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Inter-University Center for Terrorism Studies

UN-Palestinian Statehood: **Political, Legal, Social, Economic and Strategic Perspectives**

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UN-Palestinian Statehood: **Political, Legal, Social, Economic and Strategic Perspectives**

Date: **Tuesday, September 27th 2011**
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Opening Remarks: **Prof. Don Wallace, Jr.**
Chairman, International Law Institute

Moderator: **Prof. Yonah Alexander**
Director, International Center for Terrorism Studies, Potomac Institute for
Policy Studies

Panelists: **Dr. Dov Zakheim**
Senior Advisor, CSIS and former Under Secretary of Defense
(Comptroller), U.S. Department of Defense

Prof. Yoram Peri
Director, The Joseph B. and Alma Gildenhorn Institute for Israel Studies,
University of Maryland

Hon. Mahmoud Hmoud
Deputy Chief of Mission, Embassy of the Hashemite Kingdom of Jordan

Ambassador (Ret.) Edward Marks
Former Deputy Director, Office of the Coordinator for Counterterrorism,
U.S. Department of State

Speakers Biographies:

Prof. Don Wallace

Chairman, International Law Institute

B.A., Yale; LL.B., Harvard. Professor Wallace specializes in the fields of international law and foreign affairs. In the spring of 1995 he began teaching, with adjunct professor Lee Liberman Otis, a new seminar: Conservatism in Law and Politics in America; currently he teaches Constitutional Aspects of Foreign Affairs with Ken Lazarus, former Deputy Counsel to President Ford and Dean McGrath, former deputy chief of staff to Vice President Cheney; he also teaches Investor-State Dispute Settlement. His latest writings include *Regulating Public Procurement: National/International Perspectives* (with Sue Arrowsmith and John Linarelli), *International Business and Economics: Law and Policy* (with two University of Virginia law professors), *Transnational Corporations and Legal Issues* (vol. 19 in the United Nations Library on Transnational Corporations) (with Seymour J. Rubin), *A Lawyers Guide to International Business Transactions*, *Dear Mr. President: The Needed Turnaround in America's International Economic Affairs* and *Investor-State Arbitration* (with Christopher Dugan, Noah D. Rubins and Borzu Sabahi).

Professor Wallace was the Regional Legal Advisor for the Middle East and Deputy Assistant General Counsel to AID in the Department of State from 1962-66, a founding board member of the International Development Law Organization in Rome, and has been the head of the International Law Institute since 1970. He chaired the Advisory Committee on World Trade and Technology to the Office of Technology Assessment of the U.S. Congress from 1976-79, and is currently a member of the Secretary of State's Advisory Committee on Private International Law, a U.S. Delegate to UNCITRAL, and a correspondent of UNIDROIT and the vice president of the UNIDROIT Foundation in Rome. He has also been chair of the Section of International Law and Practice of the American Bar Association and a member of the ABA House of Delegates. Recent and current activities also include assisting Rwanda with the preparation of its constitution and commercial law, teaching in China, directing a research and exchange project with Russia, serving on boards involving academic activities in Egypt, in Indonesia, in Serbia and in Bulgaria, the advisory board of the ABA Rule of Law Initiative (ROLI), and serving as national chair of Law Professors for Bush and Quayle in 1988 and 1992, co-chair of Law Professors for Dole and Kemp in 1996, and during the 2000 campaign member; board of governors, Republican National Lawyers Association. He has been on the roster of World Trade Organization (WTO) panelists.

Prof. Yonah Alexander

Director, International Center for Terrorism Studies

Professor Yonah Alexander serves as a Senior Fellow at the Potomac Institute for Policy Studies and Director of its International Center for Terrorism Studies as well as a member of the Board of Regents. Concurrently, he is Director of the Inter-University Center for Terrorism Studies and Co-Director of the Inter-University Center for Legal Studies. Both are consortia of universities and think tanks throughout the world. In addition, Professor Alexander directed the

Terrorism Studies program (George Washington University) and the Institute for Studies in International Terrorism (State University of New York), totalling 35 years of service.

Dr. Alexander is founder and editor-in-chief of three international academic journals: *Terrorism*; *Minorities and Group Rights* and *Political Communication and Persuasion*. Since 2010, he serves as Editor-in-Chief of *Partnership for Peace Review*, under the auspices of NATO. He also has published over 95 books including *Terrorists in Our Midst: Combating Foreign Affinity Terrorism in America*; *Terrorism on the High Seas: From Piracy to Strategic Challenge*; *Evolution of U.S. Counterterrorism Policy* (three volumes); *Turkey: Terrorism and Civil Rights*; and *The New Iranian Leadership: Terrorism, Nuclear Ambition, and the Middle East Conflict*. His works were translated into more than two dozen languages and his personal papers and collection on terrorism are housed at the Hoover Institution Library and Archives, Stanford University.

Professor Alexander has appeared on many television and radio programs in over 40 countries. His numerous articles and interviews were published in both the United States and the international press.

Honorable Dov S. Zakheim

Senior Advisor, CSIS, and Senior Fellow, CNA Corporation

Dov S. Zakheim is Senior Advisor at the Center for Strategic and International Studies and Senior Fellow at the CNA Corporation. Previously he was Senior Vice President of Booz Allen Hamilton where he led the Firm's support of U.S. Combatant Commanders worldwide.

From 2001 to April 2004 he was Under Secretary of Defense (Comptroller) and Chief Financial Officer for the Department of Defense, serving as principal advisor to the Secretary of Defense on financial and budgetary matters, leading over 50,000 staff, developing and managing the world's largest budgets, and negotiating five major defense agreements with US allies and partners. From 2002-2004 Dr. Zakheim was DOD's coordinator of civilian programs in Afghanistan. He also helped organize the 2003 New York (UN) and Madrid Donors conferences for Iraq reconstruction.

From 1987 to 2001 he was both corporate vice president of System Planning Corporation, a technology and analysis firm based in Arlington, Va. and chief executive officer of its subsidiary, SPC International Corp. During the 2000 presidential campaign, he served as a senior foreign policy advisor to then-Governor Bush.

From 1985 until March 1987, Dr. Zakheim was Deputy Under Secretary of Defense for Planning and Resources in the Office of the Under Secretary of Defense (Policy), playing an active role in the Department's system acquisition, strategic planning, programming and budget processes. Dr. Zakheim held several other DOD posts from 1981 to 1985. Earlier, he was a principal analyst in the National Security and International Affairs Division of the Congressional Budget Office.

Dr. Zakheim serves on numerous government, corporate, non-profit and charitable boards. His membership of government boards and panels includes the United States Commission for the Preservation of America's Heritage Abroad (1991-93); the Task Force on Defense Reform (1997); the Board of Visitors of the Department of Defense Overseas Regional Schools (1998-2001); Defense Science Board task forces on "The Impact of DOD Acquisition Policies on the Health of the Defense Industry" (2000) and "Urgent Operational Needs" (2009); the Secretary of the Navy's Advisory Board (2008-2010) and the National Intelligence Council's International Business Practices Advisory Panel (2008-2010), which he chaired. Dr. Zakheim is a member of the Commission on Wartime Contracting in Iraq and Afghanistan; the Chief of Naval Operations Executive Panel; the Council on Foreign Relations; and the International Institute for Strategic Studies. He is a Senior Fellow of the Defense Business Board, on which he served from 2004-2010, and which he helped establish.

A 1970 graduate of Columbia University with a B.A., summa cum laude, Dr. Zakheim also studied at the London School of Economics. He holds a doctorate in economics and politics at St. Antony's College, University of Oxford. Dr. Zakheim was an adjunct Senior Fellow of the Council on Foreign Relations and an adjunct Scholar of the Heritage Foundation. He has been an adjunct professor at the National War College, Yeshiva University, Columbia University and Trinity College, Hartford, Conn., where he was Presidential Scholar. The author of a dozen books or monographs, most recently *A Vulcan's Tale: How the Bush Administration Mismanaged the Reconstruction of Afghanistan* (Brookings: 2011), as well as of numerous articles, Dr. Zakheim has lectured and provided print, radio and television commentary on national security policy issues domestically and internationally. He is the recipient of numerous awards for his government, professional and civic work, including the Defense Department's highest civilian award in 1986, 1987 and 2004. In April 2011 he was elected to the Royal Swedish Academy of Military Sciences.

Prof. Yoram Peri

Director, The Joseph B. and Alma Gildenhorn Institute for Israel Studies, University of Maryland

Prof Yoram Peri is the Abraham S. and Jack Kay Chair in Israel Studies, and Director of the new Joseph and Alma Gildenhorn Institute for Israel Studies, the University of Maryland at College Park.

A former political advisor to the late Prime Minister Yitzhak Rabin, founder and former head of Chaim Herzog Institute for Media, Politics and Society and professor of Political Sociology and Communication in the department of communication at Tel Aviv University, and former Editor-in-chief of the Israeli daily, Davar.

Born in Jerusalem, he earned his B.A. and M.A. in Political Science and Sociology at the Hebrew University and his Ph.D. from the London School of Economics. In 2002 he was a senior fellow at the US Institute of Peace in Washington DC. A year before he was a Fulbright scholar at the American University's School of International Service. Earlier he was a visiting professor at Harvard University and Dartmouth College. In the 1980's, Prof. Peri was a senior

fellow at the Jaffe Center for Strategic Studies in Tel Aviv University, and in the 1990's he was a senior lecturer in the department of communication at the Hebrew University.

In addition to his academic career, Prof. Peri was a journalist and is a political commentator. He published extensively in newspapers and magazines in and outside Israel, and also was an editor and host of TV and radio programs. During Golda Meir's term as Prime Minister, he was the spokesperson for the Israel Labor Party and its special emissary to Europe. Among his various public positions, Prof. Peri was president of the Association of the editors of Israel's Daily Newspapers and president of the New Israel Fund. Currently he is a member of the Press Council.

Prof. Peri published extensively on Israeli society, media and politics. Among his publications are Generals in the Cabinet Room (U.S. Institute of Peace Press), The Assassination of Yitzhak Rabin (Stanford University Press), and Between Battles and Ballots: Israel Military in Politics (Cambridge University Press). His book *Telepopulism: Media and Politics in Israel* was published by Stanford University Press in 2004, and in October 2005 he published his latest book (in Hebrew) *Brothers at War: Rabin's Assassination and the Cultural war in Israel*. For this book he was granted the 2006 award by the Presidents and Prime Ministers memorial council. His latest book, *Generals in the Cabinet Room: How the Military Shapes Israeli Policy*, was published in May 2006 by the United States Institute of Peace. The book has been selected as an outstanding book and as one of the best of the best by the Association of American University Press, in 2007.

Mahmoud Daifallah Hmoud

Deputy Chief of Mission, Embassy of the Hashemite Kingdom of Jordan

Mahmoud Daifallah Hmoud was appointed on February 15, 2009 handling the political, legal and Senate affairs at the Embassy. He also served as the Director of the Legal Department and Legal Advisor of the Ministry of Foreign Affairs in Amman, Jordan and is a member of the International Law Commission, serving as the 2nd Vice-Chairman in 2007.

Mr. Hmoud worked extensively on UN matters, including as a diplomat and legal advisor at the Jordanian Mission to the United Nations in New York from 2001-2006, and as Vice-Chairman of the Legal (Sixth) Committee during the Sixtieth session of the United Nations General Assembly. From 1994-1999 he served as a legal advisor at the Office of HRH Prince El Hassan bin Talal and was a legal advisor to Jordan during the peace process negotiations. He has advised the Jordanian Government on issues related to the accession to the World Trade Organization, including issues relating to intellectual property and negotiated several of Jordan's bilateral and multilateral agreements, including investment, commercial, transportation, energy and international loan agreements. He also served twice as Counsel for Jordan during proceedings before the International Court of Justice, as well as in cases before tribunals of the International Center for the Settlement of Investment Deputes (ICSID).

Mr. Hmoud has participated in a vast array of conferences, including representing Jordan in the Legal Committee during several sessions of the UN General Assembly. He also represented Jordan in several sessions of the Preparatory Committee of the International Criminal Court, and the Assembly of State Parties to Rome Statute of the International Criminal

Court. In December 2004, Mr. Hmoud was awarded with Jordan's Istiklal (Independence) medal of the 3rd order.

Mr. Hmoud holds a Masters of Law (L.L.M) from the George Washington University, National Law Center, Washington, DC, with specialization in International and Comparative Law and a second L.L.M from Franklin Pierce Law Center (currently the University of New Hampshire Law School) with specialization in Intellectual Property Rights. He also holds a Bachelor's Degree in Law from the University of Jordan Law School.

Ambassador (Ret.) Edward Marks

Former Deputy Director, Office of the Coordinator for Counterterrorism, U.S. Department of State

Ambassador Marks entered the U.S. Foreign Service in 1956 and promptly was drafted into the army. Upon return two years later, he embarked on a career that took him to eight posts abroad (including Guinea-Bissau, where he was the U. S. envoy) and an assignment as deputy representative to ECOSOC at the UN in New York. He retired in 1995. The author is a graduate of the universities of Michigan and Oklahoma and he attended the National War College.

Executive Summary

The Potomac Institute for Policy Studies held a panel discussion regarding the Palestinian Authority's September 24 bid at the UN for statehood. Professor Don Wallace Jr., and Professor Yonah Alexander set the discussion in the broader context of the Middle East, highlighting other states with stakes in the conflict including Iran, Turkey, Jordan, and Egypt. Looking to the possibility of a resolution within the next year, Professor Alexander posed the following questions to the panelists: "Is it realistic to expect an implementation of the 1947 resolution? Can we expect to see the establishment of a Palestinian state within five to ten years?"

Mahmoud Hmoud, focused on the question of why the Palestinians took the step of requesting statehood from the UN. He explained that the Palestinians were frustrated as their efforts to achieve self-determination had not been accomplished through negotiations with Israel. Mr. Hmoud argued that Israel will lose nothing from UN recognition of Palestinian statehood, and such a move will provide an incentive to jumpstart talks. He insisted that Palestinian statehood is in Israel's best interest, as the security of each country is the best way to assure peace for both. Recognition of the Palestinian people would be mostly symbolic until final status negotiations are held and critical issues are resolved, although as time goes on the possibility of a two state solution is diminishing.

Professor Yoram Peri explained three prevailing perspectives of why the Palestinians went to the UN. The first perspective, and his own, was to push for resumption of negotiations on the diplomatic front; the opinion of the government of Israel is that the Palestinians chose this course of action to use it to their advantage at the UN. He believes that Israel objects to UN recognition of Palestine because it perceives the Palestinians as unwilling negotiation partners and fears that if the Palestinians achieve statehood at the UN, they will abandon the land for peace solution. Professor Peri also presented two alternative views of Israel's opposition: (1) the Middle East has changed and Israel is weaker. Opposing a Palestinian state is thus a power-play; (2) Netanyahu does not want to negotiate at all. In this further analysis, Professor Peri explained that both Netanyahu and Abbas directed their UN addresses to domestic audiences rather than the international community. Both were well received by their own people, but their statements widened the gap between their positions. Professor Peri added that little more than symbolism can be achieved in the near future and any compromise would be in the interest of public opinion rather than peace. He concluded by saying that unpredictable sudden violence could be a main factor in bringing about significant change.

Dr. Dov Zakheim spoke from the perspective of the national security community for the need to look beyond the Middle East in pursuit of American interests to regions such as Europe, East Asia and Latin America. In this broader context, he raised the question as to the importance of the peace process between Israel and Palestine to the United States. He insisted that the peace process is the most vital issue in the Middle East to U.S. interests. Despite the perception that Israel is becoming strategically weaker and the fact that U.S. interests have become less congruent with those of Israel, the U.S. *will* veto Palestine's bid for statehood. If the U.S. were

to not veto, it would be failing to back up its ally, and the U.S. would lose credibility with its allies and with countries in the Middle East, particularly those affected by the Arab Spring.

Retired Ambassador Edward Marks focused on the importance of outside influence in peace negotiations. The U.S. has long been a proponent of Zionism, and Europe has historically supported Zionism, but Europe is also generally sympathetic to the Palestinians. Russia no longer has an impact on the Palestinian-Israeli conflict. Iran and Turkey are two countries with the greatest potential to significantly impact the Palestinian's bid for statehood, which is notable because neither countries are Arab states, and both governments had once enjoyed close relations with Israel. Humanitarian NGOs have also entangled themselves in the conflict and generally portray Palestine as the underdog. International pressure and the delegitimization campaign may sour Israel's willingness to negotiate.

Transcript of the Seminar

“UN-Palestinian Statehood: Political, Legal, Social, Economic and Strategic Perspectives”

Michael Swetnam:

I'm Mike Swetnam and it's my privilege to welcome you to the Potomac Institute for Policy Studies for another great forum, put together by Yonah Alexander.

The Potomac Institute is a not-for-profit science and technology policy think tank here in the Washington, D.C. area, and it's been our privilege for more than a decade to sponsor the International Center for Terrorism Studies run by Yonah Alexander, that looks at a full range and spectrum of issues in and around terrorism and world peace. Moreover, it has been our privilege and our honor to be associated for most of this time and for many of these events with the International Law Institute, and Professor Don Wallace is here and will help give a few words in that respect in a few minutes. All of these forums are about trying to find and identify issues and discussion points that can be used as a forum for the exchange of ideas and scholarship to help move forward the diplomacy and peace initiatives of our time. Today is an example of that; as I said a minute ago we are very proud and privileged to be a part of it. We also have with us today a number of members of the Potomac Institute's staff and the Chairman of our Board of Regents, General Al Gray, and he'll have a few words to say in a moment as well. Thank you very much for coming, sir.

With that, I'd like to turn the program over to Professor Wallace to kick it off and once again, as I said a minute ago, it's been a real privilege to be associated and partnered with you on many of these events.

Prof. Don Wallace:

I'd like to thank you very much. I'm very glad to be here. I'm the Chairman of the International Law Institute and my connection is that Yonah and I have worked together for years, and one of the centers which he runs on legal studies is housed at the Institute. I'm very happy to join him once again. We've done lots of things together and Yonah asked me to mention one or two of them. As you may know, Yonah and his programs are very active with NATO. We recently had a program – actually, it was a year ago now I suppose – and produced this publication for the Partnership for Peace Training Centre, which is an impressive place. You'll notice recently that Turkey, with all its changes, seems to remain a rather steadfast part of NATO. We've done many other things together, such as this book on the future of measures to be taken with respect to terrorism. This is one of Yonah's great specialties, as you'll probably hear.

The title of this program is “UN-Palestinian Statehood: Political, Legal, Social, Economic and Strategic Perspectives.” As we all know, the Palestinians have made an application – that is, the PLA – has made an application to the UN, and we'll see in the weeks and months to come what's going to happen to that application. Of the many perspectives on this subject, I might say a word about strategy, although I'm a law professor, not a strategist. Driving here on Interstate 66, I was listening to a program about China from the United States Institute for Peace, and I was thinking that when you think of Asia, you think of China, of Japan, of Korea, you think of all these countries, and in a way, the United States has a rather favorable strategic position there, notwithstanding the differences among these countries.

Now we come to the Middle East, which is the home of the Palestinians, and you think of Turkey, of Egypt, of Iran, of Israel, and I'm not so sure we have a similar happy situation there. And I suspect that is one of the greater perspectives on the subject which we will discuss today.

Prof. Yonah Alexander:

We want to thank C-Span for broadcasting this event, and bringing these ideas to a wider audience. I would like to welcome our very distinguished panel and the participants. One of our major programs is to train the next generation of scholars and professionals, and I am proud to introduce to you the interns that we have now for this semester.

Patrick Cheetham:

Our team of research assistants include: John Cooke (Georgetown University), Evan Lundh (UCLA), and Amy Glazier (Tufts University); and our team of research interns include Jesse Sedler (Emory University), Sarah Scott (University of Alberta), and Alex Knight (Middlebury College).

Prof. Yonah Alexander:

Before I introduce our distinguished panel, I would like to make two quick remarks. One on the personal level I was at one time in my life, as a child, a Palestinian. A Jewish Palestinian during the British Mandate.

So I naturally have a special interest in the so-called "Palestinian question." This complicated issue must be discussed within the context of the meaning of the term "Middle East," a region that includes both Arab and non-Arab countries.

Thus we cannot resolve the Palestinian issue without dealing with some of the other security challenges such as theological and political propaganda, violations of human rights, internal political and economic dislocations, organized criminal activity, state-sponsored terrorism, non-state terrorism, piracy and maritime threats, development of WMDs, utilization of energy and water weapons, and finally original destabilization.

Unfortunately we learn from history that we don't learn from history. In fact, this month of September marks the 1972 Munich incident when the Palestinian issue was placed on the world stage. Today we are still dealing with a Palestinian state issue. And despite the fact that in 1947 the UN resolution 181 called for the establishment of an Arab state, Palestine, and a Jewish state, Israel. So the key question for the panel to consider is whether the implementation of the 1947 resolution is realistic. Can we really expect the establishment of a Palestinian state side by side with Israel within a year or within 5 years or 10 years or perhaps we will have to wait decades before this plan can be realized. Is this conflict between the so-called enemies permanent? Or do we believe that there are no permanent enemies and no permanent friends but permanent interests? We have a very distinguished panel today. I would like to introduce our first speaker, Mahmoud from Jordan. I was honored to attend the signing of the peace treaty between Jordan and Israel in 1994.

More recently, I followed King Abdullah's speech at the United Nations. He stressed that the idea of global justice by peaceful process of law can be achievable. Thus, the Palestinian-Israeli conflict can be resolved. With that, I would like to invite the Honorable Mahmoud Hmoud who is the Deputy Chief of Mission at the Embassy of Jordan.

Hon. Mahmoud Hmoud:

I'd like to thank Professor Alexander and the Potomac Institute for the kind invitation and introduction. I would also like to thank Professor Don Wallace for introducing this important topic, which is of interest to everybody involved in international affairs. The developments at the United Nations in the next few weeks, of course, will have a very important implication not only for the Middle East region, but on the world stage as well. I'd like to say to Professor Alexander that I was there when the peace treaty was signed between Jordan and Israel and I was one of those who negotiated the peace treaty in 1994. It was a very monumental event that we look back at while witnessing the current developments in the Middle East and their potential implications on the prospects of peace.

At that time, expectations were so high that everybody was thinking that, in a few years, comprehensive Middle East peace would be achieved and the states of Palestine and of Israel would be living in peace and security side by side. Expectations were for peace, not only between governments but also between peoples. Unfortunately, the developments in the Middle East have curtailed this goal and the question became who is to blame for the stalemate? But I think this is not the right question. What we should all strive for is to try to restore the vision and hope of achieving the two state solution and realizing peace and security for both Israel and Palestine, as well as for the rest of the countries in the Middle East.

Now the question is asked: why did the Palestinians pursue statehood through the UN and what will this achieve? In 1988 the PLO declared the creation of the Palestinian state and I think within the next two years they had 110-120 recognitions, and by now, they have more like 140 recognitions. But that was a political declaration, which by itself does not create states. As international lawyers know, for a state to be established, the state must have a territory, people and an effective government that runs the affairs of the state.

Now what happened in the past couple of years was not productive and diminished the prospects of a negotiated solution based on the Oslo Accords and the Madrid process. The Palestinians generally felt that there was not much within the negotiation process that they can depend on to implement their right to self-determination which is recognized not only by the UN and the international community in general but, if I am not mistaken, by Israel as well. Now the question is asked: what do the Palestinians achieve from going to the UN? I think what the question should be is: what would Israel lose by having a Palestinian state? The issue, as President Abbas said five days ago when he submitted the application for full UN membership, is not about Israel, but about the Palestinians and their right to have their own state. For the Palestinians, it is the moral value of being recognized by the international community, the United Nations—as a state that asserts their right to self-determination.

Would the UN recognition create a state on the ground? It would not. Palestine would nevertheless be considered an occupied state. And for the occupation to end, all the stakeholders must agree that it has to be a negotiated solution based on the 1967 lines. Such a solution would fulfill the letter and spirit of UN Security Council Resolution 242, including the principles of territorial settlement.

The key issue that was not mentioned in the Quartet statement the other day is settlements, which are “eating up” the territory on which the Palestinian state can be created. Israeli settlements and the number of settlers in the West Bank have multiplied several times since the Oslo Accords, thus diminishing the prospects of a two state solution. This is the key problem and if there is a genuine intention to have peace, Israel should take a courageous decision on settlements.

Then there is the issue of refugees and President Abbas made it clear to the General Assembly that when there is a sovereign and independent Palestinian state, the refugee problem will be solved. Professor Alexander talked about UNGA Resolution 181 and there is another UNGA Resolution that deals with the refugee problem: Resolution 194. It should be noted here that a just solution to this problem in accordance with Resolution 194 is a principle of the 2002 Arab Peace Initiative, which lays down a framework for comprehensive peace in the Middle East.

The Palestinian bid to the United Nations will not undermine the possibility of a negotiated settlement. There is nothing that Israel will lose by a declaration of a Palestinian state. As such, it will actually be an incentive for all parties to go forward and negotiate the several tough issues that I talked about. Again if you are talking about security through peace, then the argument basically that one side deserves security and the other side deserves peace, doesn't work. You need both security and peace for both sides and this is where the two sides can agree, along with the U.S. and the other stakeholders including Jordan, Egypt, and the United Nations who must actively support this endeavor.

Professor Alexander:

Our next speaker is Professor Yoram Peri.

Prof. Yoram Peri:

Thank you, Yonah, for allowing me to take part in this interesting meeting. It is the first time that I have visited this institute, and I am already impressed. I'm sure I will be even more so after learning more about it.

Like my two predecessors, I participated in the signing of the peace treaty between Israel and Jordan in the Arava and also in Washington, when Arafat and Rabin signed their accord at the White House. In those years of the 90's, I was much more optimistic. So here is my answer to your first question, "Is the conflict 'permanent' (using your term)—or not?" During that time I was sure the conflict would be over within ten years. Today I am not sure that we will see its end within the next ten years. I have not yet lost my optimism, but I'm afraid it will take more time. And, unfortunately, I think we might even witness another round of violence before we reach an agreement.

But let me start more systematically by answering three questions. 1) Why have the Palestinians decided to go to the UN, and why Israel has opposed that move? 2) What indeed did happen at the UN last week? And 3) What might or could happen in the near future? And the advantage that I have over you, Hamoud, is that I'm not representing an official position, so I can use a critical approach when I analyze all sides, both the Palestinians and the Israelis.

So why did the Palestinian Authority decide to go to the UN? According to its leader, Abu Mazen, it was very simple: to continue the negotiations within the international diplomatic domain. The direct negotiations with Israel did not achieve anything and therefore we are changing our strategy; we are moving them into the diplomatic arena to be continued there. This is what he wrote in his New York Times article some time ago.

Others would say—and this view is shared by most Israelis—well, he is not going to the UN just to continue negotiations; the UN bid was meant to fundamentally improve the Palestinian posture; to obtain advantages which will be given to the Palestinians once they join the UN, which they do not have today.

And, there is a third school of thought in Israel that says that the UN initiative indicated that Abu Mazen has decided to end the negotiation altogether; to move from negotiating to diplomatic warfare. And he is doing this because of the dramatic changes in the Middle East. Time works for us, the Palestinians believe, so why should we negotiate at all? We should have patience, and we'll get what we want without negotiations.

These are the three alternative answers Israelis give to the first question, and most Israelis, as well as the Israeli government, do not trust Abu Mazen's pronouncements, but rather see the UN initiative as a calculated step meant to replace negotiations.

So why has Israel taken a position against it? The first answer, which I'm sure you have all heard, is that peace can only be achieved through direct negotiations between both sides, without preconditions. The Palestinians are presenting preconditions, and they want to conclude an agreement without negotiations, something that should not be done.

There's a more sophisticated answer. And that is, if you decide to move to the UN and to establish a Palestinian state through the UN process, you eventually abandon the land for peace formula. After all, the Israelis and the Palestinians were able to embark on the peace train only when both accepted the land for peace principle. If the Palestinians are now getting a state on the entire occupied land – even if just symbolically – without a *quid pro quo*, then why should they negotiate anymore?

Yet, one might argue that there's another reason for Israeli resistance to the Palestinian move and that is, naturally, because the situation in the Middle East has changed and Israel's position has weakened. The Israelis feel that if they negotiate today they will have to do in unfavorable conditions.

And there is a fourth position that some people in Israel hold, that Netanyahu doesn't really want to reach any agreement with the Palestinian Authority at this time. These Israelis – there was a protest a week ago of prominent Israelis based on that view – argue that Netanyahu is using all kinds of pretexts to avoid negotiations altogether, due to strategic, or perhaps even ideological, considerations.

The majority of Israelis support the Government's declared position, namely, that in order to reach a sustainable agreement, negotiations without preconditions should be conducted. And they see the Palestinian demand for freezing the settlements' growth as such an unacceptable precondition. For twenty years, so the argument goes, we negotiated without that demand, why is it suddenly now on the table? It only attests to the radicalization of the Palestinian approach and reduces the probability of achieving any agreement.

What happened then last week in the UN? It is clear that both Prime Minister Netanyahu and President Abu Mazen spoke mainly to their domestic audiences. Indeed, they were very successful. Both improved their public posture. When Netanyahu landed at Ben-Gurion airport his public opinion ratings were higher than they had been two weeks earlier. And for his part, Abu Mazen is now recognized as a genuine leader, a sharp contrast to the image that he had before he spoke at the UN General Assembly.

Will that bring us closer to peace? I'm not sure. The second outcome of the show in New York last week was widening the gap between the parties' positions. Last week, both Abu Mazen and Netanyahu used more radical language and expressions than they used a few months ago. The Israelis were furious with Abu Mazen, who spoke about Christian and Muslim attachment to the holy land without mentioning the Jews at all. And he claimed ownership of the entire land of Israel, not just the territories occupied in 1967. One can imagine that the Palestinians, for their

part, would not feel comfortable listening to the Jewish narrative as presented by the articulate Netanyahu.

The good news is that the expected explosion did not occur. Defense Minister Barak spoke about the “tsunami in September,” but there was no such tsunami. The Security Council’s subcommittee began its deliberations on the Palestinian request, and this might take weeks or months. The Quartet also put forward its own proposal, and a few more long weeks will pass before anything of consequence will happen, if at all. In spite of the dramatic build-up, the big bang did not occur.

So what will happen? I doubt whether much will happen soon. To answer your question, Yonah, I don’t believe that a Palestinian state will be established in the near future. Nor do I think that the timetable that the Quartet laid down will be met. So the next stage will be a Palestinian move at the UN General Assembly, where they will be received with enthusiasm by a large majority. Yet this will be basically a symbolic gain.

So I think that we will not have a breakthrough in 2012; this will rather be a transition period. Don’t forget you are getting closer and closer to elections in the US, and electoral considerations will play a major role in US behavior, as they already do.

Having said that, one thing can still happen, and that is an eruption of violence. As you well know, such things do occur quite often in the region, and in many cases - within minutes. Remember how the war in Lebanon erupted so unexpectedly in 2006. A peaceful Palestinian demonstration or a provocation by an extremist Israeli settler can very easily turn into a violent gale, and the genie will be out of the bottle. However, if that scenario is prevented, then I believe that next year we will hear much about talks. A more significant phase will take place only following the US Presidential elections.

Professor Alexander:

Our next presenter is Dr. Dov Zakheim.

Dr. Dov Zakheim: Thanks very much Yonah; it is good to be here. I want to acknowledge my good friend General Al Gray, who is sitting in the front row, and who was one of the most dynamic Commandants the Marine Corps ever had. Al and I go back longer than either of us would admit but I certainly am proud to call him a friend.

Like Yoram I will not speak for this administration. Anybody who knows me will understand why I would not; but I do want to give a sense of at least where the national security community in this town stands.

I want to begin by sketching the widest possible context and then work my way down to the subject of the UN and Palestinian application. The largest context is that we would like to focus somewhere other than the Middle East. We have been swamped by the Middle East for a decade. We are getting out of Iraq—one can debate whether we should have gone in or not—but that is irrelevant. We have been there for eight years and the real question is “what will Iraq look like when we depart?” No one says that it will evolve into a Western-style democracy. But no one can say just how it will evolve. No doubt Iraq will continue to absorb American resources; it already has to a huge extent. Our relationship will include arms sales too. In fact, we are about to sell F-16s to the Iraqis.

Nevertheless, other parts of the world have been literally demanding our attention for quite some time. To begin with, there is Europe. Nobody pays much attention to Europe until there is a huge crisis. Now, however, with the EU financial crisis coming on top of our own

economic crisis, we could face a massive disaster. So now our Treasury Secretary has gone over to Europe to meet with Euro Zone leadership. He is trying to give them advice while at the same time attempting to deal with an extremely serious economic problem at home. So Europe is now back on our agenda with a vengeance.

East Asia is on our agenda as well. In particular, we worry about China and talk, sometimes incessantly, about China. But we are still not sure how exactly we should relate to China, whether politically or economically. Latin America is also increasingly on our agenda, primarily, but not only, because of Brazil.

Adding all of the foregoing to our domestic concerns, and recognizing, as anybody who has been in government recognizes, that we have a hard time walking and chewing gum at the same time, forces one to realize that the Middle East is not a place we want to focus on endlessly for the next decade, as we have in the past decade.

Having accounted for the larger international context, it is important to consider the context of the Middle East itself. I have already mentioned Iraq, but there is so much more that is fermenting in the region. To begin with, no one knows where the Arab Spring is headed. I recently was talking about the Arab Spring to an Arab Foreign Minister who said “well, we're in autumn now and it is still going on.”

Not too many issues have been resolved. Not even in Tunisia, which everyone thought would have the fewest problems transitioning to democracy. Certainly not in Libya; we do not yet know whether Libya will turn into a version kind of Iraq circa 2005, or 2006. We just don't know. As for Yemen, now that President Saleh is back, no one can predict how that situation will evolve.

Let us turn to Syria. Everyone is aware of what is going on in that country; but there is not much being done about it. President Bashar Assad keeps on killing his own people. How will that play out? Who knows?

Then there are the GCC states, terrified of any upheaval in Bahrain. The GCC troops have not yet left Bahrain. The GCC, especially the Saudis and the Emiratis, are terrified of Iran, and the Saudis are terrified of Yemen as well. This is not terror in the sense in which it is now most often used, but terror in its classic sense of fear.

Let us now turn to Israel—and to Egypt. Our panel focuses on Israel and Palestine, but what about Egypt? After so many years of peace and quiet, the Israeli embassy in Cairo is overrun, and who knows when an Israeli ambassador will ever come back to Egypt. One can worst-case the Israel-Egypt relationship, even though Jerusalem has been reassured since its diplomats left Cairo in the wake of the attack on the Embassy. And you can worst-case that even they've been reassured since coming out of Cairo to Jerusalem.

And then, of course, there is Israel's deteriorating relationship with Turkey. We have just witnessed the latest round of verbal volleys between the two countries. Prime Minister Netanyahu has now shot back in response to increasingly explosive comments by Prime Minister Erdogan. That is certainly not a recipe for good relations.

So, even within the Middle East, the peace process is just a part of a much larger whole. Well then, one might argue, in that case perhaps the peace process is not all that important to the United States. There certainly are Israeli policy makers who believe that if an American policy maker were awakened at two in the morning, he or she would admit that the peace process is not all that important. Israelis who think that way are dead wrong. Whatever one might think of the merits of the peace process, it is probably the single highest priority the United States has in the

Middle East. Whether it should be or not is irrelevant. That is what it is. That is why General Petraeus said what he said about the importance of the peace process to America's forces in the region, and that is why former Secretary of Defense Gates called Israel ungrateful. They both represent the American national security community's view.

Why is it their view? It is not because a deal between Israel, which is relatively small, and Palestine, which is even smaller, is going to solve the troubles of a region that, as Yonah pointed out, is huge. But a deal would ease those troubles. Anything that is easing the difficulties of our allies in general and of GCC allies in particular, and, moreover, anything that enables the GCC to work more closely with Israel against Iran, is something that is a huge priority for the United States.

There is another point factor as well, which is not often explicitly articulated by American policy makers. There is a suggestion in the national security community that Israel over the long term is getting strategically weaker, and there is a huge concern about that. That concern is a result of people becoming anti-Israel; on the contrary, it is because they are pro-Israel and do not want to see Israel become strategically weaker. There is a sense that Israel is becoming weaker relative to its neighbors. It is becoming weaker because of what might happen on the Arab street and as a result of the Arab Spring.

Finally, Israel might become weaker simply because American interests are less congruent with those of Israel than they were twenty years ago, particularly when the Oslo Agreement was signed. It is not that those interests are totally divergent, but they are less congruent, and that is an important factor as well.

Turning to the Palestinian application to the UN for recognition as a state: of course the United States going-forward, will veto any application that is submitted to the Security Council. The Palestinians know it, everybody knows it, and the Administration has officially committed itself to cast its veto. There is no way America can back away from that commitment. In fact, if the United States did back off, and did not cast the veto, it would destroy its credibility not only with Israel, but with the Arabs.

As matters now stand, American credibility in the Arab world is at a low ebb. The Arabs see that Washington cut a deal with Gaddafi that led him to terminate his nuclear program, and then threw him under the bus. Washington is seen as having allowed Mubarak to be thrown under the bus. Whether that is true or not is irrelevant; that is the perception in the region. Washington allowed the Shah to be thrown under the bus. I stand corrected if I am wrong, but I am under the impression that the Arabs have very long memories. The people of the Middle East see a pattern in American behavior and if Washington throws the Israelis under the bus, then no one will believe America about anything. So Washington will have to cast its veto in the UN Security Council. Having said that, however, it is not clear how Palestinian objectives are furthered by going through the motions in the UN that will lead to a veto. The only possible answer that makes any sense at all out of what the Palestinians are doing is that the UN gambit will prompt renewed negotiations.

There is a perception in the region and a perception in Washington that perhaps the Administration could have been more forceful in pushing for negotiations. It is interesting that Mr. Obama has yet to visit Israel. If peace between Israel and the Palestinians is such a high priority for him, why has he yet to go there? Moreover, has he done anything like Mr. Clinton did, in terms of shuttle diplomacy or Camp David diplomacy? The answer is no.

Secretary of State Clinton has recently become very engaged, but for a long time she was not. Instead there was a series of people who had the mandate to negotiate on behalf of the United States but they were not senior enough to be truly credible. Or, as in the case of Dennis Ross, everyone knew him and his methods. It was the “same old, same old.” If Washington is seriously trying to get a deal, however, “same old, same old” does not necessarily work. Dennis Ross is an extremely talented fellow, but he has been there, and he has done that, over and over and over again.

At the end of the day, if the Palestinian application prompts a really intensive effort on the part of the United States and the Quartet, then it has created an opportunity to move the process toward a meaningful conclusion. At the same time, it is critical to ensure that the Palestinians do not complicate matters to the point that the opportunity is blown. Take, for example, the settlements issue. I personally have heard President Abbas say, “well, what do you expect from us? It was the American administration that started the settlements thing, and that boxed me into a corner.” Perhaps. But at the same time, if the Palestinians focus on settlements to the point of asserting that someone who just had a baby and wants to build an extension to their bedroom will forestall peace in the Middle East, well, that's nuts. I mean, that's just stupid. It is one thing to say, “don't build major settlements,” or “don't start anymore outposts.” There would be a huge amount of sympathy in this country for that. But don't build another bedroom? Is that going to turn the tide in the Middle East? Let's be serious...

There is another complication: The Palestinians cannot say, “Once we have an independent Palestine, Jews won't be able to live there.” To say that sets off all kinds of emotions because the last people who said that were the Nazis. And if the Palestinians want American support not only to press for a peace agreement, but also to put some pressure on Israel, they cannot speak that way. But that is exactly what some Palestinian officials have done. That is not very smart.

Then there is the question of Hamas. As long as Hamas says it will not recognize Israel the Israelis have a ready-made excuse not to reach an agreement. The Palestinians have to come up with a formula for dealing with Hamas in a way that does not railroad the kind of deal that they really want. That is obviously a major challenge for the Palestinian Authority.

And finally, assuming – and it is a safe assumption – that the Palestinian application does not get past the Security Council, and the PA instead presses its case at the General Assembly, and if it seeks a negotiation based on having some kind of status granted to it by the General Assembly, which is not an unreasonable expectation for the PA to have, would that status include being able to sue the Israelis in the International Criminal Court and the International Court of Justice? You cannot expect people to negotiate with you if you are branding them criminals at the same time. That simply is not going to work. It did not work for the Israelis when they branded the Palestinians criminals, and it is not going to work the other way either. So there are challenges for the Palestinians to overcome just like there are for the Israelis.

All members of the Quartet are now on the same page; for the EU that is a development that is nothing short of phenomenal. If you speak to EU ministers, as I have, you will hear how proud they are to have achieved that consensus. So there is now a collection of very economically powerful countries all pulling in the same direction. To them, one must add the Russians, who may not be as economically powerful, but are very influential.

The Quartet is pressing for an agreement to be reached in a year's time. Can that happen in a year? Some say Mr. Obama has a large incentive to make it happen in a year. He is clearly

appealing to his own base. He considers the Jewish American community part of his base. Recent polls show that 45-48% of American Jews do not think that Mr. Obama is doing a good job. When was the last time a poll showed such Jewish dissatisfaction with a Democratic president? If I was advising the President at the White House, I'd be nervous. He therefore clearly has an incentive to have the Quartet succeed. And it might. If it does, however, the president will have to deal with the Congress.

Everyone speaks as if Republicans dominate both houses of Congress, but they actually do not. They only control the House of Representatives. Nevertheless, it is clear that the sympathy for Mr. Netanyahu and the support for Israel in the Congress are exceedingly strong on both sides of the aisle, and in both houses of Congress. So any peace agreement would have to be one that Israel can live with, otherwise our divided government will inevitably send mixed signals to the region. And historically when we send mixed signals to the region things do not work out well.

So, there are quite a few challenges that face all parties. I will not venture any predictions as to what will happen. Can better things happen? I think they can. There are lots of pressures in that direction. But can one or more of the parties make mistakes along the way? Absolutely.

Prof. Yonah Alexander:

Our final panelist is Ambassador Edward Marks.

Ambassador (Ret.) Edward Marks

Thank you Yonah, as always. First I'd like to note, that those of you who have looked at the bios, may have noticed that my bio is extremely short compared to my colleagues'. There are two reasons for this: one is, I've been traveling and I forgot to send them a puffed-up version. The other reason is the obvious one, that my colleagues have a much richer and more distinguished background than I do. But I want to note the brevity of my bio because I don't want anyone to jump to the conclusion – which is common in this town – that I was with the CIA, not the foreign service. Not true.

Last week, Palestinian President Mahmoud Abbas formally asked the United Nations to accept Palestine as a member state. In so doing he, so to speak, “returned to the scene of the crime”, as in 1947 when Britain was the dominant power in Palestine. Both Arabs and Jews contested – were opposed to – British rule, and Arabs and Jews struggled for dominance in the region, in the country. The UN Resolution of November 29, 1947 intended to provide a peaceful change to that situation with a re-distribution of power, by terminating British control on one hand, and partitioning the territory between the Arabs and the Jews on the other. That event was truly, in a historic sense, a culmination of changes going on in the world ever since the Westphalia Treaties. Particularly in the spread of nationalism, the concept of nationalism, which had grown well beyond the original participants in the Treaties. In the 19th Century, nationalism was a major cause of conflict in the international world; it was the cause of many major conflicts between self-identified groups – nationalities – and foreign powers. By the end of World War I, the national principle, which had pretty much been accepted by everyone, was enshrined in the League of Nations. And with that, the dissolution of the European colonial powers began, although it took another generation or two.

Both Zionism and Palestinian nationalism, therefore, are rather old fashioned traditional nationalisms, casting themselves in the 19th century mode of trying to achieve national independence on one hand and opposing foreign domination on the other. In passing the 1947

Resolution, the General Assembly assumed the mission contained in Article 19 of the Covenant of the League of Nations, the responsibility and task of providing a legal avenue for the resolution of conflict and obtaining peaceful change in the international system. However, it ran across problems. Any recommendation for change acceptable to all parties is essentially superfluous, meaning it will happen. However, a recommendation opposed by one of the parties means either a dead letter, or requires enforcement. Enforcement in the UN system means action by the Security Council, if it is willing, and it is able. The situation was most accurately described after 1945, with the creation of the UN by no other than John Forester Dulles, who noted these two characteristics, quote:

“The General Assembly is charged, among other things, to recommend measures for the peaceful adjustment of any situation, likely to impact the general welfare or friendly relations among nations.”

He then added that the role of the Security Council is not to be negative. Its charge is to prevent nations from publicly brawling. However as the '47 GA recommendation was not acceptable to all parties, and the Security Council proved unable or unwilling to enforce the recommendations – in other words, to stop public brawling – we have had generations of conflict ever since.

All during this period, many outsiders, and many other countries have attempted to assist in finding a solution to the conflict – most notably the United States – but without much success, because of the extensive details given by my colleagues here. And the Palestinians have now decided to seek a new intermediary, and have gone back to the United Nations. In doing so, they have clearly decided, at least at this point in time, that the Israeli-Palestinian conflict cannot be resolved directly by the two protagonists, despite the fact that for some time now, the two-state solution has been the accepted solution in principle. I emphasize, 'in principle'. . Despite this general agreement principle, achieving an agreement has become the most prominent example today in the world of a situation where the devil is indeed in the details.

But the new initiative, in a sense, can only return the situation to the 1947 era, in the sense that it will require a UN security resolution and it is clear that if nothing else, the US will veto the resolution. Therefore even a decision in the General Assembly will once again produce a recommendation, challenged by one of the parties, without the possibility of enforcement by any other party or stakeholder. The alternatives remain what they have been for decades: either a negotiated settlement between the two parties, or continued conflict. I will not attempt to make any prediction about which that will be, that has already been done better and more authoritatively by my colleagues here on the panel. However, I'd like to talk a little about the other players in this situation, because either we get a negotiated settlement, or others will continue to assist. Whether that is what we're meeting for or not, is an interesting question.

The history of outside involvement has not been encouraging. Foremost among participants was the United States. Ambassador Abba Eben in 1983 made a description of that situation, which I think is probably still relevant. He said, quote, “there's nothing in the international system quite similar to the relationship between the United States and Israel, given the enormous disparity of power and influence between the two partners.” He went on to say, from the moment of its active entry in the domain of Middle Eastern politics, the United States carried on its shoulders, a consciousness of responsibility for the outcome of the Zionist movement. I think that description remains essentially valid. I think everyone here would agree.

Although Israel's economic and military success over the years has somewhat diminished in disparity between the two in this situation and consequently, has increased Israel's sense of independent action. At the same time there have been two developments that affect the US. One, the end of the Cold War, produced somewhat of an increase in US global role. At the same time the increasingly partisan character of the American foreign dialogue on foreign affairs has narrowed the scope of the American administration to act. Public positions taken by Republican candidates for President make it quite clear that unequivocal support for the present Israeli government is a *sine qua non* for any American government, despite the presence of J-Street and uneasiness among many American Jews. The unequivocal position to any significant American initiative in this situation is now clear, now held by most American Jews, the Republican opposition, and the Evangelical groups who have made support for Israel almost a matter of faith. As a result President Obama's effort to revive the peace process by independent initiative quickly became a dead letter and now reached a state to where he promised to veto regardless of the situation, regardless of the conditions of the initiative in the Security Council. He made a point in fact, starting in his General Assembly speech, that peace between Israelis and Palestinians was only possible through direct negotiations, not UN declarations.

So now the US takes the position that only direct negotiations can resolve the problem. All outsiders, including the US, are note-takers. At the same time we've been involved in the Quartet with the hope it might do something. But in response to the Palestinian initiative, the Quartet, after resolving to draft a compromise which might avoid the conflict veto in the Secretary Council, was rejected by Mr. Abbas. In which way, and whether in the future the Quartet will even exist is an interesting proposition with the vote coming; because the vote on the Security Council may well break up the Quartet.

Please excuse me if I appear unduly cynical but it struck me that most countries in the Middle East would just prefer if the subject just went away. Support for the Palestinians varies of course from people to people, government to government, and leader to leader but since the traumatic wars of some decades ago, the majorities appear more or less limiting themselves to pro forma support. Egyptians and Jordanians went as far as concluding formal peace treaties with Israel. Syrians played games seeking unilateral advantages. The Saudis preach above all else, a two-state solution and the Gulf States say as little as possible, as rarely as possible.

The two possible game changers are the two emerging regional powers: Iran and Turkey. It is interesting to note that neither are Arab, but nevertheless, the changes they are going through have obvious significant implications. One of the other striking aspects of these developments is that both were governments which, for long periods, had close and intimate relations with Israel. Iran under the Shah had very close bi-lateral relations including military relations, [but which were] quickly abandoned with the Islamic revolution 30 years ago. The current Iranian reach for regional dominance had caused them to adopt the Palestinian cause quite openly, quite dramatically; combined with the alleged nuclear weapons program, this has put them at the top of the Israel worry list. However, the Iranian interest in this issue does not appear to focus on a two state solution and it is doubtful they would support that to any degree.

The shift in Turkish policy, with relation to Israel, is recent and dramatic, rising with the events connected from the Turkish-organized flotilla to ram the Gaza blockade. I don't know about others, but from my point of view, it is difficult to tell what was cause, and what was effect. In any case, the obvious bid for the Middle East relationship the Turkish Prime Minister has suggested and argued for, is a new change of spirit in the Middle East. Turkey will play a

prominent role at this point but it is hard to tell how far Turkey will go in pursuit of this and its relations with Israel.

I am not going to say much about the Europeans. Their role over the years has not been very brilliant. From being early and fervent supporters of Israel, they have moved toward much more nuanced positions reflecting changes in public opinions; particularly the reversal of the role of the Palestinian's who] have been increasingly seen by many as the underdog[s]. Reversing the situation of the hero in movies like "Exodus," a widespread shift in public perception has certainly produced great changes in public governmental attitudes.

On the other hand the Europeans have been relatively enthusiastic members of the Quartet. It will be interesting to see how that runs. [This] mention of the question of the Quartet, brings up the subject of Russia. Russia is at best a minor player sitting at the table because of its former global glories. It is not difficult to see how its actions today are much more than dabbling.

With no intent or ability to play a more active or constructive role in important questions, is the role of non-state actors. Over the years, the questions have become increasingly of interest to more non-state actors, to humanitarian NGOs on one hand, and political movements in the Middle East on the other. Humanitarian NGOs play a significant role in the growing change of the attitude towards relationships between Israel and Palestinians, particularly in fostering the increasing view of the Palestinians as the underdog.

More dramatic has been the role of non-state political organizations that use violence, such as terrorist groups. Here we have two varieties: Palestinian groups such as Hamas, who see violence as essential in their mission and objective which is the elimination of Israel, and others such as Hezbollah and al-Qa'ida who have taken on the Palestinian cause really as a conscious political decision. To the degree this position is determined by honest sympathy and real concern or by deliberate political calculations, I will leave to others to judge.

Meanwhile, the mainline groups comprising the Palestinian authority now seek a two state solution and have largely abandoned violent tactics. However, given a failure to achieve a political solution, as has been noted, a return to violence by those groups may ensue. The rest of the world are basically onlookers, with no real role despite lots of stuff in newspapers and occasional speeches at the UN, but playing no significant role.

Then of course we get to an actual vote in the UN where votes by all these other countries, particularly as they compose a significant majority in the General Assembly for the statehood measure, will obviously have some effect on some members of the Security Council.

World politics being what they are, there is one other aspect of the changing attitude in the world causing serious concern in Israel among its supporters, and should be to all of us. International pressure to end the occupation grows daily and in the minds of some, this is tied to the question of the very existence of Israel itself. A growing concern of this trend, called the de-legitimization campaign, is souring the mood of the Israeli public and therefore leading to a diminished ability for the Israeli government to negotiate, while most people in governments around the world continue to make a clear distinction between support for the Palestinian state and Israel's right to exist. Many in Israel, a people who someone has said, in another context, that have too much history and too much tragedy, do not see it that way. While it is true that Israel often appears to be paranoid, it is useful to know that even paranoids can have enemies.

In conclusion I want to make the unremarkable comment that most onlookers lack the power to determine, resolve, or facilitate seriously, this issue. They nevertheless can exert influence to complicate it for both parties. In either case, whether intended or not, the Palestinian

initiative at the UN and the resulting Israeli and American response, make it clear the issue is now clearly and solely in the hands of the two parties. Perhaps it was always so. Thank you.

Question and Answer

Dr. Nimrod Raphaeli:

My name Nimrod Raphaeli and I am with MEMRI Middle East Media Research Institute. I noticed the speakers have touched on the political and historical issues between Palestine and Israel. No one unfortunately touched on economic dimensions of the conflicts; yet as the 2 sides feud, there are certain economic realities being created in the field. For example, the Palestinian investment in Israel and economic integration on various levels between Palestine and Israel. Is it possible we would have some kind of economic integration as a prelude to some kind of political solution? Thank you.

Dr. Dov Zakheim:

I know that is the dream of a lot of people on the Israeli right, push off the political decisions and keep hoping the economics will make people fat and happy.

Dr. Raphaeli:

I'm from the left.

Dr. Zakheim:

I didn't say what you were. I'm just saying that is the dream of people on the right. There is certainly no doubt that the West Bank is doing exceedingly well with GDP growth that matches anybody in the world. It may be coming off a low base, but it is still very impressive, like China's GDP growth. I agree with you about the importance of economic considerations. In part they motivate Abu Mazen. There is often a political impulse that is almost divorced from economic reality. Take for example, Hamas' behavior after the pullout from Gaza, when its supporters destroyed all sorts of economic infrastructure that would have created a much more comfortable life for the people of Gaza. But Hamas acted for political reasons. Sometimes the politics and economics overlap perfectly. Sometimes they operate at cross-purposes, and there is a willingness to take some economic risk. Another example is Hamas' readiness to create discord that will certainly harm the Palestinian economy on the West Bank in order to achieve political objectives. These are just realities. History proves that over and over again. Recall that Great Britain and Germany were each other's biggest trading partners before World War One, that doesn't seem to have stopped them.

Professor Peri:

Just one point if I may. The idea of Prime Minister Fayyad was to build the Palestinian state from bottom up. In this regard, one should make a distinction between the economic and political systems, that is, the institutionalization of politics on one hand, and the economy, on the other hand. Fayyad was quite successful in building state institutions, but I'm not so sure about the economic infrastructure. Most of the economic development in the West Bank is due to importation of foreign capital. Stop the foreign aid and I am not sure how sustainable the economy will be. So I won't build on the economic development of the West Bank to be the generator of the state-on-the-way.

General Gray:

Any other comments from the panel?

Honorable Mahmoud Hmoud:

If I may add a point, I think the Jordanian and Palestinian economies are very much intertwined as are the Palestinian and Israeli economies. In any future solution, economic integration between the three parties would be inevitable and this should lead to wide regional economic integration that includes countries like Egypt and Turkey.

Albert Nekimken:

My name is Albert Nekimken. I have a question for the panel. Last week I attended a meeting at American University on the same topic and at that meeting, retired General Andy Rothchild surprised the audience when he was asked a question: “If this Palestinian bid for statehood at the UN succeeds, how will that increase danger and the security risk of Israel?” And his answer was that Israeli intelligence and Palestinian Authority security officials have been cooperating for many years during difficult and less difficult times and he didn’t think that would change at all. I wonder if you share his optimism.

Professor Peri:

The cooperation between the Palestinian Authority and Israel, particularly in the security field, has been very effective up to last week, indeed impressive. It might continue to be so in the future, because both governments do not have an interest in violence. Just one illustration is the recent PA request to the Israeli Defense Minister to buy non-lethal weapons to be used if violence erupts in the West Bank, and Israel’s positive answer to that request. Both parties understand that violence will not work for either of them. I think this cooperation will continue. This is, I would guess, what General Rothschild referred to. However, if things deteriorate, that would definitely have a negative impact on the relations between Israel and PA.

Dr. Zakheim:

One act, that could help undermine the situation—here I agree with what professor Peri just said—would be if Congress cuts off aid. I think it would be a serious mistake and it would reverse the strong economic growth on the West Bank that we were just discussing. Instead of young men going to work they will have other things to do, which is to riot, cause violence, and provoke reactions. Then you will see a downward spiral. I know how strongly people on the Hill feel about the linkage between aid and what the Palestinians are doing at the UN but, frankly if the Congress were to react in a knee jerk way, the consequences could be very severe.

Ambassador Marks:

In the narrow situation outlined, I would suggest the Israeli reaction depends on what we diplomats call the “shape of the table question.” When after the event, the two decide to talk about what happens next and they meet and the Palestinians show up with name plates and cards that Colonel so and so of Republic of Palestine, do the Israelis accept the credentials or reject them? It all depends. In this case the Palestinians will be the demanders and it will be up to the Israelis to continue the conversation, first of all by accepting the credentials of people who pretend to be the reps of this particular state.

Raphael Danziger:

I'm Raphael Danziger, I'm now an adviser to AIPAC, and Doug said – in my opinion, correctly, that for the Palestinians to go to the ICJ – to the International Court of Justice – would actually be counterproductive because the Israelis will not negotiate when you call them criminals. And actually, Mahmoud Abbas has made – and the New York Times said this exactly – the purpose of becoming a state so that they can go to the ICJ and continue the legal strike against Israel.

Hon. Mahmoud Hmoud:

Well, when you talk about the ICJ, they don't have to be a state to go to the ICJ. They can do it through the General Assembly. This is what happened in 2004 when the General Assembly requested an advisory opinion from the ICJ regarding the legality of the construction of a wall in the occupied Palestinian territory. And we all know what happened: the decision was in favor of the Palestinians by fourteen votes to one. The Court stated that the wall violates international law, infringes on the Palestinian people's right to self-determination and diminished the prospects of peace in the Middle East. So they don't really need to be a state to go to the ICJ. When it comes to the ICC – this is a complicated matter, it is not straight forward. From this particular perspective, they have to decide about this matter and how to proceed forward. But I would like to add that the ICC statute aims to protect against the gravest violations of international law and punish the perpetrators of such crimes. Therefore, the ICC is not only a mechanism for punishment, but a mechanism for protection and prevention against serious humanitarian law and human rights violations.

Milton Hoenig:

Milton Hoenig. Repeatedly, you hear the statement, this is the last chance for a two-state solution. What does this mean, and isn't the two-state solution the only alternative in the long-run? What does that mean?

Prof. Yoram Peri

It's an intriguing question, both politically and theoretically. A colleague of ours, Prof. Ian Lustick, wrote a book fifteen years ago, in which he looked into the question of state expansion and contraction. The question he was intrigued with was: when can a state withdraw from a territory it has occupied, and when can't it do so anymore? He examined several cases: France in Algeria, Britain in Ireland, and Israel in the Occupied Territories. Lustick used a very interesting theoretical model to forecast when a state reaches a stage when it cannot relinquish the new territory, and it then becomes an integral part of the metropolitan territory.

When he wrote the book then, he was sure that Israel would be able to withdraw from the territories. Now, twenty years later, he does not believe this will happen; Israel and the Palestinian have reached the stage of no return. It would be very difficult, according to him, to withdraw from the territories.

I beg to differ. I believe that if both partners have the political will, a two-state solution can still be achieved. After all, we know the parameters of such a deal. They were put on the table by President Clinton, and have been reiterated by subsequent negotiators; the latest were Prime Minister Olmert and President Abu Mazen. They had almost agreed on the territorial issue and the borders. The gap was over two percent of the land, here or there. So I believe that the major problem is not the territories and the borders, but the lack of political will.

Ambassador (Ret.) Edward Marks

Despite what I said in my opening remarks about the essential irrelevance historically of the presence of outsiders, I'd like to suggest that this situation offered an opportunity for an outsider, and that was the United States. There's a phrase in this town which was popular a little while ago: never let a good crisis go to waste. And we missed a chance here. What if, shortly after the Palestinians announced their decision of going to the UN, the United States had tabled a resolution in the Security Council, calling for Palestinian statehood based on the decisions made on the accord that was almost signed but in the end was not? What if we had put that resolution on the table of the Security Council?

Dr. Dov Zakheim:

I see the UN application as an opportunity, and again I agree with Professor Peri. Until the Security Council has its vote, the opportunity is still there. Some wag said that the real mistake the Israelis made was when Abu Mazen put his application forward. The Israelis should have said, "Great, we support you", and he would have withdrawn it. But seriously, the opportunity exists. With respect to the settlers, clearly the more outposts that become settlements, the more settlements that become cities – because they are not settlements, they are cities as big as American small towns, sometimes even bigger—the more difficult it becomes to resolve the impasse between Israel and the Palestinians. Still, the perimeters of the last Camp David attempt at peace still pretty much hold, and that is why I asserted in my prepared remarks that the Palestinians are focusing on the wrong thing. By focusing on all settlements, every bit of construction – which, frankly, the administration opened the door for them to do – they have made it impossible for Netanyahu to accommodate them. Again, if someone has a baby, and they want to add another bedroom to their home, all of a sudden they are creating new settlements. On the other hand, were the Palestinians to say, "We want to create no new outposts, no expansion of territory," that would be a very different story. And if that were to happen today, I think a deal would still be possible in terms of land exchanges.

Hon. Mahmoud Hmoud:

I think it's a very important question and I'll try to answer it. The more settlements that are being built – as I said since the Oslo Accords, the number of settlements and settlers has multiplied—the less the prospect of peace based on a two state solution. Settlements effectively lead to the existence of only highly concentrated pockets of Palestinians in the West Bank. There would be no territorial contiguity to build a state on. The issue here is that a state is like a human being: it grows up; it has to have elements for it to become a state. If we don't have proper territory there will be no state to live and grow. And if you don't have a state, then it is a one-state solution, and it would only be Israel. Then what would be the character of such a state? An apartheid Jewish state or a democratic state where the Palestinians would be the majority (Palestinians will be the majority between the River Jordan and the Mediterranean by 2020)? Another point here, Jordan will not take any more Palestinian refugees. This is a response to those who advocate solutions other than a two state solution, i.e. the "Jordan option." Jordan is Jordan and Palestine is Palestine.

Jacob Rebnord:

I am Jacob Rebnord, and I just wanted to ask the general: I'm surprised no one has covered the status of the state of Jerusalem, as it is a contentious issue regarding the whole process given the settlements in the Eastern part of the city. Also, for Mr. Hmoud, in your talk earlier about how a state needing its own security, government, territory and people; the general understanding that I have would be that Gaza would be included in a potential Palestinian state, but yet there is two separate governments right now, so how would that work? Especially in the current UN bid situation when there are two governments so you make two Palestinian states or one Palestinian state with divided government and there is no true Palestinian sovereignty of Palestinian authority on the Abbas or Hamas government. How would that work?

Hon. Mahmoud Hmoud:

That is another example of a unilateral measure taken by Mr. Sharon at that time: to withdraw from Gaza without an agreement with the Palestinians and this is the consequence of it. But you are absolutely right. This has been a big problem since Hamas took over Gaza and in my opinion, one of the thorniest issues to deal with in the peace process. That doesn't mean you cannot negotiate. The two sides have to start by agreeing on a framework which would be the basis for the solution. This framework will deal with all the outstanding core issues. Once an agreement is reached on such issues, the Gaza matter can be resolved. It would then be a peripheral problem, not a main one, if we have an agreement.

Professor Yoram Peri:

One has to look back and observe the negotiations that have been conducted since the late 1980s. After all, we are not starting the process today. The Quartet requested both sides to put forth their positions within the next three months. There is no need for three months. We know well what these positions are. They were discussed endlessly. Israelis and Palestinians were very close to an agreement, as the Geneva initiative or the Olmert-Abu Mazen deliberations demonstrate. For example, the borders issue, I dare say, is almost irrelevant today. We know that, if there is an agreement, Israel will have to give up between ninety-five to ninety-eight percent of the territories. And we know that most of the Jewish settlers will remain in this two-three percent that will be annexed to Israel. Without that, there would be no agreement. Therefore the outcry against the new housing project in Gilo, a neighborhood of Jerusalem, was futile and unnecessary; this will remain part of Israel's capital.

However, there are some issues that were left open. Yet I do believe that thoughtful leaders know the real constraints and consequent solutions. This includes both Jerusalem and the refugee issues. At the end of the day, Israel will have to accept the Palestinian need to establish their capital in East Jerusalem within a united city, and the Palestinians will have to give up their demand for the right of the return of the refugees to Israel proper. This will be the historical compromise. Without this compromise there will never be an end to the protracted conflict.

What are left are new issues, such as security concerns, and they have to be tackled. And, indeed, the Israelis have now been asked to present their security demands. Here is one example: with the changes in the Middle East, with uncertainty in the region, the future of the Jordan valley becomes more important to Israel's defense. In the past, Israeli negotiators could be more moderate with regard to it; today they are less – and rightly – so. Because today, if there is a change in the eastern front in Jordan, a diminishing American influence in Iraq, turmoil in Syria, etc., the security challenges to Israel's eastern front are likely to be greater than they were ten years ago. Thus, Israel demands a permanent presence of the Israeli military on the Jordan

River, something to which the Palestinians have never agreed. There are some similar issues, which will eventually be discussed; otherwise, the basic parameters are known, and we are wasting our time talking about them over and over again.

General Gray:

Anybody else? Please, Professor Wallace.

Professor Don Wallace:

I've got a question for Professor Peri and one for Ambassador Marks. First question is to you, Professor. You say the issue is political will, the political will of the Netanyahu administration. I'd be curious for your observations on what that political will is. And the question to Ambassador Marks is this: others have said that the United States should have welcomed this opportunity in the Security Council and not be automatically negative to the Palestinian initiative. Do you think that is realistic given the issue of the political will of the Netanyahu administration and our relationship with it?

Ambassador Edward Marks:

I proposed we should have used the opportunity but under specific conditions. We should put forward a resolution for Palestinian statehood, which encapsulates the last negotiated agreement in all details, before it was rejected. There were a couple points that were not accepted. So what? Now let's put that in the Security Council, and then negotiate in the security council with the United States still holding a veto in case all goes really array, really gets out of hand. And then you force the two parties, in the Security Council, to negotiate that little bit of difference - which is significant, and still there. If it doesn't work, it doesn't work. But you can't completely preempt the Palestinian request for statehood without these defined questions that seem to bother everybody. You put the question, statehood, on the table under these conditions. If you guys want it, negotiate it.

Professor Yoram Peri:

This is one of the most difficult questions for any Israeli analyst. What does Netanyahu really have deep in his heart, or in his head? And that is because Netanyahu's political makeup is complicated. On one hand he is the son of his father, and the husband of his wife, and the father of his son; none of these three would give the West Bank to the Palestinians for a peace agreement. On the other hand, he is an astute politician who understands world reality and the international constraints on Israel. And he is very pragmatic and understands that there is a gap between beliefs and dreams on one hand, and reality. So which part of his personality will be stronger depends on the political setup.

This is the reason why even President Peres, for example, has changed his assessment of Netanyahu three or four times in the past two years. Whenever Netanyahu met with President Peres, he told him "I'm going to make peace, and you will be surprised how much I'm willing to compromise," and then, other times, Peres admitted that he did not believe Netanyahu would do so. I believe at the end of the day, it will be not what is in Bibi's heart, but what will be in his head. He will read the international situation; take into consideration domestic and external forces, and decide accordingly.

I'll give you just one updated example of domestic considerations. The Labor Party, (I haven't been a great fan of it for quite some time) won an impressive public relations campaign

with the election of its new leader last week. Public opinion polls gave the party twenty-two seats instead of the less than ten they have today. If there will be a change in the next general elections in Israel in two years, it won't be a major change, but you only need three or four seats to move from the rightwing bloc to the left bloc in order to build a new government. Such a change will enable Netanyahu, who will probably be reelected, to establish a different coalition than he has today. Such a coalition, without the extreme parties on the right, but rather with some moderate parties on the left, might make it easier for him to move towards compromise with the Palestinians, if they will grasp the opportunity.

General Gray:

We have time for one quick question and a quicker answer.

Evan Lundh:

My name is Evan Lundh and I work here at ICTS. My question is this: given that recently violence has occurred in Israel and with the spirit of the Arab spring, do you think that a failure of the recent attempt by Palestine to become a state will result in more violence, perhaps a 3rd Palestinian Intifada? Do you think many leaders are considering that and that's playing a role in the international discussion?

Honorable Mahmoud Hmoud:

The issue is not about failure because the Palestinians have several alternatives for UN membership other than the Security Council track. One is the "United for Peace" procedure which allows the Palestinians to overcome a Security Council veto or inaction by the council and get full UN membership. Another is to seek non-member observer status similar to that of the Holy See which does not require a Security Council action. Again, there are several alternatives that are currently being discussed at the UN.

Concerning any possible clashes in the West Bank, I frankly think it depends on the Israelis and Palestinians and how much they work towards diffusing any kind of tension that will ensue in this regard. Security cooperation has been going well which is why there has been no major incident's in the past few years coming from the West Bank.

General Gray:

On behalf of Mike Swetnam and, of course, Professor Alexander, I want to thank our distinguished panel for a super series of presentations and responses to the questions. I'll wrap it up by telling you a little story that has nothing to do with Israel or Palestine, but a little bit to do with negotiations. When we were discussing things with the former Soviet Union and the Warsaw Pact with our country and strategic arms reductions, what really led to the end of the so called Cold War. I remember we hosted general Akhromeyev who was Chairman of the Joint Chiefs of Staff of the Soviet Union, the most influential military person in the Soviet Union. When he threw his weight behind Gorbachev that made the difference. So we were hosting him at Camp Lejeune. Among other things, he asked one of our corporals he said, so what do you think about us Russians being here? What do you think about that? Why do you think we're here? The corporal looked him in the eye and said I don't know why you're here Marshall, but it sounds like a pretty good idea. What the Corporal meant of course, is it is far better to talk and negotiate than to run around and say do this and do that. You're never going to get anywhere with the latter, you may or may not be successful with the former, but it's worth a hell of a try.

It's obvious to me this is a very complex issue as we all know, but I personally think it has to be solved through negotiations by the Israelis and Palestinians to work. I don't see any other way to do it. The worst thing of all would be to have third and fourth parties representing them. Thank you all very much.