

# Commentary: The Kerry Negotiations



## Chronicles of a Death Foretold

*Farsighted observers saw it coming. For them, the apparent breakdown in April 2014 of the initiative launched by U.S. Secretary of State John Kerry amid much fanfare nine months earlier, in August 2013, came as no great surprise.*

*Would U.S. diplomacy have the courage to do something it had failed to do for over thirty-five years, and put forward an initiative on Palestine that diverged markedly from the Israeli government's colonialist, annexationist agenda? Would Israeli prime minister Benjamin Netanyahu, the heir to a tradition going back to Zeev Jabotinsky (the founder of the maximalist strand of Zionism that has dominated Israeli politics since 1977) have a Nixon-going-to-China moment in response to Kerry's effort? And would Palestinian Authority (PA) President Mahmoud Abbas accept whatever formula emerged from Kerry's efforts?*

*After the failure of Israel to carry out its promised release of Palestinian prisoners, all the while building settlement housing at the most frenzied pace of the entire forty-seven years of occupation; and after the Palestinians' accession to fifteen international treaties in response; and following the relaunching of an intra-Palestinian reconciliation effort between Fatah and Hamas, it appears that the answer to all of these questions is no.*

*As the four commentaries that follow indicate, in the end, the United States hewed closely to a script for the Palestinians written by the Israeli and U.S. playwrights who brought us the farce of Oslo and its many sequels. The nominally "American" proposals, as best can be discerned from leaks on every side, closely mirror the Israeli position on all the important issues. These include the demand for Palestinian recognition of Israel as a Jewish state; no right of return for Palestinian refugees to their original homes; the absorption by Israel of all the ill-defined "settlement blocs" and most of occupied Arab East Jerusalem (with the exception of the small suburb of Bayt Hanina, dubbed a Palestinian "capital"); an indefinite Israeli military presence in the Jordan River Valley and, with it, continued Israeli domination of the West Bank via control of the border crossings and of the country's most fertile and best-watered land; and economic projects requiring an unprecedented and highly unlikely international confrontation with Israel's suffocating mechanisms of indirect control over the Palestinian economy.*

*Why did anyone expect that this round of U.S.-mediated negotiations would be any different from all those before it? U.S. presidents and their secretaries of state have chosen to allow the greatest power in world history to be bound hand and foot by a commitment President Gerald Ford made*

to Israel in 1975 not to put forward proposals on Palestine “that Israel would consider unsatisfactory.” The Kerry “plan” is the latest evidence that this auto-mutilation of the United States’ ability to act freely where the issue of Palestine is concerned has not been successfully reversed by President Barack Obama any more than it was by any of Ford’s other successors.

Why did anyone believe that Netanyahu would behave any differently from his predecessors? From Golda Meir, who refused to accept that there was such a thing as a Palestinian people, to Yitzhak Rabin, who recognized the existence of the Palestinian people but would not grant it the right of self-determination and sovereignty, to Netanyahu himself, who grudgingly accepted the formula of a two-state solution, every Israeli prime minister has insisted that Israel must retain ultimate control over all key decisions regarding the Palestinians. In this fixed Israeli view, to which the United States has long since acquiesced, Palestinian self-determination is perpetually subordinated to the infinitely flexible demands of Israeli “security” and to the potentially unlimited right of the Jewish people to live wherever they please in what they regard as their ancestral homeland. The Kerry proposals reflect these enduring Israeli positions. It takes an Orwellian distortion of language to describe any outcome based on such a view as an “independent, sovereign Palestinian state.”

As for the Palestinians, the way in which things unraveled at the end of this nine-month process indicates that the PA leadership in Ramallah may finally have reached the limit of its capacity for self-delusion. Ever since the Palestine Liberation Organization (PLO) agreed to the poorly negotiated and highly disadvantageous Oslo accords, there has been a degree of wishful thinking on the part of many Palestinian leaders that level-headed observers could only find astonishing. Narrow personal self-interest and partisan political one-upmanship partially explains some of the fantastic thinking about the process that has been catastrophic for the Palestinian people ever since the Madrid peace conference in October 1991 and that has resulted in, among other things, the tripling of the illegal Israeli settler population on occupied Palestinian land from under 200,000 in 1991 to over 600,000 today; the construction of the apartheid wall that has effectively robbed more Palestinians of their land; the progressive restriction of Palestinians under occupation, who could still move relatively freely 23 years ago, into smaller and smaller circuits of confinement; and, in the case of the Gaza Strip, the mass incarceration of 1.7 million people. Whatever it was, this was not a peace process.

It is far too early to predict the death of this nefarious process, which has moved resolution of the Palestine issue farther and farther away from the grounding of international law and the realm of inalienable rights, and onto the shady terrain of Israel’s illegitimate desiderata, almost invariably endorsed by the United States. In spite of its manifest failure to produce anything more than an extension of Israeli occupation and colonization—which was clearly the objective for some—the “peace process” has a zombie-like capacity to keep stumbling forward. It is kept on its feet by professional “peace processors,” whose careers have been bound up with it for decades and some of whom now openly admit that it cannot produce a mutually acceptable resolution of the Palestine question.

But while this process, in exactly its current and misshapen form, will continue to have its advocates in the United States, Israel, and Europe, whose governments derive a variety of benefits from its perpetuation, there is no reason that it should be acceptable to any Palestinian, or to anyone else who cares about a just, lasting, and peaceful resolution of the Palestine question.

There is a new spirit abroad, in Palestine, among Israelis, in Europe, and even in the United States. This new spirit questions the continuation of this thoroughly discredited and failed process. It questions

*the unfailing fealty of the American political elite to the false pieties of a narrative imposed by Israel (and its bare-knuckle enforcers in Washington)—most recently witnessed in Kerry backing down from his use of the word “apartheid.” And with powerful tools like the campaign for boycott, divestment, and sanctions against Israel’s racist and colonialist policies, new ways of seeing a different future for Palestine and Israel are emerging. As is illustrated in detail by the commentaries that follow, this new vision offers something other than the dismal prospect of eternal subjugation of the Palestinian people by their Israeli overlords that was always implicit in the Kerry plan.*

*Rashid I. Khalidi*

## Behind Israel’s Demand for Recognition as a Jewish State

DIANA BUTTU

THE LATEST ROUND of Israeli-Palestinian negotiations, now in their 21st year, saw the emergence of a new Israeli demand: that Palestinians, as represented by the Palestine Liberation Organization (PLO), recognize Israel as a Jewish state. First raised by Prime Minister Ehud Olmert and Foreign Minister Tzipi Livni during the failed Annapolis talks in 2007, this issue is now considered a “deal breaker” by Israeli prime minister Benjamin Netanyahu, who has gone so far as to say that there will be no deal *unless* and *until* the Palestinians meet this new demand.<sup>1</sup>

Israel’s insistence on some form of recognition is not new. Israel demanded that the PLO expressly recognize its right to exist “in peace and security” as a condition for signing the Oslo Declaration of Principles in 1993; in exchange Israel recognized the PLO as the “representative of the Palestinian people.” Israel also demanded, and obtained, the abrogation of the PLO’s charter, specifically the removal of those articles (or portions thereof) that called for the complete liberation of historical Palestine.

The latest demand, however, goes beyond recognizing the still-undefined borders of Israel. Interestingly, the phrase “Israel as a Jewish state” only slipped into the U.S. lexicon in 2001 as a sort of quid pro quo after then secretary of state Colin Powell first uttered the words “Palestinian state.”<sup>2</sup> U.S. administrations since then have not only taken up the use of such language but appear to endorse Israel’s demand that Palestinians must agree to the concept of Israel as a Jewish state.

Palestinian political figures have taken an inconsistent approach to the issue. In a March 2014 interview with the Palestinian news agency Ma’an News, Nabil Amro of Fatah stated that Palestinian president Mahmoud Abbas might be open to recognizing Israel as a Jewish state in some form, as long as it could be done “without embarrassing Abbas or weakening any possible agreement between Palestinians and Israelis.”<sup>3</sup> For his part, Abbas previously indicated that Israel can define itself as it chooses; that this is an internal Israeli matter and does not concern the Palestinians. He later stated that if Israel wanted to go to the UN to change its name, he would not be opposed.<sup>4</sup> Other Fatah officials have categorically denied that the PLO would recognize Israel as a Jewish state, noting that such recognition would only prolong and complicate negotiations and give Netanyahu more time in which to build new settlements and expand existing ones. PLO officials correctly point out that the recognition of Israel as a Jewish state is a new demand that is

nowhere to be found in any of the official agreements that have been reached with the State of Israel, whether those signed by Egypt (1979), Jordan (1994), or the PLO (Oslo, 1993–99 and the 2003 road map).

But beyond identifying this latest demand as a tactical move to drag out the negotiations, Palestinian negotiators have neglected to address Israel’s broader strategic aim, which targets the Palestinian population inside the 1949 armistice lines. Demanding that Palestinians recognize Israel as a Jewish state has three additional and significant implications: first, it would obscure the historical colonial context in which Israel was created and the racist nature of a state whose laws and measures grant (exclusive) privileges to Jews and Jewish immigrants; second, it would fly in the face of the internationally mandated right of Palestinian refugees to return by subordinating that right to Israel’s demographic concerns; and third, it would undermine the momentum of the gathering boycott, divestment, and sanctions campaign (BDS) since Palestinians would, in effect, be endorsing Israel’s racialized self-definition.

### ***Inventing a New Israeli History***

Proponents defend the idea of Israel as a Jewish state by claiming that as a democratic country, Israel would uphold and protect minority rights—in this case, the rights of Palestinians in Israel. According to this line of reasoning, as recently articulated in the *International New York Times*,<sup>5</sup> Israel is no different than European democracies such as Germany or Italy where minority rights are protected within a German or Italian state. More forthright Zionists compare Israel to the United States, or Australia, where a colonial project successfully relegated indigenous populations to minorities over decades and centuries of carefully crafted ethnic cleansing schemes. Stated differently, supporters of Israel’s proposition negate the Nakba and resort to painting the Palestinian population of Israel as immigrants who came to the country and were thereby “granted” minority rights. That Israel “came to” the Palestinians and subsequently turned a majority into a minority by expelling most of the indigenous population is simply ignored. By portraying its dispossession of the Palestinians as a minor historical occurrence, Israel can transform its colonization of Palestine into a mere border dispute. In the words of Netanyahu: “President Abbas, recognize the Jewish state, and in doing so, you would be telling your people, the Palestinians, that while we might have a territorial dispute, the right of the Jewish people to a state of their own is beyond dispute.”<sup>6</sup>

While proponents argue that there is no conflict between the principles of democracy and the definition of Israel as a Jewish state,<sup>7</sup> reality amply demonstrates otherwise. To start with, Israel lacks a written constitution, which would guarantee the right to equality and prohibit discrimination. Rather, Israel’s Basic Laws emphasize the Jewish character of the state while excluding principles of nondiscrimination. The effect of this system is evident in legislation that affects Palestinians. It is well-documented that Palestinian citizens of Israel do not enjoy equal rights with other, Jewish citizens of the state or, for that matter, any Jewish person from any country in the world seeking to immigrate to Israel.<sup>8</sup> In the words of the human rights organization and legal center, Adalah, “there are more than fifty Israeli laws that discriminate against Palestinian citizens of Israel in all areas of life, including their rights to political participation, access to land, education, state budget resources, and criminal procedures.”<sup>9</sup>

It is in light of such discriminatory measures and in the absence of protection clauses in Israel's Basic Laws that Palestinian Members of Knesset (MKs) have repeatedly sought to introduce the principle of equal protection under Israeli law. Israeli MKs, for their part, continue to block any attempt to adopt concepts of equality for Palestinian citizens. And while proponents of the doctrine that Israel is a Jewish state have pointed to the Israeli Supreme Court's activism in regard to this specific issue, as Palestinian lawyer and academic Nimer Sultany notes, "the [Israeli] Supreme Court's jurisprudence has hitherto subordinated the principle of equality to the Jewishness of the state as the *Grundnorm* (basic law) and has failed to recognize a collective right of the Palestinian citizens to equality."<sup>10</sup>

### ***Negating Rights***

As several high-ranking Israeli officials openly gloat, Israel's demand for recognition as a Jewish state would also obliterate the Palestinian right of return—a right enshrined in international law. By subjugating Palestinian rights to Israel's Jewish state requirements, the Palestinians would relinquish the right of return. Israeli justice minister and former foreign minister Tzipi Livni, reiterated the government's position succinctly, less than a year after the failed Annapolis talks:

Our principles derive from the supreme goal I spoke of—Israel as a Jewish and democratic state. (. . .) A national home for the Jewish people in the framework of two nation states plainly says one thing: Israel is the national home for the Jewish people. The future Palestinian state is the national home for the Palestinian people. The national, complete, full and comprehensive solution for all Palestinians everywhere, including those residing in Judea and Samaria, in Gaza, in refugee camps. . . .

Let me briefly explain how this works, to avoid any misunderstandings. Regarding the refugees, the establishment of the Palestinian state is naturally the full solution for all Palestinians everywhere, meaning that Israel isn't an option for a solution.<sup>11</sup>

### ***Attaining Legitimacy***

In addition to curtailing Palestinian rights, the demand for recognition as a Jewish state seeks to expand Israeli legitimacy. Ever since the proclamation of its creation in 1948, Israel has sought international recognition and legitimacy for its actions. But neither has been forthcoming owing to its treatment of Palestinians under its control and its refusal to allow Palestinian refugees to return to their homes despite UN resolutions requiring it. Israel is well-aware that Palestinian acceptance, indeed acquiescence to its colonial project, is necessary for it to attain complete legitimacy.

The Madrid talks and later the signing of the Oslo agreements in 1993 ushered in extensive diplomatic recognition for Israel, with successive Israeli governments making no secret of the fact that Oslo was a boon to the state's legitimacy. Between 1992 and 1999, forty-five countries established diplomatic ties with Israel, more than in the four preceding decades combined. This new era of Israeli legitimacy and recognition extended to the ranks of the Arab League, as evidenced by the signature of a bilateral treaty with Jordan in 1994, and the opening of trade offices in Morocco, Tunisia, Oman, Qatar, and Mauritania in subsequent years.

Following the second intifada in 2000, the subsequent breakdown of negotiations, and continued Israeli violations of Palestinian rights and defiance of international law, Palestinian calls for Israel's

international isolation mounted. Out of this grew the BDS campaign, which aims to pierce the veil of legitimacy Israel has acquired by highlighting its colonial enterprise—both past and present—its system of inequality, and its violations of international norms. Indeed, the BDS campaign focuses not only on Israel’s actions in the occupied Palestinian territories but also within the 1967 pre-occupation borders. Sensing this growing movement, Netanyahu has turned his sights on the campaign, stating that “[t]he BDS movement is not about legitimate criticism. It’s about making Israel illegitimate. It presents a distorted and twisted picture of Israel. . . .”

With Palestinian recognition of the Jewish state intended as both a tactical and strategic move on the part of Israel, why, one wonders, has the Palestinian leadership done so little to address the issue? The answer lies in the nature of the PLO’s ambitions for these negotiations. The PLO has transformed into a body that is focused on acquiring *some* territory at any cost, including giving up the legitimate rights of the Palestinian people. By conceding rights, the PLO is failing in its duty to serve as the “sole representative” of *all* Palestinians. Since the 1993 signing of the Declaration of Principles, negotiations with Israel have never addressed the rights and concerns of Palestinians *inside* Israel, and statements by Palestinian officials suggest that the leadership will most likely abrogate the right of return.<sup>12</sup> Meeting Israel’s demand for acceptance of a Jewish state in historic Palestine with anything but outright rejection would be tantamount to embracing Zionism, and Palestinians, in Ahmad Khalidi’s words, “cannot be expected to become Zionists.”<sup>13</sup>

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## The Debate about Kerry’s Economic Initiative: Pitfalls, Benefits, and Risks\*

RAJA KHALIDI

So when you see your neighbor carryin’ somethin’  
Help him with his load  
And don’t go mistaking Paradise  
For that home across the road

*Bob Dylan, “The Ballad of Frankie Lee and Judas Priest”*

FROM THE MINUTE U.S. Secretary of State John Kerry announced it in May 2013, there has been a myriad of positive, negative, and skeptical commentary on his estimated \$4 billion international investment plan “to develop a healthy, sustainable, private-sector-led Palestinian economy.” U.S.

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\* This commentary was translated by JPS and adapted by the author from the original version published in Arabic-language media.

motivations as well as the substance and significance of the plan were the object of much initial speculation in Palestinian circles, with commentators broadly agreeing the move was designed to enhance parallel efforts to revive Israeli-Palestinian negotiations on a final status agreement. As the debate over this somewhat simplistic explanation continued, the plan was fleshed out into a detailed set of proposals known as the Palestinian Economic Initiative by a group of international “experts” attached to the Office of the Quartet Representative (OQR). The plan was later renamed the Initiative for the Palestinian Economy following official Palestinian insistence that it was not a Palestinian initiative but rather an initiative by the international community to benefit Palestine.

In time, the Quartet put the total value of investments in multiple sectors at \$10.5 billion over a three-year period, 60 percent of it to be disbursed in the first year. If the Palestinian economy was shown to have the absorptive capacity for such an amount in the proposed period, investment targets might even go as high as \$19 billion. Neither the Quartet nor other concerned parties released official details, but in October 2013, a newly launched Palestinian economic weekly, *al-Hadath*, was able to obtain leaked information about the plan, including amounts and totals by sector. Details of the initiative’s aims, scope, and implementation revealed by *al-Hadath* added fuel to the fire of the ongoing debate, as the initiative’s importance, purpose, and outcome remained ambiguous at this critical juncture of the uncertain negotiation process and in the midst of tectonic shifts in the regional balance of power.

The prevailing Palestinian view continues to explain the Quartet’s economic initiative from the perspective of what is referred to as “economic peace,” that is, the provision of economic incentives and other concessionary measures as a temporary alternative to a just and comprehensive peace. The concept of economic peace can be viewed as “malignant” or “benign” depending on the circumstance in which the particular initiative was conceived. The “malignant” version is a sort of “taming” exercise designed to provide Palestinians with a stable life for a specific period of time in exchange for effectively allowing Israel free rein to pursue its colonial and expansionist objectives. This is quintessentially a delaying tactic to distract ordinary people from political issues by focusing their attention on questions of economic survival instead. This type of economic peace has a hallowed history, notably: Moshe Dayan’s “open bridges” policy after the 1967 war—an attempt to snuff out armed resistance in the Palestinian territories; the 1984–86 “quality of life” strategy pursued by U.S. Secretary of State George Schultz and Israeli defense minister Yitzhak Rabin that was met with the stone-throwing of the first intifada; or the 2009 coinage of the term “economic peace” by Israeli prime minister Benjamin Netanyahu who had no qualms about calling things by their name while refraining from spelling out the virulent nature of the particulars.

The more “benign” economic peace is the type agreed upon by both Israelis and Palestinians for a limited duration and for a specific purpose, and it derives from what is at its core a political process. The best example of this is the Protocol on Economic Relations, or Paris Protocol, signed by the Israeli government and the PLO in 1994. Israel undoubtedly remains the greatest beneficiary of such deals, as they prolong its occupation and strengthen its colonial enterprise. This was all too apparent at the end of the five-year interim period following the signature of the Oslo Accord in 1993: by undermining the full and balanced operation of the Protocol through arbitrary policy decisions affecting Palestinian trade and labor flows through/with Israel, the Israelis revealed their actual intentions, putting paid to the very notion of a benign economic peace and leading to

the outbreak of the second intifada. The 2012 Steinitz-Fayyad memoranda of understanding<sup>14</sup> to improve the flow of trade and taxes between Israel and the Palestinian Authority (PA) were a further example of an initiative along these lines, emphasizing superficial, technical “trade facilitation” solutions for what all acknowledge is a problem of much deeper structural dependency. On the face of it, the most recent proposal for a new international economic plan, with its defined duration and attendant political objectives, is but another iteration of this “benign” model.

Perhaps more importantly, however, every single version of “economic peace” has met with failure—either because of Israeli colonial ambitions inherent to the initiative, or because of Palestinian opposition, or simply a deficiency in design. In every instance, the operating principle was to subordinate Palestinian development to prevailing political priorities with a view to cementing Palestinian economic cooperation with Israel. Joint Israeli-Palestinian research groups and studies grounded in mostly spurious economic premises and projections invariably accompanied such initiatives. These claimed that Palestinian dependency on Israel’s more advanced economy, as well as the neo-liberal, free-market policies set forth in the Palestine Basic Law, would ultimately result in economic integration.

Kerry, himself, has questioned whether the latest initiative wasn’t a “fantasy,”<sup>15</sup> given the hypothetical benefits and fabulous results expected by the plan’s architects within three years:

- Real gross domestic product growth of 50 percent and a corresponding increase in per capita income;
- Fall in unemployment from 23 percent to 8 percent through the creation of 350,000 new jobs in the private sector;
- A 30 percent increase in average family income to an annual \$10,000;
- An increase in foreign direct investment from \$600 million to \$5–6 billion annually;
- Additional tax revenue of \$655 million per year; and
- A shift from grant-based international aid (currently at an annual rate of around \$1 billion, mainly covering the general budget deficit) to a mix of international, regional, and local investment (\$6 billion over three years); internationally “guaranteed” loans to the private sector (\$3 billion); and concessionary government loans to “improve the performance of the public sector” and assist it with implementing a structural adjustment policy, including an 18 percent reduction in public spending (\$1.5 billion).

With a strategy consisting of “three main pillars”—to “provide private sector-driven infrastructure,” “unlock the intrinsic potential of the economy,” and “accelerate flagship sectors”—the initiative encompasses some 50 projects spread across eight key economic and infrastructural sectors: water (\$1.3 billion), energy (\$2.5 billion), tourism (\$1 billion), information and communication technology (\$400 million), agriculture (\$550 million), light manufacturing (\$300 million), construction (\$3.7 billion), and building materials (\$250 million).

Without delving into greater detail here, it is clear that the volume of investment involved, as well as the sectoral spread, programmatic scope, and financing instruments set this initiative apart from the interventions and international aid packages of the past. Most of the projects are designed to boost Palestinian developmental and productive capacity (tourism, agriculture, manufacturing,



and construction)—something which should have begun to be addressed at the time of Oslo and not at this very late stage—or strengthen self-reliance and provide the infrastructure necessary for a prospective Palestinian state (energy, IT/communications, mining). Such measures clearly constitute progress over current economic policies, investment, and aid packages, which instead of meeting the needs of vital economic sectors have marginalized and ignored them in favor of responding to emergencies and humanitarian crises, not to mention funding the budget deficit of the PA's payroll and operational expenses.

Otherwise, the new initiative does not stray far from the economic liberalization that has been on the ascendant in Palestine since 2005—if not 1994—in that the proposed projects further erode the economic role of the public sector. They are heavily slanted toward privatization and “public-private ventures” wherever possible, privileging the spread of a free market culture of easy credit geared toward the consumption and materialism that have already taken hold in Palestine (and other parts of the Global South) over the last two decades.

The Quartet itself recognizes that for this initiative to see the light of day, and for Palestinians to have a chance of experiencing its rosy promise, the occupation regime's political handling of the Palestinian development agenda must undergo a fundamental change—and therein, of course, lies the rub. The current plan therefore includes what have been termed “enablers,” incentive measures that must be provided for the initiative's huge projects to meet with success. While some of these enabling factors are expected to require internal Palestinian reforms, most lie within Israel's control: either as part of its responsibilities under the economic agreements pursuant to Oslo, specifically the Paris Protocol, or by virtue of the fact that 60 percent of the occupied West Bank (Area C, outside the PA's control), East Jerusalem, and the coast, as well as most of the crossings into Gaza are under direct military occupation.

We can consider the substance of this initiative to be, at worst, a 2014 version of benign economic peace that will be appended to a political solution or maybe just stand in for one. At best, it could be the expression of serious intentions on the part of global capital, which views the Palestinian territories as just one more fertile market in which to expand and create new investment opportunities. In either case, Palestinian political and economic leaders need to approach the initiative with great caution. It is not enough for the PA's position to be reduced to “proceeding with Kerry's plan even if the negotiations stop,” as the Palestinian economy minister has stated in an interview with *al-Hadath*.<sup>16</sup> Before vaunting its potential benefits, the plan's many pitfalls need to be discussed, beginning with its free market fundamentalism on core issues of national economic security that are not suitably addressed by privatization. Equally problematic are the naive expectations that Israel will provide facilities that it has refused to grant for the last 20 years (even when the internal situation in Palestine was significantly better) and the truly fantastical economic projections attached to the plan.

In spite of all the possible pitfalls, and in the broader political context of international efforts to arrive at a historic Israeli-Palestinian deal in 2014, there would appear to be no harm in the PA using the Plan to call the bluff on Israel's seriousness about making concessions in strategic economic sectors and relinquishing spheres of activity that it continues to control (energy, agriculture, and water, for example). And if we were to ascribe only the best of intentions to Kerry, the whole issue may be viewed in the context of apparently honest U.S. efforts to put the

Israeli government to the test. For if it is not ready to deal with even a benign economic peace and to open the doors to global capital, how then would it respond to Kerry's soon to be unveiled political framework plan?<sup>17</sup>

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## Implications of the Kerry Framework: The Jordan Valley

SAMIA AL-BOTMEH

THE FRAMEWORK DOCUMENT, drawn up by U.S. Secretary of State John Kerry in the latest round of Israeli-Palestinian negotiations, reportedly calls for the deployment of international peacekeeping forces on the Jordanian side of the eastern Jordan Valley and a long-term—but “finite”—Israeli security presence inside the eventual Palestinian state. As Yuval Steinitz, the Israeli intelligence and strategic affairs minister has made clear, Israel is opposed to this proposal, insisting that it must retain control of security in the Jordan Valley even after any agreement establishing such a state. The Palestinians, for their part, oppose any Israeli security or settlement presence along the eastern borders of a sovereign Palestinian state but have accepted the idea of an international force.<sup>18</sup>

The Jordan Valley, which is the crux of this proposal, is the area west of the Jordan River that extends from the northernmost limit of the West Bank, where it reaches the Jordan River, to the Dead Sea in the south, covering an area of some 1,611,723 dunums<sup>19</sup> and accounting for 28.8 percent of the West Bank and 87 percent of Area C.<sup>20</sup> Situated along the eastern water aquifer, the Jordan Valley contains some of the most fertile agricultural land within the West Bank as well as vital natural resources and a number of important religious and historical sites.<sup>21</sup> Currently inhabited by 7,000 Israeli settlers and 60,000 Palestinians, 87 percent of the Jordan Valley, designated as state land, closed military zones, natural reserves, and/or the municipal land of settlements, is under Israeli control. Besides shrinking the area accessible to Palestinians to 6 percent of the entire territory, Israel also controls the Dead Sea and its rich mineral resources<sup>22</sup> as well as the region's water supply, including all of the reservoirs.

The Kerry framework proposal raises the following questions: Is sovereignty over land and natural resources a prerequisite for solid economic development, as United Nations General Assembly resolutions reiterate year after year? And is development in a purportedly sovereign Palestinian state attainable in light of Israel's continued colonial control? These questions are not new and have been posed repeatedly over the past forty-seven years of occupation. The Israeli government and large international donors contend that if the will for development is present, economic prosperity will follow, even under occupation. Others hold that development can only become a reality if the right agreements are reached with clearly defined roles and responsibilities for the parties involved.

To understand the Kerry framework proposal, particularly with regard to the Jordan Valley, a couple of points are in order. First, agreements granting the Palestinians varying degrees of

self-governance while maintaining Israeli control politically, economically, and in terms of security have been unable to deliver peace. Much has been written about Oslo's failure, but twenty years down the road, one can confidently assert that no agreement could possibly deliver true self-rule without decolonization, regardless of the state-of-the-art structural design involved or the political will to back it.

Second, the separation of the political from the economic that lies at the heart of initiatives such as Oslo is fully endorsed by the international community, represented by bodies like the World Bank and the International Monetary Fund, which claim to offer efficient, technocratic solutions to the problems of the region. Their approach has been that politics should be dealt with separately from economics, and those who insist that economic issues and their solutions cannot be so neatly separated from the fundamental political problem are branded as either outdated ideologists or lacking in technical savvy.

Third, and perhaps more importantly, the Oslo accords have had devastating outcomes both politically and economically for the Palestinian people. Despite the creation of the Palestinian Authority (PA), Israel has been able to bring the Palestinian economy to its knees whenever it has needed to exert political pressure, so great is its ability to control the occupied territories. In 2001, when Israel closed its labor market, restricted access to trade with the rest of the world, and placed restrictions on movement within the territories, the Palestinian economy experienced a virtual collapse.

Turning back to the Jordan Valley, Israeli security control effectively means Israel's continued political and economic domination of the territory, particularly since the only border crossings to the outside world are situated in the Jordan Valley. No matter how much the Kerry initiative promises, financial support can only mitigate the impact of Israel's colonization and it would, in the long run, further entrench Israeli control over the Palestinians. What is required instead, both for the Jordan Valley and the rest of the Palestinian territories, is a process of decolonization.

This process could start immediately by creating Palestinian developmental facts on the ground. For example, the restoration of contiguity among the scattered Palestinian communities outside the city of Jericho would allow them to resist collectively and make it difficult for the Israelis to act with total impunity when they persecute small communities. Such contiguity could be generated through better infrastructural services and participating in protests en masse rather than leaving each community to face the Israeli authorities on its own. Global campaigning for Palestinian water rights in this area would ensure that the neglected communities and farmers of this region become the focus of international efforts to redress asymmetries. The process should also involve fostering indigenous growth and development, which could be accomplished through a number of mechanisms. Enhancing production within the West Bank and Gaza Strip should be of the highest priority—and developing agriculture in the Jordan Valley would be central here as the valley constitutes the most fertile part of the West Bank.

Rather than focusing solely on large capital ventures, agricultural production could be enhanced to support small farmers and achieve a more egalitarian form of development. Current patterns of agricultural production in the Jordan Valley do not utilize economies of scale. At the same time, there has been a rise in the sale or lease of land to large capitalists, which has led to small farmers either working as laborers on land that they previously owned or resorting to work on

settlements. To that end, the PA needs to adopt a pro-production strategy in its development plans and ensure that the national budget translates this strategy into actual, and funded, policies. Civil society and farmers can work together to set up cooperatives where economies of scale can be utilized. The returns, distributed over a large group of farmers, would result in more egalitarian income distribution patterns and benefit small producers.

At the same time, some policy requirements are essential for production to succeed in becoming economically viable. First, there needs to be more efficient access to inputs of production, including the means of production, that is, land, capital, and technology. Second, production must be protected from unfair Israeli competition, for without protection, practices such as illegal Israeli dumping will continue and production will not be able to generate the surplus necessary for reinvestment and growth.<sup>23</sup> In other words, acts of defiance toward Israel's colonization have to go hand in hand with viable economic production and marketing practices as well as economic policies that strengthen self-reliance.

In this respect, the Palestinians' boycott of Israeli goods and services serves as a powerful tool to protect local production and break Israel's stranglehold on the Palestinian economy, particularly in relation to the Jordan Valley. According to the Palestinian Central Bureau of Statistics, the Palestinians import more than \$4 billion worth of goods and services from Israel per annum.<sup>24</sup> A reduction in such imports by even \$1 billion, which could then be diverted to enhancing local production, including agriculture, could generate around 90,000 jobs, amounting to 12% of employment in the West Bank and Gaza Strip in 2012.<sup>25</sup> Thus, the boycott, divestment, and sanctions campaign (BDS) led by Palestinian civil society has the potential not only to exert political and economic pressure on Israel through its international solidarity action, but also to enhance Palestinian economic self-reliance, protecting local production, generating employment, and reducing poverty through locally based measures.

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## It's Not Over Until It's Over

### MOUIN RABBANI

THE APPARENT COLLAPSE of U.S. Secretary of State John Kerry's efforts to forge an Israeli-Palestinian peace treaty has for a majority of analysts and observers confirmed that his was a fool's errand from the outset. Convinced that one more round of seemingly endless negotiations was yet another U.S. effort to prevent a political vacuum, few took him seriously when he commenced his mission. Today, many of the same commentators laud Kerry for his exertions but maintain that Israel and the Palestinians are simply too far apart to reach an agreement, and that no amount of U.S. mediation can bring them sufficiently close.

The problem with such interpretations is that they are dangerously wrong. To begin with, the talks have not collapsed. No sooner did Israel announce it would not be releasing the final batch of Palestinian prisoners, as agreed, if the Palestinians did not first agree to extend the negotiations

past their 29 April 2014 deadline, and Palestinian president Mahmud Abbas declare that the Palestine Liberation Organization (PLO) was withdrawing from the negotiations, than Israeli and Palestinian negotiators began meeting under the aegis of Martin Indyk on a daily basis.

Second, Kerry from the very outset had bigger ideas in mind than sticking his finger in the dike. With the full, if largely silent, support of the White House, his intention was to eventually produce a permanent-status agreement between Israel and the PLO, and thus bring the Oslo process to its logical conclusion.

Third, for Washington, the distance separating Israel and the Palestinians is hardly a deal-breaker. For decades, U.S. Middle East diplomacy has consisted of pummeling the Palestinians into submission, cajoling Israel to accept their capitulation with an array of sweeteners sufficient to induce diabetic shock, and then allowing whatever deal emerged to be implemented at Israeli discretion, provided Israel's leaders kept up appearances by pledging sufficient commitment to peace. The Kerry Plan will be no different.

Rather than coming up with an immediate permanent-status accord, Kerry devoted himself early on to producing a framework agreement that would guide further negotiations. Crucially, he did not put much store by an interim agreement; had the Americans been primarily interested in averting a vacuum (as so often claimed) rather than in producing a comprehensive treaty, they would have focused on gimmicks on the ground to prevent the natives from getting restless and allow their leaders to demonstrate that the process still had signs of life.

Kerry's hopes for an (Egyptian) Camp David moment were, however, dashed, not only by Israel's extremism but also by his own. On the question of borders, for example, he proposed that negotiations proceed from the principle of the 1967 borders and land swaps. By refusing either to delimit the maximum extent of such swaps or clarify the nature of reciprocity, he not only exposed all of East Jerusalem and every West Bank settlement to the claim of Israeli sovereignty but also rendered the border itself meaningless. On Jerusalem, he revisited the sleight of hand of the 1995 Beilin-Abbas proposal, which identified Abu Dis as the location of Jerusalem. In Kerry's reading, Abu Dis would be stripped of the prospect of eternal glory as an ersatz "Jerusalem" and remain Abu Dis, while Bayt Hanina would get the dubious distinction instead. With respect to refugees, he essentially proposed that Israel had already successfully resolved the question in 1948. From there, it was but a short leap backward to the demand for Palestinian recognition of Israel as a "Jewish state."

Unable to obtain Israeli or Palestinian consent for this vision of Israeli-Palestinian peace, the Americans toned down their plans. They opted instead for a public statement in which the United States would consider the above, rather than an agreed Israeli-Palestinian framework, to be Washington's proposals: Abbas and Israeli prime minister Benjamin Netanyahu could accept and/or express any number of reservations about these but not reject them. Netanyahu balked, because while he was reportedly prepared to accept foreign troops on the West Bank's border with Jordan, he insisted his army of occupation remain there too, controlling the crossing-points (and the entire Jordan Valley for good measure) of what would pass for an independent Palestinian state indefinitely. Such is the colonial mentality that prevails in Israel. By refusing to release the prisoners from his dungeons, Netanyahu thus manufactured a crisis and prayed with his heart and soul that Abbas would walk away and take the blame for an ignominious end to John Forbes Kerry's political career.

Virtually every Palestinian prayed along with Netanyahu for Abbas to ditch the U.S. first. Even Muhammad Dahlan, of whom the United States and Israel have been especially fond and whose relationship with Abbas has transformed from joint venture to mortal rivalry, lost no opportunity to agitate against the negotiations in the hope that their collapse would spell the end of Abbas and help inaugurate the Dahlan presidency.

The fact of the matter is that Israeli-Palestinian negotiations, broadly supported by Palestinian opinion during the 1990s and largely tolerated during the previous decade, have lost any of their residual acceptability during the Obama-Netanyahu-Abbas era. This is true not only for Hamas and the camps in Lebanon, but also for the Fatah Central Committee, the PLO Executive Committee (which rejected participation in the negotiations before Abbas had even embarked on them), and a growing proportion of Abbas's innermost circle. Thus, many of those who brought about the present desultory Palestinian state of affairs have, thanks to Kerry, seen the writing on the wall and are in growing numbers deciding they don't want or can't afford to be associated with it.

Abbas however continues, and by most accounts will continue, to negotiate. In part, this reflects the reality that it is his only strategy, and he neither has an alternative nor is he inclined to develop one. Additionally, the Palestinians today are so divided and fragmented that politicians and public opinion have scant institutional or informal mechanisms to influence decision-making. Mass demonstrations in Amman, Gaza City, or even Ramallah, or widespread resignations from ruling institutions, are at this stage unlikely to decisively shift the balance of power against Abbas, and he knows this. At the same time, particularly with Dahlan nipping at his heels, Abbas prefers not to have to test the proposition of his political invulnerability. That is why he announced he was ending negotiations before dispatching his negotiators *chez* Indyk and offered up a little bread and circus at the United Nations for good measure.

Even among Palestinians who took Kerry seriously from the outset, pessimistically believing he would succeed "unless we are saved by Israeli nationalism," as one commentator cynically put it, there is now growing hope that the combination of Abbas's isolation and the sheer vulgarity of Washington's proposals will make it impossible for the Palestinian leadership to sign on the dotted line. It is indeed theoretically possible that Kerry's final offer will so thoroughly violate not only Palestinian rights but also sensibilities, and elicit such massive and perhaps even organized opposition, that Abbas will conclude he cannot and may indeed not want to conclude such an agreement. But it is precisely Abbas's isolation domestically, regionally and internationally—and the fragmentation of the opposition—that helps account for Kerry's cavalier disregard of Palestinian rights and interests. Things can of course change, and change dramatically, in the years that are anticipated to elapse between the resumption and conclusion of what remain permanent-status negotiations. However, until and unless such change takes place, we write these off at our own peril.

The negotiations do not necessarily need to succeed to hammer another Israeli-U.S. nail into the Palestinian coffin. Once a framework for further negotiations has been accepted, as with Oslo, it will redefine Palestinian rights and move them yet further away from the purview of international law, where they rightfully belong, making the return to it ever more difficult.

Finally, Kerry should at least be thanked for driving the point home that Palestinians need to get both their house and priorities in order, and rapidly so. For as they continue to engage in largely

meaningless debates about whether they will exercise their inalienable right to self-determination within the framework of one or two states, Washington is redefining the meaning of a two-state settlement to empty it of substance, effectively removing any form of Palestinian self-determination from the international agenda.

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## ENDNOTES

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No one would question that Germany is a German state, Italy an Italian one, and many European countries, like Israel, fast-track for citizenship or otherwise grant privileged status to people born elsewhere with shared roots.

[This sentence was later removed from the piece that appears online and from the article that appeared in the print edition of the *New York Times* on 1 January 2014. The final version can be found at <http://www.nytimes.com/2014/01/02/world/middleeast/sticking-point-in-peace-talks-recognition-of-a-jewish-state.html>.]
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