



Negotiating the Final Status Agreement

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Annapolis + Road Map = Peace?

- Annapolis holds potential for:
 - Negotiations on final status issues.
 - Changed behaviors on the ground.
 - Catalyst for Palestinian reform → unity among Palestinians on moderate basis.
- Requires political commitment.
- Each party faces internal political challenges.

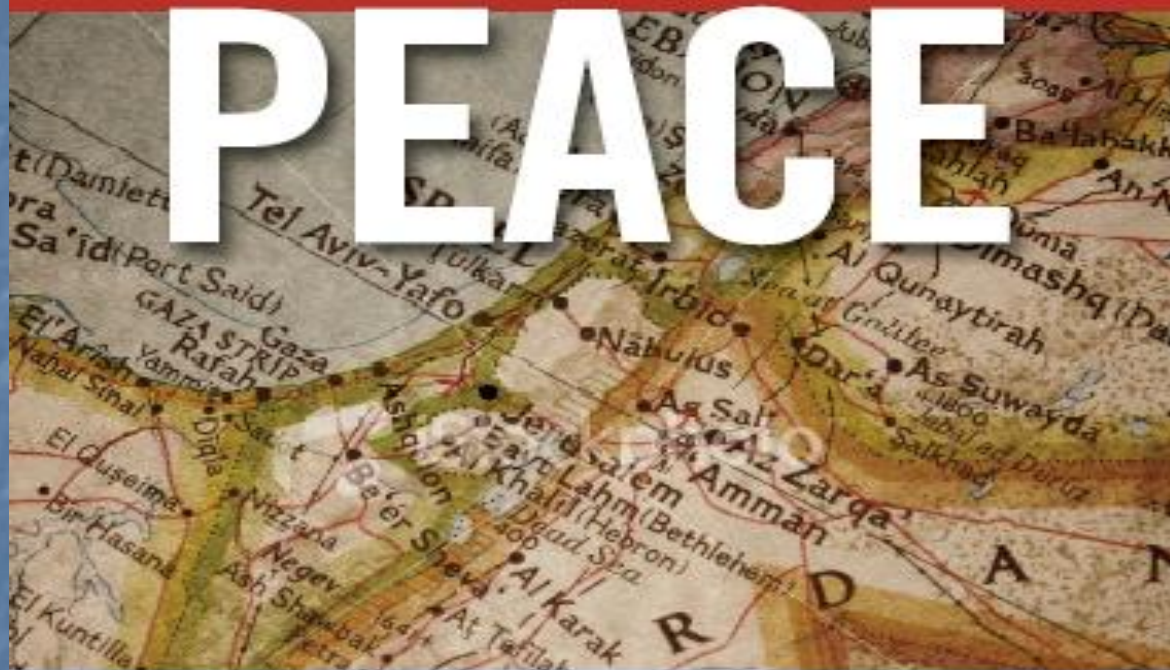
History as a Guidepost

- This process resumes against backdrop of years of violence and mistrust.
- USIP Study Group on U.S. negotiating behavior since Madrid = Flaws in policy and diplomatic practice.



NEGOTIATING ARAB-ISRAELI

PEACE



**American Leadership
in the Middle East**

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Examples of U.S. Lessons to be Learned

- Dealing with core asymmetries:
 - ▣ Israeli security requirements
 - ▣ Palestinian political requirements.
- Monitoring and accountability.
- Better use of U.S. diplomatic "toolbox."

Keys to Success = Core Issues + Change in Behaviors

- Territory and borders.
- Security.
- Jerusalem.
- Refugees.
- Bilateral relations, e.g., water, trade, etc.
- Road Map obligations.



Can the Parties Visualize a Solution?

- Clinton "Parameters", Taba talks, Geneva or Ayalon-Nusseibeh → Is there consensus on the contours of peace?
 - ❑ 1967 lines with swaps.
 - ❑ Two capitals in Jerusalem with special regime for Old City.
 - ❑ Refugees: Live in Palestine + compensation.
 - ❑ Layers of security arrangements.



Ayalon-Nusseibeh Statement of Principles

Two states for two peoples: Both sides will declare that Palestine is the only state of the Palestinian people and Israel is the only state of the Jewish people.

Borders: Permanent borders between the two states will be agreed upon on the basis of the June 4, 1967 lines, UN resolutions, and the Arab peace initiative (known as the Saudi initiative). Border modifications will be based on an equitable and agreed-upon territorial exchange (1:1) in accordance with the vital needs of both sides, including security, territorial contiguity, and demographic considerations. The Palestinian State will have a connection between its two geographic areas, the West Bank and the Gaza Strip. After establishment of the agreed borders, no settlers will remain in the Palestinian State.

Jerusalem: Jerusalem will be an open city, the capital of two states. Freedom of religion and full access to holy sites will be guaranteed to all. Arab neighborhoods in Jerusalem will come under Palestinian sovereignty, Jewish neighborhoods under Israeli sovereignty. Neither side will exercise sovereignty over the holy places. The State of Palestine will be designated Guardian of al-Haram al-Sharif for the benefit of Muslims. Israel will be the Guardian of the Western Wall for the benefit of the Jewish people. The status quo on Christian holy sites will be maintained. No excavation will take place in or underneath the holy sites without mutual consent.

Right of return: Recognizing the suffering and the plight of the Palestinian refugees, the international community, Israel, and the Palestinian State will initiate and contribute to an international fund to compensate them. Palestinian refugees will return only to the State of Palestine; Jews will return only to the State of Israel. The international community will offer to compensate toward bettering the lot of those refugees willing to remain in their present country of residence, or who wish to immigrate to third-party countries. The Palestinian State will be demilitarized and the international community will guarantee its security and independence.

End of conflict: Upon the full implementation of these principles, all claims on both sides and the Israeli-Palestinian conflict will end.

Challenges to Reaching Agreement

- Difficult to compromise on substance.
- Internal politics:
 - ❑ Israeli coalition politics.
 - ❑ Gaza and Hamas.
- Rogue activities:
 - ❑ Qassams, terrorism, violence.
 - ❑ Outposts, civil disobedience.
- PA and/or GOI failure to achieve core Road Map requirements.



Example: Palestinian Security Responsibilities

- Tenet and Zinni: Plans to implement Road Map.
- Generals Dayton, Jones and Fraser: Equip/train; long-term planning and monitoring performance.
- Palestinians must achieve measurable performance → No more excuses for Palestinian failure.



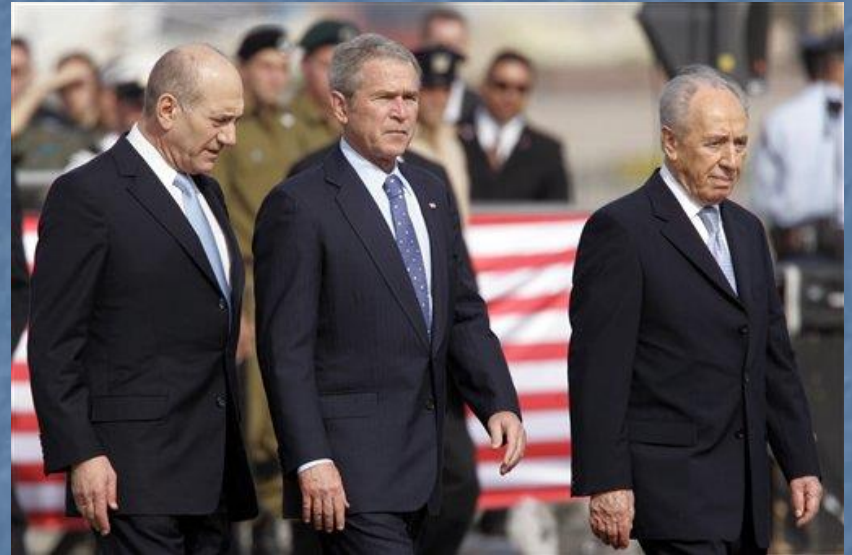
Example: Settlements/Outposts

- International:
 - ❑ Legal consensus re settlements violate Geneva Convention.
- National:
 - ❑ Talia Sasson report: Israeli government does not enforce its own laws.
- Negotiating environment:
 - ❑ To Palestinians, settlements represent single most important indicator of Israeli intentions.



Role of U.S. and International Community

- Diplomatic support:
 - ❑ U.S.-Israeli relations.
 - ❑ Arab peace initiative.
- Monitoring and accountability.
- Diplomatic and bilateral assistance:
 - ❑ Creative ideas, bridging proposals.
 - ❑ Economic and governance aid to PA.
- Post-agreement role, as agreed.



Recipe for Success?

- Determine whether consensus exists on contours of an agreement.
- Work persistently to flesh out core issues and tradeoffs.
- Change behaviors, in fulfillment of Road Map commitments.
- Face down internal political challenges.
- Expect active, broad and sustained role by the United States.

Annapolis: Home Run or Road Map to Nowhere?

