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After 50 Years – No Future for Two Peoples? What must be done to Build Peace?

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The annual meeting of the Israeli-European Policy Network (IEPN) in Israel focused on the obstacles to peace fifty years after the Six-Day War (1967) and the role of the EU and the international community in removing these obstacles and preserving the prospects for peace.

Fifty years since the 1967 war, mentions of peace have almost disappeared from public and political discussion. Ever since, a gradual internationalisation of the continued existence of the Israeli-Palestinian conflict is observable. The political dynamics between the Israeli government and the Palestinian Authority (PA) have been constantly changing and the EU, as well as the international community, have had to continually modify their policies and initiatives to promote peace between Israelis and Palestinians.

In spite of many attempts of the international community and the EU, a permanent solution of the Israeli-Palestinian conflict has not yet been achieved. The European responsibility towards the region, due to historical colonialism and other forms of interference, together with the weakening of the United States as a key player in this context, creates a proper environment for the EU to increase its involvement in trying to resolve the conflict and to step up as a leading actor in Middle East conflict resolution.

Despite the ongoing stalemate in the political negotiations and that a solution to the conflict seems far from ever, there is still a majority of both Israelis (53%, including Palestinian citizens of Israel) and Palestinians (52%) supporting a two-state solution as a general principle, according to a recent opinion poll[1].

However, When asked whether they support a detailed agreement including: a de-militarized Palestinian state, an Israeli withdrawal to the Green Line with equal territorial exchange, a family unification in Israel of 100,000 Palestinian refugees, West Jerusalem as the capital of Israel and East Jerusalem as the capital of Palestine, the Jewish Quarter and the Western Wall under Israeli sovereignty and the Muslim and Christian quarters and the al Haram al Sharif/Temple Mount under Palestinian sovereignty, and the end of the conflict and claims, support rates have fallen among Israelis (41%) and Palestinians (43%).

However, in the context of removing obstacles to peace, between 25% and 43% of Jews and 24% to 56% of Palestinians who were opposed to an agreement said they would change their minds and support it, based on one of several offered incentives. Mutual recognition is considered a powerful incentive for both parties. When added to the original number of supporters of the original agreement, 58% of Israeli Jews and 66% of Palestinians in total would support the package if it includes this incentive. For Palestinians, releasing the prisoners Israel currently holds is the most powerful incentive. Close to three-quarters of Palestinians in total (73%) could support the agreement if it includes this incentive.

When mentioning mutual recognition, one must not forget that in the framework of the Oslo Accords, the PLO recognized the state of Israel, and the Israeli government recognized the PLO as the representative of the Palestinian people.

However, it was not until 2009 when PM Benjamin Netanyahu introduced a new demand[2] - the recognition of Israel as a Jewish state. While many in the Israeli public consider this demand as just and

1 Palestinian-Israeli Pulse: A Joint Poll, The Tami Steinmetz Center for Peace Research, Tel Aviv University, August 2017. https://peace.tau.ac.il/images/PDF/Summary_English.pdf

2 It was mentioned in the past, but not as a necessary condition for the peace process.

even logical, the Palestinians find it difficult to accept because according to them it conflicts with their narrative, ignores the large minority of Palestinian citizens of Israel and its symbolic meaning is to relinquish any kind of right of return for Palestinian refugees.

This paper presents a summary of the diverse positions and solutions put forth in the meeting by European, Israeli and Palestinian experts and policy makers regarding the Israeli-Palestinian conflict.

Minutes and Conclusions of the Seminar

Most participants agreed that the continuation of the status-quo of Israeli occupation in the West Bank is not viable in the long-term and profound changes and reforms need to be implemented on both sides in order to advance the peace process and reconcile the two peoples.

However, there were various opinions about the preeminent approach to move forward in order to reach a stable and sustainable solution in the region.

The European Perspective:

There is a general consensus among policymakers and experts that the EU needs to increase its engagement regarding the Israeli-Palestinian conflict. In particular, the EU's involvement is characterized by the need to preserve a two-state solution, promote a two-state reality and promote the advantages of reaching an agreement.

Nowadays, the resolution of the Israeli-Palestinian conflict is not sufficiently present in the international discourse in general and in the European discourse in particular. First, the catastrophic situation in other Middle Eastern countries, such as Syria and Yemen, has diverted the attention in other directions and it is truly challenging to bring the issue back to the agenda. Second, there is lack of international coherence. There are internal disagreements over basic values within the EU and the rest of the Western world, perhaps progressivism versus conservatism, while also dealing with internal challenges, and this naturally affects policies toward the conflict.

The official position of the EU considers the conflict as a destabilizing factor on the region which requires a long-term solution that will meet the legitimate aspirations of both parties. The only viable solution in this context is the two-state solution. The approach of the EU is one of engagement and it acts as both a payer and a player in the efforts of solving the conflict.

Furthermore, the EU can assist by advancing the benefits for both parties in reaching an agreement: an approach consisting of an attempt to find a middle-ground of negotiations instead of having an all-or-nothing attitude. To arrive to an agreement, European leaders can promote trust-building between the PA and the Israeli government. Trust encourages compromise and compromise motivates the parties to reach an accord. To develop trust and understanding, the EU is interested in bolstering two main approaches: the Big Bang Theory and the Gradual Theory. On the one hand, the Big Bang Theory entails building confidence on the leaders to put all the issues on the table and reach an agreement, characterizing a top-down approach. On the other hand, the Gradual Theory establishes confidence on the ground, building trust levels in civil society, allowing civilians to direct and guide their own leaders, resonating a bottom-up approach. For the policy makers, it is necessary to combine the two approaches to arrive to an effective and long-lasting agreement.

The European involvement in the Israeli-Palestinian conflict is also perceived as being part of a larger international effort to support the development of the entire Middle East region. European countries are working towards the normalization of Israeli and Arab relations, particularly with moderate Sunni states, through developing trade, business, and technological joint ventures.

Nevertheless, Europe is still very critical and aware of its partnerships with Israel and Arab nations and publicly disapproves some movements and institutions that conflict with values and agreements laid out by the United Nations. A clear example of this is the EU's stance towards the movement of Boycott, Divestment, and Sanctions (BDS). The EU has continuously rejected the BDS platform sending a clear message that pressure and boycotting are not effective tools in solving the situational conflict between Israelis and Palestinians.

Over the past forty years, Israel and Europe have developed an ever-increasing network of economic, scientific and cultural ties. The legal basis for EU-Israel trade relations is the EU-Israel Association Agreement, which entered into force in June 2000. The aim of this agreement is to provide an appropriate framework for political dialogue and economic cooperation between the EU and Israel. However, the European approach holds that Israel should live up to its own legal responsibilities and hence, the EU accepts Israel only in its internationally recognized borders. All the agreements with Israel have territorial clauses in them, excluding preferential treatment for products from the occupied territories, and it is only natural for the EU that imported products from the West Bank settlements will also be labelled as such to allow its citizens to make a conscious decision whether to buy these products.

Furthermore, there are firm voices in Europe that stand by the idea that the continuous expansion of settlements in the West Bank and the consequential prospect of a one-state condition in which all its residents do not have equal rights are a clear violation of international law, and even totalitarian. Therefore, under the assumption that European countries are firmly committed to international law they hold that European states should impose sanctions on Israel as long as settlement policy continues.

The EU has the opportunity and responsibility to be at the center of the efforts for a conflict solution. Expanding the political awareness of the conflict to the European public and various governments will continue involving Europe as a key player in mediating the Israeli-Palestinian conflict. The EU can maintain its rather passive role as a supervisor or decide to actively incentivize the peace process.

The Israeli Perspective:

The intricacy of uniting the divided opinions existing within the Israeli public regarding the Israeli-Palestinian conflict has been steadily growing, making it effectively impossible to generalize the Israeli perspective. The wide range of assumptions and attitudes towards the Israeli-Palestinian conflict makes a top-down agreement to be treated by many as ineffective. Nevertheless, we will summarize the main positions presented at the seminar by Israeli officials, scholars and civil society members.

On one side of the Israeli perspective, one can find the position represented by the current government, which is indisputably not an active one. Many Israelis refrain from declaring a preferred solution for the Israeli-Palestinian conflict because the conditions for it have not yet matured. In their view, the Palestinian strategy of turning to international institutions, such as the UN Security Council, rather than engaging in direct negotiations makes it difficult to build up trust between the two sides. Moreover, in order to promote coexistence the PA should stop the incitement against Israel in the media and in school textbooks and take a clear stance against terrorism, which includes condemning it, not being affiliated with organizations involved in terrorism and/or incitements and stop funding terrorists and their families.

Concerns were expressed about the atmosphere in European streets towards Israel, such as the waving of Hamas and Hezbollah flags and cries of "Death to Israel" during the 2014 Gaza war. It was argued that instead of cooperating in a common struggle against terrorism, Europe prefers to make one-sided decisions that are damaging trust between the EU and Israel.

On the other hand, a more active approach to ending the conflict was presented, which places the two-state solution as the only effective and realistic solution the public should be envisioning for the future of Israel. After more than 100 years of war, and 50 years of occupation - the Palestinians deserve a state and Israel deserves a state with secure and peaceful borders. In order to reach such a solution, hope must be restored to the hearts of both Israelis and Palestinians.

To improve the stagnant situation, the victim-centered narrative presented by both sides needs to change. The Jews and Palestinians, both nations of refugees who are actually defined by the conflict, compete over the ultimate victimhood. Leaders of both Israelis and Palestinians have been perpetuating the idea that their side is the only one suffering. Both sides feed on the post-trauma instead of healing it. With a new shared and multi-faceted acceptance

of narratives there will be a need for new common terminology that understands the wide range of narratives without neglecting or discriminating against the Israelis or Palestinians.

Five major obstacles to peace were identified:

> The demand for mutual recognition – a Palestinian recognition of Israel as a Jewish state and an Israeli recognition of the state of Palestine together with mutual recognition of narratives.

> An Israeli demand that a final status solution will be the end of the conflict, while the Palestinians consider it as not viable without solving the refugee problem and right of return.

> Radicalization of the conflict - the use of violence to achieve political goals. Radicals want to set their agenda and the sides do not have enough instruments to keep these radicals under control and prevent their strengthening.

> The expansion of the West Bank settlements.

> The need for courageous leaders to make the right decisions - leaders have the power but not the courage to make the decision. Committed leaders are needed to make difficult but vital decisions to achieve the end goal of a two-state solution.

Moreover, the Arab Peace Initiative from 2002 which offers normalization with Arab states in return for a Palestinian state was never formally replied by Israel. Although it is not perfect in Israeli eyes it should have been seen as a basis for negotiations.

Furthermore, Palestinian citizens of Israel, which constitute about 20% of the Israeli population, have been finding themselves in an inner conflict for many years. On the one hand, most of the Arabs living in Israel see themselves as Palestinians and therefore identify with the Palestinian aspirations and on the other hand are citizens of the state who wish to better integrate into society and the labour market.

Not only have the interests and concerns of Palestinian citizens of Israel never been a factor or consideration in the political processes over the years, they have never been involved in the process itself. Resolving the conflict will make it easier for them to live in peace with this "identity crisis" and to strive towards full equality of opportunities in Israel.

In the current context of possible European involvement in the peace process, many Israelis are under the impresion that the EU's internal challenges are weakening its ability to influence the process. Specifically, the internal political weakness of the organization, its possible economic weakening, and the rise of the extreme right in Western European countries will weaken both its practical ability and its legitimacy base for action in the region to advance the political process. If the EU wants to continue to be an influencing player, it must develop strategies to restore its authority to act. For example, consolidation of a renewed status of Western European countries such as Germany and France as leading defenders of liberal democracy in the wake of the weakening of the American role in this area, or through the identification of renewed interests between Israel and European countries on the subject of terrorism.

The Palestinian Perspective:

In regards to the current situation in the Palestinian territories, Palestinian representatives agree that the responsibility of the current situation is given to both Israeli and Palestinian leaders who have been unable to reach a solid agreement. The establishment of a Palestinian democratic state with Jerusalem as its capital, homeland of the Palestinian people and accepting Palestinian refugees, are the prevalent requirements from the Palestinian side.

Some Palestinians call to strengthen the trend of an increasing internationalization of the conflict. By leading the agenda in United Nations Security Council meetings, they hope the Palestinian question will be at the center of international debates and discourse. In order to advance the situation at hand, Palestinians rely on international institutions such as the EU and the United Nations to recognize the state of Palestine as well as to make a strong and clear voice against values and policies of the Israeli government and, if necessary, apply concrete sanctions.

At the same time, some consider the internationalization as having an aggravating impact on the situation by polarizing the two sides. Therefore, they prefer a local agreement to a regional dispute between Israelis and Palestinian as the desirable

solution. Moreover, when it comes to the Palestinian question, the involvement of other Arab nations in the resolution of the conflict is not always trusted and is described as solely opportunistic and self-interested.

Living alongside the state of Israel, some Palestinians stress that a Palestinian state with defined borders will benefit both Israelis and Palestinians. They identify the circumstances of Palestinians currently living in the West Bank and the Gaza Strip as a humanitarian problem. Palestinians expect the Israeli government to recognize its responsibility for mistakes and unjust actions and move towards a final status agreement that disengages both nations.

Others subvert the fixation of some policymakers with borders and the separation between the two peoples. They advocate for integration rather than separation - an integrated society characterized by both Israeli and Palestinian self-determination, arguing that Palestinians are not concerned about the specifics of the solution, whether there are two states or one, but rather interested in getting an equal and fair treatment.

Conclusion: Policy Recommendations

In the 1970s and 1980s, despite the occupation, there was much more interaction and direct contact between the Jewish and the Palestinian populations, whether it was expressed by the employment of more Palestinian workers than now in Israel, more freedom of movement of Israelis and Palestinians and more trade and business connections.

Since then, however, the situation has transformed completely. On the one hand, terrorist attacks, violent intrusions and rocket attacks from the Gaza Strip, and on the other hand the continuation of the occupation, military operations that exacted many casualties, restrictions on movement in the West Bank and Gaza have created far more alienation than before the beginning of the Oslo Accords.

Nowadays, Israelis and Palestinians rarely meet each other. The Israeli and Palestinian populations receive information about the opposite population mainly from politicians and media outlets who prefer to present a picture that matches their interests. There is also a lack of representation of Palestinians in the Israeli media and of Israelis in the Palestinian media. Joint encounters of young Jews and Palestinians have become infrequent and joint panels have become the domain of elitist groups or civil society groups trying to revive the relations.

In order to vision a solution to this long-standing conflict, confidence-building measures are needed to move the process forward.

While a potential solution is complex due to the various multi-layered terms of negotiations, such as the future of West Bank settlements, the right of return for Palestinians and the question of Jerusalem as a unified city, it should not prevent the parties from compromising and reaching a middle-ground for an agreement meeting the vital aspirations of both parties towards a two-state solution. Although controversial, all of the terms should be up for discussion and debate and not represent a zero-sum game for the negotiating parties.

Israeli and Palestinian civil societies play a critical role in influencing or shaping a strong and courageous leadership, promoting a sustainable solution, compromising the terms of negotiation and changing the current narrative. By joining or leading grassroots movements, changing the perspectives of the youth or by forming political coalitions, civil society will be able to prompt an alternative that can bring about change and support politicians when they make tough decisions.

As mentioned, the Israeli-Palestinian conflict has gradually become a fight over who is the ultimate victim; therefore, the language in which we speak must change from a discourse of violence and desperation into a discourse of hope, opportunities and improving the future. Leaders should foster and promote the recognition of each group's narratives. An inclusive framework of mutual recognition in which both Israeli and Palestinian societies acknowledge and understand each other should be advanced. The ultimate framework of the dual narratives will unite civil societies and promote the coexistence of both nations.

In the present reality in which there is no real political process and in which Israel is sliding into a reality of one state, the EU should consider other

goals, such as promoting a coordinated mutual separation with provisional borders between Israel and the Palestinians and increased aid to the civil society in Israel. A new international framework, based on a broad coalition and led by the EU, that pushes for a more cooperative framework of engagement can influence the process in a number of ways, including: a search for a breakthrough in a permanent status agreement, the preservation of the two-state solution and the international interest in the issue, the prevention of a deterioration of violence between Israel and its neighbours in the West Bank, in Gaza and in Lebanon and support for the internal Palestinian reconciliation process.

Do we Still Believe in a Two-State Solution?

Tal Schneider
Political and diplomatic correspondent, Globes

Recent public discourse in Israel concerning building rights and municipal constructions in a wide range of areas (both Israeli & Palestinian cities) revealed yet again an important truism: only Israelis have the right to vote at the legislative body that denies or permits their building laws. By contrast, when considering, for example, the construction of a new settlement or evacuation of an illegal settlement, Palestinian do not have the right to vote at the legislating body that denies or permits their building laws. This phenomenon was demonstrated in the city of Qalqilya.

Palestinians living in Qalqilya, which has been defined by Israel's Minister of Defense Avigdor Lieberman as one of the least violent, are dependent on a resolution process in which the military authority is granted the power to deny or permit constructions yet they lack the right to participate in elections in which the military authority, Minister of Defense, and other important members of government are chosen.

At the wake of 50 years anniversary to the 1967 war, broad portions of Israelis society now believe that there is no occupation. If you adhere to their logic, the Palestinians living in Arab villages and cities are under no constrains: rather, it is media hype or a Palestinian exaggeration. There is a widely growing belief that there is no occupation and that there are no one is living under occupation.

Along with these misguided ideas come other "truths" that are now deeply rooted in the daily thoughts of some Israelis: There is no Palestinian People or defined group aspiring to be a nation, the number of Palestinians living in areas A & B is far fewer than we know; the Palestinians are free to develop their own economy and are therefore free to perform and thrive, a Palestinian area (or a state) evacuated from Jews is "Judenrein" (with the term's full historic reference) and of course, the above-mentioned claim, that the Jewish people are limited in what they can build but the Palestinians are free to construct as they wish.

As I become more aware of the common ideas and regular perception of ordinary folks, I feel as though I'M living in a parallel existence or virtual reality. Eight years under Prime Minster Netanyahu has brought a comprehensive shuffle in perceptions. To me, that change seems almost irreversible.

Despite the false perceptions of many Israelis, a sole concept still exits: that the two-state solution is a viable option as a solution for our battered region and that there is still a chance for two nations to live side by side in peace and security. However, how many people truly think that a Palestinian state will be demilitarized? Or that Israelis will evacuate major parts of Area C on their own free will? Or those settlers will co-exist shoulder-to-shoulder with a vast majority of Palestinians in their villages? It's unthinkable, unrealistic. Unfortunately, it seems that I may not live to witness the two-State Solution. It is undoable in this lifetime.

I am traveling back and forth in the historic timeline.

Through my journalistic work, I came across a staggering ad, published by the New York Times on September 12, 1947. The ad, created by The United Zionists - Revisionists of America, was signed by 5 people. One of them was the executive director of the organization, Dr. B. Netanyahu, the late father of Prime Minister Benjamin Netanyahu.

The stances reflected in this ad were considered marginal and almost unimportant. It was not the main narrative of the Zionism. The approach of all-or-nothing was not considered. The defining years of early Israel were all about pragmatism.

FRIDAY, SEPTEMBER 12, 1947

PARTITION WILL NOT SOLVE THE PALESTINE PROBLEM!

It Offers Neither Peace to the Country, Nor an Answer to the Jewish Tragedy

The Moral Case Against Partition

Hits Nerve-Center of Jewish Nationalism

International Pledges Dishonored

Economic and Political Vassalage

British Rule to Continue

No Chance for Expansion

A Subterfuge of Justice

Jewish Needs of Second Rate Importance

Partition Will Breed Interminable Trouble

Irreconcilable Conclusions

THE UNITED ZIONISTS-REVISIONISTS OF AMERICA

now!

Plenty of space to Scandinavia—return reservations available

scandinavian airlines system

Source: The New York Times archive

The article was published in opposition to the UN Partition Plan. It was a well known stance of the Revisionists, yet as the UN approved the Partition Plan (with some changes) on November 29, 1947 and the UN Security Council ratified it on Resolution 181, Dr. Ben-Zion Netanyahu chose to leave the United States and join Israel for the Arab-Israel 1948 War.

Why did I choose to look back at this ad? Because some of the same concepts we hear from Israelis in 2017 were written by Netanyahu's father back in 1947.

"Morally and fundamentally", the ad wrote "the issue is clear. Either Palestine belongs to the Jewish people or it doesn't. If it does, they are entitled to the whole of it. If it doesn't, none of it is theirs. Our position is that the Jewish people, robbed of its homeland by sheer force, is its only legitimate owner. We are not prepared to trade national territory for expediency, imaginary or real."

Hence, the unwillingness to trade territory is older than the life of PM Benjamin Netanyahu. That approach has been sidelined in speeches and talking points, yet it has been the only sustained position held throughout the past 50 years.

As Netanyahu recently referred to the thought of evacuating Jewish settlements from the West Bank as "*Judenrein*", i.e. cleansing of Jews, as if the removal will be done by a brutal coerced force and not by the decision making of the Israeli government , it is not surprising to find the same theme in Dr. Ben-Zion Netanyahu's September 1947 ad:

"To agree... that Judea, the cradle of the Jewish race is doomed to remain Judenrein, is something that no self-respecting Jew will ever sanction or condone"

Fast forward to 2017: The White House backed away from the two-state solution in a statement the night before Netanyahu visited him in Washington DC for the first time. The following day at a-memorable joint press conference, the President further commented, *"I'm looking at two-state and one-state and I like the one that both parties like".*

During the Republican July 2016 Convention in Cleveland, which I personally attended as a field reporter and blogger, the Republican Party chose to remove a prior statement advocating the two-state solution from its party platform.

Hearing political players and influencers within the Republican Party or the White House, including US Ambassador to Israel and/or Mega Donor Sheldon Adelson, one has to reflect whether they are truly engaged in shuttle diplomacy, performed by Mr. Jason Greenblatt, or their statements are just for show.

In the Summer of 2017, it remains unclear what American administration's approach really is.

In both the US and Israel, political leaders and

party players have neglected to articulate what a one-state alternative could look like.

Meanwhile, the European leaders have remained unaltered while realities in Israel and the West Bank rapidly develop.

On a recent journalist tour (May 2017) to the EU, I floated the following question at a closed door session: When will the EU realize the facts on the ground with respect to the Israeli-Palestinian conflict?

"You are worried on deterioration towards a One-State solution, hence you overlook reality. We already live in an irreversible One-State" I said to the Senior Official, who holds a crucial position at the EU executive branch.

"Oh, well", he replied. *"It is the longstanding position of the EU that the only viable solution is the Two-State solution"*. Same old same old. I pressed further: *"Would you consider suggesting to some Palestinians to request a full Israeli citizenship? Claim equal rights?"* The Senior Official had no fresh answer or suggestion.

The One State Solution is usually referred to as the end of the Zionism quest. However, as a concept it was placed outside of the range of options. It seems that most people in Israel are not aware of the resulting implications for Palestinians of these solution-equal rights, full accessibility, and the Israeli government's distribution of funds for the education, infrastructure, and health facilities of Palestinians. Israel's GDP will drop, factions among diverse groups will arise, and Israel dis-functioning police force will be stretched to no avail.

As I checked the exact quotes from the previously mentioned 1947 Netanyahu ad, I flipped through the Sept 12, 1947 full print paper. I found a parallel news-story quoting the then NY Governor Thomas Dewey blessing the Jewish Community for Rosh-Hashanah *"their New Year, 5708, starting at sundown tomorrow"*. In his blessing statement Dewey talked briefly about the *"fatal blow to the Ku-Klux-Klan"* under his NY administration, and then he continued to explain at length the need to rescue and assist hundreds of thousands of Jewish refugees fleeing Europe, including the urgent need to open up Palestine and the US to immigrants. He called upon the US to support the UN Partition Plan, saying, *"although partition could not be unmixed blessing, it is a final solution which would provide the stability needed for better relations between Jews and Arabs"*.

Seventy years have passed. The partition is nowhere to be found. Not one of the UN resolutions, including the famous resolution 181, has followed through. American, European, Palestinian and Israeli leaders have been unable to execute this imaginary separation.

Since we may not wish this result for our country, it is important to discuss and understand the implications of a proposed solution. Also, as far as I know, it is not a desired result by the Palestinians. Yet, if they will act upon and request full citizenship rights, the Israeli public may wake up to realize what lies ahead.

Some writings surrounding the 50th anniversary of the 1967 war mentioned that "time is running out", and that we are "reaching the non-turning point". I beg to differ. The 50 years mark emphasizes that time already has run out, that we have already reached a turning point.

The "Toughest Deal": Policy Areas for a Greater EU Involvement in the Middle East Peace Process

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Despite US president Trump's assertion that he is looking to deliver "one of the toughest deals" it remains largely unclear how a renewed Israeli-Palestinian negotiation process aimed at final conflict resolution and a comprehensive settlement could look like under current conditions. However, the Trump-Administration, as all of its predecessors, is likely to initiate some kind of high-level diplomatic process that will face the same key obstacles as prior rounds. Even worse, conditions for a settlement are constantly continuing to deteriorate on the ground. The so-called "status quo" is not static, but characterized by rapid topographic and demographic change mainly through rapid settlement expansion in East Jerusalem and the West Bank. There is agreement in the international community "that the establishment by Israel of settlements in the Palestinian territory occupied since 1967, including East Jerusalem, has no legal validity and constitutes a flagrant violation under international law and a major obstacle to the achievement of the two-State solution and a just, lasting and comprehensive peace."[3] Therefore any policy intended to preserve the chances for success of a two-state settlement needs to counter and ideally reverse this trend.

In order to save the prospects for peace, and also advance them, the EU needs to do more than just continuing its "state building as usual" approach on the ground through its current support for Palestinian institutions in the framework of structures created under the terms of the Oslo agreements. At the same time, EU ambitions should remain realistic. The EU will and cannot adopt the role of the central peace-making actor in the conflict. Common foreign policy and decision making remains difficult. However, the (currently still) 28 member states officially agree on key parameters, which they have spelled out repeatedly in EU council conclusions and in EU statements delivered at the United Nations Security Council. While these positions remain clear, the EU has not done enough to monitor, influence and shape the situation on the ground, especially since the Oslo process has derailed and to date no other framework for Israeli-Palestinian relations exists. It is the remaining structures of the failed Oslo process that still determine – and in fact hamper – economic and political development in the Palestinian territories on the ground.

In the Palestinian arena, where the EU continues to spent considerable financial means to build-up institutions and sustain the PA, a greater political involvement is also needed. Vis-à-vis Israel its direct influence will remain limited, as the current Israeli government is not in favor of a stronger political role for the EU. However consistency in its policy of differentiation between Israel and the settlements in the occupied territories, recently enshrined in UN Security Council Resolution 2334, is an important precondition in order to preserve the prospects for a two-state-solution. Translating its clear legal positions into practical political approaches and convincing its international and regional allies is key in order to prevent the current development leading to the consolidation of an already emerging one-state-reality, which would have grave consequences for European-Israeli relations and endanger both Israel's very nature as a democratic Jewish state and the prospect for Palestinians to live free from occupation.

Areas for EU Action in Order to Improve the Prospects for Peace

I. No "state-building as usual": A short-sighted stability paradigm

While the EU has limited impact vis-à-vis the current Israeli government, it has considerable leverage in the Palestinian arena. However, the "trauma" of the 2006 elections, which had been supported and observed by the EU, and the following split between Gaza and the West Bank persists. Ever since Hamas' election victory and the following violent confrontations

3 UN Security Council Resolution 2334, 23 December 2016 http://www.un.org/webcast/pdfs/SRES2334-2016.pdf

leading to the split, the EU officially puts the notion of "stability" first; however it is the very erosion of the political regime of the PA that currently puts long-term stability at risk. While the EU has officially supported reconciliation in the past, it has not pushed actors, especially the Fatah-dominated PA in the West Bank, to take concrete steps towards reconciliation, reform and accountability within the Palestinian political system.

Meanwhile, the Palestinian Parliament (Legislative Council) in the West Bank has not convened since ten years and President Abbas is de facto autocratically governing those parts of the West Bank where the PA has control (mostly the population centers in area A) through Presidential orders. This has led to a paradoxical situation in which the EU supports Palestinian "governance" but de facto tolerates the ongoing de-democratization of the overall political system. This has already let to a worrying deterioration of the overall human rights situation in the West Bank. In June the PA blocked 12 Palestinian news websites[4] and the pressure on its political opponents has risen, including arrests. Union demonstrations and civil protests are increasingly prevented. From an Israeli perspective however, these autocratic tendencies do not draw much criticism as long as the PA is able to deliver a main commodity: Security in the form of Israeli-Palestinian security cooperation. However, President Mahmoud Abbas is now 82 years old and the question of possible successors is more nebulous than ever. A scenario of internal dispute and power struggle, an implosion of the Palestinian security regime and a destruction of the leftovers of the political system would pose a considerable security risk: For the security of Israelis as well as the well-being and freedom of Palestinians.

Therefore the EU needs to actively push for democratic reform in the Palestinian arena. It should also get involved in the ongoing debate about meaningful PLO reform, which has been repeatedly and constantly delayed. Despite no official shift in its core policies the Hamas movement has sent a clear signal that it wants to be part of the political process with the publication of its new policy document. Furthermore, ever since the beginning of the inner-Palestinian split and the subsequent isolation of Hamas started, and especially after the ouster of their main ally, the Muslim brotherhood, from power in Egypt, the more moderate leaders of Hamas political wing have indicated they are prepared to negotiate. The former head of Hamas' Political Bureau Khaled Mashal as well as his recent successor, Ismael Haniyah, have repeatedly made comments towards a general acceptance of the 1967 borders and a two-state-settlement.[5] On the ground, Hamas has maintained a pragmatic approach and kept the fragile 2014 truce with Israel. The EU should offer a high-level platform for inter-Palestinian negotiations leading to a consensus government and reconvening of the Palestinian Parliament. Israel has in the past indirectly negotiated with Hamas in order to pursue its own security interests and the EU should convince the current Israeli government that such efforts are in the overall interest of Israeli security; a position that many within the Israeli security establishment share.[6] Reconciliation and ultimately clearing the way for new elections in Palestine is a cornerstone not only for mid-term stability, but also future negotiations, as only a unified government will be able to negotiate and deliver.

II. Opening up the Gaza strip

Any future settlement needs to find a solution for both the West Bank and Gaza. The opening of the Gaza strip needs to be urgently addressed by the EU.

The negative development in the Gaza strip is a serious hazard for the prospects for peace. After three wars in six years Gaza's basic means of livelihood are almost completely eliminated. According to the UN's "Gaza 2020" report[7] which was issued in 2012, before the latest war, Gaza was predicted to practically be "uninhabitable" due to the massive

4 www.al-monitor.com/pulse/originals/2017/06/palestine-block-hamas-dahlan-websites-press-freedom.html

5 www.jpost.com/Middle-East/Mashaal-I-accept-a-Palestinian-state-on-67-borders

6 www.jpost.com/Breaking-News/Former-Mossad-chief-Israel-should-negotiate-with-Hamas-454716

7 https://www.unrwa.org/newsroom/press-releases/gaza-2020-liveable-place

destruction and poisoning of natural resources as early as 2020; in July 2017 the UN came out with a report, that confirmed that after 10 years of blockade living conditions are desolate and deteriorated even faster after the 2014 war.[8] The rehabilitation of the industrial establishment and agricultural areas did not make notable progress. Unemployment has reached a record high of 40% and 60% among youth according to the UN; meanwhile 2/3 of Gaza's population, which is exceptionally young with an average age below 18, rely on humanitarian aid.

Living conditions for the local population have worsened dramatically. Electricity supply has been further cut down due to a common Egyptian-Israeli-PA attempt to assert pressure on Hamas. As several former Israeli security officers have pointed out, the total sealing of the Gaza strip by both Egypt and Israel is also a security risk. In April 2017 the Coordinator of Government Activities in the Territories (COGAT) head General Major Yoav Mordechai warned, that a severe crisis is looming in Gaza, with 95% of water resources unfit for consumption.[9] Additionally, an unlimited amount of untreated sewage is polluting the Mediterranean Sea on a daily basis, as Gaza's sewage treatment plants cannot operate due to the severe electricity crisis.

In the aftermath of the 2014 war, Germany, France and Great Britain had suggested a common initiative to return to the implementation of the 2005 Agreement on Movement and Access (AMA) and create an international mechanism that would take both Israeli security interests and Palestinian freedom of movement into account and revive the Palestinian economy in the strip. The EU considered re-installing and extending the rational of its "border assistance mission" (EUBAM): An effective border regime controlling in- and outgoing goods in co-ordination with Israeli counterparts, guaranteeing both the steady flow of goods and people as well as security. After all, the now largely deserted Erez terminal was once constructed for the passing of tens of thousands of daily workers.10 However the revival of a functioning border regime has failed, and the ultimately created „Gaza Reconstruction Mechanism" (GRM) in fact institutionalized the tight economic blockade, which is crippling the already bloodless economy and living conditions in the strip.[11]

Principally the EU has a common policy calling for an end to the blockade on Gaza. In the EU council conclusions of 20 July 2015 it demanded a "fundamental change of the political, security and economic situation in the Gaza Strip, including the end of the closure and a full opening of the crossing points, while addressing Israel's legitimate security concerns" and reiterated its offers for concrete involvement.[12] However, the EU has failed to provide solutions and the blockade is now in place since 10 years. While the EU continues to pay for reconstruction and pledged 600 million Euros at the October 2014 Gaza reconstruction conference in Cairo, even Members of the European Parliament are denied access to the Gaza Strip by Israel, as well as international human rights organizations.[13]

Instead of risking a new round of hostilities the EU should deliver on its offers to effectively assist the monitoring of the border. Additionally, a maritime mission could both secure Israeli security interests and revive Gaza's historical role as a hub for international maritime trade. Similar to the UNIFIL mission at the Lebanese coast, tight international control could enable ships to deliver humanitarian, energy supply to Gaza as well as carry commercial imports and exports and spur an industrial and economic revival in the strip. Fishing within a 12-mile-zone could be restored

8 Gaza ten years after, 11 July 2017, https://unsco.unmissions.org/new-un-report-documents-legacy-10-years-isolation-andcrisis-gaza

9 www.timesofisrael.com/israel-warns-of-snowballing-humanitarian-crisis-in-gaza/

10 https://unsco.unmissions.org/new-un-report-documents-legacy-10-years-isolation-andcrisis-gaza

11 Oxfam, February 2017: „Treading Water. The worsening water crisis and the Gaza Reconstruction Mechanism" https://www.oxfam.org/en/research/treading-water-worsening-water-crisis-and-gaza-reconstruction-mechanism

12 http://www.consilium.europa.eu/en/press/press-releases/2015/07/20-fac-mepp-conclusions/

13 Unwilling or Unable. Israeli Restrictions on Access to and from Gaza for Human Rights Workers, Human Rights Watch April 2017, https://www.hrw.org/report/2017/04/03/unwilling-or-unable/israeli-restrictions-access-and-gaza-human-rights-workers

as once determined in the Oslo treaty.

A continued blockade will increase the de-development of the strip and contribute to further isolation and radicalization of its extremely young population. The situation of human rights and political freedoms has reached a low point after years of Hamas rule.14 Furthermore, without a political initiative in order to fundamentally improve the dire situation of the Gaza strip and its population, the artificially created aid-dependency cannot be reversed and the next round of deadly armed conflict might be looming, as representatives of the Israeli military are warning would not be in Israel's interest; furthermore it would be devastating for the already deeply traumatized population of the Gaza strip whose majority is under 18 years old.

III. A new approach to "economic peace": Movement and Access in (and out of) the West Bank

For many years, "economic peace" was an idea floated by US diplomats as well as parts of the Israeli government, including Prime Minister Netanyahu, who had embraced the idea of economic development as a prelude to political dialogue. However, the investment and development plans launched by the international community were mostly detached from the political realities on the ground restricting economic movement. The Palestinian economy is largely being damaged and restricted by Israeli exploitation of Palestinian resources and land in the West Bank. Palestinian farmers and producers are hit hard by the system of exclusive settlement infrastructure, checkpoints, roadblocks and access restrictions still in place. In order to revive the Palestinian economy, especially the agricultural sector, access to Palestinian resources including in area C and a wide-ranging lift of restrictions is necessary. Some Israeli voices from the business, but also the security community have called for an increased access of Palestinian workers in the interest of the Israeli economy.15 Yet access remains restricted and many workers face hardship and exploitation. Workers often depend on brokers who collect exorbitant fees, which violate their rights and prevent a positive impact of workers' remittances on the Palestinian economy.16

In the context of freedom of movement, it is worth recalling a remarkable episode from the year 2012: At the time the Israeli government decided, as every year, to increase permits to Palestinians to visit Israel during Ramadan. In that year, up to 300.000 people arrived from the Palestinian territories at the shore in Tel Aviv. In the Palestinian territories, some sniffed Israeli conspiracy, as the rise in permits resulted in a Palestinian shopping frenzy in Israel, while Palestinian traders failed to make profit during the traditional Ramadan sale.

Gideon Levy wrote about the "day at the beach"17 and described the unusual scenes. Despite the fact that some checkpoints were literally overrun and thousands of Palestinians entered without presenting a valid permit, not a single security incident was recorded. However, this remains an isolated incident and the number of Palestinian workers remains restricted and visiting permits are hard to obtain and awarded arbitrarily. Access and movements restrictions are routinely used as a means of punishment and control. After a recent attack in Jerusalem in June, in which a border security policewoman was killed, the Israeli government decided to revoke the planned 200.000 permits for Palestinians during the Ramadan holidays. Yet such actions of collective punishment are not suited to prevent security incidents but hamper the development of a more constructive climate for the resumption of negotiations.

Still today, many Palestinians speak Hebrew and are aware of Israeli politics and society; in the West Bank, as well as in Gaza. A younger generation is losing this connection entirely. Israel needs to radically change its approach and enable movement and access for Palestinians from the occupied territory; not freedom of movement, but its impediment is creating economic

14 Political opponents and journalists are harrassed, recently two journalists were detained. http://www.maannews.com/Content.aspx?id=778067

15 http://www.haaretz.com/israel-news/.premium-1.702003

16 Compare recent ILO report: https://unispal.un.org/DPA/DPR/unispal.nsf/0/97DAC137B44110B6852581310050A0A5

17 A day at the Beach, Haaretz, 23 August 2017, http://www.haaretz.com/opinion/a-day-at-the-beach-1.460104

hardship, frustration and violence. "Economic peace" cannot be achieved through investment in isolated and cut-off territorial islands in the occupied territories, but through granting Palestinian young professionals, entrepreneurs and artists their basic human right of free movement.

IV. Take "differentiation" serious: Israel is not the West Bank, Gaza and East Jerusalem

As long as the Israeli government, in contrast to earlier administrations, effectively denies the establishment of a Palestinian state and concessions regarding the major international basic parameters for a settlement (division of Jerusalem, final borders on the basis of the 1967 armistice lines, just solution for the Palestinian refugees) there is no realistic perspective for substantial Israeli-Palestinian negotiations or a meaningful regional process. In reaction to the current government's policy the EU has stepped up its criticism of the settlement policy. Labeling guidelines issued in November 2015[18] were largely an act of compliance with EU law and consumer protection standards, but were nevertheless met with sharp resistance from Israeli politics. Israeli Prime Minister Netanyahu condemned the policy as an attempt to "delegitimize Israel" [19].

The sharp attacks were aimed at countering and rolling back the EU differentiation policy in general. The EU has been on the defensive regarding such positions, although they fully contradict its declared policies and state-building efforts in Palestine. While pushing back against EU differentiation, as many argue, it is the Israeli government itself who is indeed de-legitimizing Israel: Constantly defining Israel not according to international law, such as the December 2016 UN Security Council Resolution 2334 demands, but in fact along the lines of an old revisionist vision of "Greater Israel" with large areas of the West Bank incorporated into its territory, which may or may not be a prelude to annexation, drags the country further into an already established one-state-reality.[20]

Further suggestions have been discussed in the EU for a bolder differentiation policy[21]: A greater sensibility to the activities of banks and companies operating in or investing in the settlements or an import ban to settlement goods, which can be argued for on the basis of international law. FIFA is currently discussing the inclusion of settlement clubs, who should not be allowed to play under the Israeli flag in official tournaments. Further measures are suggested regarding East Jerusalem. On a yearly basis the EU representatives in East-Jerusalem produce reports which have suggested to: restrict access for violent settlers to the EU; issue guidelines for European tourism companies in order to prevent direct and indirect cooperation and support for settlement companies operating in East-Jerusalem; and generally embolden the Palestinian presence in East-Jerusalem.[22]

The fact, that president Trump signed a waiver under the Jerusalem Embassy Act and prolonged the decision not to transfer the Embassy to Jerusalem, leaves a window, albeit possibly for a short time, to at least freeze the ongoing tectonic shifts in Jerusalem.

The same challenge exists in area C. The EU had declared area C a test case for continued chances for a two-state-settlement. However it has failed to challenge the Israeli occupation's regime in area C, which restricts Palestinian development and effectively supports the expansion of settlements. Demolition of Palestinian structures reached an all-time high in 2016: 1093 structures in the West Bank and East Jerusalem were destroyed, more than 1600 Palestinians lost their homes. 30% of these structures worth 655,000 Euros had been funded with EU money.[23] Meanwhile, the annexation debate in the Israeli Knesset is continuing. In order to save the chances for a two-state-option, the EU needs to intervene with concrete political

18 Interpretative Notice on indication of origin of goods from the territories occupied by Israel since June 1967 https://eeas.europa.eu/sites/eeas/files/20151111_interpretative_notice_indication_of_origin_en.pdf

19 www.timesofisrael.com/netanyahu-suspends-eu-peace-role-over-settlement-labeling/

20 Asseburg, Muriel, (In German) https://www.swp-berlin.org/fileadmin/contents/products/aktuell/2014A28_ass.pdf

21 Compare ECFR's October 2016 report on „disincentives": http://www.ecfr.eu/page/-/ECFR_194_-_EU_DIFFERENTIATION_AND_THE_PUSH_FOR_PEACE_IN_ISRAEL-PALESTINE_(1).pdf

22 www.theguardian.com/world/2015/mar/20/jerusalem-at-boiling-point-of-polarisation-and-violence-eu-report

23 www.ochaopt.org/content/record-number-demolitions-and-displacements-west-bank-during-2016

steps and effectively protect Palestinian development in the area, especially given its financial contributions to Palestinian state building and financing of projects in area C.

V: Continue to support Civil Society and Human Rights NGOs in Israel and Palestine

The EU's assistance to civil society is currently under increasing pressure. In Israel, Foreign Funding has been addressed through the so-called "transparency bill" of July 2016, which problematizes foreign funding from state sources, which is mostly targeting Israeli human rights and refugee rights organizations. Different EU member states and foreign institutions active in Israel (among them the German party foundations) have raised their concern, which contributed to the passing of a lighter version of the law that had been proposed originally. The EU commission nevertheless warned: "Israel enjoys a vibrant democracy, freedom of speech and a diverse civil society... This new legislation risks undermining these values."[24] Currently, harsher versions of the law are still being discussed, such as a complete ban on Foreign funding, which would further violate civil society organization's rights.

In combination with other laws, such as the so-called "boycott law" or the "Nakba law" the space for civil engagement has narrowed and it is more difficult for the EU to channel its support. But it is crucial to uphold support of critical NGOs who provide space for debate and who are increasingly labeled as "enemies of the state". The recent visit of the German Minister of Foreign Affairs Sigmar Gabriel provided a remarkable example: Despite pressure from the Israeli government to cancel his meeting with Israeli NGOs Breaking The Silence and B'tselem he decided to go forward with the exchange. The nature of EU support for Human Rights defenders and civil society organizations around the world is determined by their obligations under international and EU law and inspired by a commonly agreed European responsibility for Human Rights and the 2008 "Guidelines on Human Rights Defenders" adopted by the EU.

On the Palestinian side, human rights NGOs who mostly address internal Palestinian abuses as well as Israeli Human Rights organizations should also be supported, as they are also facing increasing pressure. The EU and its member states support civil society in myriad ways; the German foundations, which are present in Israel as well as in Palestine, are among those actors. Human Rights work offers a rare ground for Israeli-Palestinian cooperation within a clear a legal framework.

VI. Regional outlook: Reactivate the API with clear parameters

The relations between Israel and several Gulf states, most prominently Saudi-Arabia and the United Arab Emirates, have considerably improved. Economical and security cooperation has intensified, and economic and regional interests are today largely aligned, especially regarding the common enemy of Iran. Therefore, the once defined grand award for Israel in the framework of the Arab Peace Initiative (API) – normalization with the larger Arabic and Islamic world in return for ending the occupation – is no longer a valid incentive. Secretary of State John Kerry's failed to reach an understanding between Netanyahu, the Saudi and Jordanian kings as well as Egypt's Sisi, largely because the Israel government is not currently considering the prospect of a Palestinian state. However an end to the occupation of Palestinian land (including East Jerusalem) and a just solution to the refugee question once stood at the center of the API.

Regional integration needs to be addressed in the framework of a new path towards negotiations. There are no indications for President Trump's theory that advanced steps to normalize Israeli-Gulf relations will positively impact the peace process. Therefore the EU should initiate a new dialogue on the API through its regional representations and critically engage Saudi Arabia, the UAE and Egypt. As the EU was an instrumental part of the successful effort to complete a nuclear agreement with Iran it should also actively counter regional Sunni-Shiite escalation. In contrast to President Trump's unconditional support

24 https://eeas.europa.eu/headquarters/headquarters-homepage/7228/statement-spokesperson-passage-new-ngo-law-israeli-knesset_en

for Saudi-Arabia and his intention to increase regional normalization beyond Israeli-Palestinian rapprochement, the EU needs to hold up key parameters for the API and future negotiations. A renewed dialogue on the API should not be turned into a Saudi forum against Iran, but provide a credible forum for regional conflict resolution.

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