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ENDING GAZA'S PERPETUAL CRISIS

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Introduction:

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Panel 2: Discussion:

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P R O C E E D I N G S

MR. JONES: Good morning. Welcome to Brookings. My name is Bruce Jones. I'm the vice president and the director of Foreign Policy here at Brookings, and it's a pleasure to welcome you all here today.

Before I do anything else, I want to welcome and thank my friend and colleague, Toria Nuland, our partner at the Center for New American Security. It was a great pleasure to work with her and her team on this important topic.

For the last 10 months, Brookings and CNAS have convened leading experts in a taskforce on U.S.-Gaza policy. The work feeds off and advances robust work on Palestinian affairs at both centers. On the Brookings side we have a project on imaging Israel's future, which fed into this supported by the Morningstar Foundation, for which we're grateful for their support, as well as ongoing work on Palestinian issues and the regional questions.

I want to thank Ilan Goldenberg, who was instrumental to pulling this together and Natan Sachs, Hady Amr, and Kevin Huggard, who coauthored the report, along with other centers and the Center for Middle East Policy and other members of the taskforce, some of whom are here today.

This is an issue to which I have a deep attachment. In the early 2000s, I served as special assistant to the U.N. special coordinator for the Middle East peace process and lived for part of that time in Gaza and witnessed firsthand the difficult realities of the situation there, and things have only gotten worse for the residents of Gaza since. Nearly two million residents live in a situation that is a humanitarian crisis, a governance crisis, and a source of ongoing security tensions. Already, we have seen three major wars between Hamas and Israel.

Despite that, U.S. policy towards Gaza has been largely frozen since 2007 when Hamas took over the Gaza strip. In the decade since, the United States has focused intermittently, but has focused on trying to make peace between Palestinians in

the West Bank and with Israel while downplaying the Gaza problem, and this needs to be seriously rethought.

The timing is important. Just weeks ago, Israel and Hamas were at the brink of another war. Fortunately, both sides stepped back from that now. But the situation requires deep rethinking and a new approach. These are tough problems, but that's exactly the kind of work we try to do at Brookings and at CNAS to apply serious thinking to tough problems and map a realistic pathway forward.

The report that you have in front of you tries to accomplish that, and to say more about what we're trying to accomplish I'll turn the floor over to Toria. Thank you for joining us.

MS. NULAND: Good morning, everybody, and thank you very much to my friend and colleague, Bruce Jones.

When I left Brookings after about 10 minutes and went over to CNAS, he and I promised each other that we would work together, and I'm so delighted that our teams have been doing that. We are very grateful to all of our colleagues here at Brookings.

This is a truly excellent example of how two think tanks can work together on a really tough problem, and we are enormously proud of the work that our teams have done together.

At the Center for New American Security, we like to say that we go to the pain, and what could be more painful than the situation that we've seen in Gaza over nearly a decade. When you start talking to folks about the necessity of ending a long cycle of crisis, often people look at you like you're a Martian or they throw up their hands or they say it can't be done, it's just too hard. Which is exactly why Brookings and CNAS set out to explore this challenge.

So over the past year, as Bruce said, CNAS and Brookings have worked together on this joint project to look at this challenge in a comprehensive way and to reexamine U.S. policy in a manner that no other American group has done since Hamas

took over in Gaza in 2007.

The CNAS and Brookings team convened a high-level, bipartisan taskforce on the future of U.S. foreign policy towards Gaza. The taskforce included three former U.S. ambassadors to Israel, two former special envoys, a number of foreign ambassadors who have served elsewhere in the Middle East, and many others who have worked on these negotiations in the past. We are enormously grateful to all those who participated and some of them are in the room this morning. We thank you for joining us.

In the course of their research, the team also spoke with many distinguished individuals from Gaza, from Israel, and the West Bank and elsewhere. The team's extensive interviews, research travel, and the taskforce's deliberations have all informed the report that we are releasing here today. This report, "Ending Gaza's perpetual crisis: A new U.S. approach" details the situation Gaza and provides a roadmap for alleviating the suffering Gazans face today and coming to a sustainable, political arrangement that ends the cycle of conflict of the past 10 years.

You also have not only the long report but a very beautiful and useful infographic with lots of the data and findings in an easily digestible manner.

I want to thank all who participated in the taskforce, and I want to thank our teams. And at this point let me now turn the proceedings over to my dear friend, Indira Lakshmanan, for the next part of the program.

MS. LAKSHMANAN: Good morning, everyone. It is my great honor to be asked to moderate this incredibly important conversation, and I want to invite up onto the stage the first panel and assure you all that we will all have time to ask questions.

On the first panel we have Hady Amr -- Hady, I'll put you in that seat there -- who spent many years in government. If you -- sit right there next to me. Most recently, as the deputy special envoy for Israeli-Palestinian negotiations, and prior to that he was the deputy assistant administrator for the Middle East at USAID helping manage \$1.6 billion annually in international assistance to the Middle East.

Ilan Goldenberg -- Ilan, could you come on up? -- is a senior fellow and

director of the Mid-East Security program at Center for New American Security, and he's a foreign policy and defense expert who also worked in government, both in -- both for Chairman Kerry at the Senate Foreign Relations Committee and also at the Office of the Secretary of Defense.

Natan Sachs -- Natan, come on up -- is fellow and director at the Center for Middle East Policy here at Brookings. He works and focuses on Israeli foreign policy. And we're just going to get our conversation started now as soon as I get mic'd up myself.

All right. Hady, I want to start with you by asking, you spent years as the top State Department person working on Gaza and you're very familiar with the situation on the ground. So give us the overall humanitarian picture of really what are the terrible facts on the ground now.

MR. AMR: Thank you.

Can you hear okay?

First, one word on Israel and then I'll turn to Gaza. So in a sense, Israel has succeeded beyond the wildest dreams of its founders. Its per capital GDP is \$40,000 a year, higher than even the United Kingdom. Its military is unmatched. It is recognized by the vast majority of countries around the world, certainly more than the state of Palestine, so it should be basking in tremendous comfort about its present and its future. But it isn't. It isn't because its future is inextricably tied to the Palestinian quest for freedom and dignity, and that's where I want to turn to and talk about Gaza for just a minute or two before we get into our recommendations.

So we're sitting here in Washington, D.C. Gaza Strip is about twice the size of Washington, D.C., about two million people are currently, effectively penned in there where only a few hundred of those people can exit or enter on any given day. Imagine living in D.C. where only a few hundred people from D.C. could enter or exit on any given day.

Unemployment as a result is higher than any country in the world at over

53 percent. Ninety-seven percent of the water is unfit for human consumption. Just think about that. And electricity until very recently was only available for four hours per day because people couldn't afford to pay for it.

And so that is the sort of overall context. And in addition to that, over the last five years, conflicts between Israel and Hamas have killed over 2,000 Palestinians and between 50 and 100 Israelis. So from a humanitarian perspective and a security perspective it is just a deeply troubling and insecure situation.

MS. LAKSHMANAN: Natan, I want to ask you, tell us a little bit about how we got into this cycle of violence in the first place, why are we stuck here, and maybe give us a little bit of view of how we get out of it.

MR. SACHS: Thank you. Thank you all, and thank you to Ilan and our friends at CNAS.

We have a situation that is enormously stuck. The main thing you hear from everyone is there is nothing to do and we can't move. And indeed, when you talk to many of the actors they're in an equilibrium where they would prefer some other reality but they are not willing to incur the costs that it would take to move slightly out of where they are today.

For any one of them the status quo is better than some small situation given what the others are doing. And the result is that we have not only the horrendous economy situation that we saw but also security situation that was terrible. At least three times if you could rather conservative, three major rounds between Israel and Hamas, and each one of them creates the same kind of cycle that you can see in the material before you. Israel and others, Egypt and others, tried to squeeze Hamas, tried to get Hamas to relent from its ways. Hamas tries to resist this pressure. Pressure grows in the Gaza Strip. The economic situation gets worse. And eventually, Hamas or others fire at Israel, fire rockets, use other kind of attacks at Israel, and violence ensues. It's already happened at least three times in major ways but often even recently in some other ways.

And when that happens, everyone, including the United States, jumps into action, especially with the Egyptians, with the U.N., try to get quiet for quiet. Immediately just to stop the firing, and that's obvious. That's the natural thing to do. The quiet for quiet comes and everyone says the day after we will address also the economic issues that Hady mentioned. But once the quiet emerges, once the pressure subsides, you don't actually see much movement on the other issues, and we go back basically to the status quo.

So why is this situation? In our assessment there are at least two major analytical problems here that are causing this to be enormously stuck. First is the wide number, very large number of actors involved either directly or indirectly. First, the conflict itself is not an Israel-Hamas conflict. At least we have Israel, Hamas, the PA, and Ramallah, and Egypt to a lesser degree which borders the Gaza Strip. These are direct actors. Just between Israel, Hamas, and the Palestinian Authority led by Fatah, a big rival of Hamas, we have widely divergent objectives, widely divergent understandings of reality today. And the result is that you have three parties to a conflict going in very different directions. Around them you have an international system that has, again, a very wide large number of countries with slightly different ideas of where things should go. Besides the U.S., obviously, which we are addressing in this report, Egypt, of course, is involved either the major party or a secondary one, but around them Jordan, the Gulf States, which are themselves, of course, a divergent with Qatar much closer to Hamas, the others much closer to Palestinian Authority or to Egypt with Turkey again close to Hamas. With Iran playing spoiler, and there's a lot of influence over one small faction in the Gaza Strip, the Palestinian Islamic Jihad, which is also involved in rocket fire. We have all these different actors pulling in different directions.

First, this means a problem of collective action, a problem of coordination among these groups, and secondly, once crisis emerges, every one of these parties puts together a different proposal and each one of the inside parties latches onto a different one. Hamas sees what the Qataris and the Turks say, they like that. The PA likes

something that the Emirates or someone else would say or the Egyptians, et cetera, et cetera.

To address that, we think the U.S. -- let me actually say one last thing. Where has the U.S. been? The U.S. so far has usually been in the mode where it thinks of this whole problem as completely secondary to the larger Israeli-Palestinian conflict. First solve the West Bank, reach a deal between the PLO and Israel and the Gaza Strip will somehow solve itself. And this has been going on for over a decade.

First, we don't think a peace deal is about to happen, but even if it did, the Gaza problem is not simply going away. It has to be addressed.

I will make clear, we do not advocate a three-state solution or separating Gaza or treating it separately from the West Bank, not at all. In fact, that's completely anathema to what we are recommending. But we do think it has to be raised to a major issue that has to be dealt with together with the West Bank.

So what can the U.S. do fundamentally differently? First, prioritize differently its involvement. And secondly, play a much more robust role. Not as the lone quarterback, but together, especially with Egypt and the United Nations, UNSCO in particular led today by Nickolay Mladenov, play a role of coordinating the different actors. The Egyptians have relations with Hamas, the U.S. does not, and we do not advocate that it should have it, but the U.S. has relations with others that the Egyptians have a harder time with, including the Qataris. Of course, a lot of influence with the Israelis, et cetera, et cetera. So these three actors together can break some of this problem of having a large number of parties.

But secondly, even if we look at just what our objectives have been, they've been two very different objectives that are in conflict with one another. First, trying to alleviate the terrible situation that Hady described inside the Gaza Strip and reach a ceasefire that would stop these attacks. Usually, an Israel-Hamas ceasefire.

Secondly, there have been attempts to go after reintegration or reconciliation between the West Bank and the Gaza Strip, between Fatah and Hamas,

both very difficult things to do. We think that doing them separately is mission impossible. You can get a short-term ceasefire but you're not going to get a long-term one because the incentive there for Hamas to remain in the ceasefire. The incentive to the PA to play a productive role doesn't exist.

If you try to have reintegration without a ceasefire it is easily broken by Hamas and other spoilers. We think that only together, only trying to pursue both a ceasefire and reintegration in the Gaza Strip on the West Bank can you actually achieve major progress.

And so to some, the U.S. needs to be much more engaged. It needs to leave beside the idea of West Bank first and engage both reconciliation and a ceasefire between Israel and Hamas all in one package, and it needs to do so in coordination in particular with the U.N. and the Egyptians to lay the groundwork for this kind of solution, whether it's possible today, and we are as skeptical as most people are, or whether it's possible in the future.

MS. LAKSHMANAN: All right. Well, Natan, you've just given us an enormous to-do list, so I want to sort of -- before we get there I want to sort of break it down into parts. So, you know, that's a big topline, the 30,000-foot view.

Hady, I want to come back to you first because you said some really alarming things -- 97 percent water is undrinkable, people only have electricity a few hours a day. So let's first start with the humanitarian piece. What are the actual constructive, real-time now things we can do to try to alleviate the humanitarian crisis before we even get to the political, the military, and everything else? Let's start with that, and if you have any slides you want to show us --

MR. AMR: I think the clicker might be there.

MS. LAKSHMANAN: -- feel free to share any slides with us.

MR. AMR: Wonderful. So this is some of the data I talked about earlier.

And I should also say that the humanitarian and economic situation in Gaza is inextricably linked to the security and political situation.

And I just want to throw out one more data point which should be out there which is here, per capita GDP. As you can see, the per capita GDP in Israel is 20 times higher than it is in the Gaza Strip. That is absolutely stunning. And as we sit here in Washington, D.C., where we are always concerned about racial or geographic disparities, you know, when we talk about racial disparities, in the U.S. per capita GDP among different races in the U.S. is maybe 1.5 percent higher. This is 20 times higher. So imagine essentially one home, one place where you have GDP, you know, household income disparities that high.

Let me get to now some of the specifics, and these are outlined in great detail in the report, I think, including on page four or five is an overview of the table.

So first of all, on freedom of movement. And I don't know, do we have that one?

MR. GOLDENBERG: Right there.

MR. AMR: Thank you, Ilan. I guess I owe you one.

On freedom -- oh, yeah, look, we have it all up there. Great.

On freedom of movement, again, once upon a time, 20,000 Gazans would travel into Israel to work every day. Now it's just a few hundred. Again, a 98 percent drop. Each of those workers would have provided household income for seven people. It's not unthinkable to return Gazans to work in Israel again. There are currently 75,000 West Bankers that work in Israel every day legally. Many tens of thousands more probably jump the fence. And so we can certainly return to a situation where Gazans are working in Israel again. That's in the freedom of movement domain.

Additionally, in freed of movement we see over the years that exports from Gaza have fallen by 80 percent. The export and import restrictions can be lifted. Industrial zones can be developed on the Gaza border as well. So that's in the freedom of movement category. And I'll go through a few more of the other categories as well.

MS. LAKSHMANAN: But you're not emphasizing the zones, the special zones over the return to Israel?

MR. AMR: I personally believe -- I think they're all important. We shouldn't forgo any of those steps. Any of those steps that can be taken can and should be taken but it's just there's a basic concept, right, that economies that are -- small geographic economies that are open to the world flourish. Think Singapore; right? Singapore is a tiny place, densely populated, that is flourishing. Small economies that are closed to the world, think North Korea, fail. And so I just believe that freedom of movement is essential.

But those economic zones, the import and export restrictions are also part and parcel of the freedom of movement of goods and people. And so we can get more into that in question and answer if you like, and we do in great detail in the report.

On electricity, Gaza needs 500 megawatts of electricity every day, nearly 500 megawatts. Until very recently it's only been getting a third of that. Again, it's one thing for a rural area in the world to not have a lot of electricity. For a crowded urban area, think of everything that we do that depends on electricity -- transportation, sanitation. If we can't get Gazans' electricity working again, and we have temporarily done so for a bit, we just can't get that economy flourishing.

And then let me turn to water. Again, it's astounding. Imagine if 97 percent of the water that came out of your tap was unfit for human consumption. We have a health and sanitation crisis in Gaza that can and should be addressed.

And finally, social services. Education, healthcare services are essential. We've seen massive cuts by this administration in providing those services both to the Palestinians directly and to U.N. agencies. We believe those can and should be restored. And I think we also believe, and we've heard it from Israelis and Palestinians that it is not -- although it's first and foremost in Palestinian interests to get these services restored, it's also in Israel's interest to mitigate the humanitarian crisis, to mitigate the suffering. They see, and we've heard this from so many Israelis, that the income gap, the standard of living gap between Israelis and Palestinians is a national security challenge for Israel. And I think that's where it shifts over into what Ilan is going to talk about.

MS. LAKSHMANAN: Yeah, Ilan, I want to ask you about the national security threat. And often when we speak, at least in Washington when we speak about Israel and Gaza, we always put the security first. And that's why I think we wanted to talk about the humanitarian aspect first because they are intertwined and much more so perhaps than is being acknowledged by this administration at the moment. So take us to that national security part, but I want you to take us in the door through politics. So, you know, explain to us how the political challenges that exist right now, how are those affecting our inability at the moment to solve the Gaza crisis and how do they affect the national security for Israel and the Palestinians.

MR. GOLDENBERG: So look, I think what Hady talked about and the economic challenges are things that we've spent a fair dose of time thinking about inside previous American administrations over the last few years, at least in the Obama administration Hady spent a lot of time thinking about it and then driving a process around it.

On the political, and what does a long-term political arrangement that actually solves the problem in Gaza, this has been something that we've spent almost no time on at all really thinking through as Americans. Egyptians have done a lot of work. The U.N. has done a lot of work, but we haven't.

I should say a couple of things: One, the political solution, I don't think a political solution is possible today. I just don't. You know, it's not possible with the current Israeli leadership, with the current Palestinian leadership. Maybe, quite frankly, with where this American administration is. I'm not sure it's possible, but you still need to have some sense of what a long-term framework actually looks like and that hasn't existed for the last 10 years in Gaza. And so like this is an opportunity to put that on the table.

The other thing I'll say is if the U.S. wants to play a central role in this, and I do think the U.S. has a central role in this to play, a role very similar to what Natan described, us working together with Egypt, with the U.N., and bringing everybody else in,

if we want to play that role we do have to find a way back to the Palestinians, some kind of a discussion, which means walking away from some of the decisions of the past year or thinking about other ways to ensure the Palestinians come back and talk to us again. And so that might not be possible with the current administration, or they might go in this direction, but it is a precursor to any of this working, or at least the Americans having a significant role in making that work.

So with those preambles, here's what a political arrangement actually looks like. Here's what we've been trying to do for 10 years. There have been two types of political tracks. One is we're going to do Fatah-Hamas reconciliation negotiations. But that won't work because any political deal between Fatah and Hamas needs to include major economic benefits for Hamas in relaxing the blockade. Who controls that? Israel, mostly, with Egypt, too. The other track that we've tried is a long-term Hamas-Israel ceasefire. Why doesn't that work? Because Israel will never legitimize Hamas by actually coming to some kind of a long-term public arrangement with them. But, Israel would be much more open to an arrangement with a group of Palestinian factions led by the Palestinian Authority or Fatah that included Hamas.

What does all this tell you? You need a three-way deal. You need a triangle. This isn't two separated negotiated pieces. It's one three-way deal amongst the key parties with everybody else from the outside in -- Egypt, the U.N., U.S., Qatar, Europe, all pushing for this three-way deal.

And so what does the deal actually look like? First for Hamas, and this is what you see on stage here behind us and also in the report, the big elements for Hamas, Hamas has to first agree to a long-term ceasefire and cessation of violence. It also needs to agree to I think what we would call significant demilitarization, which means it destroys all of its tunnels. It agrees to not continue to build up its military capabilities, and over time, the last step I think would be starting to actually destroy rockets, but at least it agrees to not launch rockets.

In exchange for that it gets significant economic relaxation of the

blockade from Israel. Hamas also agrees to recognize that the PLO, the Palestine Liberation Organization is going to be the representative of the Palestinian people and is going to be the one running the political show. And in exchange, Hamas gets some kind of a role in political decision-making inside the PLO. There's been a number of different proposals out there for how to do this over the years. Different committees where Hamas plays a role. It matters less which detailed proposal you go to but the bottom line is they have to have a political say.

Israel in this deal gets a long-term ceasefire in exchange for relaxing the blockade.

The Palestinian Authority -- now, this is the hardest part because this is actually not a bad deal I think for Israel and it's not a bad deal for Hamas. What does the Palestinian Authority get? The Palestinian Authority thus far has not wanted to take responsibility for Gaza which it's going to have to do in this deal, and start to slowly take over governance functions and security functions. It doesn't want that as long as Hamas continues to control the security situation.

So the PA gets a few things. One, it does get I think the political credit for reconciliation, and we need to put that out there out front and all the parties need to emphasize that, which is a big deal for them because reconciliation is deeply popular with the Palestinian public.

The other thing the PA is going to need is something to make it whole. And this, I think, comes back to the two state solution. And something significant, some significant step either from Israel or the international community towards a two state solution that gives the PA some political benefits for this and it involves them having sort of more incentives to go in. The recommendation that we put out on the table is taking a piece of Area C, the territory controlled by the IDF in the West Bank and turning it into Area B, which would give the Palestinian Authority a lot more capacity to do things there. It could be dramatically very economically beneficial. It could potentially take 200,000 people off of home demolition threats.

That's, I think, the most viable option, but there are other options out there. You know, certain countries recognizing a Palestinian state, settlement freeze. There's a long list of things that have been mentioned over the years. The PA is going to need something in this deal to make it whole or it doesn't work.

So this is what we propose as the overall framework. We don't believe it's possible today. But you can start taking steps today to get there.

The first thing you need to do is actually get that international coalition behind it. So get the U.S., get the U.N., and even if it's not the U.S., you can at least play that role for a while. Get Egypt together to start coming around this consensus, and then get all the external actors to start coming around this consensus, and socialize it with the Israelis, Hamas, and the PLO or Fatah, so that when a moment comes and there is an opportunity, you're not starting from scratch. Because that moment sadly might be a major conflict. And if you're in the middle of a conflict and at that point you're like, hey, I have a new idea. Let's start this really complicated political deal, people aren't going to want to do that. They're just going to want to go back to what they've been doing, quiet for quiet, because we want to just stop the killing and stop the fighting right away. But if you actually have a proposal on the table that everybody already understands, maybe you can use that moment.

And one last thing I'll say about this, we think this whole political track can happen in addition to and parallel to before or after the track on a two state solution between Israelis and Palestinians. You know, it doesn't -- they are too intertwined. One can happen without the other and the U.S. should push on whichever one it has the greatest opportunity to pursue. So these two things are both related but the sequencing doesn't matter as much in my mind as it matters to just push when you have an opportunity on both because they are both such difficult problems that honestly, like you don't need to add a complication by saying we can only do one before the other. If you can solve either of them or make major progress on either of them, like do it.

MS. LAKSHMANAN: Of course, Ilan, what you're asking us to do or

you're asking the administration and the world to do is multitask. And it's hard, you know. And every secretary of state ever has talked about the basket that is urgent but not so important and urgent and important and, you know, this is something that Toria Nuland used to talk to us, the press, about all the time. And this is a thing where, as you say, once it gets into the quiet for quiet, it becomes important but not so urgent.

So how do you -- I want to ask you, Natan, the three of you here as authors of this report, how do you light a fire, not only under the current U.S. administration, but under all the other actors in the region who need to be part of this, not to mention the EU, not to mention the U.N. I mean, you presented us something which is, you know, yes, it's a great roadmap that you're giving us, really detailed. At the same time I would argue there are almost too many actors and there's almost too much of a collective action problem. So realistically, okay, it sounds nice, but how do you really make this happen, Natan?

MR. SACHS: It's an excellent question. I should say the three of us and our fourth coauthor, Kevin Huggard, we think that the fire exactly exists in the wrong time. It's undescribed. It starts, you have a conflict, and then everyone jumps into action and then nothing happens afterwards because the quiet has gone away. And we've seen this time and again. We've seen this even in simulations that the U.S. Institute of Peace has run recently. Wherever there is a crisis you can get things to be done.

At the same time, what we've discovered, and this surprised me, throughout the 10 months we were working on this, both here in Washington, but also in the region, there was a great deal of thirst for something that might be viable to be done because even all the cynicism, and we are just as cynical as everyone else about the chances of solving this tomorrow. Trust me, we come with no naiveté. But if you hear even the Israelis, a great deal of desire to get something that looks different with the Gaza Strip. Certainly, that's true among Gazans. That goes without saying. Even among Hamas, which has usually been the hardest actor of all, we've seen dramatic changes of the current leadership. Again, I have no illusions and I bear exactly zero

affinity towards Hamas, much less than that, but there is difference on the tactical level with this kind of leadership of Hamas which offers some opportunities. Not huge ones, they're not going to become peaceful, not going to become nice, but it means there is some leverage for policy change.

Where do we have still things that are very, very stuck? One, with the Palestinian Authority, which has become actually more hawkish with Hamas. And secondly, with this current administration which has been mixed. On the one hand we hear a lot of desire, genuine desire I think, from this administration to do something certainly on Gaza. On the other hand, we see what Ilan described as this policy that has divorced the United States and the Palestinians from the ability to deal even with the PA seriously.

So where we can come in is (a) speaking to everyone we can, and we're doing that very actively. But secondly, point out to many of these different actors who are actually looking for something to do, including the U.S., where things can go in the future. This is a long-term process. As Ilan said, it's not happening tomorrow. We have no illusions. But many of the different actors are actually interested in exactly these two kind of objectives. And if we lay out a plan today when the mode of opportunity comes, a change in leadership, God forbid another crisis or something like that, there might be an opportunity to pursue some of this more forcefully.

MR. GOLDENBERG: And a lot of this consensus building can be done now. It doesn't require secretaries of state and presidents and leaders of these countries. It requires work that can be done like layers below that to build consensus for this. I mean, I always think of it is the economic things, I think there's a number of things -- and Hady's -- the previous slide, you could just grab and do right now and I think you'd have parties interested in doing it. But this work --

MS. LAKSHMANAN: Except not if you're cutting off aid.

MR. GOLDENBERG: Right. Not if you're cutting off aid. But even this administration has argued, you know, there is supposedly a peace plan that might be

coming out at some point. We've all been waiting for it. Or some of us waiting more eagerly than others. But you know, it's supposed to have reportedly a heavy emphasis on economic questions. I mean, and we've met and talked to -- I mean, the administration tweeted about meeting with us so I can say it here publicly -- talked to them about some of these ideas. So I think that there is some space on the economic.

And then on the political, it's the quiet support. It's the building of the recognition first of all. I mean, I will tell you, even for me this was very educational. As somebody who has spent years working the Israeli-Palestinian conflict, and I think it was for some of our colleagues on the taskforce who have spent years working the Israeli-Palestinian conflict because as Americans, when we first started this the response I got was what do Americans know anything about Gaza? Because we don't. Because we haven't thought about it for so long. We haven't even been operating in that space. So just doing that and just doing the group of people we got together and thinking and talking seriously about it, like it's part of that process of building that consensus for an alternative.

MR. SACHS: And we hope the audience today would join us in trying to pressure this. I mean, this is part of what we're trying to do.

MS. LAKSHMANAN: Well, we want to open it up to the audience. I want to ask, are there any more slides you'd like to show us before we open it up?

MR. AMR: I think we're done. We're going to close on this.

MS. LAKSHMANAN: Okay, all right. Great.

So I'm going to open it up to questions. You have a really rare opportunity to talk to three of the four study authors. So if you would raise your hands, make yourselves known. Someone from Brookings will come around with a microphone. And please identify yourself and tell us what your question is.

The first hand I saw was in the back row there, the gentleman there.

MR. FRIEDMAN: Thank you. My name is Ami Friedman. I'm a nonnuclear weapons expert.

It seems to me that your study may contain several fundamental flaws and possibly is misleading. First of all, about the crisis in Gaza. If you go to Tijuana and Juarez and then cross the border into Mexico you can see the same disparity that you just described between Israel and Gaza, and that certainly does not give the Mexicans a right to launch rockets or to rationalize any hostile action against the United States just because they're so down and under.

Second of all, there have been many American proposals that have gone awry because the authors did not quite understand the mentality and the tactics of the Arabs in the Middle East. We have a bunch of highly qualified armchair strategists who do not necessarily understand the mentality of the Middle East. The fact remains that when Egypt and Jordan wanted to make peace with Israel, they found a way to do it. And given that there is no desire on either part of the parties to come to an agreement, why do you think that any solution by a bunch of highly qualified individuals will make a difference?

MS. LAKSHMANAN: Thank you.

MR. FRIEDMAN: Which it hasn't so far.

MR. AMR: I grew up in the Middle East. And first, we say exactly --

MS. LAKSHMANAN: All three of you were born in the Middle East?

MR. AMR: All three of us were born in the Middle East, actually, so I think we have an idea of the Middle East mentality. Exactly nothing in this report, not one word, and there are a lot of words, talks about the right to fire any rockets of any kind.

I think my hatred for Hamas rivals yours, sir, and probably surpasses it. And it has absolutely nothing to do with the fact that they are there and that the Palestinians who support them are there. They are not disappearing. Nor are the Israelis disappearing. For Palestinians who have Israel and see the Air Force attacking them, they could wish Israel away and hope that it evaporates, but it's not. And that means that someone has to deal with this.

So yes, I don't think there's a right to fire rockets because of economic

conditions. Certainly not rockets on civilians. It doesn't change the fact that we're dealing with Hamas as it is, not as Hamas as you or I would hope for. That's one.

Secondly, we don't think we've solved peace and this solution, you know, this will bring peace on earth, et cetera. We simply think that this can make -- this can help perhaps make things considerably better with the situation right now in the Gaza Strip. And given how bad things are, and they are far worse than the disparity between Tijuana and San Diego, given how bad things are -- by the way, not just for Gaza but also for my friends and family elsewhere -- this needs to change. It doesn't mean it will be great the day after. In fact, if we implement all this, I think the chance that there are still some rockets absolutely exists. PIJ and other factions will still do many things. We think we need to look at reality very, very honestly. This is not going to solve everything.

But this excuse of Hamas is worse than anyone, they have no right to do any of this, nothing can work is why we're here a decade later still in the same situation. And I'm sorry to say, if I told you that a decade from now we'll be in a rather similar situation, would anyone here be shocked? No one. We could easily be in a very similar situation a decade from now. And long term what that means for the Gazans, what it means for Israelis, imagine how many kids are now going to grow up under Hamas in the Gaza Strip. How many kids in southern Israel are going to grow up knowing how far their shelter is by heart? That is not a decade we want to see and we think that something needs to be changed even if it's very, very far from perfect.

MS. LAKSHMANAN: All right. Garrett Mitchell?

MR. MITCHELL: Thanks very much. I'm Garrett Mitchell. I write the Mitchell Report. Within this room I need to say not that Mitchell Report.

I was listening to the question that Indira asked about multitasking that led me to think of a different perspective on this one, too, which is I looked at the lineup of people. It's in the best sense the usual suspects, people who know the issues and know the region, et cetera, et cetera, and just a cursory look at what you produced, I have to say it's remarkably impressive.

My question is whether at any point in this process and as you move forward, you have thoughts about putting this in front of people who do this kind of thing for a living. And I'm not talking about the Middle East. I'm talking about negotiation. I'm talking about things like the Harvard Negotiation Project. People, you know, the question it seems to me is where have we done this before anywhere? Where is a problem with this many tentacles and this many moving parts been addressed successfully and what did we learn from that?

So the question is whether at this point you've brought in a group of people to think about it that way whose expertise is not the Middle East, and whether that might be a step moving forward?

MR. GOLDENBERG: I'm happy to take that.

So we haven't thus far, we do have a whole number of folks on the taskforce, obviously, who have been in a lot of these previous negotiations, but I actually think it's an interesting idea and one worth pursuing because this is -- I think what we're trying to do with the report is precisely to say, you know, everybody says about the Israeli-Palestinian conflict and the two state solution, you know, the solution is largely known, although I would argue with that that it's all the devil's in the details and none of those have been worked out yet and that's the biggest challenge. But yeah, this is a new structure that we're in some ways recommending with a lot of old ideas that aren't new. I mean, the biggest insight in some ways is just do everything all at once as opposed to keeping these as two separate tracks. But I think it's definitely, you know, I think it's a worthwhile proposal to throw it out at this stage and to start socializing. We've done a lot of socializing with the parties and a lot of socializing with different external actors, but you know, the good news, it made it interesting to tackle the Gaza problem and maybe one of the good news elements is so much in this conflict has already been hashed over a million times and people have been through it so many different times. I look around at some of the people in this room who have been through it so many different times, that this question, this what's a long-term political arrangement involving Gaza, there is more

new and there is more flexibility there so I think it's worth -- it's actually an interesting idea worth doing. Thanks for the proposal.

MS. LAKSHMANAN: Are there no women who have questions in the audience? Okay. I saw one right there. Yes?

MS. SHAW-CLARK: I'm Diana Shaw-Clark. I'm on the board of J Street. I'm wondering what you think is the largest strategic reason for the administration withdrawing the UNRA funding and what might persuade them to restore it?

MS. LAKSHMANAN: Hady, would you like to take that? What would be the largest strategic reason for the Trump administration withdrawing UNRA funding?

MR. AMR: Yeah. Thank you for that question.

Look, I think, honestly, and these are not articulating things that I support, right, but I think the administration is just trying to pressure the Palestinian leadership to make concessions. So there's two reasons, actually. Number one is they're trying to pressure the Palestinian leadership to make concessions and return to negotiations. And second, I believe there are some folks in the administration that want to particularly pressure the Palestinians on the issue of refugees, which is one of the final status issues. And so I think they're trying to put pressure on both of those fronts.

I would argue that that's a complete failure on both accounts because number one, if they're trying to pressure the PLO on refugees, well, only a small percentage of the refugees are in the West Bank where the Palestinian Authority is running the show. Most of them are in Gaza or in Jordan or in Lebanon. So in a sense, you know, maybe they're harming Hamas but they're also harming our allies in Jordan and Lebanon. So that's on the one front.

And secondly, on refugees, UNRA does not convey refugee status to Palestinians. International law conveys refugee status to Palestinians. And so it's kind of a misfire on both fronts.

MS. LAKSHMANAN: All right.

This gentleman and this lady, maybe you could each give a question and we'll answer them quickly.

MR. DALOVAN: All right, excuse me, Karl Golovin. Sorry, I have a bit of a cold. Domain reference, anidealiveson.net.

I recently discovered a somewhat suppressed book by a journalist in the 1930s and '40s named Douglas Reed. His book was titled The Controversy of Zion, and can be found via Barnes and Noble as a Nook Book. But he addresses going back to before the Balfour Declaration all of these issues that grew out of what he describes as Talmudic Zionism. And that fundamentally, could you clarify for me, doesn't Talmudic Zionism take a somewhat lesser view of, and even don't belong to that faith? And in a sense, doesn't Gaza amount to a form of concentration camp? Really, a slow-rolling genocide?

MS. LAKSHMANAN: Okay. Let's hold that thought and get a question over here.

MS. GELMAN: Susie Gelman, board chair, Israeli Policy Forum. Hi, guys.

Could you talk a little bit about where you see the short-term opportunities for advancing some of the pragmatic ideas that are contained in this excellent study? And I want to focus on, in particular, a couple of aspects that concern me greatly in terms of the real politics. So, for example, in the last go-round of rockets and response over the Gaza border you saw a great deal of anger on the side of the Israeli population understandably but that felt the government of Israel was not doing enough to defend its citizens from what was an unthinkable onslaught. I think it was, what, 400 rockets? Something like that in a 24-plus hour period. I get red alert on my phone. It was going off the whole time.

So there's that. And of course, Lieberman, the defense minister resigned because he felt that the response by the IDF was not robust enough. So we thought the government was going to collapse. It did not yet. But in any event, that's one

question about the mindset of the Israeli public on any ideas of advancing some sort of alleviation of the very real crisis in Gaza and trying to think more long term.

And second, you know, just one of the pragmatic steps that, Ilan, you talked about as being fairly easy, converting some of C into B, but again, once there's a new coalition government, and who knows when that's going to be, in fact, we expected exactly the opposite. That the ideas of annexing Area C are going to be advanced and perhaps passed by the next Knesset. So where do you see some short-term opportunities, you know, to advance some of these ideas and move towards the ultimate goal of really creating a much different reality than what we see right now?

MS. LAKSHMANAN: Thank you.

Who can address the first question?

MR. SACHS: Let me try the first one.

On the short term -- so first, some of this is not short term. Right? Some of this might have to be long term. That's my copout answer.

The real answer is I share your concern but this actually relates to a bit of what we talked about earlier about the opportunity. If you think of what happened just a few weeks ago, it's remarkable. The Israeli government sanctioned suitcases of Qatari money going into Hamas. That's like a script of fantasy; right? It would never happen. It just happened. The right wing is really governed with Lieberman and Bennett inside the cabinet, later screaming in the press but allowing it to happen inside the cabinet against the protestation of the Palestinian Authority.

So that leads to two conclusions. First, there is opportunity even inside Israel for pretty dramatic, and I have to give Bibi credit in this case, bold and courageous political decisions against popular opinion.

The flipside is in the very short term, Lieberman's resignation creates a different kind of dynamic, I think, because now, once Lieberman has called everyone out as being too soft and giving protection money to Hamas, now everyone is trying to angle to the right.

So in the short term I think your concern is absolutely correct. Certainly in election time, and you know, we've been on stage for an hour so the government might have fallen since. And in this time we're going to see a very different situation. But nonetheless, we see even this extreme right wing cabinet deciding this kind of decision. It says something about what the Israel position is.

And very briefly, the question, the logical religious question, the short answer is no. Talmudic -- I don't know what Talmudic Zionism is, but certainly, the Talmud or Zionism come in many, many stripes. People can read the Talmud and see chauvinism. They can read the Talmud and see the vision of the prophets Isaiah and others about love among nations, and people of all political spectrums have drawn their inspiration from that. It's a bit like saying the Bible or Christianity leads you to be one way or the other. I know Christians on the far extremes of American politics as well. I don't think it's a concentration camp, not remotely, for a wide variety of reasons we don't have time to get into.

MR. AMR: Let me just add two things on the short term. So I think there are two things. So number one, a lot of the economic measures that I laid out I think are comfortably within what this administration in Washington can support and are certainly within what even this current Israeli government supports. So it's just a question of advancing a range of those issues on water, on electricity, on freedom of movement. Indeed, since we did the first draft of this report there's been this foreign funding from the Gulf to boost the electricity. So that's just one example of that.

But another really core part of our recommendations is this. It's that what we need is what Ilan referred to and one of the things he said is we need international cooperation to flush out how this plan would work, how a plan like this could work about the triangle between Israel, Hamas, and the Palestinian Authority, and figure out a way to move that. And I think the international community hasn't drilled down deeply enough to develop that plan so that it can eventually be rolled out, whether it's in six months or six years. But I think there's a lot of spade work that needs to be done on

that that can begin today.

MR. GREENBERG: Yeah. And this is, I think Hady's point is, I think, the most important one. You see it, like six months ago, maybe it was almost nine months ago now, we had the U.S. hosted a big conference on Gaza at the White House. At the same time, the Qataris are throwing money at this problem. The Egyptians don't even talk to the Qataris and there's a huge tension there. At the same time, the Norwegians have a separate plan going where they actually do have a lot of international coordination. But you need to stop all this. If there's one thing you can at least start by fixing in Gaza is at least get all the interested parties to direct their fire in the same direction at the same time and then I think many more things --

MS. LAKSHMANAN: If they can agree on what the same direction is or the same outcome.

MR. GREENBERG: For the most part they can, but I actually don't think the things that Hady put up there, like the different, the short-term economic, I don't think those are -- I think most of the parties we're talking about would be happy to agree and do things together. They all want the situation in Gaza to get better. I mean, it's one thing when you're dealing with Israelis and Palestinians and their interests and that gets a lot more sort of zero sum and complicated, but when you're talking about all the external actors who all want the situation to get better, to have them all firing at different directions to me seems like of insane. And at least if we could solve that and have all the well-meaning go in one direction that would be constructive.

MR. AMR: And the U.S. can play an important role in that because we can corral the different players in the Gulf and Turkey and Israel to move and see a pathway forward that improves the situation for all, Israelis and Palestinians.

MS. LAKSHMANAN: Okay. Good.

These two men here are extremely eager, so let's give them the mics, but you're going to have to be nice and keep your questions to 20 seconds each to keep us on time.

So you with the glasses, and you, who are very eager with your hands.

SPEAKER: Thank you. I'll skip the introduction. Just that you raise a question.

You mentioned, Nathan, the transfer of money to Qatar and you didn't see the news from Israel today at this late hour, so there is a new appeal against next transfer of cash money from Qatar to Gaza and it seems a bit surprising that you disregard or minimize the possible roles of Qatar, who is actually doing some negotiation between the two sides can do for your larger project.

MS. LAKSHMANAN: Thank you. And if you'll hand it over. And very quickly as well.

SPEAKER: Okay, very quickly.

One thing before I ask my question, I think that mentioning that the transfer of money from Qatar, it wasn't really directed as a kind of concession or good will or a soft policy by hardline government. I think the general consensus in the government is that they don't want economic problems in Gaza. They want the status quo and that doesn't necessarily mean they're doing it as a soft line. They don't want to transfer the type of aid that could help rebuild and be used for military but they certainly want Gaza to have better economic prosperity to keep the status quo.

What I wanted to ask is I think it was Mr. Sachs that talked about a reconciliation between Hamas and the PA needing to take place together with an Israeli-Hamas long-term ceasefire because it wouldn't legitimize a ceasefire just with Hamas. And I'm wondering how that would happen? What's Hamas's incentive to make peace, I mean, to play second fiddle, to be subsumed by the PA? They have their own vision of what a Palestinian state would look like. They have popular legitimacy. They won the general election in 2006, and then they also have the facts on the ground. They have a far better military apparatus obviously than the PA does and control.

MS. LAKSHMANAN: Okay, quick answers.

MR. GOLDENBERG: I think I'll start with Qatar, which is just to say I

think what we came to the conclusion on Qatar was that they have a significant economic role to play, but Egypt is going to be so essential to any political solution. It controls that border. Israel wants to work through Egypt. Everybody is working through Egypt. And given how bad the relationship is between Qatar and Egypt, it's hard to see them both in the room at the same time playing that role. So this is exactly the example where we, the U.S., can play a meaningful role in just being able to say, look, guys, we're going to help coordinate Qatar. We would like you to do this economically, but stay out of the way of any political initiatives that the Egyptians are working on that we're working on together with Egypt, you, and others. And right now we do have a tremendous amount of leverage over Qatar because they are feeling very isolated surrounded by a bunch of their neighbors who have all walked away from them.

And so I think this is exactly the type of thing where we can make sure that Qatar's well-meaning approach to Gaza and Egypt's well-meaning approach to Gaza, even if they disagree on other things, can be synchronized through us as opposed to being at odds with each other and competitive.

MR. SACHS: Hady on Hamas?

So first of all, it's a very good point on the Israeli move. It's not that Israel has become -- changed completely its ideology. Not at all. And the short-term incentive is what I described in the beginning. Getting the status quo, probably improving it somewhat. In fact, the Israelis have been very forthcoming on humanitarian stuff in the short term, rhetorically. But that doesn't mean they want to change everything. Certainly, there's a lot of work to be done. It's part of why we don't think this is likely to happen very soon. This is a slightly more long-term project.

Excuse me. I'm forgetting the question.

MR. AMR: Hamas. Why would they --

MR. SACHS: Why would Hamas do this?

From Hamas, actually, we've seen the combination of a few things. We've seen first to a degree the pressure work. We've seen an enormous amount of

pressure from Israelis, from the Egyptians, in the past year and a half or so from the PA as well, that created an incentive for Hamas not to change fundamentally but certainly to change its tactics. I don't believe Hamas is ever going to change fundamentally on peace, but certainly, the new leadership in Hamas does see an interest in bringing the PA back in a meaningful way into the Gaza Strip. Meaningful does not mean they're going to disarm. They're probably not going to fully disarm, but it does mean that they want the PA to have a role.

But what Hamas wants in the long term is a major role, probably the leading role, in the PLO and in the West Bank and in the PA in general. What they don't want to do is simply be the subcontractors for garbage in the Gaza Strip, especially given how terrible the situation is there.

So the incentive for Hamas I think is relatively easy. They would see an alleviation of this kind of role. They would also have an economy that hopefully would be slightly better in the Gaza Strip. That's better taxation for them as well.

The hard question honestly is what does the PA do and what happens when we get tensions, when spoilers do obviously try to spoil. That's where the tension will be hard.

And here I'll add one more thing. One more thing the PA gets and one more thing that makes this slightly more robust. The PA is constantly weary of any of these ideas because they say, look, we're going to come take over the problems in the Gaza Strip. Then PIJ or Hamas is going to shoot rockets at Israel, and who is going to be responsible? Me. (Inaudible) in Ramallah and I have no authority over them. No real authority. That is why part of what we are saying is that the ceasefire has to be fundamentally an Israeli-Hamas ceasefire. And the ones responsible for the ceasefire are Hamas in the Israeli eyes, similar to the ceasefires that Israel has been trying to negotiate with Hamas and the Egyptians have been doing remarkable work trying to get involved. That means that the day after, if and when spoilers happen, it is not the PA that is responsible for that, at least in the interim while they don't have full real authority in the

Gaza Strip. And again, being realistic, we don't think they would.

There are many downsides to this arrangement. We also just want to point out again, the downside to the status quo or the current state of affairs is so significant that we think a different reality, although ripe with the downsides, would be far better.

MS. LAKSHMANAN: Well, thank you so much to all of you for spending a year on this really important issue and laying out a roadmap and graphics that make it easy to understand and for sharing all of your ideas with us.

So please join me in thanking the authors of the report.

(Recess)

MS. LAKSHMANAN: We're going to trade out the panel now and I'm going to call up on to stage three real experts on the region who will be able to discuss this Report and the context.

I first want to invite up Ambassador Dennis Ross, who many of you know as Counselor and Distinguished Fellow at the Washington Institute for Near East Policy. And before returning to the Washington Institute he served as Special Assistant to President Obama's National Security Council, Senior Director for the Central Region, and also had been a Special Advisor to Hillary Clinton. But don't forget, he was the US Point Man on the Peace Process in George H.W. Bush's and Bill Clinton's Administration, and also served in the Reagan Administration.

Next I'd like to invite up Khaled Elgindy, who is a Fellow in the Center for Middle East Policy here at Brookings, and Founding Board Member of the Egyptian American Rule of Law Association. He also served as an Advisor to the Palestinian Leadership in Ramallah on Permanent Status Negotiations with Israel. And was also a key participant in the Annapolis Negotiations that were held throughout 2008.

And last, but not at all least, I want to invite up Lucy Kurtzer-Ellenbogen, who's Director of the Israeli-Palestinian Conflict Program at the US Institute of Peace, and she focuses on the interplay of Israeli and Palestinian Civil Society and peace

building efforts as well as official diplomacy.

So, Dennis, I want to start with you by asking about how Prime Minister Netanyahu has paid a political price for accepting the cease fire. And so give us the sort of larger view of how the Israeli political situation affects the ability of this Israeli government to do anything in Gaza that the authors are proposing.

MR. ROSS: Okay. Natan touched on this a little bit but I'll pick up on what he was saying.

First, one of the things that guided the Prime Minister was recognizing that if Israel went in on the ground in Gaza it was completely no win. Even if it goes in and militarily defeats Hamas, what has it won? It has probably lost anywhere from 70 to 100 soldiers, it has probably in the process killed as many as maybe a couple of thousand Palestinians, it has gained great stigma again internationally. And if it has decimated the Hamas leadership, then it has created a vacuum in Gaza that either it has to fill itself by staying in Gaza, which nobody in Israel wants to do, or if it gets out, who takes the place?

Israel always needs an address in Gaza to hold somebody responsible. So this is a case where you use force, you lose a lot, and you gain nothing. And he understood it was basically no win. The problem that he faced, however, is that all of those who live in the South -- I happen to be in Israel at the time, the day before the cease fire was declared -- and you had about a million people in shelters in the South. You even had one Israeli Minister who said "Well, okay, but it didn't affect commerce because it didn't touch Tele Viv.

I mean ironically, the same day before the cease fire was declared, you had a night run in Tele Viv that involved thousands of people doing a 10K. Yet everything that was going on in Gaza, it was as if it was on a different planet. So much of Israel wasn't touched by it, but everybody who lived in the South was touched by it.

Now those who live in the South, by the way, also tend to be overwhelmingly Likud supporters. So you're the Prime Minister of Israel, what you've

done doesn't deal at all with the security of those who are your supporters who feel "What, we're lesser citizens than everybody else?" So that creates a political dynamic that was difficult for him. But he weighed the consequence of going in and producing a conflict that left Israel basically, certainly not better off, and potentially worse off, and even politically you've -- one thing about being Prime Ministers in Israeli, when you preside over conflicts that don't look like they're winning conflicts, it's not usually a great political benefit.

He, of all Prime Ministers, somehow managed in 2014 a conflict that went on for 52 days, and basically reestablished the status quo ante, and he didn't pay a political price for it. But you look at Aoun in 2006, 34 days in Lebanon with Hezbollah, and he never regained his kind of political credibility. So the Prime Minister manages one, but he understood this is hard to manage for a second time. So that's point one.

Point two is that now having been subject to the resignation of the Defense Minister, claiming "You didn't do what you should have done, you were too soft, you claim you're Mr. Security but you're not Mr. Security," that kind of moniker has been in fact something that is always described Prime Minister Netanyahu before the Israel public, and has built a strong political support. But I mean come this July, if he's still Prime Minister, and he probably will be, he will be the longest serving Prime Minister ever in Israeli, longer than Ben-Gurion.

So he knows how to manage his politics, but now he's going to face what are really difficult politics because A, this is clearly an election season. Whether the election -- I doubt the election will take place in November, it'll take place before then, maybe September, maybe May. But every decision he now makes is going to be framed against that reality and how does he look like he's still the keeper of security.

Hamas, by the way, understands that he's probably on a much shorter leash than he was before. So my guess is they're going to be more careful as well. They're not looking exactly for a conflict either, although they have created a new normal, which from their standpoint in some way works to their advantage because it puts

pressure on Israel and it puts pressure on Netanyahu as well.

But they understand that in the coming months you're going to have a Prime Minister who is -- even if he doesn't want to get into a ground conflict in Gaza, is going to find it harder and harder politically to avoid it. He cannot look soft.

The second thing is it will also be very difficult for him to do any of the things that would make it possible to alleviate the electricity, water, and sewage treatment. One thing that wasn't mentioned in the discussion before is the inability to power sewage treatment plants. Which also, in the end, happens to be an Israel issue because you've had to shut down the desalination plant in Ashkelon several time because of the sewage flowing from Gaza towards Israel.

These are areas where Israeli has an interest. You have to probably create a distinction between what is a technical need as opposed to a reconstruction need. But even on a technical need he's going to want to be very careful about not looking like he's soft on Hamas right now.

So the politics, I think, make it harder in the near term to take some of the steps that are outlined in the study. And they also, I think, mean that the potential for a quick escalation that isn't so easy to control will also be quite high. The irony is that maybe that gets each side to be a little more careful in the near term.

MS. LAKSHMANAN: All right. Khaled, I'd like you to bring in for us the Palestinian perspective, and given that when it comes to Gaza, both Hamas and the PA Fatah have their own partisan and parochial interests. How do we forge a national strategy or an integrated interest out of this for them? I mean not that we should do it for them, but how do you see it happening?

MR. ELGINDY: Yeah, that's the million dollar question in terms of Palestinian politics. As you pointed out, for the time being both Fatah and Hamas and their responses to Gaza are driven primarily by their partisan and parochial interests.

Hamas would like to give up responsibility for having to govern in Gaza. It hasn't worked. I think initially it seemed like a good idea, they can project their

governance success in this piece of Palestine that that could perhaps carry over elsewhere. But it hasn't worked largely because of the blockade and because of the fragmentation of Palestinian politics more generally.

But for a whole host of reasons they've decided "We want to get out of the governance business. We'd like to remain in the resistance business and so we're not prepared to give up our weapons" as the Israelis or the PA have demanded. And from the standpoint of Mahmoud Abbas and his leadership, he's not in a hurry to share power with Hamas. He's not in a hurry to share power with anyone. He's from a party that is accustomed to dominating exclusively Palestinian politics, whether it's the PA or the PLO, for decades.

And so this idea of sharing power, even though Fatah lost an election in 2007, excuse me, 2006, is still fairly new and not something that they're keen to do. And to the extent that his leadership has been willing to consider reconciliation with Hamas, it's been largely driven from the grass roots. There is a public outcry against the continued division, and that's really what has driven his leadership to reconciliation talks.

But as we've seen, many reconciliation talks have been signed between the two groups and other factions, but its main pieces haven't yet been implemented. I would argue, you know, even with all of that in mind, as bad as the security situation is, of course it's also linked to the very dire humanitarian situation, but at the end of the day the Gaza crisis, the roots of the Gaza crisis, are political. And I think that is the fact that the Israeli leadership over the past decade or more, and to a very large extent with American acquiescence, has not been willing to come to terms with.

It's political in the sense that Hamas is a political movement. It's political in the sense that the blockade that was imposed after the Hamas election victory was politically motivated. It was about defeating or even removing Hamas from power politically. And at the end of the day, Gaza is part and parcel of the broader Israeli/Palestinian conflict, that depending on how we measure, is at least 50 years old, 70 years old, maybe even 100 years old. And so there are underlying issues that are political that

need to be resolved. And throw into the mix this political fragmentation and division of the Palestinian policy that creates all these opportunities for spoilers on all sides.

And those are kind of the core issues that I think any credible peace process has to address. We can't simply deal with Gaza as a humanitarian issue or as a security issue, which has been the tendency so far by US policymakers, even before this administration. They need to start addressing, and I think the Report does emphasize this, they need to start addressing the political roots of Gaza's problems.

And I think that begins with a sort of a mental step that has to be taken that is very difficult, which is to accept that Hamas is a political reality whether we like them or not. At the end of the day peace is made between enemies, people who hate each other, people who do and say bad things to one another. That's the essence of peace. You don't make peace with your friends.

MS. LAKSHMANAN: Lucy, I want you to tell us a bit about this simulation that the US Institution of Peace did that I think Natan referred to in the first panel. So, you know, this is -- well, lay it out for us.

MS. KURTZER-ELLENBOGEN: Certainly. So thank you. And so to underscore actually, and Dennis just mentioned, a big underline under some of the data that Hady mentioned in the first panel, laying out the really dire humanitarian and economic situation in Gaza and the fact that this doesn't just impact Gaza for the reasons that were just mentioned.

One of the facts that I've always found striking, and really, you know, sort of evocative, when you talk about the sewage crisis in Gaza, which is caused again, as was just mentioned, by lack of electricity powering, you know, sewage treatment plants. The statistic I've heard is the equivalent of 43 Olympic sized swimming pools a day of raw sewage are pouring into the Mediterranean. That is flowing up and as we're hearing, it's having impact on the desalination plants in Israeli, it's been closing beaches there for that reason.

And so the reason I start with this is, as is the case with environmental

factors, just like environment and health do not respect borders. So you cannot contain that kind of crisis in one place. Based on that we at USAP in partnership with the Scowcroft Center of the Atlantic Council, did a crisis simulation focused on Gaza. And drawing on these harsh realities, we used as a catalyst for the exercise a public health crisis, a cholera epidemic, that, you know, in the scenario, stemmed from these poor public health and sanitation conditions.

And the goal behind the exercise was to try to test the capability of the various stakeholders, played by the actors we had in the simulation, to individually and collectively come up with a solution to the immediate crisis but then ideally longer term parlaying that solution into longer term stabilization and a long term solution.

So I think on some level the actors played their roles a little too well. What we saw is a lot of what you heard from Natan in the first panel, that I think comes out in the Report. That actually all the stakeholders did very well in terms of dealing with the immediate crisis. They all jumped into gear, resources were collected, border was open to let aid in. The minute the immediate crisis subsided, the incentive declined for actors to take very pro-active steps against their own interests. So everybody was --

MS. LAKSHMANAN: And this was a cholera crisis?

MS. KURTZER-ELLENBOGEN: This was a cholera crisis. Again, a hypothetical used for the purpose of trying to stimulate creative solutions and action.

So once in the simulation that was contained and we started trying to move towards now how do you take this and create longer term solutions, everybody, as we just heard in the first panel, you start to see this, you know, a contained Gaza being a comfortable Gaza for everyone of course other than the Gazans who are living in these conditions. And again, it's this collective action problem. You have all these stakeholders who cannot coordinate to align their interests to come up with this long-term solution, both humanitarian and political.

What did happen by the end of this day and a half exercise, you did have two plans emerge. You had a UN led one that was more humanitarian focused and you

had an Egyptian led plan that was much more focused on the political reconciliation. Again, what you needed, and this comes through in the Task Force Report, is that coordinating role to really align those interests and actions.

MS. LAKSHMANAN: All right. Dennis, you have outlined for us the sort of tricky situation that Prime Minister Netanyahu is in with having his really solid Likud base that is there in Southern Israeli who are seeing their fields burned, who are experiencing rocket attacks, versus a larger number of Israelis whose lives go on as normal. So how does that present for him?

You've said, you know, it's an electrical challenge that, you know, he has less room for maneuver in terms of allowing Qatari money to come in for large scale projects, he's going to be attacked by his political rivals.

So I wonder how does President Trump's close relationship or his self-perceived close relationship with Netanyahu play into this and the fact that the US declared Jerusalem, recognizing Jerusalem as the Capitol. How does US policy towards Israel interplay with Netanyahu's political prospects in the coming year, helping, hurting, and how does that help the larger, or affect the possibility of a larger Gaza solution?

MR. ROSS: Well I do think there's an irony here. I do think, and Ilan said this. I think there was a period where the administration really was focused on Gaza and doing something on Gaza, in part because they believed that in fact if Gaza blew up it would create an environment that was really bad for the presentation of the Trump Peace Plan.

Somehow because of I think the natural instinct to adopt the posture of maximum pressure, which tends to be a kind of emblem that President Trump believes works in diplomacy, he believes that it's worked in North Korea, he believes it will at some point work with Iran. They've applied that to the Palestinians and that's what led to a cutoff of assistance.

So even though I think there's still an understanding within the administration that if Gaza blows up it complicates the larger context for the Peace Plan,

to the extent to which there is a presumption that the relationship between this administration and the President and Prime Minister Netanyahu can be used for peace purposes, it tends to be focused far less on Gaza and far more on the presentation of the Plan.

Which I do believe they're going to present. I believe they'll present it in the first quarter of this year, and I do think they feel having done so much for the Israelis, to quote President Trump a couple months ago, "It's now the Palestinian's turn." And we actually haven't seen that in terms of behavior, but that is something that he said.

And I do believe that kind of is embedded in the process. It will not be easy for this Israeli government, this Israeli Prime Minister, to say no to that Plan. Obviously a lot depends upon what's in that Plan, and nobody knows at this point what's in the Plan.

One other element that I think is interesting is that there still is a presumption within the administration that they very much need some level of Arab leader, if not support, at least some acknowledgement or recognition that the Plan is serious. And to get that, there's going to have to be enough content, and I would say as it relates to a Palestine state, but also I would say a significant part of Arab Strusom being a Capitol for that state.

That will be very difficult, certainly for this Israeli government. It won't be easy for this Prime Minister. But I do think the nature of the relationship, the way the Prime Minister has certainly built up his relationship with Trump and how important Trump has been for Israel, it does make it difficult for Prime Minister Netanyahu not to be responsive to the President when he comes.

The question is can something be incorporated as it relates to the ground up, not just this Plan. I think, and I don't know if it was Ilan or Natan that said it, there's no doubt that there will be a significant economic part of this Plan. The question is how much of it is sort of oriented toward Gaza. I do think there's a lot that could be done even before the Plan had assistance not been cut off to Palestinians by the way it would have

made it easier for Arab leaders to find a way to be responsive by cutting off assistance to Palestinians in addition to other steps that were taken, that you were enumerating. The political space for Arab leaders to be responsive to the administration has shrunk. The irony is that actually could argue for enhancing the content of the Plan, at least from an Arab perspective, whether or not that will be the case remains to be seen.

MS. LAKSHMANAN: And who on the Arab side will take leadership and ownership and vouch for it is also a question I want to ask Khaled about that.

But one last thing while having you sitting here, I want to take advantage, you know, with some breaking news here of these latest charges that came out yesterday in Israel. Do you think those imperil Prime Minister Netanyahu's position at all, especially in the run up to an election?

MR. ROSS: You know, politics in Israel is a lot like politics here, it's very polarized. If you're a supporter of Prime Minister Netanyahu the latest charge isn't going to affect it. If you're an opponent of Prime Minister Netanyahu all this does is confirm all the reasons why you don't like him.

And the real critical question is, is there some swing vote there that will be affected by this. And I think a lot depends upon whether or not the Attorney General acts in advance of election.

You know, in a sense these cases have been out there for so long, every time the police make a recommendation, they made a recommendation in the first two cases some time ago, a recommendation for indictment. And if you go back and you look at polling in Israel you'll see that actually the Prime Minister's position improved in the aftermath of that.

So I know that everyone is a creature of the moment and all the stories that are written suggest "Boy, this is a big turning point." You know, before you go and bet the mortgage on this being a big turning point I would take a breath. A lot depends upon what the Attorney General does.

MS. LAKSHMANAN: All right. Khaled, I want to sort of ask you a

variation of the same question, which is, you know, first of all if we look at US policy and how it interacts with the possibility of completely reimagined approach to Gaza, I think that, you know, you believe that the George W. Bush era policy of sort of ignoring Hamas and hoping that that will sort of, you know, make them disappear, that that hasn't really worked.

So tell us what you think is going to make it work better now. And also who on the Arab World side is going to take ownership of what we've described to be able to sort of help champion it and push it through. Of course the Trump Administration had hoped that that person would be MBS in Saudi Arabia, you know.

MR. ELGINDY: The stock has gone down.

MS. LAKSHMANAN: Well maybe we can talk a little. I don't know, not with Putin based on that hand little thing that they did.

Maybe you can tell us where you see that going.

MR. ELGINDY: Yeah. I mean it's -- I think first of all it's important to point out that my reading of this administration and trying to make sense of what is motivating it, I think we can't discount ideology and partisan considerations and domestic political considerations. I think that's what was driving the Jerusalem Declaration and the decision to move the Embassy. It was not a considered, you know, decision based on a deliberative process bringing together the intelligence community and the foreign policy establishment and arriving at this decision based on a view that this is somehow good for long-term American interest. This was, I think, almost exclusively a decision based on domestic politics.

And if we look at the personalities who are involved in shaping these policies, they all come from a particular ideological view that is very much, I think reflects the Israeli right, and in some cases maybe even the far right.

So they approached this, I think, from a very different place than previous administrations have. And I think pressure is one motivation in terms of cutting off aid and, you know, expelling the PLO from Washington. But I think ideology is driving

a lot of those decisions.

And so I'm less, I suppose, looking forward to or anxious about what is in a presumed Trump Plan because we already know sort of the big picture. We know that Jerusalem is off the table because those are the words that the President has used. We know that the refugees are off the table because, again, those are words that the President has used. They're trying to unilaterally determine the outcome of these issues.

So I don't think there's a lot there for Palestinians to feel hopeful for unless we consider reversing the past, you know, decisions that have been taken, like the aid cutoff and so on. If we consider those as potential carrots, in which case we really lowered the bar that, you know, if you sign on to our peace proposal we'll allow the PLO back to Washington, we'll reinstate some of the aid to the Palestinian people. If those are what are envisioned in terms of carrots, then I don't think there's a lot of hope for this Peace Plan.

But as far as the thrust -- remind me again the thrust of your question was?

MS. LAKSHMANAN: Well on the one hand it was whether the US needs to come to terms --

MR. ROSS: Right.

MS. LAKSHMANAN: -- whatever administration is in power in Washington, with Hamas as part of the Palestinian political governing structure. And then secondly, what Arab country do you see out there, or Arab leader willing to take ownership for a plan to help Gaza and fix what we're talking about?

MR. ROSS: Yeah. I think in that sense I think there's even less, you know, as I said before, I think one basic initial step that the Israeli side in particular, and this administration, or any US administration have to take is you need to come to terms with the fact that Hamas is a political reality. They're not going to blockade it out of existence. In fact it's not even really clear, you know, when we talk about the objectives of US policy, it's not even really clear what those objectives vis-à-vis Gaza.

What would it take, for example, what needs to happen for the blockade to be lifted? What, does Hamas need to dissolve itself, does Hamas need simply to disarm, does Hamas need to, you know, state explicitly the conditions that have been laid out a decade ago? It's not clear that any one of those or some -- it's not clear what combination of actions need to be taken in order to end the current blockade.

I'm not sure the Israelis have an idea, a clear idea of what it is that they're -- so there's a lot of inertia I think built into this policy. That said, the previous administration at least had come to the conclusion that we can no longer actively oppose Palestinian reconciliation because that Palestinian division is a major source of instability. I'm not sure that this administration has accepted the reality of Hamas, has accepted the, you know, what is required for Palestinian reconciliation to be concretized, which is the normalization of Hamas within Palestinian politics. I'm not sure that they fully internalize that. But those are things that I think have to happen.

As far as on their regional front, the Arab front, that's part of the problem. We don't have, obviously the region is in turmoil. Egypt, which has been traditionally sort of a major interlocutor on behalf of the Palestinians, sort of giving the Palestinians some strategic depth in the peace process with Israel, they are distracted and focused on other priorities. And the one exception being Gaza.

So I'm not sure that there is a regional dynamic that is conducive for peace making, and there certainly aren't the local dynamics. And I think that's, you know, it's why we are where we are.

MS. LAKSHMANAN: All right. Lucy, give us something to hope for after this. And, I mean, first I'd like to say, you know, the PA in Israel have objected to actions that would empower Hamas. So what role do you see here for outside diplomats from the EU, the US, the UN, Egypt, the Gulf? I mean is there anything that anyone from outside can do to help move the situation?

We've already got the three authors telling us that they don't see this as a short-term solution. But to get to this big picture that they want to socialize, that they

think could be socialized now for a solution out there, how do we get there?

MS. KURTZEN-ELLENBOGEN: So it's definitely not a short-term solution. I suppose to be good news there's probably a warped way of framing it, is that as we look at the direness of the situation we are at least seeing, and that's Stage One, right, the recognition by a plethora of actors that this is an unsustainable situation.

Now I know people will roll their eyes when we hear the status quo is unsustainable, we've been saying that about all sorts of elements of this conflict for a long time. But again, when you look to the fact that, you know, Gaza's problems are not going to be contained just to Gaza. So for those that aren't wanting to focus on Gaza, this is ultimately a problem that's going to impact many players' interests.

You do have one of the challenges that you raised before in the last panel there, you were talking about these buckets have of the pressing issues and then the important but not as pressing. And one of the challenges that you have right now is the Israeli/Palestinian issue has become one of those, important but not pressing issues until a crisis flares up, right? And then it absorbs everybody's attention.

And that's, I think, the value of what you see being proposed here in the Plan. Don't wait until the crisis, you know, explodes to start thinking about how you manage it. Khaled just talked about the divisions in the region among the Arab countries. You see the same increasingly in the EU. The EU doesn't necessarily have one unified approach to this. The EU has many diverted priorities.

And I think that what you're seeing now with this situation that we've discussed a fair amount this morning, with the US having lost a little bit, or a fair amount, of its leverage with the PA, given some of the actions it's taken, often the Europeans are looked to to be able to exert some leverage and influence on the Palestinians.

And so I think there's going to have to be a little bit of a divide and conquer strategy among the parties. And again, this is why the coordinating role comes in. Find the party who can leverage the different points of influence that all these parties have. You have countries that tend to play a more donor role, you have countries that

have done a very strong job playing a diplomatic role, Egypt particularly in this case. And what you need, if you can get, and I actually like the idea by that gentleman suggested before, this is really a chance, it's not just about regional expertise, it's how do you conduct this orchestra? How do you coordinate these different interests and players around the solution that everybody agrees needs to happen? Natan got at this point before. With Hamas here perhaps it's an opportunity, not that Hamas has suddenly become a good faith actor or decent player in this conflict, but much has made of this idea, is there an opportunity, are you seeing something different in the behavior of the new Hamas leadership?

I heard it put well by an analysts of Gaza I was just speaking to when in Israel. He said you know, let's not be fooled, Hamas isn't moderating but it's modernizing. And what you're seeing there is some of the tactics are suggesting that maybe there's some flexibility there that wasn't there before to start, where some creativity can start to emerge, where people can start to align their interests.

And again, as with so many issues related to this conflict, this is ultimately going to be about leadership, political leadership and political will. I think you're seeing the will there in a number of actors, and I think we need to see that political leadership emerge.

MS. LAKSHMANAN: Well, I mean given that the US leadership on this is weakened because its leverage with the PA is weakened, so we have that problem. Then we have various Arab states who are sort of potentially using the Gaza crisis to act out their own political rivalries so that's not incredibly helpful. We have division among the Europeans over what their priorities are. And so who is emerging as the leader who's going to take this on?

MS. KURTZER-ELLENBOGEN: Well I think as we've heard in the discussion this morning, and as I mentioned before, I referenced we have these two plans when we did this simulation that did emerge again over the course of this exercise we did.

The UN with Unkso (phonetic), the coordinative role, needed to have been taking leadership roles in this regard. The US still does have leverage, obviously has a lot of leverage with Israel. It does have leverage with some of the Gulf States. And so again, this will ultimately be, it'll be coordination, it'll be timing. And the hope is that, again, this doesn't wait because inevitably, invariably, there will be another flare up, whether it's a public health crisis, as we hypothetically came up with, I mean beyond what we're already seeing as a public health crisis there. Whether it's another round of violence which, again, we are seeing.

We talk about these three major conflicts but, again, something I think Natan pointed out, that that's a conservative counting of violent conflicts at this point. You know, the recognition is there that Gaza is at a breaking point. And I think the recognition is there that this doesn't end well for anyone beyond even just the Gazans themselves.

MS. LAKSHMANAN: All right. Great. Let's open it up to the audience here. I see this gentleman in the light purple shirt. So please identify yourself and make sure it's a question.

MR. NEEAR: Yes. I'm Orin Neear with Americans for Peace Now. A concern that I've had that now has kind of perpetuated through both panels is whether the talk about an interim political deal, and it's something that I would have loved to ask the first panel as well, actually would serve to impede and undermine a two-state solution in the future. Both because, as we know, temporary arrangements, temporary political arrangements between Israelis and Palestinians have a tendency to linger, but also because all parties would have an interest, and I won't go into the details of that, in perpetuating that.

So maybe the way to go to just focus on the economic, humanitarian issues and leave all the political concessions that all the sides would have to make to the big deal, the two-state deal.

MS. LAKSHMANAN: Interesting question.

MR. ROSS: I'll take it. You know, there has always been a kind of conceptual debate, or at least a debate over conceptually about what's the best way to proceed. Is the best way to proceed to try to resolve everything at once, or is the best way to proceed more incrementally?

I came to the conclusion a long time ago is that you basically have to do both at the same time. You have to have top down but you also have to have bottom up. No sort of broad plan, whatever it is, if it's completely divorced from what's happening on the ground is going to have any credibility, certainly at this point. And at the same time if you want to create greater basis for political buy in you gotta show that something's actually happening. If it's just words, it's not enough. So something has to actually be happening.

In this particular case, because Gaza is at a point of just humanitarian breakdown, you have to do something there. I agree with the notion that you should, wherever you can make progress, you out to make progress. But I still have this feeling that if the progress is at 50,000 feet, people who live day to day say "Why should I believe that?"

And there is an interesting irony right now and that is that you actually have not the so-called traditional suspects, but you have Israelis and Palestinians cooperating in very practical ways right now to develop projects to change the reality on the ground at least as it relates to electricity, water, and sewage treatment. The ARB Institute, with a Palestinian angio called Demor, have actually developed 14 different projects, each of which for less than \$20 million would have a huge impact on water treatment, sewage treatment, and even generation of electricity, and you wouldn't have to wait four or five years for desalination plant. And why has this happened? This involves Palestinians, by the way, who used to be part of the PA. Because they're fed up, because they look at the reality.

So, you know, my sense is you gotta do both. And I'm afraid that if it's only humanitarian, first of all that does limit anybody who's going to invest from the

outside. As they say "Why should I invest from the outside because the next conflict will blow it up?" So I think you really do have to do both. And I think the lesson of the past, at least for me, lead me in that direction.

MS. LAKSHMANAN: Do we have any --

MR. ELGINDY: Can I just weigh in real quick? Just make a quick point.

MS. LAKSHMANAN: Okay.

MR. ELGINDY: Because I think there's an even deeper problem in trying to, you know, yes, there is potential that an interim deal would harm chances for a two-state solution. But I think there's a deeper problem, which is the consensus around a two-state solution. Is it self-collapsing, or if not actually collapsed.

I think we now have a situation where a majority of the Israeli cabinet ministers are openly opposed to a two-state solution to Palestinian statehood. And we have, to a lesser extent, I think even here in Washington the party that is in power has officially expunged references to a two-state solution from its party platform. But also we've seen that reflected in the utterances of this administration where it took 18 months just to get a half-hearted statement explicitly endorsing a two-state solution.

And I'm not convinced that their vision of a two-state solution actually involves real Palestinian sovereignty. So that's a fundamental problem. Again, I think at the ideological level that is going to be very hard to overcome. And that is fundamentally different from past administrations where even if there were conflicts between what administration said and what it did, it was always very clear. The George W. Bush Administration very clearly supported the creation of an independent Palestinian state, even if some of its policies I would argue were working against that goal.

We don't have that anymore. We don't have that clarity of vision by this administration and I don't think it's something that we ought to take for granted.

MS. LAKSHMANAN: All right. Do we have any members of the press who need an answer for their story today? I already got you earlier. Any member of the press? Are you a member of the press? You seem much -- yes, please, that's a

member of the press. Go ahead.

MR. MEDIFER: Thanks. Mark Medifer, I'm a poor freelance journalist. I've got a question on political strategy both in Israel and over here.

I just want to know if you're on the left or on sort of sense attacking those swing voters in Israel, if you're maybe a Benny Gantz or if you're a joyalaped (phonetic), how do you communicate with the electorate with regards to Gaza, especially considering that your partner in peace is going to be probably Donald Trump?

Also in terms of America, what can the new House, and obviously we saw that vote in the Senate recently on Yemen, can they do anything to kind of cajole the administration? That's all on Gaza. Thanks.

MR. ROSS: What was the second part, I didn't get the second part of it. I got the first part but not the second part.

MS. LAKSHMANAN: What the House would do.

MR. MEDIFER: I'm sorry, I just wondering what the House could do in sums of pressuring the administration on Gaza, if anything at all, or the Senate, indeed.

MS. LAKSHMANAN: Okay, with the House and Senate, can Congress pressure the administration.

MR. ROSS: Look, I think the first part of the question, there's no doubt that in an election campaign you're going to see that whomever is, I mean you have multiple parties in what make up what is currently the opposition. They're obviously going to emphasize that they're going to have an approach to Gaza that's more likely to work than the current government's because they also see a political opening given the attitude and mood of people who live in the South.

Whether they can come with what is a credible vision, that's really a challenge. I would say if they were to read this Report there would be a lot in it that they could actually seize on in terms of saying "Okay, this is not a giveaway." We get what we need, which is in fact what amounts to -- it is a deal with Hamas, has Hamas having to do away with its attack tunnels and having to at least stop rocket attacks. It has to at least

the implication of the gradual demilitarization. I think that would, obviously that would appeal in Israel because I think there is a hunger right now for something that is not just another short-term measure that after a couple of months you revisit exactly what you had before only in a worst situation, because there's actually 500 rockets and mortars that hit within 24 hours. So I think there is a kind of opening there.

Part of the problem is that the body of politic in Israel today is so disbelieving that peace is possible that the trick is not to look like you're naïve. Go back to the 2015 election, the center left party didn't even use the word "peace" in the campaign because they thought it would make them look like they were naïve. So the challenge is going to be to present an approach that looks like it has a series of elements. That's kind of the beauty of the plan, a series of elements that looks like it actually is a strategy for dealing with Gaza at a time when the perception in Israel is that right now the current government does not have that.

I think in terms of the House and the Senate, you know, there is a potential. Certainly I think starting in January in the House there will be a push. I think to do some things, including on this issue, and more economically as it relates to, you know, how can you do some things on the ground. I mean the one, I will say, I said before, cutting assistance made no sense if you're trying to create the conditions to get Arab leader support for your plan. But cutting \$10 million for projects that are joint projects between Israelis and Palestinians, the rationale for that is hard to grasp.

If there's one thing that we should be doing, and I think that the Congress might well do, and there is legislation now, there's draft legislation now for this. It's the House has draft legislation that calls for \$100 million to invest in these kind of joint projects. The Senate has a bill that says \$50 million. The value of demonstrating that when Israelis and Palestinians cooperate there's a payoff for it, that ought to be elementary. That ought to be just a given. Anything you're doing should be designed to elevate the payoffs of practical, tangible cooperation so at the time of disbelieve, by the way, on both sides, Israeli public disbelief, but so does the Palestinian public disbelieve.

This is something that isn't -- it's not a panacea, but it ought to be at least one element in a broader approach.

MS. LAKSHMANAN: All right. Other questions? Yes, let's take this gentleman here first, and let's take another one at the same time from this lady. Yes.

MR. CROMLEY: Frank Cromley, I'm retired from the US Armed Service. I'd like to ask, given the timeless extent for experience in this area, if they see the comprehensive nature of this Report as ready for something like a Track 2 Oslo Process to see if these things can be fleshed out on an extensive level.

MS. LAKSHMANAN: Okay. And let's pass the mic over to the lady here who had a question.

MS. SOPHIE: Hi. Thank you guys for speaking today. I'm here coming from --

MS. LAKSHMANAN: Can you speak into the mic?

MS. SOPHIE: Sorry.

MS. LAKSHMANAN: Thank you.

MS. SOPHIE: I was just wondering, so House Foreign Affairs Committee is coming in --

MS. LAKSHMANAN: And just identify who you are.

MS. SOPHIE: Sorry, my name is Sophie, I'm an intern for the House Foreign Affairs Committee.

MS. LAKSHMANAN: Okay.

MS. SOPHIE: And I was just wondering -- I mean you guys addressed this a little bit but I was hoping that you guys could talk a little bit more about solutions that you guys could see, like specific legislation that you would like to see coming from Congress with a Foreign Affairs Committee that is interested in seeing movement on this progress and progress on this front, and what specific legislation you guys would like to see coming from the Committee itself on, like seeing this really happen.

MS. LAKSHMANAN: Oh, boy, a chance to be prescriptive. Okay.

Before we get to that, can anyone take the first question?

MR. ROSS: Yeah, go ahead. Like Track 2, who is Track 2?

MS. KURTZER-ELLENBOGEN: Yes, I can discuss, that's what we discussed before. I mean I think there is real opportunity here to take the findings and recommendations in this Report and if you'll do a workshop. I mean really it's about, again, it's not just about the substantive issues, those are fleshed out really deeply in the report.

But I think how you, again, we come back to this issue of collective action, how you get actors to move, how you align interests and positions and all that classic conflict resolution theory, how you apply that to this.

I just want to add on this collective action problem. You see it also, it speaks to the point we were just discussing with the "is peace possible," public's not believing that, and the vicious cycle. I'm reminded as I see Shibley Telhami sitting here. One of the most striking sort of emblematic sort of polling results I've ever seen on this is a poll I think you did here actually at Brookings in 2014. Now this was premised on polling Israelis and Palestinians on a two-state solution. And the sort of highlight finding for me of that was again, a collective action public opinion problem.

When you polled Israelis and Palestinians on whether they would accept this kind of deal, a deal that was presented along the lines of what people were assuming up to that point the deal would look like, you would have, you know, and you take the Israelis, you take the Palestinians, you said "No, I wouldn't accept it." And you went back to them and said "Okay, the other side's accepted it, what would you do?" On both sides that acceptance went up by 10 percent.

Belief that the other side is on board will concisely raise the belief of the other side. It's the classic collective action problem and that speaks very much, and maybe this overlaps the question, this issue of what A can do, what support for cooperative Israel/Palestine projects. All of these efforts that show that peace is possible, that cooperation can happen, particularly around shared interests.

I think all of these things that are vital to address and will really help move the needle forward again. We're in an environment where we're not quite sure as to what the political horizon is that we're looking at. But this kind of motivation of giving the Israelis and Palestinians who are living this reality the sense that forward movement is possible is crucial.

MS. LAKSHMANAN: All right. Khaled and Dennis, you have opportunity to write legislation for the House Foreign Affairs Committee. Go.

MR. ELGINDY: I'm probably the most pessimistic person in this room. I really think that we're at -- right now people are expecting the United States to take the lead. And the United States is not taking the lead. The United States is essentially siding with one side, the stronger side, in a very old conflict. And it has no qualms with. I don't know how we get this administration to accept certain realities.

The idea that this administration is going to force, for example, put pressure on the Palestinian leadership to reconcile with Hamas, even though I think that's essential, that's what's required. I have a very hard time imagining that either that will come from the US President or that Congress, of all places, will be the one to force the United States to take those kinds of steps. So, you know, sadly, I just don't see it. I don't see it happening. It's not going to originate in the Halls of Congress, it's not going to originate in the White House.

I think we are at a place where the idea of an American-led peace process is a thing of the past. I don't think that exists anymore.

MS. LAKSHMANAN: Dennis, do you agree, and do you think that there's nothing that the new incoming House of Representatives could do?

MR. ROSS: Well the irony, of course, is that Congress has certain powers. It has the power of the purse. But it doesn't have the power to execute diplomacy. So the legislation you draft, from my standpoint, ought to be focused more on what are the capabilities that the Congress actually has?

Here I already made a reference to it. You ought to be passing, you

ought to be adopting legislation that first of all restores assistance to the Palestinians. You ought to be adopting legislation that actually invests in tangible, practical, cooperative projects because it is a way of demonstrating that in fact what I call peace building. There's peace making and there's peace building. Peace building is from the ground up. There ought to be legislation that I would like to see also would create incentives for the PA in terms of institution building.

There's a big difference between, you know, cutting off and threatening and reducing assistance because you're trying to put pressure on. There are also smart ways to put pressure on, which is you say "Okay, we're going to store X amount of assistance. And if, you know, here would be additional assistance for building a rule of law, independent judiciary, building institutions." But it's not -- don't hold it as a penalty, hold it as an inducement. There you actually have a chance, I think, to have an effect. But you're not -- the Congress can't lead the United States in terms of peace making. You have to have the Executive Branch prepared to do it. The US has to do that because ultimately nobody else can.

I'll tell a story from when I was our negotiator. The EU, I had a counterpart in the EU who would always complain --

MS. LAKSHMANAN: It's time.

MR. ELGINDY: In the 1990s.

MR. ROSS: I had a counterpart who was constantly complaining about how he wasn't included in the negotiations. And I used to say to him "Look, I'm not the one excluding you. If the parties want you in, you're in, regardless of what I say. If the parties aren't prepared to have you in, it also doesn't matter what I say, you're not in." Nobody else can play the convening, the mobilizing, the framing role that the United States can. Nobody else has the potential leverage to apply to everyone. It isn't to say we can do it alone. Obviously we can't do it alone.

This gets actually -- this is not the Mitchell Report, but your Mitchell Report, what you were saying about drawing from other experiences. Study other

experiences, like for example German unification in NATO. What is relevant about that is not the specifics, what's relevant about it is here was an issue that the punditry class thought was impossible. You couldn't integrate, you couldn't provide German unification into NATO because it was too hard for the Soviets and the French weren't enthusiastic about it. And yet it happened. Why? Because American leadership invested heavily in terms of time. American leadership framed the issue, built momentum behind the issue, dealt with all the different parties constantly.

I mean George H.W. Bush earlier was known as the "Mad Dialer." The fact is that, you know, you had a Secretary of State during Germany unification in NATO in one year's time had 30 meetings with all of his counterparts, to manage every issue as it popped up. Yet the President of the United States, who held nine different summit meetings with all the relevant players in this time. You can, if the issue is important enough, if the administration defines it as important enough, you can frame the issue, you can engage in a kind of public diplomacy, you can build momentum behind an idea. You're talking about socializing ideas, you have to frame this in a way that is digestible, you have to create a repetitive mantra, you have to make it an issue that has meaning, and you have to constantly work it. This is something that can be done.

Now I'm not saying it's going to be done now, but I'm saying it can be done. But it has to be a priority.

MS. LAKSHMANAN: All right. Well on Shibley, I was going to shut it down but in deference to you I will give you the very last, very short question. I think your mic is not on. Let's give you another one.

MR. MANHAMI: All right, how about this one?

MS. LAKSHMANAN: Shibley Telhami.

MR. TELHAMI: Okay. Thank you. Shibley Telhami from University of Maryland, Brookings. It's one thing to argue we have a desperate humanitarian situation in Gaza that needs addressing, and that's really what this Report does. It's incredible, it's excellent, I'm proud to be part of it.

Another to pretend like this administration is capable of doing anything good on the Israeli/Palestine conflict. And I do worry that even by playing along, or making suggestions to it and see how we can play with it, how we could improve it, we're in essence legitimizing something that is going to be not very good for the US, not very good for the Israelis, not very good for the Palestinians, not very good for the region.

And we have seen nothing at all so far that indicates that there is any room for anything that would be good for the region. I think we really -- there's a cost to kind of try to be creative in dealing with them because when you're playing with something that you know doesn't look good at the core, that you're legitimizing it and you're buying time, and you're in a way preventing some additional action that might be done as an alternative.

MS. LAKSHMANAN: Well I think as Shibley's a member of the Task Force, we can either let that sit in the room as his comment unless any of the commentators, the discussants, would like to add to it.

MR. ROSS: I'd just say I'd been doing this for 30 years so obviously I never give up. So I understand why you say it, Shibley, but the implication of it is you'll try to work with others, we should. But I think you can't just give up on this because the US in the end is, it plays too important a role. Maybe the administration isn't going to respond, but clearly this is an administration that could use ideas from the outside. And a lot of you said, they have reached out.

So, you know, I think as a basic principle we should always be pushing on every door that's available. And if it doesn't go anywhere, okay, but at least you're pushing on it. And by the way, anybody else you're reaching out to, let's say the Europeans, they're going to ask you what you're doing with the administration. So you should have an answer.

MS. LAKSHMANAN: All right. So Dennis Ross leaves us with the thought of never say never, never give up, which is a good thought to end on.

Please join me in thanking the members of the Task Force, the authors

of the Report, Dennis, Khaled, Lucy, Brookings, and Center for a New American Security.

Thank you for coming.

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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.

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