

"NEXT STEPS IN THE ISRAELI-PALESTINIAN PEACE PROCESS"

TESTIMONY BEFORE THE HOUSE COMMITTEE ON FOREIGN AFFAIRS
SUBCOMMITTEE ON THE MIDDLE EAST

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There is a strange disconnect between the new consensus that has developed in Washington about the need to engage in Middle East peacemaking and the reality on the ground that seems certain to render such efforts futile. But in the Middle East, things are never what they seem. Ground that looks on the surface to be arid may in fact contain the seeds of a new Israeli-Arab peace partnership. If properly nurtured by a newly engaged Secretary of State, backed by a supportive Congress they can yet yield the fruits of reconciliation. However, it will take lowered expectations, a tolerance for complexity, and, above all, sustained attention for this effort to produce results.

For six years, the Bush Administration has resisted the notion that peacemaking in the Middle East could advantage American interests there. Early on, President Bush reached the judgment that his predecessor's efforts were a waste of time. The words "Middle East peace process" were literally banned from the State Department's lexicon. Instead, transformation in the Middle East was to take place on the Bush Administration's watch not through peacemaking but through regime change and democratization. Six years later, the President's strategy is in deep trouble, and there is now a new receptivity in Washington to relaunching the Middle East peace process.

Joining the new consensus are those who have always argued that the failure to solve the Palestinian problem is the root cause of America's difficulties in the region. These voices from a bygone era were not able to get much traction even when their views were repackaged in the

recommendations of the Baker-Hamilton Iraq Study Group Report. However, they have now been joined by a more influential group of "neo-realists" whose passion for democratization has been replaced by concern for the emerging threat from Iran. In their view, Iran's rise in the region can only be countered by the development of a new coalition of regional moderates that includes the Sunni Arab states led by Saudi Arabia and Egypt, as well as Turkey and Israel. Since all these neighbors face a common threat from Iran, the assumption is that they have a common interest in working together. The "neo-realists" recognize that such a virtual alliance can only cohere with the glue of an Israeli-Palestinian peace process that would enable the Sunni Arabs to cohabit with Israel and would encourage Israel to strengthen the weakest links in this new chain - the Sunni leaders of Palestine and Lebanon.

Secretary of State Rice seems to be thinking along these lines when she speaks of "a new opportunity" for peacemaking that emerged from the war in Lebanon last summer when Israel and Saudi Arabia found themselves on the same side against Hezbollah and Iran.

Consequently, while the President has dispatched another carrier battle group to the Gulf and ordered American forces to take on Iranian trouble-makers in Iraq, Secretary of State Rice has committed to making Israeli-Palestinian reconciliation her first priority. In pursuit of that priority, she will host a trilateral meeting with Prime Minister Olmert and President Mahmoud Abbas on February 19 in Jerusalem, and has committed to monthly visits to the region until she has prepared the ground for a major peace

initiative. She deserves Congressional support for this effort.

Secretary Rice's admirable objective is to launch informal talks on the "political horizon" of a two-state solution that would give Israelis and Palestinians alike a better sense of what they can expect at the end of the peace process: what the proximate borders of the Palestinian state might look like; whether refugees would have a "right of return" to Israel; what would happen to the major settlement blocs; how could Jerusalem become the capital of two states. Ironically, this is what President Clinton attempted to do at the end of his administration when he proposed the "Clinton Parameters" for an Israeli-Palestinian final status agreement.

Defining the end game of peace negotiations with greater granularity has been sorely missing from the Bush Administration's approach. It is absent from the Quartet's Road Map which defines the phases through which the parties must pass but is silent on what awaits them on the other side - except the general proposition that there will be two states for two people. That has done little to assuage Israeli fears that the Palestinian state aborning will merely be a springboard for further efforts to destroy the Jewish state. And it has done little to persuade Palestinians that their state will be viable, contiguous and independent. Defining the "political horizon" can therefore boost confidence in the process and enable the Israeli and Palestinian leaderships to better justify the painful steps that will have to be taken along the way. It is not a substitute for the Road Map but rather a

complement to it, and a means of encouraging the long-delayed journey along it by both sides.

All of this should be welcome news for those who care about the future of Israel and understand that the resolution of the Israeli-Palestinian conflict would help stabilize a volatile region where American interests are heavily engaged. But it comes late in the game. Six years of purposeful disengagement from the Israeli-Palestinian peace process by the Bush Administration has left the ground seemingly unfertile for this new effort.

For instance, no meaningful process can be constructed without the active involvement of Israel. Yet its prime minister, Ehud Olmert, is engaged in his own personal struggle for political survival. His approval ratings are below 14 percent. He has an incompetent defense minister who cannot be fired because he heads up the Labor Party, Olmert's main coalition partner. The Prime Minister is anxiously awaiting the conclusions of the Winograd Commission of Inquiry into his conduct of the Lebanon War last summer. And now he faces a criminal investigation. Olmert's first priority, necessarily, is to stabilize his government. Without that he cannot pursue a peace process, which is inherently destabilizing because of the politically fraught issues involved (settlements, refugees, Jerusalem, etc.).

At a minimum, he will want to wait until the Labor Party leadership contest in May, which could produce a new candidate for Defense Minister in Ehud Barak (a former Chief of Staff and Israel's most decorated soldier) or Ami

Ayalon (former head of the Israel Navy and the Shin Bet internal security services). Both Barak and Ayalon are on record as supporting the end game that President Clinton outlined at the end of his administration.

On the other side, Olmert's putative partner, Palestinian president Mahmoud Abbas (aka Abu Mazen), is engaged in his own struggle for survival with Hamas an Islamist movement with a terrorist cadre that seeks to replace Israel not negotiate peace with it. To head off an incipient civil war in Gaza, Abu Mazen has now joined forces with Hamas in a National Unity Government. But even though Hamas may have conceded some important cabinet portfolios (the interior, finance and foreign ministers will be independents), it has not yielded at all on its fundamental principles - no recognition of Israel and no foreswearing of "resistance" (i.e. violence and terrorism).

Abu Mazen can still engage in talks with Olmert about the end game of a Palestinian state. That is because, from a legal standpoint, negotiations have always taken place between Israel and the Palestine Liberation Organization, rather than the Palestinian Authority that is now headed by a Hamas prime minister. Abu Mazen is Chairman of the PLO and is therefore fully empowered to negotiate with Israel. Therefore Rice, Olmert and Abbas can and probably will simply ignore the fact that Hamas is now in a cohabitation agreement with Fatah, the Palestinian President's political party, when they meet next weekend.

But Olmert's political rivals will not ignore the argument that any concession he makes to Abu Mazen will now be made

to his Hamas partner as well. And any understanding Abu Mazen might reach with Olmert and Rice that concedes anything to Israel is likely to be denounced by Hamas as a betrayal of Palestinian rights.

Beyond the political jeopardy involved in talking about the end game, lies the reality that Abu Mazen does not yet have the capability to deliver on any commitments he might make in the peace process. Hamas is systematically establishing its control on the ground in Gaza, turning it into a mini failed terror state. In the West Bank, Hamas has been seriously weakened by years of systematic destruction of its cadres and infrastructure by the Israel Defense Forces. However, Abu Mazen will need to restructure, train and equip the security forces loyal to the Presidency before he can assume responsibility there for any territory from which the IDF withdraws.

Moreover, because American influence in the Middle East has been so weakened by the debacle in Iraq, Secretary Rice is no longer able to wield it in a way that might compensate for the weakness of the local partners. Moreover, without presidential engagement, it's difficult to imagine that Rice could overcome the formidable obstacles to real progress in any negotiation. Yet, facing defeat in Iraq, a doubting public at home, and a Democrat-controlled Congress, there is a real question whether her president is willing to devote the waning years of his presidency to a peacemaking endeavor which he has never believed in.

Nevertheless, the situation is not as bleak as it appears. Iran's play for regional hegemony is helping to forge

unusual tacit alliances in response. The first is between Olmert and King Abdullah of Saudi Arabia. Abdullah cannot accept Persian, Shia Iran's attempt to be the arbiter of Arab interests in Iraq, Lebanon and Palestine. He knows that Iranian President Ahmadinejad and Hezbollah leader Hassan Nasrallah are popular in the Sunni Arab streets of Riyadh and Cairo. Their promise of dignity and justice through violence, terrorism and defiance of the international community is a potent and dangerous brew. Abdullah can only counter it by showing that his way of moderation and peacemaking can provide a better future for the Arab world.

For Olmert, Saudi involvement in peacemaking can help to compensate for the Israeli public's disillusionment with the Palestinians as partners. Abdullah's offer to Israel of real peace with the Arab world (contained in his peace plan that was endorsed by the Beirut Arab League summit in 2002), if lent credibility at the appropriate moment by direct Saudi involvement with Israel, could boost Olmert's ability to sell a West Bank withdrawal to Israelis who are keen to be rid of the burden of the West Bank but don't see a credible Arab partner to take responsibility for it.

The second unusual emerging partnership is between Olmert and Mahmoud Abbas. The Palestinian leader, like his Saudi counterpart, is threatened by Iranian backing for Hamas, Palestine Islamic Jihad, and even renegades in his own Fatah party. Iran is blocking an Egyptian-brokered prisoner swap, financing Hamas's takeover of Gaza and training its cadres. Olmert understands that it is in Israel's interests to strengthen Abbas in his struggle with

Iran and Hamas, which is why he has handed over \$100 million of Palestinian tax revenues, agreed to Egypt's transfer of weapons to Abbas' security forces, and is using the Israeli army systematically to destroy Hamas' infrastructure in the West Bank.

It is too early for these emerging partnerships to yield a viable peace negotiation. But it is not too early for a newly engaged Secretary of State to start to put the building blocks in place. Sustaining a conversation with Abbas and Olmert about the "political horizon" is just one of those blocks. The United States will have to make a serious effort to rebuild the capabilities of the Palestinian Presidency, particularly in the security realm where Congress needs to go ahead with the security package the Administration is seeking. And the Secretary of State will have to carefully orchestrate the nascent virtual alliance between moderate Sunni Arab leaders and Israel so that the Arab states are more visibly and actively involved in bolstering a process they claim to care so much about.

Who knows, from these modest beginnings, nurtured by a common Iranian threat and the hope for peace that still lies in many Israeli and Palestinian hearts, great things may eventually grow. But that will only happen if the Secretary of State sustains her involvement in the effort over the remaining years of this administration, if President Bush is willing seriously to invest and engage in the process, and if Congress is prepared to work with them.

