

A MIDDLE EAST ROADMAP TO WHERE?

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A MIDDLE EAST ROADMAP TO WHERE?

EXECUTIVE SUMMARY AND RECOMMENDATIONS

After several false starts, the Middle East diplomatic Quartet (composed of the U.S., the EU, the Russian Federation and the Office of the Secretary General of the UN) finally put its Roadmap to Israeli-Palestinian peace on the table on 30 April 2003. However, although the document has received widespread international endorsement, there is also widespread scepticism about its contents, about the willingness of the parties to implement its provisions and indeed of its sponsors to maintain allegiance to them.

The scepticism is warranted. The Roadmap adheres to a gradualist and sequential logic to Israeli-Palestinian peacemaking, a throwback to the approach that has failed both Israelis and Palestinians in the past. Its various elements lack definition, and each step is likely to give rise to interminable disputes between the two sides. There is no enforcement mechanism, nor an indication of what is to happen if the timetable significantly slips. Even more importantly, it fails to provide a detailed, fleshed out definition of a permanent status agreement. As such, it is neither a detailed, practical blueprint for peace nor even for a cessation of hostilities.

Yet, these and other worrying realities do not necessarily condemn the Roadmap to irrelevance. It is important to understand what the Roadmap is not – but also what it can be. It should be viewed as a political document that – along with significant unilateral changes within the Palestinian and Israeli arenas, and in the context of a transformed regional and international situation – might conceivably serve as a catalyst and vehicle to help Israel, the Palestinians and the Arab world internalise the requirements and contours of a sustainable peace agreement. The Roadmap can become a mechanism around which efforts by Palestinians and Israelis to return to a genuine political process are organised –

indeed, further justifying these efforts by the promise of a political settlement.

Perhaps its most important contribution is as a public reminder of first principles: the need to end violent confrontation, to cease settlement activity, and to rapidly replace occupation and conflict with substantive negotiations that produce a viable and sovereign Palestinian state living alongside a secure Israel. Significantly, the first obligation on the parties is for the Palestinian leadership to reaffirm its commitment to “Israel’s right to exist in peace and security” and for the Israeli leadership to affirm its commitment to an “independent, viable, sovereign Palestinian state”. Moreover, its multinational authorship is itself an accomplishment, marking a break from a long period of unilateral U.S. involvement and setting a precedent for possible international intervention in shepherding and supervising a final status agreement.

Presentation of the Roadmap comes at a moment of relative promise that it can help solidify. The protagonists, bloodied by two and a half years of tragic and senseless conflict, appear both exhausted and unwilling to surrender, yet eager to find a dignified way out. Economically, Israelis and Palestinians are suffering badly – far more suffering for the Palestinians in absolute terms to be sure, but unprecedented hardship for Israelis as well. Palestinians are questioning the direction and purpose of the uprising with rare candour and openness. A new government is in place, led by Mahmoud Abbas (Abu Mazen), who has consistently and from the start objected to the militarisation of the intifada. In Israel, Prime Minister Sharon enjoys sufficient popularity and credibility to take steps for peace, should he be so inclined.

The U.S., fresh from its military success in Iraq, has greater regional leverage and influence and added reason to demonstrate that it can exercise its power even-handedly. It is being pushed in this direction by the one leader on the international stage with some influence over President Bush, Prime Minister Blair, who – put on the defensive domestically and in the Arab world over the war with Iraq – has staked much of his credibility on the promise of an energetic push on the Arab-Israeli front. Moderate Arab governments, challenged at home for their failure to oppose or prevent the war, similarly need to be able to point to progress and may therefore be prepared to use their influence to move the process forward. The swift U.S. victory may also have served as a warning to radical Palestinian organisations and their state supporters in Syria and Iran, reducing their ability to thwart political progress.

This should not erase the reasons for scepticism. ICG, like many others, has expressed its doubts about the gradualism and sequentialism that remains at the heart of the Roadmap. While the two sides undoubtedly are exhausted by the unrelenting violence, they paradoxically also have become increasingly numb to it. The new Palestinian government may not be able or willing to rein in militant groups, particularly given the state of its own security services and of the chaos within Palestinian politics and society. There is great uncertainty about whether Prime Minister Sharon will seize this opportunity and afford the new Palestinian government the necessary breathing space by immediately improving living conditions, in the process resisting the urge to react to every act of violence, and halting provocative actions such as targeted assassinations, house demolitions, and large-scale military incursions that cost numerous civilian lives – or whether, instead, he will play for time, seeking to avoid any real political compromise.

The U.S. administration, meanwhile, has over the past two years provided ample reason to doubt its commitment to a vigorous, balanced approach to the peace process. These concerns will only be magnified as the United States approaches its presidential electoral season – never a propitious time for bold Arab-Israeli diplomacy – and as a broad campaign has been launched within the U.S. to denounce the Roadmap and the multilateralism of which it is a product. As for the oft-mentioned impact of the Iraq war, only time will tell, but so far its most notable impact has been to freeze movement

on the Israeli-Palestinian during the long months leading to the war.

For better or for worse, the Roadmap is the only diplomatic instrument available, endorsed by all relevant international players and at least rhetorically embraced by the two protagonists. Today, the most important questions are those that relate to political dynamics – among Palestinians, in Israel and in the United States. The Roadmap's optimal purpose is as a facilitator and accelerator of more important developments: a decision by the Palestinian national movement to halt all military aspects of the intifada; a decision by Israel to fundamentally transform its rules of engagement and resume a meaningful political process; and a decision by the U.S. to engage in sustained and balanced diplomacy to achieve a comprehensive and durable Israeli-Palestinian political settlement.

RECOMMENDATIONS

To members of the Quartet:

1. Bolster the recent formal presentation of the Roadmap, by issuing a joint public statement to the Israeli and Palestinian people explaining its principal features and committing to a strong effort to see it implemented in a timely manner
2. Emphasise the importance and reality of the permanent status effort by, as early as practical:
 - (a) fleshing out and publicly promoting core elements of a permanent, comprehensive political settlement;
 - (b) engaging in visible preparation for permanent status arrangements, for example by organising working groups to plan the deployment of a Multinational Force; preparing for an International Commission for Palestinian Refugees; putting together a prospective Permanent Status Economic Package; and encouraging a process whereby Palestinians relocate refugees from camps in the West Bank, Gaza and outside countries in settlements evacuated by Israel; and
 - (c) emphasising the optional character of a transitional Palestinian state with provisional borders, to be exercised only insofar as it does not detract from the

- central objective of reaching a permanent status agreement within the agreed timeline
3. On the issue of settlements:
 - (a) prepare a list of settlement outposts to be dismantled in accordance with Phase One of the Roadmap;
 - (b) adopt a pragmatic approach to a settlement freeze, focusing public and diplomatic attention on the most noxious aspects of settlement and “separation fence” construction, such as land confiscations and demolitions or activities that present a particular threat to the economic viability of individual Palestinian communities or the geographic viability of a future Palestinian state, such as is taking place in Qalqilya and East Jerusalem; and
 - (c) make clear that Phase Two, whether or not it results in a Palestinian state with provisional borders, must include settlement evacuations to enhance Palestinian territorial contiguity and emphasise that settlement evacuations in the West Bank and Gaza is a core requirement for a viable permanent agreement.
 4. Deploy a monitoring mechanism to supervise Roadmap implementation. In the security field, the mechanism should:
 - (a) be U.S.-led;
 - (b) be professionally staffed with no less than 50 persons with a security/intelligence background, drawn from Quartet members and other relevant parties;
 - (c) enjoy the full political backing of the Quartet; and
 - (d) include a capacity for verification of Israeli and Palestinian obligations, challenge inspections and deployment at potential flashpoints.
 5. Avoid intervention in intra-Palestinian politics, and in particular:
 - (a) avoid playing Abu Mazen against Arafat; and
 - (b) respect the democratic choice of the Palestinians as expressed in elections scheduled as part of the Roadmap.

6. Build on the Roadmap and its objective of comprehensive peace by reinvigorating the Israeli-Syrian and Israeli-Lebanese tracks of the peace process.

To the United States government:

7. Demonstrate continuous and active leadership on Israeli-Palestinian diplomacy by:
 - (a) resisting attempts to dilute the Roadmap or the role of the Quartet; and
 - (b) appointing a credible Special Envoy empowered by President Bush to press for and supervise implementation of the Roadmap;
8. Flesh out, as part of the Quartet, elements of a permanent status agreement, and publicly promoting it with Israeli and Palestinian publics

To the Palestinian authority and Palestinian organisations:

9. Create a rebuilt, retrained and effective Palestinian security apparatus with a clear chain of command that will take pre-emptive action to prevent armed attacks.
10. Publicly and firmly condemn armed attacks, in particular suicide bombings against Israeli civilians.
11. Resume and intensify efforts between Palestinian organisations and the PA, with the support of key leaders currently detained by Israel, to agree on a political strategy to end the conflict with Israel, halt violent confrontation and recognise PA forces as the only security forces in the Palestinian territories.

To the government of Israel:

12. Create conditions that will make possible sustained security efforts by the new Palestinian government, changing current rules of engagement and deployment consistent with legitimate security needs by:
 - (a) ceasing the practice of military incursions, targeted assassinations, home demolitions, collective punishment and actions that endanger civilians; and
 - (b) lifting closures and other restrictions that affect normal civilian activity.

13. Lift movement and travel restrictions on Chairman Arafat as a further means of promoting the success of the new Palestinian government.

To Arab States:

14. Engage in intensified public diplomacy toward Israeli and Palestinian publics by:

(a) clearly endorsing the Roadmap and urging its implementation; and

(b) reinvigorating the Arab League Beirut resolution, making a direct appeal to the Israeli people for full peace and normal relations in exchange for the end of occupation and comprehensive peace agreements on all tracks.

15. Cease logistical and financial support for armed Palestinian groups that continue to engage in acts of violence.

Amman/Washington/Brussels, 2 May 2003

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I. INTRODUCTION: THE ROADMAP

For months now, diplomacy on the Israeli-Palestinian front has been held hostage to a series of successive events: the Israeli electoral campaign, the formation of the Israeli government, preparations for and the actual war on Iraq and, finally, Palestinian constitutional developments leading to the nomination of Mahmoud Abbas (Abu Mazen) as the first Prime Minister of the Palestinian Authority and the confirmation of his new government. Regardless of whether any of these factors should have been considered a prerequisite for international peace efforts, they are now out of the way. On 30 April 2003 the Quartet's Roadmap was officially presented to the Israeli government and Palestinian Authority (PA) as a signal for renewed diplomatic engagement.¹

A. ORIGINS

What is known as the Roadmap ("A Performance-Based Road Map to a Permanent Two-State Solution to the Israeli-Palestinian Conflict") was jointly prepared by the United States, the European Union, the Office of the Secretary General of the United Nations and the Russian Federation during the second half of 2002. It reflects the latest, most comprehensive and most multilateral effort to date to put an end to the violent Israeli-Palestinian confrontation that began in September 2000 and resume the political process interrupted in early 2001. Its antecedents are varied: the Mitchell Report, the Tenet work-plan and, perhaps most important of all, President Bush's 24 June 2002 speech. In that speech, the president first laid out the prerequisites (an end to violence and a change of Palestinian

leadership) and the aims (a final status agreement in which Israel and a Palestinian state would live in peace) for renewed Arab-Israeli diplomacy.² The Roadmap is a composite document, a product of intense negotiations between the United States and the three other members of the Quartet (and, indeed, between various schools of thought within the U.S. administration). Accordingly, it reflects a complex and at times uncomfortable compromise.³ In essentially conditioning political progress upon Palestinian political reform and an end to the violence, Quartet members effectively bowed to Washington's demand. On other aspects of the Roadmap (regarding reciprocal Israeli obligations, the need for monitoring, providing a role for the Quartet and defining the end-state) the U.S. appears to have moved somewhat in the direction of its Quartet partners.

After having repeatedly postponed its official release – in light first of the Israeli elections, then of the formation of the cabinet and the war on Iraq – the U.S. finally agreed to do so once a new Palestinian cabinet led by Abu Mazen was confirmed by the Palestinian Legislative Council (PLC). Washington also has made clear, resisting pressure from Israel and from members of the U.S. Congress, that the Roadmap as it now stands is final and "non-negotiable": while both Israelis and Palestinians may present their comments and reservations, it will no longer be altered. What this means in practice is

¹ A copy of the Roadmap as it was presented to the two parties is attached at Appendix A.

² A transcript of the Bush speech can be found in ICG Middle East Report N°2, *Middle East Endgame I: Getting to A Comprehensive Arab-Israeli Peace Settlement*, 16 July 2002, Appendix A.

³ An intensive effort also was made to register approval by the Arab "Trio" (Saudi Arabia, Egypt and Jordan) and they were able to some extent to shape the content of the Roadmap. ICG interviews, Washington, Amman, January-February 2003. Yossi Alpher has compared the Roadmap to a "stew, a goulash, into which each member of the Quartet, followed by Israel and the Palestinians, has been encouraged to toss its favorite food". *Bitterlemons*, 6 January 2003.

another matter. As U.S. officials have made clear, it will be up to the Israelis and Palestinians to discuss the Roadmap and its implementation, leaving open the possibility of protracted negotiations over the timing, sequence and definition of its numerous steps.

B. MAIN ELEMENTS OF THE ROADMAP

The Quartet defines the Roadmap as a gradual process “with clear phases, timelines, target dates and benchmarks aiming at progress through reciprocal steps by the two parties in the political, security, economic, humanitarian, and institution-building fields, under the auspices of the Quartet. The destination is a final and comprehensive settlement of the Israeli-Palestinian conflict by 2005”. The Roadmap is thus built on five concepts: gradualism, reciprocity, comprehensiveness, multilateralism through the Quartet and the goal of a final status agreement by 2005.

The Roadmap consists of three phases:

- *Phase One (present – May 2003)*: The focus of the first phase is on normalising the security and humanitarian situation. The Palestinians carry the bulk of initial responsibilities on the security front, including the obligation to “arrest, disrupt and restrain individuals and groups conducting and planning violent attacks on Israelis anywhere”; to dismantle the capability and infrastructure of paramilitary groups (through, inter alia, weapons confiscation, creation of a re-trained, consolidated security apparatus). However, Israel also is expected to take moves to facilitate these Palestinian steps. In particular, it is asked to cease actions that “undermin[e] trust”, such as deportations, house demolitions and land confiscations, as well as attacks on civilians and infrastructure. As the security situation improves, Israel is expected to withdraw “progressively from areas occupied since September 28, 2000”. Both sides are to resume security cooperation.

Also expected during this phase are core elements of Palestinian institution-building: the appointment of an “empowered” prime minister, drafting of a constitution and holding of elections. Again, Israel is asked to take measures to facilitate these steps, for example by removing restrictions on Palestinian movement. On the humanitarian front, the

Roadmap contemplates Israeli steps to alleviate conditions in the occupied territories.

Finally, the first phase of the Roadmap deals with the issue of settlements, calling on Israel to immediately dismantle outposts erected since March 2001 and “consistent with the Mitchell report to freeze all settlement activity (including natural growth of settlements)”. The reference to the Mitchell report is significant; for the U.S. administration (though, interestingly, not for the authors of the report itself)⁴ it is code for saying that the freeze should only take place once the Palestinians have taken measures to end the violence. Other members of the Quartet favour an immediate, unconditional freeze.⁵

- *Phase Two (June 2003 – December 2003)*: The second phase centres around the convening of an international conference and the “option of creating an independent Palestinian state with provisional borders” and certain attributes of sovereignty. The conference is scheduled to be held immediately after the Palestinian elections and, while the focus would be on the Israeli-Palestinian track, mention is made of its Lebanese and Syrian counterparts. The creation of a Palestinian state is mentioned as a “possibility”, though it clearly is a centrepiece of the Roadmap. The Roadmap provides little detail on its attributes or borders, specifying however that territorial contiguity should be “enhanced”. Although it does not explicitly mention the evacuation of settlements, it does so implicitly by referring in the context of such contiguity to “further action on settlements”. Other elements initiated in Phase One – on the security and reform fronts in particular – are supposed to continue, while Arab states are to begin restoring pre-intifada relations with Israel
- *Phase Three (2004 – 2005)*: The third and final phase focuses on reaching a permanent status agreement. It would start with the convening of a second international conference designed to endorse the agreement on the Palestinian state with provisional borders and to launch permanent status negotiations. The stated goal is to achieve a final agreement in 2005 and to move toward a comprehensive Arab-Israeli

⁴ ICG interview with staff members of Mitchell committee, Washington, January 2003.

⁵ ICG interviews, Washington, February-March 2003.

peace “as soon as possible”. The Roadmap mentions general terms of reference for the Israeli-Palestinian negotiations – UN Security Council Resolutions 242, 338 and 1397, the Saudi initiative as endorsed by the Arab League at its March 2002 Beirut Summit – and their ultimate objective:

a settlement negotiated between the parties that ends the occupation that began in 1967, and includes an agreed, just and fair solution to the refugee issue, and a negotiated solution on the status of Jerusalem that takes into account the political and religious concerns of both sides, and protects the religious interests of Jews, Christians, and Muslims worldwide, and fulfils the vision of two states, Israel and sovereign, independent, democratic and viable Palestine, living side by side in peace and security.

As with other issues, the question of whether the Roadmap would have strict timetables or not was resolved via a compromise that is likely to be the source of intense disagreement in the future. It mentions target dates while stipulating that progress from one phase to the next will depend on the parties performing their obligations. In other words, movement could be accelerated or delayed depending on the parties’ record of compliance. It will be up to the Quartet, whose decision-making will be consensus-based, to assess performance and determine whether conditions have been met to move on to the next stage.

Curiously, although release of the Roadmap was significantly delayed, the final version presented to the parties retained the dates from the 20 December 2002 draft. Accordingly, Phase One (which entails a large number of extremely difficult steps) is expected to be concluded by the end of May 2003 – only weeks after the document was presented – and Phase Two roughly seven months later, by December 2003. According to sources within the U.S. administration and the UN, the decision was made in order to avoid *any* revision of the roadmap, out of fear that this would open it up for more comprehensive renegotiation. The downside, however, is that the inclusion of irrefutably unrealistic target dates undermines the credibility of the document from the very outset. For political purposes, and in order to preserve the basic integrity of the process, it will be important for the Quartet to adjust its target timeline while making clear that the ultimate goal described in

the Roadmap’s preamble and, indeed, first mentioned in President Bush’s 24 June 2002 address – a final and comprehensive settlement of the Israel-Palestinian conflict by 2005 – remains intact.⁶

C. VIEWS ON THE ROADMAP

To best appreciate the Roadmap, it is useful to understand what it is and what it is not. The Roadmap is not a detailed, self-executing peace plan. It lacks specificity in terms of sequencing (who does what when), definitions (what is a settlement freeze, which attributes of sovereignty and so forth), mechanisms (how will compliance be assessed) and sanctions for non-compliance. Indeed, as some critics have noted, it is less detailed in some respects than some of the plans that preceded it, such as the Tenet work-plan. However difficult the tasks of putting the Roadmap together and agreeing on its launch date may have been, they pale in comparison to the forthcoming endeavour of reaching agreement on its implementation.

The Roadmap is more accurately described as a set of vital, well-crafted and balanced exhortations to the parties: end the violence, halt settlement activity, reform Palestinian institutions, accept Israel’s right to exist, establish a viable, sovereign Palestinian state and reach a final settlement on all issues by 2005.⁷ The principles themselves are unassailable and, were they to be fully and publicly endorsed by the parties and key regional actors, it would constitute a real advance. The central question is whether the political will exists to begin implementing these principles or whether the Roadmap will go the way of its myriad predecessors: endorsed in theory, rejected in practice – “Mitchellised”, as a European diplomat said with reference to the earlier initiative that carried the name of the former U.S. Senator.⁸

The hybrid nature of the Roadmap is reflected in the parties’ respective reactions to it. Prime Minister Sharon consistently has pointed to President Bush’s 24 June 2002 speech as the fundamental reference

⁶ In his address, President Bush stated: “With intensive effort by all [a final status agreement] could be reached within three years from now”.

⁷ In Secretary of State Colin Powell’s words, “The Roadmap is not an edict, it is not a treaty. It is a statement of the broad steps we believe Israel and the Palestinians must take to achieve President Bush’s vision”. Statement at AIPAC Conference, 30 March 2003.

⁸ ICG interview with European Foreign Minister, 3 April 2003

point, and his supporters have objected to aspects of the Roadmap that in any way deviate from their understanding of that speech.⁹ On the Palestinian side, however, virtually anything put forward by the Quartet is considered an improvement over that same speech. The paradoxical result is this: although based on a vision to which the Palestinians strongly objected, they have chosen not to question the details of the Roadmap, submitting some reservations but essentially accepting it as is;¹⁰ conversely, while members of the Israeli government hailed President Bush's words, they have voiced serious concerns about the plan that grew out of them, submitting numerous reservations and variously suggesting it was not a serious exercise, inconsistent with Mr Bush's vision or incompatible with Israel's vital interests.¹¹ At the same time, neither side appears persuaded that the Roadmap will ever be implemented or that it is anything more than a diplomatic feel-good exercise intended to demonstrate concern without practising it.

In criticising the Roadmap and drawing distinctions between it and the Bush speech, Israeli officials have raised a number of issues, among them the following:¹²

- *Security and Sequencing*: Israel insists that the precondition for any political progress is decisive Palestinian steps against violence and

incitement and leadership change, and complains about the Roadmap's lack of clarity in this regard. It believes these objectives should be achieved before undertaking any steps of its own, including scaling back its presence in Palestinian areas and instituting a settlement freeze. Because there is no confidence in the Palestinians' willingness to crack down on militant organisations and fear that any Israeli relaxation will only give such organisations greater opportunity to regroup and strike with greater vigour, Jerusalem insists on iron-clad evidence of a deep, structural change in Palestinian behaviour before it modifies its own approach. More generally Israel, worried about being forced to take steps inconsistent with its security requirements, insists that transition from one phase to another should not be a function of an artificial timetable imposed from the outside but rather a function of performance. "The determining factor is not the timetable but the execution".¹³ As noted previously, the Roadmap appears of two minds on this issue, mentioning dates, but characterising them more as targets than deadlines.

- *Palestinian Right of Return*: Israel complains that the Roadmap does not require the Palestinians to recognise Israel's right to exist as a Jewish state. Agreement on the establishment of a Palestinian state, even with provisional borders, should according to the Israeli government, be conditioned on an unequivocal Palestinian abandonment of the refugees' "right of return" and their recognition of "the Jewish people's right to a homeland and the existence of an independent Jewish state in the homeland of the Jewish people. . . The issue must be clear from the outset".¹⁴
- *Limitations on the Sovereign Attributes of the Palestinian State with Provisional Borders*: These, according to Israel, must be made far clearer in the Roadmap, for example: demilitarisation; Israeli control over exit and entry points and over the airspace; and a ban on Palestinian alliances with "enemies" of Israel.
- *Reduced Role for the Quartet*: Israel wants the United States, and not the Quartet, to judge whether the parties have complied with their

⁹ ICG interviews with senior Israeli officials, and with UN and European officials, March 2003

¹⁰ In interviews with ICG, Palestinian negotiators made clear they felt there were serious shortcomings in the Roadmap but chose not to raise them out of a sense of political weakness, a desire to rehabilitate the PA in international eyes, and a lack of conviction that anything serious ultimately would come out of the exercise. ICG interviews, Ramallah and Jerusalem, February and March, 2003.

¹¹ In an interview with *Newsweek*, Sharon reacted to mention of the Roadmap by saying: "Oh, the Quartet is nothing! Don't take it seriously! There is [another] plan that will work". 27 January 2003. In a later statement, he explained: "Israel and the US see eye to eye on the suitable interpretation of and appropriate methods for implementing President Bush's speech, in contrast to the position of the other Quartet members. The State of Israel's view is that the US and Israeli visions are the only actual understandings that are likely to result in peace in the Middle East". Quoted in *The New York Times* 20 January 2003.

¹² Sharon explained that "as long as the [Roadmap] matches the speech, it is acceptable to us. Regarding the latest draft that was sent to us, we have 14 or 15 reservations that I have passed on to the White House". Quoted in *Ha'aretz*, 24 April 2003.

¹³ Ibid.

¹⁴ Ibid.

obligations and even then for this to be in agreement with the Israeli government. Israeli officials expressed some satisfaction with the clause calling for a “consensus” view, taking it to mean that the U.S. will be able to veto any decision regarding Roadmap implementation. Still, they would prefer clear assurances in this regard.¹⁵

Far-right members of the Israeli governing coalition have gone further. For Uzi Landau, the Likud minister-without-portfolio responsible for the Secret Service and strategic relations with the U.S., the Roadmap is a “map to national disaster”, rewarding Palestinian violence with a state, failing to mention its necessary limitations (e.g., demilitarisation), suggesting a return to the unacceptable borders of 1967 and a division of Jerusalem and, to top it all, leading to the internationalisation of the conflict, something Israel had spent years seeking to avert.

The road map is a huge prize for terror. In its wake, the Palestinians will not only achieve their strategic goals, but will reach a clear conclusion: terror pays. . . If Israel wants to live, it must make as clear as possible and as early as possible that without basic preconditions, the map is totally unacceptable.¹⁶

The Palestinian attitude toward the Roadmap is less a function of its substance (of which they are critical)¹⁷ and likelihood of implementation (of which they are dubious)¹⁸ than of its purpose: to restart a political process and help rehabilitate the Palestinian Authority in international, and especially U.S. eyes at a time when “the PA feels it cannot afford a confrontation with the Quartet or make it easy for Sharon to get out of a potential trap”.¹⁹

Consistently characterised as “the only game in town,”²⁰ the Roadmap is viewed as an offer that, however paltry, the Palestinians in their current circumstances simply cannot afford to refuse. Hence, and unlike the Israeli government, the PA has from an early stage refrained from arguing over its details and repeatedly called for its publication – and implementation – without further amendment.²¹

In private, Palestinians are more critical. In particular, and while some point out that it is in fact an “improvement over Oslo, which consisted only of an agreement to negotiate, because the Roadmap explicitly identifies the end of occupation and an independent Palestinian state as an objective”,²² most seem to view its emphasis on a gradual, sequential approach as reminiscent of the failed Oslo agreements, leading them to conclude that it is unlikely to ever get beyond the initial stages of implementation.²³ They contend that the endgame vision outlined in the plan is insufficiently concrete, thereby depriving the PA of the political argument it feels it needs to either persuade violent groups to cease their attacks or to marginalise them in the public’s eye. A related concern is that “the transitional will become permanent. We are convinced that Israel will behave as it did during Oslo, and as Shamir did at Madrid, which is basically to play for time and avoid real change”.²⁴ Anxiety about the prospect of an indefinite interim phase has been expressed with particular regard to the concept of a transitional state without final borders.

Chastened by the experience of the Oslo process and fearful that Israel is content with the

status quo, in spite of the violence, and will drag its feet, Palestinians further express their desire for

¹⁵ ICG interviews with Israeli officials, Tel Aviv, March/April 2003.

¹⁶ *Ha'aretz* 8 April 2003.

¹⁷ ICG interviews, Ahmad Majdalani, member of the Political Bureau of the Palestinian Popular Struggle Front (PPSF), Ramallah, 27 March 2003; Haidar Awadallah, member of the Political Bureau of the Palestinian Peoples’ Party (PPP), Ramallah, 31 March 2003.

¹⁸ A PA cabinet member told ICG: “There is no confidence that Sharon is prepared to implement any political solution at all, or that Bush will compel him to do so, certainly before the presidential elections”. ICG telephone interview Ghassan Khatib, PA Minister of Labour, 23 April 2003.

¹⁹ ICG telephone interview, Daoud Talhami, member of the Political Bureau of the Democratic Front for the Liberation of Palestine (DFLP), April 2003.

²⁰ The characterisation was consistently used by PA officials and others, including opposition activists seeking to characterise the PA’s approach to the Roadmap. ICG interviews, March and April 2003.

²¹ In his 29 April 2003 speech to the Palestinian Legislative Council, Abu Mazen stated: “The government is committed to the PLO’s official approval of [the Roadmap] . . . We will not negotiate the Roadmap. The Roadmap must be implemented, not negotiated. . . [The government] calls upon the Quartet . . . to announce the Roadmap as we know it as soon as possible”.

²² ICG telephone interview, Jamil Hilal, Palestinian researcher and analyst, April 2003.

²³ ICG interviews, Khatib, op. cit.; Ahmad Deik, PLC member and member of the Fatah Higher Committee in the West Bank, Ramallah, 15 April 2003; Khaled Hourani, Director-General, PA Ministry of Culture, Ramallah, 30 March 2003.

²⁴ ICG interview, Talhami, op. cit.

measures to compel compliance.²⁵ Otherwise, they argue, delay only serves the interests of Israel's current government: short of the threat of international punitive action, what incentive will it have to comply and meet its deadlines if missing them merely means postponing the establishment of a Palestinian state and reaching a final deal?

The structural weaknesses of the Roadmap highlighted by these various concerns, give room for pause about its practical ability to change the situation on the ground. A principal fear is that, as was the case with Oslo, neither side will take the most important, difficult steps as part of a gradual process so long as the outcome remains in doubt: Palestinians will not seriously crack down on militant groups, Israel will not halt settlement activity, and so forth. Moreover, the degree to which much of the detail is left to the parties to negotiate directly has led a former U.S. diplomat to conclude: "The Roadmap as it currently stands is simply unimplementable. We have the principles. Now it is time to get down to work".²⁶

What is required for the Roadmap to accomplish more than its rhetorical promise and start changing conditions on the ground are these essential political ingredients:

- constant, vocal and, to the extent possible, practical reminders by the Quartet and all its members that the goal of the enterprise is a final status settlement that resolves all issues by 2005;
- Palestinian willingness and capacity to end armed attacks;
- Israeli willingness to both radically modify their own security approach, so as to give the Palestinians the time and space required to bring violence under control and to undertake political/humanitarian steps that will facilitate the Palestinians' task; and
- sustained U.S. engagement with full presidential backing and willingness to put pressure on both sides

II. THE PALESTINIAN AUTHORITY: POLITICAL DEVELOPMENTS

A. PALESTINIANS LOOK BACK: A DEBATE ABOUT POLITICAL VIOLENCE

Over the past several months, Palestinians have engaged in a wide-ranging internal debate about the use of political violence to reach their national objectives. In countless interviews conducted by ICG, Palestinian militants at all levels betrayed a genuine and uncharacteristic questioning of existing strategies and tactics and exploration of new ones.²⁷ The debate itself is a reflection of many factors: a perceived failure to achieve the desired political objectives; exhaustion after more than two years of armed confrontations that have virtually destroyed Palestinian institutions and economic life; unrelenting Israeli military pressure that has reduced the efficiency of Palestinian attacks and, in particular through regular assassinations, rendered Palestinian paramilitary organisations increasingly incoherent; growing disillusionment with the PA leadership, notably with that of Yasir Arafat; increasing international isolation brought about by deliberate attacks against Israeli civilians; and the discrediting and marginalisation of the Israeli peace camp. Even an organisation like Hamas has appeared prepared to reconsider its strategy in the face of the systematic elimination of much of its operational leadership.

After two and a half years of intifada, the assessment is generally grim. Ramallah, the political centre of the Palestinian Authority, has effectively resumed its former status of Israeli-occupied territory. Palestinian leader Yasir Arafat, who until 2001 was routinely received in Arab and foreign capitals as a head of state, has been reduced to a virtual prisoner within the remnants of the Ramallah *Muqata'a*. Since June 2002, a change in Palestinian leadership has become an explicit U.S. objective. To many Palestinians, Ramallah and Arafat's fate accurately reflects their own.

In military terms, as many Palestinians see it, the initiative has remained with Israel. Although Palestinian attacks both within the occupied territories and within Israel have continued, some with deadly effect, they betray no strategy aside from periodic reminders that Palestinians continue to resist

²⁵ ICG telephone interview, Ziad Abu Amr, Chairman of the Political Committee of the PLC and since 30 April 2003 PA Minister of Culture, 22 April 2003.

²⁶ ICG interview, Washington, April 2003.

²⁷ ICG interviews in Gaza and Ramallah, September 2002-March 2003.

and retain the capacity to inflict painful blows upon Israel and Israelis. Prime Minister Sharon's government, by contrast, has pursued an agenda of incapacitating the PA, dismantling its security apparatus and the various Palestinian militant organisations, and breaking the will of the Palestinian population to sustain the uprising. IDF operations during the past two and a half years – including massive incursions into and prolonged occupations of Palestinian population centres, “targeted killings”, mass arrests, interception of would-be suicide bombers, increasing intelligence gathering – have, according to Israeli military sources, had a cumulative qualitative impact on the ability of Palestinian armed factions to conduct operations.²⁸

Meanwhile, the cost to the Palestinians, measured in human and material terms has been enormous,²⁹ and the Palestinian economy has been stopped dead in its tracks. The combined effect of curfews, closures, house demolitions, assassinations, incursions, separation fences, international inaction and the war on Iraq have resulted in their physical as well as political isolation. More than anything else, it is this fear of being marginalised and helpless in the face of further Israeli attacks that appears to have determined the Palestinian Authority's attitude toward the armed uprising and the Roadmap.

Finally, another potential element could affect the decisions of the leaderships of Hamas and other radical Palestinian organisations: possible regional changes in the aftermath of the Iraq war, in particular a decision by their Syrian or Iranian allies to curtail their support. When coupled with unremitting Israeli attacks, this could lead Hamas to seek an insurance policy by agreeing to a Palestinian ceasefire. In the words of one Palestinian analyst, “Hamas is very likely to reconsider its strategy in light of the new situation, particularly if its options are reduced to survival and confrontation, and it is offered an attractive enough incentive to cooperate”.³⁰

While these factors would seem to favour a strategic turn away from the militarised uprising, some

elements continue to push in the other direction. First, while many Palestinians appear to share the negative assessment of the strategic direction and political failures of the intifada, not all do. Key elements within Hamas, the Islamic Jihad, the PLO opposition and even Fatah, supported by a significant sector of public opinion, have arrived at altogether different conclusions. As they see it, it is Israel, not the Palestinians, that has lost the most in the current confrontation: its economy is in crisis, it is facing unprecedented security threats, settlements increasingly are viewed as a source of Israeli vulnerability rather than strength, it has suffered a massive loss of support in international public opinion and, most important, the Palestinians have demonstrated they cannot be subjugated by force and can withstand as well as respond to any Israeli assault.³¹ Because they believe the Palestinian people have a greater capacity to endure – and greater experience of – hardship, they are convinced that time is on their side. From their perspective, the path paved by the Roadmap would effectively entail capitulation – whether through unilateral Palestinian disarmament or a bloody confrontation between Palestinians, all without any guarantees of a fair political solution. In the absence of the consistent threat and reality of Palestinian attacks, they claim, Israel will have no incentive to compromise.

By shattering the Palestinians' security capacities and fragmenting their political leadership, Israel also has made armed militants that much more difficult to control. To the extent there ever was a sense of Palestinian hierarchy and command and control, it is with few exceptions all but gone, in many cases replaced by localised, virtually autonomous authority or simply chaos. Security services and their logistical means have been devastated. Fatah has been badly hurt through the loss of upper and mid-level leadership, and is without authority or central control.³² The Fatah-affiliated Al-Aqsa Martyrs' Brigades, in particular, far from being a disciplined military apparatus, have for the most part become little more than a loose association of local militias. Local initiatives tend to be controlled by commanders as young as 18-22 with a low level of

²⁸ ICG interview with IDF source, April 8, 2003.

²⁹ According to the Palestine Red Crescent Society (PRCS), 2,261 Palestinians were killed and 22,534 injured between 29 September 2000 and 25 April 2003. <http://www.palestinercs.org/intifadasummary.htm>. According to the Israeli Foreign Ministry, 771 Israelis were killed and approximately 5,000 injured during the same period.

³⁰ ICG interview, Hilal, op. cit.

³¹ ICG interview with Hamas member, Gaza, March 2003.

³² According to a long-time observer of Palestinian affairs, Israel has now either killed or detained almost all senior and mid-level Fatah paramilitary leaders. As a result, even if the organisation wanted to, “it lacks the means to make or enforce decisions on the ground”. ICG interview, Jerusalem, March 2003.

organisational discipline, loyalty or accountability.³³ Cross-factional alliances are routinely formed at the local level, blurring previous distinctions in terms of methodology of resistance and broader political objectives.

Such distinctions are further blurred by the increasingly widespread phenomenon of particular factions in particular regions funding the activists and attacks of other, cash-starved groups. Rather than exploiting financial leverage to recruit individual members from ostensibly rival organisations, funds are employed to encourage any variety of local militias to contribute to the strategy pursued by the financier.³⁴ Needless to say, re-establishing political control over activists who have come to rely on other organisations for their funding will require more than a proclamation demanding discipline from the highest levels of the PA and Fatah.³⁵ An added complication in this respect is that Hamas is generally believed to have retained a higher level of organisational discipline than other organisations and several PA security services.

A final complicating element is the competition for power within the Palestinian polity, which makes any unified decision harder to reach. The deliberate isolation and marginalisation of Arafat by Israel and the U.S. weakens him but also increases his incentive to act as a spoiler. Considered unredeemable by Washington, he arguably has little motivation to contribute to the success of a process that is for at least some predicated on his passive acquiescence to political invisibility. More generally, the diffusion of Palestinian power centres and the struggle for Arafat's succession – which in important respects has already begun – provides a consistent incentive for Palestinian leaders to

undermine each other and thwart the success of any one individual or contending alliances.

These competing pressures played out most acutely in two recent events: the intra-Palestinian dialogue and the nomination of a prime minister.

B. THE SEARCH FOR A PALESTINIAN STRATEGIC CONSENSUS

While few Palestinians were prepared to admit that their own actions had contributed to the debacle and preferred to blame policies pursued by their rivals, it was nevertheless recognised that the absence of internal strategic coordination was a chief culprit, and that the simultaneous pursuit of a multiplicity of political agendas and military tactics was undermining all of them. As many saw it, particularly within the PA leadership, the repeated resort to suicide bombings against civilian targets in Israeli cities by Palestinian militant organisations helped persuade the international community that unless and until the PA demonstrated an ability to control such forces, it would lack credibility as a negotiating partner.³⁶ Seen from the militants' perspective, the Palestinian leadership's consistent inconsistency toward the uprising severely undermined their prospects for success.³⁷

Mid-2002 was a turning point, when the political leadership of the indigenous, activist wing of the Palestinian National Liberation Movement (Fatah), commonly known as the *tanzim*, reached the conclusion that the militarised uprising had failed and made a strategic decision to seek a de-escalation of the conflict. As an alternative strategy, it sought to consolidate its gains through spearheading reform within the PA and contesting elections within Fatah and the Palestinian Legislative Council (PLC). For this approach to work, however, Fatah members felt they needed two things: agreement from other Palestinian organisations, and particularly Hamas, to cease attacks within Israel; and a commitment from the Israeli government to halt its policy of assassinations and incursions.³⁸ In the absence of these conditions, there was little prospect of

³³ Confirmed in ICG interview with senior European security official, March 28, 2003. The same source described the ease with which such junior operatives are recruited almost at random by the different factions, most of which (Al Aqsa Brigades included) receive funding from non-Fatah sources. Such funds include Iranian support, channelled via Hizballah in Lebanon and subsequently Islamic Jihad in the occupied territories.

³⁴ ICG interviews, Jerusalem, Washington, Ramallah, March 2003. The most common pattern appears to be Islamist funding of cells associated with the Fatah-affiliated Al-Aqsa Brigades.

³⁵ A former Israeli official commented that the IDF had gone too far in destroying the organisational leadership in the West Bank: "we have no one left to defeat, and they have no one left to deliver". Tel Aviv, March 2003.

³⁶ ICG interviews, Ramallah, March 2003.

³⁷ See further Mouin Rabbani, "The Costs of Chaos in Palestine", Middle East Report 32:3 (Fall 2002), pp. 6-7.

³⁸ ICG interviews, members of Fatah Higher Council, Ramallah, October 2002.

persuading the increasingly autonomous and incoherent Fatah militias to curb their activities.

Efforts to reach an intra-Palestinian consensus soon expanded beyond the issue of military tactics to include political relations between the PLO, PA and the individual factions, and a unified approach to the Israeli-Palestinian conflict and the principles for its resolution.³⁹ These attempts took place within the context of the cross-factional Committee of National and Islamic Forces (NIF) in Gaza City. However, numerous drafts failed to produce a formula acceptable to all of the Palestinian participants.

With Israeli elections and war in Iraq looming – the latter in particular fuelling fears that Israel would use the opportunity for more aggressive military moves – external facilitators (notably Egypt and the EU) redoubled their efforts. In October 2002, General Omar Sulaiman, the Director of Egyptian Intelligence, invited Fatah, Hamas, and ten other Palestinian factions to Cairo to renew their discussions. The primary objective motivating Egypt and the EU was to achieve a unilateral comprehensive Palestinian ceasefire, or at least one relating to suicide bombings during the Israeli election campaign, so as to assist the Labour Party in its effort to unseat Ariel Sharon. A secondary objective, which became increasingly important as time went along, was to keep a lid on the situation in Israel and the occupied territories during the expected war on Iraq.⁴⁰ A third was Cairo's desire to improve Egyptian-US bilateral relations, under strain since the attacks of 11 September 2001.

A number of sessions held in Cairo between October 2002 and the eve of the January 2003 Israeli elections produced the outlines of an understanding but failed to achieve agreement.⁴¹ Explanations for

the failure vary. For U.S. officials, the blame lies essentially with Arafat. According to them, the Palestinian leader feared a deal that would empower other members of Fatah as well as the Palestinian opposition, thereby further diminishing his own influence. U.S. officials also argue that Arafat wants to maintain a certain level of violence without which, they claim, he would have no role in Palestinian politics at this point.⁴² Some Palestinians agree with elements of this analysis, pointing out that in the context of the rivalry between Fatah and Hamas, "Arafat was extremely uncomfortable with the idea of Hamas being treated on an equal footing with the PA by the Egyptians, and determined to deny them what would clearly have amounted to a substantial political achievement".⁴³

Alternatively, some participants concluded that the insurmountable obstacle was Hamas, and its external leadership in particular.⁴⁴ While Hamas was feeling the brunt of Israeli military actions and may have wanted a reprieve, under this view it was unwilling at the end of the day to agree to a total ceasefire that would also apply to the occupied territories.⁴⁵ Nor is it clear that Fatah itself was prepared to accept a one-year, unconditional and unilateral ceasefire as was eventually demanded by Abu Mazen, the Secretary General of the PLO Executive Committee.⁴⁶ According to an advisor to the PLO: "Fatah was the first to reject Abu Mazen's

installations, and the release of imprisoned Palestinian leaders.

³⁹ ICG interview, Washington, January 2003.

⁴⁰ ICG telephone interview, Palestinian legislator, name withheld, April 2003. Statements by Hamas made in the wake of Cairo that the movement was ready to assume leadership within the occupied territories will only have confirmed these fears.

⁴¹ The question of the relationship between the internal and external branches of Hamas is complex. While some analysts see a clear division, with the external branch pushing a more radical line, others disagree and believe the main line of separation is between those who favour and those who oppose turning Hamas into an essentially political movement – with advocates of both lines present in and outside the territories.

⁴² ICG interview, Ali Amer, member of the Politbureau of the Palestinian Democratic Union (FIDA) and the organisation's representative at the Cairo talks, Ramallah, 23 April 2003. Proponents of this view often identify Islamic Jihad as an obstacle in this respect as well.

⁴³ For Abu Mazen's views on Palestinian violence, see, for example, Mahmoud Abbas (Abu Mazen), interview, *Al-sharq Al-Awsat*, 10 December 2002. A translation is available at <http://www.nad-plo.org/eye/news51.html>.

³⁹ ICG interview, Abu Amr, op. cit., who was an active participant in these efforts.

⁴⁰ Ibid. See also his "*hiwar fath wa hamas fi-l-qahira: al faradiyyat al khati'a*" (the Fatah-Hamas Dialogue in Cairo: The Erroneous Assumptions), 2003. Similar views were expressed by Arab diplomats interviewed by ICG in Amman and Washington.

⁴¹ Although the document was never made public, the authenticity of leaked copies made available to the media has not been contested. Its main (if implicit) parameters were establishing a state within the territories occupied in 1967 as the Palestinian political objective; a Palestinian ceasefire, to be enforced by the PA; reciprocal Israeli measures consisting of a cessation of assassinations and attacks on PA

statements, meaning Hamas and Islamic Jihad were spared the blame of ruining the talks themselves".⁴⁷ The incoherent state of the Fatah movement at this point almost certainly hampered the search for a consensus. Finally, others, while not discounting any of the above factors, have concluded that the Cairo talks ultimately failed because the Egyptians and Europeans were unable to obtain an Israeli commitment to reciprocate the Palestinian initiative, for example by ceasing its policy of assassinations.⁴⁸ "Without a clear Israeli commitment which could then also be presented by the factions as a concrete achievement in return for their ceasefire, it never stood a chance".⁴⁹ Despite its ultimate failure, however, the attempt to achieve a Palestinian strategic consensus was lauded by virtually all involved and there continues to be speculation about whether and when it will be resumed.⁵⁰

Competing assessments among Palestinians regarding the dialogue and the reasons for its failure are likely to play out again as the PA faces the task of implementing the Roadmap. On the one hand, there are those who believe that the dialogue is part of a protracted internal process that, with time, will produce a strategic consensus on the use of political violence. Under this approach, the goal should be to co-opt Hamas and seek its agreement to put an end to its armed attacks, at least for a determined period of time and at least applicable to all attacks within Israel. On the other hand, some Palestinians are persuaded that Hamas's agenda (in regards to both internal Palestinian politics and relations with Israel) requires a head-on, confrontational approach and that nothing short of that will bring Palestinian violence to an end.⁵¹ Certainly, that is the view taken

by Israeli officials, who are extremely wary of a short-lived, tactical halt in Palestinian attacks that will enable Hamas and other organisation to regroup and position themselves for the next round.

This controversy was one of the sub-themes in the debate over Prime Minister-designate Abu Mazen's cabinet, discussed below. For some, the designation of Abu Mazen, and his choice of Mohammad Dahlan as the minister responsible for security suggest that the PA has decided to decisively confront Palestinian paramilitary organisations. If Israel gives him breathing space by halting provocative actions, Dahlan is said by some to be prepared as a first step to give Hamas an ultimatum to stop its violent activity in Gaza. Abu Mazen, who conducted discussions with Hamas in his capacity as Prime Minister-designate, reportedly informed the organisation that "you are either with the Palestinian national project which is the PA, or outside the law and will be dealt with as such",⁵² to which it is said to have replied that the PA should first apply this criteria to the militias associated with Fatah.⁵³

Others doubt that the PA has either the capacity or political will to take on Hamas and other paramilitary organisations, and believe it is more likely to issue threats and flex its muscles (probably to little effect) to encourage compliance without risking an armed confrontation. An additional factor in this respect is the distinct likelihood that the PA does not have the luxury of confronting Hamas in isolation: "If the PA opens the attack on Hamas, it will not have the support of the Fatah grassroots, and the Islamists will be supported by elements of the Aqsa Brigades",⁵⁴ and presumably others as well.

Advocates of a co-optation approach argue that the following are preconditions for success:

- ❑ Radical organisations such as Hamas and Islamic Jihad will not sign on to any ceasefire initiative which is not first accepted by Fatah, and specifically its field leadership, with the support of key senior figures detained by Israel.
- ❑ The current Palestinian political leadership will need to engage in serious political dialogue

⁴⁷ ICG telephone interview, PLO advisor, name withheld, April 2003.

⁴⁸ ICG interviews with Arab diplomats, Washington, February 2003.

⁴⁹ ICG telephone interview, Graham Usher, April 2003. The view that the Cairo talks failed because Israel effectively rejected their provisions is echoed by Daoud Talhami of the DFLP. ICG interview, Talhami, op. cit. U.S. officials confirm that Israel was not prepared to give Cairo the upfront commitment it asked, but disagree that this was in any way the main obstacle to an agreement. ICG interview, Washington, February 2003.

⁵⁰ See, for example, Bassam Salhi, "Transforming the Intifada", *Bitterlemons*, 10 February 2003. Hamas leadership member and spokesperson Abd-al-Aziz Rantisi was similarly positive: "We welcome such dialogue in any place, whether in Gaza, Cairo, or elsewhere". ICG telephone interview, Abd-al-Aziz Rantisi, 15 April 2003.

⁵¹ ICG interviews, Gaza, Ramallah, March 2003.

⁵² ICG interview, Majdalani, op. cit.

⁵³ ICG interview, Rantisi, op. cit.

⁵⁴ ICG interview, Hani al-Masri, Director General of Publications in the PA Ministry of Information and a leading Palestinian commentator, Ramallah, 27 March 2003.

with other factions and allow space in the political system for non-Fatah factions.

- A unilateral ceasefire proclaimed by the PA leadership is unlikely to succeed. It is liable to consolidate military coordination between the militias rather than exacerbate political differences between them. What is needed is some form of reciprocal Israeli commitment, in particular a cessation of targeted assassinations.

C. THE PALESTINIAN PRIME MINISTER

On 10 March 2003, the Palestinian Legislative Council (PLC) overwhelmingly approved an amendment to the Palestinian Basic Law that created the position of Prime Minister of the Palestinian Authority. That same day, Arafat nominated Abu Mazen to fill the post. Almost immediately, a series of disputes erupted over the powers of the office, the formation of a new cabinet, and the policies it would pursue.

1. An Empowered Prime Minister for a Reformed PA?

Pursuant to legislation adopted by the PLC and subsequently ratified by Arafat, the Palestinian prime minister is an appointed official; nominated by the elected president, he must be confirmed by the elected legislature. The prime minister reports to the president, who may attend cabinet meetings and dismiss the premier without cause. The council of ministers and its individual members however report to, and are accountable to, the premier and the PLC.

The prime minister is the senior official responsible for the formulation of PA governance policies and the supervision of PA institutions and agencies – including ministries – that implement these policies. In the security realm, the prime minister is responsible for “internal security and public order”, while the president retains responsibility for “national security”. Foreign relations, including diplomatic negotiations, remain formally under the aegis of the PLO.

While the above measures constitute important changes in the pattern of Palestinian governance, their significance is easily overstated. On the one hand, Arafat has ceded control over the cabinet, governance and important aspects of security policy to a prime minister. At the same time, he selects the prime minister, and remains the supreme, elected

Palestinian leader, playing a decidedly active role in Palestinian public life. While it is true that the PLC provided the prime minister with more responsibilities than Arafat was initially prepared to accept, a prominent Palestinian legislator who has long advocated the creation of the post notes that “if anyone other than Arafat had been president we would have given the prime minister significantly more powers. Under circumstances in which Israel and the U.S. are actively seeking to undermine our legitimate and elected national leader, however, we considered it inappropriate to excessively reduce Arafat’s role”.⁵⁵

Nor is the message in terms of the reform agenda clear-cut.⁵⁶ The confusion and overlap between the domestic agenda for institutional change, internal struggles over the political direction of the Palestinian national movement and international pressure to undercut Arafat helped muddy the picture. Naming a prime minister was one of the demands of those favouring greater accountability and decision-making procedures in the PA, but it also – and perhaps principally – represented “a calculated political initiative by the PA to secure its position in view of the impending war in Iraq and the expected release of the Quartet Roadmap thereafter”.⁵⁷ One Palestinian official told ICG, “this is our insurance card. Without it, no one will protect us from an Israeli decision to destroy the PA”.⁵⁸ The end-result – massive U.S. and EU pressure upon Arafat to endorse a cabinet list, prominent members of which have been officially accused and/or popularly derided on account of corruption, and more generally pervaded by cronyism, further reinforces the political, as opposed to reformist, intent and character of the prime minister controversy.⁵⁹

⁵⁵ ICG interview, Palestinian legislator, name withheld, Ramallah, March 2003.

⁵⁶ For more on this subject see ICG Middle East Briefing, *The Meanings of Palestinian Reform*, 12 November 2002.

⁵⁷ ICG telephone interview, Diana N. Buttu, Legal Advisor to the PLO, 15 April 2003.

⁵⁸ ICG interview, Ramallah, March 2003.

⁵⁹ ICG interview, Shuruq As’ad, *Al-Arabiyya* correspondent, Ramallah, 14 April 2003. According to Ahmad Deik, member of the Fatah Higher Committee, “it is definitely not a reformist government, and includes candidates who could not be further removed from the issue of reform”. ICG interview, Deik, op. cit. To Mustafa Barghouthi, General Secretary of the independent Palestinian National Initiative (PNI), the appointment of a prime minister, while desirable in principle, largely missed the point. “The key issue”, he

Within the Palestinian political elite, a majority viewed the appointment of a prime minister as an overdue administrative reform, a necessary prerequisite to resuming the peace process and PA reconstruction, or both. In this context, Abu Mazen was viewed as an optimal candidate – for the PA, a person with sufficient international credibility to rehabilitate the Authority; for the senior Fatah leadership, a leader who possessed the requisite organisational credentials and political legitimacy; for younger militants, a transitional figure without the popular support, charisma or ambition to threaten their own political ambitions. As one Palestinian activist told ICG, “Abu Mazen was able to gather the support of two key groups: those who want him to succeed so that the Palestinians can close the chapter of the intifada, and those who want him to fail so that they can take his place”.⁶⁰

2. The Struggle over Abu Mazen’s Cabinet

On 13 April, after extensive consultations,⁶¹ Abu Mazen put forward his proposed cabinet list. It was received with immediate, widespread and active opposition from at least as many quarters as had previously agitated for the appointment of a prime minister. The effort to alter the composition of Abu Mazen’s cabinet joined together those who failed to

argues, “is to conduct elections. Without a new democratic mandate it will simply not be possible to institute credible reforms or pursue effective negotiations with Israel. The new government cannot be representative and will not succeed in either field”. ICG telephone interview, Mustafa Barghouti, April 2003. The assessment of the government apparently holds true for public opinion as well. A poll conducted by the Palestinian Center for Policy and Survey Research in early April 2003 found that 64 per cent supported the appointment of a prime minister, and 61 per cent the nomination of Abu Mazen. While 70 per cent of those surveyed believed the new government would be able to resume political negotiations with Israel, only 50 per cent thought it would improve economic conditions. By contrast less than half of the respondents believed it would carry out political reforms, confront corruption, or win the confidence of the Palestinian public.

⁶⁰ ICG interview, Gaza, March 2003.

⁶¹ During these consultations Abu Mazen met with representatives of virtually every faction and at one point travelled to Gaza City where he also met with representatives of Hamas. According to Rantisi, and contrary to various press reports, Hamas was not offered inclusion in the new government, and in any case “would not have considered it appropriate to accept such an offer during the liberation struggle when there is not yet a state.” ICG interview, Rantisi, op. cit.

obtain ministerial posts and those who did not receive the positions they desired; Fatah Higher Committee and independent reform advocates incensed that Abu Mazen had chosen most of his cabinet on the basis of loyalty, or factional and geographic considerations rather than professionalism (thus failing to propose the “technocratic cabinet” that had been widely demanded and expected); Arafat loyalists who saw the proposed cabinet as part of a creeping coup against their leader sponsored by foreign forces; and a majority of the Fatah Central Council, which felt deliberately by-passed, particularly by the selection of the comparatively junior Muhammad Dahlan as Minister of State for Security Affairs, rather than their preferred candidate, outgoing Interior Minister Hani al-Hasan (one of their own who would have ensured continued Central Council control of security policy).⁶²

The most vehement reaction, not surprisingly, came from the person who had reluctantly named Abu Mazen in the first place, Yasir Arafat. Although constitutionally Abu Mazen was not required to obtain Arafat’s approval, politically it was indispensable. Given the level of dissatisfaction with the list, Arafat would have been able to mobilise key constituencies within and beyond Fatah to either block approval by the PLC or make the cabinet’s life impossible.⁶³ Several days of intense negotiations followed, with the outcome in doubt practically until the legal deadline for the prime minister to officially present the cabinet to the PLC.

Explanations for the struggle vary. Some point to any combination of the above-mentioned factors, taking these at face value.⁶⁴ According to others, the row reflected a genuine policy dispute, and for this reason centred upon Abu Mazen’s selection of Muhammad Dahlan, the powerful former head of Preventive

⁶² ICG interview, PA officials, Fatah leaders, PLC members, opposition activists, and Palestinian analysts, Ramallah and Gaza, April 2003. Further grounds for opposition to Dahlan’s appointment were that he would be commanding security officers of higher rank and seniority than himself.

⁶³ Fatah controls most of the seats in the PLC.

⁶⁴ ICG interview, Khatib, op. cit. Khatib on this basis states: “The perception that Arafat and Abu Mazen belong to different political schools is, as the Israelis and Americans will soon find out, wrong. And while Sharon and Bush may feel that Abu Mazen is going to marginalise Arafat, neither Arafat nor Abu Mazen see it this way and this will not happen. Arafat does not see Abu Mazen as a threat, nor does Abu Mazen consider himself one”.

Security in the Gaza strip who has advocated the neutralisation of Hamas, as his security chief.

Seen from this perspective, Arafat is basically sceptical of Washington's willingness to deliver Israeli compliance with the Roadmap, and is therefore more cautious in his approach to the Palestinian opposition. Specifically, he is believed unwilling to decisively confront the Palestinian militias, particularly the increasingly powerful Hamas in the Gaza Strip but also the Fatah-affiliated Aqsa Brigades, at least until he obtains firm commitments that the political conditions required to guarantee his success are in the offing. Abu Mazen, for his part, has reached a very different conclusion – that the armed uprising is only harming Palestinian national interests, because it is undermining the Israeli peace camp, isolating Palestinians in the international community, and providing a pretext for Sharon's harsh military tactics and the absence of any political process. In his view the PA cannot afford to hold out for more propitious circumstances since it has most to gain from an end to the armed uprising, and voluntary Palestinian compliance constitutes its best and perhaps only hope of receiving a satisfactory *quid pro quo*. Thus, "Abu Mazen's approach is to sow now and reap later, while Arafat will first examine the soil to ensure that it will produce a sufficiently fertile harvest".⁶⁵

Under this view, the appointment of Muhammad Dahlan was the key issue. To his supporters among Palestinians and in the international community, it signifies a determination to undertake a strategic shift. In the words of a Palestinian legislator and member of the West Bank Fatah Higher Committee, "security is not only about Hamas but also about dealing with Fatah, and the failure of Hani al-Hasan to achieve security demonstrates that only a candidate identified with and supported by the *tanzim* can succeed".⁶⁶ Expressed differently, "Abu Mazen represents that section of the PA which has come out against the intifada and wants to end it, while Arafat wants to see the carrot before he considers brandishing his stick against the militants".⁶⁷

While the relevance of policy differences cannot be discounted, they pale in comparison to those between, for example, the PA and Hamas, and, alone, they fail to account for the fierce clash between the two men. The critical additional factor

is the struggle under way to diminish Arafat's power. ICG interviews in Gaza and Ramallah over the past several months left little doubt as to the very real erosion in support for the Palestinian leader, who is seen as having failed to provide a sense of strategic direction or to have properly managed PA governance. For one Fatah member "the system Arafat built is so flawed that even it can no longer save him".⁶⁸ Arafat feared the additional impact on his position of the combination of a prime minister possessing strong international backing with a security chief enjoying both foreign support and powerful domestic influence.⁶⁹ Faced with this challenge, Arafat – assisted by Abu Mazen's choice of ministers, a choice widely viewed as maladroit – set about mobilising the gamut of aggrieved constituencies, while practically goading Israel and other foreign parties to throw their weight behind his rival.⁷⁰ The focus on Dahlan and on policy differences must be understood in this context as well.

On 23 April, Abu Mazen eventually succeeded in acquiring Arafat's acquiescence without compromising on his central appointments. On 29 April the Palestinian Legislative Council confirmed him as Prime Minister and approved his cabinet, with a more technical than overwhelming majority of 51 out of 83 votes.⁷¹

But it was at best a mixed success. Arafat, facing wall-to-wall international pressure to accept Abu Mazen's choice, engaged in characteristic brinkmanship and relented only after he felt he had established two key propositions. First, that he remained the central, indispensable actor both within the Palestinian political arena and in the international community – even when it comes to making arrangements for his own purported marginalisation. Abu Mazen's cabinet was approved by the PLC only after Arafat's intervention. And, over the period leading up to his decision to support Abu Mazen, the Palestinian leader was called by countless world leaders (Tony Blair and Egyptian President Husni Mubarak among others) and only agreed after

⁶⁵ ICG interview, Hourani, op. cit.

⁶⁶ ICG interview, Deik, op. cit.

⁶⁷ ICG interview, Hilal, op. cit.

⁶⁸ ICG interview, Gaza, March 2003.

⁶⁹ ICG interview, Palestinian journalist, name withheld, Ramallah, April 2003.

⁷⁰ Indeed, during the dispute Arafat was repeatedly contacted by foreign officials who emphasized that Abu Mazen was the only acceptable prime ministerial candidate and that his proposed cabinet must be approved in its original form.

⁷¹ The list of cabinet members is attached at Appendix B.

President Mubarak dispatched the powerful head of his intelligence services, Omar Suleiman, to Ramallah.

Secondly, Arafat sought to establish that Abu Mazen (who enjoys considerable legitimacy in his own right) could succeed only with the help of the international community and – of particular moment to Palestinian public opinion – specifically of the United States. That Ariel Sharon and George Bush openly sided with Abu Mazen, and did so with the express intent of eliminating the Palestinians' elected president, did little to help the new prime minister's cause. Abu Mazen is well aware of this risk, and it is noteworthy that one of his first acts once the deal was struck was to announce that he would "not travel anywhere before Israel lifts a siege on President Arafat so that we can get a guarantee he will be able to go abroad and come back freely without Israeli objection."⁷² More generally, Abu Mazen has made it known that efforts to undermine Arafat in fact undermine him and is urging members of the international community not to hew to Prime Minister Sharon's call to boycott the Palestinian leader.⁷³

Arafat's institutional power undeniably was weakened – but only with his own acquiescence. Abu Mazen's institutional power has clearly been strengthened – but only with outside support. At the end of the day, it is unclear who truly came out ahead.⁷⁴ If nothing else, the episode demonstrated Arafat's continued ability to dominate Palestinian politics, through his unrivalled mastery of its mechanics and a willingness to play a spoiling role if not provided with any other. It also showed that, given the fluid and divisive nature of Palestinian politics, and despite Arafat's diminished popularity, important Palestinian constituencies will rally around

him in times of crisis out of a sense of nationalism, a desire to thwart rival ambitions, or both.

What recent developments within the Palestinian political arena suggest, therefore, is that internal Palestinian dynamics will play an important role in determining the Roadmap's success or failure. The Quartet will have to resist the temptation to get involved in internal Palestinian politics for the purpose of short-term achievements since such efforts are increasingly liable to backfire as the Roadmap proceeds, with consequences that may well put the entire endeavour at risk.

⁷² Quoted in Reuters, 26 April 2003.

⁷³ ICG interview with a member of the Palestinian Prime Minister's office, Ramallah, April 2003.

⁷⁴ According to one Palestinian observer, "As in previous crises where his political survival was seen to hang in the balance Arafat received an enormous wellspring of Palestinian support during the crisis, not only from the general public but including from those normally critical of his performance. If the prime minister now begins visiting one world capital after another while the elected president who appointed him remains imprisoned in his Ramallah offices, it will only strengthen Arafat further". ICG telephone interview, Wafa Abdel-Rahman, Palestinian NGO activist, 24 April 2003.

III. ISRAEL: POLITICAL DYNAMICS

The Palestinians' ability to end the violence will depend, at least in significant part, on actions taken (and not taken) by the Israeli government. Given the fragile situation on the Palestinian side, provocative Israeli actions (targeted assassinations, military incursions, closures, home demolitions and the like) will make it practically impossible for the new Prime Minister to accomplish his stated task – especially in view of the domestic complications noted above. Conversely, steps by Israel to improve the daily lives of Palestinians demonstrably (removing forces, reducing closures and curfews, expanding freedom of movement, curbing settlement construction and, ultimately, withdrawing from territory) will facilitate his task.⁷⁵

Israel's willingness to act constructively depends, in turn, on two factors: Sharon's political margin of manoeuvre and his ultimate political designs.

Sharon enjoys huge support and political capital in Israel. His strong popularity among the Israeli people and unrivalled dominance over the political scene is a function of several factors: the public's disenchantment with the Israeli peace camp, accused of naiveté and incompetence, and viewed as having directly or indirectly contributed to the current situation; anger at the Palestinians for, as the vast majority see it, having squandered a unique chance for peace at Camp David in 2000 and instead resorting to a systematic campaign of violent attacks, in particular those targeting civilians in Israel proper; a conviction that no peace process is in the offing, and that for the time being the priority is to ensure Israel's security, a task for which Sharon appears better equipped than most; the neutering of the Labour party, which was part of the governing coalition and therefore could hardly offer itself as a serious alternative; and his ability to maintain strong ties with the U.S. administration.⁷⁶ Should he choose to expend his political capital on moves toward the Palestinians, there is little doubt that the Israeli public would follow him. Burdened by a catastrophic economic downturn and two years of endemic

insecurity, it would appear to be all the more ready to endorse steps designed to help end the intifada.

Yet at the same time, there are reasons for caution. Sharon's intentions remain uncertain at best, and assuming one of his primary goals is durability, he may be determined to avoid any difficult political decision that could endanger his right-wing coalition. Certainly, his track record would suggest both a resistance to territorial compromise with the Palestinians and a tendency to frustrate Palestinian moves to end the violence – or at a minimum not to facilitate them.

A. THE JANUARY 2003 PARLIAMENTARY ELECTIONS

The Israeli parliamentary (Knesset) elections of 28 January 2003 were like most previous national elections primarily contested on issues of peace and security. Although the results contained few surprises, and appeared to vindicate Sharon's electoral message of responsible moderation when reasonable but tough measures when necessary, they failed to provide a decisive verdict on the future direction of Israeli policy towards the Palestinians.

1. A Shift to the Right

The collapse of the peace talks coupled with a progressively more violent Palestinian uprising led to a clear-cut shift to the right by the Israeli public. The increasing resort by Palestinian militants to terrorist violence and the fact that elements within the Palestinian Authority and Fatah-affiliated militias played a prominent role in attacks against Israeli civilian targets, turned the fight, in many Israeli eyes, into a struggle for the nation's survival which Sharon appeared best equipped to lead. The shift was facilitated by the predominant narrative in Israel that assigned exclusive responsibility for the failure of the 2000-2001 peace talks to the Palestinians and by the Israeli Labour Party's participation in the first Sharon government, which complicated both the emergence of any credible political alternative and international criticism of harsh Israeli military tactics.

The Israeli left's significant loss of credibility and its inability to pierce such consensus with the reasoning of its own alternative narrative – that there is no military solution, that harsh Israeli military actions and diplomatic immobility will only escalate the cycle of violence, and that the conflict cannot be

⁷⁵ In interviews conducted last March, ICG noted split opinions on this matter even within the Likud. Some argued in favour of quick gestures to consolidate Abu Mazen's power, while other stated that they should first await to see his performance on security issues. Tel Aviv, March 2003.

⁷⁶ ICG interviews, Tel Aviv, Ramallah, Washington, January-March 2003.

resolved without a clear political horizon – were reflected in the election results.

2. The Sixteenth Knesset

The Likud Party doubled its Knesset representation and now holds twice as many seats as its nearest rival, Labour. The triumph was, in many ways, a personal one for Sharon: many Likud voters seemed alienated by a lacklustre campaign, a series of pre-election corruption scandals, and the perception that the Likud candidate list was significantly to the right of Sharon.⁷⁷ As expressed by one voter, “Under Sharon things will not be much better but also not much worse. He is, in today’s conditions, a relatively safe pair of hands”.⁷⁸

The Likud’s electoral success eluded the more rightist parties; the far right only maintained its existing representation, while the more extreme Herut failed to cross the electoral threshold.⁷⁹ Strong support for the right within the Russian-speaking community was confirmed, as was its tendency to support national as opposed to communal parties; Yisrael Ba’Aliyah, the only significant “Russian” party, collapsed from six to two seats and immediately following the election formally merged with the Likud.

The surprise factor was the centrist Shinui Party, which more than doubled its seats and became the third largest faction. It was the only party that appeared to generate enthusiasm among sections of the electorate. An openly anti-clerical party committed to the interests of the middle class, it focused on the elimination of privileges enjoyed by the ultra-orthodox sector and largely took a pass on issues of peace and security. Its success reflected growing public frustration and even indifference

with the prospect of resolving the Israeli-Palestinian conflict – a trend perhaps further confirmed by the 10 per cent drop in voter turn-out to an all time historic low.⁸⁰ However, Shinui’s participation in the government will make it increasingly untenable for it to continue avoiding clear positions on the Israeli-Palestinian conflict. Because a majority of its members lean to the left on such issues, this could become a source of future tensions within the Party, and perhaps within the government.⁸¹

On the left of the political spectrum, the 2003 elections marked a historic low point, with both Labour and Meretz suffering significant losses. Throughout the campaign and thereafter, Labour was a party visibly divided. Its traditional bases of support deserted the party, mainly for Shinui but also Likud. The party never managed to shift the debate to the apparently more Labour-friendly turf of social-economic issues, infighting was constant, and its message on peace and security repeatedly seemed to switch focus, from “negotiations now”, to support for a separation fence, to “Gaza withdrawal first”.⁸²

Paradoxically, according to the available polling information, the Israeli public was overwhelmingly supportive of Labour’s policy proposals.⁸³ The

⁷⁷ Anecdotal evidence obtained by ICG suggests that people were voting for Sharon rather than the Likud. The latter’s candidate list was largely unknown, and even disliked, in sharp contrast to Sharon’s own popularity. ICG interviews with Israeli political commentators and conversations with members of Israeli public, January 2003

⁷⁸ ICG interview, Tel Aviv, January 2003.

⁷⁹ The platforms of the three far-right parties, the National Religious Party (NRP), National Union and Herut were virtually indistinguishable in relation to the Palestinians; no to the Roadmap, no to a Palestinian state, no to land for peace, removal of Arafat, and decisive military victory. There were differences of nuance on the question of a ‘transfer’; Herut was the most outspoken, with the National Union only marginally behind while NRP avoided the issue.

⁸⁰ According to the International Foundation for Election Systems (IFES), the voter turn out was 67.81 per cent in 2003 compared to 78.71 per cent in 1999.

⁸¹ ICG interviews, Shinui aides and strategists, March 2003. These suggested that the divisions and desire to take a stand among certain members would take time to manifest itself, as new members would initially acquaint themselves with their roles as Knesset members and with the issues, while the Party as a whole would be basking in its new strength and role in Government.

⁸² A prominent Labour leader told ICG that the party made a critical mistake by not raising key socio-economic issues, thereby playing to the popular perception that it is a party of the elite; another spoke of the fatal internal divisions between Labour party chief Amran Mitzna and his predecessor Benyamin Ben Eleizer. ICG interviews, Tel Aviv, March 2003.

⁸³ Throughout the pre-election period, polls showed an electoral advantage to the Likud of between 12 and 22 seats, yet on policy issues the electorate was closer to Labour’s message. In a *Ma’ariv* poll on 29 November 2002, when asked “do you support or oppose evacuating all the settlements in Gaza?”, 61 per cent supported and 30 per cent opposed. Likewise, in a *Ma’ariv* poll from 27 December 2002, when asked “which of the following three options would you prefer – renewing negotiations to reach an agreement with the Palestinians, implementing a unilateral separation or continuing the existing situation?”, 4 per cent favored negotiations, 33 per cent separation, and only 11 per

majority of Israelis favoured dismantling isolated settlements and leaving the Gaza Strip,⁸⁴ supported investing less in settlements and more in Israel proper, supported the separation fence, and even voiced strong support for a return to negotiations with the Palestinians. But as a result of anger at the Palestinians and disillusionment with the peace process and the party that embodied it, these remained at the level of abstract aspirations. In the here and now, the prevalent view was that Israel had to focus on its survival and the Palestinians should not benefit from their resort to violence.

The Palestinian Arab community in Israel, which constitutes approximately 20 per cent of the national electorate, continued to vote overwhelmingly for Arab and non-Zionist parties. But voter turnout in this sector remained low, at 64 per cent.⁸⁵ One of the more controversial issues to arise during the election campaign was an attempt by Israeli parties to disqualify several Arab parties and individual candidates. Although initially approved by the Central Elections Commission, these decisions were later overturned by the High Court. The controversy bolstered support for the more nationalist Balad party.⁸⁶

B. ISRAEL'S NEW GOVERNMENT

On 28 February 2003 a relatively narrow, right-leaning government consisting of Likud, Shinui, National Union, and the National Religious Party (NRP) was sworn in with the support of 68 out of 120 Knesset members. The Likud enjoys a clear majority around the Cabinet table, while all coalition factions have ministerial representation within the so-called "Security Cabinet".

1. Coalition Guidelines

Coalition negotiations focused above all on domestic matters. The most controversial issues – and the ones arguably most likely to create tensions within the coalition – concern the relationship between state and religion. Shinui and NRP hold widely divergent

views on the extent to which the religious status quo ought to change (regarding, for example, public transport on the Sabbath and the possibility of civil marriages), while Shinui and the National Union Party are also liable to clash on civil rights issues.

The government's guidelines on the Israeli-Palestinian conflict are by contrast characterised by continuity. Sharon emphasised that his new government would continue to pursue a "consensual" policy on the Palestinian question, as had been supported and legitimised by Labour in the previous government. In this respect the guidelines state the Government's aspiration of "attaining peace based on UNSCR's 242 and 338 ... support for direct negotiations, ... interim agreements, honouring of previous agreements ... and opposition to the establishment of new settlements".⁸⁷ For Shinui the element of continuity was helpful insofar as it allowed it to present itself as Labour's moderate and legitimate successors.⁸⁸

Nevertheless, indications of this being a more rightist coalition are apparent. First, there is the very composition of the government, the NRP and particularly the National Union being uncompromising advocates of the occupation and greater Israel, as are a number of the Likud government ministers.⁸⁹ Secondly, there are the elements included in the panoply of guidelines, side-letters exchanged between the Likud and the rightist parties, and the Prime Minister's "Herzliya speech":

- *Palestinian State.* The NRP⁹⁰ and National Union⁹¹ have expressed their opposition to the

cent the existing situation.

⁸⁴ According to a poll in *Maariv* on 25 October 2002, 78 per cent of the Israeli public held the view that Israel had to agree to evacuate settlements.

⁸⁵ According to election report produced by the Givat Haviva institute.

⁸⁶ ICG interviews, Arab MKs, February 2003.

⁸⁷ All references to the official guidelines of the current Israeli government, a document presented to the Knesset on 26 February 2003, are provided in informal translation.

⁸⁸ ICG interview, Shinui MK, 26 March 2003.

⁸⁹ Likud Ministers Netanyahu, Katz, Hanegbi, Livnat, and Naveh among others are on record as opposing the establishment of a Palestinian state.

⁹⁰ Coalition agreement between the Likud and the NRP presented to the Knesset on 26 February 2003, "The NRP faction hereby declares that it opposes, and is in complete opposition to, the establishment of a Palestinian state and will work to prevent its establishment" (informal translation).

⁹¹ Letter from the National Union Knesset faction to PM Sharon presented to the Knesset on 26 February 2003, "Clarifications regarding Government Coalition Guidelines" – "As you know, according to our platform and our clear commitment to our voters, we will do everything in our power to prevent the establishment of a Palestinian State to the West of Jordan, irrespective of its borders, authorities or

establishment of a Palestinian State of any kind in any area in a formal exchange of letters between the coalition partners that was tabled in the Knesset and forms part of the coalition agreements. Sharon, who has personally acknowledged the inevitability of a Palestinian state – the establishment of which enjoys wide acceptance among the Israeli public⁹² – has in turn committed to bringing any agreement or plan that includes the establishment of such a state to a prior cabinet vote.⁹³

- *Settlements.* While the Coalition Guidelines rule out the establishment of new settlements, Article 2 includes the following reference: “the Government will provide solutions for and take care of the ongoing needs of development in the settlements”.⁹⁴
- *Permanent Status Issues.* In the exchange of letters between the Likud and the National Union that forms an integral part of the coalition agreements, Prime Minister Sharon clarified that “the ideas raised at the Camp David Summit, in Washington, and Taba are no longer valid and do not commit the new Government ... My commitment and the commitment of the Likud to preserve a whole and united Jerusalem under Israeli sovereignty, and to unequivocally oppose the division of the eternal capital of the Jewish people is known and will not undergo any change”.⁹⁵
- *Herzliya Speech.* On 4 December 2002, Sharon delivered the most wide-ranging exposition of his strategic perspective on the Palestinian question since assuming office. Known as the Herzliya Speech, it became part of the current government’s Coalition Guidelines.⁹⁶ In the speech, the Prime Minister expressed his

understanding of the narrow territorial dimensions of a Palestinian State with provisional borders, as contemplated in the Roadmap, as a state “which will overlap with territories A and B, except for essential security zones”.⁹⁷ Sharon also made clear his conditions for moving from one phase of the Roadmap to the next, including “replacement of the Palestinian leadership” and comprehensive reforms in the governance, security, and financial spheres. The latter include “dismantling all existing security /terrorist bodies”, transferring illegal weapons to a third party, as well as “reform in the fields of education, media, and information”.

2. Reading Sharon’s Intentions

Although Sharon is now entering his third year in office, his intentions regarding the future of Israeli-Palestinian relations largely remain a mystery. He has alternated hard-line and more moderate statements, cultivating an uncertainty that serves him in his relationship with his own constituency, the Israeli public at large, the U.S. administration and his future Palestinian negotiating partners. Whereas some point to his historic and present record – consistent opposition to Israel’s peace accords, active support for settlement construction, harsh military tactics designed to crush the Palestinian Authority – as evidence that he will resist any serious territorial compromise, others insist he will want to enter Israel’s history books as the leader who reached an agreement with the Palestinians and that, given his credentials, he alone is able to do so.⁹⁸ On issues like Palestinian statehood (that he accepts) or the evacuation of at least some settlements (that, according to some readings of his statements, he has suggested Israel would have to undertake), he has – particularly in the wake of the Iraq war – made relatively conciliatory statements that put him at odds with members of his own cabinet.⁹⁹ U.S. officials

status”. In the same letter the National Union goes on to outline its understanding of Sharon’s “Herzliya speech”.

⁹² According to the Peace Index poll published in Ha’aretz on 6 March 2003, 58 per cent of the Jewish public accepts the establishment of a Palestinian State on the 1967 lines with agreed upon border modifications.

⁹³ Article 2.6 of the Coalition Guidelines

⁹⁴ Article 2.11 of the Israeli Government Coalition Guidelines.

⁹⁵ Letter from PM Sharon to the National Union.

⁹⁶ Article 2.6 of the Coalition Guidelines states that: “The Government’s activities in this policy sphere (Security/Peace) will be guided by the principles that were presented by the Prime Minister to the public before the elections (including the principles of the PM’s speech to the Herzliya Conference on 4.12.02)”.

⁹⁷ From PM Sharon’s Herzliya Speech, available at www.pmo.gov.il/english. Territories A and B are the areas that, under Oslo and subsequent agreements, are supposed to be under full or partial Palestinian control. Together, they constitute roughly 42 per cent of the West Bank.

⁹⁸ ICG interview with Israeli who is close to the Prime Minister, Tel Aviv, March 2003.

⁹⁹ See in particular his interview to Ha’aretz, 24 April 2003. On a Palestinian state: “I believe that is what will happen. Eventually, there will be a Palestinian state”; on settlement evacuation: “There will be a parting from places that are connected to the whole course of our history”.

themselves profess not to know, arguing that he needs to be put to the test – which can only be done once the PA engages in a serious effort to end Palestinian violence and reform itself.¹⁰⁰

One of the first tests will be whether Israel is prepared to change the nature of the IDF's operational modalities and nature of deployment. The government, and the IDF itself, are – in a mirror image of the debate among Palestinians – said to be divided over this issue, with some favouring immediate confidence-building steps, and others arguing for a wait-and-see approach – waiting to see if Arafat's power indeed has been reduced and whether the PA will seriously try to end the violence.¹⁰¹ In the aftermath of Abu Mazen's appointment as Prime Minister, sources close to Sharon were advocating the tougher approach – namely, that the litmus test of Abu Mazen's intentions, and a precondition for Israeli moves, is whether he will undertake a genuine showdown with Hamas.¹⁰²

Commenting on this debate, one long-time Israeli observer had this to say: “Those who are awaiting a moment of truth to see who is the real Sharon are deluding themselves. The real Sharon is the one who will manoeuvre to always avoid having to face a moment of truth. The principal game right now is to play for time, find a way to survive unhurt until the U.S. presidential campaign, at which point any real U.S. pressure on Israel will cease. And Sharon, don't forget, is the consummate manager of time”.¹⁰³ At best, under this view, Sharon will agree to a prolonged interim agreement with a state with modest territorial dimensions and attributes of sovereignty.¹⁰⁴ An equally pessimistic assessment was volunteered by an Israeli commentator: “The gap between Sharon's declarations and actions on the ground is growing ever wider”.¹⁰⁵

Sharon's genuine preferences or ideal scenario aside, three sets of considerations are likely to weigh on his political course of action:

¹⁰⁰ ICG interviews, Washington, Tel Aviv, February 2003.

¹⁰¹ ICG interviews with former senior IDF official, commenting on current positions in the Israeli establishment April 2003.

¹⁰² ICG interviews with two well-informed Israeli journalists, 29 April 2003, Tel Aviv and by telephone.

¹⁰³ ICG interview, Tel Aviv, March 2003.

¹⁰⁴ ICG interview with former Israeli official, Tel Aviv, March 2003.

¹⁰⁵ ICG interview, Tel Aviv, April 2003.

□ *Domestic Political Dynamics.* Within the governing coalition the only party that may at some point press Sharon toward a more moderate stance is Shinui, but such a development, should it occur at all, will only materialise in the longer term.¹⁰⁶ The Parliamentary opposition is by definition a minority, and extra-parliamentary activity advocating a change in approach remains a marginal phenomenon¹⁰⁷. Nor is the Israeli public likely in the short term to put much pressure on the government to move on the diplomatic front. Israelis argue that “the violence has reached a level that the public can accept or even ignore”,¹⁰⁸ and there is support for this in their far greater willingness than even a year ago to frequent cafes and restaurants. The one element that arguably could change that would be a dramatic end to Palestinian violence. Israeli and U.S. officials strongly believe that should such a move take place, Sharon would quickly face growing domestic pressure to capitalise on the Palestinians' move and engage in serious political negotiations.¹⁰⁹

By the same token, however, domestic political realities probably would not constrain the Prime Minister should he decide to move quickly on the Palestinian track (for example to implement the Roadmap). Public opinion is highly sceptical of the traditional peace camp and the Palestinians but is unlikely to resist political initiatives led by a man they associate with tough-minded security measures. Within the governing coalition, the thirteen members of the Knesset (MK's) belonging to the National Union and NRP oppose the establishment of a Palestinian state, a settlement freeze, any agreement with the PA or even a modification in

¹⁰⁶ ICG interview with Shinui MK and advisers, March 2003. Some voices within Shinui may push in the direction of political compromise with the Palestinians, and three Shinui backbenchers – MK's Reshef Chen, Etti Livni, and Ilan Leibowitz – participated in the first post-election meeting of the Israeli Peace Coalition, a grouping of Parliamentary and extra-Parliamentary pro-peace forces in Israel working with Palestinian counter-parts, on 30 March 2003. Most agree that it nonetheless will take time, as well as the emergence of sharper differences within the government coalition, before Shinui voices any serious demands on the Palestinian issue.

¹⁰⁷ ICG interviews, Peace Now and Peace Coalition, March 2003.

¹⁰⁸ ICG interview, Jerusalem, March 2003.

¹⁰⁹ ICG interviews, Tel Aviv, Washington, February-March 2003. The view was echoed by UN officials working in Israel.

IDF deployments in the occupied territories. Were the government to formally endorse any of these steps, however, they would think twice before quitting it. Sharon might allow them to vote against the government's decisions while remaining in it; they in turn might be persuaded to wait to see whether the Roadmap is in fact implemented before taking a decision to quit the government.¹¹⁰ Meanwhile, Sharon would be guaranteed a parliamentary majority for the government's decisions as Labour, and perhaps even Meretz, would back them and provide him with a political safety net.¹¹¹

If the NRP and National Union were to bolt the coalition because of Sharon's commitment to a political process with the Palestinians, Labour almost certainly would join the government,¹¹² more than making up for the numerical loss and creating the "secular unity government" that Shinui has advocated from the outset and that continues to enjoy the public's strong support. In the context of the Roadmap's publication, moreover, the prospect of a Likud-Labour-Shinui government without the far right is again the subject of much speculation. ICG interviews suggest that Labour leader Mitzna is increasingly favourable to the idea, Sharon apparently less so, perhaps preferring to point to coalition difficulties as an obstacle to implementing elements of the Roadmap.¹¹³ Sharon has the additional option of turning to the seventeen ultra-Orthodox MK's from the

Shas party and United Torah Judaism (though it would require an extraordinarily dextrous balancing act to fit them in a coalition with the anti-clerical Shinui).¹¹⁴

The most effective and serious opposition to prospective peace moves, ironically, may come from within Sharon's own Likud of which a significant group of ministers and MK's are strongly opposed to the concessions mentioned in the Roadmap. Already, the party's Central Committee openly defied Sharon by voting decisively against the establishment of a Palestinian State.¹¹⁵ Eighteen of the 40 Likud Knesset faction members joined the newly re-constituted settlers lobby in the new Knesset.¹¹⁶ Even then, however, the Prime Minister could wield his considerable influence and popularity to persuade recalcitrant party members to go along. At the end of the day, a decision by Sharon to undertake a serious political move in all likelihood would be guaranteed a Parliamentary majority.¹¹⁷

- *Israeli-U.S. Relations.* Sharon has described Israel's bond with the United States as a "supreme strategic asset"¹¹⁸ and he has assiduously sought to avoid any appearance of discord with the Bush administration. The close relationship with Washington that eluded Sharon in his previous experiences in government has served him exceptionally well to bolster domestic support and deflect any potential challenge from the Labour party. The supreme strategic asset also was a supreme domestic one. Sharon has learned from

¹¹⁰ ICG interviews, Tel Aviv, Jerusalem, sources close to the Prime Minister and political commentators, March 2003.

¹¹¹ Labour has explicitly said it will provide a safety net from outside the government were Sharon to move on the peace process. ICG interviews with Labour MK's, telephone 15 April and Tel Aviv 27 April 2003. This was confirmed in meetings between Labour Party leader Mitzna and senior visiting foreign dignitary at the end of March – as communicated to ICG in a meeting with a foreign diplomat, Herzliya, 30 March 2003. The leadership of Meretz has held discussions on this issue and is believed likely to follow suit. Of course, this would not extend to support for the government on non-peace related issues, opening the possibility of "unholy alliances" between Right and Left to unseat the government on such issues.

¹¹² ICG interview, Labour MKs, March 2003. Labour sources have indicated they would be prepared to join the government if that were necessary to "save" the Roadmap. ICG interviews, March 2003.

¹¹³ ICG interviews with Labour members of the Knesset, telephone 15 April, Tel Aviv 27 April 2003.

¹¹⁴ Shinui and Shas/United Torah Judaism have consistently repeated their mutual antipathy to sitting together in government. Labour is unlikely to relish the prospect of going back in to government with the Ultra-Orthodox but without Shinui, as this will likely further weaken their ability to attract former and potential supporters from among the secular middle class.

¹¹⁵ Likud Central Committee meeting, October 2002.

¹¹⁶ According to *Ha'aretz*, 28 April 2003.

¹¹⁷ A majority of the Likud faction, plus Labour, Shinui, Meretz, One Nation, and some of the Arab Members of the Knesset.

¹¹⁸ From Sharon's "Herzliya speech", elsewhere in the speech he went on to describe "These special relations, the understanding of Israel's needs ... are unprecedented ... have provided us with the required leeway in our ongoing war on terrorism".

experience how costly public disagreement with Washington can be.¹¹⁹ A dispute with Washington risks isolating Israeli internationally, an evolution that could lead to a dramatic swing in the domestic mood.¹²⁰ He therefore will be eager to avoid any perception of a rift, even at the cost of political concessions he might otherwise resist.¹²¹ This provides the U.S. with significant leverage, should it wish to put pressure on both sides to live up to the commitments undertaken in the Roadmap. As noted above, however, timing in this respect will be crucial. Commentators estimate that there is roughly a six-month window of opportunity for genuine movement; by the third quarter of 2003, the U.S. presidential campaign will be in full swing and President Bush – like anyone in his position – will want to avoid a public quarrel with Jerusalem.¹²²

- *The Economic Situation.* The Israeli economy is now in its third year of negative growth, a pattern that correlates directly with the breakdown in the peace process and the launch of the intifada. During that period, unemployment has gone from 6 to 11 per cent; it continued to rise in early 2003. External investment is declining, falling to U.S.\$2.6 billion in 2002 from U.S.\$11.1 billion in 2000¹²³ – and with it virtually every other economic indicator. Israel's previously high earning tourism sector has been particularly badly hit. Hotels report exceptionally low occupancy rates and the number of incoming tourists in 2002 was the lowest in absolute terms in over four decades.

¹¹⁹ In earlier episodes, open disagreements with the U.S. entailed a domestic price for the then-Israeli premiers. Prime Minister Shamir, who quarrelled openly with the first Bush administration over the settlement issue, was weakened in the run up to the 1992 election in which the Likud lost to Rabin's Labour. Benjamin Netanyahu's government began to unravel over the 1998 Israeli-Palestinian agreement reached at Wye River. Visibly strained relations between him and President Clinton's administration – and Washington's rather clear preference for his defeat – hurt his chances against Labour's Ehud Barak.

¹²⁰ ICG interviews with political analysts and commentators, Tel Aviv, March 2003.

¹²¹ ICG interview with Israeli commentator, Jerusalem, March 2003.

¹²² ICG interviews with U.S. Middle East analysts, March-April 2003.

¹²³ Quoted in *Ha'aretz*, February, 5, 2003.

Due to the increasing shortfall in revenue and the deepening public deficit, the incoming government has been forced again to revise its budget for 2003. Finance Minister Netanyahu introduced an austerity package in March 2003, with further cuts in government expenditure, including in welfare and education, and further public sector lay-offs¹²⁴. The package has been met with significant popular hostility and the Histadut Trade Union Federation began strike actions.

Initially, the first Sharon government took the position that the economic downturn was driven by factors beyond Israel's control – the global recession, the bursting of the technology bubble, the effect of the 11 September attacks against the United States. Little by little, however, the explanation lost credibility. Leading economists, businessmen, and the Prime Minister himself have acknowledged the direct link between the confrontation with the Palestinians and the state of the economy. "Without a diplomatic solution", claimed the Prime Minister, "our economy will collapse".¹²⁵ Although Netanyahu has been eager to revert to the old explanations and argue that, given the right set of policies, the economy can be turned around irrespective of the state of the peace process, the evidence points firmly in the other direction and, importantly, the public appears to have accepted this.

Whether and to what extent the economic situation might lead Sharon to take bold diplomatic steps is a matter of debate. In theory, Sharon could conclude that without an end to the violence and a resumption of negotiations, Israel is heading toward a catastrophic economic situation – burgeoning deficits, lowered credit rating, investor flight and the collapse of a major concern or bank.¹²⁶ Such a scenario, or something approaching it, could compel the government to take drastic measures. Indeed, the most immediate serious

¹²⁴ 10,000 public sector jobs would be lost, including hundreds of teachers, and an average 9 per cent cut in the salaries of public sector employees, *Ha'aretz*, April 1, 2003.

¹²⁵ Quoted in *The Los Angeles Times*, 6 April 2003.

¹²⁶ ICG interviews with Israeli economists and other experts, Tel Aviv, February and March, 2003, demonstrated the existence of a wide range of views regarding the likelihood of such a scenario.

threat to the coalition comes from discontent with its austerity package. That said, there is so far no real evidence that the economic situation will serve as the launching pad for a political initiative.

Although not directly connected to the Roadmap, it is worth noting that, should there be no significant reduction in violence, the public is most likely to pressure the government to accelerate construction of the security fence designed to prevent infiltrations from the West Bank. The project is controversial in Israel and among Palestinians, albeit for opposite reasons. For some hard-line Israelis and for parts of the settler community, the fence – which inevitably would leave outside some of the settlements – risks being seen as a final border-in-waiting, too close to the lines of 1967 for comfort. For the Palestinians, the fence – which inevitably would include some populated Palestinian West Bank areas on the Israeli side – risks being a step forward in a creeping annexation (as well as causing yet more land confiscations to facilitate its construction). What appears to be emerging, in fact, is a series of fences, abridging the green line in certain areas and enclosing Palestinian rather than Israeli communities in others¹²⁷. Regardless of the debate, and in particular given the apparent success of the fence around the Gaza strip in preventing suicide attacks, popular support for such a unilateral step most probably will mount in the absence of a credible alternative.

IV. THE U.S. ADMINISTRATION

With a Roadmap that is not self-implementing, wide disagreements between the two sides, a dysfunctional and divided Palestinian polity and uncertain Israeli intentions, a strong, committed U.S. role is critical, as is a willingness to pressure both sides. There are some reasons for relative optimism in this regard:

- The war in Iraq and its swift military conclusion have strengthened President Bush's posture in the region, at least in the short run, enabling him to take steps on the basis of accumulated political capital at home and in Israel.
- The war both offers an opportunity and adds pressure on the administration. Hugely unpopular in the region, it has badly damaged the U.S. image among Arabs and undermined the posture of moderate Arab regimes that acquiesced (in deed if not in word). Engaging in a determined effort on the Israeli-Palestinian front is one important way to address both complications – a point recognised by members of the administration. To the extent the administration has broader plans to help reform the region, moreover, a perception of even-handedness on the Israeli-Palestinian track is critical. Arab officials interviewed by ICG claimed to have received assurances from the Bush administration that it would get involved decisively in the effort to implement the Roadmap once the war was over.¹²⁸
- Throughout the war effort, President Bush's most loyal and important ally was British prime minister Tony Blair, who has made himself one of the most vocal advocates for a strong push on the Israeli-Palestinian front. He already has moved President Bush in this direction (getting him to commit to releasing the Roadmap) and should be expected to continue in this vein.

So far, the administration has given every indication, including at the highest level, that it intends to devote itself energetically to this issue.

Again, however, countervailing pressures ought not be underestimated. After the war, the president's number one foreign priority will remain Iraq. Events since Saddam's fall suggest a tremendously difficult

¹²⁷ ICG interview with employee of Israeli security firm planning construction of the fence, Jerusalem, 29 April 2003.

¹²⁸ ICG interviews with Arab diplomats, Washington, Amman, March-April 2003.

task of economic and especially political reconstruction, with the U.S. facing the conundrum of either being overtly in charge and fuelling rising anti-American feeling or hand-picking an Iraqi authority that risks being de-legitimised for that very reason.¹²⁹ Added to that are pressing needs related to the U.S. economy, particularly as the election approaches and as Mr Bush seeks to avoid the impression that (like his father) he is a foreign policy president. Under these circumstances, major investment of political capital in another international venture is problematic, and almost certainly would be questioned by the president's political advisors.

This is all the more true when it comes to the Middle East, which is a political minefield for any U.S. politician. Already, domestic constituencies are mobilising pre-emptively against the Roadmap as currently written and any attempt to pressure Israel into early concessions. Leading members of Congress from both parties have used strong words to insist on a thorough change on the Palestinian side before anything is asked of Israel, including a freeze on settlement activity.¹³⁰ Letters signed by a majority of the U.S. Congress (88 out of 100 senators; 319 out of 435 members of the House of Representatives) call on the president to remain faithful to the principles he outlined on 24 June 2002, limit the role of the Quartet and not pressure Israel to make concessions until the Palestinians do more to change their leadership and fight violence.¹³¹ Groups sympathetic to Israel have also signalled their disquiet.

These expressions of concern will play into divisions within the administration itself exacerbated by the

Iraq war, with the State Department from the outset backing a more engaged and multilateral approach.¹³² In contrast, some at the White House and Pentagon appear to be of the view that the immediate priority is to promote political changes already underway on the Palestinian side so that a new leadership can emerge and militant groups be suppressed before a serious political process takes place. This, it is believed, can best be achieved by adopting a more distant, calculated approach and making clear that U.S. engagement depends entirely on completion of this internal Palestinian transformation. It also can be achieved by turning U.S. attention to state sponsors of radical groups like Hamas, the Islamic Jihad or the Lebanese Hezbollah organisation and seeking to complete a regional shift in attitudes.¹³³ Bitterness in Washington over the behaviour of some European countries, Russia and the UN concerning the war in Iraq, moreover, may well have strengthened the hand of those opposed to giving the Quartet a genuine role in Israeli-Palestinians peace-making.

As one former U.S. official explained, the neo-conservatives possess a "concrete strategy and a clear and appealing vision of U.S. power", the State Department, by contrast, "tries to make up in process what it lacks in vision". In a contest between the two, vision will almost always triumph over process".¹³⁴ Even some U.S. officials in principle favourable to greater diplomatic involvement doubt that in and of itself it can achieve much without a clear-cut decision by the Palestinians to end the violence, if necessary through forceful means, and an unambiguous decision by the Israeli government to move toward a realistic vision of peace and act accordingly in terms of such matters as settlement construction and territorial withdrawals.¹³⁵

¹²⁹ For an analysis, see ICG Middle East Report N°11, *War in Iraq, Political Challenges After The Conflict*, 25 March 2003.

¹³⁰ Nancy Pelosi, the House Democratic leader, warned that "any Roadmap toward peace must be based on real change on the ground, not artificial dates on a calendar". Speech to AIPAC conference, 1 April 2003. Former House Speaker Newt Gingrich characterized the Roadmap as a "deliberate and systematic effort to undermine the president's policies", and implicitly charged the State Department with that crime. Quoted in *The Los Angeles Times*, 23 April 2003. And House Majority Leader Tom DeLay called it "a confluence of deluded thinking between European elites, elements within the State Department bureaucracy and a significant segment of the American intellectual community". Ibid.

¹³¹ The House letter voices concern that "certain nations or groups, if given a meaningful role in monitoring progress made on the ground, might only lessen the chances of moving forward on a realistic path toward peace". Reuters, 24 April 2003.

¹³² An influential congressional staffer told ICG that divisions within the administration had reached "fever pitch" since the Iraq war and were playing out across foreign policy issues. ICG interview, Washington, April 2003.

¹³³ Pressuring Syria and Iran clearly was the hope, though not the expectation, of several Likud officials interviewed by ICG on the eve of the Iraq war in Tel Aviv, March 2003. In their view, such a policy would have a "shock" effect on the Palestinians, accelerate the leadership transition and making possible an agreement with Sharon down the line.

¹³⁴ ICG interview, April 2003.

¹³⁵ ICG interviews, Washington, February 2003.

V. OTHER INTERNATIONAL ACTORS

The international community has adopted a two-pronged attitude toward the Roadmap: virtually unanimous backing matched by virtually unanimous scepticism that it can succeed. The sources of scepticism are twofold: first, there is doubt about the nature of the document itself, an odd amalgam of the U.S. administration's new and (to many eyes) questionable insistence on Palestinian reform and security steps as prerequisites for any progress and of the Oslo process' old and (to many eyes) flawed adherence to a sequential, step-by-step approach that presumes an unlikely rebuilding of confidence between the two sides.¹³⁶ Secondly, international actors question whether the three principal players (Israeli, Palestinian and especially American) possess the necessary political will to see the Roadmap through. That said, major European and Arab countries acknowledge that, faulty rules and imperfect players notwithstanding, there is no other game in town.¹³⁷

The most important actor in this regard – both in terms of the vigour of its diplomacy and of the scope of its influence in Washington – is the UK. Since the run-up to the war, British officials, chief among them the Prime Minister, have made progress on the Israeli-Palestinian track a centrepiece of their regional and overall foreign policy as well as a top priority with the U.S. government.¹³⁸ Progress on the peace process and movement toward a two-state solution were staples of the British public message throughout the Iraqi crisis. In a statement that provoked Israel's anger, Foreign Secretary Straw drew a direct link between the two conflicts, evoking the “real concern that the West has been guilty of double standards – on the one hand saying the United Nations Security Council resolutions on Iraq must be implemented, on the other hand, sometimes

appearing rather quixotic over the implementation of resolutions about Israel and Palestine”.¹³⁹ In conversations with ICG, sources close to the British government explained this focus as a result both of the need to appease the domestic Labour constituency (for whom the issue resonates acutely), and of Prime Minister Blair's own ideological instincts and reading of the broader map of strategic interests in the war on terror.

There is little doubt that Blair is today the foreign leader with greatest influence in Washington, and he apparently intends to use it principally to extract greater U.S. involvement on the Israeli-Palestinian front. While Blair succeeded in heightening President Bush's rhetorical commitment to the issue, his ability to influence U.S. policy has yet to be tested. Although it appears that details have not been discussed, British officials appear relatively optimistic, convinced of the U.S. president's determination to be engaged and push the Roadmap after its publication.¹⁴⁰ The UK also believes it will be able to maintain close coordination with the U.S. and act as a bridge between the U.S. and EU. The UK may likewise be prepared to play a role on the ground in assisting implementation.

Other European actors, while believing that the Roadmap is flawed, acknowledge that it presents the best chance to date to change the atmosphere and have, therefore, ruled out any effort to bypass it or push for a more rapid and vigorous diplomatic process, of the kind that ICG has advocated in our *Middle East Endgame* reports. Indeed, they fear such a move – by heightening suspicion of European, UN or Arab positions in Washington – would risk strengthening the hands of so-called hard-liners in Washington who would prefer a more hands-off, less multilateral approach.¹⁴¹ Under this view, it is better to stick to the Roadmap and try to bolster those, principally in the State Department, whose views are closer to their own.

French officials, who in private express deep reservations about the Roadmap, have also chosen to play along publicly, taking the Roadmap as a given and trying (without great hope of success) to strengthen some of its aspects. In his speech delivered in Cairo, Foreign Minister de Villepin

¹³⁶ See ICG Report, *Middle East Endgame I*, op. cit.

¹³⁷ A Jordanian official told ICG, “We fear it is not likely to be implemented, but it is the only game in town. We have to play it”. He questioned the utility of floating any other idea at a time when everyone – Americans, Europeans, Arabs, and the parties themselves – have at least vocally expressed support for the Roadmap. ICG interview, Amman, April 2003. A French diplomat expressed even stronger doubt, “We all know it won't work but for now, there is nothing else to do”. ICG interview, Paris, February 2003.

¹³⁸ ICG interview with senior UK diplomatic source, April 24, 2003.

¹³⁹ Quoted in the *Guardian*, 28 March 2003.

¹⁴⁰ ICG interview with senior UK diplomatic source, April 24, 2003.

¹⁴¹ ICG interview, Paris, March 2003.

described some of these amendments which, in his words, “signpost the itinerary set out by the Quartet and its Roadmap”: a referendum in Israel and among the Palestinian people to allow them to “confirm the choice for peace” and an (ill-defined) international presence on the ground.¹⁴²

Moderate Arab governments, in particular those belonging to the informal Arab “Trio” (Saudi Arabia, Egypt and Jordan), under domestic pressure for their cooperation with the U.S. during the Iraq war, desperately seek some kind of movement on the diplomatic front, to mollify domestic anger and demonstrate that their partnership with the United States has not been in vain. As one Arab diplomat told ICG, “the stability of the region and its future course depend on two things: how the U.S. behaves in Iraq and whether there is visible progress on the Palestinian front”.¹⁴³ They have invested considerable political capital in the Roadmap, and are desperate for it to produce some results. Still, Arab officials appear intensely sceptical of U.S. intentions, telling ICG: “We’ve been let down before, but we have no choice but to place our hopes on the U.S. and on the Roadmap. We have every logical reason to doubt, but we have a desperate need to believe”.¹⁴⁴

Behind the consensual façade, tensions have been simmering regarding the respective roles of the U.S. and other Quartet players with regard to the Roadmap. The earlier U.S. decision to withhold its release pending the formation of a new Israeli government, despite intense pressure by its Quartet partners and to their great dismay, was one instance, though there have been several others related to the document’s content.¹⁴⁵ In a pointed reminder of the Quartet’s role and a possible preview of disputes to come, EU foreign policy chief Javier Solana explained that “the Roadmap is not the property of one country, it is the property of the Quartet”.¹⁴⁶

VI. CONCLUSION: CONSOLIDATING AND STRENGTHENING THE ROADMAP

In its current incarnation, the Roadmap is unlikely to lead to its stated destination, almost certainly not through its tortuous stages and not within its self-imposed timetable. If the changes that are required from both sides – a firm Palestinian national decision to end the armed uprising; an Israeli government that is prepared to engage in a meaningful process to end the conflict – do not materialise, it will become a nullity, as neither side will carry out its obligations. If these changes do materialise, the Roadmap will become superfluous, as both sides will be able and willing to skip various stages of the process and move toward a permanent status agreement. The real purpose of the Roadmap, in other words, is less its own realisation than the promotion of these changes and the setting of the stage for the next, more ambitious peace effort.

Seen in this light, several issues relating to the Roadmap are critical:

- *Promoting and Highlighting the Endgame.* The Roadmap does not – contrary to ICG’s preference¹⁴⁷ – espouse an endgame-first approach. Still, its description of the end state for 2005, disappointingly vague as it is, is a step in the process of educating the publics on what will need to be done.¹⁴⁸ The Roadmap thus puts on the table the terms of reference for the overall outcome of the process, something Oslo never did and that the negotiations process of the end of the Clinton years did late and insufficiently publicly.¹⁴⁹ Given the essentially

¹⁴² Speech given by French Foreign Minister Dominique de Villepin, 12 April 2003.

¹⁴³ ICG interview, Amman, Washington, April 2003.

¹⁴⁴ ICG interview, Washington, April 2003.

¹⁴⁵ ICG interviews with EU and UN officials, December-March 2003.

¹⁴⁶ Quoted in *Ha’aretz*, 24 April 2003.

¹⁴⁷ ICG’s views of the crucial elements in an Israeli-Palestinian bilateral agreement and a supporting multilateral agreement are summarised in ICG Report, *Middle East Endgame I*, pp. 15-17, which are reproduced at Appendix C below.

¹⁴⁸ The principles guiding a final settlement are set in the Roadmap as follows: “End the occupation that began in 1967;” “land for peace;” UNSCRs 242, 338, and 1397; the Saudi initiative endorsed by the Beirut Arab League Summit; “an agreed, just, fair, and realistic solution to the refugee issue;” “resolution on the status of Jerusalem that takes into account the political and religious concerns of both sides”, a “sovereign, independent, democratic, and viable Palestine” and “agreements previously endorsed by the parties”.

¹⁴⁹ The Clinton parameters presented on December 23, 2000 went into greater detail, describing over four pages the principles for an agreement, but had a less formal status. They

political role of the Roadmap, it will be of vital importance that its sponsors, and the U.S. in particular, take every opportunity to remind the Israeli and Palestinian publics of this overarching goal, and either separately or together flesh out the components of such an agreement. As two former U.S. National Security Advisors wrote, “by more clearly defining the Roadmap’s destination, the U.S. and its partners can frame eventual permanent status negotiations in a manner that promotes a sustainable two state outcome consistent with both states’ interests, that associates them with the moderate majorities in both camps, and that encourages Palestinians to undertake fundamental changes in their institutions”.¹⁵⁰

Interestingly, Prime Minister Sharon implicitly endorsed this approach in demanding that the Roadmap clarify up front that the resolution of the refugee issue would not entail a right of return to Israel and that Israel would remain a Jewish state. Although his desire to reopen the Roadmap is questionable, his logic is not: why should Israel undertake the difficult steps it is being asked without sufficient assurances about the end state? But the same logic applies to other permanent status issues and, of course, to concerns raised by Palestinians regarding, say, the end state on territorial issues. For both parties, painful concessions can best be justified internally through guarantees regarding what will be obtained in exchange.¹⁵¹ In order to

promote implementation of measures contained in the Roadmap and to further familiarise the two publics with the contours of the endgame, the United States and its partners (Quartet and Arab trio) should speak out on the final status issues more forcefully, in more detail and more directly to the Israeli and Palestinian publics.¹⁵²

In addition, visible signs of permanent status preparation could be initiated by the Quartet and others at appropriate moments in the Roadmap process. While the precise timing will have to be determined by what happens on the ground and between the parties, an early beginning could help jumpstart the process both by demonstrating international commitment to the endgame. These steps might include, at first, planning the deployment of a Multinational Force in the context of a final agreement, preparing the establishment of an International Commission for Palestinian Refugees and putting together a prospective Permanent Status Economic Package, Palestinian-focused but including additional U.S. assistance to Israel and indirect support to re-locate settlers.¹⁵³

In the context of Israel’s putative evacuation of settlements in Phase Two of the Roadmap, another idea is worth pursuing by the Quartet as a means of operationalising movement toward final status: as settlements are evacuated, the Palestinian Authority would absorb some refugees into those areas. The evacuation of settlements does not imply Israel’s acceptance of the 1967 borders any more than the relocation of refugees implies Palestinian renouncement of the right of return. But the political significance of both steps would be unmistakable, pointing clearly in the direction of a final status agreement reflecting those two principles.

were presented verbally to the parties’ respective delegations and withdrawn by President Clinton, according to his own statements, on his departure from office.

¹⁵⁰ Zbigniew Brzezinski and Brent Scowcroft, “A Roadmap for Israeli-Palestinian Amity,” *The Wall Street Journal* 14 February 2003. They add: “Nothing is better calculated to encourage change within Palestinian society, and to induce Palestinians to demand an end to terror bombings and other forms of violence, than a peace process that holds out a credible promise of a truly viable Palestinian state ... The U.S. should take the lead in articulating that vision”.

¹⁵¹ That said, the Israeli government expressed discomfort with the descriptions of the end-state currently included in the Roadmap. In particular, it opposed inclusion of any reference to the Arab summit resolution, claiming that it was never formally presented and that its content – reference to the 1967 lines and to East Jerusalem as the capital of Palestine for instance – was unacceptable. Israel also expressed reservations with other guidelines for the final outcome, including “end to occupation”, “the principle of land for peace”, and “agreements previously reached by the parties”.

Paper of Government of Israel, Reservations to Roadmap, made available to ICG.

¹⁵² See ICG Report, *Middle East Endgame I*, op. cit.; ICG Report, *Middle East Endgame II*, op. cit., and ICG Middle East Report N°4, *Middle East Endgame III: Israel, Syria and Lebanon – How Comprehensive Peace Settlements Would Look*, 16 July 2002.

¹⁵³ Various planning activities along these lines are being conducted in the foreign ministries of a number of Quartet and non-Quartet countries; giving them an official, public face would make more tangible the prospect of final status for the Israeli and Palestinian people.

- *Setting Realistic Security Expectations.* Prior ceasefire efforts have been bedevilled by the tension between Israel's insistence that it will not relax its security measures until Palestinians have taken steps to halt the violence and the Palestinians' contention that they cannot take such steps so long as Israeli violence and associated measures continues. The tension is replicated in the Roadmap, which both states that a Palestinian end to violence must be "immediate" and "unconditional" and that it should be "accompanied by supportive measures undertaken by Israel". Because changing the reality of daily violence on both sides is a prerequisite for any change in attitude on the part of Israelis and Palestinians, adequately addressing this issue is critical. Rather than thinking initially in terms of sequential, precisely choreographed steps, the two sides should agree at the outset to a basic shift in their respective approaches.

On the side of Palestinian organisations, there needs to be a strategic decision to halt the militarised uprising. This might involve co-optation of or confrontation with armed factions, or a combination of the two. Regardless, it will not happen overnight. It is likely to be gradual, replete with setbacks, some of which will be costly. In the meantime, Israel will need to change its current military rules of engagement in order to make such a decision both possible and sustainable. While steps taken for legitimate security concerns clearly will continue, the policy of assassinations, broad punitive strikes after each Palestinian attack, severe closures and curfews ought to be terminated. Some Israeli defence officials acknowledge the costs of current policy, but note that too radical or premature a change in strategy might allow the reconstitution and strengthening of a Palestinian paramilitary infrastructure.¹⁵⁴ In short, patience will be required of the two sides as both will have to show restraint in reacting to violent incidents perpetrated by the other.

In and of itself, the Roadmap cannot achieve these changes. However, its initiation could be a vehicle and political justification for these changes, assuming the will exists to do so, and

assuming sufficient outside involvement to assist and pressure the parties.

- *Understanding the Role and Limitations of a Settlements Freeze.* Less than three lines in the Roadmap are devoted to the settlement issue yet it has emerged as one of the most complicated and contested of its elements. The Roadmap calls in Phase One for the dismantling of outposts erected since March 2001 and a freeze on all settlement activity, including natural growth. In Phase Two, it refers to "further action on settlements" in the context of creating a Palestinian state with provisional borders and maximum territorial contiguity.¹⁵⁵

None of the above is defined in any detailed way. The specific outposts are never mentioned. The freeze is not defined. Even the reference to "further action" – hard though it is to understand as meaning anything other than a start of the evacuation process¹⁵⁶ – is not explicitly characterised as such.

Much of the focus has been on the settlement freeze which Palestinians consider necessary to address one of the key flaws of the Oslo process – that it was possible for Israel to build and expand settlements even as the negotiations were ongoing. The detrimental impact of settlement construction cannot be overstated, affecting as it does Palestinians in their daily lives, acting as a visible reminder of the occupation, undermining faith in the political process, and increasing support for violent action. But consistent failure in the past to achieve a freeze is not a matter of coincidence. The settlement enterprise, its promotion or at least facilitation, is deeply entrenched throughout the workings of the

¹⁵⁵ The Israeli government objected to all three references to settlements, requesting that (1) it be asked to "enforce Israeli law rather than "dismantle" the outposts; (2) a settlement freeze follow "continued and comprehensive security calm" and that it not affect natural growth and (3) that there be no reference to "further action" in Phase Two. Paper of Israeli reservations, above.

¹⁵⁶ During discussions of earlier Roadmap drafts between the Quartet and Palestinian representatives, the latter had requested that partial evacuation in the context of the establishment of a state with provisional borders be made explicit. The Quartet – and the U.S. in particular – resisted such a reference and the Palestinians did not push the issue further. The GOI for its part opposed any reference to "further action" arguing that settlements were an issue for permanent status talks. ICG interviews with Palestinian and Israeli officials, Ramallah and Jerusalem, February-March, 2003.

¹⁵⁴ ICG interview with IDF source, 8 April 2003.

Israeli legal and bureaucratic system. One should not expect that any Israeli government would engage in such an effort as a mere confidence-building measure, let alone at the start of a prolonged and necessarily uncertain political process.

Continued insistence on an absolute freeze on settlement activity, as if it were achievable in the short run, reflects a deep misunderstanding of Israeli realities. Indeed, in interviews with ICG, members of the Quartet who strongly supported this clause acknowledged not having clearly thought it through or even defined precisely what it meant. For the Quartet to expend considerable energy and political capital seeking to define and then implement a settlement freeze is likely to be a vain and costly exercise. In reality, the evacuation of some settlements may be a more realistic and achievable goal – one that would have stronger symbolic value to the Palestinians and that would set a precedent for final status talks.¹⁵⁷

As a result, and rather than engage in protracted negotiations over the content of a settlement freeze, a more productive approach by the Quartet would include:

- defining precisely which outposts are to be evacuated in Phase One;¹⁵⁸
- focusing public and diplomatic attention on the most visible and noxious aspects of settlement construction, such as land confiscations, “separation fence” construction, and demolitions or activities like that taking place in Qalqilya and East Jerusalem that present a particular threat to the economic viability of individual Palestinian communities or the geographic viability of a future Palestinian state.
- Making clear early on that the “further action” contemplated in Phase Two involves settlement evacuation and insisting on its implementation – regardless of whether the “option” of a state with provisional borders is realised, and publicly emphasising that settlement evacuation is a key to a viable permanent status agreement.

- *Questions about the State with Provisional Borders.* One of the Roadmap’s novelties is that Palestinian statehood has become a way station rather than the end point of the political process. This shift reflects several factors: growing acceptance in the United States and in Israel of the concept of a Palestinian state; the desire to anchor Palestinian reform in a concrete institutional objective; the need for what is perceived to be a relatively short-term political payoff for the Palestinians; and a belief that the conditions are not ripe for a quick move toward final status. Under this reasoning, a Palestinian state with provisional borders and attributes of sovereignty is an issue on which the current Israeli government and the PA conceivably may agree as a transitional measure; a final state and final status agreement is not.

The importance of establishing such a state has been underscored by many. In their view, it would constitute an important, tangible step forward, a short term and realistic political goal around which energies can be organised. The argument is that it would engender a new sense of hope, propelling movement on other fronts and possibly encouraging positive Palestinian domestic developments. Perhaps most importantly, it would firmly establish the notion of Palestinian statehood, making it an incontrovertible reality for both Israelis and Palestinians,¹⁵⁹ and setting the stage for a genuine debate on final status. In Israel in particular, the debate could trigger important political realignments within the “moderate nationalist” camp, leading them to break with more right-wing members of the current coalition and contributing to reshape the government.¹⁶⁰

That said, the concept has come under strong attack. Rather than strengthen the Roadmap’s value as a political vehicle, some argue, it weakens it. Former national security advisers Brezinski and Scowcroft wrote, “Phase II of the

¹⁵⁷ This issue will be discussed in a forthcoming ICG report.

¹⁵⁸ As of the time of publication of this report, the Israeli government had begun, in a limited way, its own process of dismantling some of the outposts. While such a step is welcome, it should not be a substitute for the Quartet presenting its own list.

¹⁵⁹ ICG interview with Palestinian official, March 2003.

¹⁶⁰ Divisions within the Likud regarding policies toward the Palestinians have been blurred as a result of the collapse of the peace process and the intifada. These could resurface in a debate over Palestinian statehood, with pragmatic members – such as former Minister Dan Meridor, Minister for Absorption Tzipi Livni, and Minister at the Treasury Meir Shetreet – breaking from the more hardline camp.

proposed Roadmap, designed to create a Palestinian state with ‘provisional borders,’ may well be one phase too many, for it is more likely to prevent the parties from ever getting to Phase III, in which permanent status issues are to be resolved. The time, energy, and political capital spent on ‘provisional borders’ are far better invested in negotiations for permanent borders”.¹⁶¹ This is all the more true since there are no tangible or useful guidelines for this state – indeed, far fewer than exist for the final state that is to emerge.

According to the Roadmap timetable, a permanent status agreement is to be reached at the latest two years after the establishment of a Palestinian state with provisional borders. If the timetable is to be taken seriously, then it makes little sense to try to define provisional borders – and provisional attributes of sovereignty – for a period of at most two years. Moreover, one of the lessons of the Oslo process is that it is hard to try to sell compromises piece-meal, rather than in one full swoop, when the pay-off will be clear.

Creation of a state with interim borders presents other potential downsides. Palestinians – who, in conversations with ICG, generally have displayed very little interest in such a state¹⁶² – are afraid that Israel will claim that the Palestinian issue has been resolved or at the very least reduced to a border dispute. The very act of acquiescing in the creation of a Palestinian state, they fear, will be marketed by Israel at home and abroad as a generous Israeli concession – to be appreciated, reciprocated and not pushed any further. Such a move arguably will be accompanied by a hardening of positions on other permanent status issues. Sharon’s evocation of a long-term interim agreement only further feeds Palestinian concerns and may well lead them to take maximalist positions in

negotiations over the shape and attributes of the state.

Establishment of a mini-state that does not respond to basic Palestinian demands could also discredit the statehood enterprise per se. Palestinian support for a two-state solution historically has been predicated on realisation of a comprehensive package – of which withdrawal from the lands occupied in 1967 is a key item – and premature, limited statehood could erode it. The refugee community may feel abandoned and adopt a more radical stance.¹⁶³

The problems inherent in the concept of a state with interim borders are a function of two weaknesses of the Roadmap: the absence of a specific description of the endgame and the absence of a reliable mechanism to ensure the parties abide by deadlines. The first introduces doubt as to what the final state will look like, the second about when if ever it will come about. The more these can be remedied – by fleshing out the contents of the final deal and promising vigorous and activist diplomacy to pressure the parties to move – the less problematic and more useful the state with interim borders can become. Rather than making such a state a centrepiece or anchor of the Roadmap – as currently appears to be the case – the Quartet should focus on its optional nature, stressing instead the desirability of reaching a permanent deal by 2005.

- *The Need for Monitoring.* A principal flaw of the Oslo process was the absence of any third party mechanism to assess and promote compliance. By this standard, the Roadmap represents, at least on paper and in spirit, a serious advance. In theory, it is up to the Quartet to evaluate the parties’ performance. In conversations with ICG, both a senior European foreign minister and a senior Palestinian minister described this as the most important breakthrough of the Roadmap.¹⁶⁴ However, the text of the Roadmap is short on details, merely stating that monitoring will use “existing mechanisms” and “on-the-ground resources” and that a “formal monitoring mechanism” gradually will be established. Within the

¹⁶¹ See *The Wall Street Journal*, op. cit.

¹⁶² PA Minister of Labour Ghassan Khatib wrote that such a state “is completely unnecessary and seems only designed to allow Israeli leader Ariel Sharon to manipulate endless discussions and put the two sides at loggerheads. . . One can almost guarantee that this stage will be used by Israel to stall the process and avoid getting to the most substantive stage of negotiations”. *Bitterlemons*, 6 January 2003.

¹⁶³ ICG interviews with Palestinian policy makers and officials, March 2003.

¹⁶⁴ ICG interviews on 8 April and 3 April 2003 respectively.

Quartet, a paper has been circulated and accepted as the working basis for a monitoring mechanism. Some American officials point out, however, that it is unrealistic to expect that Israel will agree to be judged by a multinational body – what is more, one composed of actors such as the EU and the UN long suspected in Jerusalem of pro-Palestinian bias. The U.S. itself may have hardened its views on its European and UN partners in the wake of the Iraq war.¹⁶⁵

The shape and form of monitoring is likely to vary from one subject area to another. For some (e.g., Palestinian reform, humanitarian steps), Quartet structures already are in place. For more sensitive ones (security, settlements), new ideas will need to be introduced. As discussions within the Quartet and with the parties proceed, it will be important to ensure that core elements of the security monitoring mechanism include: a professional staff consisting of at least 50 persons with a security/intelligence background, drawn principally from Quartet members and other relevant parties; full political backing from all Quartet members; and a capacity for verification, challenge inspections and deployment at potential flashpoints.

- *Keeping the Effort Multilateral.* An effort is under way in Israel and the United States to downgrade the importance of the Quartet. It is fed by both historical suspicion of the international community's attitude toward Israel and more current misgivings born of the Iraq endeavour. It should be resisted. The United States, by virtue of its unique position, will and should continue to play a leading role. But active participation of other Quartet members and Arab countries is critical for reasons more fully explained in prior ICG reports.¹⁶⁶ One of the principal purposes of the Roadmap is to send a political message to the Israeli and Palestinian publics; it has the best chances of being heard and taken seriously if it emanates from the international community acting as a whole, and speaking in one voice.¹⁶⁷

Amman/Washington/Brussels, 2 May 2003

¹⁶⁶ See ICG Report, *A Time to Lead*, op. cit. and ICG Report, *Middle East Endgame I*, op. cit.

¹⁶⁷ In this respect, it is worth noting that while the Quartet as a whole presented the Roadmap to Prime Minister Abu Mazen (with the Deputy Consul General representing the U.S.), the U.S. Ambassador was alone in presenting it to Prime Minister Sharon. Indeed, to date Sharon has not once received the Quartet as such at any level.

¹⁶⁵ ICG interview, Washington, April 2003.

APPENDIX A¹⁶⁸

A PERFORMANCE-BASED ROADMAP TO A PERMANENT TWO-STATE SOLUTION TO THE ISRAELI-PALESTINIAN CONFLICT

The following is a performance-based and goal-driven roadmap, with clear phases, timelines, target dates, and benchmarks aiming at progress through reciprocal steps by the two parties in the political, security, economic, humanitarian, and institution-building fields, under the auspices of the Quartet [the United States, European Union, United Nations, and Russia]. The destination is a final and comprehensive settlement of the Israel-Palestinian conflict by 2005, as presented in President Bush's speech of 24 June, and welcomed by the EU, Russia and the UN in the 16 July and 17 September Quartet Ministerial statements.

A two-state solution to the Israeli-Palestinian conflict will only be achieved through an end to violence and terrorism, when the Palestinian people have a leadership acting decisively against terror and willing and able to build a practicing democracy based on tolerance and liberty, and through Israel's readiness to do what is necessary for a democratic Palestinian state to be established, and a clear, unambiguous acceptance by both parties of the goal of a negotiated settlement as described below. The Quartet will assist and facilitate implementation of the plan, starting in Phase I, including direct discussions between the parties as required. The plan establishes a realistic timeline for implementation. However, as a performance-based plan, progress will require and depend upon the good faith efforts of the parties, and their compliance with each of the obligations outlined below. Should the parties perform their obligations rapidly, progress within and through the phases may come sooner than indicated in the plan. Non-compliance with obligations will impede progress.

A settlement, negotiated between the parties, will result in the emergence of an independent, democratic, and viable Palestinian state living side by side in peace and security with Israel and its other neighbors. The settlement will resolve the Israel-Palestinian conflict, and end the occupation that began in 1967, based on the foundations of the Madrid Conference, the principle of land for peace, UNSCRs 242, 338 and 1397, agreements previously reached by the parties, and the initiative of Saudi Crown Prince Abdullah – endorsed by the Beirut Arab League Summit – calling for acceptance of Israel as a neighbor living in peace and security, in the context of a comprehensive settlement. This initiative is a vital element of international efforts to promote a comprehensive peace on all tracks, including the Syrian-Israeli and Lebanese-Israeli tracks.

The Quartet will meet regularly at senior levels to evaluate the parties' performance on implementation of the plan. In each phase, the parties are expected to perform their obligations in parallel, unless otherwise indicated.

Phase I: Ending Terror And Violence, Normalizing Palestinian Life, and Building Palestinian Institutions - Present to May 2003

In Phase I, the Palestinians immediately undertake an unconditional cessation of violence according to the steps outlined below; such action should be accompanied by supportive measures undertaken by Israel. Palestinians and Israelis resume security cooperation based on the Tenet work plan to end violence, terrorism, and incitement through restructured and effective Palestinian security services. Palestinians undertake comprehensive political reform in preparation for statehood, including drafting a Palestinian constitution, and free, fair and open elections upon the basis of those measures. Israel takes all necessary steps to help normalize Palestinian life. Israel withdraws from Palestinian areas occupied from September 28, 2000 and the two sides restore the status quo that existed at that time, as security performance and cooperation progress. Israel also freezes all settlement activity, consistent with the Mitchell report.

¹⁶⁸ As released by the Office of the Spokesman, Department of State of the United States, 30 April 2003.

At the outset of Phase I:

- ❑ Palestinian leadership issues unequivocal statement reiterating Israel's right to exist in peace and security and calling for an immediate and unconditional ceasefire to end armed activity and all acts of violence against Israelis anywhere. All official Palestinian institutions end incitement against Israel.
- ❑ Israeli leadership issues unequivocal statement affirming its commitment to the two-state vision of an independent, viable, sovereign Palestinian state living in peace and security alongside Israel, as expressed by President Bush, and calling for an immediate end to violence against Palestinians everywhere. All official Israeli institutions end incitement against Palestinians.

Security

- ❑ Palestinians declare an unequivocal end to violence and terrorism and undertake visible efforts on the ground to arrest, disrupt, and restrain individuals and groups conducting and planning violent attacks on Israelis anywhere.
- ❑ Rebuilt and refocused Palestinian Authority security apparatus begins sustained, targeted, and effective operations aimed at confronting all those engaged in terror and dismantlement of terrorist capabilities and infrastructure. This includes commencing confiscation of illegal weapons and consolidation of security authority, free of association with terror and corruption.
- ❑ GOI takes no actions undermining trust, including deportations, attacks on civilians; confiscation and/or demolition of Palestinian homes and property, as a punitive measure or to facilitate Israeli construction; destruction of Palestinian institutions and infrastructure; and other measures specified in the Tenet work plan.
- ❑ Relying on existing mechanisms and on-the-ground resources, Quartet representatives begin informal monitoring and consult with the parties on establishment of a formal monitoring mechanism and its implementation.
- ❑ Implementation, as previously agreed, of U.S. rebuilding, training and resumed security cooperation plan in collaboration with outside oversight board (U.S.–Egypt–Jordan). Quartet support for efforts to achieve a lasting, comprehensive cease-fire.
 - All Palestinian security organizations are consolidated into three services reporting to an empowered Interior Minister.
 - Restructured/retrained Palestinian security forces and IDF counterparts progressively resume security cooperation and other undertakings in implementation of the Tenet work plan, including regular senior-level meetings, with the participation of U.S. security officials.
- ❑ Arab states cut off public and private funding and all other forms of support for groups supporting and engaging in violence and terror.
- ❑ All donors providing budgetary support for the Palestinians channel these funds through the Palestinian Ministry of Finance's Single Treasury Account.
- ❑ As comprehensive security performance moves forward, IDF withdraws progressively from areas occupied since September 28, 2000 and the two sides restore the status quo that existed prior to September 28, 2000. Palestinian security forces redeploy to areas vacated by IDF.

Palestinian Institution-Building

- ❑ Immediate action on credible process to produce draft constitution for Palestinian statehood. As rapidly as possible, constitutional committee circulates draft Palestinian constitution, based on strong parliamentary democracy and cabinet with empowered prime minister, for public comment/debate. Constitutional

committee proposes draft document for submission after elections for approval by appropriate Palestinian institutions.

- ❑ Appointment of interim prime minister or cabinet with empowered executive authority/decision-making body.
- ❑ GOI fully facilitates travel of Palestinian officials for PLC and Cabinet sessions, internationally supervised security retraining, electoral and other reform activity, and other supportive measures related to the reform efforts.
- ❑ Continued appointment of Palestinian ministers empowered to undertake fundamental reform. Completion of further steps to achieve genuine separation of powers, including any necessary Palestinian legal reforms for this purpose.
- ❑ Establishment of independent Palestinian election commission. PLC reviews and revises election law.
- ❑ Palestinian performance on judicial, administrative, and economic benchmarks, as established by the International Task Force on Palestinian Reform.
- ❑ As early as possible, and based upon the above measures and in the context of open debate and transparent candidate selection/electoral campaign based on a free, multi-party process, Palestinians hold free, open, and fair elections.
- ❑ GOI facilitates Task Force election assistance, registration of voters, movement of candidates and voting officials. Support for NGOs involved in the election process.
- ❑ GOI reopens Palestinian Chamber of Commerce and other closed Palestinian institutions in East Jerusalem based on a commitment that these institutions operate strictly in accordance with prior agreements between the parties.

Humanitarian Response

- ❑ Israel takes measures to improve the humanitarian situation. Israel and Palestinians implement in full all recommendations of the Bertini report to improve humanitarian conditions, lifting curfews and easing restrictions on movement of persons and goods, and allowing full, safe, and unfettered access of international and humanitarian personnel.
- ❑ AHLC reviews the humanitarian situation and prospects for economic development in the West Bank and Gaza and launches a major donor assistance effort, including to the reform effort.
- ❑ GOI and PA continue revenue clearance process and transfer of funds, including arrears, in accordance with agreed, transparent monitoring mechanism.

Civil Society

- ❑ Continued donor support, including increased funding through PVOs/NGOs, for people to people programs, private sector development and civil society initiatives.

Settlements

- ❑ GOI immediately dismantles settlement outposts erected since March 2001.
- ❑ Consistent with the Mitchell Report, GOI freezes all settlement activity (including natural growth of settlements).

Phase II: Transition - June 2003-December 2003

In the second phase, efforts are focused on the option of creating an independent Palestinian state with provisional borders and attributes of sovereignty, based on the new constitution, as a way station to a permanent status settlement. As has been noted, this goal can be achieved when the Palestinian people have a leadership acting decisively against terror, willing and able to build a practicing democracy based on tolerance and liberty. With such a leadership, reformed civil institutions and security structures, the Palestinians will have the active support of the Quartet and the broader international community in establishing an independent, viable, state.

Progress into Phase II will be based upon the consensus judgment of the Quartet of whether conditions are appropriate to proceed, taking into account performance of both parties. Furthering and sustaining efforts to normalize Palestinian lives and build Palestinian institutions, Phase II starts after Palestinian elections and ends with possible creation of an independent Palestinian state with provisional borders in 2003. Its primary goals are continued comprehensive security performance and effective security cooperation, continued normalization of Palestinian life and institution-building, further building on and sustaining of the goals outlined in Phase I, ratification of a democratic Palestinian constitution, formal establishment of office of prime minister, consolidation of political reform, and the creation of a Palestinian state with provisional borders.

- **International Conference:** Convened by the Quartet, in consultation with the parties, immediately after the successful conclusion of Palestinian elections, to support Palestinian economic recovery and launch a process, leading to establishment of an independent Palestinian state with provisional borders.
 - Such a meeting would be inclusive, based on the goal of a comprehensive Middle East peace (including between Israel and Syria, and Israel and Lebanon), and based on the principles described in the preamble to this document.
 - Arab states restore pre-intifada links to Israel (trade offices, etc.).
 - Revival of multilateral engagement on issues including regional water resources, environment, economic development, refugees, and arms control issues.
- New constitution for democratic, independent Palestinian state is finalized and approved by appropriate Palestinian institutions. Further elections, if required, should follow approval of the new constitution.
- Empowered reform cabinet with office of prime minister formally established, consistent with draft constitution.
- Continued comprehensive security performance, including effective security cooperation on the bases laid out in Phase I.
- Creation of an independent Palestinian state with provisional borders through a process of Israeli-Palestinian engagement, launched by the international conference. As part of this process, implementation of prior agreements, to enhance maximum territorial contiguity, including further action on settlements in conjunction with establishment of a Palestinian state with provisional borders.
- Enhanced international role in monitoring transition, with the active, sustained, and operational support of the Quartet.
- Quartet members promote international recognition of Palestinian state, including possible UN membership.

Phase III: Permanent Status Agreement and End of the Israeli-Palestinian Conflict - 2004 – 2005

Progress into Phase III, based on consensus judgment of Quartet, and taking into account actions of both parties and Quartet monitoring. Phase III objectives are consolidation of reform and stabilization of Palestinian institutions, sustained, effective Palestinian security performance, and Israeli-Palestinian negotiations aimed at a permanent status agreement in 2005.

- ❑ **Second International Conference:** Convened by Quartet, in consultation with the parties, at beginning of 2004 to endorse agreement reached on an independent Palestinian state with provisional borders and formally to launch a process with the active, sustained, and operational support of the Quartet, leading to a final, permanent status resolution in 2005, including on borders, Jerusalem, refugees, settlements; and, to support progress toward a comprehensive Middle East settlement between Israel and Lebanon and Israel and Syria, to be achieved as soon as possible.
- ❑ Continued comprehensive, effective progress on the reform agenda laid out by the Task Force in preparation for final status agreement.
- ❑ Continued sustained and effective security performance, and sustained, effective security cooperation on the bases laid out in Phase I.
- ❑ International efforts to facilitate reform and stabilize Palestinian institutions and the Palestinian economy, in preparation for final status agreement.
- ❑ Parties reach final and comprehensive permanent status agreement that ends the Israel-Palestinian conflict in 2005, through a settlement negotiated between the parties based on UNSCR 242, 338, and 1397, that ends the occupation that began in 1967, and includes an agreed, just, fair, and realistic solution to the refugee issue, and a negotiated resolution on the status of Jerusalem that takes into account the political and religious concerns of both sides, and protects the religious interests of Jews, Christians, and Muslims worldwide, and fulfills the vision of two states, Israel and sovereign, independent, democratic and viable Palestine, living side-by-side in peace and security.
- ❑ Arab state acceptance of full normal relations with Israel and security for all the states of the region in the context of a comprehensive Arab-Israeli peace.

APPENDIX B

THE PALESTINIAN CABINET

The Palestinian Legislative Council approved the following ministers on 29 April 2003:

Mahmoud Abbas (Abu Mazen) (Fatah) – Prime Minister and Minister of the Interior

Yasser Abed Rabbo (Independent) – Minister of Cabinet Affairs

Nabeel Shaath (Fatah) – Minister of External Affairs

Salam Fayyad (Independent) – Minister of Finance

Nabeel Kassis (Independent) – Minister of Planning

Rafiq Al-Natsheh (Fatah) – Minister of Agriculture

Hamdan Ashour (Fatah) – Minister of Housing and Public Works

Abdul Karim Abu Salah (Independent) – Minister of Justice

Ghassan Khatib (Palestinian People's Party) – Minister of Labor

Naim Abu Hommos (Fatah) – Minister of Education and Higher Education

Jamal Shobaki (Fatah) – Minister of Local Government

Mohammed Dahlan (Fatah) – Minister of State for Security Affairs

Ziad Abu Amr (Independent) – Minister of Culture

Nabil Amr (Fatah) – Minister of Information

Azzam Shawwa (Fatah) – Minister of Energy

Kamal Al-Shirafi (Independent) – Minister of Health

Saeb Erekat (Fatah) – Minister of Negotiation Affairs

Mitri Abu Aita (Fatah) – Minister of Tourism

Maher Masri (Fatah) – Minister of Economy and Trade

Hisham Abdalraziq (Fatah) – Minister of Prisoner Affairs

Intisar Al-Wazir (Um Jihad) (Fatah) – Minister of Social Affairs

Sa'edi Al-Krounz (Fatah) – Minister of Transportation

Abdul Fattah Hamayel (Fatah) – Minister of State (Without Portfolio)

Azzam Ahmed (Fatah) – Minister of Telecommunications and Information Technology

(Still To Be Appointed) – Minister of Religious Affairs

Cabinet Secretary: Hakam Balawi (Fatah)

Biographical information may be found on the web site of the Palestinian National Authority, at http://www.pna.gov.ps/subject_details2.asp?docid=834.

APPENDIX C

CRUCIAL ELEMENTS IN AN ISRAELI-PALESTINIAN BILATERAL AGREEMENT AND A SUPPORTING MULTILATERAL AGREEMENT¹⁶⁹

Israeli-Palestinian Bilateral. In very broad summary – these points are elaborated in much more detail in a companion report issued simultaneously with this one¹⁷⁰ – the key components of a bilateral Israeli-Palestinian agreement would be:

- ❑ Two states, Israel and Palestine, will live side by side, recognised by each other and by the international community.
- ❑ The borders of the state of Palestine will be based on the lines of 4 June 1967 with modifications. Israel will annex no more than 4 per cent of the West Bank to accommodate a majority of its settlers while dismantling the majority of its settlements, and Palestine will be compensated by the transfer of Israeli land of equal size and actual or potential value. Borders will be drawn to protect the contiguity of the West Bank, minimise the number of Palestinians brought within Israel or relocated, and ensure Palestinian access to water resources and sovereignty over international borders with Jordan and Egypt.
- ❑ Palestine will have control over a corridor linking the West Bank and Gaza.
- ❑ Palestine will be a non-militarised state.
- ❑ Both parties will request the establishment of a U.S.-led multinational force to monitor implementation of the agreement, take the place of Israeli forces as they withdraw, patrol Palestine's international borders and crossing points and, by its presence, serve to deter any hostile act against either party.
- ❑ Israel will have sovereignty over the Jewish neighbourhoods of East Jerusalem, which, together with West Jerusalem, will constitute the capital of the State of Israel. Palestine will have sovereignty over the Arab neighbourhoods of East Jerusalem, which will constitute the capital of the State of Palestine.
- ❑ There will be a special regime governing the Old City, which would remain open, and sites of special significance in Jerusalem's Historic Basin. Both parties will request the establishment of an international presence to guarantee security and help preserve their unique character. There will be firm, internationally-backed guarantees against any excavation of or building on the Haram al-Sharif (Temple Mount) without the parties' express consent.
- ❑ The special regime will take the form of an international protectorate over the Old City and Historic Basin sites; or alternatively a divided sovereignty regime in which the Jewish quarter, parts of the Armenian quarter, and the Kotel (Wailing Wall) will be under Israeli sovereignty while the Muslim, Christian and parts of the Armenian quarters, as well as the Haram al-Sharif, will be under Palestinian sovereignty.
- ❑ The refugee issue will be resolved in a way that addresses Palestinians' deep sense of injustice without affecting Israel's demographic balance. Refugees will receive financial compensation and resettlement assistance, and subject to the sovereign decisions of the various states, will have the choice between relocation to Palestine, relocation to lands within Israel proper that will be swapped with the state of Palestine, rehabilitation in host countries or relocation in third countries. Israeli family reunification and humanitarian programs will continue, together with any other program upon which the two parties agree.

¹⁶⁹ ICG Middle East Report N°2, *Middle East Endgame I: Getting to a Comprehensive Arab-Israeli Peace Settlement*, 16 July 2002, pp. 15-17.

¹⁷⁰ ICG Middle East Report N°3, *Middle East Endgame II: How a Comprehensive Israeli-Palestinian Settlement Would Look*, 16 July 2002.

- ❑ Appropriate security arrangements will be made to enable Israel to establish early warning stations on the West Bank and to have necessary access to Palestinian airspace and electro-magnetic spectrum.
- ❑ The agreement will mark the end of the conflict. The only claims either party can raise that arise out of their historic conflict will be those related to implementation of the agreement.

Israeli-Palestinian Multilateral. There would need to be also a multilateral agreement supporting the bilateral agreement, including the following key elements (again spelt out in much more detail in our companion report):

- ❑ At the diplomatic level, broad international recognition of the States of Israel and of Palestine, with Arab states formally recognising the State of Israel, ending any continuing state of war with it, and committing to fully normalised diplomatic, economic and cultural relations with it.
- ❑ At the political level, a high-level Contact Group and an-on-the-ground civilian administration¹⁷¹ to oversee implementation of all aspects of the bilateral agreement and provide dispute-resolution mechanisms in the event of a disagreement.
- ❑ At the military level, a fully mandated and capable U.S.-led multinational force to monitor compliance with all militarily relevant aspects of the bilateral agreement, patrol and monitor Palestine's international borders, and deter by its presence attacks against either party.
- ❑ For Jerusalem, an international police presence and civilian administration specially adapted to the circumstances in the Old City to assist in the policing, protection and preservation of this area. Under the international protectorate option for the Old City and Historic Basin sites, the governing body of the protectorate would assume sovereign powers, while to the extent possible allowing Palestinian authorities to administer Arab neighbourhoods and Christian and Muslim holy sites, and Israeli authorities to administer Israeli neighbourhoods and Jewish holy sites.
- ❑ On refugee rehabilitation, an international commission would be in charge of implementing all aspects of the bilateral agreement, including verification of refugee status, resettlement and compensation.
- ❑ At the economic level, major commitments by the international donor community to assist in the reconstruction and development of Palestine in all relevant aspects.

As made clear above, ICG also believes that it will be necessary to address outstanding issues between Israel on the one hand and Syria and Lebanon on the other if a comprehensive Israeli-Palestinian settlement is to be finally bedded down. Just as with the Palestinian issue, it seems highly unlikely in the present environment that these issues will be constructively addressed in the absence of a major initiative taken by the international community, led by the U.S. To help focus attention on what is required here, ICG has again developed comprehensive settlement proposals, in the form of detailed draft negotiating texts, which we have issued simultaneously as a further companion report to this one.¹⁷²

¹⁷¹ This could go so far as to involve the creation of a temporary international 'trusteeship', involving both civilian and military elements. Under this model, the multinational presence would in effect be running the state of Palestine for an initial period, helping to provide security, establishing an effective administration, helping to build new institutions and generally supporting capacity-building for self-government until such time that Palestine would fully take over these functions. See further ICG Report, *Middle East Endgame II*, op. cit., section III A.

¹⁷² ICG Middle East Report N°4, *Middle East Endgame III: Israel, Syria and Lebanon – How Comprehensive Peace Settlements Would Look*, 16 July 2002.