

Middle East Endgame: A Comprehensive Proposal for an Arab-Israeli Peace Settlement

July 2002 - The International Crisis Group (ICG) simultaneously released three major reports calling on the U.S. to lead the 'Quartet' (U.S., EU, Russia and UN) and 'Trio' (Egypt, Saudi Arabia and Jordan) in presenting and pushing a comprehensive peace initiative to achieve once and for all, a fair and durable peace between Israel and its Arab neighbours. Below is the Executive Summary. Go to the International Crisis Group for the entire report. Robert Malley serves as the ICG's Middle East Program Director.

EXECUTIVE SUMMARY & RECOMMENDATIONS

President Bush, announcing U.S. policy towards the Israeli-Palestinian conflict on 24 June 2002, has set the terms of the international response to the conflict for the immediately foreseeable period. Before peace can be negotiated the violence has to stop. If the Palestinians are to have their own state – and the clear message is that they should – it must be one based on the principles of democracy, transparency and the rule of law. For that to happen the current leadership needs to go. The logic is sequential: political progress is conditional on a new security environment, institutional reform and, in effect, on regime change.

But as much as we would wish events to prove us wrong, it is difficult to believe that the present Bush Plan can stop the violence and deliver a fair and sustainable peace within a reasonable time. The ends stated by the President are laudable – an end to the Israeli occupation, a two-state solution, and resolution of the questions of borders, Jerusalem and refugees within a relatively short period. But the means are questionable. The first incentive offered is the prospect of a "provisional State of Palestine", but one without permanent borders, a capital or anything resembling the usual attributes of sovereignty. The second is the possibility of final status negotiations between Israelis and Palestinians being concluded within three years, but no roadmap is on the table, nor any clear international commitment to making it happen.

It is hard to conceive that violence will come to an end – morally wrong and politically counterproductive though its worst manifestations may be – before Palestinians see a genuine alternative path to ending the occupation and realising their legitimate aspirations. The call to choose new leaders and to reform institutions is more likely to generate increased support for Arafat, and undermine those within Palestinian society who have long been calling for fundamental change. Without more stimulus than what is now on offer, regional and local dynamics are unlikely to change in any constructive way.

ICG argues in this report, and its two companions published simultaneously, that while there are other approaches which could add real momentum to the peace process (including in particular a comprehensive settlement initiative by a broad-based Israeli-Palestinian peace coalition), there is only one way to ensure an end to the violence and produce a fair, effective and sustainable

resolution of the region's problems in a timely fashion. And that is for the key international players, led by the U.S., to put on the table clear, detailed and comprehensive blueprints for a permanent Israeli-Palestinian agreement – and for Israel-Syria and Israel-Lebanon peace treaties as well – and to press strenuously for their acceptance.

The key players for this purpose are the already established Quartet (U.S., EU, Russia and UN Secretary-General) and the influential Arab “Trio” (Egypt, Saudi Arabia and Jordan), who would together constitute a Contact Group to lead the strategy and oversee its implementation. An international peace conference, of the kind floated but for the moment abandoned by the U.S., would be a useful forum to lay out – alongside the other tracks (security, institutional reform and economic support) which should be pursued in parallel on the Israeli-Palestinian front – the comprehensive political plans required, and demonstrate, unequivocally, the degree of international support for them. We do not suggest that a comprehensive political blueprint is the only necessary ingredient in the international policy mix - but at present it is the indispensable missing one.

The goal would not be to *impose* a settlement on the Israeli or Palestinian leaderships but rather to generate so much domestic and international support for it that opposition would become increasingly hard to sustain and the momentum for change gradually would become irresistible. The presentation of a comprehensive settlement plan would need to be seen as the beginning, not the end, of the public diplomacy required, which would be aimed above all at changing attitudes and reshaping the political environment among Israelis and Palestinians.

This first “Endgame” report describes the overall strategy required, assesses the degree of political difficulty involved in implementing it, and sketches in outline form the content of the comprehensive Israeli-Arab settlement plans we propose. The second and third reports go into much more detail on the substance of, respectively, an Israeli-Palestinian settlement, and Israel-Syria and Israel-Lebanon peace treaties. These latter two are critical as well, for winning over the Israeli public will require that leaders of the Arab world state their readiness to normalise relations with Israel, something that is hard to imagine without a settlement of *all* outstanding Arab-Israeli disputes. Moreover, the Israeli-Lebanese border remains volatile and arguably presents a greater threat to regional stability than the Israeli-Palestinian conflict.

In outline form, the elements of the various agreements suggested by ICG, based on our presence in the region and extensive consultations around it over the last few months, are as follows:

Bilateral Israeli-Palestinian agreement

The borders of the State of Palestine will be based on the lines of 4 June 1967. Israel will annex up to 4 per cent of land in the West Bank to accommodate a majority of its settlers; in exchange, Palestine will receive land from Israel of equal size and actual or potential value.

Palestine will be a non-militarised state; and there will be a fully-mandated and capable U.S.-led multinational force to monitor implementation of the agreement and enhance both sides' sense of

confidence and security.

Israel will have sovereignty over West Jerusalem and the Jewish neighbourhoods of East Jerusalem which, together, will constitute its capital. Palestine will have sovereignty over the Arab neighbourhoods of East Jerusalem, which will constitute its capital.

There will be a special regime governing the Old City, which will remain open, and sites of special significance in Jerusalem's Historic Basin. Under this regime, Palestine will govern the Haram al-Sharif (Temple Mount) and Israel will govern the Kotel (Wailing Wall). There will be internationally-backed guarantees against any excavation of or building on the Haram al-Sharif without the parties' express consent.

The refugee issue will be resolved in a way that addresses the Palestinians' deep sense of injustice without undermining Israel's demographic interests. Both parties will agree that UN General Assembly Resolution 194 will be satisfied by Palestinian refugees receiving financial compensation and resettlement assistance; having the choice between relocation to Palestine, relocation to lands within Israel proper that will be swapped with the state of Palestine, relocation to third countries or rehabilitation in host countries; and returning to Israel on the basis of family reunification and humanitarian programs continued or newly established by Israel.

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.

Multilateral supporting agreement

- International recognition of the States of Israel and Palestine, with Arab states fully normalising relations with Israel.
- A U.S.-led multinational force to monitor compliance with the agreement, patrol and monitor Palestine's international borders, and deter by its presence attacks against either party.
- An international police presence and civilian administration for the Old City and Historic Basin sites to assist in the policing, protection and preservation of this area.
- An international commission on refugees responsible for implementing all aspects of the bilateral agreement.
- Major commitments by the international donor community to assist in Palestine's reconstruction and long-term development.

Israel-Syria agreement

- The boundary between Israel and Syria will be the line of 4 June 1967. A commission headed by the Chief Cartographer of the United Nations will demarcate the precise line.

- Syria will have sovereignty over the land up to the Kinneret/Lake Tiberias and the Jordan River and access to the adjoining water; Israel will have sovereignty over the Kinneret/Lake Tiberias and the Jordan River and access to the adjoining land.
- There will be demilitarised zones and areas of limitation in armament and forces in Syria and in Israel.
- A U.S.-led multinational monitoring, inspection and verification mechanism will verify implementation of the security arrangements, and the U.S. will operate an early warning station on Mount Hermon.
- The parties will rapidly establish diplomatic ties once the treaty has come into effect and will implement steps that characterise peaceful, normal relations between neighbours.

Israel-Lebanon agreement

- The boundary between Israel and Lebanon will be the 1923 boundary. A bilateral Boundary Commission will demarcate the precise and final border.
- Within a “frontier zone” consisting of southern Lebanon and northern Israel, each side will exclude irregular armed groups and individuals bearing weapons and will maintain sufficient official forces to implement the exclusion.
- The parties will establish diplomatic ties and implement steps characteristic of peaceful, normal relations between neighbours.

In the current environment, ICG has no illusions about the degree of difficulty involved in persuading the U.S. administration to change its present course, and getting our preferred approach to take wing. Other potentially productive approaches all have their own problems: so far as the emergence of a strong locally-based Israeli-Palestinian peace coalition is concerned, the ground is stony indeed.

But nor can anyone ignore the immensity of the pain and suffering that continues to afflict Israelis and Palestinians as a result of the present conflict. There is something deeply disturbing, even tragic, in the endless pursuit of yet another interim or partial cure when the outlines of a fair, lasting and comprehensive agreement are there for all to see.

Our assessment is that this cycle of violence will persist until a dramatic new initiative is taken – one that has a real chance of fundamentally changing the dynamics on the ground on both sides. This report, and its companions, provide the arguments – and treaty building blocks – for such an initiative.

RECOMMENDATIONS

To the “Quartet” (U.S., EU, Russia and UN Secretary-General) and “Trio” (Egypt, Saudi

Arabia and Jordan)

1. *Craft comprehensive Israeli-Palestinian, Israeli-Syrian and Israeli-Lebanese peace settlements.* These settlements should be detailed enough to leave little room for ambiguity and seek to address all sides' core interests. In the Israeli-Palestinian context in particular, the proposed settlement should involve an important role for a U.S.-led multinational presence to make up for the lack of trust between the two sides.
2. *Present and promote these settlement plans in such a way as to maximise international pressure and confidence-building.* An international peace conference would be a useful forum for presenting the plans and demonstrating international support for them. The primary target audience should be the Israeli and Palestinian people, whose support will be critical. They should see clearly before them a concrete alternative to the current situation, backed in words and in deeds by key members of the international community. These countries should pledge to support implementation of the agreement through concrete military, economic and diplomatic means.
3. *In parallel, intensify efforts on other Israeli-Palestinian issues.* The international community should simultaneously seek to bring an end to the violence, promote Palestinian institutional reform and assist in the economic rehabilitation of the West Bank and Gaza.

To the European Union, the Arab world and other relevant parties

4. *Seek to persuade the United States of the urgency of pursuing a comprehensive settlement initiative.* Persuasion must be more than verbal alone and should involve pledges of concrete support in the event the U.S. responds. In particular, Arab countries should commit to publicly back a detailed U.S. peace plan and take other steps to reassure the Israeli public of its intentions. European countries, Canada, Japan and others should commit to providing substantial logistical and financial assistance in the event an agreement is reached and helping with the rehabilitation and relocation of Palestinian refugees.
5. *As a fallback, try to encourage the U.S. to at least amend its approach by front-loading political elements and watering down its strict conditionality.*

To Israelis and Palestinians

6. *Seek to reach a comprehensive, non-official Israeli-Palestinian settlement agreement.* A broad-based coalition of Israelis and Palestinians should seek to agree on terms of settlement addressing in detail the two sides' vital needs. To maximise its impact and credibility, this agreement should be endorsed on the Palestinian side by at least some significant Palestinian Authority officials, and on the Israeli side by individuals trusted by large segments of the public.

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