

Yossi Alpher / Bitter Lemons:

I would like to address four broad issue areas. Firstly, the broad regional and global setting as Israel sees it. Secondly, the Israeli-Palestinian process. Thirdly, the Israeli-Syrian process. Fourthly, I'll conclude with a few words about the ramifications of the Arab peace initiative and the future of the American role.

Beginning with the global and regional strategic setting, I think we have to recognize that we are looking at not just one but two current power vacuums in the region. One is the absence of an energetic American peace effort. The Bush administration is the first since 1991, since the Madrid Conference, not to devote attention to the Israeli-Syrian track—on top of its too-little-too-late approach to the Israeli-Palestinian issue.

The second vacuum refers to the dysfunctional Arab system: the fact that a disproportional number of states in the region appear to be fragmenting and chaotic from the Israeli perception. These vacuums are being filled first of all by the non-Arab regional actors, that is to say Iran and Turkey, and to some extent by Israel though we are so bogged down with our own problems that we are not pulling our weight, and from an economic standpoint by the Gulf emirates, but also by the militant Islamist non-state actors in our vicinity, Hizbullah and Hamas.

At the same time, it is rather extraordinary, and this is one of my optimistic remarks, that we can look around today and note that there is not a single Arab country that denies our right to exist. No Arab country, with the occasional brief exception of Syria, is threatening to make war upon us. The existential threats are coming from Iran and the militant Islamist non-state actors. There is here both good news and bad news.

From the Israeli standpoint, the worst by-product of the American occupation of Iraq has been the aggrandizement of Iranian power and influence in the region and the opportunities this has afforded Iran to extend its influence deep into the Levant. All this, in addition to the Iranian nuclear issue. I would go so far as to say that for several years now, the Iranian threat overall--regional, territorial and nuclear--has become the prism through which Israelis look at our regional strategic situation. Up to a few years ago, one would have easily said that the Palestinian issue or the Israel-Arab conflict is the prism. Today it is the Iranian issue, and I would submit that this is an extremely important factor to bear in mind in trying to understand how Israel deals with the region.

Turning to the Israeli-Palestinian issues, let me begin with the Israeli weaknesses. Martin Indyk just stated that there seems to be a jinx on Israeli prime ministers when they deal with the Palestinian issue. It is not a jinx. It is structural. It is the contradiction between the need to solve the Palestinian issue on the one hand and the way the Israeli political system is structured, the way our electoral system is structured, the way our coalitions are produced, and the inability of a prime minister with the best of intentions to master a coalition that is strong enough to see a solution through to its conclusion--even in a Knesset such as the current one in which 70 out of 120 members are committed to a two-state solution. Every Israeli governing coalition for the past 20 years has fallen over the Palestinian issue. Perversely, the good news is that if and when PM Ehud Olmert resigns and his coalition is replaced, he will at least

be breaking that tradition: a government will have fallen because of corruption rather than the Palestinian issue. This is the sad reality.

Turning to the Palestinian side, I would submit that with all of Israel's faults and mistakes, Palestinians have to confront their inability over the last 15 years to succeed at the enterprise of state-building. If they don't confront the failure and seek the appropriate conclusions, the failure is going to continue. During the last year or two, we are looking at that failure expressed territorially and ideologically in the West Bank/Gaza, Hamas/Fatah split.

I would also submit that those who say, and there are many who say it, that the outlines of a final status agreement between Palestine and Israel are known and that it is just a matter of having the courage and determination to sign off on a solution, are not correct and the current situation proves it. We don't agree on everything by any means. If you look at the main issues, Jerusalem, the Holy Basin, the right of return of the 1948 refugees, I would dare say that we are further away apart today than we were before Camp David II in July 2000. It was only there that we talked about those issues and realized how far apart we are. I don't think we have closed the gap in the course of eight years and this has to be born in mind.

The two sides have made grand strategic mistakes. For Israel, the mistake is certainly the settlement movement. On the Palestinian side, it is the belief that terrorism can deliver on political goals. We are still not out of the resultant dilemma on either side. Another mistake that has to be contemplated is the belief, held by Israel and to some extent the international community, that the use of economic carrots and sticks vis-à-vis the Palestinians can make a major contribution to solving what is a political rather than an economic issue. The use of economic sticks vis-à-vis Gaza has completely failed. It has proven counterproductive. I defy anyone to show me that Hamas has changed its behavior because we refused to provide the basic humanitarian needs of the Gaza population. The use of carrots by Quartet envoy Tony Blair is of course good. We are all in favor of economic improvement. But the sense that if you starve the Gazans and bring prosperity to the West Bank this is going to provide the key to a political solution is misplaced and needs to be revisited and reconsidered.

In my view, the Annapolis process was doomed from the start and the question is how counterproductive or how damaging its acknowledged failure is liable to be? In the face of that failure, what are Israel's options under these circumstances vis-à-vis the Palestinians? These options are not mutually exclusive and are not listed in any particular order under which one or another Israeli prime minister would likely invoke them.

One option is to try harder. Try again. It did not succeed this time. Wait for the next administration. Sit down again to negotiate a two state solution. It is not too late.

Another is conflict management and mitigation. This and ongoing negotiations are as noted not mutually exclusive; both we and the international community have been engaged in them in one way or another.

Three, talk to Hamas. In other words, try to develop an option with an alternative Palestinian interlocutor. Here the big question is if there is anything to talk about in terms of Israel's interest and if Hamas is ready to talk to us and what about.

Next, involve the neighbors. This is not new. Look into ways for further Jordanian involvement in the West Bank and Egyptian involvement in the Gaza Strip. Some Israelis who believe in this option took heart from the recent suggestion by Egyptian Foreign Minister Ahmed Abul-Gheit that an Arab force, presumably primarily Egyptian, could be deployed in the Gaza Strip. It does not look like this is going to happen and if it did, it is not clear whether this would work in Israel's favor or not. But there is certainly a growing body of opinion in Israel that looks for a pre-1967 solution, based on the conclusion that since we and the Palestinians cannot solve this conflict alone, we should bring in the Arab caretakers who ruled between 1948 and 1967.

Then too, note that the two-state solution to the Palestinian issue is of recent vintage in terms of both the PLO and the Israeli approach. I think it is the best solution--but it is not written in stone.

Let me also note that I did not list among these options a one-state solution, which is what our Palestinian friends are increasingly talking about in their frustration, i.e., a bi-national state between the Jordan River and the Mediterranean Sea. I did not list it because, however much the Palestinians might talk about it and even though Abu Ala (Ahmed Qurei), head of the Palestinian Negotiating team, mentioned recently as a threat that in the event we don't reach a two-state solution the Palestinians will ask for a one-state solution, this is not on the Israeli agenda. A solution in which Israel ceases to be a Zionist, Jewish state is simply not on the Israeli agenda. So it is counterproductive for the Palestinians to raise it. What they are in fact advocating is no movement at all.

Moving to the Israeli-Syrian peace process, and bearing in mind the regional factors that I mentioned at the beginning, from an Israeli standpoint a successful Israeli-Syrian process provides a far greater strategic payoff—in terms of both Israel's interests and those of the West, than a successful Israeli-Palestinian process. The Israeli concept of a successful Israeli-Syrian process means not just the Golan Heights in return for a cold peace—what we envisaged when five successive Israeli prime ministers negotiated with the Syrians in the course of the 1990s. Rather, in the reality of 2008 it means territories in return for a cold peace but also, and perhaps more important, a blow to Iran's aggressive designs in the region, a blow to the militant Islamist Hizbullah and Hamas.

The flip side of this new equation is that only verifiable Syrian commitments regarding who are Damascus' friends and allies, to whom it provides weaponry in Lebanon, what terrorist headquarters are located in Damascus etc., will convince the Israeli public or any likely Knesset line-up to support an Israeli-Syrian peace agreement. It is possible that in the coming months, despite the dysfunctional nature of our political system, the Knesset will pass a law requiring a referendum on an issue like giving up the Golan. So it will not only be up to the Knesset.

From the Israeli standpoint, the Syrian leadership seems willing and able. The issues are clear-cut and doable compared to a deal with the Palestinians. Some of the trickier issues that bother others in the region and in the world like the Syrian attitude toward Lebanon are less troublesome in Israeli eyes. All the way back in 1975, Yitzhak Rabin worked out arrangements with regard to Syrian hegemony in Lebanon. The Israeli attitude to issues like democracy and human rights in Syria is not demanding. We make peace with our neighbors, whoever they are. We made peace with Egypt and Jordan, notwithstanding the fact that they were not our model of democracy. What is on the agenda when Israelis are talking to Syrians can be very different than what is on the American agenda if and when America joins the process.

Looking at the next US administration, and bearing in mind that the Turkish contribution has been extremely important in maintaining a line of contact between Israel and Syria, I agree with President Assad when he says that the Israeli-Syrian process cannot take off until the advent of a new US administration. One can only hope that the new American president will take a different approach to Syria than the current one.

Here I want to address the question of the Middle East priorities of the next administration. I fully agree that the next US president must make an early and firm commitment to work with Israelis and Palestinians in a way that the previous one did not do. But at the same time, regardless whether the next president is Obama or McCain, at the head of the American list of priorities in the Greater Middle East region you will not find the Israeli-Palestinian issue. You will find Iran, Iraq, and Afghanistan/Pakistan.

Now I know that American presidents can walk and chew gum at the same time. Nevertheless, one has to ask how many resources and energies the administration, particularly in its early days, is going to have available to devote to a major effort regarding any aspect of the Israeli-Palestinian peace process. I believe that if the new administration recognizes that its resources are limited and it has to choose between the Israeli-Palestinian process and the Israeli-Syrian process, it should choose the Israeli-Syrian process. Not only for Israel but for the US as well, and for its interests in Iran, Iraq and Lebanon, the payoff of a successful Israeli-Syrian peace process and consequent Syrian-American rapprochement is far bigger and more immediate and has a far greater regional strategic impact.

Finally, a word about the Arab peace initiative. It is a revolutionary move on the part of the Arab world, one Israel has to a large extent ignored. But what we have learned since the end of March 2002 when the Arab Peace Initiative was passed by the Arab League Summit in Beirut is that to simply say to Israelis, and not even directly but via the rest of the world: make peace with your neighbors, Syria, Lebanon and Palestine, and we'll give you normalization, is not enough on the part of the Arab world. While Israel should have been more forthcoming in dealing with the initiative, this is simply not enough on the part of the Arab world.

One relevant issue is Syria. True, Israelis and Syrians can hopefully make peace with the help of the Americans. But one of the things we have to say to the Arab countries with regard to the Arab Peace Initiative is that you cannot on the one hand tell Israelis to go make peace with their neighbors and then on the other hand tell them that you do not really

want them to talk to Syria because Syria is being punished for its misdeeds in Lebanon and regarding support for militant Islamists and Iran. You can't have it both ways. We need to ask the Arab world to support for an Israeli-Syrian peace process.

Then, too, if the Arab world wants to make good on its peace initiative it has to recognize that we have to talk about issues like Jerusalem. Israelis and Palestinians are not going to solve their Jerusalem dilemma without the participation of additional Arab and Muslim countries. To his credit, PM Olmert put this on the table during the negotiations with the Palestinians. Then there is the refugee issue. Most of the refugees are not in Palestine. For the Arab governments to tell us to solve this problem without recognizing that they have to discuss ramifications for their own refugee population, is not going to work.

The Arab Peace Initiative offers Israel security and normalization. Tell us Israelis what you mean. What are you offering us? Explain your initiative to the Israeli public, which is abysmally ignorant about it. Tell us about phasing. We have heard hints from leading Arab personalities that if we Israelis conclude a stage of peace you will reciprocate with a phase of normalization. This could be a good incentive, but you have to flesh it out and tell us what you are offering.

To conclude, without a doubt there is an extremely important role for the next American administration. There is also a role for Turkey. In addition to all the important things that Turkey is doing in the Arab-Israel sphere, I would hope to see Turkey--especially in the next 6-8 months when we are not going to see anything from Washington--looking for ways to get Arabs and Israelis to talk about the Arab peace initiative. Precisely because Turkey is not a party to the Arab peace initiative and has access to everybody, it could help us flesh out these issues, break Israeli indifference on the one hand and the Arab code of silence on the other.