terrorism.

What does it mean that we've seen this secular nationalist component of the PLO pop up connected with violence in Jerusalem?

MR. ELGINDY: Yeah, it's odd on a number of levels. It's odd because, as you said, we haven't seen them involved in attacks, at least in more than a decade. I mean, not since the Second Intifada in the early 2000s, but it's also odd, of course, that they're a secular group and presumably I think it's a perfectly reasonable theory that if religious passions are inflamed because of these threats or perceived threats to the haram (phonetic). It would be add that they would be motivated by religious sentiment in addition to attacking a religious site or a religious group.

MS. WITTES: Are they just trying to get in the game here?

MR. ELGINDY: Well, if we take it face value that they are, in fact, responsible. I'm not 100 percent convinced that they are. The PFLP is one of the more

marginal groups. Politically, it has a much smaller following than it's ever had. It may be, and I don't have any evidence to this effect, but it may be an attempt to sort of reassert itself to gain some stature instead of, you know, all the attention being focused on the two main factions, Hamas and Fattah (phonetic). This might be a way for them to reassert themselves, whether they carried it out or not.

MS. WITTES: Okay. And we'll come back in a minute to what's happening inside Palestinian politics, the competition between these factions and how that relates to the violence we've seen this year.

I wonder, Natan, if I can come back to your point about the status quo on the Temple Mount Haram al-Sharif and the part of the escalation on the rhetorical side that we've seen over the last weeks is concern amongst not only Palestinians but Jordanians. We've seen King Abdulla (phonetic) address this, and more broadly in the region that Israel is trying to change the status quo on the Temple Mount. What does that mean?

MR. SACHS: Well, in short, it's disgruntlement by many on the right and Israeli, especially the national religious portion, but not only them, with the status quo. The status quo was implemented directly after the conquest of East Jerusalem by Mashed Ayan (phonetic), who was a very secular Labor right initially and the attempt there was to freeze the situation, allow the Muslim wok (phonetic) to control, to continue to control the territory. Jordan continued to have influence and still does today. We saw Netanyahu meeting in Amman. And for many Israelis, especially religious Israelis, the ones who would like to see prayer on Temple Mount; this has been sort of a throne as if the unification of Jerusalem or liberalization of Jerusalem was never complete.

So there have been attempts and there have been even bills proposed to allow Jews to pray. They are not allowed to pray at the moment. The closest is only the

Wailing Wall, the Western Wall, which is right adjacent to it. These attempts are much more mainstream than they used to be, so there is some truth to that. It used to be really perceived as a bunch of loonies, some small groups. We're talking about the Third Temple, which, again, for strict orthodox is blasphemy. The Messiah and the Third Temple will come when God decides that they will come and when the people of Israel are worthy, et cetera. And the national religious approach is much more that there is an active role to be done to bring that about. The settlement of the land of Israel, even the state of Israel itself having a religious aspect to it. But also for some of them, even actually building the mosques themselves. So there have been some attempts on it.

I would just caution, you hear many people in the Israeli body politic talking about that some of them have official positions. This is very far still from the people actually decide. Netanyahu, Ya'alon, all the central figures are not eager at all to change the status quo. It is troubling to my mind that it is more mainstream than it used to be, but don't be fooled by the fact that a deputy minister in Israel says this or that. Even ministers in Israel say things completely opposed to government policy on a regular basis, most days of the week. And so the fact that a deputy minister says something I think is troubling and shouldn't happen, but it is not the mainstream of Israeli politics.

I think there is though a very deep danger here. Every time this conflict is shifted towards the religious aspect we're far worse off. The only serious attempts to either get normalization, to get some kind of peaceful coexistence or to even resolve the conflict have been much more the national approach have been taking a secular approach to where this land can be divided, where two peoples can live side by side. Once it becomes a religious aspect, then it's much harder, and these voices in Israeli, of course, are fermenting a lot of discontent in the Muslim world and the Arab world in particular, but some of the mirror aspects in Israeli society. So in Israeli press there's

been a lot of attention given, for example, to things that President Abbas has said about Jews contaminating Temple Mount. Jews of Haram (phonetic), of course. If Jews come up there it contaminates them and we will not let Jews. These things resonated very strongly in the Israeli public and we're misunderstood or understood very badly.

And every time -- everything surrounding Temple Mount, of course, automatically becomes a question of sovereignty, a question very central to the Israeli public. And this is why we see -- the last word on this -- we see also secular politicians who see political gain in going up to Temple Mount. It's not just religious ones. We've seen some of the secular ones from the Likud party, which the rank of it is very right wing, going up to Temple Mount. And, of course, we all remember the Second Intifada the trigger --

MS. WITTES: In 2000.

MR. SACHS: In 2000.

MS. WITTES: September 2000.

MR. SACHS: Thank you. -- was Ariel Sharon, a very secular man, going up to Temple Mount as leader of opposition. That day passed peacefully, but then the Friday that followed didn't and the Second Intifada broke out. So I think this is very, very troubling on the local level, on the Jerusalem level, but the religious aspect is maybe the most troubling.

MS. WITTES: Okay, thank you. And I think it's a good reminder that this is not unprecedented that the Temple Mount, Haram al-Sharif becomes a political football in Israeli politics and in Palestinian-Arab regional politics as well. Perhaps I want to ask you Khaled, about the meetings that took place in Amman, Secretary Kerry meeting with King Abdullah, with Prime Minister Netanyahu, with Abu Mazen, seemingly getting some assurances that would calm tensions around the Temple Mount and Haram al-Sharif



itself. I want to come back to that.

But first, perhaps, you can give us a little bit of a sense of what these last few months have been like for Jerusalem Palestinians. We've seen, in addition to these incidents of extreme violence, we've seen a sort of constant boiling of anger and frustration in a lot of Palestinian neighborhoods in Jerusalem. What's going on?

MR. ELGINDY: I mean, I think that's the core question really. And just to sort of pick up on a point that Natan made. I mean, there is a context for Palestinian sentiment right now for Palestinian fears of Israeli or Jewish encroachment on the Haram. And it has a lot to do with bills being submitted. Whether or not they're realistic in terms of being passed, it's part of an overall trend that from the Palestinian standpoint marks yet another erosion or at least another step toward further eroding the status quo. And again, happening in the context of more and more visits to the Haram Temple Mount area.

And so the Palestinians feel that there is a threat. There is a precedent in terms of Hebron. You often hear Palestinians talk about Israelis wanting to impose the Hebron model of essentially partitioning the Haram so that in the same way that the --

MS. WITTES: The Tomb of the Patriarchs.

MR. ELGINDY: -- the Tomb of the Patriarchs, the Ibrahimi Mosque has been partitioned. And there's a great fear for that. And I don't think it's entirely misplaced, that fear. There is a gradual rightward shift. There's no question in Israeli politics and in the Israeli electorate. And it is regrettable, but I think it's also true that the fringe isn't really the fringe anymore. They have representation in the government in a way that they've never had before. You know, these are not simply the views of a marginalized few; they are the views of an influential, if not necessarily decision-making few. But their views are becoming more mainstream, as you said.

In terms of Jerusalem being a sort of boiling over intentions, I mean, this is something that really goes back at least the last 10 years. I mean, if you remember the closing of Jerusalem institutions back in 2000, even though Israeli was required to reopen them as part of the now-defunct roadmap --

MS. WITTES: Palestinian institutions of Jerusalem, like Orient House and places like that.

MR. ELGINDY: Palestinian institutions. Orient House, the Chamber of Commerce, other institutions. Palestinians basically have no political institutions. They have very few civic institutions, very few cultural institutions. Any sort of activity or initiative that attempts to establish Palestinian or reinforce Palestinian or Arab identity in Jerusalem is almost invariably targeted by Israeli authority. I remember back in 2009, the Arab League had designated Jerusalem as Arab City of the Year, and there were various events planned -- balloon launches, you know, cultural events. And they were all destructed by the Interior Ministry.

So there is on the one hand sort of the constant denial of the ability to assert Palestinian identity, Arab identity in Jerusalem. You combine that with the perceived threat to Aluxa and it's a very, very potent mix. But it's also, I think, part of a pattern of Palestinians being sort of subjected to separate and unequal treatment in Jerusalem that historically goes back to the very beginning of Israel's occupation and annexation in 1967, but that has gotten considerably worse, particularly since the construction of the wall/barrier around Jerusalem, which has really isolated whole neighborhoods.

MS. WITTES: That are part of municipal Jerusalem.

MR. ELGINDY: That are -- well, that are part of historic, you know, sort of they were Jerusalem suburbs. They were suburbs of Palestinian Jerusalem and now

they're completely cut off. Abudiz, Rohm, and even areas within Israel's municipal boundary, like Kafir Akbar are outside the wall. They are the most directly affected by the lack of services. So Jerusalem is in many ways kind of a no man's land where Israel doesn't provide services, and we know the data is quite extensive in terms of denial with permits, revocation of residency rights, lack of access to basic services like health, education, and so on. And you know, when combined with the phenomenon of the wall, it has just wreaked havoc. I mean, Jerusalem has been suffocated economically. So on the one hand it doesn't get services from Israeli. The Palestinian authority is not allowed to operate there. And so, you know, all of this over time has really built up. And then, you know, all it takes is really a match of any sort of a trigger to spark something much, much bigger that can be controlled.

MS. WITTES: Okay. Now, neither of you yet have mentioned the issue of housing and neighborhoods in Jerusalem, but that's another dimension of the rising tensions that we've seen over the last months is struggles over Jewish residents moving into housing in predominantly Arab neighborhoods, particularly Sulan, which is right next to the old city.

Natan, can you catch us up and give us a sense, both at the municipal level but also at the level of national policy in Israel, where does that fit in? I think from, you know, from the outside perspective that's been yet another set of events that have suggested to some that this is really government, you know, is taking actions that are not consistent with its stated preference for negotiations in a two-state solution.

MR. SACHS: Yeah, there's something very troubling in a sense that the building in particular, actually Sidon as well, but even more important perhaps Givatamatos (phonetic) which is in southern Jerusalem and separates Jerusalem from the Bethlehem area would complete the separation from Arab Jerusalem to the

Bethlehem area, that's what sparks the most anger abroad. And you saw Europeans and Americans talking about the fact it's not consistent with a two-state solution.

From the Israeli perspective, it's the heart of the consensus. So if you have Israelis who are often opposed to settlements in many places, in talking about Jerusalem it's a very different story. Israelis would point out that services, for example, in East Jerusalem, they're not up to par with West Jerusalem; they're considerably better than the West Bank and they should be better, or at least people in the right wing would say that.

What we have though in Jerusalem is a particular difficult situation of patchwork. We have on the one hand, neighborhoods that are part of municipal Jerusalem that the Israeli government treats as part of Israel, and therefore, for example, permits or buying a house in Sidon is just a transaction. You can go and buy a house in Sidon if someone will sell it to you. There's no special permit beyond what you would need to do to do any business anywhere else.

That is in contrast to what happens in the West Bank. In the West Bank, which is not annexed, the military authorities are in charge. You need very special permits. The government has very strong executive authority over what happens. In East Jerusalem, the government is sometimes right that there is not all that much it can do legally because of the situation. So the Minister of the Interior, for example, is in charge, or the Minister of Housing is in charge, as opposed to the Minister of Defense and the military authorities.

We also have some special situations. You mentioned one neighborhood that's outside the barrier. Another is the camp, the refugee camp of Shufat. Shufat is a neighborhood in North Jerusalem, a wealthy neighborhood, but its refugee camp nearby is just outside the barrier. That means it's within municipal

Jerusalem according to Israeli law. And so since it's beyond the barrier there, the municipality doesn't treat because it feels like it can't do anything there. It's beyond the barrier, beyond the wall. While the Palestinian authority has no authority to do anything, that's area C and it's, in fact, in municipal Jerusalem, and the military has no authority to do anything because that is in sovereign Israel, according to Israeli law. And so the only ones who are operating there are the border police, which are police, who are paramilitary, and they really are in charge only of security at the very, very basic level.

And so you have complete lawlessness, you have building without permits; you have a terrible situation going on. And you also have the worst of the violence in the last few months since the (inaudible) murder.

MS. WITTES: In Shufat.

MR. SACHS: In the Shufat camp as opposed to the Shufat neighborhood, which is quite the opposite, I think.

But these housing are part of a very general trend. In Jerusalem, in particular, as I said, there's very wide consensus. People like Lapid, who is the Minister of Finance, the largest leader -- he's actually the leader of the largest faction in the Parliament at the moment, but he's also leader of sort of the center. He's spoken very frequently about Jerusalem, united Jerusalem, et cetera. These mantras speak very strongly to the Israeli public. Jerusalem is seen as United, never to be divided again, et cetera. And the legal aspect of that is, as I said, it becomes almost automatic. So as opposed to the West Bank where they have much more authority -- they being the Minister of Defense, and by extension, the prime minister -- East Jerusalem is much more difficult legally and even publicly there is no will to do it. Curtaining stuff there would be a political bombshell. And as we see it, people on the center, center right, particularly the right, see political gain in stoking the flames and they're mirrored,

unfortunately, on the Palestinian side as well. Everyone is seeing a political gain in their own camp now and stoking the flames and talking about this in religious terms, and fear mongering about what the other side is about to do, which is a recipe for the worst.

MS. WITTES: So let me turn to the diplomatic side a little bit here. And, you know, you've both talked about the extent to which Israelis and Palestinians are intertwined in Jerusalem. Geographically, societally, economically, and in some ways legally in very complicated ways. There are those who look at the building tensions in Jerusalem and say this demonstrates the impossibility of coexistence. There are others - Gershon Gorenberg had a very interesting essay in the Israeli press a couple weeks ago saying this demonstrates the necessity and the possibility of coexistence; that Israelis and Palestinians in Jerusalem, as opposed to, you know, in the rest of the area between the river and the sea where there is now a security barrier and so on and so forth, they can't escape each other and they find ways to live together.

So we had a period in the spring and early summer, after the collapse of the negotiating effort that Secretary Kerry was leading, in which it seemed as though what we've called for 20 years the peace process, the Oslo process, it had come to an end. The idea of direct Israeli-Palestinian negotiations, mediated at times by the United States, seems to have exhausted itself. Leaders on both sides were unwilling and uninterested, ultimately, in engaging with the other on those final status issues.

But now with crisis building in Jerusalem, we saw Secretary Kerry bring them back together and Amman sort of jump back into the diplomatic fray in crisis management mode. Does a brewing crisis over Jerusalem focus the minds of political leaders and create new opportunities for diplomacy? You've both described the dangers. They're also an opportunity in this crisis.

Khaled, let me start with you.

MR. ELGINDY: Yes, it does. I mean, there is an opportunity but that assumes, I mean, that the leaders can actually control the situation on the ground. And I think at least two of those leaders cannot. King Hussein -- sorry, King Abdullah is very physically and politically far removed from events in Jerusalem and certainly has no ability to control constituencies in Jerusalem. And increasingly, the same can be said of Mahmoud Abbas, who increasingly, I think, is -- I mean, I think to a very large extent, Palestinians in Jerusalem feel abandoned not just by Israel and the municipality. That's a given. I think that is almost the definition of occupation. But feel very much also abandoned by their own leadership. Very much like Gazans. I would say similar to the way Gazans feel, that they've just sort of written off that part of the Palestinian community. So I don't think Mahmoud Abbas and Fatah and the PA or the PLO has the ability really to influence events on the ground. And the factions themselves, it's another reason why I think it's surprising to see a group like the PFLP claim credit for an attack like this morning. It's very hard for these groups to operate in Jerusalem. Probably harder than anywhere else, you know, where you have no Palestinian security presence and full Israeli security control.

So, you know, I think the factions have limited influence. The Palestinian leadership has limited influence. So it's really not about being able to tell their people we need to do something. There's nothing they can actually do to prevent violence on the ground.

MS. WITTES: So if they can't contain the situation on the ground, there's no opportunity for negotiations. Let's establish that as a premise, but is it possible to use the prospect of renewed negotiations in some form to create a more favorable context, a more hopeful context?

MR. SACHS: Yeah, I personally don't think so. I think negotiations

aren't the problem. Lack of negotiations aren't the problem. There is nothing to stake the parties in any process. There is no process to speak of in which to hold negotiations that could bear fruit. So negotiations are, I think, you know, have to be rooted in something. They need a terms of reference. They need a clearly stated outcome. And they need an environment that is conducive towards their success and none of those exist. So simply bringing individuals into a room and forcing them to talk I think is an utterly vacuous exercise. So negotiations for their own sake have no meaning. It's not as if the Palestinians don't know what the Israeli positions are or vice versa. It's not that every scenario hasn't been explored in terms of permanent status issues and, you know, it's been exhausted. So it has nothing to do, I think, with the lack of negotiations; it has to do with a lack of political will. And I think it's for the most part true that we have an Israeli government that is in both word and deed no longer part of the two-state consensus. I think they have said it. I mean, their actions, the settlements, the ongoing settlement, the entire settlement enterprise, and just to be, you know, let's not, you know, let's be clear. Sudwon, that housing, these are settlements. We're not talking about simply a matter of, you know, transactions and permits. These aren't just simple municipal logistical affairs. There is a master plan for Sudwon. There is the City of David settlement plan, and Palestinians understand this.

But the broader point is that you have an Israeli government that is saying and doing things that are completely not in line with the idea of two states, including severing Jerusalem from -- sort of denying any Palestinian presence and cutting Palestinian Jerusalem off from the rest of the West Bank. That's also part of denying a two-state reality or a two-state outcome because there is nobody that believes that there can be a Palestinian state without East Jerusalem.

MS. WITTES: Can I focus you on Abu Mazen for a minute here as well?



Because in the situation you describe in which Jerusalem Palestinians feel abandoned by their leadership, Gazan Palestinians feel abandoned by their leadership, within the West Bank we've also seen over the last months a number of demonstrations, political actions that have been against the PA, not simply against the occupation. Abu Mazen, in the meantime, has been pursuing a unilateral path at the U.N. seeking international recognition. There's pressure on him to go to the international criminal court, all of these unilateral steps to try and establish Palestinian sovereignty symbolically, if not in reality on the ground. How meaningful are these options for him, not just in terms of what he could achieve in establishing Palestinian statehood as a fact, but what could he achieve politically in establishing -- reestablishing his own primacy and authority?

MR. ELGINDY: Well, I mean, there is a growing demand on the part of Palestinians, and I think it is their natural impulse to sort of fall back on the internationalization option. It's always been true of the PLO's approach. It's a way of gaining some leverage in a situation where they are clearly the weakest party, but overall, I think going to the Security Council, even talking about the international criminal court, at the end of the day these are most likely tactical maneuvers for this particular Palestinian leadership, which is so deeply invested. I mean, this is one of the great ironies or paradoxes of the current situation is you have a Palestinian leadership that was banking on, for the last 40 years in one form or another, that the United States would deliver Israel. The reality is been the opposite. It's been the Palestinians who were delivered, essentially, to Israeli, and for that, they have had to pay a price. The price has been, I think, declining legitimacy of this leadership. And the point I'm trying to make is that this leadership is still wedded to a U.S.-led process. It cannot divorce itself from that. It will use internationalization. It will use the Security Council to gain some leverage, to maybe even impose a modicum of accountability, for example, through the ICC, but at the end of

the day I don't think Palestinians as a whole have much faith in the Security Council. I mean, they understand that the United States has a veto.

MS. WITTES: But they have more faith in the United States than they do in the Security Council.

MR. ELGINDY: The Palestinian public?

MS. WITTES: Or are you saying the Palestinian leaders?

MR. ELGINDY: Yeah, right.

MS. WITTES: Okay.

MR. ELGINDY: But the Palestinian public, I think, is in a different place. So whereas I think in Israel there is the body politic and the electorate, you know, the public is more or less where the politics are, you know, where the government is. I think very much the opposite is true on the Palestinian side.

MS. WITTES: There is a big gap.

MR. ELGINDY: There is a huge -- and it's a growing gap. And so more and more Palestinians are simply turning away from -- if not turning against the PA, at least turning away from them, looking for alternatives. And one of the alternatives is BDS. You know, because BDS fills that double void of no peace process and no hope of one, or at least no hope of a credible one, and a failed leadership. BDS is immune to factional divisions and is immune even to whether you're pro one state or two states.

MS. WITTES: Or at least manage to ally the question.

MR. ELGINDY: You can be -- right.

MS. WITTES: Okay. Thanks.

So Khaled just said that the Palestinian leadership is still wedded at the end of the day to a U.S.-led process, despite the sort of quest for unilateral alternatives that ultimately are dead ends in practice. On the Israeli side, one of the dynamics that

we've seen emerge, even while Secretary Kerry's effort was under way, it was dynamic in domestic politics where Israeli politicians saw advantage in spurning the U.S., undermining the U.S., criticizing the U.S. in public. It seems to me that Israel now is not any longer wedded to a U.S.-led peace process. Is that a fair judgment at this point?

MR. SACHS: To the degree that there is a process or the degree that there will be negotiations, Israel is completely wedded to the idea of bilateral negotiations with U.S. backing. So from the Israeli perspective, the more it is bilateral without the Americans in the room if possible, the better, but only one patron, only one serious patron to the process, and that's the United States, probably because the Israelis don't trust any other patron at all. Certainly not the U.N., not the E.U., and definitely not other parties.

But from the Israeli perspective, the negotiations, I agree with Khaled that the lack of negotiations is not the problem, on the Israeli view either or mine. But the Israelis, and I think rightly, don't think that the problem is simply Israel. It's not that the Americans simply didn't deliver Israel in the last 40 years. There were several instances in the last decades where Israel was there and the Palestinians were not. And from the Israeli perspective, this was even true now.

We heard at the breakdown of the talks, settlements were a very serious problem that impeded it. And there was a twin problem, which is that Abbas never said yes. He never said no. He never said either to the U.S. framing negotiations, according to reports at least. And this can seem like a technicality, but it's a resounding affirmation of the Israeli view of Abbas, which is that he's not nearly as bad as Arafat. He's not violent himself, but he's never going to sign off on the historic thing, signing away Dofor Assafad.

And so from that perspective, from the Israeli perspective, the problem, like Khaled said, is a basic lack of trust that there is even a deal to be had at all. And this

lack of trust is not going to be solved by these events. In fact, it's worsened. This morning, Minister of Defense Ya'alon, who is to the right of Netanyahu but is quite close to him politically now, but also Netanyahu himself, blamed Abbas for the incitement that surrounds this kind of violence. When we see this violence, we're not seeing -- and this is a very good thing about it -- we're not seeing a carefully organized campaign like we saw in 2000. In that sense, it's not a Third Intifada yet, I hope. We don't see -- even these attacks, probably this attack this morning, was not part of the general organized campaign with an organization behind it. But it is part of a very clear way and a very clear rhetoric, including -- which the Israelis have contributed to even today, but the Palestinians have as well.

Juan Balaguer from jail has called for a Third Intifada and has said that this, for example, today, is just a natural response to things. And so we have the leaders seeing political gain in stoking the flames rather than the opposite, and the lack of negotiations, I'm afraid, I agree with Khaled, is not the problem. I don't think the problem is also simply Israel.

But to your question, the United States, yes, is in a very different position in Israeli politics today. In particular, I think it is tied somewhat to the president. The president has very low approval ratings in Israel -- not that they need to approve of him, but very little trust among Israelis in the president. It ebbed and flowed a bit but it started out low and it's gotten worse. It's gotten worse in the last year, considerably so. And it's probably too late to really repair that in a fundamental way. And this hurts. When an American president is very popular in Israel, and they often are, comes to Israel and says, "Your prime minister" -- sometimes by name, Bibi Netanyahu, when Bill Clinton was president -- "is not helping," this damages him. This hurts him politically. It hurt him when he lost in '99. That wasn't the only reason, but it hurt him.

And of course, it was also true back in '92 when Shamil -- the fact that Shamil and H.W. Bush had a very bad relationship and Baker was hammering at Israeli, this did not help Shamil. Even Baker and H.W. Bush were not considered to be great friends of Israel from the Israeli perspective.

That's not the case anymore. Now standing up to the American president actually gives some dividends. Even when it's touch and go, for example, the latest -- excuse the phrase, but I have to, the chicken shit comment from the White House diverted from the actual content himself, which is settlement is the inconsistency of policy with the stated goal of two-state solution. Those kinds of things could resonate with centrist Israelis. They're exactly what differentiated between Netanyahu and the central left part of his coalition. But instead, it turned it into a personal insult to the prime minister and then, of course, people rallied behind. And how dare the president or how dare the White House.

And so we have again this kind of antagonistic approach where people on the right gain. I'll just caveat all that, qualify all that. Still, Israelis, and this is very widespread, know and appreciate that the relationship between Israel and the United States is a core pillar of Israeli national security. It's something that the Israelis are very keen on maintaining. They are keen even during this presidency and very aware of the very close relationship on the intelligence and the security side, Iron Dome and the U.S. funding and some help in developing is a very central kind of symbol of that but it's only one symbol of a very widespread and deep cooperation. And Israelis are very aware of that. And so even when people say things the way they do and (inaudible) Israel now, which is the Bibi paper, talks about Obama in very unfavorable terms. Nonetheless, all of them, even Bogie Ya'alon after all he's said, will always come back to (inaudible). Of course, of course. Long-term strategy, we believe in a close relationship between Israel

and the United States.

So not to say that this antagonism may be temporary. It may be tied somewhat to the president. It may be tied somewhat to Netanyahu himself. I'm not sure this is the end of U.S. leverage over the Israeli public.

MS. WITTES: Okay, thanks.

Finally, looking beyond the immediate dynamic Israeli-Palestinian-Netanyahu-Mahmoud Abbas at the regional context within which these events are taking place, and on the one hand that's part of what makes this a very volatile, dangerous moment, right, is the religious resonance of the current manifestations of the conflict threatening broader resonance in the Arab and Muslim world at a moment when, of course, the United States' regional actors are engaged in a broader struggle against extremists fighting in the name of Islam who would love nothing more than to pick up the banner of Jerusalem, and in fact, have already tried rhetorically in many ways over the last months to waive that banner. And of course, whatever their difference is, Abu Mazen and Bibi Netanyahu find themselves on the same side in that border regional struggle, along with Jordan and Egypt and others in the region, and the United States all on the same side. But they cannot insulate their bilateral conflict from that broader regional context. And I wonder whether the regional politics right now in your estimation each of you helps or hurts with efforts to manage and ultimately hopefully resolve the Israeli-Palestinian conflict.

Khaled, can I start with you on that?

MR. ELGINDY: Yeah, I mean, in my mind I think it definitely hurts. You have key -- Palestinians have always relied on key Arab actors and the Arab world in general to support their political aims and aspirations and strategies. In particular, Egypt, Jordan, Saudi Arabia have always been central, as have other Arab states like Syria and

at times Iraq and others. But those in particular. And right now, all three countries -- Egypt, Jordan, Saudi Arabia -- are distracted with either domestic problems or other regional --

MS. WITTES: Or both.

MR. ELGINDY: -- crises or both. Right. In the case of most them, actually, both.

And so I really think it's the lack of bandwidth and the lack of just capacity to deal with another crisis, much less to be creative diplomatically enough to kind of overcome the many regional problems and various moving parts to try to put something constructive forward. That would take an enormous investment politically and from a standpoint of time.

MS. WITTES: You also made the point to me the other day though that in the midst of this horrific regional turmoil, Palestinians, as unhappy as they may be with their leadership, may, like Jordanians, be saying, "Well, at least we're not Syria or Iraq. Let's stick with what we've got, as imperfect as it may be." Is that a mitigating factor?

MR. SACHS: I think it's a mitigating factor as far as -- I think it's one of the reasons why we haven't seen a Third Intifada. I mean, there are many reasons, one of which there isn't a political safety net, there's no viable process for them to sort of pick up the slack. There isn't a viable Palestinian leadership. But another factor I think is this sense of chaos that exists in the region that, you know, just because we start something doesn't mean we're able to control how it ends. Certainly, Egyptian protestors understand --

MS. WITTES: Learned that lesson. Yeah.

MR. ELGINDY: -- very well, as do Syrians and others. So there are political forces and other forces that can commandeer the situation to their advantage,

whether they are the regime or those outside the regime. And I think Palestinians have a lot of experience with rebellion and with popular unrest. And so they're thinking twice really that if we're going to go that route, we have to have all the pieces in place. Politically, the infrastructure of an uprising has to be there, meaning there needs to be a political cohesion on some level and grass roots. There needs to be an organization and coordination, and those components don't exist either.

MS. WITTES: Thank you. And Natan, before we open it up for your questions everyone, Netanyahu has on the one hand said, "This regional turmoil means we'd be crazy to pursue a negotiation with the Palestinians or take any risk on this issue." On the other hand, he said, "We have an alignment of interests with states in the region that we've never had before. This is an opportunity." So where do you come down?

MR. SACHS: On the former. The former is a very, very strong element in the Israeli psyche. And moreover, it's not absurd at all. I mean, if you look at the Middle East, it is crazy what's going on, and none of us could have predicted just how bad things are all over Israeli.

MS. WITTES: And it could get worse.

MR. SACHS: And it could get considerably worse.

From the Israeli perspective, Egypt has gotten considerably better, not from other perspectives; maybe from (inaudible) perspectives considerably better. But things are terrible. The Sinai, there's the threat of jihadist extremists active there who may get more powerful. Syria, the horror there doesn't need much mention. But on the Israeli control in the Gola and on the border itself you have jihadi groups, not the worst of them, but the Syrian opposition, some of them Islamist groups at least in control there. And the Israelis look at Jordan and they fear what might happen to the Ashama kingdom. And so when Israelis say "if we do so-and-so the West Bank would have ISIS in control,"



it may sound like hyperbole, and to a certain degree it is, but it resonates very strongly among Israelis. At the very least, they think that Hamas would take control of the West Bank or might take control of the West Bank if Israeli would not operate there. Or something worse.

And in this environment, the rational strategy, the rational approach would be to minimize risks, to try not and open yourself up to risk in various different directions. It also happens to coincide with the core of Netanyahu's character as a leader. Above everything else, he's simply a small C conservative. For better or for worse, he's a small C conservative. He doesn't believe in radical changes and experiments that will change things completely. That's why in his mind it's not inconsistent that he to a certain regard supports a two-state solution as he said repeatedly and even recently, but he fundamentally opposed the Oslo Agreement and will now say it was a terrible mistake. It was a radical change, trying to bring Arafat in, et cetera.

His whole approach, and the same with Gaza, a lot of his critics from the right who criticized him and Ya'alon for not bringing down Hamas during the war this summer, this was the same kind of response you hear from Netanyahu and from Ya'alon, by the way, which is a conservative kind of approach. You don't try to rock the boat because you don't know what the outcome will be and a lot of unintended consequences will take control. In economics you believe this as well.

And so this very much strengthens this approach, and the Israeli public is consistent with that. Throughout the past two decades they have seen experiments to their mind. The Oslo Agreement in particular. They are also disengaging from Gaza, and the Israeli understanding is these were colossal failures now, and the consequences of them were Hamas in the Gaza Strip and this chaos on the West Bank. And so from

this other perspective, a small C conservative.

There is still the alliance or the alliance of interests. It's an alignment of interest; it's not an alliance. Where from the Israeli perspective -- I'm not sure the U.S. is on the same side from the Israeli perspective, but Egypt, Saudi Arabia, Jordan, the Emirates, they certainly are. And Israel sees a very close interest with them, and it also would like to hope that therefore the Palestinian issue is less salient. And like we always said, don't worry about that issue so much, but think about the more important thing.

On some aspect this is true, especially on Iran there is an alignment of interest. But of course, on the Palestinian interest it's much more complicated. Talk to any Saudi or anyone else and they will say, "Yes, we care." They probably care more about Iran because it relates to them personally, but they're not about to get ahead of the Palestinians in making peace with Israel. That is simply not going to happen, and Israelis know this.

MS. WITTES: Great. Okay. Let me open it up for all of you to ask questions. And as usual, I'll just reiterate the ground rules.

Number one, wait until the mic comes to you. Number two, tell us your name. And number three, keep yourself to one, please, concise, so we can get to as many of you as possible, question.

And we'll start with Don Revive.

MR. REVIVE: You've Middle Easternized me.

Dan Revive of CBS, Tamara.

Will we always remember today's synagogue attack, November 18<sup>th</sup>? Is it a watershed event? Prime Minister Netanyahu has scheduled a speech to the nation this evening, so he seems to be in crisis mode. I guess that's my main question, whether today is a watershed.

MR. SACHS: To a certain degree. I think -- I was in Israel during the kidnapping of the three teenagers, and to a certain degree that's sort of the moment when things started -- what was possibly a local organization by Hamas operatives really has thrown everything into turmoil through a series of mistakes as well since then.

Today is very symbolic, in part because it was during prayer in a synagogue, almost unprecedented. And in that sense it is very symbolic and is very dramatic for Israelis. But I'm not sure it's really a watershed to that degree. Jerusalem has already been extremely tense in the last few weeks. (Inaudible) and Jerusalem has been on edge. There have been attacks on public transportation, the light rail, and of course, for Palestinians, just yesterday or the day before there was a Palestinian bus driver found dead. Israeli police claim it was a suicide; Palestinians are convinced that's a lie. And so we have this ongoing kind of thing. This is a very dramatic thing on the Israeli side, but if anything, I think this would start way back in the spring when what could have been calm really escalated through a series of mistakes, but starting with this kidnapping of the three teenagers.

MS. WITTES: Okay. So it might not be a watershed moment but it could be a moment when things tip over the edge, depending perhaps on what Netanyahu has to say tonight; right? And what actions are taken by folks on the ground.

MR. SACHS: And moreover, as someone pointed out to me before, one of the ramifications of the kidnapping of the three teenagers was that after they were found dead there was the horrific killing of Muhammad (inaudible), the teenager in Jerusalem. The worst of all worlds is if we see a reprisal attack. And it's not out of the question. To be very clear, the Israeli authorities are very aware of this and they're very much trying to stop it. But just as these attacks, sporadic and sort of spontaneous by individuals are very hard to stop; the same is true of some reprisal attacks. Likely, the

Muhammad (inaudible) one, which came out of nowhere from people who were not heavily involved in anything before. If that happens, we could really see a spiraling out effect. Those twin killings of teenagers then being kids was so emotive. Now, it being prayer, people in prayer in synagogue, actually while praying, and of course, the Temple Mount, Haram al-Sharif kind of aspect of that, there is a danger of sort of deep symbolism here.

MS. WITTES: Khaled, do you want to add?

MR. ELGINDY: Yeah. I mean, I think that's absolutely true. You know, the rule of not being able to control things that you start I think cuts both ways. It applies to all sides. And I think Tammy, you're right, that it really depends on what we hear from Netanyahu what the Israeli response looks like. I would say that if it looks like anything like what we saw in response to the kidnapping before we knew it was a murder of the three teenagers, then we are likely to see much more violence and a much greater escalation. I think what we're likely to hear is a very political speech. You know, a speech probably to include, as he did in his speech after the teenagers were kidnapped, references to revenge, I think that is I think very, very dangerous. And might end up --

MS. WITTES: And let's not forget he's facing primary elections next month.

MR. ELGINDY: So the political temperature is even higher. People will be looking to him for very tough talk. I was struck during the Gaza War that the outcry, to the extent that there was one in Israel, was that the operation hadn't gone far enough. And there will be, I think, similar demands in this case. And that's likely to -- the more repression, the more violence we get, the more counter violence and counterterrorism we're going to see. And I think this could end up being that trigger in the same way that we can draw a direct line between the kidnapping of the teenagers and 50 days of Gaza

War with 2,200 people dead.

MS. WITTES: Thank you.

Okay. Why don't we take these two in front? Right here. Just take them together and we'll come back to you guys.

MR. SEMLER: Good morning, and thank you very much for your wonderful presentations. I've listened -- I'm Steven Semler. I teach law school in Washington, D.C.

I've listened for over an hour to you folks eloquently describing why things are bad, getting worse, and increasingly polarized with no sense of optimism emanating. My question to each of the speakers, which I invite you each to respond to is this: Thinking out of the box in ways that I haven't heard yet, what would each of you do to restart the peace process even if force had to be applied to Israel economically or politically to achieve a meaningful change in the negative spiral that I'm hearing about? I'd appreciate if you would each address that.

MS. WITTES: Thank you. And to give you a moment to think, sir, you can just pass the microphone to this lady across the aisle. Thank you.

MS. HOPE: Hi. My name is Heather Hope.

Can you tell me what the Palestinians are thinking, both in Gaza and the West Bank about Hamas after the war in Gaza?

MS. WITTES: Okay. A good update and an issue on which there was a lot of speculation during the Gaza conflict what the impact would be.

I'm going to just take the privilege of the chair and try to answer your question myself. First of all, I would say from my own perspective, what we saw this spring with the collapse of the Kerry-sponsored effort was not simply the collapse of that round but the end, the exhaustion of the Oslo model, that is the bilateral Israeli-

Palestinian direct negotiation mediated by the United States. It's exhausted itself because the parties, each of them for their own reasons, don't believe that it will get them what they need, and at least at this moment, for reasons we've discussed, they also don't have faith that the direct American mediating role is getting them what they need. Both those things may change, but that's what I see the diagnosis being today.

Now, what does that mean? It means that if you're going to have a new process -- it's not restarting -- you would have to create a new architecture. To my own mind, there was a moment of opportunity in the wake of the horrific conflict this summer to use that alignment of interests in the region, to use the focus on Gaza as the platform for something that would be more Madrid-like in its architecture. In other words, a regional framework that would support Israeli-Palestinian negotiation. And I think that ultimately that's going to be necessary, because as Khaled was saying, Mahmoud Abbas is weakened domestically and the legitimacy of the PLO-led on the Palestinian side Oslo process is so weakened that I think he needs more than ever the support of regional partners in order to move forward with a deal. He also needs the incentives and the constraints that they can provide. Likewise, the Israeli government, I think, needs the incentive of a regional approach and a regional opening because they don't see that the Palestinians can give them enough to make the risk-taking worthwhile.

So for that reason, I think a regional approach is going to be more effective, but at the end of the day, I don't think there's a substitute for direct Israeli-Palestinian engagement on the final status issues that they have to resolve. I also at the end of the day don't think there's a substitute for the American role as guarantor of whatever may come out of talks, and this gets to the broader challenge for the United States in the Middle East right now which is that as much as many Americans would like to have us no longer play the role of security guarantor and diplomatic mediator and

order provider in the Middle East, nobody else is stepping up to take on that role. And frankly, nobody else has the capability.

And so at the end of the day, if the U.S. judges that ISIS is a threat to American interests, that the continuance and deterioration of the Israeli-Palestinian conflict is a threat to American interests, then the United States has to be willing to play that role. And the parties on the ground know this, and that's why there's such continuous complaint about the reticence of the United States, the perceived weakness of American commitment to the region. I think that applies to this conflict, too, but that's my answer. I'm curious for yours, guys.

MR. SACHS: Okay, the first question. A couple of things.

First, I think the premise is somewhat flawed. The problem is not simply applying pressure on Israel to get it out of its obstinances. Israeli obstinances in certain instances has been a problem but that's not the simple problem of this conflict. Israelis -- this is not a diplomatic negotiation in a sense that the U.S. conducts diplomatic negotiations, and so as a free trade agreement and Congress is opposed to it, and if you apply some pressure, you tell this, then they will change their mind. These are the core issues of Israel. Jerusalem is its capital according to every Israeli or every Israeli Jew, at least. It is where the government sits. It is a matter of security, and Israel is also the biggest city in Israelxxx (17:25:06), so this is a matter of daily security in the biggest city of Israel.

This is not about (inaudible) because someone applies some pressure, and that's, I think, somewhat of the fallacy also thinking, well, if we just fix these Israelis that keep not doing what we want, then we'll get peace. Israelis have been doing many things that have been very counterproductive, and I think part of the settlement activity, especially in Jerusalem, where it has the mundane democratic aspect to it, can be the

most damaging in the long run, and this has to be dealt with to a certain degree, but I don't think the answer is simply to find a new mechanism how to pressure Israel.

I think there are two things to keep in mind. First is the regional aspect, which I said in a previous question I don't think is the answer to everything. We're not going to have peace between the Israelis and the Saudis before peace between the Israelis and the Palestinians. But there are some very positive aspects to the regional context. The Arab Peace Initiative, in some interpretations at least, can be very favorable and be a basis for a lot. And there are many Israelis who, if they knew more about it, would actually be much more favorable towards it. And this can be a hopeful basis for the future.

But a variety of things need to happen first. First, on the Palestinian side, a lot of things need to change. Abbas's position (inaudible) tenuous and that is in the West Bank. He doesn't even control the Gaza Strip. We still have Hamas armed in the Gaza Strip. There's potential of another confrontation there. It could happen soon, unfortunately. So all these things don't bode well for negotiations, per se.

And finally, the reason I think we're harping on this violence is it's worth remembering what ended the years of Oslo, to my mind more than anything, there's a misconception -- several, actually. One, that it was the Harbin assassination. Harbin was succeeded by Peris (phonetic), who was a peacenik to the left of Harbin, in some aspects, at least. He then lost the election. He lost the election after bombings. After bombings, including in Jerusalem. We then had Barak, prime minister, who maybe didn't give something that Arafat could accept in the summer of 2000, but he certainly staked his political future on it and negotiated in good faith. He indeed lost his political future because of it. And that's not what ended it either. Not even the refusal from Arafat to say yes or to negotiate in good faith, say no and get a counteroffer. What ended things was



the Second Intifada. And since then it's been a footnote to that. We've been contending with the horrific damage the Second Intifada did to this whole process. Trust was washed away in a river of blood then. The situation was like now but times 10 and consistently for months. There were several months in 2002 where every week there was a bombing or two or three.

And on the Palestinian side, the damage of the Second Intifada was horrendous as well. Khaled can tell us more about it and better than me, but this is what really ended things. Why am I harping on this? Because if we are seeing now, even if it's a small version of that, it can wash away any diplomatic efforts. It doesn't matter what the secretary says, what the president says. If a bomb blows up, or if a synagogue is attacked during prayer, or if a teenager -- a Palestinian teenager is horrifically murdered, we can talk till tomorrow until we're blue in the face. It won't change things. We have to focus, unfortunately, on the small things right now. They're not that small, but on calming things down, on getting both leaderships to tone down the rhetoric, to try to get whatever power they do have on the ground to push towards a more peaceful situation and then we can think about things. We may have to couple that with a political horizon, et cetera, but we should have no illusions as to negotiations right now or some kind of leverage fixing things.

MS. WITTES: Khaled, and along the way, let's also address the question on public opinion about Hamas.

MR. ELGINDY: I agree with Natan. I mean, I think, you know, it's a normal human reaction in the face of being attacked is to sort of recoil and say, "I don't trust those people. Why would we talk to them?" But it's the fundamental paradox also in the whole idea of a peace process. The whole idea of a peace process is the two sides are in conflict and are doing bad things to each other. And that's what necessitates

a peace process. The fact that there's conflict isn't a reason against a peace process; it's a reason for one. But at the same time there's that normal human response. And that's why I think it's so important to prevent, mitigate, constrain events before they get wildly out of control. And this is the one thing that has been missing and why I agree with Tammy when she says there's no peace process. And it's not simply a talking point. There is actually nothing to constrain the parties. In the old days there were bilateral committees, there was an incitement committee. There were all sorts of things that the parties were invested in on various levels, and that if nothing else were at least a distraction away from the conflict itself. Today there is nothing like that, and there is no attempt to insert that. All there are sort of diplomatic pleadings by the secretary of state and the E.U. head and U.N. leaders and so on. And that's important. But what's needed, I think, are actual mechanisms in place that can prevent the sides from escalating, and those don't exist. And what those mechanisms are all about are about accountability. And since there is no accountability for either side, there's no price to pay politically, economically, or otherwise, for escalation. In fact, the dividends for escalation in terms of their own domestic politics are quite substantial. The incentives are there to escalate and not to deescalate.

So what's needed is what U.S. mediation, what U.S. leadership, I think ought to entail, is to put together this package of incentives, disincentives, carrots and sticks that bind the parties to at least not do harm to one another while they're trying to work out their differences on these core issues. That's the meaning of a peace process, and that is what is completely absent. And we're essentially in freefall. There's nothing to constrain the parties except pure raw power and the constraints that are imposed on the ground by bombing and counter bombings and so on. So, if you leave the parties to their own devices, that is the definition of violence.

On the issue of Hamas, I think it's a complicated picture. I think during the actual war there was -- Hamas experienced a spike in its popularity, probably more in the West Bank than in Gaza where obviously they were the most affected by the Israeli response. I think what we've seen is that that has leveled off now that Palestinians have expectations of "now what are you doing" either diplomatically to advance our aspirations or on the ground in terms of rebuilding Gaza and nothing has happened. And so I think people are growing. They are already disaffected with both Hamas and Fatah. Hamas got a slight boost. You know, Abu Mazen gets a boost when he goes to the U.N.; Hamas gets a boost through its resistance. But it's really not enough for either to overtake the other. It is, I think a virtual, at least politically, a stalemate. And neither group I think can claim more than a substantial plurality. No one group can command a majority. I think by and large most Palestinians, or at least that group in the middle, the largest group I think is that group in the middle that is sort of fed up with both Hamas and Fatah, but doesn't quite know what ought to take their place. And the alternatives don't yet exist in the Palestinian political arena.

MS. WITTES: Thank you.

Okay, let's take a couple in the middle, right here.

MR. WEINTRAUB: Thank you. I'm Leon Weintraub, University of Wisconsin.

I'd like to ask a question of Mr. Sachs. Understanding that we in this room, and probably the leaders on both sides understand that the political leaders have to speak a little bit on both sides of their mouth to satisfy their basic constituency. Netanyahu has to at least satisfy the Americas as well. Abbas has to satisfy the European Union as well. But you mentioned, I'd like you to explain what you meant when you said the Israelis misunderstood Abbas's remarks about defiling the Temple Mount. I

mean, that sounds fairly incendiary there. I wonder, how can you misunderstand such a remark?

MS. WITTES: Thank you. And just pass the mic to the gentleman next to you.

MR. ABABA: Thank you for this great conversation. My name is Alad Ababa and I'm a junior fellow at the Carnegie Endowment.

I want to ask about the international dimensions of the conflict. So I think yesterday there was a leaked memo by the E.U. to sanction Israeli, possibly sanction Israel in the future. Also, Sweden recognized Palestine and there might be more of that. So do you think there would actually be sanctions, more recognition of Palestine, and what would be the impact of that?

MS. WITTES: Thank you. Let's see where we are on time.

Why don't we go ahead with those two and then we can do one more round.

MR. SACHS: So first, I think what I said is they may have misunderstood. To my mind it's an absolutely obnoxious comment that it's horrific and counterproductive but also represents a warped world view. But I think if we try to give credit to Abbas and say it generally has not been characterized like that by his words, I think what he probably meant was extremists coming up to the temple, et cetera. But his words as they were terrible and I think I share your sentiment.

On the E.U. memo, the E.U. memo is a complicated one. To my understanding, it was a menu of things that member states might use in the case of especially settlement activity by Israel, and in particular, specific ones, ones that the E.U. sees as hindering the prospect of a two-state solution in the future. And as I said before, it's actually areas that sometimes are in the biggest consensus in Israel. So for example,

a neighborhood in Southern Jerusalem, Evata Matos, which is just across the green line and sort of completes a Jewish neighborhood circle that would separate the old city and (inaudible) Jerusalem from Bethlehem in the south, Area E1, which is between Jerusalem and Maledumin, which is actually the biggest settlement and topographically is sort of very important. It kind of stretches just before the dip towards the Dead Sea. And so this would be a menu of things for the E.U. to use against it.

I think it's very important to note a couple of things. First, these are not simple BDS style proclamations. Okay, so, for example, Sweden did not recognize Palestine on Palestine. They recognized Palestine alongside Israel. And that is from the Israeli perspective a saving grace. The same is true of some of these E.U. measures. As I said before, pressure on Israel can be counterproductive often, especially if it's misconstrued, in particular because for Israelis this is not perceived as pressure on occupation, pressure on settlements; it's perceived, as you put it, as pressure on Israel. And you can expect Israelis, if they think that the world and anti-Semitic Europe and the rhetoric now, quotation marks around that, is now going against Israel yet again, their response will be exactly counterproductive. The more the E.U. is capable, as it sometimes has of, for example, having some of these measures alongside actual investment in Israel, the last thing they did, the less that danger of it being misconstrued in Israel.

If I may jump in with one, I think we owe you some good news, too, and I feel like I didn't get it. It's very small good news.

I think there are some important changes, and they're important changes for the long term. So for example, I think the Gaza Strip really is something we have to keep an eye on, even while we're looking at Jerusalem and the title of our talk is about Jerusalem, the Gaza Strip could flare up again. A lot of the things that precipitated the

previous flare up are still there. In particular, the Egyptian (inaudible) of the Gaza Strip --

MS. WITTES: This is the good news?

MR. SACHS: It's coming.

MS. WITTES: Okay.

MR. SACHS: Before the conflict in the summer, the Israeli approach was a very clear one, which is the Gaza Strip had its opportunity, they didn't take it, and Hamas is Egypt's problem or someone else's problem, or its own problem; they're not our problem. I think there has been an understanding in Israel -- it's a quiet understanding. For example, sorry, for example, the Israelis responded very, very badly to the agreement between Abbas and Hamas to form a unity government or a bureaucratic government backed by a unity agreement.

Today you see a very subtle but it's a very important change of the Israeli policy, which is actually to allow much more connection between the Gaza Strip and the West Bank. For example, there has been a first export of goods from the Gaza Strip to the West Bank. There have been Gazans allowed to go and pray in (inaudible). Of course, (inaudible) today. I'm not sure that's still going to happen, but there have been already. And there's a general approach along with the U.N., the much maligned U.N., that actually gets serious agreements in place that will allow for reconstruction of Gaza.

Let me qualify the good news. This agreement is very cumbersome and I'm not sure how easy it will be to implement it particularly because Hamas doesn't necessarily have an interest to comply with it. This whole deal is an attempt to bring stability and some kind of normalcy to Gaza. That's not what Hamas enjoys most. But that is good news in an important sense and it's important not just because it might prevent another (inaudible) but because it addresses one of the important long-term problems that I mentioned, which is the ability of the Palestinians to speak in one voice,

something which to my mind is very much in the Israeli interest as opposed to some -- to part of the Israeli policy which has been to try to (inaudible).

MS. WITTES: Thank you.

Khaled?

MR. ELGINDY: On the Gaza point, because I agree completely, I may be less optimistic about Gaza and I hate to throw a wet blanket on it, but Gaza is one of the issues that gives me the most trouble actually and, you know, if I lose sleep it's because of Gaza. That, or my kids. But Gaza is an issue that really worries me, that has the potential to be a much bigger disaster than what we've already seen so far. And it sort of underscores this paradox or the kind of stalemate situation that we're in where everyone wants Palestinians to speak with one voice but the steps that are necessary to do that nobody wants to do. And there's no way that the PA can return to Gaza without Hamas's consent. That's just a basic given. And for Hamas to consent, they have to get something in return -- membership in the PLO, some form of normalization within Palestinian politics. Inside the Palestinian authority officially or within the PLO. Both of those will trigger automatic political and diplomatic sanctions from Washington, Israel, and others. So we want something but we don't want the things that it comes with necessarily. And so we're stuck. Mahmoud Abbas is stuck. It's one of the reasons why he's been unable to return to Gaza. He partly doesn't want to go to Gaza. Gaza is a liability politically, especially if you don't control the situation on the ground. And the longer this crisis goes on between Hamas and Fatah, this sort of sniping at each other literally and maybe even -- figuratively and maybe even literally -- the more problematic it will be because you can't start the hard work of rebuilding Gaza until you've got a government in place, until there is someone who can receive the goods, can open the gates on the other side, and we don't have that just yet. So that's something that I think

American policymakers need to think about.

On the issue of the E.U. sanctions, I think this is a natural response precisely to the situation that I outlined earlier about the absence of accountability and the absence of constraints on the parties. And in particular, on the most powerful party, which is Israel. And I happen to believe that pressuring is precisely what is needed. Israel is not in any hurry. No Israeli government -- left, right, or center -- wants to be the government that goes down in history, much less to face an election that divided Jerusalem, that gave up the biblical heartland, the settlements in Judea and Samaria, and that allowed for Palestinian sovereignty in this most sanctified and historically important part of Jewish history. They're not in a hurry to do that. They're not in a hurry to evacuate tens of thousands of Israeli settlers with all the financial and political costs that that entails. They will have to be pressured in order to do the things that they don't want to do. They don't want to leave the Jordan Valley. They must leave the Jordan Valley. They don't want to divide Jerusalem. There is no way to have a two-state solution without those things. So they have to be induced, possibly even negatively induced into doing those very difficult things.

The problem is that you have Netanyahu who still believes that you can have a Palestinian state without Jerusalem. In his two-state solution there is no Palestinian capital in Jerusalem. There is no Palestinian political presence of any kind in Jerusalem, and the two are not compatible. You cannot say I believe in a two-state solution but Jerusalem is the eternal undivided capital of Israel. Those are mutually exclusive.

MS. WITTES: Okay. I'm going to just have one lightning final question and lightning responses.

Gary Mitchell? Rise to the challenge, my friend.



MR. MITCHELL: Lightning.

Well, here's a question that occupies the space somewhere between thought experiment and hallucination. And that is --

MS. WITTES: It might be a good place to end up today.

MR. MITCHELL: And that is November 18, 2018. We're assembled because an agreement has been reached. The parties have come to an agreement. What would you say would have been the essential requirements to have allowed that to happen?

MS. WITTES: Okay. Well, first, let's say from your lips to God's ears, and then we'll look for answers.

Khaled?

MR. ELGINDY: What would it take to have an agreement? I mean, that's the million dollar question. I mean, so much has to change between now and then. I think we need to start seeing a process put in place, like the one we talked about. Some form of constraints, and that's, I think, ultimately what process means. The word "process" itself has become a dirty word, but process is about keeping the parties staked in not doing harm to each other and it's sort of most basic. Something like that needs to be put in place. You can't simply leave the parties to their own devices.

And, I think in addition to that, you know, we have to -- just to get to the zero point, just to get out of the red, we need to do all these things -- put a process in place, have some real meaningful process as part of that. That will lead to Gaza reconstruction and stabilization and ultimately the normalization of Gaza life and Gaza's borders. Just to get us to the zero mark. Those things I think would automatically strengthen the Palestinian leaders, and then you can have an environment in which you can talk about negotiations. You can't talk about negotiations when one party is strong

and triumphant and the other side is fragmented and weak and unable to deliver anything on the ground, so we have to, you know, create those -- change the realities on the ground. If we can get to in the plus section a place where we actually start de-occupation and de-colonization, well, then that's even better, but we are well beyond, I think, the fantasy realm in that case.

MS. WITTES: Natan?

MR. SACHS: I think it's unlikely but I think if it happened it would actually probably be organic. I think it would be some kind of back channel between the parties themselves and leadership taking very tough decisions. I disagree with Khaled that there aren't very central figures in the Israeli political scene that dream of signing a deal. With all the terrible pain that that would be for an Israeli and the cost that it would entail, it certain is extremely so, but there are very central parties in Israel; that's their main ticket.

And so with all the gloom and doom that we've been mentioning, I think there is still a fundamental understanding among very central elements on both sides of what is basically needed. Even the right-wing shift in Israel, it's a right wing shift much more on security than on ideology. That's part of why Jerusalem is so troubling because it starts to merge on ideology and religious aspects of these things, but most Israelis that have moved to the right have moved to the right not on whether -- I've said this before -- but not whether Bittle (phonetic), which is in the northern West Bank, is the site of Jacob speaking to the Divine; it's rather that Bittle sits on a very strategic point overlooking most of the Israeli population. That's what they care about. Of course, there are a lot of other issues as well.

All this to say, I think there still might be a deal to be had. I don't know that it's between these two leaders, but I think there still is a deal to be had. And if good news were to somehow break out, it would likely be a surprise like Oslo where we

learned that they actually decided to be very courageous leaders, speak to each other, maybe even surprise the Americans like they did in Oslo, and then have an invitation to the White House to put icing on it.

MS. WITTES: Let's all hope for that.

And so perhaps where we wind up today is thinking of Jerusalem as an encapsulation of the dilemmas, the challenges, but also the opportunities embedded in the inevitability of co-existence for Israelis and Palestinians. The question that the public has faced, that their leaders face, is the nature, the character of that coexistence. But the fact of it, certainly as Jerusalem reminds us today, is undeniable.

So thanks to all of you for coming. Thanks for your great questions.

Thanks to Natan and Khaled for a wonderful discussion, and we'll see you again soon.

(Applause)

\* \* \* \* \*

## CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

) Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2016